said is that the method has been to apply the deduction in each of these cases where the compensation received in kind is treated as a portion of the salary, and is so treated by the desire of the civil servant himself for the purpose of superannuation, because it has the effect of increasing the amount he would receive for superannuation. If that principle is applied in one case it is only fair that it should be applied in the other.

Let me cite an instance given to me in a brief memorandum on this very point by the official of the department who is charged with the conduct of these cases, and who would be with me to-day but for the fact that he was suddenly stricken with illness this morning and is therefore unable to be here. He says:

A department has two employees, each classified at a salary of $150 per month, plus an allowance for house, fuel, light and rations of $50 per month.

Making $200 in all.

Only one house is available, and this is occupied by one employee, who is paid in cash $150 per month. The other employee is paid in cash at the rate of $200 per month. Both contribute to the superannuation fund on the larger amount. It would be quite unfair, the real compensation being the same, to apply the terms of the Salary Deduction Act to $150 in one case and $200 in the other.

I think that puts the case very succinctly. We are merely applying in this case the same principle as is applied to the same civil servant when we are considering his salary for the the purpose of superannuation.

Mr. VENIOT: Take it the other way; how is it where there is no superannuation?

Mr. RHODES: The principle is the same. It has been ruled and it has been the custom that the extra remuneration, in whatever form it may come, has been deemed a portion of the salary. There are many cases and classes of cases where allowances and payments are not subject to the deduction because they are not deemed to be a portion of the salary.

Mr. SPEAKMAN: When the resolution preceding this bill was before the house the hon. member for South Battleford (Mr. Vallance) brought to the attention of the minister the case of the commission postmasters, that is those who derive their remuneration by a commission on the amount of business done. I think he pointed out that apparently at least some injustice has been done to that class of post office official. I have had complaints of the same nature. I have looked into the matter, and in my opinion those complaints are amply justified. The minister stated at the time that he would look into it; I trust he will. The position is this. Instead of receiving a set salary the postmasters in these offices receive a certain commission, varying in percentage, upon the amount of business of various kinds done through the office. Under the terms of the Salary Deduction Act the commission will be reduced by approximately ten per cent. But the fact is apparently overlooked that the amount of business done is greatly reduced as compared with former years, so that as a matter of fact, and in comparison with the remuneration they received two or three years ago, and in comparison with the salaries still paid to salaried postmasters, these officials are getting a reduction of anywhere from twenty to twenty-two or twenty-three per cent. This is somewhat involved of course, because they have rental allowances and various commissions. But as far as I can ascertain, and I have examined it as carefully as an outsider very well can, both through the department, and the complaints sent me by the officers themselves, the net result undoubtedly is, as stated by the hon. member for South Battleford, that they are getting a reduction, as compared with their former remuneration, of at least twenty to twenty-two per cent instead of the ten per cent contemplated by the act. I hope the minister will fulfil his promise and examine into that situation very carefully, because it affects a great many men who are performing very onerous duties, doing them very faithfully, and for what is now a very inadequate remuneration.

Mr. RHODES: I may say to my hon. friend from Red Deer (Mr. Speakman) that the matter in question has been very carefully considered, and it is difficult to see how one could avoid applying the general principle which I mentioned a moment ago in the case of a revenue postmaster. Now coming to the actual facts, it is true that in common with all who are doing business, the amount of business done by the individual has been lessened because of existing conditions. But there are certain compensating factors which also must be borne in mind. In the first place there is the circumstance that the cost of doing business is lessened owing to the reduced cost of living. There is the contributing factor that the cost of postage has increased and that, to a certain extent, the volume of business has been increased thereby. There is the further fact, which is very important in connection with many post offices, that the postmaster is permitted to sell postage stamps not only for use upon letters but for use upon cheques as well,