

Combines Investigation Act

our—it is not that difficult. It is not that we cannot define it; it is just that we do not want to. Surely it is not too much to ask that the advertiser present proof of what the ad says. People will say, "You are really being silly; you are asking too much. Advertising is not supposed to be true. We all know it is puffery. It has some relevance to the truth; it has a passing acquaintance with what they are talking about." Everybody admits and knows that it is a great big game, and the game is to sit in the boardrooms and pay fantastic salaries to these guys who come up with incredible schemes for misleading and confusing the public, or with cutsie ideas.

If somebody, 200 years from now, comes back and takes a look at the clips on television, he will think we have a race of women who are all ninnies; who are all either washing, smelling each other, or having their hair flying in the breeze, or else their heads stuck in an oven, crying because the oven is dirty. That is the kind of impression he will have of women in the twentieth century, because that is the way the advertiser treats women. If women have a grievance, then the one sector they should detest the most is the advertising industry for what it has done to them. Did you ever see a woman on television getting a man because she talks about Schopenhauer, poetry or George Bernard Shaw, or because she is kind, or intelligent, or pleasant, or artistic, or considerate, or politically involved? No; she must have nice teeth, because that is all you need, she must smell nice, and her hair must look great in the breeze when she is running through the fields talking to herself about something.

The other night on television the Prime Minister (Mr. Trudeau) was speaking about the kind of malaise that afflicts our society, and that we have built up expectations in our society which cannot be matched. Who builds up those expectations and who has created expectations that nobody can match because they are not real? That is really what we are talking about, and that is why this eminently sensible and intelligent amendment is not being accepted by the government. The reason is that it is subversive. My friend, the hon. member for Nickel Belt, is a real subversive; he undermines the phony system in which we live. They know this is what the amendment does. If you have to make the advertiser speak the truth, there goes the capitalist system—and they do not like it. They recognize that my colleague, the hon. member for Nickel Belt, is a dangerous radical who wants to change society, who wants a better society than we have now.

Mr. Lambert (Edmonton West): What makes you think so?

Mr. Saltzman: The advertisers play a great game. Let me play the devil's advocate for a moment. If we have an open representative of the advertising industry here, let him tell us what he would say. I suggest he would say, "Do you want us to be like Russia, where all you can buy is black shoes or green shoes and you have to take them or leave them, and where the only size you can buy is five sizes too large? Don't you want a free society? Don't you want everyone to be able to make a judgment on their own? Are you telling us, the advertisers, that everybody in this country is so stupid they cannot see through these things? Should the public not be entitled to make a free choice? Besides, even if what we say is not tangible but is

[Mr. Saltzman.]

a psychic thing, such as perfume which does not do all the things it says but makes a woman or a man—because today everybody uses it—feel better, it gives them a psychic uplift, then surely it is their money which they should be able to spend freely in a free society."

• (1750)

There is only one problem with that argument: it is not just the person who buys the product or the person who receives the psychic benefit he is paying for; everyone in society is paying for it whether intelligent or not. Everyone in society is paying for it whether they use that product or not. The reason is obvious. Advertising is a deductible expense, which means that the advertiser can deduct that money, and whether we buy that product or not, that results in a loss of revenue to the treasury which has to be made up by other people.

If this situation is to be corrected, and if the advertiser in fairness really believes that these are psychic benefits which people should be willing to be foolish about if they choose, fine, then advertising should not be deductible before tax. Remove it as a deductible item, and therefore let the entire cost of the advertising be added to the product so that the consumer can see what it really costs to bring the product into the market.

As matters now stand, everything which is advertised is subsidized almost 50 per cent because of that deductibility feature. That is objectionable. Not only are people spending money on these things and may be spending money on them foolishly—or perhaps that is their choice—but everyone else in society who has far better use for their money has to underwrite and subsidize that. I do not mind subsidizing the sick, the old, the poor or the disadvantaged of one kind or another—I think that in a moral society all of us are prepared to do that—but why should I underwrite the expensive tastes of the rich and those who want to buy expensive perfumes? That is, in fact, what I do; I underwrite the cost of everything that is advertised, whether useful or not, and I prefer not to do that.

I am not given the choice whether to subsidize, because it is in the Income Tax Act and the more money spent on advertising, the more can be deducted. One can be as stupid and foolish about advertising as one likes. The advertisers will admit that they themselves do not know how effective advertising is. They will tell the buyer that he has to advertise because his competitors advertise, and if the competitor advertises and the buyer does not, the buyer will lose a share of the market. At the same time they are telling us that advertising reduces cost. They cannot really prove that.

I had sympathy with something the hon. member for Mississauga said when he talked about supermarket competition in Manitoba; that an excess amount of competition can in fact raise prices. That is what happens with advertising. If one person alone advertises, obviously that person has a commercial advantage. But if one advertises, all the competitors will advertise. Where is the advantage? They do not even sell more of the product because there is always a limit to what the market will absorb at any time. The net effect is to raise the price of the product and to increase the amount of subsidy received from the treasury.