

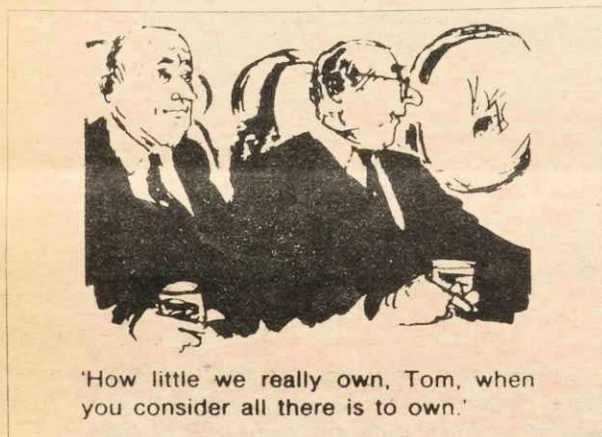
The myth of . .

"classic case of advertising nervousness" occurring when the CBC rescheduled a particular episode of its series *Quentin Durgens MP*, to avoid its coinciding with the introduction of a new line of automobiles. That particular episode was about auto safety. General Motors was the sponsor of the programme... (Sen.II:1949). In Nova Scotia, the radio station CJLS in Yarmouth was also shown to have altered news broadcasts so as not to offend advertisers. (Sen.I:92).

Advertising finances most of the media: 73 per cent of the newspaper and periodical industries' revenue comes from ads; 93 per cent of the gross income of the broadcasting industry. This advertising does not come from widely based sources in society, but instead from a narrow corporate elite: as a whole, the mass media derive 70 per cent of their advertising revenue from just 100 major companies, half of which are US. controlled (Sen.I:243,246; II:120).

Do advertisers deliberately control and manipulate the mass media? Author Wallace Clements points out that it is not even necessary to argue that the advertiser directly determines the content of the media:

It is enough to know that the media owners are very aware of the limits of tolerance and they need to remain within these limits.



Journalists point out that any Canadian newspaper's clippings file on Eaton's will show how carefully the media treat large advertisers. Stories are always very carefully written, and usually highlight some charitable or community-oriented aspect of the giant business. However, in addition to the favourable coverage of the company, there are also obvious gaps in coverage:

Just as revealing (but more difficult to trace) are the stories that do not get printed, for instance of a brutal middle-management cleanout in Eaton's store in Winnipeg or of a mass firing of maintenance in Toronto in the mid-1960's.

In its own promotional material, *Maclean's* magazine shows the close connection between the way news and advertising are handled:

A good magazine works because the readers count on two kinds of information: editorial and advertising. They enjoy, trust and respond to both. Both together.
...The magazine that promotes the interlock between editorial and advertising is the magazine that flourishes.

The 1970 Senate Committee concluded that the economics of advertising ultimately determined all other decisions basic to the operation of a newspaper or broadcasting station (Sen.II:19).

The 1980 purchase of the FP Publications chain by the Thomson newspaper chain received wide criticism because of the influence Thomson's other holdings could have on its own papers. Thomson's

holdings include oil and gas companies and hundreds of others, including the Hudson's Bay Co., which controls Simpsons and Zellers and part of Simpsons-Sears - all major advertisers. When Thomson was poised, ready to take over The Bay, in 1979, *Toronto Star* financial columnist John McArthur commented,

...it is particularly, and obviously, potentially dangerous for newspapers, radio and TV stations to be connected by ownership to the very industries they depend upon for ad revenue and on which they are expected to report impartially and fully.

(iii) Quality of programming

A third way in which present trends in media ownership can affect the media's product is in quality of programming.

As papers, TV and radio stations fall into the control of fewer and fewer groups, there is a decline in the competition and pride in quality that sometimes characterised independent media outlets. For a variety of reasons - which include lack of competition and a management made up of professional businessmen rather than professional journalists - the quality of programming slips from mediocre to worse. Describing the level of journalism in the dozens of radio stations that are part of large media groups, a journalist noted,

In many small stations, there are what is called the rip and read announcers: they simply rip the pre-written newscast off the wire and read it.

The Halifax papers the *Chronicle-Herald* and *Mail-Star* were seen by the 1970 Senate Committee to be "uncomfortably close to being typical of too many Canadian dailies". The editorial failure of such publications does not stem primarily from "news suppression", according to the committee:

It stems, rather, from what Dr. (Donald) Cameron calls 'enforced laziness' - the imposition by newspaper owners of an atmosphere in which editorial initiatives are unwelcome. People who want to practice vigorous, independent journalism do not thrive in such an atmosphere. (Sen.I:90).

