

stantial impact on the current deficit without imposing undue hardship on either business or the general public.

[*Translation*]

Both the federal and provincial governments have agreed as general policy that possible price increases for their goods and services only reflect the pass-through cost increases since the anti-inflation regulations came into effect in 1975 and that absolute subsidy levels remain constant. Our prices are lower than what they might have been.

Even with these price increases, Canadian postal rates will still be among the lowest in major western countries. Expressed in Canadian dollar equivalents, Australians pay 21 cents for a first class letter and so do the French. It costs the British 16 cents, and Americans 14 cents.

[*English*]

Of course, the price increases still will not cover the total cost of sending a letter. Unlike private companies that can restrict their operations to areas and routes where cost and volume levels guarantee that they can operate at a profit, we as a public service must provide a national service at a uniform, reasonable price.

In conclusion, Mr. Speaker, I am sure that members will recognize that no one, least of all yours truly, will shoot to the top of any popularity poll by announcing postal increases. But at least I hope I have been able to demonstrate today, in the short period which has been available to me—although I will be able to give further elucidation following questions hon. members will put to me—that if the Post Office is to maintain its present level of contribution to Canadian society, it must establish a better correlation between postal rates and the cost of providing postal services.

[*Translation*]

Mr. Speaker, I am anxious to hear the questions of hon. members from both sides of the House since they are all interested in the Post Office Department, regardless of party.

[*English*]

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, if hon. members were to ask all the questions which were close to their heart with respect to the Post Office Department, I am afraid they would be here not only today but tomorrow and for many days ahead, because this is one of the most controversial of government departments. The Postmaster General has indicated that his mandate is to provide postal service to the people of Canada at reasonable rates and at a standard of service adequate to meet their needs without incurring subsidization from general taxation. The immediate response from the official opposition is that the standard of service is not adequate, nor are the rates reasonable for the quality of service rendered.

● (1532)

Some hon. Members: Hear, hear!

Mr. Dinsdale: I am sure the Postmaster General is aware that there are complaints that come rolling in, not only from

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the Canadian public but from his own workers and from management. There have been public complaints in Toronto, where a good percentage of the mail is handled, from high levels of management, and one of the more moderate leaders in the Canadian Union of Postal Workers resigned there recently. I feel this constitutes a rather severe setback in the continuing attempt to establish more cordial labour-management relations.

Also, of course, the complaints of the postal users are proverbial. As the opposition spokesman, I spend a great deal of my time dealing with those complaints which come from all parts of Canada. Even the Prime Minister joined the chorus when he uttered that classic criticism which everybody knows "The postal service is lousy".

An hon. Member: I say the same thing.

Mr. Dinsdale: Some of the criticisms have turned to good-natured humour—and humour can be the most effective criticism. I suppose the general public, as they face another postal increase, will come up with the old observation that obviously the increased rates are the result of the increased storage costs.

The Postmaster General said that for reasons beyond the control of the Post Office, its management and work force expenditures have continued to outstrip revenues. I hope to demonstrate how we can bring about improvements in the Post Office Department which will restore the efficiency and high morale which once made it one of the best government departments. Primarily, I wish to point out to the Postmaster General that what he is doing is illegal. He knows it is illegal because the Standing Committee on Statutory Instruments, in a unanimous report issued last May, stated that the Post Office Department had illegally increased first-class postal rates. Notwithstanding that admonition from a very important parliamentary committee of the House of Commons, and also from repeated comments of the Auditor General, the minister persists in this illegality.

Some hon. Members: Shame on him.

Mr. Dinsdale: In his statement, Mr. Speaker, the Postmaster General said, "I must manage the postal operations on a businesslike basis." This, unfortunately for the people of Canada, is precisely what the hon. gentleman has failed to do. The postal operation is an industry, and as an industry it is not operating efficiently. As a result, it is not providing an efficient, reliable communications service to all Canadians, which is another point in the mandate the minister outlined this afternoon.

Malaise in the Post Office—and the word "malaise" is one of the favourite words of the former postmaster general, the hon. Bryce Mackasey, for describing the growing problems within the Post Office Department—has been pointed out many times in this House and in other forums across the nation. The Post Office Department itself went so far as to publish a book at public expense in June, 1976, which was a compilation of the speeches of the former postmaster general, under the pessimistic title "What's Behind the Lemming