

*Supply*

Gordon consultants' study will be some 15 times the size of the budget of the Progressive Conservative Task Force on Revenue Canada. That private consultants' study will cost Canadian taxpayers \$1.5 million.

**Some Hon. Members:** Shame!

**Mr. Beatty:** Yet we still do not see action being taken. The Woods Gordon study is being used as an excuse not to take action rather than being used, as the PC task force report can be used, as a blueprint for action to be taken now to redress the situation.

On May 2 the Hon. Member for Cariboo-Chilcotin (Mr. Greenaway) and I met with the Minister of National Revenue in his office. When we left that meeting, we indicated to the press what our honest impressions were. We were pleased with the reception with which our report was met by the Minister. He indicated a genuine concern about the activities of his Department and a genuine interest in making reforms. We were pleased with that. I indicated as well that I had repeated to him an offer which had been made by my Leader publicly, namely, that if the Minister or the Government were prepared to act on the recommendations of the task force, we would pledge in advance our full co-operation in implementing these reforms as quickly as possible, that there would be no delay coming from this side of the House. I stressed at that time the importance that we act, not leave it until after the next election. Time is running out.

At the same time I indicated to the Minister that positive words were not enough, that if the Minister and the Government were not prepared to act, we would take our case to the Canadian people. Indeed, that is precisely what we intend to do. There has not been action taken since that time. What have we seen? We have seen, finally, the report of their Task Force on Public Relations but no action. I might add that the findings of the Task Force on Public Relations tended to substantiate the case which has been made by our Party throughout and the recommendations of our task force. However, public relations improvements are not good enough. We need amendments to the Act. What we need is changes in procedure which will ensure that the rights of Canadian taxpayers are no longer abused.

Some of the key recommendations which we made were for a Taxpayers' Bill of Rights. There need be no delay on that. There is no reason for delay on a Bill of Rights, a plain language statement from the Minister himself outlining the rights of taxpayers in Canada and the sort of treatment they have the right to expect at the hands of departmental employees. The statement could be distributed to every taxpayer in Canada and to every departmental employee. When taxpayers feel that their rights are being abridged, such as their right to privacy, to fair treatment, to be presumed innocent until proven guilty and to full information when requested, these are basic rights which all Canadians should have. There is no reason a Taxpayer's Bill of Rights could not have been sent out before now. Yet no action has been taken. The purpose of the Taxpayers' Bill of Rights is to have in the

hands of taxpayers a statement from the Minister so that when they feel their rights are being taken away by an official, they will be able to say: "The Minister is on my side and he says that you cannot do this to me; I have rights too".

**Some Hon. Members:** Hear, hear!

**Mr. Beatty:** Also we pointed out the serious problems under Section 231 of the Income Tax Act which gives sweeping, draconian powers of search and seizure to the Department. Again we find that the recommendations of the Joint Committee on Taxation of the Canadian Bar Association and the Canadian Institute of Chartered Accountants argue for a redrafting of Section 231. For example, the Committee pointed out that, in its opinion, there were even some doubts as to the constitutionality of some of the provisions in Section 231 and recommended that those provisions be narrowed. Surely, when the constitutionality of those provisions is in doubt, and when a group as distinguished as this one says that it is essential to protect the rights of Canadians and that amendments be put before the House quickly, that should be done.

There is no excuse for not acting. There is no excuse for deferring action to protect the rights of Canadian taxpayers. There is no excuse for not presenting to Parliament now, before an election, legislation which would protect those rights and would limit the powers of the Department to those powers which are essential for enforcement but are consistent with basic civil liberties in the country.

There is something grievously wrong in our system of tax administration when a person accused of a serious crime, such as robbing a bank or committing assault, has greater legal protection than a Canadian taxpayer who is under audit. There is something seriously out of alignment. Also there is something seriously wrong when we have a presumption of innocence until proven guilty in the case of people accused of criminal offences. Yet we say to taxpayers that if they are reassessed by the Department of National Revenue, they are immediately liable for payment of any money for which they are reassessed before they have had the chance of a fair hearing. Surely it is reasonable for all Hon. Members of the House to accept the position taken by Hon. Members on this side and by the joint committee as well—a position which, incidentally, is written into the law in the United States—that taxpayers are entitled to a fair hearing before they can be forced to pay money.

The Minister will likely point to the provisions of the February 15 Budget and say that it is adequate that now all the Department will do, instead of forcing collection, will be to tie up an individual's capital by requiring bank guarantees for the duration, literally possibly tying up thousands of dollars for years while the matter is adjudicated and preventing, for example, a small business person from having access to that working capital. We say that is wrong. We say the onus should be on the Department to prove its case before it can collect a disputed amount of money. There is no excuse for not acting on that.