

motion which was tabled by the Minister of Finance will go a long way toward providing protection for the basic civil liberties of taxpayers. When a tax assessment is in dispute, a taxpayer will no longer be required to pay the disputed tax first before the appeal is heard. "Pay now and justice later" was the Liberal way. Our way is "Justice now, and if you are found to be owing, you pay later". I think that is the way we should go.

The old rules led to a feeling among taxpayers that they were guilty until they could prove their innocence. Under the Liberal Government, they did not receive that opportunity for a long time because the system was bogged down. I used to tell my constituents not to fuss around with the assessors but to file notices of appeal to force their hands. Because of the delays, that is what we did. My constituents filed notices of appeal which I kept in my office. We forced the Liberal Government to pay attention to the taxpayers.

This new law will make the tax system fairer for all Canadians. Another thing we will do is to allow the Tax Court of Canada to award costs to taxpayers who are appealing their cases. That brings more fairness to Canadians who win their cases when their assessments are brought into question. They will get their costs when the Government is in fact wrong.

There will be a whole series of administrative changes designed to improve the working of the tax assessment and collection system and to make sure it works in a fair and open way. There will be many more instances of tax assessors checking first with the taxpayers before making changes in their returns. Assessors will ask for information first before sending out notices of reassessment and having the taxpayers file notices of appeal. Notices of appeal were filed quickly when I had the opportunity to do so, but we are now forcing the assessors to ask before they reassess. I think that that is another improvement.

In closing I would like to say that I appreciate the intent of the Hon. Member's motion. However, the Government is making every effort to restore fairness and firmness to the tax collection system in Canada.

[*Translation*]

Mr. Patrick Boyer (Etobicoke-Lakeshore): Mr. Speaker, I should like to say a few words about the motion of the Hon. Member for Châteauguay (Mr. Lopez). Mr. Speaker, his motion provides:

That... the Government should consider the advisability of amending the Income Tax Act in order to eliminate reassessments and legal actions for the payment of income tax in arrears in cases where errors or omissions happened in taxpayer's income tax returns for the pre-1984 fiscal years.

In my opinion, Mr. Speaker, however challenging and important this proposition may be, it is altogether unacceptable at this time, for reasons which I will explain.

Still, I do want to congratulate my colleague the Hon. Member for Châteauguay (Mr. Lopez), for he is doing our country and Members of the House a great service by giving

us today another opportunity to debate once again the values underlying our tax system.

● (1720)

[*English*]

In his motion, the Hon. Member for Châteauguay (Mr. Lopez), is in effect proposing an amnesty for people who made errors in their tax returns which were filed before 1984. I do not want to repeat what has already been said so well in the House by a number of other Members, but I would like to add a different perspective by turning briefly to the very basic point which this motion raises, and that has to do with the value system on which our tax system is based.

Historically, the Income Tax Act was introduced as a temporary measure during World War I to raise revenue for the war effort. Like so many temporary measures, it is still with us today. However, it is not the same statute which was passed during World War I. That was an Act which was purely and simply a revenue-raising statute. Since that time, Parliament has seen fit time and again to add social and economic policies to the tax legislation. It has become the vehicle through which government has continued. Is income redistribution a public goal? Achieve it through the Income Tax Act. Is it desirable to stimulate the Canadian film industry or oil and gas exploration offshore? Achieve it through the Income Tax Act. So it goes, in a saga which is familiar to all Members of the House. The end result is the development of a statute which, as the Hon. Member for The Battlefords-Meadow Lake (Mr. Gormley) previously stated, is now over 1,000 pages long. It should not be surprising to anyone to find that the taxpayers of Canada, in completing their tax returns, from time to time commit innocent errors. I think that is the most important thing which was on the mind of the Hon. Member for Châteauguay. If innocent errors have been made, certainly no one is looking to address that point in any kind of punitive fashion.

I do not think that we can stop the analysis there. I would like to return to the first speech which I made in this Chamber. At that time I stated that my credo in politics is simple and clear—I believe in fair shares for all and special privileges for none. I fear that this motion, though it be well intended, would in fact accord special privileges to some taxpayers of the country who submitted their returns prior to the cut-off date with some error who are now going to be forgiven. However, the other taxpayers of the country filed their tax returns according to law, in good faith, and paid their rightful share of the burden. I do not see that it would be fair to accord that kind of amnesty which would give a special privilege to some and deny it to others.

However, we are not stalled in dealing with this problem. There are other ways to deal with it. The Government has already indicated that, through a program of tax simplification, a number of problems which have occurred when taxpayers previously completed their returns will be abolished. There will be a greater simplicity in the Income Tax Act.