

and a determination of the question is made by the Department of National Revenue. If that decision is appealed, it is appealed to the Minister of National Revenue (Mr. MacKay). The Minister of National Revenue, 99.9 per cent of the time, agrees with the Departmental ruling and then the only recourse people have is to the Federal Tax Court of Canada.

When looking at extreme cases of hardship created by laws that we have on our books, one need not look any further than the cases that go before the Federal Tax Court of Canada relating to the determination of a question of eligibility. Let me give a few examples of this so that the record will show exactly what I mean.

When the Unemployment Insurance Commission is given orders to cut down on the numbers of people drawing unemployment insurance, all unemployment insurance applications are automatically reviewed. Take for instance the case of a student who is attending school in the day time and had worked during the evenings prior to going to school. Say that student felt as though he had a case in favour of drawing unemployment insurance because he was looking for work in the evenings. Say that that application was turned down by the Commission on a determination of eligibility made by the Department of National Revenue. That student would then carry that application through to the Minister of National Revenue and then to the Federal Tax Court of Canada.

Sometimes it is very difficult to try to figure out what is wrong with our system. People who collected unemployment insurance for working certain hours doing certain jobs are not allowed to collect benefits if they are not available between nine and noon. That kind of a case would go to the Federal Tax Court of Canada.

As another example, say there was an employer who was in the wholesale business and had an employer's number with the Department of National Revenue. Say he hires someone to do some building. Under the present system within the Government of Canada, there are 700 employees in the unemployment insurance trying to knock people off the unemployment insurance rolls. Therefore, a case like the one to which I just referred would be sent to the Department of National Revenue to determine whether or not that person is eligible. We will see more and more of those kinds of cases. What happens when a case goes to the Department of National Revenue? A person who received unemployment insurance benefits from doing building for an employer whose business is not normally building things will be judged to owe the Government of Canada all the money he received from the fund.

There are a great many cases like the one to which I just referred before the Federal Tax Court of Canada today. People are getting stuck having to pay back \$10,000, \$15,000 or \$20,000. Whether it is right or wrong—and it is wrong—it is the law. That is the way the judge will interpret the law when cases come before the Federal Tax Court of Canada.

Cases will now be referred to the Federal Tax Court of Canada because of the policy of the Government to cut back. People will be judged ineligible because they are not available for work. What does that mean? If a person was receiving

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unemployment insurance benefits and helped someone build a barn or a house, he is judged by the law not to be eligible for unemployment insurance and this case would go to the Minister of National Revenue who would make a judgement which, if appealed, would go to the Federal Tax Court of Canada. Because of the policies of this heartless Government many cases that never before would have been referred to the Federal Tax Court of Canada will now be referred there.

A great many cases that will be referred to the Federal Tax Court of Canada will involve women. Women who work in non-traditional occupations are usually ruled ineligible by the Department of National Revenue when it comes to collecting unemployment insurance. There will also be an over-abundance of cases before the Federal Tax Court relating to women and men in the fishery industry because of mistakes that are made by employers. These are mistakes with which employees have absolutely nothing to do.

Instead of amending this Bill to deal with *in camera* proceedings at the Tax Court of Canada, it would be more worth while if the Government were to do one of two things. First, it should take that responsibility away from the Federal Tax Court of Canada because it does not belong there. The Minister of National Revenue should have nothing to do with the determination of questions of eligibility for unemployment insurance. This is the first action the Government should take. The second action would be that all such cases be simply referred to an umpire, as is the case with most questions concerning unemployment insurance. The same situation would occur, that is, a Federal Court judge would be the umpire. In both cases, they are Federal Court judges and must be addressed as "My Lord". The point is that they are two completely different courtroom situations. When something is referred to the Tax Court of Canada not only is the judge referred to as "My Lord" but a statement of fact must be prepared by the Attorney General's office. This is a statement of fact which is used in the determination of the question for the Minister of National Revenue. Therefore, what is being done when one appears before the federal tax court is proving, by additional evidence, that the determination was incorrect.

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A great many of the cases which I have outlined cannot be disproven on the basis of additional information. Nor can they be disproven on the basis of additional witnesses. A great many people who are faced with this situation cannot afford to hire a lawyer. Some 90 per cent of them do not know the courtroom situation. However, if the Federal Court judge is looked at as an appeal judge, say, an umpire for the determination of Unemployment Insurance Act issues, then the normal courtroom situation does not prevail. It is not necessary to prove on the basis of new evidence that the determination made by the Attorney General's office was wrong. The case can be argued before the Federal Court judge and a fair hearing could be held.

Basically, what I have stated is what we wish to put on the record. We wish to put it on the record because of the changes