

Hon. Sir JAMES LOUGHEED: It might be difficult.

Hon. Mr. DANDURAND: But I have heard some of the parties who will have to bear the increased Sales Tax claim that the tax on newspapers in general would be some \$500,000 or \$600,000.

Hon. Sir JAMES LOUGHEED: That is, if it is placed on all of the newspapers.

Hon. Mr. TURRIFF: I have heard on what I consider very good authority that the increase in the Sales Tax means \$60,000 to one large paper concern, and the decrease under the Bill which we are now discussing will mean a saving of \$8,000. I do not know whether that is absolutely correct, but I have reason to believe that it is about correct.

Hon. Mr. ROBERTSON: Can my honourable friend tell us whether or not there is any intention on the part of the publishers to reduce the price of the Sunday papers? Prior to 1920, when the postal rate was increased, we used to get a Sunday paper for five cents. When the rate was increased, the price went up to ten cents, and since that time it has been increased to fifteen cents. If there is any evidence or indication of an intention on the part of the publishers to reduce the price to the public, it would have a very substantial bearing upon what our decision should be. If, on the other hand, there is no such intention, and the selling price of the paper being 300 per cent of what it was when the rate was down, I think the House should hesitate before passing this Bill.

Hon. Mr. GILLIS: I understand that the Postmaster General says the present rate did not pay for the carriage of these papers. That being the case, I do not see the justification for reducing the rate. For example, in the West, we have papers that have increased the subscription price from \$8 to \$12 a year. They claimed that the reason for that was that the price of paper had been increased by the paper manufacturers from \$80 to \$160. I understand that the price is now reduced to about half that figure; but the subscription price has not decreased in proportion—in fact, it has not decreased at all. That being the case, I do not see what grounds there are for this reduction.

Hon. Mr. ROBERTSON: Can my honourable friend answer my question?

Hon. Mr. DANDURAND: I have no information on that point.

Hon. Mr. ROBERTSON: The reason I asked it was that a gentleman who is making

himself known to the members to-day made that statement that such was the intention of some of the publishers.

Hon. Mr. DANDURAND: I hope there is some element of truth in it.

Hon. Mr. ROBERTSON: I hope so too.

Hon. Mr. DANDURAND: I hope also that the statements have been made in writing to the Government, so that they may go on record.

Hon. Mr. BLONDIN: Honourable gentlemen, as I was responsible for the increase in the rates on newspapers, and had the honour of submitting the law to this House, I may perhaps give a few words of explanation. The increase in the newspaper rates was made because it was found that the newspapers of this country were not paying their fair share towards the cost of the administration of the Post Office Department. To give you an instance of that, I might just quote the explanation which I gave to this House when the Bill was proposed. I said:

The last report of the Post Office Department states that the carrying of newspapers costs the country from five to six millions, while the total amount of money paid by the newspapers to my Department does not exceed \$261,000. We are charging the people of Canada 2 cents an ounce for carrying their letters, which means \$32 for 100 lb., while we charge for the carrying of third-class matter only \$8 for 100 lb., and ever since Confederation we have been charging newspapers only 25 cents per 100 lb. In this we have been following rather the American post office system than the European or British system.

At the present time the ordinary man pays 48 cents a pound, or \$48 a hundred pounds, for the carrying of his letters. Legal documents, business papers, partly printed and partly written, pay from \$32 to \$48 per hundred pounds. Books and samples pay 8 cents per hundred pounds. The rate per parcel post is from 5 cents to places within 20 miles, and newspapers pay one cent and a half.

When we were reorganizing the Post Office Department, in order to try to put it on a business basis, we saw that it was unfair to the rest of the population to continue carrying newspapers for practically nothing. It will readily be understood that during the early days of Confederation, when the population was small and scattered over a large territory, there was a reason for protecting the newspapers to that extreme limit; but to-day I believe we have reached a period when the newspapers, whilst still receiving considerable protection, ought to contribute a little to the ever-increasing cost of the administration of the Post Office.