

counted as one unit; telegrams are in a different class. If he is connected with a telephone, but no telegraph office, and takes a message and telephones it to a telegraph office, that counts for 70 units. Making out or paying out a post office order is so many units. All the work is reduced to units, and the units are counted for the month and the salaries are based on the number of units handled.

That seems very good in a way, but the trouble was that that was started in 1936. In 1937 the department made a review of the units handled in every office, and again in 1938 and 1939. Then the war came, and from that day until now they have never made a review. Well, they did make a review in some cases if an outport postmaster wrote in complaining that the cost of living was going up and his wages were not going up. They would then review the units he handled for that year and base an increase in his pay on the increase in the units in his office for that year alone.... But the trouble was that between 1939 and 1945 or 1946 there was a steady increase in the number of units handled, or business done, in the whole country and in each individual office. That great increase in business you have here on the first page of our report. For example there were nine million letters in 1938-39, and in 1945-46 there were 13 million letters. Just as the country's business increased, so did that of each individual post office. That was not taken into account, only the one particular year in which a man wrote in asking them for God's sake to give him an extra dollar or two to keep him out of the poor house. Now they have reviewed the whole business done in the whole period of the war, and they find that the business in many places has increased 2-5%, and on that general increase of the last four or five years they have computed the increase in salaries.

Now don't get excited about the increase, because the whole amount for all the outport offices is only up from \$766,000 a year to \$880,000. In other words, the total wage bill of the department is increased 15%. Now turn to page 5.¹ Taking the whole list, involving 534 postmasters, the average increase is 12.5%, but the man who is getting \$4.80 a week may not get anything like 12.5%; a post office whose man is only getting that, is not doing so much business,

so his increase may be only 3%, 4% or 5%.... I see Mr. Hollett looking at me very quizzically, as if to say if it is an increase of 15%, how can it be only 12.5? Well I don't know, because the system is too complicated, and I don't know how they make it up. The actual increase in pay is 12.5%, although the overall increase is 15%....

Mr. Hollett There is not much I can say about this report. I assume that the members of the Committee were satisfied by the Secretary's report that this thing is so dilapidated it has to be scrapped and that it will cost another \$500,000 to replace it. At least that is the impression they give in the report. It seems to me that the scale of wages is out of date. I suggest that the Department of Posts and Telegraphs think up some new scheme whereby those 880 employees could be better paid. I had a considerable amount to do with postal telegraph offices in the outports, and I know the scandalous wages paid in the past. I had thought that since the war started, they were getting something on which to keep body and soul together. I see in this report that only a few in head office can possibly live on what they are getting, unless they steal it. Unfortunately, I do know that postal clerks have had to steal in order to live. Two or three of them came before my notice. I know one in particular, a case where a man had a wife and four children and he was getting \$25 a month. There are several cases like that — where clerks have defaulted only, I say, by reason of the fact that they have had such miserably poor pay. If a man has a wife and four children, I do not see how the postal telegraphs can keep him in an office where the system can pay only \$25 a month on which to live — or on which to die. We have only to look at the record of 534 postmasters, 356 are receiving salaries under \$500 a year, or under \$9.61 a week. Over half the total number of postmasters receive salaries (God save the term!) of under \$4.80 a week. It is about time to review the salaries of the outport postal officials. If I were head of that department I would not take credit for any surplus when so many are receiving salaries of \$4.80 a week. If that is not worse than slave days, I do not know what it is, and we are trying to raise the standard of living of our people! I do not blame this government only; all governments have been at fault in this respect. If the government can do

¹Volume II:95-6.