

It was forgotten that the CBC had been established by a Conservative government under Bennett, in order to maintain national control over broadcasting and to prevent the airwaves being used simply for private gain. The encouragement of private broadcasting must be anti-nationalist: the purpose of private broadcasting is to make money, and the easiest way to do this is to import canned American programs appealing to the lowest common denominator of the audience.

George Grant had much to do with the development of the Conservative broadcasting philosophy over a long period of time. However, that theme was followed in January of 1975 when the announcement was made concerning the question of removing the tax exemption for the two publications, and when the broadcasting statement was made. When this initially came before the House the response by the hon. member for York Simcoe (Mr. Stevens), who is engaged in other pursuits at the moment, was as follows, and I hope his colleagues will take note of what he had to say at that time:

Mr. Speaker, in responding to the statement just made I would first like to say, on behalf of the official opposition, that we are pleased the government has clarified this matter at long last. We believe that the move to eliminate the income tax advantage shared mainly by two magazines, *Time* and *Reader's Digest*, is a good one.

Later on with regard to the broadcasting provisions he said the following:

I also believe, Mr. Speaker, that we would be in agreement with the thrust suggested by the Secretary of State in eliminating advertising that is now being put through foreign broadcast stations.

That was the purpose of the legislation. Many of us were bitterly disappointed by the decision of the minister to make a sweetheart deal with *Reader's Digest*. Now in this ingenious amendment there is the possibility of another sweetheart deal with KVOS.

I should like to say a word about KVOS because the hon. member for Vancouver-Kingsway (Mrs. Holt) suggested that somehow I do not like KVOS. I like KVOS. I watch it. It is a very good station. It is a station which began very early. I think it was the third station in the Vancouver area. It carried a duplication of programs which channel 7, the first channel in the area, carried, and of necessity it tried to be a good corporate citizen, since the majority of its revenues were derived from the lower mainland market.

Therefore, in an understandable burst of enthusiasm, KVOS developed production facilities in Canada to protect itself. However, I do not think the argument that somehow if this bill passes we will not see channel 12 bears serious examination. The cable system in the lower mainland shortly will have the capacity to carry 36 separate channels. There is no indication that channel 12 will be replaced on any of the existing cable systems.

Mr. Brisco: Who is going to buy the converters?

Mr. Leggatt: We will deal with the converters. Don't get excited.

Dealing with the question of freedom of choice, which is the theme we have heard so much about in terms of broadcasting, the lower mainland now has available to it on the existing cable system channels 4, 5, 7, 9, and many have channels 11 and 12. Those are all United States channels.

Mrs. Holt: Why not?

Non-Canadian Publications

Mr. Leggatt: We have channels 2, 6 and 8 available to us. I do not object to those being available, and I am sure they will remain. If the hon. member for Vancouver-Kingsway and others would closely examine what the cablevision companies themselves propose, a great deal of the hysteria which has been whipped up over this subject would simply subside. Let us read what Premier Cablevision has to say about the question of replacing any of the existing channels available on the lower mainland. This is an advertisement of January 21 of this year, and it reads as follows:

... open the door to an almost unlimited freedom of choice in the future, all present stations plus Tacoma plus new local programming will be on the cable. As some of these developments get closer we will keep ...

—you informed. There will be no loss of any program of any kind. Clearly there will be a loss of revenue to KVOS if this bill passes and the amendment does not. As I indicated earlier, the amendment is an ingenious one, and I congratulate its drafter for attempting to meet what the purpose of the bill was in terms of developing revenues for Canadian production and maintaining advertising in Canada.

However, the argument which has not been dealt with, and which has not been met in this House is simply this: if we are going to make a sweetheart deal for KVOS, where is the sweetheart deal for CHAN, for CBC, and for all the Canadian channels broadcasting into the United States? Why are we looking only in one direction on this subject? Why are we not looking in the other direction in terms of the treatment Canadian stations are given by FCC regulations and in terms of the way they are carried on the American channel system? Until we have an across the border convention on broadcasting, there is not much point in passing these special amendments for special cases.

I have some sympathy for KVOS, but I am also aware that KVOS could cut its revenues in half and continue to broadcast the same kind of programming, although perhaps with a little less Canadian content. The KVOS channel will continue to be available to my constituents in the area. There probably will be more advertising revenue generated to the existing stations. They then will have the opportunity of going into Canadian production and expanding programming for the province of British Columbia. It seems to me, therefore, that unless or until an appropriate international agreement is developed with regard to the treatment of our stations broadcasting to the United States and United States stations broadcasting to Canada, this amendment is premature and should not be supported.

● (1600)

What do Americans do in terms of Canadian television channels? I am going to read an item from a pamphlet issued by the Canadian Association of Broadcasters where the subject is discussed by question and answer as follows:

The Americans have cable television. Does the FCC protect American off-air broadcasters?

Cable TV operators in the United States are required by the FCC to protect local broadcasters in their communities by deleting whole programs, not just the commercials, from the signals of non-local stations brought in by cable.

The Canadian Radio-Television Commission provides for simultaneous substitution. If a Canadian local station is broadcasting a program and non-local stations (including foreign) broadcast the same