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MacLean's Publisher, Lloyd
Hodgkinson, was more cautious
than Newman, perhaps remem-
bering the \$3 million lost in the
early sixties.

"MacLeans is seriously looking
at the possibility of starting a
news magazine," he said
"there's no question about that
and certainly the government
knows that. But I really don't
want it to be contingent on the
other thing (the tax change)."

Still, when Hodgkinson was
asked to approach the cabinet
for the Magazine Association of
Canada (formerly the Magazine
Advertising Bureau) on behalf of
Time magazine, he refused.

The Magazine Association was
also less vocal than it had been.
At first John S. Crosbie, the
association president, pointed
out that the revenue for Time
and the Digest had fallen from 51.5 to
48.5 per cent of his group's
revenue between 1972 and 1973.
This he said came to a mere 16.22
per cent advertising revenue in
all Canadian periodicals includ-
ing weekend news paper
supplements. Time's ad revenue
increased from \$5,963,831 to
\$6,844,526 in the first nine
months of 1974, while the Digest's
ads increased slightly.

Recently, Crosbie had letters to
the editor in Ontario newspapers
denying that the MAC should be
considered the Time lobby.
Whether this was public
relations or the truth now seems
open to question.

Even the United States
government seemed less willing
to protect Time, the darling of
their state department. Time
Canada always pushed the
American state department line,
including its disapproval of the
controversial sale of Canadian
locomotives to Cuba. While
department officials in Wash-
ington admitted they were
"just sitting back and watching,"
embassy officials in Ottawa
claim to be even less interested.

"There's a very powerful

lobby running around on

Parliament Hill"

"It's the kind of thing we don't
comment on, it's an internal
Canadian affair," said one
official.

The reason this had suddenly
become an internal issue was
Time Canada's fear American

pressure on their behalf might
backfire.

Time was perfectly "aware
that an angry US intervention
would seal the issue," according
to one US government source.
"The US government is also
aware that it would be
counter-productive," in an era of
"heightened nationalism".

Senator Keith Davey said he
only knows what the American
government is doing from reading
newspapers.

"But it's a very expensive and
powerful lobby running around
on Parliament Hill, though I don't
know if they'll be as successful as
they were."

Davey also said, "I would think
the government should be
encouraged by the public
response they have been getting
supporting removing the ex-
emptions."

"If Saturday Night had five

per cent of Time's revenue,

they might not be in a

financial bind"

Some groups actively lobbied
against Time:

Sheryl Taylor-Munro, execu-
tive-coordinator of the 70-member
Canadian Periodical Association,
said the removal of Time and the
Digest's tax concessions would
"bring a little health to Canada's
publishing industry."

Removal of these concessions
has been one of the major
objectives of the association
since it was formed, she said.

She admitted Time may be
right when it says ads taken from
them may not go to other
Canadian magazines, but she
said "granted that while the
whole 100 per cent may not go to
Canadian magazines, even a
quarter is \$4,000,000."

She said a significant amount
of advertisements in Time and
the Digest are placed by the
federal government or its
agencies. And this she hoped,
would certainly go to Canadian
magazines.

Jim Lorimer, President of the
Independent Publishers Associa-
tion says, "everyone interested
in Canadian writing should
welcome the news that the
federal government is going to
eliminate—finally—the fiction that
Time and the Readers Digest are
Canadian magazines."

While Canada's publishers
may have turned against Time,
the magazine can not be called
friendly. Some of Time's



...but Time rambles on

friends are very important and
Trudeau's cabinet was split over
the issue.

Backing Secretary of State
Hugh Faulkner on the decision to
rescind the magazine's citizenship
were Energy Minister Donald
MacDonald, Industry Minister
Alistair Gillespie, Barney
Dawson from Urban Affairs, and
Indian Affairs Minister Jud
Buchanan.

Hugh Faulkner said he has not
defined Canadian content, "but
four pages isn't it," referring to
Time Canada's section.

The men backing Time are Bud
Drury of Public Works and
Mitchell Sharp of the Privy
Council.

Drury said of the present
situation, "we've had a pretty
satisfactory evolution through
competition...we could have more
to lose than gain by getting rid of
Canadian editions."

He had stated he agrees with
one argument Time presented to
cabinet, that Canada would be
deprived of Time's Canadian
section without the advertising
money going to other Canadian
magazines.

But Paul Zemmerman, head of
Readers Digest in Canada, had
been lobbying Drury, and the
main topic of discussion probably
was another one of Time's points.

Time said of its Montreal
printing operation in its cabinet
brief: "If circulation were to fall
below a level that makes it
economically feasible to print
Time in Canada, we could find it
expedient to move all magazine
printing to a plant in the US with
absolutely no revenue going to
Canadian suppliers of raw
materials or services."

Drury must have found this

argument persuasive. His West-
mount riding contains the
printshop which would lose
money and release workers if
Time moves.

Although a change to the
income tax act would normally be
a budget matter it was reported
John Turner's budget early next
month will not contain the
changes.

Finance departmental sources
indicated they consider the issue
a cultural sovereignty matter to
be handled by Hugh Faulkner.

This will require a separate
bill and because of that,
Canadian Periodical Association
Coordinator Taylor-Munro, said,
"the US magazine has won the
first round." The move, she said,
will delay implementation of the
bill allowing the magazines even
more time to lobby.

As long as the two American
magazines can compete unfairly,
Canadian periodicals will be
disadvantaged, the Davey Com-
mission said.

No matter who wins the
lobbying campaign or which way
the cabinet decides things may
already be too late for one
magazine, Saturday Night, one of
the nation's oldest and best
magazines, recently folded be-
cause their printers would not
start the presses unless they
could be shown they might be
paid. Considering the magazine
had been losing between eight
and ten thousand dollars an
issue, this was not particularly
likely.

Saturday Night's Chairman,
Edgar Cowan, said, "If the
magazine had five per cent of
Time Canada's monthly adver-
tising revenue, it might not be in
a financial bind."