The Canadian Television Industry

A STUDY IN CONTRADICTIONS

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Television is probably the most pervasive of all mass media sources in Canada as well as one of the more influential agents of socialization available to the average Canadian. As Wallace Clement has pointed out, television plays a major role in the development of ideology in Canada to the extent that ideology is a framework of assumptions, ideas and values incorporated into the perspective individuals and collectivities use to guide and rationalize their interests, commitments and responsibilities (Clement, 1975: 270-71). This is not to say that other institutions don't also play an important part in the formation of ideology, particularly the family, education and religion. However, television is increasingly taking over many of the functions once held by these institutions (Porter, 1965: 461). We know that 97% of all Canadian households own, or have access to a television set (Information Canada, 1972). Furthermore, television's competitive position in regards to such institutions as education is clearly illustrated when we consider the fact that in Canada today, children between the ages of 6-12 watch on the average of thirty-five hours of T.V. per week (Nielson, 1976). This is roughly equivalent to the time they must spend at school.

The importance of television in Canadian society is further exemplified by its function within the dynamics of public opinion formation. 

Television's dissemination of information about Canadian society and its specific social, cultural and economic problems provides the basis on which the Canadian public weigh, judge and evaluate the effectiveness of existing governmental policy and the relevance of party platforms (McCormack, 1976: 93). Television, as well as other mass media sources, constitute a vital link between Canadian public interests and the political parties which are expected to represent them.

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The importance of television in Canadian society is also exemplified by its role in the definition and communication of Canadian culture. However, Canadian television as a cultural force must necessarily be seen in concomitant relationship to the economic dimensions of television as an expanding and profit oriented industry. The existence of television in the private sector as well as, to a lesser extent, in the public sector in Canada, is predicated on its ability to effectively promote corporate advertising interests (Brown, 1971). The creation of consumer needs and the satisfaction of those needs through conspicuous consumption is one of the essential dynamics of modern industrial society; ensuring the continued growth, development and legitimization of multi-national corporate interests within the context of neo-capitalism (LaMarsh, 1969: 261). In addition, the private sector of the Canadian television broadcasting system, constitutes a corporation in its own right, the interests of which are directed towards the maximization of its own profit potentials. The economic self-interest of the private sector of the Canadian television industry and its promotion of multi-national corporate interests through advertising are important factors which ultimately determine the type and quality of television programming available to the Canadian public.

The multi-dimensional role of television has long been of concern to the Canadian government since the inception of television broadcasting in 1952. The most definitive expression of this concern was originally articulated in the Canadian Broadcasting Act of 1968. In recognizing that television in Canada should contribute positively towards the shaping of a representative Canadian identity, the Federal Government formulated the Canadian Broadcasting Act which made the following declaration of media policy: "The programming provided by the Canadian broadcasting system should be varied and comprehensive and should provide reasonable, balanced opportunity for the expression of differing views on matters of public concern, and the programming provided by each broadcaster should be of high standards; using predominantly Canadian creative and other resources" (Broadcasting Act, 1968).

The Act of 1968, for the first time, made the Federal Government's policy intentions clear with respect to Canadian television in that it was now expected to:

a) safeguard, enrich and strengthen the cultural, political, social and economic fabric of Canada;
b) protect freedom of speech;

c) ensure the rights of both English and French broadcasting interests;

d) provide a service which is predominantly Canadian in content and character;

e) reflect a broadcasting service which has a balance of entertainment for all ages, interests and tastes;

f) carry out actions in the public interest (Toogood, 1969: 103-15).

In general, it was hoped that the Act of 1968 would serve as a formal means; ensuring that programming content would be reflexive of the different ethnic, class and regional interests of Canada as a whole.

The official policies of the Canadian Broadcasting Act might be praised insofar as they are based on the recognition that both the means and substance of mass communications, especially television, are crucial to the development of Canada as a mature nation state, with a cohesive understanding of its own identity. Nevertheless, the promises of the Act of 1968, in the promotion of Canadian content, talent as well as the wide-ranging interests of Canadian society by the television networks, remain promises which cannot be accepted at face value. For this reason they warrant careful and critical scrutiny. The fact that the intentions of the Act of 1968 do not seem to have been realized, must be related to a number of essential contradictory characteristics of the public and private sectors of the Canadian television industry. There are certain inherent contradictions, built into the Canadian television network systems which prove to be antithetical to the purposes which television has officially been expected to serve in the promotion of a representative Canadian cultural identity.

