

*Non-Canadian Publications*

terly magazine. I learned that large magazines like *Time* and *Reader's Digest* enable advertisers to write off the cost of advertising and thus place advertisements in smaller magazines like mine. The publisher of a small quarterly magazine can only attract advertising the preparation cost of which has already been written off. In other words, you can only use advertising which has been used in a much larger magazine and therefore paid for. If large U.S. or Canadian magazines had not paid the cost of creating advertisements—I am talking about photography and all the various costs involved in the preparation of advertising—my little magazine could not have carried well known advertising. The kinds of rates I was charging did not come within a country mile of covering the cost of preparing the advertisements I carried. As I see it, the existence in Canada of larger magazines helps smaller magazines.

A moment ago I talked of nationalism and said I liked to use Canadian products. I now raise a question concerning this government's views on nationalism. For example, why did the government not lend its support to the Brantford Binder Twine Company which a few years ago was able to produce and sell binder twine for between \$6 and \$7 a bale? The company got into serious financial difficulty because it competed with cheap products coming from Central America and South America. It could not meet the price. The company went to the government and said, «We are the only people in Canada producing this product. Farmers need it and we think you should help to maintain a Canadian identity in this industry.» In other words, it wanted help. But the government said no. It gave no help at all.

The Brantford Binder Twine Company closed its doors and, sure enough, less than one year later the cost of binder twine spiralled up. I have not seen the latest figures, but according to my last information the price has risen to around \$25 a bale, or more than 300 per cent above the original price. That only happened because South and Central American interests controlled the product and forced the price up. The Canadian industry whose product had held the price down was allowed to go out of business.

While we consider the subject of this government's brand of nationalism, let me ask why it refused support to a large manufacturing concern in my home town of Belleville? I have mentioned this subject previously in this House and will not dwell on the details. The fact is that the Industrial Development Bank, a government-owned and operated subsidiary supposedly for the support of industry, refused outright to support a Canadian industry in Belleville. As a consequence, it was sold to American interests. In the first year after the American interests were allowed to take over, their net profit was one-third of the amount of money that should have been loaned by the IDB. That is a pretty shortsighted view and it is very difficult to understand when this government is using nationalism as an excuse.

● (1810)

I could go on. An industry in the southeast corner of my constituency closed its doors within the past two months. It was faced with a product from the United States that was being mass-produced there at a cost with which they could not compete. The government was asked to do something about the tariff situation. It refused. As a conse-

[Mr. Ellis.]

quence, some 300 people are out of work. The 150,000 square foot factory is sitting idle. If that sort of thing is the government's reasoning, why, then, this afternoon did it not accept the motion of the hon. member for Vancouver Quadra (Mr. Clarke) to have a special debate on the postal workers being off work? After all, there are small industries in not only my community but others that will be bankrupt before the end of this month if postal services continue to be unavailable.

I know that it is great for the Postmaster General (Mr. Mackasey) to want to fight this union. I suspect that a personality clash is keeping the strike going. I have talked to people in my constituency; they say, «The heck with it. If that is the way they want to be, let them go on strike.» It is easy to hold that view. However, it is not easy when you know that small businesses in all parts of Canada are facing financial hardship. I know of one case where if the mail does not come through within the next week to ten days, they will be bankrupt by the end of this month.

**Mr. Alexander:** They don't care.

**Mr. Ellis:** The hon. member for Hamilton West (Mr. Alexander) is probably correct, the government does not care. I must again ask myself why the government would bring in this piece of legislation. If they had brought in legislation that had to do with ownership, it might have been different. However, they say that a publication must be 80 per cent different from the parent magazine. As I said a moment ago, I regularly read *Reader's Digest*. The reason is that it gives me a cross-section of publications from all over the world. If it were 80 per cent different from the one regularly published in the United States, I suppose I would buy the one published in that country because I want to read different points of view from all over the world.

The fact is there will not be a Canadian *Reader's Digest*. I strongly suspect that the Canadian content we now find in that magazine will depreciate measurably. After all, if they are kicked out of this country why should they continue to put in Canadian content? I can think of no good reason. I enjoy the Canadian portions found in *Reader's Digest*. I like to read them, together with pieces from Europe, Australia, Asia, South Africa, South America, the United States, and so on. That is the richness of the magazine, the reason why I like to read it.

If it were an ownership issue, that would be different. I sometimes feel there might have been an attempt to make those two magazines Canadian-owned. But there was no such attempt. The guideline was content, and that is getting into censorship and it is something I cannot agree with. Liberal party policy does not usually embody any particular anti-foreign control attitude. Even the Foreign Investment Review Act which was passed some time ago does not legislate against U.S. take-overs.

Like so many other members, I have received all kinds of mail on this question and the mail is running better than 100 to 1 against the legislation. One letter in particular outlined in strong terms the case against Maclean-Hunter which, as owner, publisher and distributor was keeping certain competitive magazines off the stands. This particular constituent of mine had to import the magazine he wished to read. The fact is, he did import the magazine.