

Non-Canadian Publications

identity that existed for a people halfway around the world. That was in 1961, 14 years ago.

Mr. Darling: Wasn't there a copy of *Reader's Digest*?

Mr. MacDonald (Egmont): I did not get close enough to see whether there was a copy of *Reader's Digest* or *Time* magazine. If there had been, it undoubtedly would not have been an English edition; it would have been in a language I would not be able to read.

Mr. Baldwin: It was probably bought in the local Sky Shops.

Mr. MacDonald (Egmont): I did not have a chance to visit there. It is perhaps interesting to note that since 1961 we in this country have been seized with two special committees of the other place, one headed by the esteemed Senator Grattan O'Leary and the other by the well-known and, in some circles, much respected Senator Keith Davey. They found themselves in substantial agreement that definite action had to be taken with regard to the deteriorating situation in the magazine industry in this country. I know that I am not going to contribute too much that is new, exciting and novel at this point in the debate—

Some hon. Members: Hear, hear!

Mr. MacDonald (Egmont):—but I will give it a good try. I will, hopefully, sum up and distil some of the wisdom that has pervaded this debate in the many days since its inception. Hon. members know that in 1950, in Canadian magazine circulation only 28.8 per cent of the magazines that were for sale or that were in circulation at that time were either of significant Canadian content or were Canadian-owned. What has happened in the meantime, in spite of the increased awareness and ability to communicate in other fields—I think of the expansion of television and the more recent expansion of feature film production in this country—has been a decline. The latest figures I have, which are for 1974, indicate that only 15.2 per cent of magazines currently in circulation in this country are what can be designated as Canadian. In total figures, in 1974 Canadian publications were some 29,467,000; American publications were some 193,288,000. That is not a fact with which Canadians can live very comfortably.

It is not a good thing to know that such a heavy aspect of one means of communication which serves as a major source of information for the development and further refinement of social and cultural values is so totally controlled by an outside source. I think hon. members know me well enough to realize I am not one who raises the flag of strident or superficial nationalism or one who feeds off a kind of virulent form of anti-Americanism. I simply believe that a country as mature and as sophisticated, and with the potential we have, should not have to rely upon or have the dependency that it does with respect to the magazine industry.

Some hon. Members: Hear, hear!

Mr. MacDonald (Egmont): If the figures that I have used with respect to the general circulation of magazines are disturbing, particularly the decline from 28.8 per cent in 1950 to 15.2 per cent in 1974, the general availability of

[Mr. MacDonald (Egmont).]

publications is even more shocking. In 1974, newsstand sales of magazines indicate that 97 per cent were United States magazines in origin, and 3 per cent were Canadian. That can only be considered a shocking situation, one that has to be resolved. I have to say at the outset that while I support the effort that the minister is bringing forward in this bill, I am very disturbed that there has been evidence of very little action with regard to the general availability of magazines in newsstand sales. I will deal with that a little later.

● (1640)

I do not think it is enough simply to apply this change with respect to the Income Tax Act unless we are going to deal with some of the related factors that can make a reality of what I am sure the minister and his colleagues are concerned about there.

I mentioned my own experience in 1961 with the kind of pervasiveness of the American communications industry. I should also indicate that while we have had the O'Leary and Davey commissions in the last decade and a half, in actual fact as long ago as 1922 the magazine publishers' association of that day requested a tariff on foreign publications. So what we are dealing with here is not something we have suddenly discovered during the last few years, or even since the end of the Second World War when many people talked about the developing sense of a Canadian identity. The problem, of course—and it has been put repeatedly, one might almost say ad nauseam—is that there has developed in recent years a considerable sentiment and affection for two specific publications which have received a kind of special status under the present Income Tax Act. I am referring, of course, to *Reader's Digest* and *Time* magazine.

The claims—and of course we have all received mail, phone calls and representations of one kind or another—have suggested that these are important Canadian publications, in spite of the fact that they are part of large multinational corporations which find their homes in the United States. The fact of the matter is that in the case of *Time*, up until 1974 only 18 per cent of the content of this magazine could be considered in any way as Canadian, and with respect to *Reader's Digest* about 24 per cent. I have not followed at all closely the actual percentages present in recent issues of both publications, but I am willing to suspect that they have increased somewhat in an attempt to head off what has been a very obvious commitment to try to redress the balance to a more satisfactory level.

There is no doubt, Mr. Speaker, that when we think of the possibilities for the Canadian magazine industry, an essential problem is the fact that roughly 50 per cent—50 cents in every dollar—spent on general magazine advertising in this country is spent in the pages of *Time* and *Reader's Digest*. That amounted, in 1973, as I understand it, to close to \$16 million. I am not aware of the figure for 1973 or 1974, but realizing inflation to be a factor everywhere I presume it was substantially over the \$20 million mark.

What is of interest to me—and I do not wish to get into a long tirade here regarding *Time* or *Reader's Digest* because I think they are big enough to look after themselves—is that with respect to *Reader's Digest* in particular they have indicated as recently as in their last annual report that