

the United States has also. The difference is that some 10 times as many people live in the United States area. Again, the potential public who support English-language program production in the United States is some 15 times what it is in Canada. It is interesting that one television station in the New York area can reach about as many people as the whole population of Canada. Our 28 stations with all their costs together still cover fewer people than can the one transmitter in New York.

Great Britain has only about three times as many people as we have but they live in a nice compact island, and they can be covered with a television signal for a fraction of the cost required for the fewer people in Canada. And, from the beginning, our national resources of all kinds available for television had to be divided between two different language services.

The result of our space and population condition is that advertising alone cannot support an adequate national distribution system stretching east and west across the continent and linking Canadians from one ocean to the other. Nor does it appear, up to now at least, that advertising can go far in supporting the whole cost of TV programs produced in this country. This is partly because of the number of people which any television program can even potentially reach in this country as against the initial cost of the production. It is also related to the fact that American programs produced at lavish expense in that country, and the cost of which has been recovered in the large American market, can be imported into Canada and used for a price considerably less than the cost of a Canadian production of any pretension. These basic facts seem to add up to one inescapable conclusion: that in Canada some means of payment for television additional to advertising, must be used if Canadian television is both to span the country adequately and to show Canadians any substantial amount of programming produced by fellow Canadians.

The amount going into operating costs of television from the public admission fee -- the excise tax -- has been about \$15 per television family, per year. That works out just over four cents per family, per evening. These amounts have made possible the building up of the nation-wide system of distribution of television programs by direct network and by recordings right across the country. An indication of the costs involved in distribution alone is that the CBC commits itself to a regular expenditure of well over \$100,000 a year simply for physically conveying national program service to each new station that is established, whether private or publicly-owned. Then the funds coming directly from the television public have made possible the amount of program production for national distribution which we have in this country. Advertisers, too, have contributed heavily to these production costs as well as to the distribution costs connected with particular programs. But advertising alone based on the Canadian market has been far from able to support production costs for many national programs.