

Mr. EULER: A daily letter of approximately five hundred words of news of special interest to Canadians, prepared at Ottawa and transmitted by mail to North Sydney, and by wireless telegraph to Grindstone. The cost is one-half cent per word. The Grindstone operator gives a copy of the daily letter to the superintendent of government telephones, who telephones it to telephone centrals at a stated hour each day. Residents may telephone or call in person and receive the news. A weekly air mail service between Charlottetown and the Magdalen islands is maintained during the closed season of navigation. This is paid out of the vote for mail service by air.

In addition to the service by the Post Office Department, the news contained in the daily letter is broadcast over wireless telephone service between Grindstone and the lighthouse at Bird Rock. Residents with radios may pick up the messages. The service is given by the marine department without cost to the Post Office Department. There is also daily radio news broadcast in French from the New Carlisle, Quebec, radio station, supplied by the Canadian Broadcasting Corporation. The winter season, or the period of closed navigation, begins at the latter part of December and ends about April, varying according to weather conditions. I can give the expenditures and votes for the last five years, if hon. members wish to have them.

Mr. BETTS: No.

Mr. EULER: Last year, 1937-38, the vote was \$600, and the estimated expenditure was the same amount.

Mr. BETTS: Could not this service be given by the Canadian Broadcasting Corporation? The corporation broadcasts news every day, and it seems to me the people of the Magdalen islands could avail themselves of that service, as well as a service of this kind.

Mr. EULER: I believe the broadcasting corporation does give a service there.

Mr. BETTS: Then this would be a duplication.

Mr. EULER: This is in French.

Mr. BENNETT: Does the item covering equipment and maintenance refer only to equipment and maintenance at head office? What about the cancellation of stamp machines, rural mail boxes and locks? Are they included in this or some other item?

Mr. EULER: I am informed that that does not come under this item.

[Mr. Brooks.]

Mr. BENNETT: I see an item for mail bags; that is why I asked the question.

Mr. ISNOR: I do not know whether it would be possible to make up a statement such as is suggested by the hon. member for Winnipeg North, but I believe that if at all possible we should have a clearer financial statement regarding the affairs of the Post Office Department. That statement should show the revenues and expenditures from year to year, the difference between the net revenue and the net expenditure giving the surplus or deficit, as the case may be. It is interesting to note that while there is an increase of only \$438,474 in expenditures, the revenue is increased \$1,766,664. From a business standpoint one would say that the Post Office Department is being run in a satisfactory manner.

But do these figures tell the real, true story? Are all the items charged up to expenditures that should be charged? I am fearful that if all the expenditures were charged that should be charged we would have a deficit instead of a large surplus.

I would suggest that it is feasible to charge rental of the various post offices to the department. That point has been questioned by certain hon. members. It is done in every commercial line. The various departments in large department stores are charged up with overhead, and made to stand on their own feet. I believe the same principle applies to the Post Office Department. It is a revenue producer, and there are certain expenditures chargeable directly against the operations of that department. For that reason I believe the Postmaster General would be well advised to consider the feasibility of bringing in a fairer financial statement, as he promised to do last year, showing the actual revenues and disbursements, so that we could arrive at a conclusion as to whether or not the Post Office Department is carrying itself. I do not think the people of Canada are greatly concerned about whether or not there is a surplus; what they want is service. For these reasons I think the Post Office Department should show the picture as it really is. On page 9 of the report of the Postmaster General a revenue of \$41,181,566.35 is shown, but on page 10 the net revenue is shown at \$34,274,552, a difference of about \$7,000,000. In one case the expenditures or disbursements are shown and in the other, the revenue is shown and then deductions are made to bring it down from forty-one millions to thirty-four millions.

Mr. EULER: I do not quite understand my hon. friend's question.