

play a crucial role as suppliers of the new Canadian programming services to be distributed by cable systems.

Canadian programming strengthened

The federal government will establish a Canadian Broadcast Program Development Fund to assist private production companies and independent producers. The fund, administered by the Canadian Film Development Corporation (CFDC), will rise from a total of \$35 million in the first full year of operation to \$60 million in the fifth year.

At least half the funds will be allocated for television productions to be exhibited by private broadcasters, with up to half going to productions to be exhibited by the Canadian Broadcasting Corporation. Producers' applications for funding must be accompanied by an agreement with public or private broadcasters to exhibit the production within two years of completion.

For every dollar provided from the fund, the producer must raise at least two dollars from other sources. Programming categories eligible for assistance are those for which the Canadian broadcasting industry does not now provide a significant amount of programming — drama, children's programming and variety.

In addition, the CFDC must aim at investing one-third of the funds in French-language productions.

The strategy sets a broad goal for the exhibition of Canadian programs: as a general principle, the Canadian broadcasting system must provide a significant amount of Canadian programming in each



Children's programming will receive assistance under the program.

programming category, including the drama, children's and variety categories. The objective is that there be a real Canadian option in every programming category.

To permit it to readjust its broadcasting policies quickly in a rapidly evolving broadcasting environment, the government will introduce legislation to empower the Cabinet to issue legally binding policy directives to the Canadian Radio-television and Telecommunications Commission.

These directives would be limited to broad policy matters only, and the power of direction would be subject to public-consultation safeguards.

Specifically exempted from the Cabinet's power of direction would be such matters as: the issuing of a broadcast

licence to a particular applicant or the amendment or renewal of a particular broadcasting licence; the specific content of programming; any restriction on freedom of expression; and the charges to be levied for a particular broadcasting service or facility.

Relaxed TVRO licensing

Individual Canadians will be exempted from the requirement for a radio licence to operate a television receive-only earth station (TVRO) for reception of radio and television programming from satellites.

Certain commercial establishments, such as bars and taverns, that display but do not distribute satellite programming, will no longer need a licence under the Radio Act.

Apartment buildings, condominiums, hotels and motels operating MATV systems will be permitted to operate a TVRO without a radio licence where the CRTC has approved the distribution of the received signals. With these changes, the way will now be clear for the CRTC to receive and consider applications from MATV operators, and to authorize reception of certain satellite signals where the commission is satisfied that there would be no serious impact on a local licensed cable operator or broadcaster.

Satellites are rapidly emerging as the preferred medium for delivery of distant programming signals to cable systems and to areas underserved by cable. The new policy will further encourage the development of satellite services to small communities and create a growing demand for earth stations, thereby lowering their costs and bringing them within the price

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The policy will allow broadcasters to respond to future broadcasting challenges.