

of the money they spend all over Canada in connection with the post office. At the present time they have a staff making racks for mail bags for sorting purposes. They are delivered to all parts of Canada, and the Public Works department pays those men, men who earn at the rate of eighty-five cents to one dollar an hour. The Public Works department have a staff working all the time for the post office. If the figures were gone into, it would be found that instead of a surplus of \$3,000,000, you would have a loss.

In regard to the amount of money the Post Office Department gets for carrying newspapers and magazines, particularly from the United States, all over Canada, perhaps that should not be discussed under this item, but we are losing a large sum on that, because we carry them at less than they can be carried by express or by the railways. We are carrying them to-day from Halifax to Vancouver at one-third of the rate at which they are carried from New York to San Francisco. Why should we carry United States magazines in this country at such a low rate?

Mr. BENNETT: They have a zone system.

Mr. SPENCE: I say there should be a proper accounting system. A special committee should be appointed to examine the Post Office Department and straighten it out. I do not mean a select committee of the house, but there should be from the government service itself, someone who knows something about setting up an organization to curtail expenses, some actuary or accountant, at no large cost. Anyone who is accustomed to doing business in the usual way and can take off a statement at the end of each month could look after this without bringing an expensive set-up from the United States. I do not believe in that at all, we have men in this country just as capable of setting up the proper bookkeeping system for the Public Works department as anyone. I blame the Public Works department just as much as I do the post office. I am sorry the Postmaster General is not here to-night; I should like to say a few kind words to him; but I am not going to abuse him in his absence, and to abuse the acting Postmaster General would be unfair. Something, however, must be done or you will be in a terrible position in a few years; it is getting worse. Instead of a surplus this year, I am sure there is a deficit.

Mr. HANSON: The outlying districts of Canada, where the development of the future is to take place, have not had the consideration they deserve. The post office is for the most part the only means of communication those districts have. Montreal, Toronto and

[Mr. Spence.]

other large cities have every facility, but the outlying districts have been neglected. It is only in the last six or seven years that they have had any consideration. I am not saying that is true of this government alone; it is true of the former government as well. I would ask the Postmaster General to give more consideration to developing these pioneer districts which in time will be an asset to the Canadian nation if they are given some encouragement.

Mr. BETTS: What is the basis on which the railways are paid for carrying mail?

Mr. EULER: Perhaps my hon. friend would wait until we come to the item which relates to that.

Mr. BENNETT: Yes, that is item No. 260.

What are those words that appear in the item, "allowances to typists, grade 1, cutting stencils." Why are they necessary?

Mr. EULER: I am informed that there are certain duties performed by some of the girls employed which are particularly onerous, trying and fatiguing, so small bonuses are allowed to those employees. I could give the particulars.

Mr. BENNETT: No, it is not that, but are they not taken care of in the item itself?

Mr. EULER: No, this is for extra pay, for bonuses.

Mr. BENNETT: In addition to that mentioned in the details?

Mr. EULER: In addition to their salaries. I am not sure that it is a very good system, but that is the reason for it.

Mr. BENNETT: Does that mean that an order in council is passed in respect to each, or is it covered by a general order?

Mr. EULER: Covered by a general order. The amount involved I think is only some \$370.

Mr. BENNETT: Now will the minister be good enough to turn to page 165 of the estimates and give some explanation of the item of mail bags? Last year they bought \$245,000 worth. Were tenders called for? Who was the successful tenderer, and for how many did the contract provide?

Mr. EULER: The department buys the duck by tender in the open market, and the bags are made in the penitentiaries.

Mr. BENNETT: I wanted to be sure about that. Why is it that the amount is \$80,000 less this year than last?