

Supply—National Revenue

government by the Minister of National Revenue. Those occasions were December 8, 1952, and March 30, 1953. We were told in the committee that government policy remains unchanged. There were some Liberal members of the committee who looked for the emergence of some change in government policy, but it is evident that thus far at any rate there has been no change in the government policy of aiding, abetting and imposing monopoly.

However, there is another feature of this matter that calls for comment. It is the boast of the Canadian Broadcasting Corporation that it follows not government policy or government dictate but parliamentary policy and parliamentary dictate. The policy of the government in relation to the imposition of a monopoly in the field of television has never been approved by the Canadian parliament. On this occasion the government had a clear course open to it. If it wanted parliamentary approval of its monopolistic policy it had an opportunity to seek it by bringing forward a motion for the adoption of the report of the committee on broadcasting, because that report in effect gave sanction to the government's monopolistic policy. But the government has carefully eschewed that.

I asked Mr. Dunton in the committee what policy the C.B.C. is applying in relation to television licensing. His answer was the policy enunciated by the minister on December 8, 1952, and March 30, 1953. I have to say in the light of the facts, therefore, that what the Canadian Broadcasting Corporation has been applying in these past three years has not been a policy to which parliament has given its approval. It is a government policy. The government has never once submitted its policy of monopoly in television to the test in this house.

There are very good reasons for that. Had the government done so there would have been an opportunity to divide the house and to see how far the rank and file of Liberal members of this house are prepared to give their support to this monopolistic policy. The government has carefully avoided that course. It has carefully avoided giving the house the opportunity of expressing itself.

Mr. Pickersgill: What about the opposition?

Mr. Fleming: I am about to state our policy now, as set forth in one of the amendments which we sought to write into the report but which was defeated by a vote of 9 to 6. Again let me remind the minister who just interrupted me that among the 6 who supported our amendment were Conservative and Social Credit members and a Liberal member, the hon. member for Burnaby-Richmond. I regret

[Mr. Fleming.]

that it is so long, but here we are dealing with statements of party policy, and I think I should put the statement of the Conservative party's policy on record as it is set out here:

In establishing its own T.V. stations and dealing with applications for privately-owned T.V. stations the board of governors of the Canadian Broadcasting Corporation has been adhering to the policy announced by the government in the House of Commons on December 8, 1952, and March 30, 1953. There has been no change in the policy since. This policy of local monopoly has been clothed with the euphonious title "the single service coverage policy". C.B.C. has occupied six principal urban centres, Halifax, Montreal, Ottawa, Toronto, Winnipeg, and Vancouver, thus from the point of view of commercial revenue picking off all the biggest plums for itself. Eighteen privately-owned, television transmitting stations are operating. They are, however, restricted to areas where no C.B.C. station is operating, and they are now given by the government's policy a complete Canadian monopoly in their local areas. To carry out this policy channels have been juggled and shifted about. The government's policy creates and protects monopoly both for the C.B.C. and for private stations. That policy is already breaking down. Overlapping is now occurring in the areas served by some stations, at least where the viewer has an outdoor antenna.

The committee condemns this policy of monopoly. It believes that Canadian competition will have a healthy effect on both C.B.C. and private stations in their operations, in their service to the listening public, and in all forms of their programming. American competition is an existing fact. Millions of Canadians are within access of television from stations located in the United States. These stations send their signals into Vancouver, Montreal, Toronto, and the populous areas of southwestern Ontario. Their programs are popular. Indeed, unchallenged evidence before the committee showed that the Buffalo stations are listened to by almost twice as many Canadians as the C.B.C. T.V. stations in Toronto. Thus the government's policy of monopoly prevents Canadian competition, but not American. The United States stations have not been slow to exploit the protected position created for them by the exclusion of all Canadian privately-owned stations from the six major urban areas. By selling time to Canadian advertisers they are taking \$2 million per annum in commercial revenues out of Canada.

Mr. Dunton testified that approximately 50 per cent of all programs in the C.B.C. television system are of United States origin. Private broadcasters indicated to the committee that they would expect to offer approximately the same percentage of Canadian content in their programs if licensed to operate. This is one of the things which proper regulation and control could effectively ensure, subject always to the right of the Canadian people to enjoy programs of their democratic choosing.

The policy of local monopoly is preventing the erection of French-language stations as well as English-language stations.

The dangerous policy of monopoly cannot be justified on the argument that C.B.C. must have all the commercial revenues from the six "plum" urban areas. At the present time the C.B.C. is enjoying revenues of approximately \$30 million per annum. Of this sum only \$6 million comes from commercial revenues. The balance comes from the public treasury and is provided by the taxpayers. The C.B.C. is not and never has been dependent upon its commercial revenues for the extension of its broadcasting or television facilities.

It is the opinion of the committee that competition is desirable in the public interest, and that