

At 8.10 p.m. the sitting was resumed.

**Hon. Dan Hays:** Honourable senators, it is a great honour for me to have the opportunity to participate in this debate, following so many distinguished speakers and so many distinguished speeches. I would like to take the time allotted to me to talk about a narrow cultural area, the area of broadcasting, and I will, perhaps, try your patience a little with some numbers and some statistics.

I, myself, feel that there is currently a threat to the continuing evolution of a Canadian culture in the way that it has evolved to this point in our history insofar as broadcasting is concerned. I believe the threat exists because the will of the government to support public broadcasting seems to be in question. Symbolic of that lack of will is the current uncertainty about Canada's cultural industries in the face of trade negotiations with the United States. Hard evidence of that lack of will is the cut in funding to cultural agencies and the compromise and testing by government of the arm's-length relationship that it has with the cultural agencies that it funds. As I say, the context of my speech will be broadcasting, and I would like, as quickly as possible, to give some hard numbers on why I am concerned and why I think that all senators and citizens should also be concerned.

Culture is, by dictionary definition, the sum total of ways of living built up by a group of human beings which is transmitted from one generation to another. I would like to quote a former president of the CBC, A.W. Johnson. In making a presentation to the Applebaum-Hébert Committee, he said:

Broadcasting . . . is the most powerful means by which modern nations and peoples share a common experience, learn about their national identity, learn about their culture, learn about themselves.

As well, I would like to quote, both now and later, from an excellent article called "Changing Channels" which appears in the current issue of *Canadian Forum*. It is an article by Sandra Gathercole which states:

Television is the most powerful social force in the modern world, a force neither culturally nor socially benign. Television "refashions us in its own image," as the 1951 Massey commission charged of Hollywood movies.

We are what we watch. Television secretes a value system that is most effective when the medium appears to be at its most innocuous: when it is "entertaining" with dramatic programming. American "entertainment" programming is really the breeding ground for an American view of the world . . . Studies done in the last decade have shown that Canadian school children think the FBI is a Canadian police force and know more about the laws,

institutions and mores of the United States than those of Canada. An Ontario Royal Commission on violence in the media, and a CRTC examination of sexual stereotyping on television concluded that we cannot correct these problems. They are a function of the fact that we import our television.

As a nation, we have nurtured a naiveté about the significance of this imprinting.

Broadcasting is only one of the means by which we are informed about ourselves, our ideas, our values, our faults. I think that it would be worth our while to spend a few minutes trying to identify what it is that we are watching. Before doing so, though, I, as many speakers have done today, would like to quote from our current Minister of Communications, Marcel Masse. The quotation I would like to bring to this debate is from a statement made in September of this year in Halifax at a federal-provincial conference. In that statement, Mr. Masse said:

What is the meaning of cultural sovereignty today? It means that the major institutions for self-expression contribute to the distinctiveness of this particular people. Furthermore, these cultural institutions must operate in such a way that they can and do reflect this people's uniqueness, in history, development and current society . . .

Any people's cultural expression can best be produced, nurtured and promulgated, with vigor, by themselves. A young American, a valedictorian at the University of Pennsylvania, one Thomas L. Janeway, stated the case with prescience over one hundred and fifty years ago: "The true sovereigns of a country are those who determine its mind, its mode of thinking, its tastes, its principles; and we cannot consent to lodge this sovereignty in the hands of strangers."

To go back, then, to the matter of what we are watching, I would like to refer at this point to comments that were made in an address by the President of the CBC, a copy of which was circulated with the corporation's annual report which came out, I believe, a couple of months ago. The statement relates to this important question of what we are watching and it says:

Canadians now spend over half their leisure time watching television:

More than three hours per day for every man, woman and child in Canada.

More than 2 1/2 hours per day listening to radio.

By the time our children reach the age of 12, they will have spent about as much time watching television as they will have spent in school, namely 10,000 hours. For

English speaking children, 80% of those television hours will have been spent with U.S. programs.

He then goes on to say:

In English television particularly, we have, in fact, developed a system which is substantially American—three-quarters American.

Only 28 per cent of all English language television available in Canada is Canadian.

In Prime Time—from 7 to 11—only 26 per cent of all programs available on Canadian screens are Canadian.

But let's look at the biggest problem of all! Drama.

English speaking Canadians have available more than 52,000 hours of television each year.

