

Communications are also inextricably bound up with the basic question of Canadian cultural identity and cultural integrity. The central questions seem to be "How are Canadians different from Americans?" "How can Canada succeed in remaining a distinct nation in the face of the massive cultural inflows from the U.S.?" In an interview a few years ago, the distinguished Canadian expatriate, John Kenneth Galbraith, one of the world's leading economists, was asked whether Canadians should be concerned more about cultural domination by the United States or economic domination. He replied:

"This is an important question and one which I think is very much misunderstood. In good Calvinist fashion, when Canadians talk about cultural autonomy, they really have economics in mind. They follow my friend Walter Gordon and talk about economic autonomy, which on the whole is rather unimportant. It really doesn't exist any more, anywhere in the world. If I were still a practising as distinct from an advisory Canadian I would be much more concerned about maintaining the cultural integrity of the broadcasting system and with making sure Canada has an active, independent theatre, book-publishing industry, newspapers, magazines and schools of poets and painters. I would be very much concerned that the widest possible support was given by all levels of government to the preservation of the cultural traditions associated with the particular ethnic groups in Canada, and with French Canada. Also to make sure that Canadian theatre and artists received encouragement. And that people weren't totally dependent on American magazines. These are the things that are important for the maintenance of cultural autonomy. I wouldn't worry for a moment about the difference between Canadian or American corporations."

He was then asked whether he thought Canada should make a determined effort to increase its stake in the Canadian economy, and he replied:

"I would say this is a very minor consideration as compared with increasing the Canadian stake in the things I've just mentioned. These are the things that count."

Mr. Pearson repeated the warning before this Committee:

"...the threat to our national identity and the preservation of a separate Canadian nationalism... is even greater from non-economic sources than that from economic and investment sources."

For decades the frailty of our national identity and our susceptibility to American cultural domination have been burning issues. Our exposure to American culture through all forms of communication,—books, magazines, newspapers, radio and T.V., cinema and theatre—have been well documented by a series of Royal Commissions reflecting a national preoccupation with the problem.

5.02 *The Problem Areas.* It might be useful to outline a few of the problem areas: Canadian newspapers are, in general, in a strong position in Canada. In the periodical field, however, due to the two exemptions granted some time ago under the Income Tax Act, *Time* and *Reader's Digest*, two American periodicals, have a significant advantage, not only over Canadian periodicals by virtue of their large scale of operations but also over other strong American competitors such as *Newsweek* which was not exempted from the restrictive provisions of the Income Tax Act. In addition, it should be noted that the major North American distributing agencies are United States owned with the result that foreign control may extend to what actually appears on the Canadian newsstands.