

*Supply—National Revenue*

[English]

**Mr. Lambert:** Mr. Chairman, I should like to confirm what the parliamentary secretary has said. This bill was before the Standing Committee on Finance, Trade and Economic Affairs for two or three sessions. Advisers from the Bank of Canada, the World Bank and the Minister of Finance were present and the subject was canvassed at large. I think we are satisfied. If anyone wishes further information the reports of the committee are available. So far as we are concerned we are prepared to proceed right now without further commentary. The study has been made.

**Mr. Douglas:** The representatives of this party on the committee have gone over the material and listened to the witnesses. We are fully satisfied with the evidence which has been adduced and can see no need for further discussion now.

Clause agreed to.

Clause 2 agreed to.

Title agreed to.

Bill reported and read the third time and passed.

**SUPPLY**

The house in committee of supply, Mr. Rinfret in the chair.

**DEPARTMENT OF NATIONAL REVENUE****Customs and Excise—**

1. General administration, operation and maintenance, including authority, notwithstanding the Financial Administration Act, to spend revenue received during the year from firms and individuals requiring special services, \$49,278,000.

**Mr. Benson:** Mr. Chairman, knowing the time limit which the house has placed upon itself for dealing with all estimates in this chamber I do not intend to speak at any great length with respect to the Department of National Revenue.

I am now approaching my second year as minister of this particular department and this is the first time I have taken the time of the committee to make a general statement about the estimates. I should like to take this opportunity to commend the staff of the department and especially to commend the work which was done by the former deputy minister, Mr. Dave Sim, who left the department shortly after I became minister.

I believe the Department of National Revenue operates as efficiently as does any government department. The expenditure

over the years—the cost of collecting money both in the customs and excise division and in the taxation division—has tended to decrease. I can give the committee an example of what is being done in the department in the field of income tax. In 1950 the department was handling 3,360,000 income tax returns. In 1965 this number had risen to 6.7 million tax returns; I am referring to both individual and corporate returns. In 1950 the permanent staff numbered 10,629. In 1965 it was 5,909.

In addition we employ a large temporary staff in connection with the computer operation used to deal with personal income tax returns. A good many hon. members have recently been out to see how we operate at this time of the year when millions of returns have to be dealt with and some 2,000 people are employed for a few months when the computer load is at its peak.

An interesting fact with respect to the taxation division—and this applies equally to the customs and excise division—is that it costs a good deal less today to collect \$100 in taxation than it did only a few years ago. The collection cost per \$100 amounted in 1950 to \$2.16. In the 1965 fiscal year this cost had been reduced to 86 cents. Sometimes the efficiency of the department frightens me as a taxpayer.

● (2:50 p.m.)

I do not think I really wish to say much more with respect to the department other than there is a reorganization going on within it as a result of the Glassco report. We have been working toward this and during the coming year in the customs and excise division we shall open the first district office to deal with appraisal and rulings as distinct from the head office where all appraisal has been done in the past.

We are going to take the first step of this plan in London, Ontario. If it proves successful and operates efficiently, as I am sure it will, and provides better service to businesses in dealing with customs and excise matters, we would move on to establish similar offices in other parts of Canada. This will bring appraisal and rulings with regard to customs and excise much closer to the businessman in Canada and he will not have to go to the trouble of sending to Ottawa any time he wants a ruling. I shall be pleased to answer any questions hon. members have with respect to the estimates.

**Mr. Lambert:** Mr. Chairman, in limiting his remarks the minister has followed the good