

Supply—C.B.C.

and it makes a very fair and reasonable profit. Take a station such as in my own province of Saskatchewan, station CBK, which can be heard over almost all western Canada, a 50,000-watt station. Why can stations such as these not make a profit? Why is it that year by year C.B.C. comes back to parliament, or receives a grant in lieu of an annual parliamentary vote, as it has for the past five years?

Why is it that the financial situation of the C.B.C. worsens year by year? The C.B.C. has radio stations in Winnipeg, Quebec city, Ottawa, Halifax and Sydney. It has television stations located in Vancouver, Winnipeg, Toronto, Ottawa, Montreal and Halifax. It is passing strange that, year by year, deficits increase and parliament is being asked for further votes. I am one of those who believe that the time has come to put a stop to this trend. Because of that fact, in so far as this \$12 million item is concerned, I believe it should be in the form of a loan and not in the form of an advance. If we put it in the form of an advance it amounts to encouragement for further over-spending which is not justified having regard to any consideration whatsoever.

I am not going to take up much time this afternoon. I simply point out that, at the rate expenditures are mounting, if the person with the television set is to pay for the services rendered by the C.B.C., the present tax is totally insufficient. In the brief of the C.B.C. there was a suggestion that a basic licence fee of \$15 a year payable by television owners would be sufficient.

Mr. Fulton: Shame.

Mr. Diefenbaker: It would be nothing of the kind. At the rate expenditure is going on, within two or three years that amount would have to be raised to \$40 per set. This is not bringing before the committee something that we on this side have not warned about for several years. It is a situation, however, that has now reached the point where a decision must be reached on this important question. A decision is necessary for the preservation of the rights of the taxpayers of this country and also for the development of television generally everywhere within this country.

I realize that the commission has not yet reported. Because of that fact I do not intend to discuss other matters connected with this field of endeavour except to repeat something that we on this side of the house have asked for throughout the years. In addition to there being greater control over expenditures on the part of the C.B.C. we ask for a greater measure of parliamentary control, a greater assurance of a careful examination

[Mr. Diefenbaker.]

of expenditures that are being made. We are gratified to find that there has been widespread support for what we have endeavoured to secure, namely, an independent body to adjudicate between the C.B.C. and the private stations. We have pointed out the utter democratic injustice of there being a regulatory body performing executive, legislative and judicial functions and being a judge in its own cause. Those two matters represent all I intend to say with regard to this matter at this time. To go back to where I started, I again use the same expression. This hog-wild expenditure on the part of the C.B.C., unless controlled, will result in an increase in taxation far beyond what is justified for what Canadians are receiving today.

Mr. Reinke: First of all, Mr. Chairman, I should like to deal for a few moments with the annual report of the C.B.C. which was tabled on July 22. Then I should like to express a few private views of my own with regard to the C.B.C. and with which I believe a great many Canadians might agree with me.

I think it is perfectly obvious to all hon. members that the C.B.C. today, with television and radio in particular, controls to a great extent many of our activities here in Canada and wields a great deal of influence. In less than four years since television was first inaugurated in Canada, it has reached a proportion where it is covering, as the minister pointed out, nearly 80 per cent of our population. In looking over the report, while I must admit that the C.B.C. have done an excellent job in covering the population of Canada, I in my own mind cannot see where they have accomplished very much that private enterprise itself could not have accomplished; that is particularly in the way of coverage, although I will admit that as a network the C.B.C. probably covers more of Canada in a more unified manner and brings this country more closely together than would be done by private enterprise.

As the previous speaker has pointed out, I believe that the time has come to take a new look at the C.B.C. I am not expecting anything I might say here today to change or affect the picture in so far as the Fowler commission is concerned. However, I would hope that the opinions expressed by hon. members in this house will be taken into consideration by that commission when they make their report.

In reviewing the classification of radio and television network programs, I believe that the C.B.C. has for the most part accomplished a fairly good balance. I was greatly interested to read the numbers of hours that were