

I want to illustrate for you how KVOS-TV is making money for Canada. Some time ago this station, wanting to invest more in the Canadian economy, made a proposal to CRTC which reads as follows, and I commend this for study and perusal to hon. members. KVOS-TV proposed to CRTC the formation of a television motion picture development society of British Columbia.

The Secretary of State has been evangelical in his zeal to bring before us the Canadian Film Development Corporation. This, he suggested to us, is a good way of helping the feature film industry in Canada because there are many producers, directors, designers, and so forth, in the industry who are underemployed and who do not have ways of exposing their talents to the Canadian people. Furthermore, he suggests, and I think with justification, that the market has not been very friendly to Canadian producers. So he is always advertising the merits of the Canadian Film Development Corporation. At this time I will not discuss the merits or lack of merits of that corporation, but I suggest that what the Secretary of State wants to do through the CFDC, KVOS-TV wants to do through the television motion picture society of B.C. Again I commend this to hon. members' attention. Let me read part of the proposal as follows:

There are at present two major television program production centres in Canada—Montreal for French television and Toronto for English television. Vancouver, and British Columbia in general can become a third major production source.

We propose that a corporation be set up under the name "The Television Motion Picture Development Society of B.C.". The primary and original funding source will be KVOS (B.C.).

KVOS (B.C.) will fund the society in three ways:

- (a) by actual cash on a yearly basis calculated on a percentage of its gross sales in Canada, as will be set down in the following paragraph;
- (b) by an original loan against future grosses; and
- (c) by supplying Canawest executive personnel who will screen and evaluate projects offered to it for the appointed board of directors.

KVOS (B.C.) will contribute to the fund as follows:

● (2040)

A minimum per annum of \$150,000 cash based on gross sales in Canada up to 4.5 million dollars

	\$150,000
6% additional cash on the gross between 4.5 million and 5.5 million	60,000
7% between 5.5 million and 6.5 million	70,000
8% between 6.5 million and 7.5 million	80,000
9% between 7.5 million and 8.5 million	90,000
10% between 8.5 million and 9.5 million	100,000

We agree to start this fund as of January 1, 1972 so that there will be an accumulation of available moneys to start operations immediately. Future payments to the fund will be made quarterly. KVOS (B.C.) will originally start the fund with \$100,000 and lend the fund as needed another \$100,000 at prevailing bank interest rates against future quarterly payments.

Canawest Film Productions Ltd. is willing to act as the screening and evaluating arm of the society to the extent that and as long as the directors wish. Eventually a full time executive director with appropriate staff will be required by the society. Until that time, it is estimated Canawest's executive help will save the fund up to \$50,000 per year. The society's board of directors will decide in every case how moneys are to be invested and how administrative costs are to be allocated.

The society will be a non-profit organization and the fund will be a revolving fund similar to that operated by the Canadian Film Development Corporation. Profits will be returned to the fund for further investment.

Non-Canadian Publications

Canawest Film Productions Ltd., if it is voted as the operating arm, will bring projects offered to it before the board. It will be the board's function to consider any project on an equal basis of merit be it from Canawest, British Columbia Television or any other production applicant.

Other sources of financial contribution to the revolving fund should be sought out. Some of these sources, which will be examined in the months ahead, include:

- (a) the provincial government of British Columbia;
- (b) federal government agencies;
- (c) business corporations; and
- (d) private foundations.

Assuming even modest returns from these additional funding sources and regenerative investments by the board over a period of three to five years, the society will become the third largest source of television production dollars in Canada; (after the CBC and CTV networks). It would thus extend and develop television and motion picture production into Western Canada where, without substantive help, development has been slow.

The details of the operation of the society are envisaged as being closely analogous to the operation of the Canadian Film Development Corporation or the National Film Development Corporation of Britain. That corporation is authorized to make investments in Canadian feature films, to make loans to producers of Canadian feature films and to make certain grants—all as contributions to the establishment of a feature film industry in Canada. The Television Motion Picture Development Society of B.C. operate against a background of similar general objectives with the discretion as to the fulfillment of these general objectives and the qualification of individual proposals being vested in a "board of directors".

I suggest that that kind of proposal does not sound like a company trying to bleed the taxpayers and industries of Canada of all the advantages it can get. That sounds to me like a landed immigrant who is trying to be responsible and responsive to the needs of Canadians. It took the initiative years before the Canadian government thought of putting any restrictions on the television industry in Canada. I suggest that this is a rather shoddy way of treating a good immigrant in Canada.

I suggest that the legislation before us is intended to have national application, but in this case, because of the national scope, it does not take into account the regional differences which exist in Canada. Because of the unfortunate experiences the industry has had in the province of Ontario this legislation will penalize the industry, the viewers, and the advertisers in British Columbia, and if we want to be responsible members of this House and representatives of our constituencies we cannot afford to pass a piece of legislation which will further restrict the selection of viewing by the Canadian people. I therefore ask hon. members to study the amendments I have presented carefully, give them honest consideration, and vote in favour of them.

Mrs. Simma Holt (Vancouver-Kingsway): Madam Speaker—

Some hon. Members: Hear, hear!

Mrs. Holt: As I stand here in support of the amendments I just cannot figure out who gains by this bill. I was deeply concerned about content control, and I am more concerned now about the *Reader's Digest* situation, where Canadian content simply becomes the rewriting of pages torn out of other magazines in the United States and Europe. As a journalist it is frightening to me that that rip-and-rewrite foreign is called something Canadian.