

*Canadian Policy on Broadcasting*

• (8:50 p.m.)

Let me now refer to the subject matter of this bill with which I am concerned, and that is C.A.T.V. or community antenna television. The minister has said that this will fall within the jurisdiction of the board. Having read the definitions I have the feeling the whole question will become an issue at some future time. Let me bring to your attention, Mr. Speaker, and the attention of hon. members, the possible effect of C.A.T.V. on broadcasting. This could be a matter of great importance in a short while. C.A.T.V. is at the present time owned by several independent companies. It is being acquired by two or three large corporations, one of which is the Famous Players group. This group is very interested in C.A.T.V. franchises in large cities such as Toronto, Vancouver and Montreal. I believe the Maclean-Hunter group is getting into other areas, but I am more interested in Famous Players because, as they acquire more and more franchises, we might experience a repetition of history in that a monopoly will be created which has not proven too satisfactory in the past so far as films are concerned.

Hon. members I am sure will be surprised to realize that the easement for cables to dwellings is owned by the franchised company. Hon. members will be even more surprised to learn that around the perimeter of metropolitan Toronto in a number of subdivisions restrictions are placed on titles by C.A.T.V. or Famous Players to the effect that purchasers or owners of homes may not put up outdoor antennae and must subscribe to C.A.T.V. at the rate of \$25 per year. This restriction is maintained in the registered title. I have an offer to purchase in my hand which contains the exact wording. It states that the purchaser agrees to accept the property subject to any agreement between the development company and Metropolitan Cablevision Limited for the installation of underground TV cable at a yearly rental to the purchaser of \$25 per annum per lot, such rental to commence three years after the occupancy of the home or homes so erected. It also states that the deed will contain substantially the same restriction, namely the purchaser agrees not to erect an outdoor television antenna on his home or on his lands, the restriction to run with the land.

We find a great number of homes tied up by C.A.T.V. by this restriction on the title. Had someone been successful in moving channel 3 into the metropolitan Toronto area

the whole of the city of Toronto would have been an easy target for Famous Players, and C.A.T.V. franchises would have provided control over that whole area. It is well known that cable television can accommodate only so many channels, and if a specific television station is not included it would be out of business. The only reception available would be through cable and the company could choose whichever station it wanted. In this particular case the company chose channel 13 and left out channel 3 at Barrie. The company could choose a station from California or Vancouver and leave out the Toronto station if that station proved to be unco-operative.

Let me now refer to the past 30 year record of the Famous Players group, the primary owner of all of these C.A.T.V. outlets. Famous Players is owned by Paramount Pictures Corporation, which is run by Barney Balaban of New York. It has the exclusive distribution rights of all films made by the seven large producers. Some 30 or 40 years ago many of our downtown theatres found they could obtain only third run movies. They were given to understand that if they sold 51 per cent to Famous Players for \$1 they would have access to first run pictures. About 1,300 theatres throughout Canada sold 51 per cent to Famous Players for \$1 and were then in business. Many of these people are still alive and I have a file of affidavits which indicate they were intimidated into selling or giving away more than half of their theatres to Famous Players in order to obtain first run pictures. That is the history.

There was a prosecution under the Combines Investigation Act, but the government was unsuccessful because the prosecution should have been entered as one for intimidation under the Criminal Code. Famous Players is now acquiring these cable television franchises, and I am afraid history will repeat itself. This group will have the entire metropolitan Toronto area tied up. It might then say to channel 9 or one of the other television stations that it does not like its programming. It might threaten to use channel 19, 21 or some other station and prevent that station from being on cable. The group might then offer to cover them by cable, provided they give over 51 per cent of their station to the group, in order that it may be run properly.