

Adjournment Debate

that these stations keep their promises. That is really the problem to which the Babe-Slayton report addressed itself.

Let me remind all hon. members remaining in the House that this is a report commissioned not by some outside group or by the New Democratic Party, but by the Department of Communications itself. According to the report, the major tool in the hands of the CRTC or any other regulatory body in terms of making private broadcasters live up to their responsibilities, is competitive hearings at times of licence renewal or at times of licence transfer, that is, when one licence granted on the basis of a set of promises is transferred or sold to another applicant.

In the past we have not exercised that control or discipline within the industry. Consequently, we buy and sell to the highest bidder. This is almost the way taxi licences are handled. There is really no commitment at all on the part of the person who purchases a licence to maintain the promises of the original applicant.

The CRTC licence renewal procedures virtually guarantee licence renewal regardless of the kinds of promises made by the original applicant or the person who has sought the transfer. There is a tremendously comfortable stability in the broadcasting industry, regardless of whatever promises the original applicant made, because of the virtually automatic licence renewals. This is one of the causes for the rather inadequate performance in terms of Canadian content which characterizes the whole private broadcast industry.

● (2225)

The report goes on to attack transfers and so on. I do not have a great deal of time left. However, with respect to the reports the minister's department has been receiving, I suggest it is time that the minister established some policies regarding transfers and licence renewals. It is absolutely clear that the present system does not aid the objectives of our broadcasting industry. A number of promises which were made to the people need to be kept. It is time the minister established a new policy based on the Babe-Slayton report which will guarantee that broadcasters in the private sector live up to their promises.

Mr. Peter Stollery (Parliamentary Secretary to Secretary of State and Minister of Communications): Mr. Speaker, in view of the importance of the competitive procedures issue, the Department of Communications asked two independent consultants, Robert Babe and Philip Slayton to do a study exam-

ining the issue further, and this report, on competition, was released to the public in order to stimulate informed public discussion of the issue. Over 200 copies of the study have been distributed to the public, including all members of the Standing Committee on Communications and Culture and many other members of this House.

While in their report Robert Babe and Philip Slayton recommended adoption of competitive procedures for licence transfers, they did not recommend competitive procedures on renewals. Instead of the latter, they proposed two options which, in their view, would provide the benefits held to be forthcoming from competitive renewals without entailing the costs perceived to be associated therewith.

According to the first of these options, the CBC, CRTC or other public body would be empowered to tax all or most of the surplus earnings of television broadcasting and cable licensees and to apply such funds to the financing of independent productions commissioned by this public authority.

According to the second of the options proposed by Babe and Slayton, data gathering, research and other such support staff duties would be spun off from the commission and placed in a new agency entirely separate from the CRTC. This new office would play an adversarial role in licence renewal proceedings before the CRTC similar to the role played by the director of investigation and research under the Combines Investigation Act before the Restrictive Trade Practices Commission.

The consultants suggest that in addition to bringing to the attention of the CRTC apprehended failures of licensees to comply with promises of performance and regulations and cross-examining licensees and arguing appropriate remedies before the CRTC, the new office could also support research and interventions on the part of the general public. Babe and Slayton propose that this new agency could be financed by taxation of licensees. It could, they suggest, be empowered to attain any and all data deemed relevant to further its proposed duty of ensuring compliance with CRTC regulations and promises of performance.

As you can see, Mr. Speaker, this is a very complicated issue and not amenable to quick and easy solutions.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m.

At 10.30 p.m. the House adjourned, without question put, pursuant to Standing Order.