

S.O. 21

A civil servant said to me: "We have closed our books, we don't want to talk about it any more". Whether he wants to talk about it or not, I am going to talk about it, because my constituent is out \$1,000. It is up to Revenue Canada to find out whether the money was returned to the bank. If so, it is up to the bank to produce the \$1,000. This money did not grow on trees. This farmer, his wife and his family had to work hard for it. We want this \$1,000 accounted for.

I wish I had time to go into more detail. However, there are a couple of other cases I want to deal with. One was brought to my attention the other day. In 1977, a tax accounting firm opened up. It completed income tax returns for those in the community. As most farmers do not like to complete their own income tax forms and the fee was fair, they had this firm complete them. They thought it was being done by an accountant, so they signed the form, made out a cheque and sent it all to Revenue Canada.

In 1983 one of these farmers—I understand that others now face a similar situation—received a notice from Revenue Canada saying that the income tax forms were not completed properly and they wanted more money, \$12,800. That is the first the farmer had heard about it since 1977. The farmer offered to re-do the 1977 return if the firm had made an error, but Revenue Canada would not accept that. They will not accept a new form. They said he was not allowed to file a new one.

**The Acting Speaker (Mr. Corbin):** Order. I regret to interrupt the Hon. Member but his speaking time has expired.

**Hon. Jake Epp (Provencher):** Mr. Speaker, I want to put a few comments on the record respecting the income tax legislation, specifically as it relates to the case of a farmer in my riding. I am sure that other Members who represent rural ridings have been noting the number of people coming into their offices and complaining about the tax system and the manner in which the tax Department is treating individual taxpayers. I am not talking about the perennial argument of: "Why are my taxes what they are?"

There is a deep sense among a number of these people that they are being mistreated by Revenue Canada and that the tax regulations are being interpreted in favour of the tax Department rather than the taxpayer. In fact, there is a growing sense among many of them that while in Canada under the rule of law one is innocent until proven guilty through the due process of law, in tax matters the opposite is the case that you are guilty and remain so unless you can prove your innocence.

That is not an idle comment I make. Experience has dictated to many of my constituents that that is the manner in which many in Revenue Canada—it would be unfair to say everyone—treat their files. Let me give a specific example. The Income Tax Act is complicated. I do not think anyone in this House pretends to know every implication that will flow from this Act. My example involves a farmer and his wife. He was working with CP Rail in Winnipeg. They live on a small farm in my riding. His earnings with CP Rail were invested in the

farm. The wife and children worked on the farm. The perennial argument developed that the expenses he incurred on the farm and the investments he made in it could not be used as a tax deduction against the income he earned with CP Rail. He argued with Revenue Canada about which expenses were legitimate and which ones were not. CP Rail eventually laid him off. He was getting unemployment insurance. Meanwhile he continued to work on the farm. He had the hope that he would be recalled by CP Rail, but his job was eventually terminated so there was no hope of recall.

Even though this man only works on the farm, he is not regarded as a farmer by Revenue Canada. I argued this with Revenue Canada. He is not working for CP Rail. He is unemployed; his job has been terminated; there is no opening; the job has been declared obsolete. He is living on the farm. How is he classified? Revenue Canada argue that he cannot be a farmer because his farm is not viable. I asked when it has ever been Revenue Canada's responsibility to decide whether an economic pursuit of a Canadian is viable or not.

I intend to continue when the Bill is again before the House.

[*Translation*]

**The Acting Speaker (Mr. Corbin):** Order.

It being one o'clock, I do now leave the chair until 2 p.m.

At 1 p.m. the House took recess.

#### AFTER RECESS

The House resumed at 2 p.m.

### STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

#### THE CANADIAN FLAG

##### HISTORIC DATES

**Mr. Alexandre Cyr (Gaspé):** Madam Speaker, I would like to remind Hon. Members and all Canadians that today is the eighteenth anniversary of our national flag. On December 15, 1964, at about 1 a.m., the Members of this House approved the report of the Special Committee on the Canadian Flag. Twenty-one Members who took part in that historic vote are still sitting in the House today. The Senate of Canada, by a Resolution dated December 17, 1964, recommended that the new Canadian flag be adopted. The Proclamation was signed on January 28, 1965, by Her Majesty the Queen of Canada, Elizabeth II, and countersigned by the Right Hon. Prime Minister Lester B. Pearson and the Attorney General of Canada, the Hon. Guy Favreau.

Ten years ago today, the Hon. Lucien Lamoureux, Speaker of the House, proceeded to unfurl the Canadian flag in the House of Commons for the first time.

Madam Speaker, hon. colleagues, you will agree with me that those two historic events deserve to be given particular emphasis in the House today.