

from the amount we pay over. In other words, we reimburse ourselves in full for the amount shown here as the cost of collection at head office. The result is that our total cost amounts to about sixteen cents plus ten cents per licence for administration; we pay over the full amount received for the licence less this twenty-six cents, which is a lower licence collection cost than that of any country of which we have a record, excepting Great Britain, where I believe the amount used to be twenty-eight cents, but has now been reduced to about twenty-five cents.

An hon. MEMBER: They use the postal carriers.

Mr. HOWE: Of course they have a much more compact population to collect from, and it is not surprising that they are able to collect licence fees for slightly less than we can.

Mr. LAWSON: I am not concerned about the amount of commission which is paid; all I wish to get clear is that, as I now understand the situation, the department arbitrarily apportions its total overhead so as to allocate a portion of it to the collection of radio licences and then it pays over to the Canadian Broadcasting Corporation the net amount received less that arbitrary allocation of cost of collection.

Mr. HOWE: I doubt very much if it is an "arbitrary" allocation of the cost of collection. There is a separate branch which does nothing but attend to this work. It will be understood that the head office machinery for handling over a million licences is considerable. Two notices are sent out each year to each licensee. This branch does nothing but collect these licence fees, and the cost of the branch is charged against these fees.

Mr. LAWSON: I am not objecting to what happens; I am only trying to get it clear.

Mr. HOWE: If the hon. member substitutes the word "actually" for the word "arbitrarily," we shall be in agreement.

Mr. LAWSON: I cannot substitute the word "actually," and I shall explain why I cannot do so. Suppose I ask the minister to tell me, of the list of employees under this item on page 215 of the estimates, who are exclusively engaged on the work of collection, and I only occupy the time of this committee and the minister's time in order to secure all that information; I suggest very strongly that this would not result in an aggregate of \$113,000, because there must be a certain overhead, where, for example, a man devotes part of his time to this job

[Mr. Howe.]

and part to something else. I am not complaining about the department arbitrarily apportioning its overhead; I am merely trying to get the fact.

Mr. HOWE: Every man in this list spends his entire time in collecting licence fees. It is a twelve months' job.

Mr. LAWSON: Then would the minister give me a list of employees with their respective salaries who make up the \$113,420 under this item?

Mr. HOWE: Yes. Would the hon. member like me to read that list? I have it here.

Mr. LAWSON: Frankly, if it will save any time, I am quite content that the minister shall put it on Hansard. I want the record, but I do not want to take up the time of the committee.

Mr. HOWE: Mr. Chairman, page 215 of the estimates gives the distribution of the employees. I can read the names in addition if they are required.

Mr. LAWSON: Oh, I am not interested in names. Excuse me a moment while I glance at page 215. May I take it that this list of employees set out on page 215 of the estimates represents the employees who are exclusively devoting their time to the collection of radio licences?

Mr. HOWE: Exclusively, yes.

Mr. LAWSON: Then I assume that I may take it that the actual cost of the collection of radio licences in this country for the fiscal year to commence April 1, 1938, is estimated to be \$113,420, and that such amount will be deducted from the fees received for radio licences and the balance paid over to the Canadian Broadcasting Corporation?

Mr. HOWE: Less, of course, the commissions paid to collectors, to postmasters. This, one might say, is the office overhead.

Mr. LAWSON: Will the commissions paid in addition to these amounts be deducted from the amount collected before it is paid over to the Canadian Broadcasting Corporation?

Mr. HOWE: Those commissions are deducted from the amount before we receive it.

Mr. LAWSON: All right.

Mr. HOWE: The book is sold less the commission.

Mr. MARTIN: Is it not a fact that since the present set-up the cost of collection has been reduced as compared with the previous set-up?