

*Supply—National Revenue*

as possible at this stage and I propose to be very brief in what I have to say on these items. I wish to draw attention in the first place to one or two financial aspects of the operations of the C.B.C., and then I propose to say a word briefly on television. I think we can be brief at this stage because we have had discussions on radio broadcasting and television in the course of several debates during the session.

On the subject of sound broadcasting I wish to bring some facts to the attention of the house. For sound broadcasting and television the C.B.C. will have this year a total of \$26½ million under the items we are discussing, quite apart from the \$2.38 million which will be voted to the C.B.C. for international shortwave broadcasting.

I draw attention to these facts because of the rapid expansion in C.B.C. operations and with it the very great expansion in expenditure through the Canadian Broadcasting Corporation. For the fiscal year which commenced April 1, 1953, these are the amounts the C.B.C. will have available to it for sound broadcasting: the statutory grant of \$6½ million; revenue from the excise tax on radio receiving sets and tubes, \$5½ million; commercial revenue, \$2.2 million, and miscellaneous revenue \$610,000. In round figures that is a total of \$15 million for sound broadcasting alone.

For television the C.B.C. will have revenue from the proceeds of the excise tax on television sets and tubes of \$6 million, commercial revenue of \$1 million, and the loan of \$4½ million provided for television by item 540, or a total of \$11½ million available for expenditure on television. The total of these two subtotals is \$26½ million. In addition, there is a total of \$2.38 million which the C.B.C. expends as the agent of the government through the international shortwave broadcasting service.

On the subject of television—and I am trying to be very brief—these are the factors that have emerged in very clear focus both in discussions in the house from time to time during the present session and also from the deliberations of the committee on broadcasting of which you, Mr. Chairman, were the competent chairman. There have been successive changes in government policy with respect to the licensing of stations for television broadcasting. So far as announcements of government policy in the last ten and a half months are concerned, there have been major pronouncements on July 4, 1952, in the house, in the speech from the throne on November 20 last, in a speech in the house by the Minister of National Revenue on December 8, and finally the statement of the

minister in the house on March 30. Every one of these statements has been different from the previous one in the policy it has enunciated.

I wish to say that in the successive statements of policy I think there have been improvements. I am glad to see that we are some distance from the kind of statement, for instance, that the minister made in this house on July 4, 1952, or that was made in the throne speech. I contend that these modifications of policy statements of the government in regard to television indicate the beneficent effects of the criticism of government policy that have been offered by the Progressive Conservatives in this house.

It is to be observed that the present policy announced by the minister on March 30, to be found at page 3393 of *Hansard*, does at least in words contemplate the possibility of permitting two and perhaps in some cases more than two stations to operate in the same area. The minister has indicated in certain statements that stations may be licensed even in the areas served by television stations set up by the C.B.C. I wish to urge that the policy of licensing these private stations should be proceeded with and that competent applicants should be licensed in areas that are now served under what is at present a monopoly as far as Canadian broadcasting is concerned.

We know that television is very expensive. We have seen that, and it has been indicated to us by Mr. Dunton before the committee. When the committee visited Toronto it had an opportunity of seeing one program alone, a very pleasant show to watch and hear, which cost \$7,000; and that is a weekly performance. Mr. Dunton indicated that in the two stations now operated by the C.B.C., one in Montreal and one in Toronto, they are giving about 60 per cent Canadian content in their programs. Listener interest in Toronto where the C.B.C. has direct competition from the Buffalo station indicates that the C.B.C. station is enjoying only about 20 per cent of the listener interest, about 76 per cent is going to the Buffalo station, and the small remainder is going to other privately-owned television stations in the United States. I submit that in the face of a situation like that the time has come when private stations should be licensed in these areas.

I believe that competition is a good thing. I believe that monopoly, even local monopoly, is a bad thing. The C.B.C. has proved that in its operations, from the competition offered to it from privately-owned stations, particularly in large areas, as Mr. Dunton has said in his appearances before the radio committee