

Income Tax Act Amendment

"to facilitate the carrying out of the administrative responsibilities of the Department of National Revenue." Would the minister delineate these responsibilities?

● (8:40 p.m.)

I sympathize fully with the questions asked by the hon. member for Medicine Hat. They have not been completely answered. I also sympathize with the questions asked by the hon. member for Calgary South. The Department of National Revenue has always prided itself on the confidence with which it treats information given on income tax returns. The average citizen who fills out such a return is honest, but if he feels that due to the Minister of Finance and this bill the information he gives on his return will go here, there, and the other place, his loss of confidence will not be in the best interests of the minister, of the Department of National Revenue or of the country as a whole. It will certainly not be in the individual's own interests.

The minister has indicated that a number is not necessary to tie the Canada Pension Plan in with the Department of National Revenue. He has said that these are separate departments, but that only makes some of us wonder what are the functions of the Department of National Revenue which make it necessary for everybody in this dominion who fills out an income tax return to obtain a number and be known as a number.

Mr. Sharp: Mr. Chairman, I do not want to bore the committee by reading what I said on Tuesday as recorded at page 13597 of *Hansard* when I gave a fairly elaborate description of the reasons for this amendment. The hon. member will find that in *Hansard*, but may I say to him that the Department of National Revenue has two alternatives, either to assign a number to every taxpayer so that we can keep our income tax forms more efficiently and use computing devices, and to have a separate number for the Canada Pension Plan and other purposes, or to have only one number.

I would like to assure the hon. member that we are all going to have numbers. This is the essence of the modern world and the essence of the use of computers, other than those referred to by the hon. member for Cape Breton South, who spoke about some new developments that may come in due course. As a result of these developments he suggests we will not need to have numbers because machines will be able to read our names and

[Mr. Kindt.]

identify us by our handwriting or by other methods. I can understand the hon. member's objection to numbers, but they are almost universal.

I gather that pretty soon we will all carry a number around with us. When we go in to shop we will order our groceries and put our numbers down, and the stores will debit our bank accounts. As a matter of fact, the hon. member for Winnipeg North Centre gave us a dozen examples of the way we are numbered today, and we are going to continue to be numbered in this way. It may not be a very desirable social phenomenon but it goes along with the use of machines.

I find it difficult to give any further explanation to the hon. member who has just spoken, other than the explanation I gave as recorded at pages 13597 and 13598 of *Hansard*. Perhaps I could remind him of that by reading one paragraph, or perhaps two, from what I said at that time.

Mr. Kindt: I wish you would.

Mr. Sharp:

Shortly after the Department of National Revenue developed its numbers system—

Not its numbers game.

—its numbers system the requirements of the Unemployment Insurance Commission and the advent of the Canada Pension Plan dictated the need for the design and implementation of a new and universal system of permanent unique numbers suitable for massive record keeping operations by electronic computers. The social insurance numbers system was the result. It now embraces over nine million members of the population.

To carry out its responsibilities for collecting Canada Pension Plan contributions and to ensure that contributors' records are accurately maintained, the Department of National Revenue must use these social security numbers and require that all contributors use them on the reporting forms required to administer the plan. Thus the department is now using one system of numbers for the identification of taxpayers and another for Canada Pension Plan contributors, most of whom are the same.

Indeed, Mr. Chairman, if one looks at last year's income tax returns, or perhaps the income tax returns that are being used now, it will be seen that the use of SIN numbers had been voluntary. You could include them or not, and most taxpayers did. There was no problem about it. They did not feel they were jeopardizing their civil rights or anything like that by filling in the social insurance number on the income tax return. They had no desire to conceal anything, and a very high proportion of taxpayers agreed that it made for administrative convenience if instead of the