

The Canadian *Digest's* method of paying for its foreign material is similar in principle to that of Canadian newspapers which subscribe to foreign and domestic news services and purchase rights to that material at less than the cost required to produce it. Readers and publishers thus benefit from the international news relayed by Associated Press, Reuters, and the comics, crosswords and columns provided by U.S. newspaper syndicates.

I should also be emphasized that articles on science, medical health and physical fitness and international news are of great interest to Canadian readers as they are of a global nature and would, of course, be classed as foreign material. None of these could be economically provided without the sharing of cost made possible by multiple use. The same principle applies to *Digest* material that originates in the British, German, Australian, U.S. or any *Digest* edition. The Canadian editions, I am informed, pay a pro rata share of development costs for publishing rights to the material they print. The same principle, quite obviously, applies to the new *Maclean's* magazine to which this bill will give a monopoly if it is passed. The publisher of this magazine, Mr. Lloyd Hodgkinson, said recently in a public statement:

Over the years Maclean-Hunter has built a formidable international communications empire. (Its size and scope may well astonish you. Its size and scope often astonish us). In Canada, we're involved in 101 various businesses, technical, consumer and special interest magazines and newspapers including *Le Maclean*, *Chatelaine*, *Financial Post*, the *Medial Post*; five radio stations; a TV station, cable TV and programming services. In England we produce 12 business and technical magazines. In the U.S. we have eight business journals and three cable TV systems. In South Africa, four magazines and six marketing services. In Europe, we co-produce six media publications in the key cities of Paris, Frankfurt, Milan, Vienna, and as of 1975 we're in the publishing business in Brazil.

These are the resources, Madam Speaker, that are to be put at the disposal of the new *Maclean's*. Is this the tender flower we are being asked to protect with Bill C-58? While looking through the *Globe and Mail* on November 5 I saw further evidence of how tenderly the competitors of *Reader's Digest* need to be nurtured. *Homemaker's* magazine and *Madame au Foyer* expect to become the largest consumer magazine in Canada, at 1.5 million circulation in 1976. The *Globe and Mail* reported that Mr. Edward Gittings, the publisher, said as follows:

—advertising revenue for the three publications—

He included *Quest*

—for the year will exceed \$7 million, up 27 per cent over 1974—November issues of the three were the best yet with combined revenues of \$1.3 million.

This statement, Madam Speaker, comes from the publisher of magazines started in 1966, 1967 and 1971 respectively. That is not bad, when you consider that the Secretary of State said on May 8 in this House that Canadian magazine publishers have been forced to exist for too long in an economic and psychological climate that has not been conducive to growth or new ventures. I submit that competition with other media not within the magazine industry is the important factor in the uncertain climate to which the Secretary of State referred. I demonstrated this with relevant and indisputable figures. I suggest that the Secretary of State should withdraw that portion of Bill C-58 dealing with magazines and bring forward legislation to

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tackel the real problems of the magazine industry. It should not be a bill that clearly favours one particular publisher who can boast of an international communications empire that astonishes us.

Now I would read an editorial printed in the *Toronto Sun* of October 30, 1975, entitled "Canadian Content":

The federal government is determined, at any cost to pride and integrity, to be rid of the Canadian editions of *Time* and *Reader's Digest*. In the name of Canadian nationalism—and encouraged by those publications anxious to eliminate Goliath rivals that eat up half the available magazine advertising revenue—a dangerous, hypocritical, shabby act is being perpetrated.

Revenue minister Cullen now says a magazine must have 80 per cent Canadian content to qualify as "Canadian", thus entitling advertisers to tax deductions.

The *Toronto Star* with its knee-jerk nationalism and to hell with competition is all for the regulations. The *Globe and Mail* frets over the principles involved, and doesn't want government ruling on contents of publications. On this issue we are solidly with the *Globe and Mail*. (Why, on some days the *Globe* could barely qualify as "Canadian," so filled is it with material from the *New York Times*, *London Observer*, and *Economist*, not to mention *AP* and *UPI*! And it is a better paper because of its international scope.)

Content of publications is none of the government's business—unless they preach sedition or violence against the state. Government—any government—would love to manage, control, censor and dictate news.

That is true of this government. I continue:

To give any content decisions to government is a step all Canadian should oppose.

*Maclean's* and *Saturday Night* would like to see competitors removed from the arena. Understandable. Theirs is a vested interest and a conflict of interest. And their views should be ignored. If they can't hack it and appeal to Canadians on merit alone, then they don't deserve to survive. *Time* outselling *Maclean's* in Canada is like the *Washington Post* having more appeal in Toronto than the *Star*. An indictment of the home product.

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If Canadian publications improved quality, they'll sell more, advertisers would use them more, and they wouldn't need government protection. What the new rules will do, is guarantee mediocrity in our magazines. Surely we've enough of that already.

I quote from the *Vancouver Sun*:

If there are tears to be shed they are not for two magazines that will, without doubt, continue to provide many of their two million Canadian purchasers—and at least twice as many readers—with a different, American version.

Rather, they are for a country that would allow its laws to be twisted by bureaucratic redefinition to apply to two specific publications, whatever the publications.

I hope that the government will reconsider, and in so far as *Reader's Digest* is concerned will listen to the great majority of the people in Canada who have said loud and clear that they want *Reader's Digest* to continue the same as in the past. They are saying to the Secretary of State, "Mr. Minister, keep your cotton-picking fingers off our magazine."

Mr. Edward Broadbent (Oshawa-Whitby): Madam Speaker, the previous speaker made me think—

Some hon. Members: Hear, hear!

Mr. Broadbent: I can understand the cheering; it is not often that a Conservative spokesman makes me think, but this is one of those instances. He made me think that I do not know of any country in the world which at this point in its history would have this kind of debate taking place.