

On the other hand, within the field of international travel there was no appreciable change during 1958. For the calendar year 1958 the aggregate number of vehicles entering Canada from the United States totalled 17,893,410 as compared with 17,982,413 in 1957.

However, taking as a basis for comparison the last five complete fiscal years, that is 1953-54 and 1957-58, the total net revenue collected by customs and excise increased by \$262,850,537 or 15.7 per cent; while there was an increase of 514,362 in import entries or over 14 per cent. At the same time the number of vehicles entering Canada during the calendar year 1958 carrying Canadians and Americans increased by well over 4,000,000 or 30 per cent, during the five-year period.

Because the activities of this division are so closely associated with the commerce and industry of the country, they have inevitably increased with the development of the economy. However, as you no doubt have already noted, there is a reduction from last year in the total estimates of this division.—

Mr. Chairman, that is a matter which I suggest you look at very carefully and compare with the other departments appearing before you. We are very proud of this.

—A feature which, I think, can be taken as fairly conclusive evidence that under the administration policy of this division an increase in work volume does not necessarily involve additional costs.

One of the many problems with which customs and excise is confronted is in the effect of the changing trends in the mode of international travel, and in connection with the transportation of commercial goods being imported into this country. For example, travel by air and boat has become more popular with returning Canadian and foreign tourists, and this has made it necessary for us to extend customs services at airports and seaports.

There are also the demands for customs and excise to provide more service at the various inland sufferance warehouses which we have permitted to be established in recent years as a means of meeting the growing needs for such facilities; a need that has developed as a direct result of the rapid growth—and importance—of the commercial trucking industry in the field of international transport.

The consequence of this, of course, is that while in certain places there may be some decline in the volume of customs work this is offset to some extent by the substantial increases in business being experienced at other centres. The fact that this division has been able to show a reduction in our total estimates, both in regard to staff and money, is due, I feel, only because of the diligence of our efforts to control operating costs.

Here I think I should point out that salaries and wages alone represent over 90 per cent of the total estimates of this division. Therefore, in assessing the over-all significance of the reduction in these estimates it should be kept in mind that this has been made notwithstanding the fact that a fairly substantial increase in this object is unavoidable, because of normal statutory increases in salaries, as well as the additional costs arising from necessary reclassifications of existing positions.

This, I feel, is indicative of how successful we have been in developing efficient procedures and work standards, as well as in the judicious use of more mechanical equipment, to effectively control the growth of personnel establishments and other expenditures.

In this connection—and this is not included in the statement—I can give various examples of the introduction of mechanization, computation machines and that sort of thing. I am sure it would provide a very interesting comparison of the workload heretofore performed and that which can now be performed.