

Questions

4. No. The nails were sold to purchasers in Montreal and Toronto. The fact that the sales had been made was proved adequately by the evidence of the investigator and was not denied by the accused company.

5. Yes.

6. (a) T. A. Hamilton, Esq., barrister, of Sydney, was retained to conduct the prosecution, his retainer being authorized by the Minister of Justice.

(b) \$49.37.

INCOME TAX—MUNICIPAL AND FEDERAL JURISDICTION

Mr. Church:

1. In what year was federal authority substituted for municipal authority for income taxation?
2. From what time was income tax the exclusive field of the municipalities?
3. Was such substitution to be only temporary or permanent?

2.

Purchaser	No. of flat cars sold	Unit selling price
Government of Prince Edward Island.....	12	\$ 450
The Eastern Car Company Limited, Trenton, N.S.....	12	600
Old Sydney Collieries Limited, Sydney, N.S.....	2	600
Dominion Coal Company Limited, Sydney, N.S.....	18	600
Acadia Coal Company Limited, Sydney, N.S.....	2	600
Dominion Steel and Coal Corporation Ltd., Sydney, N.S.....	50	600
Dominion Wheel and Foundries Limited, Trenton, N.S.....	6†	
*Hendrik Mannerfrid Inc., 52 Wall street, New York, N.Y.....	1,500	2,200

*Conversion of the cars sold to Mannerfrid was made in Canadian shops at the expense of the purchaser.

†Dismantled, cut up and sold at \$21.50 per ton as scrap.

DEPARTMENT OF TRANSPORT—EXPENDITURE CONTROL—TRANSFERS FROM C.N.R.

Mr. Fraser:

1. What are the functions of the expenditure control section of the Department of Transport?
2. Is there a corresponding organization in any other department of the government?
3. How many persons are employed on accounting control and statistics under the assistant deputy minister of transport?
4. Have any persons been transferred from the Canadian National Railways to the Department of Transport during the past five years?
5. If so, what are the names and ages of such persons?
6. Were any transfers made to the Department of Transport during the past five years of persons drawing pension from the Canadian National Railways?
7. If so (a) what are the names of such persons; (b) the amount of pension received by each; (c) the salary paid to each; (d) living and traveling expenses paid to each?
8. Is the new control branch of the Department of Transport to be a permanent organization?
9. If so, were the appointments made by the civil service commission?
10. If not, why were they otherwise appointed?

[Mr. Belzile.]

4. Is action now being taken for restoring this system of taxation to its original functions?

Mr. Belzile: The income tax was never the exclusive field of the municipalities. The British North America Act gave the dominion full authority to impose taxation by any mode or method whatsoever. The government of Canada entered the income tax field in 1917.

WAR ASSETS—FLAT CARS

Mr. Diefenbaker:

1. Has the War Assets Corporation since the 1st of April, 1944, sold any 50 metric ton flat cars built or constructed for the U.S.S.R. under mutual aid requisition?
2. If so, to what persons or nations were such sales made; in what quantities and at what unit prices?

Mr. McIlraith:

1. Yes.

11. What was the total cost of operation of the expenditure control section of the Department of Transport during the fiscal year 1948-1949?
12. What was the total of salaries paid by the Department of Transport in (a) 1948; (b) 1949?
13. What was the total of traveling expenses paid by the Department of Transport in (a) 1948; (b) 1949?

Mr. McIlraith:

1. There is no expenditure control section, but rather a budgetary control section which exercises a general administrative supervision over the preparation of all annual and supplementary departmental estimates and the allotment of appropriations.
2. There has been no occasion to compare the organizations of other departments with that of the Department of Transport.
3. 23 (made up of assistant comptroller, 2; budget, 10; statistics, 9; traveling inspection, 2.)
4. No.
5. See answer to No. 4.
6. No.
7. See answer to No. 6.