

The Critical Questions

In December, 1975, following its June hearings, the CRTC put Pay TV on the shelf indefinitely. On June 2 this year, Minister of Communications Jeanne Sauve announced that Pay TV was inevitable and imminent. Between those dates pay-cable took off in the United States and Network One was licensed by the Ontario Theatres Branch to begin Pay TV operations in Toronto over closed-circuit television systems. Both these facts increased the pressure from the major cable operators for federal licensing of Pay TV.

For these and other reasons an historic decision is in the process of being made, a decision which will radically affect the course of broadcasting in this country – and thus the course of the country. Last June the major question was **whether** Pay TV should be started. Today that question has been changed to **how** Pay TV should be started.

Who should control Pay TV and how should they control it? Should it be a monopoly or not? Public enterprise, private enterprise, or a combination of both?

What will be the programming and who will provide it at what cost? Should the billing be pay-per-channel or pay-per-program? Which system encourages minority programming (Canadian programming)?

Should the delivery system be by satellite, direct broadcast satellite, microwave, UHF, cable, bicycle, or a combination of these? What are the economic models for each delivery system and how much money can be used for program acquisition or production? Should a Pay TV network commission original programming or not?

To what extent, if at all, will Pay TV fragment the commercial television and theatrical markets? Will there be siphoning of commercial TV programming to Pay TV? Should Pay TV be centrally controlled or decentralized? Vertically integrated or horizontally integrated?

How will Pay TV affect the future of the country – socially and economically and culturally? Will it simply increase the penetration of American programming in Canada or will it increase production money for quality Canadian programming?

Anyone attempting to design a Pay TV system

for Canada must answer these questions – or sail away on computer print-outs trying. Behind all of these questions lies the main issue: are we dismantling our culture and our country with this new technology, or developing them?

Pay TV is of major concern to the program production industry. The government has taken great pains to make it clear that Pay TV is expected to serve the national purpose. The answers to these questions must be put on that basis.

With these questions in mind, the Council of Canadian Filmmakers has undertaken a major study of Pay TV and its impact on the program production industry. Secondly, the CCFM has published this special information booklet both as a section of **Cinema Canada** and under separate cover. We are also sponsoring a one-day seminar on **"Pay TV and the Program Production Industry"** in Toronto on August 19 (see ad on the back cover of this booklet). Both are being done to provide the industry and others with a full range of information and opinion on Pay TV.

We hope this booklet and the seminar will generate informed discussion and help in the preparation of submissions to the CRTC on September 1.

While the CCFM has not taken an official position on Pay TV at this point in time, we believe that Pay TV must not simply become another conduit that increases the saturation of Canada with foreign program material. Canadian programming (whether feature films or anything else) must be the primary content of this "fourth phase" (after radio, TV and cable) delivery system. If Pay TV is to make any sense in this country it must help redress the catastrophic underfinancing of the Canadian program production industry (public and private). If a revolution is upon us it must be a revolution for the cultural development of the country and not against it.

At this point Canada has no Pay TV errors to overcome (as we have in film, commercial television, radio, and cable). We can design a Pay TV system from the ground up that is suited to us. We must apply vision to the design of our Pay TV system. We must not be afraid to be daring. □

Kirwan Cox