

Adjournment Debate

• (1810)

It is the minister's intention to honour the long-standing agreements authorizing Ontario to exercise management responsibilities in this area. Consequently should Ontario submit a final version of the proposed regulation the federal government will process it in the usual manner.

REVENUE CANADA

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, on March 18 I raised a question with the Minister of National Revenue regarding his reported decision to not even attempt to collect over half a million dollars in GST payments that were refunded by mistake to the yes side of the referendum committee in last October's referendum.

The minister's excuse that the yes committee comprising party officials from the Liberals, the Conservatives and NDP has officially disbanded therefore the government cannot collect is outrageous.

There is great confusion over the minister's statement. On the one hand the minister has ruled that the GST refund is owed to Revenue Canada by the yes side of the referendum committee. Then the minister says it was an ineligible refund and therefore cannot be applied against the expenditures in the committee's referendum finance return.

On the other hand he has said that he cannot collect the money because the yes committee is disbanded. I say the committee has not disbanded because Elections Canada is waiting for the minister's ruling but he is sending mixed messages to Elections Canada.

Perhaps the minister is not aware that the referendum finance return of the yes side referendum committee is being held in limbo by Elections Canada waiting for the claim dispute to be resolved. Therefore it does not see the yes committee as being disbanded.

I would like to point out that if the Elections Canada ruling is in favour of the yes referendum committee and it is allowed to apply the GST credits to its expenditures it could be sufficient to reduce its expenditures to fall within limits as defined by the Referendum Act.

If, however, the Elections Canada ruling is not in favour of the yes committee there is a possibility it has broken the law in the Referendum Act because it has exceeded the expenditures limit and would be subject to penalties.

Canadians see the potential for improprieties by the minister and his department. I might add that this decision also raises many unanswered questions such as how it was given a GST registration number in the first place. Some of us believe it does not qualify for that. What implication does this have for candidates in party elections financing in the upcoming election? This incredible policy, favouritism for the yes referendum committee, is not only immoral but is of an extremely important precedent setting level.

Maybe the parliamentary secretary could explain to the House why Revenue Canada officials are prepared to go so far in pursuing ordinary Canadians when in the case of the yes committee they are not even going to try to collect.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I rise in order to respond to the question asked by the hon. member for Calgary Northeast with regard to the Department of National Revenue's policy concerning uncollectable GST and more specifically with respect to its application to the yes referendum committee.

It has always been the department's policy to administer the Excise Tax Act in a fair, impartial, predictable and consistent way, using the rules, sanctions and processes securely founded in law. The majority of Canadians meet their tax obligations with good grace.

Sometimes, however, there are situations when the government is not always able to collect the amount of tax due. In the case in point the Canadian Referendum Committee, which ceased to exist as of February 26, 1993 under the terms of the Referendum Act, has no remaining assets and is unable to conduct any further activities.

It is unfortunate that the inaccuracy of the information provided to the department and the department's misconceptions regarding funding and viability of the committee has led to this amount being uncollectable.