

that he approves the decision of the department to construct a city delivery building at that point in Toronto.

Mr. GREEN: The minister did not answer the question asked by the hon. member for St. John-Albert (Mr. Hazen) with regard to overseas mail to soldiers.

Mr. MULOCK: Letters, post-cards and newspapers for the Canadian troops in the United Kingdom are accepted at Canadian domestic rates. Parcels for Canadian troops in the United Kingdom benefit by a reduced rate of twelve cents a pound up to eleven pounds, and a concession as regards customs charges. No duty is charged on parcels sent to Canadian troops in the United Kingdom.

Mr. GREEN: No English duty?

Mr. MULOCK: No English duty. Parcels for his majesty's ships and his majesty's Canadian ships abroad, as well as parcels for members of the officers' auxiliary services, such as the women's auxiliary territorial service and the women's auxiliary air force, if addressed to units serving in the United Kingdom, are entitled to the rate of twelve cents a pound. Letters, newspapers and parcels for the Canadian troops in the West Indies and Iceland pass at the regular postage rates for civil mail to those countries. Ordinary letters not exceeding two ounces in weight posted to Canada by Canadian troops at Canadian army field post offices in the United Kingdom are accepted free of postage. Of course, if posted at a civil post office, the regular British rates to Canada would apply.

Mr. HAZEN: What would it cost the department if letters were sent free from Canada to soldiers overseas? Also, what would it cost the department if parcels were sent to soldiers overseas without postage?

Mr. MULOCK: I do not think the officials of the department are able to give that information offhand. It would be a very rough estimate. I would be glad to look into the matter and see if we can furnish the information. The result of such an arrangement would undoubtedly be a substantial increase in the number of parcels sent—which naturally from the soldiers' point of view is an excellent thing. But there would be difficulty with regard to procuring sufficient space on ships to take such parcels overseas.

Mr. POULIOT: It depends on how thoughtful their friends are.

Mr. MULOCK: And of course the department would have to pay for ocean transportation.

Mr. ROSS (St. Paul's): That would not apply to letters. One would not meet the same difficulty in the free carriage of letters, as distinguished from parcels.

Mr. MULOCK: Yes, we have to pay for space for letters, also.

Mr. ROSS (St. Paul's): But the number of additional letters which would go to soldiers overseas would not take up very much more space. It might incline people over here to write letters if it were not necessary to stamp them.

Mr. MULOCK: As I informed the hon. member for St. John-Albert, we can take the suggestion under consideration.

Item agreed to.

269. Air and land mail services, \$10,863,876.

Mr. HARRIS (Danforth): On this particular item, the minister and the committee will note that there is the substantial increase of \$1,859,827, all of which, as will be gathered from the details of the services, has to do with the mail service by air, inasmuch as the budget for the year 1940-41 contains an appropriation of \$4,460,651, whereas last year the requirement was \$2,250,835.

On examination of this substantial vote, we find that Trans-Canada Air Lines are receiving the major portion of their revenue from the Post Office Department.

I believe all Canadians are proud of the wonderful work which Trans-Canada Air Lines are doing on behalf of the dominion in the matter of air services. In the past two or three years, during the initial stage, and coping with a very great problem, they have certainly put Canada on the map as far as air service is concerned, and it is a matter of congratulation that such marked success has been attained in connection with this combined air service.

The combination to which I refer is that of the passenger traffic—and it is this which grips the imagination of the public—with the mail service, the service which is given in the carriage of mail by air. For that service, \$2,250,000 was voted by this house last year, as well as the deficit which the air lines showed. We anticipate, if we are sensible about the matter, that on a new venture such as Trans-Canada Air Lines there will be deficits for a few years. But it is disquieting to find that the rate which is paid by the Post Office Department for the carriage of air mail is far in excess of anything which even the department itself would admit should obtain. In proof of that statement I quote the observation of the officer in charge of air mail services that he did not know whether