

*Canadian Policy on Broadcasting*

[Translation]

**Mr. Grégoire:** Mr. Chairman, I had this information from the Secretary of State (Miss LaMarsh) about those two private television stations in Quebec city, namely, CFCM-TV on channel 4 and CKMI-TV on channel 5, both of which are owned by Télévision de Québec (Canada) Limitée, and my remarks are in connection with clause 2(b), which states that:

(b) the Canadian broadcasting system should be effectively owned and controlled by Canadians so as to preserve, enrich and strengthen the cultural, political, social and economic fabric of Canada;

The previous law similarly provided that majority ownership of radio and television stations in Canada be held by Canadians. Now, majority ownership of the two Quebec city stations I have referred to is not held by Canadian residents; this is why they operate under an order in council dating from 1965; in fact, although majority ownership of those stations is held by foreign interests, they operate in Canada nevertheless, under an order in council which protects their majority shareholders and empowers them to do so.

The minister sent me the list of the directors, where interesting things are to be found concerning what is happening in the field of television in Quebec.

The president of the Quebec city TV station, Télévision-Québec-Canada Ltée, which controls and owns both Quebec stations, is Mr. Gaston Pratte, president and director, who holds one common share on the 10,000 existing shares. Those are voting shares and the president holds only one. The vice-president is Mr. J. J. Fitzgibbons, also a director and holder of one single share out of 10,000. The treasurer is a Mr. R. W. Boldstad. I do not know where he comes from, no address is mentioned, but he is also holder of one single share, as treasurer and director. The secretary, Mr. Henri Lepage, from Quebec city, is also a director and holder of one single share of the 10,000. So it all means that the president, the vice-president, the treasurer and the secretary each own one single share out of 10,000. The controller, Mr. Lapointe, is not a director and has no shares. There are three other directors, and I will return to the general manager later. The three other directors also only hold one share each; they are Mr. Angus McCunn, Mr. Hervé Baribeau, also from the Quebec region, and Mr. E. E. Fitzgibbons—who, I believe, is the son of the vice-president and also comes

[The Assistant Deputy Chairman.]

from Toronto. The general manager, however, Mr. Jean A. Pouliot, holds 500 shares. This means that there are seven who only have one share each and one who has 500 of the 10,000 shares.

The other shareholders are: CHRC Ltd, 1999 shares; CKCV-Quebec Ltd, 1998 shares; A. C. Picard, deceased, 10 shares; the Mont Saint-Jean Investments Inc., 490 shares. I do not know where this corporation is nor where it comes from. Finally, there is the Famous Players Canadian Corporation Ltd, which holds 4996 shares, or 50 per cent of all the shares. What is this Famous Players Canadian Corporation Ltd?

The capital stock of the Famous Players Canadian Corporation Limited consists of 1,737,072 shares, of which 900,390, that is 51.834 per cent are controlled by United States and owned by American residents.

And, Mr. Chairman, even if these 51 per cent of the shares—it is more than that, it is 51.8 per cent—are controlled by American citizens, we call that the Famous Players Canadian Corporation Limited.

And there, it is well said: Télévision de Québec (Canada) Limitée, that is Canadian; it is Famous Players Canadian Corporation Limited. But, we forget to say that 51.8 per cent of the shares of Famous Players Canadian Corporation Limited are owned by American residents. There are also 803 shares owned by Britishers, 4,175 shares held by citizens of others countries and 831,704 held in Canada. This means that Canadians control 47.8 per cent of the shares of the Famous Players Canadian Corporation Limited, the remaining 52.2 per cent being controlled by foreigners. And this is called Canadian ownership.

The wording of the act is as follows:

It is hereby declared—

I am referring to clause 2 (b),

—that the Canadian broadcasting system should be effectively owned and controlled—

It does not say indirectly or in any other manner, but effectively. It is a very specific terms: "should be effectively owned and controlled by Canadians."

But this is not the case of our two television stations in Quebec city. The previous act stipulated the same thing: "that the Canadian broadcasting system should be controlled by Canadians." But such was not the case. This is what is irregular. The cabinet comes in later on, and the ministers pass an order in council. The one I referred to earlier