

The Budget—Hon. J. P. Côté

since 1962-63. I might add that 5,123 million items are now distributed per year, compared to 4,254 million items in 1962-63. Furthermore, the establishment has grown from 41,500 to 48,000 employees since 1963, an increase of 17.6 per cent.

• (5:50 p.m.)

I can say that this personnel was required to meet a 24 per cent increase in the volume of mail and, to be more accurate the 2,896 new mail carriers needed to serve our expanding localities represent 40 per cent of the staff increase.

That is a service that cannot be limited. Besides, as far as the Post Office Department as a whole is concerned, there is not a single service that can be limited. Each new baby, each new immigrant increases the load of the Canadian postal service.

The mail carriers now deliver mail to 3,840,000 homes and businesses, an increase of 27 per cent since 1962-63.

As all businessmen in this house know, in any industry, salaries or, if you prefer, the cost of labour, constitute the lion's share. That is a fact in the Post Office Department, where labour plays a leading part. In fact, salaries represent 67 per cent of the total operating costs. From 1962-63 to 1967-68, the cost of salaries increased by \$113 million, divided equally between an increase in the establishment and a rise in the salaries.

The cost of transportation and that of salaries, established at 67 per cent, represent 88 cents of every dollar paid for operations. To complete this picture, I point out that 8 per cent of the estimates are for premises and 4 per cent cover all other items of administration.

Mr. Speaker, I apologize for having taken so much time but these facts had to be made known to the public. Businessmen and the general public have a right to know what the Postmaster General intends to do.

Mr. Speaker, the Post Office Department presents a unique challenge. This most imposing of all government departments, this service which concerns all Canadians, is a real industry. Following the recommendations of the Glassco commission, this department can now give a precise report of its profits and losses.

However, unlike a Canadian industry in the private sector, the Post Office Department cannot decide the wages it will pay its employees; Treasury Board has control over salaries. The Post Office Department cannot recruit personnel and promote its employees;

that right belongs to the Public Service Commission. The Post Office Department cannot say how much it will charge for those two main services, because it is parliament, and parliament alone, which can set the rates for first and second classes. And, to crown it all, it is the Department of Public Works which is responsible for the construction and maintenance of buildings.

It is not surprising, Mr. Speaker, that some unrest exists among postal employees. When they discuss with the management, they realize that they are trying to find solutions to problems over which the management has no control. All these facts make me feel very responsible. I must assume my responsibilities toward postal employees and I must take a stand on all postal matters, including the introduction of bills in the house.

There was some question, Mr. Speaker, of changing the Post Office Department into a crown corporation. It may be that this should be done, since it involves a profitable undertaking. In this way, this important government undertaking could be operated freely as a private enterprise, without all these outside controls of government. I am very close to what is happening in this field in the United States and I am particularly interested in what is happening in Great Britain, where consideration is now being given to a bill that would change the Post Office Department into a crown corporation. The responsibilities of my office lead me to pursue consideration of such a project.

As I said at the beginning, Mr. Speaker, I feel deeply committed to the house, to the Post Office Department and to all the Canadian people. I feel I must do everything possible so that the services rendered by the Canadian Post Office will remain the best in the world. This is the position I must take, even if an unpopular measure has to be introduced and reintroduced. That is why, Mr. Speaker, I wish to remind all the members that I shall return.

[English]

Mr. Nasserden: Mr. Speaker, would the minister permit a question? Did I understand him to say that \$180 million in new revenue was collected as a result of an increase imposed by ministerial decision without reference to parliament?

Mr. Côté (Longueuil): If the house will permit me to answer the question, what I said was that rates can be established by the Postmaster General by regulation. First and