

Post Office Act

where the pound sterling was devaluated and all kinds of problems occurred.

We have seen stable countries, like Denmark, forced to devalue their money. France, another stable country, which was tied to the gold standard, today encounters many difficulties. One has only to read the papers or confidential documents to realize this. The United States had to raise their income tax by 10 per cent. A great many Western countries had and still have to contend with a very difficult international situation.

In recent months we have seen that Canada has been able to get successfully through this international financial crisis and in doing so has earned the admiration of all the countries in the world. But on what condition, Mr. Speaker? On condition that we inspire confidence to foreign and Canadian investors, who otherwise might wish to invest their money elsewhere, if they were able to get a better return there. Therefore, the *sine qua non* condition of the investors' confidence is, first of all—students of economics know—that the government should balance its budget as much as possible. I say again that, under the circumstances, to avoid disastrous inflation in Canada, the measure proposed by the hon. Postmaster General (Mr. Kierans) is indispensable, even though it is painful, even though many of us will have to pay their share, even though many of the members of the opposition find it distressing.

It is not the only indispensable one, Mr. Chairman, because it touches upon only one aspect of the problem. Still, it is a step in the right direction, and I am sure that those who are concerned with the commonweal, will overlook their personal interest in seeking additional publicity in the newspapers. They will recognize that if we are to inspire confidence to foreign investors—as well as our own—who are interested in the development of our present businesses and in setting up new ones—which will help to reduce unemployment in Canada—the government must set the example of austerity in its own administration and adopt legislation to ensure that its own services pay their own way.

It is by taking into account that primary consideration about which, in my opinion, all hon. members are concerned, that we will make sure that the Canadian economy will remain healthy and that there will be less unemployment. We must all have the courage—and I agree with what the hon. member for Hillsborough said—to forget our personal

considerations, our partisan considerations and think about the primary interest. We must all accept to make sacrifices so that Canada will not know the slowdown that other countries have gone through.

Taking that into account I strongly support the bill introduced by the Postmaster General.

[*English*]

Mr. Rynard: Mr. Chairman, I have two brief comments to make on what the minister has said. It seems, from the minister's answers, that he has been playing eeny, meeny, miny, mo in a bureaucratic jungle and has had a hard time making up his mind about anything worth while.

The field has been well covered and the debate has been good. I want to examine briefly what the Postmaster General proposes to do to our postal services. I am reminded of one who now is in a safe haven who said that if advertising were removed from newspapers, articles would cost less in the marketplace. He forgot to say that reading a newspaper would then become the prerogative of the rich, only, instead of costing 10 cents, they might cost about \$1 each. Also, they might be then controlled by only money Barons and the government, which would certainly be bad for the Canadian people. They would not know what went on.

It seems passing strange that the post office, which showed a profit of \$20 million just before the Liberal party came to power a few years ago, now suffers from a deficit of over \$100 million after five years of Liberal rule. It is claimed that newspapers have paid only about one third of their delivery costs. The new rate is 5 per cent on news and 50 per cent on advertising. This means the Postmaster General will increase this rate to 75 per cent, or a total increase of over 150 per cent.

What will be the effect of this? Newspapers will have to increase their subscription rates and their advertising rates. This places a tax on dissemination of knowledge, a tax on knowledge and of current events. Business will have to increase the costs of its goods by an amount equal to the increase in advertising rates, and the poor taxpayer will have to pay the shot for the cost on news.

I am wondering about cases when newspaper subscriptions have been purchased for a few years ahead. How many of these cases are there, and who is to absorb the loss?