

Non-Canadian Publications

bers. In presenting arguments on this bill, surely it should be our right to discuss the position that has been taken. However, I accept Your Honour's ruling and will endeavour to conform to it.

A great deal of attention has been given to what is known as the Cullen rule which deals with the matter of material being substantially different from that published abroad. I do not suggest I would support the law of the Medes and the Persians that that cannot be changed, but there should be something in this measure setting out what is the rule. It should not be left to the discretion of the minister or others; it should be clearly stated so that people will know where they stand in this regard.

What we have been saying with regard to *Reader's Digest* in connection with rules and regulations carries over into the operations of other news media. They are faced with exceedingly difficult situations in attempting to comply with and come under the rules laid down in this measure by the government. I think of the provisions dealing with television. *Reader's Digest* have been doing their best to conform to the requirements of the bill. Apparently they have come to the point of accommodation. That company has endeavoured to be a good corporate citizen; it has tried to meet all the requirements and fit in with the program that the government has outlined. Because of the representations that have been made, some accommodation has been reached.

There are others who have been making every attempt to conform with every requirement of legislation. They have been trying to govern their affairs and arrange their enterprises in order that they might fit in. In so doing they have made a tremendous contribution to the Canadian economy. They have paid their taxes, provided job opportunities and have made a tremendous contribution to the development of other types of operations. I am thinking of television and particularly of KVOS which covers most of the area in such an admirable way. Here is an organization which is making a worth-while and appreciated contribution to the community and to the national economy. Yet it is being faced with restrictions severely limiting its operation and it will not be in a position to carry out its activities in the same manner as hitherto. They have made suggestions as to how they could co-operate in the further development of the industry, but no co-operation has been received, with the result that KVOS is facing the same problem as the magazines.

● (1630)

Bringing all these factors together, I am prompted to suggest that the government should take another hard look at this question, reconsider its attitude toward the motions before us today and recognize the validity of the representations which have been made in this chamber. I trust the minister and his colleagues will bring themselves to agree that in the interests of organizations which have made their contributions to the economy, as well as in the interests of the community generally, they should be willing to make the necessary adjustments and allow some of these amendments designed to soften the impact and permit the organizations concerned to carry on the valuable work they are doing and the contributions they are making to Canadian life.

[Mr. Patterson.]

Hon. Marcel Lambert (Edmonton West): I am looking through my papers, Mr. Speaker. There has been a change in the documentation I have here, a lot of the preparation for my speech having been made for yesterday afternoon.

Mr. Roberts: Has somebody given you a speech to read?

Mr. Lambert (Edmonton West): That would be the last thing on earth, to suggest that anyone prepares a speech for me to read. If the hon. member spoke yesterday, as I believe he did, he broke his eternal silence.

Mr. Roberts: On Friday.

Mr. Lambert (Edmonton West): If the hon. member spoke on Friday, he broke an eternal silence. There is usually a muted voice coming from that seat. As to the amendment in the name of the hon. member for Vancouver-Kingsway (Mrs. Holt), an amendment to the motion put down by the hon. member for Ontario (Mr. Cafik), I find it makes eminent sense with regard to what it is purporting to amend.

The hon. member for Ontario put down a twin-barrelled modification amending the Income Tax Act in clause 1 by adding two paragraphs. The first raises the question of the extent of ownership of the publication. That matter has never been an important issue. However, it could be argued, for instance, that 75 per cent is no better than 60 per cent, say, or that 75 per cent is somewhat less than 100 per cent. But I suppose this began originally when a former minister of finance, Walter Gordon, brought in changes to the Income Tax Act to make it possible for certain benefits to flow to corporations operating in Canada and owned abroad, provided they would sell or list on the stock exchange 25 per cent of their equity stock.

The complementary figure is, of course, 75 per cent. All this means, in this instance, is that 25 per cent of equity stock in a foreign-controlled publishing company established in Canada and publishing in Canada shall be owned by Canadians. At one stage, the "Canadian" requirement only went as far as residence, but if my memory serves me correctly this has now been changed to Canadian citizenship. That, of course, is the correct position.

As originally put forward by Mr. Gordon back in 1964 or 1965, the position was somewhat ludicrous since the only requirement was one of Canadian residence. One could, of course, be a citizen of Timbuktu and still be a resident of Canada qualified to hold shares under whatever regulation was in existence in those years. However, this does not appear to have been an issue of great moment in the course of the present extensive debate.

I am astounded that a reasonable man like the Minister of National Revenue (Mr. Cullen)—when he was a private member and parliamentary secretary he showed eminently good sense—could have applied the interpretation he did to the words "substantially the same" and determined the figure of 80 per cent; in other words, that there would be 80 per cent difference. First of all, I find it repugnant that the minister, under the Income Tax Act, should be exercising discretion in determining what is meant by "substantially the same". This point has been argued by a number of hon. members in the course of the debate and I do not propose