

Non-Canadian Publications

tube was being introduced in Canada. I remember when there was only black and white television and there were only two stations, channel 2 in Vancouver and Channel 12 in Bellingham.

When KVOS-TV first came on the air it really did not have a very good signal. It was very weak and very fuzzy, with many ghosts. Several years later its transmitter was moved and the reception increased dramatically. As I say, those were the days when there were very few television sets around, but KVOS-TV took that risk and invested in a market that was largely a Canadian market.

I want hon. members to know that Canadian businessmen of that day were mighty happy to see KVOS-TV come on the scene. They were looking for another avenue by which to advertise their products. They wanted another way to expose their products to the market place. When KVOS-TV came along they were mighty glad to see it. I might add that the fact that the CBC and KVOS-TV were there in itself developed a further market for television.

Because these two pioneers in the television industry developed that market this created another market which encouraged other television stations to be built. It was not a Canadian entrepreneur who did this. It was an American entrepreneur. Now we say, "Look, the market has been developed, you have done very well, thank you, and now we will take it away". I suggest what the government really wants to do is penalize the station for its success.

Perhaps it would be correct to suggest that this kind of penalty for success is more in keeping with a socialist response than a free enterprise response. I know the government always prides itself on being a free enterprise party, but when it turns around to penalize success and the entrepreneurial spirit in this way it betrays its own policy. It seems that you are great when you are an entrepreneur trying to make a go of it, but you are a villain if you are a success.

● (2030)

The next question which we must ask ourselves is what will happen if the combined programs of Bill C-58 and cable deletion take their full effect by taking television off the air. The first obvious thing is that it leaves the advertising market to the few remaining stations in the lower mainland of British Columbia. I think all of us would agree that CBC does not care; it is not much interested in the advertising market. With 80 per cent of its revenue coming from the taxpayer, it is not much interested in advertising.

There is another station being built at present by the Western Approaches group, that is a UHF channel which will certainly not be in a strong competitive position, certainly not for another year or two. Then there is the CTV station which has at this time what could be called a saturated advertising schedule. That is good. I would never berate a television station for having grown to the proportions that CTV, channel 8, in Vancouver has grown. I think that this is a compliment to their enterprise, to their managerial skill, and to their pioneering efforts, and I would compliment them rather than berate them for it. They took a risk in moving into a market which was already shared by two existing television stations.

[Mr. Friesen.]

But if the remaining two television channels have all that is left of the advertising medium and one channel already does not care for commercial advertising, namely, CBC, it simply means there is nowhere else for advertisers to go, there is a virtual monopoly of the advertising industry in British Columbia. If the law of supply and demand takes its full effect, it will inevitably mean increased prices for advertising.

But there is another effect which the loss of this channel would have for Canadians in British Columbia, that is, less view selection.

Mr. Leggatt: Nonsense.

Mr. Friesen: My hon. friend says, nonsense. We will hear from him soon. He will obviously show us that this is nonsense.

Mr. Leggatt: You can watch Mary Tyler Moore five times a week.

Mr. Friesen: Cablevision viewers will get all the same channels and programs they get now if they get the Seattle programs. I suggest to him that they will get the balance of them from the CBC. Nevertheless, he will have to concede that there are a number of locally produced programs on the Bellingham station that we could lose if the station went off the air. But leaving the cable viewers aside, as the hon. member for New Westminster (Mr. Leggatt) knows there are still large sections of the lower mainland of British Columbia that are not on cable, that are rural in nature, and they will effectively lose another station if this station goes off the air. So they will lose infinitely more.

The truth of the matter is that while the base of operations of KVOS-TV is American and is owned by Americans, it has been in operation in Canada for more than 20 years and it has been a good landed immigrant for 20 years. It has taken its profits, it has paid its taxes, and it has reinvested its profits in Canada. In the past ten years it has returned to the Canadian economy something like \$75 million.

An hon. Member: This does not mean a thing to the government.

Mr. Friesen: If the station goes off the air, it simply means \$75 million over the next ten years or better than that with the inflationary spiral which we are experiencing, which the Canadian taxpayer will lose. But let us move beyond that.

I should like to point out to members of the House that none of the revenue produced by the two western film corporations created by KVOS television, Canawest Film Productions in Vancouver and Canawest-Master Films of Calgary, goes to KVOS-TV Incorporated; all of it stays in Canada. I suggest to you that that is a good landed immigrant. All of us have numbers of landed immigrants in our constituencies living among us and we have welcomed them and welcomed their entrepreneurial spirit and their investments. When they succeed, we are happy about it. But when a company such as KVOS-TV comes to Canada as a landed immigrant, we say, shame, they are taking money out of the country, when in fact they are making money for the country.