

Post Office Act

to whom I have already referred that that would necessitate an increase in the subscription price for the *Financial Post*; and he was not sure that that increase was being contemplated. In other words, that is a possibility which is being provided for but which may not be implemented at all. The real issue is what is happening right now, namely that liquor advertising is being carried in this magazine as well as in others, and it is the desire of this company to be aided further in getting around the provincial law by the provisions of the measure that is now before us.

Every time this matter has come up, it has been said that it will be done without adversely affecting the treasury revenues. Indeed in the bill itself there is a provision which says that that must not happen. I ask hon. members for just a moment—

Mr. Cannon: Would the hon. member permit a question?

Mr. Knowles: Surely.

Mr. Cannon: Can the hon. member explain to us the mechanics of how American magazines are imported into Canada in bulk and are mailed here under the present law? Would he like to stop that practice?

Mr. Knowles: I have not time to go into all of that matter, but just briefly I might say that it is done under two arrangements. In the first place, it is done under the arrangements of American postal law. The other fact is that it is done in part under international postal arrangements that are made between Canada and the United States, and which are reciprocal in character. That is one of the arguments that these people use, namely that American magazines are imposing on the Canadian mind American culture which is supposed to be of a much lesser order than the culture that we get out of Canadian magazines. I am going to be frank enough to say right away that I think the cultural level of Canadian magazines, generally speaking, is higher than the cultural level of many American magazines that circulate widely in this country. But that is no reason for approving the principle that culture should be supported on the basis of liquor profits.

Mr. Lennard: There are some liquor advertisements in the American magazines.

Mr. Knowles: Yes, the same answer applies to them. Neither does it justify—

Mr. Pickersgill: That is the trouble.

Mr. Knowles: Neither does it justify our trying to get around the Ontario provincial [Mr. Knowles.]

law in a field where the province has a right to enact legislation of that kind, and has done so.

Mr. Pickersgill: Mr. Speaker, the hon. member has not yet answered my question: How does this get around the Ontario law at all? He said they are getting around the Ontario law now and he says that they will continue to get around the Ontario law in exactly the same way even if this bill does not pass. In so far as his example is concerned, if I understand it correctly he is saying that this will enable them to post their publications to other provinces, which can have nothing to do with the Ontario law. He says they are getting around the Ontario law now and will continue to get around it afterwards in exactly the same way, so what are we doing to facilitate getting around the Ontario law by this legislation?

Mr. Noseworthy: You are helping to do it by cheaper rates.

Mr. Knowles: I ask the Secretary of State (Mr. Pickersgill) this question. Why does *Maclean's* magazine truck its magazines down to Montreal at the present time? Why does it not mail them in Toronto? Come on; answer.

Mr. Pickersgill: That, it seems to me, has nothing to do with this legislation at all. That is a practice which appears to be legal now. I do not know whether or not it is. I am not a lawyer any more than the hon. gentleman is.

Mr. Knowles: That is the best thing about both of us.

Mr. Pickersgill: Taking that word "display", I would somewhat doubt whether it was legal, but it appears to be legal now and it will be legal whether or not we pass this bill. It will not make the slightest difference so far as distribution in Ontario is concerned. All this would do, in the example he cites, is to facilitate the distribution of Canadian magazines in the other nine provinces outside of Ontario. That is all.

Mr. Knowles: Why can they not do that now?

Mr. Deputy Speaker: Order. May I point out to both the hon. member for Winnipeg North Centre and the Secretary of State that if I were to apply the rules on second reading strictly I would have to say that the hon. member for Winnipeg North Centre has just relinquished the floor and the Secretary of State has made his speech on second reading.

Mr. Knowles: I am happy to agree with the latter part, but in view of the earlier part of your remarks, sir, I suppose I had better