

Supply—Post Office

On the one hand we have the Liberal party saying the postal workers are ill treated by the present administration and that their morale is low, and on the other hand we have the hon. member for Kootenay West, representing another party of the opposition with no better reason to favour this government, saying that in recent years there has been a great improvement in morale owing to improvements in administration and working conditions. I think we need go no further than to add the fact that postal employees today are better paid and better treated and receive better co-operation from management within the post office than ever before in our history, and that none of them are afraid of postal progress or automation.

Criticism has been levelled at the public relations department generally. I think basically this represents a misunderstanding of one of the major functions of this department. This is not a group designed to get publicity for the post office as such. It is what one might call a customer relations operation in very large measure. The majority of the personnel in the department spend their full time in centres across Canada working with postal users, ironing out special problems, leaving postmasters free to contemplate the day to day administration of their offices.

On the question of the deficit, our policy, enunciated originally and adhered to since, is to so operate the department as to break even on our over-all operation. The estimated \$9 million deficit this year is really due to salary adjustments which ran throughout the entire year. There is no complaint about that; they are fair, reasonable and just. Next year when the changes in parcel post rates are in operation I confidently expect the department again to come close to, or reach, this break-even point.

As far as the increase in parcel post rates is concerned, the opposition chose to criticise that as well, and I would remind them that this is the first increase in ten years. The amount of the increase has been very badly misrepresented; one hon. member said the increase amounted to as much as 100 per cent. In fact it represents an average increase of 44 per cent. One of our major actions was to remove a special rate which had previously existed within 20 miles of post offices. This concession had been introduced many years ago at a time when communications were not as good as they are today, and when many farmers were in the habit of doing their shopping by mail. In recent times this particular section of the rates was being misused by some of the largest mailers in Canada, who would bundle up their parcels and send them by freight or car to a particular post office, and thus serve a great mass

of people within 20 miles of that post office at a rate substantially below cost. The elimination of that rate will react to the benefit of the small shopkeeper and the small operator.

It must be remembered, too, that over the past ten years rail transport costs have gone up 120 per cent, and that our clerks are making 40 per cent more than they formerly did. There have been five rate increases by our competitors since the last one we put into operation. Finally, parcel post is still by far the cheapest way of sending parcels in Canada. I quote three rates as examples. A one pound parcel for delivery in the same province cost 10 cents under the old rate. The present rate is 23 cents and the corresponding express rate is \$1. A five pound parcel sent three provinces away cost 67 cents under the old rate; the new rate is 84 cents, and the express rate is \$1.07. A ten pound parcel sent to an adjoining province cost 89 cents under the old rate and \$1.14 under the new rate. The express rate is \$1.30. I still think that in the field of parcel post rates we have a most satisfactory and economic service.

Then, as to patronage, if you listened only to the words and overlook the examples you would think we were doing terrible things in this field. I tried to look into as many cases of this so-called patronage as I could. In one case I found that the man was operating a bakery and intended to go on operating it. He could not be a postmaster if he was operating a bakery full-time. How can a man bake bread and be able to serve the public in another capacity at the same time? In a number of other cases, including one at Trail, I found that these were straight civil service appointments made by the civil service commission, and if anyone wishes to question the integrity of the civil service commission he is free to do so, though I think it would be regrettable. The hon. member for St. Denis complains because we dismissed a postmaster for signing the nomination papers of a provincial candidate. Well, everyone of us knows that the signing of nomination papers very definitely places you on one side of the political fence as one of that man's supporters. We are not prepared in the department for that to be done.

The hon. member for Timiskaming in this same patronage field got himself into a long and involved discussion concerning a post office in Haileybury. I myself tried to find the newspaper account in the *Toronto Telegram* of March 14 which was supposed to report this incident. I went through every edition of the *Telegram* of that date, and the report is not there, Mr. Chairman. I looked at the *Northern News*, which he also purported to quote from, and I could not find