

*Radio and Television*

valuable than the one in Toronto but it is not actually so.

I thought of reading page 233 and the two following pages of the Fowler report but I do not think I will weary the house by doing it. I would like to draw them to the attention of hon. members because they deal specifically with this point.

It does seem to me that there are two ways of approaching this matter, two quite opposed ways, and there might, of course, be many gradations between those two. At the one extreme, if one wanted to apply the principle of almost undiluted private enterprise to this problem—and I must say I have thought there might be quite a good deal to be said for following that course—it seems to me there is one thing that could be done and that is that the second channel in Toronto could be put on the auction block and given to the highest bidder for an annual rental that would provide a very considerable revenue which could be used to improve public network television and television generally. If that were done, of course, and it were treated as a purely private enterprise problem, it would be quite wrong for the government to impose any conditions upon the broadcasting except such conditions of decency as might be felt to be in the public interest. If we were to make that approach, the purely private enterprise approach, the exploiters would have to be allowed to decide for themselves how they could make the most out of the station.

At the other extreme—and I must say that I have a preference for this other one, as the Fowler commission also had—it does seem to me that there should be very careful criteria laid down as to the kind of broadcasting that was to be done, as to the conditions under which the broadcasting was to be carried on, as to Canadian content above everything else, and that every effort should be made to see that the licensees of these private stations were not chosen because of their wealth, because of their political affiliation or because of any other conditions except their demonstrated competence and their capacity to do the job of providing a thoroughly Canadian service.

I do think there is quite a lot to be said for both of these alternatives; but what I think there is nothing whatever to be said for is to give this licence at comparatively low annual fee to some private interests to exploit for profit without many conditions being attached. If the station is to be run purely as a commercial operation for profit, then the unearned increment, the part of the profit that is due to scarcity, the part of the profit that is due to the fact that a section of the public domain is being exploited,

[Mr. Pickersgill.]

should come to the state, to the people to whom it belongs and should not go to the undertakers of the enterprise. On the other hand, if we are to lay down serious conditions of Canadian content, serious conditions such as are suggested in the Fowler report, then we should make absolutely sure that the licensees are the kind of people who will carry out these conditions, and there should be a body to police them in order to see that they are carried out.

As I say, I think there is a lot to be said for those two possible solutions but there is nothing to be said for the third course that I mentioned. There is another alternative, of course. It was suggested to me on one occasion by a friend of mine that the C.B.C. should have the second channel in Toronto and those other profitable channels and run a purely commercial type of operation in order to help balance its books. I do not think much of that idea either, though I can understand some people in the C.B.C. thinking it might be a very good way of meeting some of their financial problems, and undoubtedly it would be. I do think, too, as the hon. member for Port Arthur did point out in what he had to say, that we do need to be pretty careful—and the Fowler commission indicates the same thing—about the duplication of stations to make sure that we are not going to siphon off too large a share of the potential advertising revenue into the private station and throw an unnecessary burden upon the taxpayers as a whole in doing so. That is the same problem exactly as the Minister of Transport (Mr. Hees) is facing with his proposed competition against T.C.A., but I do not want to be diverted into that channel, though I think the minister would understand that very well.

I come now to the second of the three problems that it seems to me the government has to face here. There are three major problems, the second of which, as I say, is rather more important even than the first one I have mentioned but I think a little less difficult, a little less complex, and that is the problem of the proper way to finance the C.B.C. I think all of us agree that it would be quite unrealistic to think of going back to the old system of having licences. Any government that undertook that, however popular it might be for other reasons, would become unpopular very quickly if it undertook that course. I think also that it is quite unrealistic to think that we could have the kind of national television service, or even a Canadian national radio broadcasting service that the Canadian people have demonstrated over and over again they want to have without some support other than advertising revenues. Therefore, it means either

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