## rearranging the deck chairs on the titanic

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## Is the Canadian broadcasting system hopelessly at sea? Is there any sight of easy solutions to the problem of producing competitive Canadian programming? Is the Canadian Broadcasting Corporation fulfilling its mandate? For that matter, is the Canadian Radio-Television and Telecommunications Commission fulfilling its own? Kirwan Cox answers these questions and many more.



The Canadian broadcasting system is a cultural disaster area – not just because it is a vast wasteland, but because it is an American wasteland. There simply isn't enough money to produce competitive Canadian shows, and thus, 74 percent of English-Canadian viewing time is spent watching foreign programs.

As the Canadian broadcasting system sinks beneath the southern waves, the Canadian Radio-Television and Telecommunications Commission (CRTC), held its public hearing (October 3-13, 1978) to consider the Canadian Broadcasting Company's (CBC) network licence renewals, seem increasingly peripheral.

In the first place, the CRTC has very little real power to turn the system around. The power to terminate a broadcasting licence is the Commission's ultimate weapon. However, they have never used it against a television station even though some private stations such as CJON, St. John's, have deliberately and flagrantly flouted the Canadian content regulations.

The CRTC can't use this ultimate weapon against the CBC since its broadcasting licence is written into the 1968 Broadcasting Act, nor can the CRTC attach conditions to the CBC licence. After the 1974 CBC hearing, Pierre Juneau's Commission attached conditions which would have begun phasing the public service out of television commercials. The CBC refused to accept these conditions and the Cabinet backed it up.

In the second place, what real power the CRTC does possess is being politically circumscribed. The Government has taken two specific measures to limit the CRTC's authority and independence on matters of broadcasting policy. It wrote a new broadcasting act, Bill C-16 (nee C-24), which has not yet been passed. Bill C-16 places all policy-making power in the Minister's hands.

More traditionally, the Government has used the power of appointment to limit the Commission's independence. The obvious example is the premature departure of the strongwilled visionary Harry Boyle, as well as the Government's apparent tendency to use the Commission's seats as a patronage plum for the Party faithful.

A more sublte example of the political limits placed on the CRTC's regulation of the broadcasting system is the \$71 million cutback in the CBC budget announced a few weeks before the hearing. Real power flows from the barrels of the Treasury and with this cut the Government reminded everyone concerned that the public broadcasting service has no financial security.

The August cutback has opened the door to the sublime threat of politically manipulating the CBC through its budget. It also effectively removed any nebulous ability the CRTC had to regulate the Corporation since, without financial security, the CBC cannot make long range promises of performance.

The one power which the CRTC has used somewhat successfully over the years is the power of "moral suasion." It is the power which makes the CBC spend months preparing for the CRTC hearing every fifth year and brings out the

"brief writer" in many people who never submit interventions to other regulators. In fact, the CBC hearing, more than any other single occasion, provides an opportunity to look at the entire broadcasting environment.

This is exactly the strategy CBC President Al Johnson followed with his 52 page opening speech on October 3. He ran down a list of depressing statistics which prove that the Canadian broadcasting system is not meeting the goals of the Broadcasting Act to "safeguard, enrich, and strengthen" the cultural, political, social and economic fabric of Canada." He pointed out the main reasons for this problem – namely the cable systems which bring in American channels wholesale and the private television stations which schedule American programs wall-to-wall in prime time. Johnson said, "The cumulative result, over the last decade, has been to make <u>a</u> mockery of the Broadcasting Act."

He added, "It is brutally evident that broadcasters, the cable companies, the CBC – all of us engaged in and responsible for broadcasting – share some of the blame." The inference was unmistakable: the CRTC and the Government are responsible for broadcasting and must share most of the blame. This was very un-mandarin language for a lifelong civil servant and underscored the passion of Johnson's convictions.

Looking at the entire system, Johnson recommended that the prime time, Canadian content quota for private broadcasters be raised from 50 percent to 55 percent and the CBC quota go up to 65 percent. He wanted the cable companies to shoulder part of the financial responsibility for Canadian programming and to be limited to carrying four American channels. Pay-TV decisions should be postponed for five years.

Then dealing specifically with the CBC, he made ten promises, Treasury Board willing. They included bringing the English network up to 80 percent Canadian content in prime time; increasing cooperation between the English and French networks; increasing regional and independent programming; moving the national news into prime time; making the CBC more open and responsive to the public; and proceeding with a second channel delivered by cable.

