

*Supply—Post Office*

of this country? There is scarcely a town or village of any size that does not have one or more newspapers. These papers could not exist without the free mailing privileges that are extended to them by parliament. Just how are you going to jump in? Are you just going to raise the rates for half a dozen people? I think the Department of Finance and the Department of National Revenue can be relied upon to get the money from these big corporations in the form of corporation taxes, rather than have the post office try to extract more money from the few and at the same time penalize these very important news media, which have been so essential and so vital to the maintenance of an individual Canadian identity over the last 100 years. You cannot have it both ways. You have to make a choice one way or the other. The size of the subsidy on second class mail is of such magnitude that without completely disrupting other rate structures there is no way of handling it except probably by parliamentary action.

I should like to refer to some things that were said in the earlier debate on the resolution. Perhaps here I am anticipating questions that may be put to me later, but I think it is appropriate for me to interject these remarks at this time. During the debate on the resolution to which I have referred the hon. member for Port Arthur said: "Why has there not been more planning?" Perhaps we should have had more planning. At least now, as I have mentioned earlier, we have started that planning. It started before I came into office. It started before the present government took office. There is no sense in our trying to say that we have been doing all these things. Perhaps we have intensified them in the last few months but they have been going on for the last 18 or 24 months at least to my knowledge.

The reports that have been passing over my desk during recent weeks arising from this study have brought out some most interesting inconsistencies. Do you know that you can ship a newspaper published in downtown Toronto to Vancouver for less money than you can ship it to one of the suburbs of Toronto? There are other absurdities. The local rates are higher than the national rates. This again is tied in with the idea of local delivery. If any members are here who are near my age they will recall that when we were youngsters, not 100 years ago, you went down to the post office to mail a letter. There were no mail boxes on the corners. Your letter was actually mailed in the post office

and in the case of local delivery the clerk in that office picked up the letter and put it in a box in the same office.

There was no transportation, practically no handling. There was one clerk there who had lots of time to do the handling. Today you mail a letter, particularly in a city like mine, and there will be a great deal of transportation connected with the handling of that letter. I see some hon. members over here, who live in the general vicinity of my city of Vancouver. I see one of them who sent me a telegram when my appointment as Postmaster General was announced. He sent me a telegram of congratulation and in the second sentence he said he hoped that I would take steps immediately to abolish the difference between the two letter rates that prevailed in his riding.

Now, this hon. member represents an area that is 35 miles from Vancouver. You can mail a letter in downtown Vancouver and it will be delivered to this area 35 miles away. If it is delivered to one side of the street it will cost you 4 cents, but if it goes across the road a distance of 50 feet or so it will cost 5 cents. We can all agree that there is something wrong with that type of rate structure. However this also illustrates the difference in conditions that existed when the local rate was introduced many years ago, when a large percentage of the people took a letter to the post office and put it in a box. Today in any town of any size you have scores of vehicles collecting mail, sometimes several times during the day. This mail is not only delivered to the post office in any metropolitan area but it can be sent several miles and the actual expenditures involved are much greater than sending a letter to either Halifax or Vancouver.

I have been spending a fair amount of time in conducting this research. Perhaps I should have done what the hon. member for Danforth did, that is spend more time on it last spring, earlier in the year. However, I have been working harder on the Glassco commission report. I noticed one very significant thing in that report. They favour the fixing of postal rates at levels that will permit the total recovery of costs, except in one field and that is in the field of newspapers and periodicals. The value of these newspapers and periodicals as distributors of news and cultural instruments is recognized there in the report. If we are going to pay a subsidy of \$70 million or \$80 million a year for the C.B.C., it might not be unreasonable to suggest we should pay a subsidy to other news