Out of this staggering 52,000 hours, about 14,500 hours are Canadian but perhaps the most important thing is that 17,500 hours are drama and they account for 50% of what people watch on television.

But of all these hours of drama that English Canadians can watch, only 375 are Canadian drama—about 1 1/2%. That includes everything: stories for children, for adults, situation comedies, other series, classical drama, etc.

In English, for every hour of Canadian drama on Canadian TV and cable, there are more than forty-five hours of foreign drama.

We have abandoned our national stage to another society.

That is a very powerful statement and one that I think is worthy of note, honourable senators.

I would like to turn now to some statistics. As I said earlier, I hope not to try your patience too much with them. I have already used some statistics, but the statistics I would like to refer you to now are contained again in materials that were distributed by the Canadian Broadcasting Corporation at the time of its annual report. As is often the case, we receive these materials but, because of busy schedules, we are unable to spend the time on them that we would wish. The remarkable thing that I would like to draw to your attention, or draw to your attention again if you have already looked at these materials, is that there is information on the viewing habits of Canadians. The thing that is important to me, and I hope you will share my view of its importance, is that on all television stations in Canada, the CBC accounts for a total of 26.5 per cent of viewing time of Canadians; CTV accounts for 22.4 per cent; the rest is divided among other Canadian and other English, pay and American services.

While that is important and significant, it is of more importance and significance, I think, to look at the break-out of English and French. On English television, the CBC has a 22.2 per cent share of the audience; CTV has a 28.5 share; the American channels account for 31.9 per cent of the viewing time of Canadian viewers—far more than CBC; far more than CTV. Other independent Canadian stations account for the difference of 15.5 per cent; pay television accounts for 1.8 per cent.

On French television, the story is quite different: CBC French accounts for 43.8 per cent of the total viewing audience; TVA accounts for 49.2 per cent; Radio Québec, 5.5 per cent; and other French, 1.5 per cent.

These are important figures because they do confirm the statements that I have quoted from Mr. Juneau's speech to the effect that we are watching predominantly American programs. They are important to you because of the information I have quoted from, to the effect that we are, in many respects, what we watch, and we do spend a tremendous amount of time watching television.

To try to bring a little more life to these figures, I have asked for and received the most recent statistics on audience share of Canadian television. The statistics are for the week of October 28 to November 3. That was the most recent week's statistics available. With regard to that week, 33 per cent of the audience share was held by American stations; 27 per cent of the audience share was held by CTV; 20 per cent of the audience share was held by CBC; and all others, some 12 per cent. During that week the top 25 programs which were aired on CBC included 17 Canadian programs. Just as a matter of interest, the top program was an imported program, "Dallas", and had an audience of 3.7 million people. The next was a Canadian program entitled "Raccoons", which had a total viewing audience of 2.2 million; the next was "Hockey Night in Canada", which had a total viewing audience of 1.9 million. There is then a number of American programs, such as "Newhart" and "Walt Disney Presents". The next Canadian program on the list is "The National", which had an audience of 1.6 million with "Marketplace" having an audience of 1.4 million people. That gives honourable senators some idea of the reality of Canadian television during that particular week.

The top 50 programs aired on the CBC and CTV contained in the top 25 only five Canadian programs, one of which was aired on CTV and four of which were aired on CBC. The top program on both networks was "The Bill Cosby Show", which had an audience of 4.8 million people; "Dallas" was next, and then "The Miss Canada Pageant", which had an audience of 2.2 million people. That was followed by "Raccoons". That gives honourable senators an idea of the extent to which American programming has dominated our airwaves.

A picture of Canadian viewing is what I am trying to convey at this point in my speech. I am also trying to convey the fact that there is not enough Canadian entertainment on our airwaves. I will spend a few minutes discussing why there is not enough Canadian programming. Again, I should like to quote from the article "Changing Channels". In that article Miss Gathercole points out:

Long before the arrival of television, the Conservative government of R. B. Bennett had established, in setting up the CBC in 1932, what has been termed the most important cultural principle in Canada: that the airwaves are public property. Subsequent broadcasting legislation assumed a predominantly public, predominantly Canadian system.

Television began on this premise with a CBC monopoly because, in the words of the Honourable Lionel Chevrier, the then Minister of Transport, in reply to a question asked in the House of Commons:

—it is perfect nonsense for anyone to suggest that private enterprise in Canada, left to itself, will provide Canadian programs. People who invest their money . . . will certainly invest it where they will make the profit . . . by importing American programs.

