

(English)

**Miss LaMarsh:** That is quite a view but I do not happen to agree with it. It is not like a telephone which has become a necessity and not a luxury and where there is a monopoly. If you do not want to advertise on television you do not have to, nobody makes you do it. I think that would be the only way that you could possibly justify having a hearing take place before private or public stations could change their rates. It would be very interesting to hear a comparison sometime of the rates charged by CBC as opposed to those charged by private stations.

**Mr. Jamieson:** It certainly would.

**Miss LaMarsh:** I think it is a pretty esoteric field.

(Translation)

**Mr. Grégoire:** Since there are only a small number of operating licenses, what would the minister feel about forcing these television stations to appear before the Radio Commission or before some similar authority when they wish to increase their rates? Let me give you an example: the Minister no doubt has personal knowledge of the cases. We know that during election time, television stations feel free to increase their prices. Would it not be proper that at that particular time, when the number of licenses is small and there is practically no competition, for these radio and television stations, as is the case with all other companies provided with licenses, to be forced either by the federal government or by the provincial government to submit any proposed rate increase to an administrative body, to some kind of board?

You tell me that the telephone is a public utility. You will note however that for the merchant or the businessman who have to meet competition, radio and television commercials are also a necessity. In such a case...

(English)

**Miss LaMarsh:** In my community we have all kinds of television that comes in from Toronto, Hamilton and two or three American stations but we have no television there and all of our very healthy businessmen compete against one another by advertising in the newspapers.

(Translation)

**Mr. Grégoire:** That may be true, Mr. Chairman, when speaking of the cities of Toronto and Montreal which are situated quite close to the American border. However,

when there are more remote radio and television stations where there may be only one private station, e.g. in regions where a second license was not issued, and where there is no competition—this is the usual case—or where the competition is exclusively between the CBC and a private station, would it not be necessary to set up an administrative board to rule on those increases? If an individual has a television license and is alone in the field are we not giving him a wide open door? All the more because we have not granted any other licence to anybody else; we only allow one. The Board of Broadcast Governors, or the Department of Transport will not grant two licences but one. These organizations refuse to grant two licences in order to do away with competition between different television stations. Here is another example; the Minister gave the example of telephone companies, let me talk about transport companies. There is more competition in the field of trucking, for example than in that of the telephone. Yet, the administration forces the transport companies to submit a request to them when they wish to increase their rates, or when the tariffs must be fixed. The problem is therefore more acute in those areas further removed from the two large centres of Montreal and Toronto. Quebec, for example, where there is but one private station and where we refuse to grant two operating licences, is one such city where there is no competition between stations. Could we not then convince the minister of the necessity of creating an administrative body to fix the rates?

[English]

**Miss LaMarsh:** That is a very interesting proposition, Mr. Grégoire, but because you go and raise money and are now concerned about spending it, and the rates at which you will have to spend it, I am not proposing to suggest that we should have a regulatory body which will force those rates down in any area in which you wish to buy time.

[Translation]

**Mr. Grégoire:** I am not talking of lowering the rates, I am speaking of those television stations which have no other competition than that which the federal government allows. In my opinion, these should be forced, when they wish to raise their rates, to submit a request to an administrative body.