

-4-

In the debate on May 17, 1898, Mr. McDougall said:—"The imposition of a tax on newspapers means the imposition of a tax on knowledge. Many who now receive newspapers cannot continue to receive them because the publisher must charge this tax upon the newspapers he distributes and so increase the price to the subscribers."—Hansard, 1898, page 5717.

Mr. Imrie gave other information relating to the income derived by the Post Office Department from the carriage of second-class matter; the expense of publishing newspapers in Canada as compared with United States and Great Britain; their value for educational purposes, in the developing of local communities, in advertising Canada, etc.

P. D. Ross, *Ottawa Journal*, said the Post Office Department should be required to show good cause for any contemplated increase in the rate on second-class matter. He referred to the statement of the Post Office Department that the railways had demanded increased subsidies for carrying second-class matter and said definite proof of the cost to the railways of carrying this matter should be furnished. The expert whose appointment was authorized at the joint meeting in Toronto, on 20th inst., should be allowed to co-operate with the Post Office Department in a thorough investigation into this and other questions affecting the rate that might properly be charged newspapers.

It was moved by John A. Cooper, *Canadian Courier*, Toronto, seconded by E. F. Slack, *Montreal Gazette*, and carried that P. D. Ross be the spokesman of the deputation and present its wishes and feelings on this matter.

The whole question of the purpose of the interview and of the position of the newspapers on this matter was then discussed. This discussion showed a consensus of opinion on the following, among other points:

The proper attitude of the newspapers toward the Post Office Department and of the Post Office Department toward the newspapers is one of co-operation in an effort to discover the real cost of handling second-class matter.

The demands of the railways for increased subsidies for carrying the mails should be thoroughly investigated; and the newspapers should not suffer through accession to demands from this quarter that are unreasonable.