

Post Office Act

in television and radio, how much in newspapers and magazines, and, now, how much of the dollar I have spent on direct mail will I continue to spend on direct mail?

• (8:50 p.m.)

The point I wish to make is that magazines share with newspapers the competition for the advertizing dollar, but there is one special type of competition which magazines have to face. The daily newspapers have a market that is not seriously damaged by the *Chicago Tribune*, the *New York Times* or the *Los Angeles Examiner*, whereas any Canadian magazine has the tremendous competition of all the additional runs of all the American magazines that come in here. If we taxed their advertizing dollar, we being bound by the postal union convention to admit all magazines—the only alternative to placing terminal charges on imported magazines is to get out of the postal union—then obviously we would be doing a disservice to Canadian magazines.

Mr. Hees: Does that mean—

The Deputy Chairman: Order. To be fair to all hon. members who want to participate in the debate on clause 1, I think other hon. members should wait until we reach other clauses of the bill, at which stage they can ask their questions.

Mr. Orlikow: First, Mr. Chairman, I want to disagree completely with the principle that the minister has enunciated as if it were one of the ten commandments, namely that all of a sudden after 100 years or more the Post Office Department must operate in the black, and that there is something immoral or illegal about subsidizing postal service. I do not say that we must subsidize postal rates, or must subsidize them to the extent which we are doing at the moment, but the minister seems to have come to the conclusion that there must be no subsidy.

If we had applied this principle to the country as a whole it would never have become a country in the first place. It never made economic sense to build the transcontinental railway, but if we had not built it there would not have been a Canada.

An hon. Member: Speak on the bill.

Mr. Orlikow: It is true that we have a majority government. It is true that members opposite form the government but, Mr. Chairman, members on this side of the chamber

[Mr. Kierans.]

were elected to come here and express the views of their constituents, and I do not intend to be howled down by the kind of spectacle we have had tonight, with all that prolonged clapping. I have lots of patience. If the members over there and the yahoos in the top corner want to applaud other speakers, I will just take my time; but I am entitled to my say. I listened to the minister. I will listen to him again, and to anybody else on that side who wants to speak, although I must say it is damned seldom that they do get up to speak. However, I am sure members on this side will listen to them, but I think we are entitled to the same consideration.

Some hon. Members: Hear, hear.

Mr. Orlikow: Thank God I don't have to account to members over there for what I say. They can account to their constituents and I will account to mine.

We have had subsidies in every sector of the life of this country. We have industries in Ontario and Quebec which would not have existed for a week if we did not have a tariff structure, paid for by the people of western Canada, so that the prices which those industries get for their products permit them to operate. We could buy goods cheaper from the United States, but we have a tariff because we decided that we wanted an auto and a steel industry in Canada. We also have subsidies for farm products.

All I am saying is that there is nothing wrong with subsidies for postal rates, if we think there is a social purpose for them. That is something the minister has not begun to think about.

Speaking from memory, and I do not think I am very wrong, I understood the minister to say that only 25 per cent of the first class mail that goes out is sent by the ordinary citizen, by the mother writing to her daughter or son at the other end of the country, and that 75 per cent of the first class mail is posted by business organizations. That is true; nobody questions it. But surely the minister and all members of this house know that every business organization which faces an increase in postal costs, or in any other costs, will recover that increase from the consumer. When the minister increases first class postal rates from five cents to six cents per letter he is in fact imposing another tax on the ordinary consumer, and I am not satisfied that we need to do that.

I now wish to deal with the question of the cost of second class mail. I don't think I need