

*Time* and *Reader's Digest* to be classified as Canadian magazines. I suppose it is impossible to retrieve directly, what we let go. At the same time, after we approved the increase in rates which the minister is proposing, we shall be subsidizing the distribution of *Reader's Digest* to the extent of \$800,000 a year, and we will be subsidizing the distribution of *Time* magazine to the extent of \$721,000 a year. As I pointed out to the minister yesterday, that is \$1½ million, precisely the amount the minister says he is not prepared to provide as a subsidy to the Sifton interests. I may say in parenthesis that I am not intervening on the side of Brigadier Malone, the publisher of the *Winnipeg Free Press*, to say the minister is wrong.

● (4:20 p.m.)

I recognize the difficulty that the minister is facing. He said, with some justification, that he cannot name certain magazines. You cannot increase the rates for *Time* and *Reader's Digest* without increasing the rates for all magazines, and if that were done many, if not most of the magazines with small circulation would go out of business. However, I notice that the minister and his department have been able to make regulations and rules distinguishing between groups of publications. There are daily newspapers which are distributed mainly by carrier boys, with some distribution by mail, and there are weekly newspapers which have less than 10,000 circulation, and so on. There are different rates for these.

I wish to make a suggestion to the minister. I am not going to move it in the form of an amendment because my colleague, the hon. member for Winnipeg North Centre, who is much more expert than I on what is permitted under the rules, has told me that if I tried to move this as a private member, the amendment would be out of order. However, I suggest that the minister change the regulations to provide that his proposed rates apply as scheduled, except in the case of weekly magazines having a circulation of more than 200,000 and monthly magazines having a circulation of more than 800,000. I suggest that these should pay twice the scale of the new rates.

If the minister were to accept this suggestion, then the only magazines which would pay the increased rates would be those which are making substantial amounts of money. I do not intend to name them, although I do not think this would be wrong. For example,

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if *Maclean's* climbed to the point where it had a circulation of more than 800,000 it would have to pay the double rate, I suggest. By this method the minister could save the taxpayers half of the \$1½ million which we will use to subsidize what I consider to be American publications. What does the minister think about this suggestion?

**Mr. Kierans:** I think it is a very ingenious suggestion, but happily we do not have to reach any decision today.

**Mr. Macquarrie:** Before the vote is called on the amendment I wish to say I am impressed by the last remark of the minister. This part of the measure is to go into effect on April 1 next. It therefore seems strange that we are faced with an amendment, the effect of which we cannot sort out, and time is not afforded for careful consideration of it in consultation with the people involved. I do not know what these changes will do to Canadian newspapers both small and large.

I welcome the amendment as an improvement; but I am reminded of the fable of the farmer who would not cut off his dog's tail: He did it a bit at a time because he was a gentle man. This is an amelioration, but I would like to refer it to the people involved, the publishers of newspapers, who will have to decide what this will mean as an increase to their subscribers. I underscore that point again because that is where it will all end. It will not end on the desks of the very well off publishers, whose names have been bandied around today. It will end with the people who read newspapers.

As I say, the amendment is an improvement, but this whole clause is an elaborate one. It requires far more consideration than we are able to give it here, and I am wondering if it has been given all the consideration that the minister should give it. He stands steadfastly by his statistics, but I notice an item in his white paper in the footnote to statement No. 11, which says:

It is not possible to anticipate accurately the real impact of the proposed legislation on second class mail volumes and the profitability of the service.

Of course it is not possible. Now we have some changes that we must consider. I wonder if the minister will tell us whether he has any other amendments to move. Has he reached a different decision with respect to the learned journals, with respect to the *Queen's Quarterly*, the *Dalhousie Review*, and the other publications described in clause 11(1)(o)?