

Post Office Act

that advertising, has to declare that its publication is not published in Ontario but is published somewhere else. So *Maclean's* magazine—

Mr. Pickersgill: Will the hon. member permit a question?

Mr. Knowles: Yes.

Mr. Pickersgill: Is not one of the words in that the word "display"? Does it make any difference whether it is published in Ontario or anywhere else if it is displayed for sale in Ontario?

Mr. Knowles: The law prohibits any company from displaying such advertising in Ontario or from publishing it. The law does not prohibit the printing of such material in Ontario so that *Maclean's* magazine, in order to get around this law, prints its magazine in Toronto but declares that it is published at the city of Montreal.

Mr. Pickersgill: How does that get around the law?

Mr. Knowles: My hon. friend is not a lawyer, nor am I; but lawyers apparently have found ways of getting around it. Thus it is that they make the statement in their publication that it is published at the city of Montreal, despite the fact that it is printed in Toronto, whereupon the magazines, before being mailed, are trucked from Toronto to Montreal and are mailed from Montreal. Now, in doing that *Maclean's* magazine achieves two things. On the one hand it gets around this law and thereby claims it is not publishing liquor advertisements in Ontario but is publishing them in the province of Quebec.

Mr. Pickersgill: The hon. member has not answered my question about the word "display".

Mr. Knowles: They do not display this advertising in Ontario, but they print it in Ontario and they bundle the magazines in trucks and have them carted to Montreal.

Mr. Pickersgill: I can get copies of the magazines in Ontario on the newsstands.

Mr. Knowles: But the copies you get on the newsstands in Ontario are mailed into Ontario from the province of Quebec.

Mr. Pickersgill: It does not make any difference.

Mr. Knowles: I agree with my hon. friend that in the actual result there is no difference. They are getting around the law technically but not in spirit. But I started to say that *Maclean's* magazine achieves two purposes by

declaring Montreal to be its publishing location and by trucking its copies to Montreal before mailing them. The first purpose, which I have already indicated, is that they get around the Ontario law. The other purpose they achieve is that they get the cheap rate of postage provided for periodicals under section 11 of the Post Office Act because they are mailing their periodical at the point declared to be the point of publication.

Section 11 of the Post Office Act now requires that a periodical, in order to enjoy the cheap rate of postage, must be mailed in the postal area in which its office of publication is located.

Now, I agree with the Secretary of State that they are just getting around the law technically but not in spirit, but in order to do this it is now costing *Maclean's* magazine a considerable sum of money—I understand it is of the order of \$20,000 to \$25,000 a year—to truck its periodicals from Toronto to Montreal.

One can understand the natural desire on the part of *Maclean's* magazine to have legislation, if it can be obtained, that will save them \$25,000 a year, or some portion of that amount, and therefore the proposal that has been made by the Periodical Press Association, and the proposal which is implemented in this bill now before us, is that the publishers of periodicals, if they get the approval of the Postmaster General, might be able to mail their publications at the point of publication and at one or more other points while still obtaining the cheap rate of postage.

Let us look at the result which will flow from this bill with respect to the magazine of which I have been talking, and there is no secret about the fact that one of the reasons I have been talking about this magazine is that a gentleman representing that magazine came to see me and tried to argue his side of the case. However, if this bill passes it will not change the law which I read a moment ago, namely section 91, subsection 3, of chapter 210 of the revised statutes of Ontario. It will still be against the law to publish or display liquor advertisements in periodicals published in Ontario. Therefore, *Maclean's*, though it is printed in Toronto, will still have to be declared as being published in Montreal.

It will be possible for issues of *Maclean's* magazine going to subscribers outside Ontario to be mailed in Ontario under this new provision, if the Postmaster General declares Toronto to be a mailing point for this magazine. But, so far as the issues of *Maclean's* magazine that go into Ontario are concerned, it will still not be possible for them to be