

*Supply—Post Office*

particularly when we have mining developments in process. At least, that is the information the Post Office Department has given to me; they say that the assumption held by a great many of us—and I admit I was one of those who held it—is only an assumption, not a fact.

I am not trying to suggest that the post office feels its scale of rates is perfect. Many of these rates have been in existence for a long time. They have been set for too long and they relate to circumstances which existed 60, 70 and, in some cases, more than 100 years ago. We are trying to get a fair rate schedule which will cover the cost of dealing with the ordinary mail as distinct from newspapers and periodicals. We are also trying to find a formula which will correct the situation with regard to newspapers and periodicals where the latter are making a profit, as is the case in some instances. But this is an extremely difficult question, as I mentioned earlier.

I think I have said enough by way of historical background and explanation regarding some of the things we have done and have tried to do. As I said earlier, I do not think a postal service should necessarily be self-sufficient unless parliament were to decide it should be self-sufficient. It is the job of the post office to enforce the act, and we are glad to do so. But if we can correct the inequities, as we have done in the case of third class mail and, to some extent, with regard to first class mail, that is all to the good, and this may be the proper time at which to come before parliament and ask what should be done in the matter of continuing or modifying the subsidy on newspapers and periodicals.

I indicated that I would ask the committee to judge whether the post office is doing a good job or not. I think the department is doing a reasonably efficient job along business-like lines. It must be done in a business like way, because this is big business. The post office in this country handles more than four billion pieces of mail in the course of a year for which we received charges varying from one fortieth of a cent to 5 cents. As to the first figure I just gave, that situation has now been corrected, but was the rate until not long ago. In the odd case we get a special delivery charge for a c.o.d. parcel, but as a general rule we receive amounts within the range I have mentioned.

As I said earlier, we have introduced a cost ascertainment study and we are making good progress with it. At the same time we have expanded and broadened our method

and standards program as recommended by the Glassco commission. One of the major objectives of this program is to try to forecast volumes of mail to a finer degree in each of the classes and categories so that we can assemble staff at short notice to handle it at Christmas, Easter, and certain other seasons of the year. The department has also noticeably improved its quality control program over the past two or three years. This is aimed not only at failures in service—and there is the odd failure—but also at establishing preventative measures which will eliminate or at least minimize such failures in the future. We had one out in Trail not long ago. There was a breakdown there, but we shall try to guard against a repetition. The object of the program is to ensure that certain parts of the country do not receive better service than others, taking weather and other factors into consideration, bearing in mind population and accessibility.

Records for the last two years indicate that mail volumes in Canada are increasing by some 5.3 per cent each year and by far the greater part of that increase is in first class mail. Happily, from the standpoint of dollars and cents, there is very little increase in the volume of second class mail. There is some increase in the volume of third class mail. But it should be borne in mind that this increase of 5 per cent is cumulative and we have to anticipate a terrific demand in the light of the population explosion which is going on in this country. We must be prepared for this and get our postal department in a healthy position so as to take care of it. I think the post office will need help and advice. We welcome it, either from members of this house or from anyone else who wants to give it, provided it is constructive.

As an industrialized society continues to grow and demands for service become more complex, the expenditures of the post office department will have to be increased. New buildings, staff and equipment are bound to cost money; our costs cannot remain static. Our rates should not remain static either, and in due course we shall be asking for the sympathetic consideration of this house in dealing with that situation. I will pass on to the committee the thought that on the whole the post office department is staffed with a reliable and, I think, a dedicated body of people whose sole desire is to do a good job, and if hon. members have any suggestions for improvements in the service they will be most welcome.

[Mr. Nicholson.]