down to \$136,000; then \$122,000; right down to \$16,000, due to the cut in salaries, the reduction in subsidies, and the reduction in the number of post and telegraph offices.

The war came, and during the war, although they began to make money and had a surplus, it was impossible to get the material necessary to put the telegraph system into operation. It is true they had the radio-telegraph system before the war began, but that is now worn out because it was bought when radio was comparatively new and the materials are now antiquated. Before the war they had no money. For the 21 years between the two wars, they lost an average of \$350,000 a year; or, taking out the war years, they lost \$500,000 a year in that department. Now that the material is to be had, when they can they want to buy new material for an entirely new telegraph and land line system. The new system will cost \$1 million.

Mr. Higgins I am not averse to slamming the government if it is necessary. I would say that your report leaves the impression that they did have the opportunity of doing something about the system, but did nothing. I think the point that they had not the opportunity to purchase equipment should be in your report.

Mr. Smallwood You will find it in the appendix. Mr. Higgins It is not in your own report?

Mr. Smallwood No.

Mr. Higgins I do think it might have been included in the Committee's report rather than coming from the Secretary. On the other matter, that of salaries, I think it is a disgraceful thing, in what we call a civilised country, to have a person with the glorified title of postmaster receiving \$4.80 a week. We either should cut out the glorified title, cut out the job, or give the person a salary consistent with the responsibility it entails. Like Mr. Hollett I have dealt with certain cases of defaulting. I certainly can find a lot of excuses for postmasters and postmistresses who have had to dip into the till to support their families. You are practically driving the person to peculation in some form or other. We have to remember that this man or woman receiving \$4.80 a week has money orders for thousands of dollars going through his or her office. The whole system is entirely wrong. You get a person to spend his or her time and energy, and the use of his or her house, and at the same time take the responsibility for very considerable monies, and she or he receives a return of \$4.80 a week! I don't blame the government any more than I blame each and every resident of this island for putting up with that form of slavery. For that's all it is. I think you were proper to bring out the salaries as you did, and I believe that the general assembly here today agrees with the idea set forth by Mr. Hollett, that that \$4.80 is the worst badge of slavery imposed by any government of the civilised world on their fellow citizens.

Mr. Burry .... Now just why a department can show such a fine surplus without giving better service is beyond my ability to understand. Of course I do know the conditions that exist in Newfoundland, but I know the conditions in Labrador better. They have not been given very clearly in the report, although mention has been made of them. \$12 per person was what the 38 postmasters in Labrador received, and this is just one clear case for members getting up to say that the figures are ridiculous. But the services of the mail system, for instance in Labrador, are anything but a credit to any government or any department. It is an isolated region, and we do not expect the public service that we would like to have, but there are some things that could be improved, and the mail system is one of them.

Just a few days ago I was talking to Mr. J.D. Williams of the Labrador Development Company, and he is worried about his people down there on Labrador getting no mail for all these months. He has a right to be distressed about it, and something could be done about getting some mail into that coast. Where I come from, in the Hamilton Inlet area, they are still waiting for their first mail since the first of October, and they will have to wait yet. We do get our mail by air now, because planes are going in from Halifax three times a week to Goose Bay, and distributed along that immediate vicinity; but regularly it is done by dog team, and that is a very poor system, and the eight carriers are very poorly paid I can assure you. They have long distances to go, over difficult and rough terrain, and I know because I have travelled with them time and again. I have helped them over the hills and have known the hardships that they have to go through. I am able to sympathise with their long journeys, and know

<sup>&</sup>lt;sup>1</sup>The Labrador Development Co. carried on logging operations in southern Labrador.