

Non-Canadian Publications

gramming but pay less for it per capita than our Canadian private stations generally pay for less costly Canadian programming. Meanwhile, those U.S. border stations do not even pay for the programming their Canadian audience receives. They do not have the same licensing requirements, the same content obligations nor the same social policy commitments as Canadian licensees. Surely, with all those advantages in mind, it is not unreasonable to suggest that good things sometimes must end, especially when somebody else who can afford it much less has been paying the price.

The Acting Speaker (Mr. Turner (London East)): Order, please. I should like to inform all hon. members that the House leaders have met and agreed that when the debate on second reading of Bill C-58 has been concluded later this day, the vote will be deferred until 9.30 tonight, followed by the vote on the opposition day NDP motion. The bells will ring for 15 minutes. It is also understood that at the conclusion of both votes, the debate on the postal strike will resume and continue until its conclusion.

Mr. Peter Elzinga (Pembina): Mr. Speaker, in participating in this debate let me begin by saying that Bill C-58 has no over-all policy with regard to periodicals published in Canada. If I were convinced that the removal of these tax concessions would truly help the Canadian publishing industry, I would find myself in favour of this bill, but that is not the case.

It would seem that the Department of National Revenue is in the field of journalism. This rather unusual situation is the result of proposed changes in the tax legislation which we are discussing now which will affect *Reader's Digest*, *Time* magazine, three trade publications and four newspapers in Canada. According to the former minister of national revenue, the Department of National Revenue will judge whether these publications will qualify as Canadian. The guidelines require 75 per cent Canadian ownership and content which is 80 per cent different from that in the parent publication. I can see some justification in having ownership and editorial control reside in Canada. However, there is no justification for a content quota. Tax authorities will not limit themselves to content, either; in each case they will decide if the publication's name and format must change.

What does the Canadian government hope to gain by this? It certainly has gained the favour of publications competing against *Time*, *Reader's Digest*, and the others. But does anyone really gain anything? It is fine to say that these publications must be 80 per cent different from their parent publications, but how is that difference to be judged, and by whom? Will difference in content mean that the stories used in the Canadian edition must be written differently? If so, is it not possible to change eight out of every ten words in a story to meet the 80 per cent limit? Does it mean that 80 per cent of the stories cannot be the same ones used in the foreign edition? That might involve dropping major news stories because they occur outside Canada. Will 80 per cent of the stories have to mention Canada? That is fine if we want to isolate ourselves from world events. Canada may be big and important to Canadians, but it is only a small power on the international scene.

[Mr. Fleming.]

Readers of *Time* want international news. If they cannot get a Canadian edition that gives them international coverage, they will simply subscribe to the American edition. Is the government then going to stop American publications being mailed to Canada? Just who will judge the content of the publications affected? Will it be a group of civil servants whose only contact with the print media is the morning paper thrown on the porch by the delivery boy, or will, perhaps, the Department of National Revenue ask the editor of *Maclean's* for advice?

Our Secretary of State (Mr. Faulkner) is also in the game. He has set out a number of requirements designed to push up the cost of publishing these periodicals. The theory is that as advertising costs go up, more dollars will go to all-Canadian publications. Unfortunately, theories do not always work out. In all probability this money will go into other areas of advertising.

Why is that? Because readership, not nationalism, governs where advertising is placed. Increased readership will not come by killing the Canadian editions of the affected publications. It is a simple matter to subscribe to the American editions. Increased readership comes with improved quality. Senator Keith Davies, in his report on the mass media, was concerned about the poor performance of many newspapers because of lack of competition. It seems contradictory that he would recommend, and the government would implement, a step that would destroy any competition in the area of weekly news magazines. By weakening *Time* Canada there are high hopes that a new, all-Canadian weekly magazine will be created. But will it be a strong, truly national magazine, or will it be national solely because it is the only weekly news magazine published in Canada? We, as Canadians, will gain nothing from this government's move in this legislation.

The government is playing games with us by interfering with content, licensing agreements with foreign publications and changing the tax structure so it will work against these publications. The government is taking this action in the name of nationalism, but the evils committed in the name of nationalism are countless. Behind this smoke-screen there is still censorship. I am sure that all hon. members have received a great deal of correspondence concerning this bill. I, personally, have received hundreds of letters on this one issue. There is one letter that I wish to share with hon. members today. It comes from a Mrs. Newnham of Box 52, Jarvie, Alberta, who writes:

Dear Member:

I wish to voice my protest against the legislation being proposed to abolish tax deductions for advertisers in the Canadian editions of *Time* magazine and *Reader's Digest*, which could possibly lead to the discontinuance of these publications.

Why have the people most concerned about the government's proposed action—the reading public—not been approached, to learn their views? And have the advertisers themselves been polled to see what their reactions would be were these magazines to leave the Canadian market? Would they immediately transfer their business to *Maclean's* or *Chatelaine*? I doubt it.

According to statistics, there are 1,500 Canadians whose livelihood depends on *Reader's Digest*, and possibly a like number employed by *Time* magazine. If the Canadian editions of these two magazines fold up, that means another 3,000 people out of work. That many more on welfare for the Canadian taxpayer to support?

And if it is bilingualism that the government wants to promote, why drive out *Reader's Digest*? These controversial tax deductions might