

is complied with; and second, everybody should pay their fair share of taxes.

I would like the public to understand why quotas are bad. Why does even the Minister say that he does not like this particular practice? Quotas are bad because when someone comes in to audit my business or me personally, I want to be sure he has an attitude of objectivity, impartiality and fairness. I do not want there to be pressure on an auditor from his supervisors or wherever to bill a certain amount of money per hour.

In Toronto we discovered that there was a \$700 per hour quota for small businesses and we have the documentation for that. The Minister does not deny it. Just think of it, Mr. Speaker, \$700 per hour! An audit may take three or four days or even much longer. If a person is squeaky clean, to use the street term, and has abided by the law but is the subject of an audit which takes three days, then the auditor should not bill anything because nothing extra is owing. In those circumstances we found that the auditor has to bill \$5,600 per day. If he is in there for three days that comes to more than \$15,000. That is the problem with quotas. We can see whether an auditor is good or bad without giving him a quota. What is more, the people who work for Revenue Canada at the local level do not want quotas either. They do not want to be measured by that departmental yardstick.

I have looked at the forms that the auditors have to fill out and I will provide copies of them to members of the Government. Every week they give the name of the taxpayer being audited. The worksheet shows the number of hours worked on that particular file and then, when the audit is finished, the tax change is shown. A yearly performance evaluation record is kept which shows how much the auditor is worth per hour. That is the reality of the practice on the street which has existed for several years. In the last two years the pressure on the auditors to bill their quota has been extraordinarily intense. The quota for a small businessperson in Toronto is \$700 and for big business, such as insurance companies in Kitchener, \$3 million.

A point that bears repetition, Mr. Speaker, is that we are speaking of extra income here. We all assess ourselves and declare what we owe but the auditors have to bill this extra amount in order to measure up to the departmental yardstick.

I should like to deal with collection now. Statistics are king, Mr. Speaker. There are quotas with respect to performance in regard to collections. I know a professional individual who lives in Cambridge. He was reassessed and wanted to appeal the case, which involved \$20,000. He also owed \$16,000 from the previous year and had an outstanding bank loan which he was paying off. Revenue Canada wanted its money so he went to the bank, which agreed to reduce the payments on his loan. That meant he could increase the amount paid to Revenue Canada. He proposed to pay \$1,000 per month to Revenue Canada in order to discharge his obligation of \$36,000. He wrote to the Department and found that his offer was unacceptable. Third party notices went out to all his clients and, as in the case referred to by my colleague, the Hon. Member for

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Wellington-Dufferin-Simcoe (Mr. Beatty), in a small community like Cambridge his reputation was destroyed and he was forced to declare bankruptcy.

Of course, everybody should pay their fair share of taxes. But Mr. Speaker, that \$1,000 per month that would have gone into the public coffers went down the drain because of his bankruptcy. The public did not benefit; it suffered, because the person involved now has no obligation in law to discharge the debt he originally incurred and which he wanted to pay. He did not want to go bankrupt.

I cannot stress enough how important it is to maintain one's reputation in a small community. It may take a lifetime to build up that reputation but in one day it can be ripped down. As my colleague pointed out, the SIN number is required, and a third party notice is served at the bank, right or wrong, and many times it is wrong. I for one understand that in some circumstances a garnishee is necessary, but there are many circumstances where harsh and oppressive methods take the place of reason. Professional people remember a time when taxes were paid over a period, whatever was reasonable, and negotiations took place; but all that has stopped.

I should like to talk now about ministerial responsibility, Mr. Speaker. I hope some Hon. Members opposite will agree with me and will say so publicly. The Minister started out by saying that quotas do not exist. Then on December 19, he said that quotas do not exist except in one area, Kitchener, and that it was an isolated circumstance. Then he changed his story as the evidence continued to pour in and said that they do in fact exist. Obviously they exist in Toronto. He said that outside the House; he did not confess it inside the House.

My colleague the Hon. Member for Wellington-Dufferin-Simcoe and I have tried to ask the Minister how extensive this practice is within the country. My colleague from Calgary asked the same question. It is important for Members to understand the malignancy that exists with respect to attitude. The Director General of Taxation said that it does exist but refused to comment on it. The head of the Toronto taxation district office said it exists with respect to small businesses but refused to give other details. If Question Period is to mean anything, surely it must mean that the Minister has a duty to respond to legitimate questions about how much a situation is practised. This morning, in good faith, I posed a question to the Minister about the practice. Aside from what he states the policy might be, what is the practice? He refused to answer. I cannot think of a more contemptuous way of treating his colleagues in the House than by this stonewalling.

I should like to talk about artists and farmers now, Mr. Speaker, and state why I believe they are being harshly treated. Section 18 of the Income Tax Act deals with allowable deductions. Business is not defined in the Income Tax Act. There is a broad definition of what encompasses a business. Section 18 states that any outlay or expense which is incurred for the purpose of producing income is an allowable expense.

As a result of case law the Department of National Revenue imposes this criteria on the farmer or artists: Was there a