

Non-Canadian Publications

when I consider the tremendous competitive advantages they had over the years they have operated and the massive revenues they have gained as a result. So far as the continuation of the kind of programming that has been available to the Vancouver market place is concerned, as it was discussed in the committee, it clearly will be.

The hon. member for Surrey-White Rock said last night that in the early days KVOS took risks. Of course they did, as any business venture does. They took risks to profit, and they profited far better than could their Canadian competitors who did not spend \$100,000 on news and public affairs programs, little of it Canadian, but instead spent ten times that amount. They did it to profit, and that is fair enough if your competition is fair.

You have to remember they had the massive advantages of not having the Canadian content requirement and not having the public affairs or news requirement. They also had the advantage of moving fully into that Canadian market place without any comparable demands. OK, but are we being fair? Watch out, the United States will get angry if we keep on plugging them in the nose. Let us be very careful. We have been good friends with them before, let us continue to be good friends with them." I find it interesting that there are two Mexican radio stations currently broadcasting into southern California and at present the FCC is trying to find ways of shutting them down. What is the difference? The U.S. is trying to protect its industry in the same way that we are trying to protect our industry.

KVOS made a proposal to the CRTC which was described at some length in debate last evening. I only want to ask, if I may, why we did not hear about that in 1955, 1957, 1959, 1962 or 1965. I understand that it was presented only in the last couple of years. It was put forward in the terms it was presented to the CRTC in the last couple of years. I have read the argument last night.

Some hon. Members: Oh, oh!

Mr. Fleming: I seem to be touching a responsive chord in members opposite, but they will have a chance to speak shortly. I simply want to point out that while the hon. member for Hamilton West (Mr. Alexander) argued that they have been a good corporate citizen, we must recognize that if 90 per cent of your revenue comes out of Canada and you are operating in the United States and if you do not have the requirements that your competitors have, and as a good corporate citizen you make an arrangement with the Canadian government that you will give it 50 per cent of your proceeds, why should you be considered such a good corporate citizen when 90 per cent of your revenue comes from Canada in the first place? I think that is a nonsensical argument.

The hon. member for Hamilton West said also that we should think this over, that we should be careful, that we should wait for a while. My only caution there is that we have the Western Approaches television going on the air next fall and it will be very important that they be encouraged to operate in that market. That is one reason why we should continue with this. In Toronto we have both Global and City television, especially City television, trying to do some progressive and positive programming. But they are having a hard struggle because of the com-

petitive situation they face with Buffalo which is acting, if anything, in a less responsible way than KVOS, Bellingham.

I want to make some specific points as to why I do not believe these motions should be supported. They propose to give certain foreign broadcasting undertakings a special status. The Broadcasting Act allows no status to foreign broadcasting outlets, so through a tax bill we would be contravening that. It would contradict the government's policy that broadcasting stations should operate financially only in the country which licenses them, and we know that the FCC has much the same attitude. Furthermore, these amendments are unsound in principle because they provide for exemption from a taxing statute and would create a special legal status for advertisers in one region. No matter whether you have special broadcasting requirements or circumstances in a particular region in Canada, surely our federal law should apply equally across the board.

Finally, there is not the slightest reason in the world to believe that these amendments could result in any real advantage to the Canadian broadcasting system. There is no guarantee or assurance that they would be of real advantage to the Canadian broadcasting system. But there is every reason to believe that by entrenching foreign broadcasting outlets in our system we would threaten its entire future.

● (1550)

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, the debate on this bill and its amendments has been taking place, off and on, since January of 1975. That is really a very long time to examine what is essentially a page and a half of legislation which comprises amendments to the Income Tax Act. A great deal has been said about censorship, and freedom, and the press, and the great principles which are involved, but the fact is that this legislation is to amend the Income Tax Act. It immediately affects people who are advertisers, publishers, and broadcasters, but our constituents will continue to read the same publications and watch the same broadcasts. Therefore this great agony of filibuster we have experienced seems strangely misplaced.

In this House from time to time we make changes in medicare and do some very important things with regard to individuals in our ridings, and I wish the House would spend the time on those issues it has spent on this issue which, as I say, immediately affects only three groups of people, but not the average constituent because the average constituent, in spite of all the rhetoric in this House, will continue to read *Reader's Digest* and *Time*, and will continue to watch KVOS.

I will try to support that argument a little bit, but before I do I should like to look back at some of the philosophy with regard to broadcasting, because we are dealing with broadcasting in these amendments. I want to quote from a notable Tory authority on broadcasting who has provided much input in terms of Tory policy, a man called George Grant. He is fairly well known in this country, and this is what he said about the national broadcasting system, which was sponsored by R. B. Bennett and which was a Conservative approach to broadcasting:

[Mr. Fleming.]