

Act is welfare legislation dealing with otherwise eligible veterans, widows and orphans, who find themselves in need of financial aid for maintenance.

Consequently, as welfare legislation, I believe that the Act should be administered with a broad and liberal interpretation in the interests of those recipients who depend upon it for their livelihood.

I am pleased to have this opportunity to provide the Committee with my comments on all these recommendations on matters that fall under my jurisdiction.

37. *Amendments to the Customs Act and the Excise Tax Act.* The Committee made the following recommendations:

(a) *Implemented*

(b) Sales of goods unclaimed at Customs—

that the practice of the Department in waiving all or part of whatever storage charges are applicable in order that at least the duties may be recovered be given statutory sanction by means of an appropriate amendment to section 23 of the Customs Act.

(c) *Implemented*

(d) Determination of 'sale price' for sales tax purposes

that an amendment be made to the Excise Tax Act designed to give statutory sanction to the existing scheme of valuation followed by the Department of National Revenue in authorizing manufacturers by regulation to compute the sales tax on less than the actual sale price.

*Comment by the Auditor General:* (a) This recommendation of the Committee had to do with release of goods under Customs Collector's permission. In this connection the Customs Act was amended by Chapter 16, 1965, and the amendment reads: "The Governor in Council may make regulations prescribing the terms and conditions upon which goods may be entered into Canada free of any requirement that the importer shall, at the time of entry, pay or cause to be so paid all duties on the goods so entered inwards".

(b) No amendment has yet been made to the Customs Act to authorize the deletion of warehouse charges when goods are sold at auction. Thus the practice of the Department in waiving such charges does not yet have statutory sanction.

(c) This recommendation relates to duties and taxes on surplus United States Government property sold in Canada. The Committee recommended that the Customs Act be amended to provide statutory authority for a composite rate to be applied to the proceeds of sales in Canada. This recommendation has been implemented by an amendment to the Customs Act by Chapter 16, 1965, which reads in part as follows: "Where goods, the property of the government of a country other than Canada, that were imported into Canada free of duty or at a rate lower than that to which they would otherwise be liable, are sold or