

## HOUSE OF COMMONS

Wednesday, June 13, 1951

The house met at eleven o'clock.

## POSTAL SERVICE

RATES ON NEWSPAPERS AND PERIODICALS—  
REFERENCE TO EDITORIAL IN "GLOBE AND  
MAIL" OF JUNE 13

**Hon. Edouard Rinfret (Postmaster General):** Mr. Speaker, I rise on a question of privilege. My attention has been called to an editorial appearing in the *Globe and Mail* of this morning.

**An hon. Member:** What a paper!

**Mr. Rinfret:** It is headed "Mr. Rinfret's distorted figures", and it goes on to say that the attack on the *Globe and Mail* was wholly based on misrepresentation. I quote:

Mr. Rinfret read the text of a letter sent by the *Globe and Mail* . . .

There is no getting away from it; the *Globe and Mail* actually sent the letter.

**Mr. Graydon:** The minister is just finding that out now.

**Mr. St. Laurent:** The hon. member is just finding it out now. We knew it.

**Mr. Graydon:** I take much pleasure in doing so.

**Mr. Rinfret:** I have already stated to the hon. member for Peel (Mr. Graydon) that the letter I read into the record the other day was under the heading of the *Globe and Mail*. At his request I disclosed the name of the paper. I had no intention of doing so myself.

The extra mailing costs under these rates were figured by the *Globe and Mail* at \$3.90 a year. I am supposed to have said that in fact it was only \$1.70. What I said, Mr. Speaker, was that the impact under the new amendment was \$1.06 gross, and, after deduction of federal and provincial income taxes, would come to only 53 cents net per subscriber per year. I continue reading the article:

In order to make this charge, Mr. Rinfret had to distort the facts and figures clearly stated in the letter. The letter did not say or suggest that the proposed new rates meant \$3.90 in extra postage. What it said was this:

I leave it to the house to decide whether the correct interpretation is the one I put on the matter or is the one the editorial puts on it.

"Under the new postal rates, announced May 21, the postage on a year's subscription has increased \$3.90 since 1938—and only now is part of this increased cost being passed on to our readers."

Referring to the new postal rates, the editorial says that there have been quite a number of changes in the rates since 1938. I want to tell the house that there has been no change in the law with regard to the postal tariff since 1933. Since that date it has stayed at one and a half cents and a surcharge of four cents on all advertising content over fifty per cent. It is true that during the war, from 1943 to 1946, the clause with respect to the fifty per cent advertising content was suspended. But if we compare the figures between now and 1938, this period of three years should not be taken into consideration.

I made the calculation in the house that the *Globe and Mail* have 30,380 mail subscribers, and that last year they paid \$119,000, which represented \$3.91 for each subscriber. I made the same calculation with the new rates of two and a half cents and four cents, which would bring their total bill to \$151,366; this, divided by 30,380 mail subscribers, would be \$4.98 for each subscriber yearly. As I said in the house, that is an increase of \$1.06 before deduction of income tax and 53 cents after deduction of tax. If I am to take the figures of the *Globe and Mail*, they show that between 1938 and 1950 their mailing costs have increased by \$1.95, whereas under the new law the increase will be \$2.89. Therefore the impact of the new law, according to the figures of the *Globe and Mail*, is only 94 cents gross and 47 cents net.

The real impact on the costs of the *Globe and Mail* will be 20 per cent of two per cent. The mailing costs of the *Globe and Mail* represent about 2 per cent of their total costs. From now on their mailing costs will be figured at 2.4 per cent instead of 2 per cent.

As I indicated to the house, the increase in postage charges to the *Globe and Mail* as a result of the provisions of the new Post Office Act will be \$32,366 before deduction of income tax, and \$16,183 after deduction of income tax. The charge that is now made by the *Globe and Mail* to their mail subscribers