

affect the end circulation of *Time* very much. It can either print and publish its U.S. edition here, perhaps with Canadian advertising inserted at reduced rates to offset the loss of tax deductibility, or it can simply mail the U.S. edition directly to its Canadian subscribers. Either way, as I say, there is no evidence that its circulation will suffer significantly or that Canadians will desert this magazine, with its unique style and format, for *Maclean's* or any other supposed Canadian alternative.

So the bill is a total failure in terms of being a negative aid to circulation, that is, by driving circulation away from the big, bad American competitors. In positive terms, in terms of offering any concrete assistance to Canadian periodicals effectively to promote and build their circulation, Bill C-58, of course, offers nothing whatsoever. Indeed it seems beyond the imagination of this government—and this Secretary of State in particular—to think in anything approaching positive terms when it comes to strengthening Canadian cultural institutions.

● (1720)

After all, it is much easier to punish the supposed villains than it is to provide positive encouragement to Canadians, and this is true not only of periodicals and the publishing industry but in business as well.

The claim of the government, of course, is that Bill C-58 will be of direct benefit to Canadian periodicals in that advertisers who are denied access to *Time* would reinvest these funds in other—in the government's terms—more suitable publications. That is pure sophistry and if the Secretary of State does not know that he is even more divorced from reality than his unbelievable performance on this bill would make us believe.

Advertisers or their agencies choose the media in which to place their advertising and their dollars on the basis of which outlets reach the largest number of consumers at the best price. The "cost per thousand" approach is what they use. On a more sophisticated basis, they will combine this basic factor with a medium's ability to reach a particular kind of audience which is seen as especially relevant to the goods or services they seek to sell: women's products in women's magazines, travel and luxury goods in media whose readers have an above average income range, and so it goes.

I defy the Secretary of State to tell me that, given the extent of *Time's* audience in mass terms, and given the kind of audience the magazine traditionally reaches, there are other more Canadian periodicals, periodicals with a higher Canadian content, available to pick up these advertising dollars. There just are not any and the minister knows that as well as I do. In terms of practical assistance to Canadian periodicals, this bill is a non-starter. As I have already said, it represents, instead, a startling example of this government's misguided sense of nationalism and its utter disregard for a sense of administrative regularity or fairness of any kind.

### Non-Canadian Publications

## PROCEEDINGS ON ADJOURNMENT MOTION

[English]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

**The Acting Speaker (Mr. Turner (London East)):** It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Victoria (Mr. McKinnon)—National Defence—Proposal to lease Leopard tanks—Government position—Alleged overpricing of tanks by senior officials; the hon. member for New Westminster (Mr. Leggatt)—The Canadian Economy—Anti-inflation program—Possibility that insurance corporation will be addendum to agreement with British Columbia; the hon. member for Simcoe North (Mr. Rynard)—Health—Lassa fever—Possibility of interference with regulations by World Health Organization—Effectiveness of quarantine measures.

## GOVERNMENT ORDERS

[English]

### INCOME TAX ACT

#### REMOVAL OF PROVISIONS ALLOWING DEDUCTION OF EXPENSES FOR ADVERTISING IN NON-CANADIAN PERIODICALS

The House resumed consideration of Bill C-58, to amend the Income Tax Act, as reported (without amendment) from the Standing Committee on Broadcasting, Films and Assistance to the Arts.

**Mr. W. C. Scott (Victoria-Haliburton):** Mr. Speaker, at this point in the debate on Bill C-58 it seems that everything which could be said has already been said, but I should like to say a few words on this bill on behalf of my constituents. I might add that in my time here I have never seen a piece of legislation debated in this House which has met so much opposition from every corner of the House. Some of the most damaging statements made to date on this bill have been made by hon. members on the government benches.

Most, if not all, hon. members who have spoken on this bill have stated that mail from their constituents has been 90 per cent or more against the provisions of the bill, especially those relating to the status of *Time* and *Reader's Digest*. My mail has been almost 100 per cent in favour of leaving those two magazines as they are. However, we know now that the government does not care what the people of Canada want. The Secretary of State (Mr. Faulkner) and the Minister of National Revenue (Mr. Cullen) are out to get *Time* magazine, and after the recent accommodation which was made between the government and *Reader's Digest* it should be clear to everyone that that was the whole purpose of the bill.

The mere fact that the government chooses to ignore the weight of argument in this House against this bill, and that