

*Post Office Act***INQUIRY OF THE MINISTRY**

On the orders of the day:

Mr. K. H. More (Regina City): Mr. Speaker, I have a question for the Prime Minister. First will you permit me a word of explanation, since the Secretary of State for External Affairs does not understand the significance of my modest boutonniere. The name of the game is rugby. We from the west are proud of the achievements of the Saskatchewan Roughriders. I want to ask the Prime Minister if he will take the house into his confidence and let us know whether he has again made a wager against the Saskatchewan Roughriders with the hon. member for Humboldt-Melfort-Tisdale.

Right Hon. L. B. Pearson (Prime Minister): Yes, I have, Mr. Speaker, and my hon. friend will be feeling yellow and black next Monday.

Mr. More: A supplementary. Would he welcome wagers from other western members?

POST OFFICE ACT**AMENDMENTS TO PROVIDE FOR INCREASES IN POSTAL RATES, ETC.**

The house resumed, from Friday, September 29, consideration in committee of the following resolution—Mr. Côté (Longueuil)—Mr. Batten in the chair:

That it is expedient to introduce a measure to amend the Post Office Act to increase by one cent the postage rates for letters posted in Canada for delivery in Canada; to provide an amended rate structure for newspapers and periodicals; and to provide further for certain changes in connection with the administration of the act, more especially in relation to tenders and contracts.

Mr. McCutcheon: Mr. Chairman, this will probably rate as one of the longest speeches ever made in this house. It was commenced on September 29 and if we had resumed consideration of this measure tomorrow it would have taken two full months. We are being asked to approve an increase in postal rates which will result in an increase in the cost of living for every Canadian and in the cost of doing business. The burden will fall chiefly on ordinary citizens because businesses will pass on the increase to the consumer while at the same time charging up additional expenses when computing their income taxes. Therefore in the case of business firms the increased rates will in reality only net the government a fraction of the amount they hope to raise. It follows then that the main burden of these increased rates

[Mr. Speaker.]

will fall on the ordinary citizens of the country. Further, I suggest that these increases should only be considered as a last resort after all other avenues have been explored.

• (3:40 p.m.)

With this in view, Mr. Chairman, I have a few questions I should like to pose to the Postmaster General. The post office has 44,244 employees at the present time, or rather did have two months ago when my figures were prepared. In 1963 the total number of employees was 26,520. The question bothering Canadians is: Why was there a personnel increase of 69 per cent during this period while the volume of mail reportedly rose only 9 per cent? During this period the number of post offices has decreased from 11,336 to 11,172, a drop of 164.

If I may refer again to personnel, Mr. Chairman, in 1954-55 the post office operated quite efficiently with four or five so-called branches. Between then and 1959 the number of branches was increased to six with the appropriate number of directors. During this period the maximum growth of our cities took place. This was the period when the poor postman frequently found new subdivisions seemingly appearing overnight in what had previously been a cow pasture.

If ever a department did a job well, Mr. Chairman, it was in this period of maximum growth in our developing urban areas. All of this was accomplished with six branches. Now, in 1967, the post office has 13 or 14 directors, three assistant deputy ministers and five directors of personnel. I would suggest there are quite a few chiefs and that the increase in the number of these high priced individuals is taking place at an alarming rate.

This is just one of the mysteries of this department, Mr. Chairman. The fact that such a gigantic increase in personnel was not accompanied by a similar increase (a) in efficiency and (b) in volume of mail handled seems to indicate that the department probably needs considerable overhaul.

The committee has had the benefit of the minister's statement in regard to income and expenses, but I can find no accounting sheet or annual report that allows me to find out—indeed, I suggest it is impossible to find out—how much was spent on and how much was received from each kind of mail. Surely these figures exist somewhere.

In May, 1966 the minister said that he agreed with his predecessor that certain efforts should be made to follow up some of