

Post Office Act

reply to me. I think he has given the kind of information which people in the country and members of the committee have wanted from the beginning in respect of this measure. I believe I made it very clear in my remarks that I was not opposing any or all increases for second class mail. I am sure I said that the rates should have been increased earlier. It seemed to me that what the minister does when he increases the rates is to say to many publications, "Do you intend to continue?" I suggest to the minister that many publications, particularly those put out by non-profit organizations, trade unions, co-operatives and professional organizations, will decide that the cost of those publications which is usually part of the cost of membership, is so high that they simply cannot afford to continue, and they will go out of business.

A similar situation would exist with regard to newspapers. I agree completely with the minister, that it is unreasonable for the people of Canada to subsidize the Siftons by \$1½ million a year. God knows, I have fought them all my life and I shall continue to do so. I do not know how long they will support this government. That is for the minister to worry about, not me. But let us face it; even the *Prairie Farmer* is required to increase its subscription rate by 50 per cent to 100 per cent. If it does that, a large percentage of its subscribers will decide to stop subscribing to this weekly newspaper. Of this I am certain, and we have the record; the minister has already mentioned the publication in Montreal which went out of business in recent months, and this was one of many. The result will be that a number of publications will go out of business in the next couple of years.

I say to the minister that too many publications, even if they are Liberal publications, have gone out of business in recent years. We do not want that, we want to encourage them. I suggest to the minister that what he ought to be proposing is an increase over a period of years so that the publications and their subscribers can live with these increases, rather than die with them.

I want to say just one more thing, Mr. Chairman. When the minister compares *Time* and *Reader's Digest* with other magazines in Canada, I do not know whether he is being serious. I do not take him seriously. One might as well compare the lion and the lamb. To compare *Time* and *Reader's Digest* with most Canadian publications, even with *MacLean's* is just too ridiculous to even consider.

The minister asked, in effect, should we subsidize the Siftons by \$1½ million a year? The answer, of course, is very simply no. The minister is saying we should not subsidize the Siftons by \$1½ million a year, but we are going to subsidize two American corporations by what I believe is more than \$1½ million a year.

I suggest to the minister that if he really wants to get down to business he can find a way, even though some of his colleagues who were here before him made a mistake—I think I am putting it mildly when I say that—by permitting those two publications to be classified as Canadian publications rather than American, which they really are. It is not too late, and the minister and his department can, if he wants to, find a way to—

The Chairman: Order, please. I hesitate to interrupt the hon. member, but I recognized him on the basis that he wanted to pose a question in respect of the minister's remarks. In fairness to other members of the committee, if the hon. member has a question he should put it to the minister, otherwise the Chair would like to recognize another hon. member.

Mr. Orlikow: My question is, and I close on this note: Cannot the minister and his officials find a method by which the people of Canada will not have to subsidize *Reader's Digest* to the tune of \$800,000 in the next year, and *Time* magazine to the tune of \$721,000? My calculation is that this is exactly the \$1½ million by which the minister does not want to subsidize the Sifton interests.

Mr. Kierans: Mr. Chairman, with the billion items that the Post Office Department handles, we have to run this on some sort of classification basis. Obviously the kind of classification system is that dailies is a class, weeklies is a class, magazines is a class, and so on. The only way in which I could recover all the money from two, three or five out of hundreds of magazines, and cover them 100 per cent, would be to charge all of them 100 per cent of the cost. I am charging that class 33 per cent for particular reasons.

● (9:30 p.m.)

Mr. Woolliams: What are the reasons?

Mr. Kierans: Because the whole magazine industry is in a very difficult situation because of its particular competition. We had the O'Leary report, and all kinds of reports about that particular industry. We want to