As part of an extensive series of cutbacks initiated in December 1989 to reduce the deficit, the government decided to gradually phase out the postal subsidy program of \$220 million annually and replace it with a \$110 million direct assistance program.

On June 27, 1990, the then Minister of Communications announced the government's decision to phase out the Publications Distribution Assistance Program by the end of March, 1994. After that date, the postal rates for these publications will be the same as current commercial rates. However, new programs administered by the Department of Communications will replace the preferential rates.

The decision made at the time was twofold: first, to concentrate on supporting the most vulnerable sectors of the publishing industry, in other words, subscriptionfunded magazines, small community weeklies and the book sector; and second, to eliminate the support enjoyed by foreign-owned publications, dailies and small circulation publications.

When the announcement was made in 1993 the minister described two major implications of the new program. First of all, there would no longer be any distinction between paid magazines on the basis of content. Furthermore, publishers would no longer be obliged to use the services of Canada Post since they would now be able to use the distribution system of their choice. We are now engaged in consultations with the industry to establish the exact structure and eligibility criteria for the new programs.

Culturally speaking, the Canadian magazine industry is in good health. However, it still needs government policies that provide financial support. Because of the favourable climate created during the past 15 years, the Canadian publishing industry has been able to conquer an increasing share of our market. Today, that share is 40 per cent.

The postal subsidy program benefits this country's publishing companies, advertisers, retailers and last, but not least, readers. That is why it cannot be changed without giving due consideration to our cultural, industrial and social objectives. What are those objectives? To ensure that magazines, small community weeklies and books remain accessible to all Canadians and to maintain conditions that promote the development of Canada's publishing industry. The new programs will target com-

Private Members' Business

panies that are owned and controlled by Canadians and which publish books, subscription magazines or small community weeklies.

Thanks to these programs, Canadian publishers will enjoy the support they need to survive and prosper during the 90s.

[English]

Ms. Lynn Hunter (Saanich-Gulf Islands): Mr. Speaker, I am pleased to participate in this debate this afternoon. I support this motion.

Last year 3.743 billion pieces of junk mail were mailed through Canada's post offices. That represents over 140 pieces for every woman, man and child and infant in the country.

Junk mail is trashing our forests. These unsolicited bulk mailings are a tragic and inexcusable waste of one of our most valuable resources. To make matters worse, Canada Post is engaging in an aggressive campaign to encourage businesses to pump out more and more junk mail and it is doing it with the blessing of the federal government.

My colleague, the member for The Battlefords— Meadow Lake, wrote to the minister responsible for Canada Post in June 1990, urging him to have the government introduce legislation to offer preferred rates only to advertisers using 100 per cent recycled materials.

There is no reason why the government cannot insist that preferred rates are given only to those using recycled materials. It is simply a question of political will.

Just to give an idea, unlike what the government member previously said, there is a subsidy for junk mail. We all know that it costs us 43 cents to mail a first class letter to any home in Canada. Canada Post ad mail rates allow businesses to mail a flyer to every doorstep in the same community for a mere 8.3 cents per flyer. If that is not a subsidy, I do not know what is. That is an 80 per cent reduction in costs. That is some subsidy.

This issue goes to the very heart of the role that Canada Post plays in our society. The Conservative government maintains that Canada Post should act as a private business and profit should be the bottom line. The New Democrats say that Canada Post should provide the best service it can to Canadians with a view to self-sufficiency and not to making a profit.