

Post Office Act

at least be asked to begin to pay something more of the cost to which their profit-motivated efforts have put the taxpayer and the ordinary letter writer all these years.

If we look at the financial statements and details of proposed rate adjustments, distributed the other day by the Post Office Department, we see that second class mail deficits, which have all along been carried by the public of Canada, between 1950 and now totaled approximately \$400 million. This sum is almost equivalent to that which I understand the Minister of Finance (Mr. Benson) will be asking us to try to make up tomorrow night in his representations with regard to taxation or borrowing.

What are the relative figures, Mr. Speaker? In respect of second class mail, mail published basically for a profit, we see that it now pays not much more than one-fifth, 22 per cent, of its way. The public is stuck with the rest or a subsidy of about 77 per cent. In my view this is a strange commentary on the alleged independence of private enterprise. What do we see when we look at the cost to us of, say, *Reader's Digest* and *Time* magazine? My reading of the figures supplied by the Post Office Department indicates that these publishers pay respectively 15.7 per cent and 21.8 per cent of the cost of carrying their publications to Canadians. The taxpayers, most of whom do not read these publications, pay the other three-quarters of the cost of getting these magazines to their readers. Even with the proposed increases in second class rates, the taxpayers will still be subsidizing the deficit caused by these private operations. I commend the Postmaster General for at least taking a step in the right general direction.

I oppose his proposal to increase by 50 per cent the rate for ordinary, first class locally mailed and delivered letters, and by 20 per cent the rate for forward or air mail. I ask him also to reconsider the idea of increasing rates while decreasing service. He may possibly do one or the other, but surely it is a curious situation when the government expects to move in two different directions at the same time. I say, in the meantime leave the first class rate as it is, where it has been carrying itself for many years. Give it another year or two and let us see, with the new second class rates and some other reforms made which I should like to see, whether we need to increase the ordinary letter rate. It is quite true, as the minister points out, that a great deal of first class mail is made up of

bills from hydro, telephone and other concerns. This is very true, but it is equally true that an increase in the costs of these business concerns, which for some will be 50 per cent for locally mailed letters, will be promptly passed on by those concerns to the consumer. They will do so very quickly, perhaps even by special delivery.

If this legislation were sent to a committee for study it might be that consideration could be given to the idea of applying the 5 cent rate to all first class mail in Canada. This question is an involved one relating to the whole system of rates, and in my opinion this is another reason for us to have a look at the whole situation in depth in a committee. We certainly support the motion put forward by the official opposition for the reference of this legislation to a standing committee.

I should like to refer now to a proposal which is not really before us but which the Postmaster General has acted upon. I refer to the reduction in our mail service in so far as urban areas are concerned to five days a week. I do not know of another country in the world which is putting up with that kind of substandard service, and I do not know why Canadians should be asked to do so. We do not have five day police, fire, health or broadcast services. The newspapers do not publish just five days a week. In our view the present postal service and the ability of our people to communicate on a six day schedule are important and must be retained. Again, it seems to me to be a curious thing that while we can discuss the prices which people are going to pay to have mail delivered, there is really no legislation before us at the moment concerning what that money will buy in the way of service. Again I say that this is the type of thing that could be looked at by a committee. The very fact that this legislation allows the post office itself to make changes in the standard of delivery while compelling it to refer to the house the second class mail rate is another reason for studying the whole problem in committee.

● (5:10 p.m.)

When I spoke on this matter earlier I asked a number of questions and I would like answers to them. One question the Postmaster General answered today is, how much imbalance, in dollars, is caused by our reciprocal agreement with other countries, notably the United States? As we all know, Canada is a member of an international organization