But when we reach the point where pay TV in some form appears inevitable, then we must design a system which counterbalances the importation of U.S. films by contributing directly to an increase in Canadian film and television programming.

The pay TV services we envisage would be controlled by the national broadcasters — the CBC's French and English networks and the privately-owned CTV and TVA networks — but would be operated at arm's length from them. The independent producers would act as program suppliers. The pay TV services would design the schedules, commission and procure the programs, and be responsible for their delivery by satellite to the cable companies. The cable companies, in their role as carriers or exhibitors, would market the services to the public.

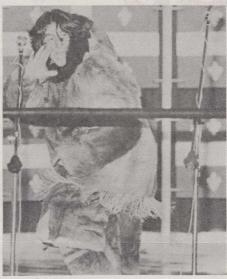
Pay TV would be a non-profit enterprise. Net revenues would flow to the production of additional Canadian programming for the networks of the national broadcasters, because only they can reach every part of the country and pass the benefit of additional Canadian programming to viewers everywhere. The independent producers would benefit in several ways: the networks would look to them for a large part of this new national programming; pay TV itself would create a new market for Canadian films and other independent productions; and the pay TV services would allocate 5 per cent of gross revenue to a fund for experimental program development.

Rebuilding the national system

The more we explore these various issues, the more we see the urgency of acting now, as a matter of national policy, to reshape and rationalize the whole television system — to make it more Canadian....

The number of private stations and networks should be limited, so that the commercial revenue available to the private sector would be enough to finance its contribution to Canadian programming. Other questions of funding would have to be decided too, such as the often-proposed idea of long-term financing for the CBC, and the possibility of looking to cable revenues for additional program funding, after reasonable profits.

Another contribution to an increase in Canadian programming could be the development of specialized services such as the CBC's present Parliamentary coverage, and movie and sports channels on pay TV. And as we proceed with the Canadianiza-



Popular Inuit singer and comedian Mattiusi Tulugak of Povungnutuk, performs at "Man and his World", Montreal, a CBC presentation.

tion process, we should also continue the present CRTC regulation allowing no more than four American channels to be carried on Canadian cable services.

Planning a new CBC

The CBC's own role in a revitalized Canadian system should be a major one, reflecting our national mandate. Our central goal is to provide in television, as completely as we already do in radio, a distinctive Canadian service offering a wide range of high quality programs both light and serious, reflecting and involving the whole of Canada and its many different regions and peoples.

We are already at work, as funds allow, on increasing the Canadian content in our television schedules, with a target over the next few years of 80 per cent in prime time, and 70 per cent in the overall schedule. We want to proceed with CBC-2, to provide viewers with a more serious and specialized program mix to complement our primary services. We want to increase production in some specific program areas, such as Canadian drama, documentary, and arts and science programming. We want to increase our reflection of Canada's regional, linguistic and ethnic identities. We want to continue the development of regional programming. We will continue to provide Parliamentary coverage as a satelliteto-cable service....

In radio, our program goals for the future are essentially to build on the many achievements of the present. CBC

radio enjoys both a Canadian and an international reputation for excellence. The CRTC, in renewing our radio network licences in 1979, said, "If any element of the corporation's programming activities should draw praise, it is the radio service. The CBC has succeeded in its efforts to create a different, original, varied and useful radio network.... The CBC continues to provide a distinctive alternative to private radio, to support performers and writers and to give expression to the Canadian identity...."

A year of achievement

In program terms, this was perhaps the most successful year in the corporation's history. Both French and English services won major program awards, including an International Emmy and the Golden Rose of Montreux for English television's variety special Rich Little's Christmas Carol: the Prague d'Or for concert works from French television's le Sacre du printemps; a Bell-Northern Research Award for a science segment of Antenne 5 on French radio; and a Peabody Award for English radio's The Longest Journey, a personal record of pregnancy and childbirth. French and English television, in co-operation with educational broadcasters in Ontario and Mississippi and with Yehudi Menuhin as host, produced the eight-part series The Music of Man, which is now being seen internationally. One of the largest audiences in CBC history watched the two-part historical drama Riel on the English and French networks.

English radio, celebrating such achievements as the 25-year record of the literary series *Anthology*, held a national radio week to acquaint new listeners with CBC program quality and diversity. French radio developed new styles of presentation for some of its major information programs, and enriched its music programming on FM. Radio Canada International marked 35 years of shortwave broadcasting to listeners around the world.

A wide range of CBC television programs consistently attracted audiences of well over a million, and there was a steady growth in radio audiences too. Even in a highly competitive field, with audiences fragmented among many stations, CBC radio and television have demonstrated that if high quality Canadian programming is available, it will find an enthusiastic audience among Canadian listeners and viewers....