

transfer any employee or employees from the registered mail department to some other department. In the Winnipeg Post Office a clerk who handles registered mail does a number of other jobs as well. Registrations are just part of the general work of the office.

I wish to emphasize that the real cause of the deficit is not the \$2 million lost on registered mail, nor the \$6 million loss incurred by the removal of the cheque stamp tax, nor the increase in wages, which in his report the Deputy Postmaster General stated was \$5 million, but which he told us this morning would probably amount to \$8 million. The big loss is on periodicals, a classification which includes all newspapers. The Deputy Postmaster General told us this morning that he estimated this loss at \$15 million. Why should no increase be applied to periodicals? I hold no brief for the newspapers of Canada; they abuse me like a pickpocket, as they have abused all other honourable senators right along. I say, "Go to it all you can". I do not think anybody is getting greater service for nothing than the publishers of the periodicals of this country are receiving from the Post Office Department. That service has created a loss of \$15 million on the department's operations, yet no increased rate is provided for in this measure. I think that is deserving of consideration.

The majority may vote for this bill, I do not recall that we have ever before had a chance in this house—at least since I have entered it—to show the people of this country that we think the postage on first-class mail, which yields a profit now, should not be increased. The Deputy Postmaster General told me in committee that out of every dollar of the department's revenue approximately 46 cents was derived from first-class mail, and out of every dollar of expenditure 29 cents was attributable to first-class mail. On the other two classes, namely, registered mail and second-class mail, there was a loss of \$17 million.

Honourable senators, that is the issue. I am positive that more people in Canada are disturbed over this proposed legislation than over any other legislation that has come before this house since I have been a member of it. As I said in my earlier speech on this question, the increase in rates strikes at a very vital means of communication—the private letter from person to person, which is a sacred thing.

Some newspapermen tell me that if they did not have a favourable postage rate on their papers they could not send them out.

I am further told that 85 per cent of newspaper distribution is by mail. This I simply do not believe. I think more people read city dailies than read any other papers. But whether that is true or not, why should the person who writes a letter—the mother who writes to her son, or the husband who writes to his wife—have to make up the \$15 million loss just to help out some commercial enterprises?

Some people may argue that the five-day week for postmen, the discontinuance of stamps on cheques and the increase in pay of postal employees justify an adjustment in rates. But beyond those questions, I do not think there can be any dispute. The fact is that the handling of second-class mail has resulted in a loss of \$15 million, and it is now proposed that letter writers be asked to pay it. That point may have been raised in another place, but I am not aware of it; nor did any newspaper that I have seen make mention of it.

I have nothing personal against the newspaper business, but I would point out that the newspaper proprietors have increased their wealth over the last ten years at a greater rate than has any other class of people in our communities. The value of their businesses has gone up over the past ten years at a tremendous rate. They are doing a huge amount of advertising, compared with that of ten or fifteen years ago, and they scarcely know what to do with their money. Newspaper owners may say that it is the rural paper that is not paying its way in the mails. Well, I have not seen all the rural papers, but in my opinion those I have seen are for the most part gossip sheets. They contain chiefly items such as this: Mrs. Jones has gone away; Mrs. Smith is out of town, or somebody is visiting somebody else. The people are entitled to get that kind of news, but they should not get it at the expense of letter writers.

For those reasons, honourable senators, I object to this bill being passed. I protest against one class of the community being charged postage for services extended to another class. The honourable senator from Toronto (Hon. Mr. Hayden)—I am sorry he is not in his seat at the moment—said earlier that the principle of the bill is to provide enough revenue to make good the loss. Certainly, that is its purpose. But what would a business man do if he found one department in his organization was not carrying itself? He would either get rid of it or make it pay its own way. For those reasons I am against the passage of this bill.

Hon. Mr. Farris: May I ask my honourable friend a question? Unfortunately, I was not