

*Non-Canadian Publications*

The essence of this bill, whatever the technical details, is that the government, at long last, is saying it is going to remove the special consideration from foreign-owned and controlled publishing companies. Can we think of any other nation where a majority of the speakers in the democratically-elected assembly of the country would be speaking in favour of maintaining foreign control over a major part of its publishing industry? They are speaking against a legislative measure which does not discriminate against them but puts them on precisely the same basis as any other foreign publication. I find it totally indicative of a colonial mentality that we should have managed to twist and turn this piece of legislation into something that it is not. I do not question the honesty and judgment of the previous speaker, but merely his conclusion. He and others have raised the matter of censorship as being at stake here. That is one of the most erroneous elements brought into the debate.

The government, in this instance, has made an appropriate decision. It is a problem of judgment. The decision is not only that tax benefits are not going to go to the two magazines, *Time* and *Reader's Digest*; the decision has been made to define a Canadian publication as, among other things, meeting the requirement of 80 per cent Canadian content. The purpose is not to stop those publications from being sold in Canada. If that were the case, I would be with the hon. member 100 per cent, because in my judgment that is where the issue of censorship would come in. All it does is remove a publication that does not meet those requirements from getting the same tax benefits as Canadian publications.

In this case, *Time*, and *Reader's Digest* will be in the same position as *Newsweek*, *Playboy* and all the other publications that come from south of the border. That is all. It is not that they cannot come into Canada or that we will put up tariffs to inhibit the free flow of thought. All this bill is saying is that the Canadian taxpayer will not give them a special concession. I agree that it is an element of judgment. How do you make a precise judgment of what is 80 per cent? I agree with the hon. member that there is no fixed and firm rule that will guide the people in National Revenue. However, there are other tax laws in which the element of judgment also plays a role. Frankly, I think the 80 per cent Canadian content rule makes sense if they are to benefit from Canadian tax law.

Where there is a mistake in judgment with regard to a taxation matter, that can of course be serious. There must be the right of appeal and persuasion if there is a wrong decision. However, I want to state categorically that it is misleading to suggest that censorship is involved. That is not the case at all. Publications will be able, and ought to be able, to flow freely into this country no matter what their source.

I am speaking on this, the sixth day of this debate, in the earnest hope that we will be able to vote on this issue today. As I said earlier, I can think of no other country in the world that would conceive of giving special tax concessions to publications owned and controlled outside its borders. The least we can do is to remove the special tax benefit from such publications and put them on the same basis as other foreign publications. Canadians can then read them. Canadians will continue to do so. However, it is

[Mr. Broadbent.]

time we put them on the same basis as other publications in Canada so that we will get some of the revenue flow from advertising going into genuine Canadian magazines. I understand that about 48 per cent of all magazine advertising revenue in Canada goes to *Time* and *Reader's Digest*. Hopefully, it will find its way into publications that are written, controlled, edited and owned by Canadians. Hopefully, we will then get a better periodical press in Canada which reflects a distinctively Canadian point of view.

Much has been made that legislation will benefit *Maclean's*. I am certainly no great advocate of *Maclean's* magazine or the interests that control it. I will say, however, that as a Canadian-owned and controlled publication, in terms of our tax law it should be different from a publication which is owned and controlled by a foreign operation and is a publication with substantially foreign content. Surely, that is what the legislation is all about: it is nothing more substantial, positive or negative, than that. I cannot understand the mistaken view that this is censorship. That is what a lot of Canadians think. They believe that in the future they will not be able to buy *Time* or *Reader's Digest*. But that is not the case.

I, like other members, have received a lot of mail from both inside and outside my constituency expressing the view that *Time* and *Reader's Digest* should be permitted to continue in Canada. I have written back saying that I agree they should be permitted to continue but that is not the issue. The issue is whether they should continue with special tax considerations that are not available to other foreign publications, and because of this we encourage revenue to go into publications which in my view would be more appropriately funnelled into those presently being generated within our borders.

It is interesting to note that the majority of Conservative spokesmen have attacked this measure. I understood from their initial speakers that they would support the bill. It is now evident that they are not going to support it. That is unfortunate. The royal commission set up many years ago by the right hon. member for Prince Albert (Mr. Diefenbaker) recommended that the government remove these special considerations for *Time* and *Reader's Digest*. It was not done then by a Conservative government. It ought to have been done.

● (1550)

I regret the fact that the Conservative party, of all parties, a party which should have a special interest in the traditions of the nation, an interest in Canada forming a serious sense of its own role in the world and of its own past and the creation of its own future, should take the position of defending *Time* and *Reader's Digest* in terms of the tax situation. I would not be very surprised if it were the Liberals. After all, for years they have specialized in selling Canada out to foreign corporations. Nevertheless, in this one area, I am glad to say, the government has decided to remove the special considerations given to these foreign-owned corporations.

I will conclude by saying that I hope this is the last day of the debate, that we can come to vote and that the special privileges accorded to *Time* and *Reader's Digest* will be ended. These magazines will continue to be sold in this country, like *Playboy*, after the legislation has been passed.