

Borrowing Authority Act

I have some more information, Mr. Speaker, to bring up to date the tax saga of John C. Doyle and why the government could borrow \$11 million less if it had collected the taxes owed it by that great friend of the Liberal party, John C. Doyle. Just to refresh minds opposite I would point out to them that for the 1950 tax year this gentleman was reassessed in 1955, and he had income tax added to his income tax. He appealed to the Income Tax Appeal Board, and was heard in 1967, 12 years after the tax year in question. He then appealed to the exchequer court, and that was not heard until 1970, three years later. He lost there again before Mr. Justice Gibson, whereupon he put in a notice of appeal to the Supreme Court of Canada, which was not heard until October 24, 1977. It was heard then only because I brought it up in this House and peppered the then minister of justice, the Minister of Finance and the minister of national revenue with letters about this scandalous situation.

The government allowed the appeal to drag on for seven years. In the 1954 tax year Mr. Doyle was reassessed on June 11, 1959, but it did not go to the Tax Appeal Board until 1967. It was not heard in the exchequer court until 1970, and his appeal to the Supreme Court was not heard until May 3 and 4, 1978; heard only because I had pressed and exposed this nefarious dodge in this House and outside it. I am glad that there is approval opposite because there has not been much approved in the ministry.

I then pointed out to the House, Mr. Speaker, that the government received no adequate security for the amount they were owed, that this was the one taxpayer in Canada who did not have to pay the tax as most of us do and who did not have to put up a bond or bank guarantee. He was allowed all those years to go free, with no adequate security in the hands of the government at all. The government eventually took over about 55,000 shares of Canadian Javelin Limited. When it finally received a judgment, the government could not collect because Mr. Doyle had left Canada. This Canadian had become a Panamanian citizen. He bolted from Canada in 1974 and now lives in Panama City.

What is the amount owing for those three tax years which were involved in those cases, Mr. Speaker? According to the Minister of National Revenue (Mr. Guay), as at June 23, 1978—I was given this information in the committee—Mr. John C. Doyle owed the Government of Canada a total amount of \$5,014,281.13. I am just recapitulating what I said in this House before. He owed \$211,000 for 1950, \$276,000 for 1953, and \$4,526,000 for 1954.

If you are like the ordinary taxpayer who has to pay, or be reassessed, dragooned, have an attachment placed on your bank account or have your assessments seized and sold, you might get a little irritated when you hear that one taxpayer has had that kind of treatment for 27 years. He has now left the country, and the government cannot collect the money.

By the way, the appeals to the Supreme Court of Canada were dismissed from the bench. They were so involved with great matters of law and fact that they were dismissed from the bench.

[Mr. Crosbie.]

Mr. Speaker, you might think that that is something, \$5,014,000 lost, but during the summer I discovered that the gentleman owed another \$6 million. I wrote to the Prime Minister on May 18 or 19 of this year, bringing all this and a lot more to his attention in connection with the Doyle case. I asked him to appoint a commission of inquiry. After writing that letter I discovered that there was another case involving Mr. Doyle. He was involved in a case called the Minister of National Revenue versus Javelin Foundries Machine Works Limited and Mr. John C. Doyle with seven appeals. I discovered that Javelin Foundries Machine Works Limited was wholly owned by Mr. Doyle, and I discovered that there are \$6 million owing for the years 1950 to 1956 to the Government of Canada by Javelin Foundries Machine Works Limited.

● (1642)

I discovered that this tax delinquent, this fugitive from justice in the United States since 1965, this fugitive from Canada since 1974, made an application to the Federal Court of Canada, to Mr. Justice Addy asking to have a commission take his evidence in this matter down there in Panama because he did not want to come back to Canada because he might be arrested for all the other charges against him.

Mr. Abbott: Would be.

Mr. Crosbie: Yes, he would be. So he asked the court—imagine the audacity and the gall—he asked the court to come down to Panama and take his evidence because, “if I come up there I will be arrested for fraud and stockmarketing offences, 406 of them, stockmarket transactions and I do not want to do that. Although I owe \$6 million which I am disputing, I want you to take my evidence down here.” Two million dollars in income tax was levied for the years 1953 to 1956 which, with interest and penalties, now totals over \$6 million. The company ceased business in 1956—the company has not existed since 1956 except with this one-man shareholder.

The matter has not gone to trial yet, Mr. Speaker. We are talking of the tax years 1953 to 1956. If the previous cases I cited in this House were not bad enough, these cases of another \$6 million not adequately secured have not yet gone to trial.

The resumé of all of this should go to every Canadian taxpayer so they can decide what to do about their own taxes next year. I got a notice for \$950 a couple of months ago. I fought it like a good Canadian, and they are withdrawing it now. I won. Four constituents got on to me. One owed \$250 and had his salary attached. Another one owed \$500 or \$600, another one \$50,000. They dragooned him and they did everything under the sun with the poor devil. But here is this man who for 27 years has had the most tender treatment that any taxpayer could ever ask. This stinks and cries out for an answer. It cries out for justice. Mr. Speaker, that is \$6 million and it has not gone yet to trial. From 1953 to now is 25 years, from 1956 to now is 22 years. In 22 years we were not able to get this matter to trial, so what does Mr. Trudeau reply to me after I write him again?