

somehow going to tell us, "We will switch off the dial and put something on here that you do not want." The choice is abundantly clear. In effect, if you have cable deletions along with Bill C-58, you wipe out KVO5-TV along with all the American stations. Hon. members know that is true. All British Columbians know it is true.

● (1610)

If the minister has his way it is only a matter of time until all American channels are wiped off. If the minister does not believe that, he has his head in the sand and it is about time he pulled it out. Mr. Hopkins illustrated this point in the situation in the Toronto area. Briefly, he said:

It might be helpful, Mr. Chairman, if I were to expand a little more on this concept of effective time because I think there is some misunderstanding on occasion on this. When an advertiser is planning his advertising campaign he has an objective of delivering messages to his customers and he wants to deliver his message to a substantial number of customers, and this is normally looked on in terms of being a reach objective. He wants to reach 50 per cent of his potential customers or 60 per cent. If we look at the Toronto market, if I may take that as a good example of the issue, there are a limited number of stations that are in a position to deliver to him the reach of that market. I think if we look at CFTO television, for example, and here I am referring to some BBM Bureau of measurement data, BBM reports that CFTO on a weekly basis reaches 75 per cent of the people in the Toronto market, and averagely it has about a 19 per cent share of the viewing in that market. That is an effective station for reaching Toronto.

I will not go through every station, but if we look at CFTO and CBLT and CHCH, those are effective stations at reaching that market. The same is true of the three Buffalo stations which reach 68 per cent of the market in a week, 65 per cent in the case of WKBW, 62 per cent in the case of WGR.

The developing stations in those markets, however, have problems in this regard on their own. If we look at Global—and I am referring to fall 1974 data—in the fall of 1974, only 36 per cent of the people in the Toronto central area had tuned at least once to Global; that is to say, 64 per cent had not. In the case of City, we are looking at very similar numbers: 35 per cent had and 65 per cent had not. So while there is time available on those stations, they alone cannot deliver an effective campaign to an advertiser who had something more than a very, very modest reach objective.

It is clear then that the Association of Canadian Advertisers does not believe that the provisions in clause 3 of Bill C-58 will in any significant way improve the financial situation of the less prosperous Canadian broadcasters. The results of this legislation, as they see them, are largely negative—an increase in the advertising rates on those Canadian outlets which are already effective and largely sold out in terms of available advertising time and the continuation of advertising on American border stations, even at an increased rate, to take advantage of this continuing wide appeal to Canadian audiences. That relates to the earlier point. The reach objective for the advertising is what people are seeking. They will pay more for that rather than use a less effective advertising media. They also see the diversion of substantial amounts of advertising revenue to other media, particularly radio and newspapers.

Compounding this problem is the fact that the American border broadcasters have indicated their intention to maintain their Canadian advertising clients by reducing their rates to compensate for the loss of tax deductibility of advertising expenditures as a result of this legislation. Obviously there is not going to be more money to divert to other aspects of the Canadian advertising media. When this occurs the final nail will have been driven into coffin

#### *Non-Canadian Publications*

of this bill as an effective means of supporting Canadian broadcasters. The government will have succeeded in reducing the revenue of the American stations without benefiting in any way the Canadian television broadcasting system.

It is precisely to avoid this result that my colleague, the hon. member for Surrey-White Rock (Mr. Friesen), has moved the amendments to clause 3 which we have before us. These amendments will ensure that, at least in western Canada, this legislation will result in some improvement and benefit to Canadian broadcasting.

As I stated first, and now in the middle of my speech, the objective is to benefit Canadian broadcasters, audiences, writers and producers. If Bill C-58 does not accomplish these objectives, we have to rethink it. If in fact we can find an alternative to benefit Canadians in any or all of these capacities, along with preserving this freedom of preferential choice as demonstrated by the ratings, should that not be what we are trying to do? This amendment will ensure, at least in western Canada, that this legislation will result in some improvement and benefit to the broadcasting system of that area.

They recognize the fact, which the government seems intent on ignoring, that foreign broadcasting operations can be of significant benefit to Canada and Canadians. Why is the government so persistent in insisting that if it is American, it is bad, wrong, corruptible, and there is no way that it can be of any benefit to Canadians? Why is that assumed on that side? There are many fine things that have come and will continue to come from the United States. We have more in common with that country than we have that are different. I do not think hon. members opposite should have this great fear.

What would be the result if these amendments carried? In the words of Mr. Royce Frith, counsel to KVO5-TV, before the standing committee, and I quote:

The proposal we have discussed is to allocate a minimum average of \$2 million a year to Canadian program production,—

Will that \$2 million be there next year if Bill C-58 passes? The answer is no. If that \$2 million will not be in that market place for Canadian writers and producers, where is the improvement or benefit to Canada? It is some ethereal concept that cannot be defined by anyone on that side or, in fact, by anyone in this House. I continue the quote:

—the extension of Canadian television service, and the training of Canadian talent. These, or other objectives equally to the benefit of Canadian broadcasting, can be worked out under a plan to be approved by the Canadian Radio-Television Commission.

I challenge the parliamentary secretary or any back-bench member opposite to explain to me how this proposal could fail to be of significantly greater benefit to Canadian broadcasting than the provisions of clause 3 of this bill as they are presently constituted. Anybody with that kind of reasoning can say we do not have any money to do it, we do not have a vehicle to do it, but we are going to do it anyway. It is some kind of pie in the sky wishful thinking. That is very unfortunate.

I also ask that hon. members opposite, in considering these amendments, bear in mind that Bellingham is not Buffalo, just as Vancouver is not Toronto. The government, in reaching an accommodation with *Reader's Digest*,