

recall that evidence was received that National Revenue had sent in a tax investigator on the pretext of doing a routine audit, when in fact the investigator appropriated evidence to support conflict of interest allegations. The justice in this case who rendered the final decision was none other than Bora Laskin of the Supreme Court of Canada. In dealing pretty harshly with the then minister of justice, I might add, he had this to say:

I resist the temptation to expatiate on the way in which records were obtained from Buchanan and on the attempted use of the appellants' documents against Buchanan, although obtained on a confidential basis for the purposes of the Combines Investigation Act... or of the Income Tax Act. I say only that unjustified tactics were employed.

I repeat the words "unjustified tactics". So we have the Chief Justice of the Supreme Court of Canada saying in his judgment these things, which were extremely relevant and very harsh at the time, and which have been shown with the passing years to be very much apropos.

I am not one of those who are paranoid, and I recognize that in some areas we have to have extraordinary powers given to the police. But I resist strongly the suggestion that the police ought to be able surreptitiously, without a clear definition being given of the purposes for which they do it, to get access to the income tax files of millions of ordinary Canadians who have operated through the years in the sure and certain belief that if there is anything that was as inviolate as the mails—before we found out how opposite to inviolate are the mails—it was the income tax returns, which they sent in.

I think it is incumbent at this time, in view of the information which has been provided to the Solicitor General (Mr. Fox), and which is coming from the Laycraft commission of inquiry, that the Minister of National Revenue at the earliest possible opportunity demonstrate his mastery of his portfolio, that he demonstrate that he understands the trust that he has, that he demonstrate that he knows what is going on, and that he stand up on motions and assure us as parliamentarians and as Canadians that, if there are encroachments upon this principle of confidentiality, they are very narrow. He should assure us what their scope really is, what are the circumstances under which the police do these things, and, most of all, that he knows about it and approves of it.

So far as National Revenue is concerned, I am afraid that, unless this is done, the people of Canada will be justified in drawing the conclusion they have drawn so far as solicitors general in recent years are concerned, that what has been going on certainly has not been within the knowledge of the minister concerned or, that if it was within the knowledge of the minister, that it was not with his approval.

This is a very serious matter, Mr. Speaker. The income tax reforms which we are talking about mean nothing if it turns out that the very basis upon which these returns are sent in is unclear and suspicions are left in the minds of Canadians that their returns are subject to arbitrary use by the police authorities, those returns having absolutely no reason to be included within any definition remotely resembling organized crime.

Adjournment Debate

Mr. Yves Demers (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, before dealing with any remarks on alleged infractions of the privacy or secrecy provisions of the Income Tax Act, for the benefit of the hon. member I would like to make clear just what these provisions are. They are set out in great detail in section 241 of the Income Tax Act, and they are quite exacting.

Except as authorized by the act, "no official or authorized person" may give out information collected for the purposes of the act or permit others to have access to records obtained for those purposes. However, the law does say that these officials and authorized persons may communicate the information to other officials and authorized persons for purposes of the administration and enforcement of the tax law.

• (1807)

The act also makes it very clear that official and authorized persons need not in all cases be employees of the Department of National Revenue. To quote the act in part, an "official" is defined as:

Any person employed in or occupying a position of responsibility in the service of Her Majesty.

An "authorized person" means:

Any person engaged or employed to assist in carrying out the purposes of this act.

With one of the main points of the hon. member's question in mind, the Department of National Revenue is therefore clearly allowed to give tax information to the RCMP when we have asked them to assist us in a tax matter, since RCMP officers are very obviously "officials", as defined by the Income Tax Act. I might emphasize, however, that by the same token RCMP officers, as "officials" when they are in receipt of tax information, are bound by the same secrecy provisions of the act as are the employees of the department itself.

There are other items dealt with in the privacy provisions of the act in question concerning restrictions on the supplied information required in connection with legal proceedings, when it may and when it may not be supplied. I emphasize again, for the benefit of the hon. member, that these are not new provisions. They go back, with minor adjustments, for many years.

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. parliamentary secretary but his allotted time has expired.

HEALTH—INSULIN—REQUEST FOR REPORT ON POSSIBLE PRODUCTION CUTS AND PRICE INCREASES

Hon. Stanley Haidasz (Parkdale): Mr. Speaker, I welcome this opportunity to pursue my recent question to the Minister of National Health and Welfare (Miss Bégin) requesting an investigation of disturbing news of possible insulin shortages in Canada in the near future. Also the cost of insulin to diabetics has increased significantly, especially in the Toronto pharmacies.