EDITORS:

**Policy and the Talisman Chip**

The calling of a federal election for May 22 has left the country in a state of limbo concerning legislation which was left on the order paper. One piece is the highly important Communications Bill C-24.

Invention, technology and policy feelers in Canadian telecommunications have been whirling around together at fast-forward speeds and yet paradoxically held back by some five years of Hamlet-like hesitation in decisions on crucial issues.

How crucial may be seen by a statement recently issued by the nine-member Consultative Committee on the Implications of Telecommunications for Canadian Sovereignty, known as the Clyne Committee. This committee of journalists, business men and consultants met from last December until this April to recommend a restructuring of Canada's telecommunications system. It has produced a 164-page report. The government felt a report was required because the Canadian communications system is, it said, "in the midst of a crisis more profound than any that has affected it since the 1920's. The Report itself declared: "What is happening now in telecommunications will set the terms of life in the 21st century just as surely as what happened in 19th century industrialism set the terms of life for the 20th century."

The year 1979-80 has loomed as a communications crossroads for Canada in which vested interests and public interest groups, plus federal and provincial government policies were somehow to be resolved and integrated or rolled into an acceptable ball of wax. But there was no time to be lost, Communications Minister Jeanne Sauvé repeatedly warned.

With the Clyne Committee report, at least some action has been taken as a sort of last-minute cliffhanger for an outgoing government even though there is a question mark as to who will be the incoming party and what policies it will pursue. The vexing question of pay-TV which may well lead to the death of that sovereignty the Committee was set up to ensure was dealt with by recommending a pay-per-program plan, rather than a flat fee. The continued imperative of Canadian content was reaffirmed and its need asserted more strongly. Recommendation was made of a point system for television which would measure money spent and both quality of program and time of day shown. This is long overdue as Canadian content has long been cynically manipulated.

The CBC received the fullest praise for being one of the "main instruments for the preservation of Canadian social and cultural sovereignty" with the enjoinder that it be given all the money it needs to fulfill its mandate. Emphasis on "specials" was suggested and the yielding of sports and variety to private stations. A back slap to officialdom was made in the admonition that federal authorities should stop hounding the public corporation.

Some other important points in the 164-page Report were: *commercial TV*
stations should be obliged to follow the CBC lead in exchanging programs that reflect the character of the regions; wealthy, big-city stations should spend more of their revenue on Canadian programs than would be required of small town operators; provincial governments would no longer be restricted to broadcasting educational television, but be allowed to air programs of a general nature which in fact is what they are doing now on TV-Ontario and Radio-Quebec part of the fee that cable users pay, possibly about $12 each or $42 million total annually, be paid into a fund to help subsidize Canadian TV production; cable TV companies should be forced to cut off programs on distant TV channels whenever the local rights to those programs have been bought by local stations. But the committee stated that the practice of deleting commercials from the signals of incoming U.S. stations on cable should be stopped as unethical; the federal government should re-open talks with Washington about the border stations; Cable TV company profits, reported as extremely high for the bigger ones, should be restricted because they have been given a monopoly through their licences.

The committee said that all government agencies should act quickly and aggressively in consultation with private industry to exploit Canada's tele-technology. One of the developments mentioned was Telidon, the Canadian version of videotex; other were fibre optics and communication satellites. Telidon is a public information retrieval system consisting of an attachment to a modified TV set (and a keyboard) which can call up stored material from computer memory banks over the user's existing cable or telephone line and provides many services ranging from electronic newspapers to burglar alarm systems. Fibre optics is the conversion of electronic signals into light beams which are transmitted through hair-thin glass fibres. Light pulsing through the fibre can carry 10,000 times more information than regular copper wire and has a capacity of 2,000 conversations simultaneously or 200 television channels. Field trials are underway in Elie, Manitoba, Calgary, Alberta, Yorkville, Toronto, London and other centres.

At this writing, the full Clyne Report has yet to be issued. But it is obvious that the Committee has been convinced of the "last-chance for Canada" sense of urgency reiterated by the Department of Communications. "Unless Canada moves quickly and decisively to control its own future, the Report warns, speaking of the supply and programming of equipment, there will be massive unemployment, loss of privacy and subjugation to foreign laws, priorities and commerce -- a new dimension of the branch-plant economy...We will fall calamitously behind as an industrial state." The age of information is engulfing us with these all-knowing new machines, many operating from the U.S. and based on the building of tiny wafer-thin silicon chips and data banks, the "emigration" of which Clyne estimates will cost Canada $1.5 billion a year by 1985. The Report observes: "Telecommunications taken in its broadest sense as the foundation of the future will form the infrastructure of the new industrial society now coming into being around the world...if we wish to control our economy we will require a sophisticated communications sector developed and owned in Canada...cannot always be left to variations of the market. We believe that Canadian companies will be dominated by foreign interests and crippled by imports if nothing is done." As a rather sardonic pun goes: the chips are down.

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