

we were debating broadcasting, a question was raised about the American radio stations. There is one at Argentia, one at Stephenville and one at Fort Pepperrell.¹ The one at Fort Pepperrell is 240 watts and the other two 40 or 50 watts. The agreement was this: they had the right to broadcast on those wavelengths, at that power, during the war and for six months after the war is officially over — after the peace treaty is signed — whenever that is.

Mr. Reddy Are there any more companies getting concessions on freight besides the ones mentioned?

Mr. Smallwood Yes, several purely local Newfoundland companies, made up of Newfoundland capital and shareholders, in special circumstances. For instance the Colas Company at Clarenville.² There are some rates that are made to apply to the nature of the freight carried, and Mr. Reddy will agree, if he ships a carload and I ship a quarter ton, he is entitled to a better rate. It is not at all in the class with these big corporations, because the amount is not so big and the amount of concession given is not nearly so great.

Mr. Reddy Would you consider Gaden's³ a small company? They get a rate on Coca-Cola?

Mr. Crosbie With regard to the question asked by Mr. Reddy, I can say "yes." Mr. Reddy is a businessman — at least so I am told — and if he is, he knows that if he buys wholesale he gets a better price than if he buys retail. As far as the Railway is concerned, they sell service. If any company guarantees them a certain amount of business, they naturally look for the best rate they can get, and it is up to the management of the Railway to give that company the best rate it can give.

Mr. Fudge In our last session I retired from the house for a while, and during my absence the question of wages paid to the highroads was raised again by Mr. Jackman and replied to by Mr. Smallwood and Mr. Ballam. Mr. Ballam stated that there was 14 cents in the difference between the highroads rate and the paper mill rate. That is incorrect. The mill rate is 70 cents per hour for an eight-hour day. The general labour rate, under the organisation that I represent, is 63 cents per hour for a nine-hour day, and

on the highroads, including the town council, it is 58 cents. For all these local rates none of our men require a medical examination. In the mill the men must have a medical examination, that's why the rates are not the same.

Mr. Ballam I don't think that Mr. Fudge got that quite clear from what I said. I was answering a question brought up by Mr. Jackman as to the difference in the labour rates in the same locality. I might have said 72½ cents, but I was not questioning or debating that, I just wanted to point out where the difference was.

Mr. Smallwood Mr. Chairman, if the House desires it we will incorporate the information in a new memo and have it attached to the report, so that the documents taken together will show the picture pretty clearly.

Mr. Chairman Does that answer all the questions in connection with these various matters, or does any member of the Convention desire any additional information? If not I think we will proceed with the reading of the next section, posts and telegraphs.

[The Secretary continued reading the report]

Mr. Smallwood Mr. Chairman, there are two appendices, one a report by the Secretary for Posts and Telegraphs on the alterations and improvements that they want to make, and second an estimate of the expenditure to get these improvements brought into force. I don't know if you want these read now, or if you want to discuss and read the paragraph and deal with these appendices afterwards.

Mr. Harrington Mr. Chairman, before we go on with the appendices I wonder if Mr. Smallwood would tell us if the salaries include cost of living bonus or not?

Mr. Smallwood The salaries include everything. That's the total amount of money they get. There is a sentence there which says "A recent review of salaries of all outport postmasters ... etc." That review has been completed, and certain raises to the outport postmasters agreed upon, and the cheques have been made out. It's a rather complicated system, and I am not going to attempt to explain it in any detail. It is based on the business done in each office. They have a system of units. One letter received by a postmaster is

¹The American base in St. John's.

²A manufacturer of road-making material.

³A soft drink bottling company in St. John's.