As true, honourable senators, then as it is today, although some major breakthroughs have been made. I think it is fair to go on and quote further from that article:

The private sector's default is not a matter of moral inferiority but of structural inevitability. Commercial broadcasters in Canada honour domestic production commitments at the expense of their profit margin. Consequently, putting private broadcasters in charge of providing Canadian content is tantamount to giving up that objective. As the CBC's Mark Starowicz has said:

The Canadian marketplace is too small to generate such Canadian production from the commercial market; there will never be a Canadian Broadcasting System if it is governed by the rules of commerce and profit alone . . . the very words of R.B. Bennett.

Again, I will try to reinforce that by reminding you of the statistics that I have just quoted with respect to Canadian and American programming. I should like to give you some examples of why this is so. The program "Dallas" has a production cost, I am told, of approximately \$1 million per episode. You will recall that during the week I used as an example that was the most popular program on CBC. The cost to CBC for a one-hour episode of "Dallas", I am told, is in the neighbourhood of \$50,000 to \$60,000.

Let us consider that in the context of drama produced in Canada. I am told that the outstanding production that some of you may have seen, "Anne of Green Gables", which was aired just this week, had a total cost of \$3.4 million. That was for four hours of drama, and that translates to \$850,000 per hour. Let me compare that to a recent American mini-series which I think is somewhat comparable, "North and South". The cost of that series was \$25 million for 12 hours, which translates to \$2,083,000 per episode. Of great significance is the fact that "North and South" will probably pay for its production costs through U.S. distribution. It is simple arithmetic; they have a prospective audience of 250 million people. "Anne of Green Gables" will not recover its costs through Canadian distribution. Hopefully—and I am sure it will because it is such an outstanding production on which the producers, including the CBC, should be congratulated—it will return its costs and be profitable, but that can only be done by having it distributed worldwide.

I do not want to make a lot of this, but I say that as substantiation of the fact that we do require public funding for our dramatic productions, and in the absence of that, we simply will not have them, and there can be no commercial

[Senator Hays.]

motive to provide this because of the much lower cost of the imported product from the United States, which has very high production values to Canadian life, because they can afford to do the pilots, they can afford to scrap programs and do things that we, in Canada, are just not able to do because we serve such a smaller market.

The solution is not to say: "Well, produce programs that will serve both the Canadian and U.S. market," because the U.S. market will demand U.S. values and U.S. reference points, and to do that is self-defeating in terms of trying to encourage the private sector to produce Canadian programs.

I should now like to spend a few minutes on the subject of whether the cost of public broadcasting in Canada is exorbitant.

● (2020)

Another publication which accompanied the CBC annual report is a financial overview which contains some most interesting information. The overview indicates that for the last fiscal period the cost to Canadians on a per capita basis is roughly nine cents per day for the government contribution to CBC. That amounts to \$32.85 per year per Canadian citizen. The overview illustrates some interesting comparisons to the nine-cent-per-day cost. It indicates that a daily newspaper costs 35 cents; a bus ticket, 90 cents; and a packet of cigarettes, \$2.75. To that list I should like to add the comparison to a ticket to the production of "Cats" in Toronto, which costs \$42.50 for two and a half hours of entertainment; and a ticket to the Canadian opera varies from \$20 to \$57. When you consider the immense entertainment value you receive for a public contribution to national public television in that context, I do not think it is a high cost; on the contrary, I think it is very reasonable.

Honourable senators, I happened to be reading an article recently which was a special in a somewhat dated *Time* magazine. I was interested to note a reference in that to NHK, the Japanese public broadcasting organization. The article states that the NHK, like the BBC, subsists on the collection of fees. I assume the figures are 1982 figures. The fees charged to subscriber homes in Japan for public television are \$41 per year. Using the current Japanese population of about 118 million people, I tried to arrive at the per capita expense and, to the best of my ability, it worked out to four cents per day in 1982 figures, which, strangely enough, is almost exactly what our public contribution to Canadian public television in 1982 amounted to.

It is important for us to consider the costs of public television in the perspective of its cost per capita and its overall importance—and I should not say "primarily"—to our sovereignty because it is the most watched reflection of ourselves we have, bearing in mind the figures I used a little earlier on setting out the amount of time we spend watching television and what we watch.

