

6. In its Sixth Report of March 13, 1979, the Standing Committee again returned to the subject of postal rates;

"3. Your Committee deplores the persistent defiance of Parliament by the Crown in the setting of postal rates. Your Committee's objection to the way in which the Crown has proceeded in 1976, in 1978 and again in 1979 is based partly on vires, since the Post Office Act is a special Act and the Financial Administration Act, section 13, is a general Act (and prior to the Post Office Act as regards the letter rate), relating to services and facilities which your Committee is sure Parliament never thought would include the Canadian postal system. The validity of the Crown's actions under section 13 of the Financial Administration Act has been upheld at first instance in the Federal Court. Your Committee's objection is, however, also based on the unusual and unexpected use by the Crown of section 13 of the Financial Administration Act to intrude into an area Parliament has always hitherto reserved to itself. It was on this basis that your Committee drew the special attention of the Houses to the instruments purporting to effect the 1976 and 1978 rate increases in its Third Report for the 1976-77 Session and its Fourth Report for the 1977-78 Session. That latter Report was concurred in unanimously by both Houses."