

Supply—National Revenue

to informers? I do not see any item dealing expressly with it, and I should like to know what provision has been made this year for such payments?

Mr. McCann: I think, Mr. Chairman, that comes under the heading of law and other costs, customs, excise seizures. The amounts are given under the details for general administration. It starts off with total salaries and wages; living allowances, law and other costs—

Mr. Fleming: How much out of this item of \$130,000 for law and other costs has been set up for this particular use?

Mr. McCann: Well, the experience has been that the amount paid is so small there is no specific amount set up for it. It is included in this amount. As I said before, it is only a matter of a few hundred dollars. My officials tell me that last year the amount was not more than a few hundred dollars.

Mr. Pearkes: Could the minister say whether any special exemptions are given to members of the armed forces with respect to the amount of goods they may bring into this country after being stationed abroad?

Mr. McCann: Exactly the same conditions pertain to members of the armed forces as those which I set out a few minutes ago.

Mr. Macdonnell: I want to ask the minister regarding a principle which one finds in several sections of the act. I refer to section 132 which says that any officer, having first made an oath before a justice of the peace that he has reasonable cause to suspect that goods liable to forfeiture—and so on—may enter. Now, that is an officer of the national revenue department.

Mr. McCann: An officer of the customs and excise division.

Mr. Macdonnell: I wish the minister would say a word as to the operation of that power which his official has, just as if he were an officer of a police force. I do not want to dwell on it particularly, but I want to know whether it operates smoothly or whether it runs us into difficulties?

Mr. McCann: We have no trouble in that particular regard. I am told that it is usually done on the basis of a writ, so that gives the authority. Under the definition in the Customs Act an officer means a person employed in the administration or enforcement of the act, and this includes a member of the Royal Canadian Mounted Police. They act as our officers in a great many instances.

Mr. Macdonnell: I am very interested in what the minister said. You do, in fact,

[Mr. Fleming.]

usually avail yourselves of a writ. In other words, you do not rely wholly on this section?

Mr. McCann: In the event of an emergency, when it is not possible to obtain a writ, the officer has authority under this section to act in that capacity.

Mr. Fleming: Has the department given consideration to some other approach to the collection of duties on very small purchases? For instance, I have before me one where the purchase was only a matter of several dollars and the collection of duty yielded only a dollar or two. Obviously in those cases, if one attempted to isolate the cost of collection, it does not pay. On the other hand, I quite appreciate that there must be one rule applicable to all. Has any consideration been given, apart from the existing exemptions in relation to purchases by persons who have been in the United States for 48 hours and are bringing goods back in their baggage, to exemption in those cases of small purchases where it obviously is not worth while for the department to attempt to collect the very small amount of duty involved?

Mr. McCann: We are an administrative department entirely. We have not that authority. If the law said that there would be exemptions up to \$5 or so, we would do that. We have an arrangement working in some places whereby we make it easier for the ordinary citizen who has an invoice for a book or something of that sort, and which goes to the customs postal branch. In the city of Montreal, for instance, instead of having that person go down to the customs office and pay his tax, we have made arrangement with the postal authorities whereby the tax is collected at his home. This is experimental within the last two or three years, and we hope that in due time it may be extended to many more places.

Mr. Fleming: Would there be any serious administrative difficulty involved? I can appreciate that perhaps this problem might fall on the shoulders of the Minister of Finance rather than those of the Minister of National Revenue. But is there any serious administrative problem involved if some exemption in the case of small purchases were introduced?

Mr. McCann: No, it would make it that much easier for us in the handling of a lot of small parcels. It would be a convenience and I am sure it would have an effect upon the revenue because, as you know, many muckles make a mickle.

Item agreed to.