## Excise Tax

they play and assures their place as a vibrant expression of the community voice.

In Canada we see the growing monopoly of newspapers and the expression of the community voice being thwarted. This legislation will place a greater burden on those very small and often unprofitable operations in small communities. I appreciate that the government has adjusted the advertising and news ratio from 75 per cent to 80 per cent. That is a small step in the right direction but, as we have pointed out many times, the definition is an arbitrary one. The Minister of State for Finance (Mr. Bussières) indicated in the House that it was arbitrarily set at 80 per cent and could be 90 per cent or 100 per cent.

There are two fundamental problems with this approach by the government, Mr. Speaker, that have not been discussed adequately. The content rule discriminates against small independent community newspapers in many ways. It will raise administration and production costs for them proportionately more than it will for the large metropolitan newspapers, many of which have access to computers. The computers help reduce the cost of production, but small community newspapers cannot usually afford such technical innovations.

The large metropolitan newspapers have greater flexibility to adjust their news content. The breadth and diversity of culture in our cities provides proportionately more news material for the dailies than is available to the independent weeklies that are the community voice. The large chains can afford the specialized staff to cover, for example, the much broader range of sporting events.

The Acting Speaker (Mr. Ethier): Order, please. It being one o'clock I do now leave the chair until two o'clock p.m.

At 1:00 p.m. the House took recess.

## AFTER RECESS

The House resumed at 2 p.m.

Mr. Riis: Mr. Speaker, when we rose for the luncheon break I was commenting on the role of small community newspapers and why the government should be doing everything possible to encourage the development of small community newspapers to ensure that we, as a nation, work as hard as possible to avoid the monopolistic type of newspaper reporting that we see emerging in Canada. We should work against the merging of newspapers which will restrict, if you like, the voice of Canada to fewer and fewer newspaper companies. It is in all of our interests to ensure that as much freedom of speech as possible exists in Canada, which is reflected in small community newspapers probably as much as through any other medium.

I mentioned that the large metropolitan newspapers are not quite so worried as the smaller newspapers about the 80 per cent arbitrary figure set for the ratio between advertising and news. The large chains can much more easily afford the news content of the newspapers because of the specialized staff they

have. For example, staffs of the larger papers can cover a much broader range of sports events, art exhibits, craft fairs, drama festivals, film and play reviews. Also they are able to provide reports on the latest fashions, business and finance and in depth, specialized analysis of topics in areas such as foreign affairs, science and technology, gardening and so on.

The second major implication of this legislation derives from the distinction drawn by the Minister of Finance (Mr. Mac-Eachen) between news and advertising or, as the Minister of State for Finance said, between information and advertising. With interest rates hovering now in the 20 per cent range and the cost of living rising above 12 per cent, some of the best news people can read today in a newspaper advertisement is a flyer informing them of the relatively good buys in meat at the corner store or that winter clothing is being reduced 30 per cent at McAllister and Howard, or that building supplies are reduced for the weekend at a certain building supply company. I suggest that this is the kind of news which the consumer of Canada is interested in hearing about.

I do not mean this in a flippant or casual way. When the Minister of Finance stands up in the House and says that he is fighting inflation by increasing interest rates, by actions which result in decreasing the value of the Canadian dollar, which result in an increase in the cost of living for Canadians, is this the kind of news Canadians want to hear? Wouldn't they rather hear that the Sorrento market is going to be offering substantial sales that weekend for different foods? That is the news Canadians would rather hear. In a highly inflationary environment where there are significant costs associated with acquiring market information, the market's performance is improved and the cost of living for Canadian families is reduced when consumers are better informed about the availability and price of goods in different marketplaces, the location of sales, etc. It may be ironic that a member of the New Democratic Party is defending measures that will improve performance in the marketplace, but, indeed, I have often felt that in the traditional sense of the term, the best friend of the new enterpriser in Canada is the New Democratic Party; the best friend of the free enterpriser.

• (1410)

An hon. Member: That does it.

Mr. Riis: If we look at this from the point of view of Canadian families, they benefit when Canadian small businesses and Canadian newspapers, can reduce the cost of living and save money. We on this side would like to see measures that would strengthen the small newspaper community rather than additional hurdles such as this particular legislation places on those small independent newspapers of Canada. We should go beyond Bill C-57 and consider removing federal excise tax on informational advertising flyers and supplements which are not produced for distribution through newspapers for the same reasons I have articulated earlier.

Enough of community newspapers for the moment, Mr. Speaker. I want to talk for a few moments as a western Canadian member, as a member of the House from that part