

*Adjournment Debate*

**The Acting Speaker (Mr. Herbert):** Order, please. I am sorry to advise the Hon. Member that his time has expired.

[*Translation*]

**Mr. Marcel Dionne (Parliamentary Secretary to Minister of Agriculture):** Mr. Speaker, on December 16, the Minister answered the Hon. Member's question about the exchange of plant genetic resources. At the risk of repeating myself, it is a matter of common knowledge that free access to plant genetic material is of primary importance to Canadian farmers and everyone on this earth. Following allegations of the existence of restrictive practices, the FAO was asked to prove that certain exchanges were indeed subject to government restrictions. No evidence was produced, and talks at the recent FAO Conference did not manage to produce a single case of restrictive practices of this kind.

The International Board of Plant Genetic Resources was established in 1974 and consists of members of industrialized and developing countries. Canada has supported the Board financially since it was founded. As the Minister said on December 16, we think the solution to the perceived problem should come by strengthening existing systems and not by striking out in a new and uncertain direction. Canada participated in a lengthy debate on plant genetic resources at the recent FAO Conference. A number of countries, however, had trouble accepting the proposals that were adopted. Canada recognizes the importance of this kind of resources and the potential risk inherent in their erosion and loss. We therefore support the principle of free exchange of and access to, plant genetic resources.

As far as the project is concerned, our position taken at the Conference has not changed. Actually, the results of the Conference may be seen as partial justification for our apprehensions. We are now faced with a situation where the countries that are the main depositories of resources and expertise in this area are holding back and refusing any commitment. We are now examining to what extent, if necessary, we could implement the principles contained in the project, with a view to responding to a possible invitation by the Director General of the FAO to participate. Basically, as the Minister says, the principal agents—the countries with the most impressive resource banks—think as we do, so that the FAO instrument may not prove to be very effective.

● (1820)

[*English*]

NATIONAL REVENUE—RETROACTIVITY OF TAX DEMANDS

**Mr. Bill Blaikie (Winnipeg-Birds Hill):** Mr. Speaker, recently, as all Hon. Members know, there has been a lot of attention paid to the Department of National Revenue and the attitude which that Department takes toward taxpayers. Many Hon. Members have paid a lot of attention to the question of whether or not quotas exist for tax auditors. Last week I had the opportunity to bring to the attention of the House an issue

which I believe is one of the more important ones vis-à-vis how the tax Department works. That is the whole question of retroactivity.

A constituent of mine recently has been audited and found himself owing the tax Department as a result of being audited back four years and having a different interpretation placed on what is deductible and what is not. In this case he happened to be a small farmer, but many others in various occupations have had this type of thing happen. A taxpayer submits his tax return for three years claiming certain deductions and no one ever says anything about it. In fact, in this case, even more money was sent back on one occasion. The natural conclusion of my constituent was that he was not doing anything wrong but was working within the rules. Then all of a sudden tax auditors come along, go back four years and say, "Our interpretation of this deduction is now changed and on the basis of our change in the interpretation of the rules, you now owe us the following amount of money for the years 1979 to 1982", or whatever the years were. It seems to me, Mr. Speaker, on the face of it that when it is a matter of interpretation, not a matter of going back and finding out that a person has evaded tax—that is a different matter—then retroactive action is unjust and should be stopped immediately if Canadians are going to continue to regard the Department of National Revenue, and by extension, the Government, as an agency of fairness when it comes to running the affairs of the country. I bring that concern to the Government's attention and I would be interested to hear what kind of answer I will get today on the question of retroactivity.

Another question which concerns me is the way in which Revenue Canada treats senior citizens, many of whom pay their income tax quarterly. This has been brought up in the House before by myself as well as by other Hon. Members. Senior citizens have to pay their tax quarterly and they are required to pay tax in the first or second quarter on money they have not yet earned, money which may be coming to them in the form of interest on Canada Savings Bonds in November. Yet the Department of National Revenue wants them to pay taxes on this money which they have not yet received. There has been quite a feeling of injustice about this, and rightly so, Mr. Speaker.

These are not the kinds of things which Government can expect to continue doing and at the same time expect Canadians to think that we live in a fair society where Government can be trusted to deal with its citizens justly and with some sensitivity. On those two issues alone, it seems to me, there are grounds for reform. I hope we will hear from the Government soon that it will be changing the provisions with respect to the collection of taxes on a quarterly basis from senior citizens. They should find a way to overcome the legitimate indignation which many pensioners feel about being put in this position.

What is particularly maddening, Mr. Speaker, to a lot of people who find themselves in this situation is the fact that there are people in this country who make a lot of money and who pay no taxes at all. This situation undermines the very foundation not just of tax collection but the whole moral