

GOVERNMENT



OF CANADA

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DEPARTMENT OF EXTERNAL AFFAIRS,
EAST BLOCK,
OTTAWA, ONT.

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DAILY AIRMAIL BULLETIN

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

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Vol. 5, No. 10.

Friday, January 15, 1954.

First Class Mail Rates Increase: Ottawa, Jan. 14 (CP) -- Spokesmen for all opposition parties in the House of Commons today opposed the Government's plan for a cent-an-ounce boost in first-class mail rates.

The increase, scheduled to start April 1, was described by Mrs. Ellen Fairclough (PC - Hamilton West) as "a proper April fool".

She was joined by Mr. Harold Winch (CCF - Vancouver East), Mr. Robert Fair (SC - Battle River-Camrose) and other opposition speakers in urging the Post Office to look for savings through more efficient operating methods.

Postmaster-General Côté said the proposed increases are the "only equitable way" to meet increased costs from salary boosts, a shorter work week effective April 1 and improvements to rural mail deliveries.

He estimated the increases would bring in \$14,000,000, with the additional costs amounting to \$13,500,000.

Members spoke on a motion preparatory to introduction of a bill to make the following increases in first-class rates:

1. On mailings beyond postal areas, five cents instead of four for the first ounce and three cents instead of two for each additional ounce.
2. On mailings within postal areas, four cents instead of three for the first ounce and two cents instead of one for each additional ounce.

The Government's motion was opposed as soon as it was called. By a vote of 136 to 77 the Liberals defeated an attempt to block consideration of the motion.

Mr. Côté said: The department faced additional costs of \$5,000,000 for implementing the five-day 40-hour week in certain localities, \$7,000,000 for salary increases and \$1,500,000 for improvements in rural mail service....

Quebec Provincial Income Tax: Premier Duplessis today announced establishment of a provincial income tax effective Jan. 1, 1954. Thunderous desk-thumping on the part of his National Union Party supporters greeted the Premier's announcement.

The tax, first income-levy imposed in Quebec since the Federal-Provincial agreement signed in 1942 by the Liberal Government of former Premier Godbout, is expected to yield between \$22,000,000 and \$25,000,000 annually.

Mr. Duplessis said the tax, rendered necessary by increasing public health and education costs, will affect some 300,000 Quebec residents.

This is half the number affected in Quebec Province by the federal income tax, the Premier said.

The new provincial tax will in effect mean that the Quebec taxpayer will pay to the provincial treasury 15 per cent of what he now pays in federal income tax. If no agreement can be reached with Ottawa then Quebecers will be called on to pay around 15 per cent more in income taxes.

The Premier indicated the province's income will be somewhat less than 15 per cent the amount Quebecers now pay to the federal Government in income taxes.

The bill, text of which has still to be presented to the House, was given first reading today.

Mr. Georges Lapalme, Liberal Opposition leader made no comment. He urged prompt printing of the bill so it could be studied prior to debate in the House.

Few details of the 228-clause, 150-page bill were announced by Mr. Duplessis.

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