

Supply—Post Office

The items covered by the estimates which are before the committee on pages 350 to 355 represent the considered opinion of my department as to the amounts which will be required to provide an effective and efficient postal administration. The country is entitled to this, and we shall try to give it during the current fiscal year. I invite earnest and careful consideration of these estimates. I trust hon. members will not overlook the supplementary estimates on page 18. There is \$804,000 there. They are important, too. I will leave it in your hands, Mr. Chairman.

Mr. McIntosh: I believe the minister said earlier he would have something to say about third class mail, but I did not hear him make any further reference to the subject. Before he resumes his seat, may I say I represent a rural constituency. The hon. gentleman talks about three deliveries a day, but some of my people do not get three deliveries a week. In these circumstances I cannot see the justice of the argument for increasing the rates on third class mail. According to the Glasco commission report, third class mail is showing a profit, but the minister says it is being carried at a loss. This is what I have to explain to my constituents. Could the minister give us any further information?

Mr. Nicholson: I referred in a general way to rate increases which took effect on April 1 of this year. After widespread publicity and discussions with industry and other groups which were involved, rates for third class mail were increased on that date by roughly 50 per cent and our best estimate is that third class mail is now paying its way. With regard to deliveries, I said that in commercial areas more than 50 per cent of the first class mail moves from city to city, from community to community. In these cases there are three deliveries in any city of any size.

It is true that in the residential parts of towns and cities, big or small, the delivery, where there is delivery, is only once a day. I did mention exceptional conditions, and in rural areas there are the odd cases where you do not get six deliveries a week. If my hon. friend is in one of the unfortunate parts of the country where this is the case, I would appreciate it if he would write me a letter and we will see if we can do something about it; because in most cases the rural routes have five or six deliveries a week.

Mr. McBain: Mr. Chairman, I am sure all hon. members regret the minister's opening remarks this afternoon when he informed

the committee that his parliamentary secretary, the hon. member for Hull, was confined to hospital. I join with the minister in wishing the hon. member a speedy recovery.

We of the official opposition are pleased to have the Postmaster General bring his estimates forward at this time, particularly because the estimates of the post office were not reviewed until the last few days of the last session. Of course, we have not forgotten that the former postmaster general had considerable difficulty keeping himself out of hot water, and therefore it was understandable that the government did not bring the post office estimates forward until late in the session. I have done a little research in this connection and have found it has been characteristic of former Liberal governments to leave the post office estimates until the end of the session. Going back to 1956, the estimates of this department were brought forward on August 13 and I believe the house prorogued the next day, August 14. One begins to wonder whether this is an omen that this session is coming close to an end. We hope it is, for a summer recess and not dissolution of parliament.

Mr. Chairman, it is not the intention of the official opposition to delay unduly the passing of these estimates, provided the minister is able to answer our questions with reasonable clarity. I wish at this time to congratulate the Postmaster General for taking such a reasonable approach to postal problems, and I sincerely believe he is endeavouring to curtail the political patronage that had so openly developed under the previous postmaster general. It seems unfortunate that today we only have before us the report of the Postmaster General for the year ending March 31, 1963. Today is July 17, 1964, and we are discussing the spending estimates of the post office for the year ending March 31, 1965. As over three months have expired since the end of the 1963-64 fiscal year it would seem more appropriate if we had before us the report for the fiscal year ending March 31, 1964. I believe that the figures the Postmaster General was using this afternoon were those of the last fiscal year.

The report that we have before us shows an increase in total revenue of \$8,781,809.69 over the previous fiscal year and an over-all surplus of \$3,486,449.02, and in the past ten years a surplus in five of those years. The minister this afternoon has endeavoured to point out that some of these were only paper surpluses and were not in fact real, and I think he endeavoured to leave the impression