

Mr. INGRAM. I would ask the hon. gentleman, if there is not some difference in the rate paid to the Grand Trunk and that paid to the Canadian Pacific Railway, and if so, is that not a cause of complaint on the part of the railway companies now?

The POSTMASTER GENERAL. In 1864 there was a rate fixed, and the Grand Trunk was paid according to that rate. But, from time to time, there have been exceptions and modifications and extra allowances on this road and that, and the Grand Trunk is paid at different rates under different contracts. In one case it is so much per car mile for a baggage-car service; in another place it is so much per postal-car mile; in another case the rate is so much per mile of railway, regardless of service performed. So, there is no fixed rule. But if hon. gentlemen will look at the Estimates, they will observe an item of \$5,000 for the expense of a commission to consider this whole question and endeavour to formulate a scheme upon which payments can be made.

Mr. TAYLOR. I understand the hon. Postmaster General to say that he proposed this Bill to reduce the postage on letters from 3 cents to 2 cents, and he hoped to increase the revenue by charging postage upon newspapers. Now, looking at it from the farmer's point of view, I think it is very objectionable, and I hope the hon. gentleman will see fit to withdraw his Bill here and now, for this reason. Ninety per cent of the letters that pass through the mail are written by manufacturers and business men; the average farmer does not send probably more than four letters a year, and the saving to him would be probably about 4 cents. But 90 per cent of the newspapers are supplied to the farmers of this country, so that for the 4 cents he will save on his letters he will pay an additional cost of 25 cents on his weekly or daily newspaper. It looks to me like another blow at the farmer. My hon. friend posed a few years ago as the farmer's friend, the Patron's friend; now he is giving it to him in the neck by adding postage to his newspaper. In my opinion, the farmers will look upon this as one of the most objectionable pieces of legislation that has ever been proposed to this Parliament by any Government.

Mr. CLARKE. Let me ask the Postmaster General if he intends to make any change in the rate on drop letters? Last fall a deputation waited on the Minister in the city of Toronto complaining of the system that obtains there in reference to drop letters; and I understood, having accompanied the deputation, that the Minister promised to take that matter into his consideration. I would like to know if it is the intention of the Postmaster General, in reducing the general rate of postage

throughout the Dominion, to reduce the rate for drop letters in the cities from 2 to 1 cent?

The POSTMASTER GENERAL. There is no provision in the Bill dealing with drop letters.

Mr. CASEY. I do not intend to discuss the Bill on its first reading, with the imperfect knowledge we can have of it from a verbal statement. But I would like to call the Minister's attention to one or two matters that I have pressed on previous Postmaster Generals, and that I would like to press upon his attention. One of them is a matter which I think would aid him in obtaining the increased revenue which he wishes to get in order to permit a reduction in letter rates. I think a great development could be made in the revenue of the Post Office Department by a system of registration combined with insurance, such as, I understand, is the practice in Great Britain. No doubt, he is better posted as to the practice there than I am; but I understand it is possible in Great Britain to insure parcels and letters transmitted by mail, on a graduated payment. I am sure that if it were possible to send small parcels and money in registered letters by the post office with the same certainty with which they are sent by express companies, for example, a large profit could be made on that line of business. The securities at present given by registration are not sufficient to induce people to send anything very valuable that way, and consequently not much of that kind of business is done. Perhaps the hon. Minister has looked into this matter, if not I would suggest that he look into it as thoroughly as possible before this Bill reaches a subsequent stage, so that we may compare it with the British Bill; and I think he will find he could get a good deal of money out of that. Another point is that the present rate for registration on letters seems to me rather high in comparison with the degree of security afforded. I do not mean to say that there is a great deal of money lost in registered letters, but for all the extra trouble that is taken with them, I think 5 cents is a pretty high fee. It does not bear heavily on the business man who is sending something of moderate value through the mail, but bears very heavily on one large class of people, those who pay a monthly or frequent assessment to benefit societies, that assessment often not being more than a dollar in each case, on which the subscriber has to pay 3 cents postage and 5 cents for registration. It is a pretty large percentage on the amount of his remittance, and if he remits ten or twelve times in the course of a year, it becomes quite a heavy tax upon him. I think there is room for improvement in the direction of reducing the registration fee, and in the direction of instituting an insurance

Mr. MULOCK.