

*Government Orders*

be that it actually adds something significant to the mix of programming available to Canadians.

Specifically, the test proposed was that the service should offer programming complementary to that already available from licensed Canadian broadcasters. In response to this recommendation the CRTC has stated that "it agrees generally with this recommendation", while the Canadian Cable Association said that it agreed in principle. To the extent that they expressed concerns, these were related only to the carriage of stations already available off air. In the case of the CRTC, concern was also expressed about including in the new act provisions related to carriage of the foreign television signals in the Canadian broadcasting system.

In our judgment, this issue is at least as important as any other that has been addressed in Bill C-40, and as legislators it is an issue that now must be addressed. I want to emphasize here that the government is not assuming the CRTC will implement this reasonable and necessary policy of protecting our own Canadian broadcasting system. Instead, astonishing as it may seem, the Government of Canada has categorically rejected these policy recommendations, although they were widely perceived to be both moderate and essential to the maintenance of a strong and separate Canadian broadcasting system. Instead, the position the government has taken is that any restriction whatsoever on the entry into Canada of American stations and networks is in principle unacceptable. I call this Americanization of the Canadian broadcasting system.

This position, which is inconsistent with over 50 years of broadcasting policy, is clearly stated in the government's June 1988 response to the fifth, sixth and fifteenth reports of the standing committee. In responding to this recommendation the government has stated that, "The prohibition of foreign radio and television services other than those whose programming is complementary to that available from Canadian sources has not been included in the legislation, since it would unduly restrict Canadians' access to a new range of international broadcasting services". That is to be found at page 90 of the government response in June 1988.

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Elsewhere the response states: "The government's policy is not to restrict access to foreign services". That is on page 28.

The government has explicitly rejected proposed amendments which would have implemented the unanimous recommendations of the standing committee.

We on this side of the House are not saying, Mr. Speaker, restrict access. What we are saying is that in our view new channels should add something new as a choice. What will this position mean in the future? It will lay the basis in Canadian law for allowing all American broadcasters to extend their reach into Canada. The result will be to make it far more difficult for Canadian broadcasters to acquire the right to show the best U.S. programming in Canada, even though it costs a heck of a lot less to buy it than it would for us to produce it.

Even when they are able to purchase these programs, it will reduce their ability to earn revenue where they could be found on other channels at other times. There is no exclusivity. There is no protection of their investment and that is grossly unfair.

Revenues from showing foreign programs are now crucial to the successful operation of Canada's private broadcasters. Just speak to CTV, Global, CBC and see what they have to say about this aspect of the lack of exclusivity of their purchases. The resulting loss of revenue will in turn undermine Canadian broadcasters' ability to finance Canadian programming.

The implications of creating a single Canada-U.S. market are obvious already in the film and theatrical business. In that sector there has been a continental market for decades. The Americans have seen us as their back yard. The result is that most of the revenues earned in the Canadian market flow south to finance more American films, while Canada's own film companies lack sufficient resources and, in fact, often lack sufficient window time and space to substantially contribute to financing Canadian films and the ability to distribute and market them effectively.