The impact of Johnson's speech was strong, both in the hearing room at the Chateau Laurier, and across the country via the magic of cable. Thirty-five cable companies with nearly two million subscribers had formed an ad hoc satellite network to bring most of the proceedings to the public.

The cable coverage had the mundane effect of lessening the size of the crowd in the hearing room. Many people attended the hearing by dividing their time between the television set in their hotel room and follow up contacts in the bar. Pleasant, but the sense of "event" in the Chateau was noticeably diminished from the 1974 hearing with its hot. packed crowds.

More importantly, the television coverage meant many CBC employees could see their bosses for the first time answering questions and explaining why things work – or don't work – as they do. The positive impact of Johnson's opening speech was felt by his own staff, boosting morale at a time when TV Guide and Maclean's cover stories heralded the setting sun of public broadcasting.

Its impact was also felt by the lonely band of public broadcasting advocates which the CBC has carelessly ignored, or treated as enemies, over the last fifteen years. These public

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enterprise advocates, such as west coast writer Herschel Hardin, have often been the CBC's harshest critics because they want a better, ideal CBC. Therefore, it was significant that Hardin immediately wrote a laudatory piece on Johnson's speech for his *Toronto Star* column.

In fact, with the help of the cable coverage, Johnson's performance may have had the side effect of making him President of the CBC. Up to this point he seemed to play a nebulous role in actually running the Corporation, leaving that job to his top executives with years of broadcasting experience while he remained aloof and out of contact in Fortress Bronson — the CBC's Ottawa redoubt. How he chooses to use his new authority may be the most significant outcome of the hearing.

With the entire spectrum of broadcasting carefully opened up by Al Johnson in his first day address, the stage was set for a spectacular follow through by the Commission: a Socratic debate on the future of Canadian communications by the two organizations most responsible for directing that future. However, to the growing uneasiness of people present, the CRTC questioning fell apart. Some questions had been answered in the voluminous documentation provided by the CBC months earlier; other questions were unanswerably vague; still other questions displayed an ignorance of basic principles of broadcasting; and there was no sense of overall strategy. While Johnson's authority was enhanced at the Hearing, the Commission's authority was undermined by its poor preparation.

As the hearing wore on, the Commission's performance improved noticeably, but the damage was done. Following the Hearing, a sudden spurt of criticism of the CRTC's competence over the past eight years began to surface from an emboldened business community.

Then came 56 intervenors from among 138 briefs submitted. This was a noticeable decline from the 300-odd briefs sent in 1974. Most of the people who spoke represented one organization or another. Perhaps the most enjoyable performance was given by Dr. Alex Grigeroff from Nova Scotia. He wanted the same amount of news coverage for culture as for sports. His logic was compelling and his sense of humour a relief.

Two of the most significant interventions were made by the CBC's private affiliates and the cable industry. The CBC affiliates depend on ad revenue like any other private broadcaster and, therefore, were against the CBC's goals of further Canadianization and decommercialization of the schedule. They opposed the CBC-2 proposal which they considered a threat to their ad revenue. Their appearance proved that the CBC will never reach its potential as a public broadcaster until the private affiliates are bought out.

The Canadian Cable Television Association agreed that the cable industry was prepared to meet all the objectives of the Broadcasting Act; was prepared to carry additional Canadian services; and was "prepared to contribute to the cost of those services, *provided* we are recognized as a contributing partner rather than a bill collector." In agreeing that cable's millions must support Canadian programming, the CCTA is bowing to the inevitable. Still, its acceptance of this concept is a major step forward. It could mean millions of dollars for the desperately underfinanced production industry *if* the CRTC actively pursues this wedge.

As the days and days of talk at these hearings fade into an amorphous blur, one moment sticks in the memory. Indirectly commenting on the CRTC's responsibility for the problems of Canadian broadcasting, Commissioner Jean-Louis Gagnon pointed out that everywhere the Commission goes it meets "hostility, hostility, hostility – from the newspapers and from Parliament."

Then he asked *the* question: "Can we build a country that Canadians apparently don't want? Do you really believe Mr. Johnson, that the average citizen in this country wants to be a Canadian?"

The president of the CBC answered "yes", but the letters to the editors in newspapers across the country seemed to say that giving up some American television was too high a price to pay to be Canadian.