The typical Canadian newspaper has become

...the kind that prints news releases intact, that seldom extends its journalistic enterprise beyond coverage of the local trout festival, that hasn't annoyed anyone important in years. Their city rooms are refuges for the frustrated and disillusioned, and their editorial pages a daily testimony to the notion that Chamber-of-Commerce boosterism is an adequate substitute for community service. It is our sad impression that a great many, if not most, Canadian newspapers fall into this classification. Interestingly enough, among them are some of the most profitable newspapers in the country. A number of these newspapers are owned by K.C. Irving. (Sen.I)

Fond recollections of advice to be ruthless

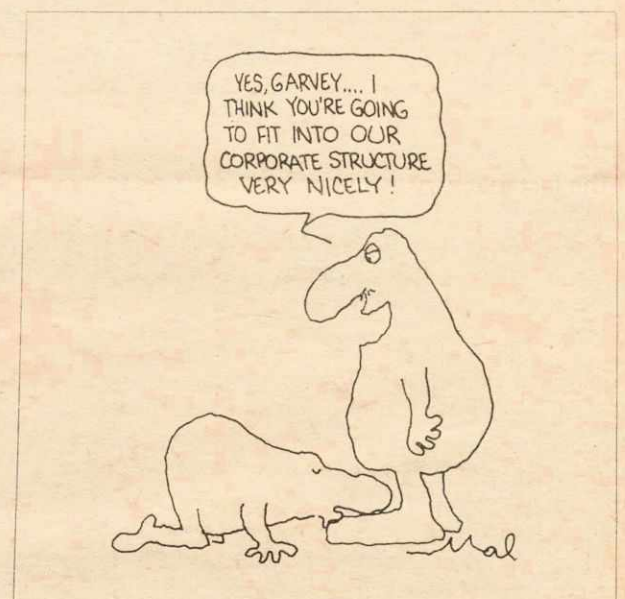
Before he sold the prestigious *Times* of London to an Australian scandal-sheet millionaire, Ken Thomson insisted he would close down the paper rather than sell it at a lower price. Reminiscing on earlier days, Canada's media millionaire said he was sure that his father would have wanted him to do this. Sharing a family story with reporters, he remembered the old days, when his father had sold his very first radio station. Didn't it make him sad?, he had asked his father.

He says, 'Son, there's a time to buy and a time to sell.' And he says, 'Don't ever let sentiment get in the way.'

When there is a tacit understanding in a newsroom that certain stories are best left alone to avoid trouble, the result is the kind of coverage just described - on trout festivals.

Supporters of media take-overs have claimed that if a newspaper is part of a large chain, its quality will actually improve because the chains have more resources at their disposal. However, a 1978 study in the U.S. found results to the contrary. It compared 28 chain-operated papers with the same number of independently owned papers. The papers were comparable in size (circulation) and time of day at which they appeared. Papers without chain affiliation had 16 per cent more national news, 35 per cent more international news, and 25 per cent more local and regional news. The unaffiliated papers also featured more staff-written stories (rather than syndicated news). Other studies have also shown that chains tend to raise both the newsstand price and the advertising rates of papers that they take over, but they do not make efforts to improve content.

While no study (such as those just mentioned) is definitive, we have not found any serious evidence to support a different interpretation: media takeovers do not improve the quality of news, nor do large chains compete more fiercely in a way that produces a better product. Indeed what we were able to find in Canada confirmed the results of the American studies.



A case in point is the relationship between what were, until early 1980, two of Canada's rival newspaper chains - Southam and FP Publications. While they appeared to be adversaries, apparently competing with each other, they got along remarkably well in Vancouver, B.C. There, they put out the two dailies together: the *Sun*, owned by FP and the *Province*, owned by Southam. Both papers were published by Pacific Press, whose ownership was shared on a 50-50 basis by Southam and FP, and were produced out of the same building (Sen.II:62).

FP has now been consumed by a still larger giant, Thomson.

Southstar is another example - a company jointly owned by the Southam chain and the *Toronto Star*. It published *Today*, formerly *Canadian Weekend*, in turn a merger of the old *Weekend* and *Canadian* magazines. The new hybrid of course cut in half the number of articles needed for every issue - and hence the number of writers, editors, artists and others needed. While operating costs would be lowered and advertising revenue concentrated still further, the reading public in effect was receiving less and less.

On August 27, 1980, the Southam chain closed down its paper, the *Tribune* in Winnipeg, leaving an unrivalled Thomson daily there, while on the same day the Thomson chain closed down its paper, the