

### Foreign-owned magazines and income tax – bill gets second reading

“Canadian magazine publishers have been forced to exist for too long in an economic and psychological climate that has not been conducive to growth or new ventures,” stated Secretary of State J. Hugh Faulkner, outlining the Government’s proposed amendments to Section 19 of the Income Tax Act respecting foreign-owned periodicals. The bill received second reading in the House of Commons on May 8.

The amendments mean that if owners of certain foreign periodicals now being published in Canada expect to continue to benefit from the provisions of Section 19, they will have to meet the legal criteria regarding ownership, control and content.

As to content, Section 19 requires that, to be Canadian for the purposes of the act, a magazine must not be substantially the same as its foreign counterpart. All periodicals published in Canada are bound by that clause in Section 19, and have been since 1965.

The intent of the “substantially-the-same” clause has been and remains the prohibition of the ‘dumping’ in Canada of editorial material prepared outside the country. Nothing will be changed regarding this requirement by

the proposed amendments except the extent of its application.

Mr. Faulkner added that the content requirement was not a form of censorship nor did it impose any obligation on magazines to publish Canadian material. “The Government will not interfere with editorial policy but it will ensure that the provisions of the existing law which make a periodical Canadian will enable that publication to enjoy the benefits of certain fiscal provisions, benefits intended for Canadian periodicals.”

Mr. Faulkner assured the House the legislation would not interfere with the free flow into Canada of periodicals published abroad. “The erection of cultural barriers or hidden tariffs has no part in what we are trying to achieve through measures to assist Canadian magazine publishing.”

He stressed that if Canadian readership patterns were to be changed in respect of magazines, Canadian magazines must come to be of such quality and so varied in content as to offer acceptable substitutes for the numerous choices of foreign or foreign-owned publications now available. (See also P. 6, “Canadian culture.”)

### Short story honour for Windsor professor

A short story by Dr. Alistair MacLeod, associate professor of English and Creative Writing at the University of Windsor, Ontario, has been chosen as one of the 20 best short stories published by North American writers during 1974.

Dr. MacLeod’s story, *The Lost Salt Gift of Blood*, originally appeared in *The Southern Review* (winter 1974). It will be included in *The Best American Short Stories 1975*, the yearly collection and outstanding short fiction edited by Martha Foley and published by Houghton Mifflin Co., Boston. This marks Dr. MacLeod’s second appearance in the series; an earlier short story *The Boat*, originally published in the *Massachusetts Review*, was selected for inclusion in *Best American Short Stories 1969*.

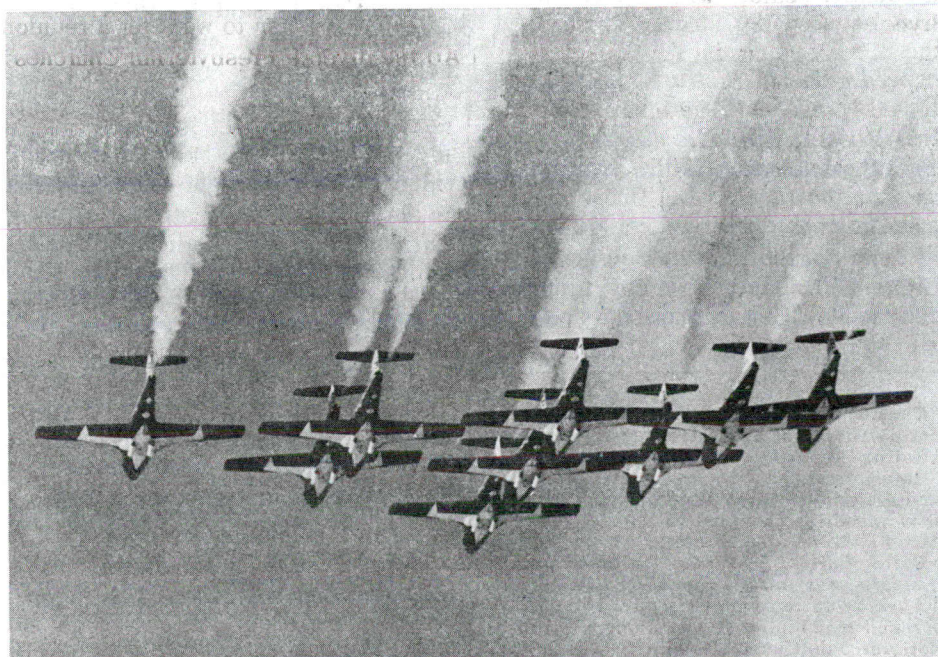
Some weeks ago Dr. MacLeod was awarded a Canada Council Senior Arts Grant of \$5,500 to assist him in the completion of his novel *In the Folds of the Hills of Home*, as well as completing a second collection of short stories. An earlier collection of his short stories is scheduled for publication by McClelland and Stewart this autumn.

### Busy summer for “Snowbirds”

Canada’s “Snowbirds”, the aerobatics team of the Armed Forces, will perform at more than 50 locations in Canada and the U.S. this year. The first show was at Hay River, Northwest Territories, May 9; the last one, in Edmonton, Alberta on October 8, is at the annual convention of the Royal Canadian Air Force Association.

The nine-plane formation of *Tutor* jet-training aircraft present a 27-minute performance featuring loops, rolls and formation changes at speeds between 90 to 350 knots, and as low as 300 feet above the ground.

Performances by the “Snowbirds” are scheduled in all ten Canadian provinces, the Northwest Territories and three locations in the U.S. – Reading, Pennsylvania, June 10-13; Minneapolis, Minnesota, July 4-6; and at the Paine Show, Washington, July 19-20.



Canadian Armed Forces “Snowbirds” in their “broad arrow” formation.