

Oral Questions

the world have fallen also since last April. The answer to his question is that the Minister of Finance will be speaking in this House tonight. If the hon. member can bring himself to be here, he will have the government's views on the economy and on what we propose to do at this time. There will be six more days left in the throne speech debate which will permit the opposition to indicate its views on the economy. I think this is ideal. We are telescoping the budget debate into the Throne Speech debate in order to save the House time.

Mr. Hees: A supplementary question, Mr. Speaker. Was the Prime Minister not listening when the Leader of the Opposition yesterday outlined some of the things he suggested would get the economy moving? I can assure the Prime Minister that I will be expressing my views tomorrow as to what should be done, if he would like to be here, and I can assure him that I will be here tonight and that "Big Brother" will be listening.

* * *

INCOME TAX ACT**ALLEGED CONTRAVENTION OF PRIVACY PROVISIONS—
GOVERNMENT POSITION**

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I have a question for the Minister of National Revenue and I want to wish him success in a very taxing portfolio. In view of the concerns of many Canadians that the privacy provisions of the Income Tax Act, section 241, are possibly being violated, with police having access to returns, and in view of the practice which has been revealed in the Laycraft commission of inquiry of police trading off wiretap information, which may be in violation of section 170 of the Criminal Code, what can the minister say today to reassure the House and the country that the traditional and statutory safeguards that Canadians have always relied upon with respect to the confidentiality of their income tax returns are being upheld and respected?

Hon. Joseph-Philippe Guay (Minister of National Revenue): Mr. Speaker, I can assure the hon. member that they are being upheld. In regard to the other wiretap information to which he is making reference, I can say in this particular case a big "no". In any case, everything is kept very confidential in the manner designed by the legislation.

● (1127)

Mr. MacKay: Perhaps the minister could elaborate on that answer, the big "no", when he answers this question. In view of the revelations that have come from the Laycraft inquiry in Alberta, and the skepticism that has greeted some of the evidence, particularly that of Mr. Schwartzak as to the veracity of what was said in the inquiry and elsewhere, will the minister assure the House unequivocally that he will be making a statement on motions outlining precisely the extent to which the Department of National Revenue shares its information with other agencies and departments?

Mr. Guay (St. Boniface): Mr. Speaker, though it was decided not to talk about the agreement, it was not a secret.

Some hon. Members: Oh, oh!

Mr. Guay (St. Boniface): It was discussed many times, with British Columbia in 1975 and with the Quebec revenue department in 1974-75. Further to that, the RCMP initiated the investigation to which the hon. member refers in 1974-75 into a suspected fraud which led to a suspicion of tax evasion. It had been the responsibility of my department to look into that. My department was quite properly asked to join in the investigation, which they did. Surely it is the department's job and the job of the RCMP, who certainly should not notify—

Some hon. Members: Oh, oh!

Mr. Guay (St. Boniface): Surely it is my department's job and the RCMP certainly should not notify my department of suspected tax evasion solely when they suspect major organized crime. In other words, my department acted properly in all instances.

Some hon. Members: Hear, hear!

**ALLEGED CONTRAVENTION OF PRIVACY PROVISIONS—
POSSIBILITY OF CHANGING AGREEMENT WITH MOUNTED
POLICE**

Mr. Bill Jarvis (Perth-Wilmot): Mr. Speaker, I have a supplementary question for the Minister of National Revenue on the same issue. Since he has become minister, has he had opportunity to check, particularly in view of this trade-off of information between the RCMP and his department, the procedures under which his department and its officials have operated pursuant to the agreement that he mentions? If he has had that chance, does he propose to change those procedures, particularly because of information revealed to the Laycraft Commission and the possible violation of those two extremely important sections of two important statutes?

Hon. Joseph-Philippe Guay (Minister of National Revenue): Mr. Speaker, the answer to the first part is yes, and to the second part no. We will not change it. We will carry on as we have done successfully in the past, doing the job we were called upon to do, benefiting Canadians.

POSSIBILITY OF AMENDING PRIVACY PROVISIONS

Mr. Bill Jarvis (Perth-Wilmot): In view of the answer of the Minister of National Revenue, I will direct my question to the Solicitor General. I would like him to tell the House and Canadians whether it is his position or view or the intention of the government of which he is a member to introduce amendments to the Income Tax Act, particularly Section 241, or the Code, Section 178, or both. In other words, is it his view that amendments are desirable to give efficacy to the relationship that has existed pursuant to that agreement. Will the minister be more comfortable or will Canadians as a whole be better