

Mr. ROBB: I know it is slow.

Sir HENRY DRAYTON: I venture to say there are refunds still outstanding under the sales tax legislation of last year, any amount of them. The department does not know, nobody knows, what the position of refunds of sales tax under that legislation of last year is.

Mr. JACOBS: You are dealing there with hundreds of millions of dollars. You cannot expect that to be rushed through in a day.

Sir HENRY DRAYTON: What a vivid imagination my hon. friend has—hundreds of millions of dollars!

Mr. JACOBS: Yes; I am talking of the sales tax.

Sir HENRY DRAYTON: I do not think it is quite as bad as that, but the refunds are enormous. I do not think my hon. friend got the effect of the interpolation by the Acting Minister of Finance. He says that they can get all this back by way of refunds. That brings up the question, how about refunds in the past, how many are still unpaid under the legislation of last year when we had this fundamental change made in the collection of the tax? That change in the act was the direct occasion of a tremendous amount of refunds, and they are not paid now.

Mr. JACOBS: There is about \$30,000,000 or \$40,000,000 involved in that.

Sir HENRY DRAYTON: It is a pretty serious thing, and is it not a serious thing for the trader, that he should have to put this up without—

Mr. JACOBS: Is it not more serious to make refunds without a proper checking up and auditing of the accounts, without investigation and inspection?

Sir HENRY DRAYTON: There is no question about it, that the most serious thing is to create a condition that results in a mess where you do not know where you are with respect to refunds. If there is any way of getting out of any more messes with regard to refunds—

Mr. CANNON: Were there any refunds when my hon. friend was minister?

Sir HENRY DRAYTON: I do not remember any. There was no legislation passed then creating refund liabilities that I remember. My hon. friend has a keen wit

[Sir Henry Drayton.]

and a very good memory. Perhaps he will tell me what legislation was put through then creating refunds.

Mr. JACOBS: We had to do it after you left office.

Sir HENRY DRAYTON: My hon. friend is showing his humour again, although not his usual strict fairness. This refund business, as my hon. friend knows, is the result of the legislation of last session. It has absolutely nothing to do with a single act that we had on the statute book before. Now what is the use of getting into this silly kind of altercation here? Of course, I do not mind it a bit; if my hon. friend likes it he can go on indefinitely; I rather like it.

Mr. BUREAU: I may tell my hon. friend that this system of refunds has been made easier and simpler. I have not the new regulations here, but I would like my hon. friend to see them. They are much simpler.

Mr. CALDWELL: The hon. ex-Minister of Finance simplified this matter when he was in office by simply refusing to make any refunds at all. He acted on the principle, what we have we'll hold, what we have collected we'll keep, especially in the case of the automobile dealers. That was a very simple way of doing it.

Mr. BUREAU: But a radical way of making it simple.

Sir HENRY DRAYTON: I am still awaiting information as to that legislation that was passed when I was minister that created these difficulties in connection with refunds. I see my hon. friend (Mr. Cannon) is going out, without giving me the information.

Mr. CANNON: If I get any information from my hon. friend, it will be the first time I ever did.

Sir HENRY DRAYTON: I am afraid I am not going to help him out now. The hon. gentleman referred to me, and then I asked him to tell me the legislation I was responsible for that created the necessity for refunds, but I have not got the answer to that question yet. I have no doubt the hon. gentleman made a mistake. We will let it go at that. There was no such legislation, and no such situation created. I am very glad to hear the minister say that the regulations now are