

Duplicate Stations

9. The above projections have not taken into account the possibility of additional stations being licensed in Canada in areas already served by Canadian stations. The licensing of such duplicate stations would affect the present national system in a number of ways. It would, of course, tend to reduce, or keep down, commercial revenues. Existing stations would likely be able to maintain a considerable amount of business, although almost certainly would not hold the comparatively high rates now in force, shortly to be raised considerably again. Duplication would particularly affect the program financing of the national system. At the present time the CBC is able to put heavy pressure on advertisers to sponsor Canadian produced programs. This they do in spite of the fact that in almost every case they could get the use of an attractive United States program, in one way or another, at a much lesser cost. If offered alternative stations, a number of such advertisers undoubtedly would take the cheaper course of importing program material instead of supporting Canadian productions. Alternate stations would also offer sponsors opportunities of reaching a large proportion of Canadian television public readily without going through the national system at all or contributing to its support. The general pressure against Canadian programming would be very much increased. Some advertising support would be withdrawn from it. In addition the CBC would be more subject to "Gresham's Law" of broadcasting, under which bad broadcasting tends to drive out good broadcasting. In an effort to keep commercial business the CBC would find it more and more difficult to sustain some of the more valuable but somewhat less widely popular programs against direct competition from American programming on duplicating Canadian stations.

Conclusion

As has been said before, it is not possible in television to estimate exactly in dollars different items of revenue and expenditure for some time ahead. The Canadian Broadcasting Corporation was given the task of developing a national television system that would meet the national needs of the country, that would develop a substantial amount of Canadian programming, as well as bring in programs from outside the country, and would distribute national service across Canada. The Corporation estimated that on the basis of public revenue of \$15 per television home, per year, it could develop and maintain such a service. On the basis of its experience it still believes that it can carry out its task on a reasonable basis at the \$15 figure. A higher basis would make possible a service in the future more acceptable to many people and reaching more; less would mean a Canadian television system increasingly dependent on United States, and unable to do an adequate job in Canada. With the assurance of the \$15 figure as originally proposed, the Corporation can plan and make decisions accordingly to try to give the Canadian public the best possible service for that amount.