

Non-Canadian Publications

government does this it will earn the respect of the Canadian people who are beginning to ask questions about the propriety of this legislation, having regard to the objective every Canadian should have, namely, that of a strong, viable Canadian publishing industry. I submit this to the government through you, Mr. Speaker.

Mr. Mark MacGuigan (Parliamentary Secretary to Minister of Labour): Mr. Speaker, the hon. member for Grenville-Carleton (Mr. Baker) has extended such a warm invitation to us on this side to participate that I think we ought to take advantage of his invitation. I agree with him of course that this is a matter which is very important for the well-being of Canadians. It is a matter which I do not think should be the subject of political partisanship, and I will pay him the tribute that I think his partisanship on the subject is more subtle and indeed more positive than that of his colleagues.

Bill C-58 is not a bill about *Time* and *Reader's Digest*. It is not a bill under which we are here to pass judgment on what we think are the merits of these two publications. I doubt if there are any more avid readers of *Time* magazine to be found anywhere than among the members of this House generally, and certainly among members on this side of the House. It is our weekly companion. If *Reader's Digest* is any less read, it can be only by a hair's breadth. These magazines are highly respected in Canada. They are thought well of by the people and by us.

This bill, however, is not a bill about *Time* and *Reader's Digest*. It is a bill about opportunity for Canadians. Actually it is a very simple bill. The contentious part of the bill is found in half a page, in two clauses. The effect of it really is merely to remove subsections (2) and (4) from section 19 of the Income Tax Act and restore in slightly different form subsection (1). This is so true that it was clearly realized by the opposition at the beginning. I am sorry I misplaced my next quote for a moment. You will have to bear with me while I dig out January's *Hansard*, Mr. Speaker. It is in *Hansard* of January 23.

● (2010)

The utter simplicity of this bill was clearly recognized at the time the initial statement was made by the Secretary of State (Mr. Faulkner), a statement which takes less than a page in *Hansard*, and in the statement of the hon. member for York-Simcoe (Mr. Stevens), a really admirable reply in its brevity and in the position which it exposes—a comment which I would not always make about the statements of the hon. member for York-Simcoe. I am sorry he is not here tonight to receive my admiration. On page 2527 of *Hansard* of that day he is reported to have said:

We believe that the move to eliminate the income tax advantage shared mainly by two magazines, *Time* and *Reader's Digest*, is a good one.

That is really the essence of his statement. The statement is simple, his response is simple, and he says that the government's position is a good one.

He raises only two caveats. He is concerned about a monopoly and he is also concerned about the future of the employees, but there is no mention of any worry about censorship, content, or anything of that kind, just two

[Mr. Baker (Grenville-Carleton).]

simple concerns which the official spokesman of the opposition had in mind at that time.

This was also well appreciated by the Leader of the Opposition (Mr. Stanfield) in a memorandum which he circulated to all members of the House on March 21, in the third paragraph of which he said:

It is correct that the Progressive Conservative Party has indicated its support for the elimination of any special tax status in section 19, but I wish to make clear that this does not necessarily indicate approval by our party of the definition apparently being adopted by the government as to what publications qualify in terms of tax deductibility for advertisers.

That statement was aimed at an interpretation which at one time was thought to be the interpretation of the Minister of National Revenue (Mr. Basford), but was subsequently proved not to be so. Our good minister still has an open mind on the subject of what is the proper interpretation of the Income Tax Act. Given the fact that that interpretation is no longer current, the gist of the statement of the Leader of the Opposition is that the opposition had indicated its approval for the elimination of the special tax status in section 19—a very simple statement about a very simple action.

Indeed there is but a single point in this legislation. It has to do, to express it in terms of equity, with the inequity of two non-Canadian publications having a special status over other non-Canadian publications, and the inequity for Canadians of these two non-Canadian publications having the same status as Canadian publications or, as I would prefer to put it, in terms of opportunity for Canadians, the government proposal is to provide an inducement to Canadian business which will provide that kind of opportunity to Canadian writers and editors which has not previously existed.

Unfortunately, this simple proposal by the government has been overlaid by a number of confusions, ones which have been raised, I think not entirely accidentally, by members of this House on the other side. The first confusion is the demand for a total policy on periodicals. That is a proposal which we heard in the speeches of the hon. member for Fundy-Royal (Mr. Fairweather) and the hon. member for Edmonton-Strathcona (Mr. Roche), to pick only two, but they were among the more embarrassing examples of this genre. This was really an attempt to deflect attention from the issue of the legislation.

The Secretary of State has clearly said that this bill is by no means an attempt to define a publications policy. May I quote what he said on May 8 as follows:

The difficulties facing that industry have for some time been a matter of concern to my department and to me; for some months now we have been engaged, in co-operation with the industry, in the development of a plan of action aimed at finding solutions to certain of its problems. I regard the amendment proposed in this bill as an important element of that plan and one that is essential to its success.

He refers to it later as a stage in the development of a program of effective government assistance to Canadian periodicals. Only last week in the Standing Committee on Broadcasting, Films and Assistance to the Arts, the Secretary of State tabled a document which indicates the federal government's response to the federal aspects of the Rohmer Royal Commission. In that are stated the government's policies with respect to such things as book purchase programs, fairs abroad, the Association for the