

Post Office Act

that mail would not be sorted, since that would be to our disadvantage generally. Obviously, mail will be collected. The collection, sortation and dispatch of mail will be maintained over the week end.

The hon. member for Surrey asked what happened to our programs of modernization and technological progress. I think I mentioned in my opening statement that the mechanization of our new post office buildings is as advanced as anywhere else. The containerization of mail in our new postal terminals in cities like Winnipeg and Edmonton, say, compares favourably with facilities of similar size anywhere else in the world. In addition, we are sharing in the costs of developing certain aspects of postal mechanization on a tripartite basis with the United States and England. Also, since we have membership in the universal postal union, which has 137 members, we share our development information with other countries, and they in turn pass on their developments to Canada.

The hon. member for Surrey asked about the cost of handling money packets. He wanted a comparison of postal rates, and the rate charged by private security services. We do not insure the full amount of the money packets that we may handle, and no comparison is possible. But private services charge a great deal more than we do. We charge \$1.75 per money packet, but we do not guarantee the amounts involved.

The hon. member for Surrey inquired about printed matter rates with Great Britain, as compared with the rates between the Americas and Spain. I might point out that the printed matter rate between Britain and other countries of the world is the internationally regulated printed matter rate. This comes within charges prescribed by the universal postal union. The Americas to Spain printed matter rate extends to our domestic third class mail, as prescribed by the convention of the Americas and Spain postal unions, to which Canada is a signatory.

The hon. member for Surrey also wanted to know the deficit applicable to special deliveries for 1967-68. It was \$73,000. Special delivery, however, could be regarded as part of our first class service. It provides a preferred delivery facility.

The hon. member for Saskatoon-Biggar talked about weekly farm newspapers. I might mention an example involving one large weekly paper. The newspaper or magazine salesmen concentrated on this because of the lucrative returns it brought. For instance

[Mr. Kierans.]

a 5-year subscription cost \$7. Whether the subscription was a new one or a renewal, the salesmen pocketed \$6.30 of the \$7, or almost 90 per cent. The remaining 10 per cent is turned over to a subscription clearing house which keeps the permitted 70 cents and forwards the order to the company. In other words, the economics of this industry must be changed because the paper itself receives not a single cent from the subscription rate.

Mr. Woolliams: The Saskatoon wheat pool picks up the tab.

Mr. Kierans: If hon. members want me to name the paper, I will.

Mr. Woolliams: It is the *Western Producer*.

Mr. Kierans: Later, when we discuss this bill clause by clause, I shall ask a colleague of mine to present an amendment which will have the effect of striking out lines 24 to 34 on page 4 of the bill, in effect stretching out the impact of the second class increases.

Mr. Woolliams: Would the minister permit a question?

Mr. Kierans: Could the hon. member wait a moment, until I have finished perhaps?

Mr. Noble: On a point of privilege, Mr. Chairman, I asked the Postmaster General a question last Monday and he promised to answer it when he came to this part of the debate. Perhaps I should repeat my question. Could he tell the committee why there will be a split rate for daily newspapers and a flat rate for all other publications, save second class mail.

• (8:40 p.m.)

Mr. Kierans: The question the hon. member has posed is: Why are we charging advertising rates on newspapers and not on magazines? I think the answer is fairly simple. It is that the magazines are under severe pressure from United States magazines and their competitive position is nowhere near as strong as that of the majority of our daily newspapers in this country, with their monopoly position.

Mr. Noble: What about the weekly newspapers?

Mr. Kierans: The purpose of section 1 is simply to give specific authority for delegation of this power to the postmasters in order to make a number of ordinary, routine activities easier from an administrative point of