

Post Office Act

receive far more second class mail from abroad, largely from the United States, than they send abroad. We believe that the agreement which has brought about this situation should be renegotiated. It is not enough to say that boosting ordinary letter rates will take care of everything. We do not want to protect this situation any longer and we will not support any move that will add to the cost of living of the ordinary consumer of this country.

We ought to concern ourselves with other aspects of the post office. On the one hand the Post Office Department receives subsidies and benefits of approximately \$25 million a year. These include provision for accommodation, buildings, and so on. On the other hand, the post office performs various services free of charge. Because of the free service it provides to members of the public and to members of parliament with respect to parliamentary correspondence, the post office is loaded with extra costs which according to the 1965 figures amount to approximately \$4.5 million. It is not enough for us to tinker with post office rates at the retail level. In fairness we cannot increase or decrease those rates until we have a clear picture of the factors which interfere with the ability of the service to break even.

We regard the post office service as a basic service which the Canadian public has organized and which it uses and pays for. The service is a natural, public monopoly and we want it to pay its way, but that is all. We want no one class of the community to pay more or to pay less than in equity it ought to pay.

I should like the government to answer some questions so as to provide us with a clearer picture and better perspective of the dimensions of the post office service and what it costs to maintain that service.

• (4:00 p.m.)

For instance, what was the approximate value of subsidies to the post office, including accommodation, for the year 1966? What was the approximate value of the franking service and other services that were performed free of charge by the post office in 1966? What was the loss in 1966 incurred by the post office in the carrying of newspapers and magazines? What was the loss to the post office in 1966 in connection with second class mail posted in the United States for delivery in Canada? What has been the loss to the post office in the last ten years as a result of carrying *Time* and *Reader's Digest*? What

was the value of printed matter imported into Canada in the last ten years and carried by our post office without remuneration under the terms of the universal post office convention?

In conclusion I summarize the position of my party with regard to the proposals to increase postal rates. We propose to let the first class mail rate alone. It is said that the rate may be resulting in a deficit. Let us study this for at least a year so as to be sure of what is happening, just as we are sure that the second class rate is incurring a loss.

In the second place we propose that the deficit which has all along been caused by subsidizing private business mailings be eliminated by increasing the rate in the area where it is low enough to cause a deficit, that is, in the second and third class rates.

Third, we ask that the government renegotiate the international treaty which has involved us in losses and bring about parity with the United States postal service in order that our consumers and publishers may not be subsidizing non-Canadian competitors.

Fourth, we want an examination—it might be through a committee or a commission or a special inquiry within the post office itself—of the various subsidies and charges borne by the postal service in order to bring out the facts and provide a clear picture showing who pays for what.

Fifth, we would like a study to be made in depth of the reported advantages of turning the post office into a public corporation, that is, a crown company operated quite separately from itinerant postmasters general.

Finally, what we in this party would like to see is a further advance in the modernization which has already taken place within the postal service. We should like its procedures and techniques brought increasingly in line with the era of technological production and distribution in which we are living. Today the post office faces a situation similar to that which the telephone companies faced a few years ago before they made their operations as automatic as possible.

We in this party aim to do what we can to bring about the most efficient service possible, the best service to the most people in the shortest time, and it is not in line with that philosophy for us to support the proposed increase in the first class mail rate.