

crease in expenditure represents a great increase in staff. I do not suppose that it is any mystery to any of us why it is necessary; but I point this out, having regard to what the Minister of Finance said last October, that it was not proposed yet to have a full-dress inquiry into our system of income tax collection, that the time was not yet opportune. I think he was wrong then, and I think he is even more wrong now if it is delayed any longer, for every time we engage a lot more staff—that is inescapable, no doubt—the thing gets more and more set and it becomes harder to make a change. You have more people doing things that you have to change if you adopt a new system. I earnestly suggest to the two ministers concerned that every month they delay does not make it any easier; it only makes it harder. It is a matter that should not be delayed. I am not going to repeat any of the things I said two months ago, particularly because I see that the deputy minister is here. What I said then were strong things, and they were fully accepted throughout the country. Most people are groaning under the various things they groan under in connection with the income tax, apart from the amount of tax they pay, and I earnestly suggest that this inquiry should no longer be delayed, for every month of delay makes the system harder to change. A full-dress and comprehensive inquiry should be instituted at once.

Mr. MacNICOL: The details given on page 146 show that the staff of the district offices has increased by 1,168, and that the staff of the main taxation division has increased by a substantial number. That, of course is to be expected. The details also show that the expenditure for temporary help has gone up by \$1,029,000. That is for temporary help, not likely to become permanent?

Mr. McCANN: The increased expenditure has been due to the increased amount of work. During the war years employees were taken on in the department only on a temporary basis. I think the increase in the temporary staff is a little more than the increase in the permanent staff. But it has been due entirely to the increased amount of business and the fact that these employees were not taken into the permanent service during the war years.

Mr. MacNICOL: I quite appreciate that. What is the explanation of the increase of 1,168 in the permanent staff?

Mr. McCANN: That is following the policy of the government in all departments to give employment to returned men and women from the armed services.

Item agreed to.

47696—236½

General—

228. Amount to be paid to the Department of Justice to be disbursed by and accounted for it to customs, excise and income tax secret investigation services, \$15,000.

Mr. McKAY: This amount of \$15,000 is apparently for secret investigation services in connection with customs, excise and income tax. Is this a separate service conducted by the Department of Justice, or is it part of the work of the Royal Canadian Mounted Police? Have the results justified the expenditure?

Mr. McCANN: This item has to do with services in connection with customs, excise and income tax investigations. Certain people have to be paid a moiety for the amount of work which they do in connection with these investigations. Payments are made on the approval of the deputy minister in whatever division the investigation takes place.

Mr. McKAY: Is it separate, or is it under the Royal Canadian Mounted Police?

Mr. McCANN: Although the Royal Canadian Mounted Police do some work for the customs and excise division these payments are to what might be called casual informers.

Item agreed to.

DEPARTMENT OF TRADE AND COMMERCE

582. Departmental administration — further amount required, \$40,480.

Mr. HAZEN: I am sorry that neither the Minister of Trade and Commerce nor the Minister of Agriculture is here, for there is a question I should like to ask the Minister of Trade and Commerce under this item. It is brought to my attention that a large quantity of seed potatoes has been sold from the province of New Brunswick to Spain. All seed potatoes from the province of New Brunswick, I am informed, are sold or supposed to be sold through the special products board of the Department of Agriculture, except those that are sold to Venezuela and the United States and, I think, to Cuba. Under the regulations of the special products board the dealers or shippers of New Brunswick have the business divided between them on a quota basis. All exports are filled by the dealers and handled through the special products board. For example, F. W. Pirie Company, Ltd., of Grand Falls, N.B., got about 16 per cent of the business; Porters Ltd., of Perth, N.B., got 16 per cent; McCain Products Co. Ltd., of East Florenceville, N.B., got 16 per cent; and Hatfield Industries Ltd., of Hartland, N.B., got 16 per cent; the rest is divided among the smaller dealers. My information is that this large sale of seed potatoes to Spain