

I would like to emphasize that the key element in the Canadian character of a magazine, as set out in the law, is where the control resides over its editorial policies. If that control lies outside Canada, then, in view of the government, the magazine should not be considered Canadian and should not benefit from tax exemptions intended for the Canadian segment of the industry. In the case of *Reader's Digest*, there is a contract between the American owners and the 'foreign' (Canadian) publishers that says the 'editors' of the Canadian edition may make no change in the content without the written consent of the American owners, nor may it use any material not approved by those owners. They are instructed to uphold morality and ethics as defined by the American owners. If they fail to meet these 'standards', their license to produce the magazine can be revoked by the owners.

This is what the minister said, but in reply the *Reader's Digest* under the signature of Mr. Zimmerman states:

Even with majority ownership in Canada, the act (Section 19(5)(a) (ii) (E) and (F) would preclude us from publishing the *Reader's Digest* in Canada, even though it is entirely edited here and had 30 per cent Canadian content (equivalent, incidentally, in major Canadian articles to the content of both *Chatelaine* and *Maclean's* today).

The reason is that, to protect (a) our international copyrights for the material we publish, (b) the trademark "*Reader's Digest*", and (c) the rights of our authors to prevent pirating and plagiarism of their work, we publish under the protection of an international licence that covers all our 28 international editions in 13 languages. This protection would be denied to *Reader's Digest* in Canada under subsection (E). Under subsection (F) we would be precluded from publishing our normal international content from other *Reader's Digest* editions and, further, each time other editions published Canadian material prepared by us, we would be further entangled in the substantially-the-same clause. As you will see from consideration of the entire Section 19, the problem is a difficult one. We must consider the implications for similarity not only with the American edition, but also with all other editions of the *Digest* which are similar in size and format the world over. This problem is not shared by any other publication. Indeed, the act was written to preclude precisely what you are proposing. Rescinding 19(2) does not alter this condition.

I will soon be finished quoting, Mr. Speaker. The minister in the final paragraph of his letter went on to say:

If the two magazines wish to continue in business in Canada, they will be entirely welcome to do so on the same footing as any other foreign magazines. Even if they decide not to continue in business, their U.S. editions may, and doubtless will, continue to enter this country with complete freedom and no content regulations as do a great number of magazines published in the United States and elsewhere.

Well, what do the owners of the *Digest* say about that. This is what they say:

If the Canadian editions of the *Digest* are forced to close, readers will still be able to obtain the U.S. edition freely. This statement omits a number of factors of overriding significance to Canadian readers. For example, our French-Canadian readers—we have some 1.3 million of them—will lose...

They do not say "may". They say "will lose".

... an edition published since 1947 in Montreal, printed in their own language, edited by French-Canadians.

This puts the minister on a spot because in a speech he made in this House on May 8 he stated:

... we do not want the continuance of a practice whereby the stories and articles reproduced in the French language Canadian edition of *Reader's Digest* are usually translated outside Canada.

Somewhere, sometime, I hope the minister will clear up this little bit of misunderstanding because here he states one thing while the owners of the *Digest* state something entirely different:

... will lose an edition published since 1947 in Montreal, printed in their own language, edited by French-Canadians. For them, a subscrip-

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tion to the U.S. English-language edition is no real alternative. Nor is a subscription to the *Digest* editions produced in France, Belgium or Switzerland—all are European in emphasis and naturally do not reflect Canadian concerns.

Similarly, English-Canadian readers will lose...

Here I again repeat that they do not say "may". They say "will lose".

... a 27-year old edition which is fully edited by Canadians, contains a substantial core of material written by Canadian authors on Canadian subjects, and offers a selection of international articles chosen specifically for their appeal to a Canadian audience. Our own reader surveys demonstrate clearly that Canadian readers would be gravely disappointed if the Canadian editions ceased publishing and would find the U.S. edition a less than satisfactory substitute.

Then there is a short note at the bottom which says:

In 1974, 24 per cent of the material in the Canadian *Digest* originated in Canada. Our target is to increase Canadian material to 30 per cent by 1976. This will mean that the number of major Canadian articles the *Digest* carries will approach that carried by leading Canadian magazines.

Let us think for a moment, Mr. Speaker, of the market this provides for Canadian writers. It is entirely one thing to write an article and have it published in Canada in *Maclean's* or *Chatelaine* but certainly once an article is accepted by *Reader's Digest* this gives the writer of that article an eminence he would not otherwise obtain. This is a factor which should be taken into consideration when considering legislation.

The part of this legislation which causes me the most concern—and I am not speaking now as a politician but as a Canadian—is its totalitarian aspect. Over half a million copies of *Time* are circulated in Canada, a very large circulation by any standard for a country like ours. These copies are printed in this country, although the largest by far of the editorial content I must admit originates at the *Time* office in the United States and around the world.

Time provides a window on the world which no Canadian publication can duplicate, and which unfortunately no Canadian publication may ever emulate. Certainly they have not to date. We need *Time's* type of journalism at least as much if not more than the type of thing *Maclean's* offers us. I subscribe to *Maclean's* magazine, I expect out of sheer patriotism. Obviously they do not know I am a paying subscriber because they send me a free copy every month, which costs money. One might wonder about the efficiency of *Maclean's* and their manner of keeping control over their list of subscribers. Certainly they could cut down on expenses because if copies are sent to all members of the House of Commons although this might increase its circulation it certainly also increases the cost substantially.

A monthly comparison of the content between *Time* and *Maclean's*, I submit, leaves much to be desired in respect of *Maclean's*. All anyone need do is read *Time's* account, for example, of the United States government's recent problems in Vietnam or in respect of the Watergate scandal and compare the coverage of these two major events with the coverage given by *Maclean's*. It is so easy to understand why so many of us reach for *Maclean's* when we wish to be informed about what is going on in the world.