

to be encouraged. All the more important music organizations in Canada eventually are to be included in this plan.

Select Standing Committee on National Broadcasting.—On Feb. 24, 1938, the Government appointed a Select Standing Committee to review the policies of the CBC, with special reference to revenues, expenditure, and development. The Committee held seven meetings and, following deliberations of its findings, the Committee reported to the Government that it approved the policies followed by the CBC, its business administration and set-up and that it was in accord with the CBC's plan for national coverage, involving ownership of high-power stations and the extension of Corporation coverage through its own comprehensive facilities—facilities which, it was pointed out, are urgently required. A feature of the Committee's report was the recommendation that a high-power short-wave transmitting station should be established at an early date for the purpose of interpreting and advertising Canada abroad and to facilitate the exchange of programs between Canada and other countries. It should be financed, the Committee recommended, as a national project, operated and controlled by the CBC. Canada, at the present time, is the only major trading nation without such facilities.

Early in the year, the CBC entered into an arrangement with the BBC which made possible exchange of producers between the two systems. A CBC representative spent six months with the BBC, during which time he made a study of broadcasting in England; at the same time a BBC representative was the guest of the CBC. It is the intention of the CBC to effect other exchanges with various countries from time to time.

During the year the CBC continued with even greater success than in previous years the exchange of programs with Great Britain, the United States, and a number of European and South American countries.

PART VIII.—THE POST OFFICE.*

Historical.—A brief account of the pre-Confederation development of postal services in Canada was given on pp. 789-790 of the 1934-35 Year Book.

At Confederation the provincial systems were transferred to the Dominion. The Post Office Act of 1867 established a service throughout Canada. The domestic rate on letters was reduced from 5 to 3 cents per half-ounce, and in 1870 the rates to the United States and the United Kingdom were reduced from 10 to 6 cents and from 12½ to 6 cents, respectively, per half-ounce. In 1875 a convention between Canada and the United States reduced postal rates between the countries to the domestic level. In 1878, on the admission of Canada to the Postal Union, letter postage to the countries of the Postal Union was reduced to 5 cents per half-ounce. After a conference in 1897 Imperial penny postage (2 cents per half-ounce) was established on Dec. 25, 1898, while the domestic rate was reduced from 3 to 2 cents per ounce. These rates were maintained until 1915, when, with the rising costs of the war period, rates were increased. Penny postage again became effective for Canada, to the United States, Newfoundland and other countries of North America on July 1, 1926, and to the United Kingdom and all other places within the British Empire on Dec. 25, 1928, with later extensions to France and South America. On July 1, 1931, a special revenue tax, imposed by the Government for the purpose of obtaining additional revenue, came into effect on letters addressed to places in Canada, throughout the Empire, to France, to Spain and to North and South America generally, making the rate in these cases 3 cents for the first ounce and 2 cents for each additional ounce.

*Revised by H. Beaulieu, Director, Administrative Services, Post Office Department.