

part it will fail to qualify under the act. The Minister of National Revenue knows, finally, that if it is between 60 per cent and 80 per cent different his tax department people will have to examine it very carefully.

I submit that the tax collectors of our country have many other things to do than measure the content of our periodicals. I was interested to hear the hon. member for Ontario agree today that substantially the same clause, in his interpretation of the way it is contained in this legislation, would apply the Canadian edition against all other foreign editions. If I chose to disagree with him, as I believe the Secretary of State disagrees, I would not say we must match the Canadian edition against its United States counterpart. I cannot accept that clause as having any basis whatsoever. I suggest that the servants in our tax departments are not editors or censors, if one prefers to use that name, by their very nature, background, inclination or expertise.

The Secretary of State says this is not a content test. I do not agree. I suggest the Minister of National Revenue does not agree either. I suggest the Minister of National Revenue is very well aware of a decision in our courts in respect of a test concerning words that are very similar. As a matter of fact, if I recall the words correctly, they were "substantially different", which is just the reverse of "substantially the same." I am informed that the conclusion from that particular judicial decision is simply that if it is 80 per cent it is substantially different, and if it is less than 60 per cent it is not substantially different. If it is between 60 per cent and 80 per cent, then one should have a hard look at it. I do not wish to be a party to asking our tax collectors in respect of about 28 publications to see whether they fall below the 60 per cent mark. I think that is an absolutely ridiculous exercise in futility and has nothing to do with the enhancement or preservation of Canada culture.

This test leads to the opportunity of ridiculous editorial decisions. For example, if I were the editor of *Reader's Digest* I would run three or four stories on the 1976 Olympics in the March, 1976, Canadian edition and let the same stories run a month or two later in other editions around the world. Surely this does nothing for Canadian culture or Canadian content. Those stories should run simultaneously in 26 editions of *Reader's Digest* around the world to encourage those readers to come to Canada. I want them to read these articles at a time when they are planning their holidays for 1976. For an editor to have to go through this exercise of holding back stories from editions so that he can escape the 60 per cent or 80 per cent Canadian content test is simply ridiculous. I do not think any party in this House would support that.

The hon. member for Ontario suggested that this provision could be amended in committee. I am not that optimistic. One of the main reasons I shall vote against this bill on second reading is I do not believe this test is capable of being amended. The only thing that should happen to it, in my opinion, is that it be deleted. I do not think the Secretary of State and the Minister of National Revenue know just what is meant by "substantially the same".

To sum up, I suggest that two considerations should be uppermost in our concerns when examining this bill. First,

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we should consider whether the publications affected by it have proved themselves of significant cultural and economic benefit to Canada, and whether it is just a consequence of the bill that the ground rules under which they operate are changed; changed, moreover, in such a way that they are classed overnight in the same category as foreign publications who have made no attempt nor shown any desire to serve the Canadian purpose. Second, we should be clear in our minds that no Canadian government and no Canadian law should even hint at control or interference in editorial content. The "substantially the same" clause which contains this implied threat should be deleted from the act.

**Mr. Stan Darling (Parry Sound-Muskoka):** Madam Speaker, even though it would appear that everything has been said that can be said about this shabby attack on the Canadian edition of *Reader's Digest*, I feel that I should make some comments on this bill. I am still getting letters from constituents, all of which support *Reader's Digest*, and I must say that some of the writers have some most uncomplimentary remarks to make about the Secretary of State (Mr. Faulkner). I am sure the minister has been getting letters from his own constituents, and I know he has been getting letters on the subject from most other ridings as well.

Looking over some of the speeches that were made in 1965 when the government of that time brought in the bill to give *Reader's Digest* and *Time* magazine status as Canadian publications, I find that Liberal governments can be pretty inconsistent—not that that is any secret. Member after member on the Liberal side of the House, and some ministers as well, stood in this House and defended the government's move to exempt *Reader's Digest* and *Time* from the bill that removed the special tax status enjoyed up to that time by foreign magazines published in Canada.

At that time *Reader's Digest* and *Time* were called good Canadian corporate citizens. In the ten years since then, both magazines have become even better Canadian corporate citizens, especially *Reader's Digest*. It has been stated over and over again that *Reader's Digest* has an enormous payroll, something in the order of \$4 million or \$5 million per year, and that the magazine has about 500 Canadians on its payroll. What has not been said, and I have been waiting for the Secretary of State to tell us, is who is going to hire all those writers, editors and artists who will be put out of jobs if this bill is approved by this House.

It is no good saying that *Maclean's*, *Saturday Night* or any of the other Canadian publications will hire them. *Saturday Night* is on the verge of going under again, and right now that magazine is being held together with public subscriptions and donations. *Saturday Night* might be putting even more writers and editors on the labour market, rather than hiring those displaced by the scuttling of *Reader's Digest*.

● (1750)

I think it is interesting to note that on June 15, 1965, as recorded at page 2429 of *Hansard*, Mr. Steven Otto said that *Maclean's*, *Saturday Night* and the *Star Weekly* magazines were in serious financial difficulties. According to some comments that have been made in debate on this bill,