The next question I should like to spend a few minutes on is this: Is the CBC inefficient? I think it is fair to say that the CBC has a bad image, although I am not fully aware as to

why. In any event, let me quote again from the speech of Mr. Juneau, the President of the CBC, when he addressed the Sainte-Foy Chamber of Commerce on November 6. In that speech he said:

And spare us the foolish talk about the CBC being able to offer all the services requested of it by cutting its administrative expenditures or reducing the number of its vice-presidents. What foolishness! What stupidity! And what hypocrisy!

Some banks, which everyone regards as models of administration, have over 100 vice-presidents; the CBC has 14. Why must we measure things using different yardsticks? CTV, which manages only one English television network, no radio, no international service, no Northern service, almost no production, no local English or French stations, has nine vice-presidents. Once again, why two different yardsticks?

The CBC is administered as well as any government department.

One example: during the cuts last fall, the CBC laid off 350 people and abolished 1,150 positions, out of a total establishment of about 12,000 people.

The federal government, in its programs to reduce expenditures and personnel, laid off 130 employees out of 225,000 and abolished 3,000 positions.

The time has come to challenge the lies, slander and hypocrisy which circulate in connection with the CBC.

I should like to refer again to the article, "Changing Channels", and quote from it as follows:

If it is truly government policy to maintain a Canadian presence on television, this substantial expansion of public-sector programming must happen. In television, as in film, policy-makers have been blind to this obvious conclusion—despite the progressive deterioration of the private industry record—because of the misconception that public sector production is inefficient. In the late 1970s, an independent management study of the CBC conducted by McKinsey and Company, concluded:

The corporation carries out its mandate with fewer resources than could the aggregate Canadian private sector as it is now constituted. Where the CBC incurs higher costs in individual program areas, it is generally due to the corporation's interpretations of its mandate responsibilities rather than to inefficiency.

This country cannot afford to permit the marketplace to continue to decide the content of its television system. Policy must come to terms with the fact that the public sector has been the workhorse of Canadian content. To the extent that the Canadian television system is distinguishable from the American system, it is because of its public components; to the extent that the public sector is undermined, Canadian content is undermined.

The real and present danger to this country's television is that budget cutbacks and privatization of CBC's pro-

duction will mean a public sector appended to the private sector as that sector is now appended to the American system.

I would comment that the American system is not a bad one, but the American culture is much more secure than the Canadian culture. I think it is fair to say that it does not need the same nurturing and the same public concern that Canadian television does.

In concluding, I should like to make a few comments concerning what should happen. It seems to me that what should happen and what we, as legislators, should be thinking about and attempting to achieve is that more funding should be made available for public broadcasting in Canada, and that could be done in a number of ways.

● (2030)

We also have a responsibility to examine closely whether or not the CBC is inefficient, and deserves the image that it has.

It is more than a question of money as well. We need time to develop production capability. The production of Canadian drama or, for that matter, news and current affairs is not something that can be turned on and off by simply supplying money. It is something that takes time to develop and to evolve. We should be aware of that. In that context, it is of the utmost importance that we do not lose the momentum and the small, but important, base which we have achieved to date in Canadian drama. In the case of Canadian news and current affairs, it is a very great and significant base which we have achieved.

What could we expect from additional funding? We have heard over the years from CBC presidents and the commission that what we could expect from additional funding for Canadian public broadcasting is better quality programming. We could expect a second channel in both English and French. This is a commitment of the CBC. We could expect more secure and better quality regional programming.

The governments in the past and this government have tended to spend a lot of time looking into the CBC. These inquiries have served to delay much needed action. We are currently awaiting the Caplan-Sauvageau report. It follows the Applebaum-Hébert report which came down in 1982 and was followed by "Broadcast Policy Review" which was the equivalent of a full investigation and full report.

On average, the CBC has been the subject of an inquiry every three years since it was founded. To add to concerns that I have, there is uncertainty about the effect which the proposed trade negotiations with the United States will have on cultural agencies. This has been discussed in the debate already. The Leader of the Government in the Senate has made reference to the Prime Minister's "Essence of Canada" statement. Part of that statement indicates clearly that our unique cultural identity is something which is not negotiable. I am looking at an article in which this has been discussed, and I cannot help but subscribe to the conclusion that, if we are really ready to walk away from the bargaining table, as Mr. Mulroney suggests, rather than talk about medicare, Canadian

content in television or book publishing, we should make that clear from the start. I do not think that has been made clear from the start.

