Public Ownership for Pay-TV

By Graham Spry

(Co-founder of the Canadian Radio League in 1930 whose timely, intense efforts ensured a public broadcasting system for Canada, Graham Spry was given an honorary doctorate by Atkinson College, York University, on June 12, 1976.)

As I look upon this multitude I realize that platform and hall are occupied by what is, in fact, a captive audience. Mr. Chancellor, you know better than I could, the temptation such an assembly offers - in my case, all the frustrated eloquence of an elderly retired agitator flows readily to my lips. Be not alarmed, the temptation is stifled. I have only two remarks to make, the first on the late Mr. Atkinson, the second on broadcasting and Pay-TV.

Briefly, the first is the pleasant recollection of the late Joseph Atkinson of the Toronto Star and this College. I met him from time to time to discuss broadcasting policy and later Ontario and Toronto politics. In 1937, my last chat with him was somewhat significant to me. I asked his advice about finding a job which would provide an income yet allow me to be active in the CCF. His answer proved painfully accurate. I would find, he said, that I was unemployable and I should "leave Canada and start another life somewhere else".

This was indeed the situation and after some months I found that not universities, not government or trade unions could employ me. My trails led me to exile in
New York then London, England in the international oil industry - including Arabian oil. I thus became a socialist in Standard Oil. During the war while still in Standard Oil, I became personal assistant to Sir Stafford Cripps: Sir Stafford, though once forced out of the British Labour Party, was not too dangerous to be one of Churchill's war cabinet ministers. Insofar as Mr. Atkinson's advice shared in leading me into these gyrations, gratitude is expressed. Any contradictions were later resolved by some 20 years in Europe as the very respectable representative of the CCF government of T.C. Douglas, Premier of Saskatchewan, also a doctor of this University.

WHO CONTROLS INFORMATION CONTROLS SOCIETY

Broadcasting, to which I now briefly turn, has been a life-long interest to me, not only because of its entertainment, or education but because, in this age, it is the paramount instrument of social communication. Nay, communication is not merely an instrument, it is an integral and paramount element of both human individual and human social life. Who controls information, controls society. Without the communication of information there is no life and no society.

Since 1920 there have been three phases in Canadian Broadcasting - radio, television, and cable. A fourth phase has been on the way for some years but only now has it become a subject of wide and mounting discussion. It is the emerging phase of distribution based upon the association of cable television and satellite in some form of Pay-TV. We must thank the Minister of Communications, Madame Jeanne Sauve, the Chairman of the CRTC, Mr. Harry Boyle, and the recent discussions in Toronto of the Canadian Cable Television Association for making this new phase a critical concern of at least some of today's rather skittish - what Senator Davey calls "bitchy" - Canadian public.
Time today rightly allows only very short and sharp statements upon the vast significance in power terms of this new distribution system.

First, there are the not improbable financial opportunities. One alternative under discussion is a Pay-TV system based on monthly subscriptions of $8.00 or $96.00 a year. In the figures used in her recent address the Minister, Madame Sauve, cited a gross revenue of $39 million a year of which perhaps $6 or $13 million might be devoted to Canadian programming—a trivial sum in North America but we must be grateful even for small mercies.

A second form of Pay-TV is a charge for each programme selected in the home, say $2.50 a programme in a premium service. That is, if say one million homes selected one programme weekly, the annual gross revenue could perhaps exceed $100 millions a year. Indeed, at $2.50 per programme per week for 52 weeks paid by one million homes could generate for the Pay-TV companies a gross revenue annually of $130 millions.

These figures are massive and, of course, hypothetical but later on they could also be somewhat greater—one programme weekly is not itself massive.

USE PROFITS FOR PROGRAMS

Will the ownership, operation and conditions for licensing or regulating a new national network ensure that the money paid in by the audience is retained in the network for the financing of programmes of Canadian and, also, other origins and will excessive funds be siphoned off into private pockets?

Who, in other words, will determine the ownership and policy of a distribution system based, ultimately from the Atlantic to the Pacific, upon this new nation-
al network combining the cable systems and satellites? Will ownership be determined simply by the operations of the money market or will the ownership and operation be held by a public authority? This is a large question and its answer will greatly change the structure of Canadian Broadcasting. My conviction is that some form of autonomous public ownership is required, provided there is a real distinction between the term public and the term state. Where public opinion and culture are involved, my prejudice is this: as little as is necessary of the state, the party in power, and as much of the public as practicable.

There are hosts of other vital questions. This last is critical. What is the policy of the Department of Communications towards the CBC? Madame Sauve's speech on June 2nd was not designed, as I read it, to define precise policies but to awaken the Canadian people to the issues. The CBC, with the most extensive coverage and most extensive Canadian programming in both languages has, of course, its share of critics, rivals and enemies. But to turn the CBC either into a subordinate voice of the government, the state, or into a mere adjunct of some Toronto dominated private Pay-TV network would be unacceptable, indeed intolerable. No such implication is to be found in the remarks of Madame Sauve, but there are intricate, even dangerous problems to be resolved.

NEED OR ABILITY TO PAY

From the point of view of the mass Canadian audience, there is a particular question to be asked about a Pay-TV system financed by charges per programme seen by the viewer. Look ahead, I ask you, a few years — or less — and suppose that the owners of Hockey Night in Canada decide that their property, the hockey games as programmes, would generate a greater revenue for the owners if sold to a Pay-TV system or distributor.
The result would be not the great national audience the games have long commanded but a much decreased audience of these more able to pay a charge determined by the owner of the programme rights for every game watched over home sets. The question also applies to say the most overwhelmingly popular American movies.

These comments are too short to be adequate but I trust some of them suggest two or three main issues and their importance to the Canadian people and nation.

Once again, Canadian broadcasting is being revolutionized by a new technology, a great and useful technology, mainly American in origin and primarily commercial in its purposes. Once again we could be led up the garden path.

Yet until very recently there has been insignificant public debate. The new problem has not been defined in Parliament nor has the House of Commons Committee on Broadcasting fully examined the imminent revolution that has been launched. The Canadian Radio-Television Commission will receive comments from the public up to Sept. 1st next. Will it hold public hearings before deciding who shall own and operate the new distribution system? Who will decide, indeed, whether its purposes will be national purposes, those of truly national public broadcasting, or private business?

The fourth crisis and phase in Canadian broadcasting is rushing pell mell upon the Canadian people and once again we know too little of what it means.

But this is the fundamental consideration. A society that has lost its control of its information has lost itself.