

Supply—Finance

Mr. Fleming (Eglinton): The ones affecting national revenue are all debts incurred between 1926 and 1957 representing arrears in sales and excise taxes where it is considered impractical or impossible to collect due to various reasons. I can detail those reasons if that is the wish of hon. members or give some examples. Bankruptcy was the reason in 273 cases.

Mr. Hellyer: Perhaps we could save time if the minister would agree to table tomorrow, if not tonight, a list of amounts that have been written-off and the details. This would satisfy any hon. member who wished to look into the matter more thoroughly.

Mr. Fleming (Eglinton): That would be entirely agreeable. That was done last year and I will be glad to do so again. I have the list before me and it is very long.

Mr. Herridge: I should like to ask the minister what is the procedure here. I heard him mention a claim that had been uncollectible since 1926. Is this a periodic cleaning up of accounts or why would an account be uncollectible from 1926 and written off in 1961? Can the minister give the committee some idea what the practice is?

Mr. Fleming (Eglinton): Mr. Chairman, apart from the normal work of review that goes on within any individual department there is a committee of review of debts that may be thought to be uncollectible. That committee makes reviews and then the matter goes before treasury board. I think the hon. member can be assured that by the time anything goes through these three bodies it has been pretty carefully winnowed down. We do not propose the writing-off of anything where there is any likelihood at all even of partial recovery.

Mr. Herridge: It seems to me that maybe the process is rather slow if it takes from 1926 to 1961 to decide that a debt is uncollectible. Can the minister give the reason for some of these accounts going back so far in the past?

Mr. Fleming (Eglinton): There are some of the old ones that have obviously been kept open in the hope the debtor would acquire some means some time that would enable recovery to be made in whole or in part. Time goes on, sometimes a long time, until in the end the conclusion is drawn and the decision taken that the claim is utterly uncollectible and might as well be written off. Sometimes a claim is incurred when a man is in full vigour of middle life and hope exists that he may acquire means, but by the time he reaches a more mature age, let

us say, it appears that his earning power is gone and there is going to be no possibility of recovery.

Mr. McMillan: Are some accounts written off every year? Were there some written off last year, for example?

Mr. Fleming (Eglinton): Oh, yes, we went through the same procedure last year and we followed the same procedure as has now been suggested by the hon. member for Trinity. Last year the hon. member for Kenora-Rainy River suggested it and I tabled a large number of sheets listing all these claims.

Mr. Benidickson: Is there any requirement in the Financial Administration Act to report this kind of write-off in the public accounts?

Mr. Fleming (Eglinton): Under the Financial Administration Act there is authority in the treasury board to write off claims under \$1,000.

Mr. Benidickson: I mean to report in the public accounts—

Mr. Fleming (Eglinton): Yes.

Mr. Benidickson:—anything over \$1,000 on a similar basis as in the case of rebates of duties and excise taxes where there is an obligation to report anything over \$1,000. Is there a similar obligation under the Financial Administration Act to print these write-offs in the public accounts?

Mr. Fleming (Eglinton): I will not say that every item written off is shown in full in the public accounts but the details are given there of the write-off in terms of the reduction of the crown's claims.

Item agreed to.

683. To provide that paragraph (c) of subsection 4 of section 8 of the Public Service Superannuation Act, as amended by section 6 of chapter 38 of the statutes of Canada, 1960, shall be deemed to have come into force on the 1st day of January, 1954. \$1.

Mr. Benidickson: In items 683, 684, 685 and 686, we are dealing with the dollar items to which I have referred, though perhaps with not as much justification as when I raised the matter on vote No. 658, the first item in the supplementary estimates. My concern with these items is that I suspect they have the effect of legislating and perhaps amending a statute in a way that, if the items pass, they will not have to be brought back annually for parliamentary attention. They would not have to come back annually for parliamentary attention and, of course, no amendment to the statute itself comes forward in the form of a bill. However, some of these items have an effect that goes beyond one year. Am I right in thinking that that might be so?