An article from *Maclean's* magazine of November 18 states:

With the disclosure of secret government documents in *Maclean's*, External Affairs Minister Joe Clark suggested in the Commons that the government intends to put cultural industries on the bargaining table in upcoming trade talks with the United States.

Quoting again from the *Toronto Star* of November 27:

Forming an agenda for negotiations, neither External Affairs Minister Joe Clark or his aides have asked advice from the CRTC or the government's other cultural agencies.

"I don't know if that will happen,"—

—André Bureau, Chairman of the CRTC, says—

—or to what extent we can help trying to define the position of our country. But the CRTC would be most willing to participate in consultations of that nature."

I am rather concerned that the cultural agencies which the government funds are not being consulted about this process. I acknowledge there is a group which has been established by the Secretary of State for External Affairs, which includes the chairman of Baton Broadcasting; the chairman of Telemedia Corp.; the president of TVA Television Network; the chairman of Maclean Hunter; a lawyer from Edmonton; a representative of the Association of Canadian Editors; chairman of the executive committee of Global TV; president of Fitzhenry & Whiteside Limited; and one author, Mr. Graeme Gibson. I personally do not think that that is representative of the group of people who are responsible for Canadian culture. I am sure it is an important and worthy group but there are others who are concerned with Canadian culture who, I think, should be included and consulted.

● (2040)

I again express my concern when I see that Mr. Bureau, Chairman of the CRTC and, apparently, no other cultural agency funded by the federal government is being consulted or used as a source of information in these forthcoming negotiations.

It is interesting as well that the one novelist author in the group is Mr. Graeme Gibson who wrote a letter to the editor of the *Globe and Mail* which was quoted earlier today by Senator Grafstein. To refresh your memory of what Mr. Gibson said, let me read a couple of sentences from his letter. He is talking about a meeting of this group and he states:

We all tried, apparently in vain, alas, to persuade Mr. Clark that cultural matters must not be negotiable.

Since we seemed unable to persuade Mr. Clark, several proposals were made with the hope we might have better luck before it is too late.

It is very clear that there is some confusion with respect to the position that Mr. Clark is taking on these important issues and the position that is being taken by Mr. Masse who, I believe,

[Senator Hays.]

has been complimented today by many honourable senators on both sides of this chamber.

In conclusion, I should like to state again that we must recognize that we have something of immense value in the CBC, Radio Canada, and, as well, Public Broadcasting which is sponsored by the provinces which includes Radio Québec, TVO and Access. Those are the only three provincial networks that I am familiar with but I am sure that there are many others equally worthy of praise.

If we are to retain and enhance our culture and thereby our sovereignty we must support our cultural agencies with more financial resources and, of equal or greater importance, with our attention and vigilance. We should expect nothing short of excellence from our cultural agencies. We should expect that public money is well spent. I believe that public money is being well spent and, if not, we should make careful inquiries to satisfy ourselves on this point.

I believe that the priority now, as far as broadcasting is concerned, is to end the resort to inquiries which are now unnecessarily delaying the making of essential decisions on broadcasting. I have suggested a course of action—more resources. I would not be specific on the manner in which those resources are made available. We saw considerable success with the initiative of the last government with Telefilm Canada, the successor to the CFDC, in encouraging the production of more Canadian drama. There are ways of doing it. There are ways of involving the private sector and this should be done where possible.

The Leader of the Government in the Senate said we want our culture to expand and grow. I believe we must translate that sentiment into action. We can do so by pressing the government to deal with the present funding crisis and to resolve the uncertainty about cultural agencies in the Canada-U.S. trade negotiations.

**Hon. Richard J. Doyle:** Honourable senators, this is an auspicious occasion for me. It is the first time I have ever participated in an emergency debate.

**Senator Frith:** You have lots of company.

**Senator Doyle:** I had spent a wasted boyhood thinking in terms of things like Churchill meeting the war cabinet below ground during the crisis, and I find this is what it is really like. It is a pleasure to be a participant.

I should like to join the Leader of the Government in the Senate and Senator Macquarrie in their complimentary remarks earlier today to Senator Grafstein who, I think, did a good deal to set the tone of what has gone on since. I am particularly grateful to Senator Grafstein because he made a note of the fact that in a report submitted last August 23, and released a short time later as an interim report of the Special Joint Committee on International Affairs, both parties had reflected on the importance of retaining cultural identity in whatever went on in bilateral trade. We were not turning new ground. This had been a preoccupation of the government for some time. But it was a factor and one of the reasons why I