There have been a number of serious attempts to critically look at the functions of television in Canada and the problems associated with it (Babe, 1975; Comer, 1969; Crompton, 1964; Glynn, 1956; Gordon, 1974; Johansen, 1973; Lax, 1974; Scanlon, 1967; C.J. Scheer and S.W. Eiler, 1972). Despite the constructive value of all these analyses, research on television remains conspicuously underrepresented in comparison to other areas of research in Canadian social issues. The lack of such research is most noticeably evident within the context of Marxist theory.
As Dallas Smythe has observed, "the mass media of communications and related institutions concerned with advertising, market research, public relations and product and package design represent a blindspot in Marxist theory in the European and Atlantic basin cultures... The literature of Marxism is lacking in materialist analyses of the functions of institutions called the consciousness industry" (Smythe, 1977: 1).

The non-Marxist critiques of Canadian television are likewise characterized by a serious shortcoming insofar as they have failed to develop an holistic framework of analysis. Non-Marxist media theorists have focussed their attention in a piecemeal fashion, on specific and seemingly unrelated characteristics and problems of the television industry, inclusive of: ownership and control; American influence; governmental television policy; certain historical features of the growth of Canadian television and specific issues related to the program content. Even more importantly, these non-Marxists analyses fail to consider the political economy of the Canadian television industry from an historical and materialist point of view.

Holistic Frame
For Non-Marxist
And Marxist
Theory

What is sorely needed at the present time is an holistic framework of analysis within which the many disparate Marxist and non-Marxist analyses of Canadian television might be meaningfully integrated and placed in perspective. The elaboration of such a framework would make it possible to deal more comprehensively with the very basic and central problem of why the goals of the Broadcasting Act of 1968 have not yet been realized.

It is in the hopes of contributing to the definition of such a framework that this paper will endeavour to outline six structural dimensions of the organization of the Canadian television industry. The six dimensions to be examined here include: the historical origins and development of the Canadian television networks; the pattern of ownership of the television industry in the private sector; cable television; the Canadian Content Requirements; the CBC; and finally, the CRTC. It will be further contended that the reality of Canadian television today may be understood from a macro-sociological perspective, in terms of certain inherent contradictions, which characterize these six dimensions of the television industry. Ultimately, it is the operation of these inherent contradictions which has effectively denied the possibility to date, of Canadian television developing as a representative mass medium, contrary to the original intentions of the Act of 1968. The provision of this multi-dimensional and macro
framework of analysis should be understood in heuristic terms. This is to say that it should be interpreted as a tangible guideline to future research in Canadian television and as a subject for debate, rather than as constituting a set of complete and substantive conclusion in themselves.

The Origins and Development of Canadian Television

The fact that Canadian television remains unrepresentative of the country's diverse class, ethnic and regional interests is, in the first instance, directly related to its historical origins and the underlying dynamics of its growth and development as an industry. After 1945, Canada, like the majority of other Western nations returned to a peacetime economy. It was only with the ending of the war, that it became clear to private Canadian broadcasters and entrepreneurs of the need to establish a viable television broadcasting system. American television stations had already reached a high level of development by 1945. Prior to the introduction of Canadian television programming, viewers in the major urban centers of Toronto, Vancouver and Montreal had received extended exposure to U.S. T.V. programs, transmitted from border stations (Garth and Hemmings, 1975: 251).

Given the growing influence of American television on Canadian audiences during this period, both private broadcasters and the CBC were keen to establish an indigenous Canadian television service. The private Canadian broadcasters especially, were acutely aware of the post-war economic boom and wished to make every effort to take full advantage of the increasing advertising budgets of manufacturers (Shea, 1963: 57). The orientation of the private sector in Canada, towards television since its inception, has been to utilize it as a vehicle for the securing of profits from the advertising programs of American and Canadian commercial interests. For this reason, private broadcasters fought hard against the possibility of the Canadian television system coming under the control of the CBC. Private entrepreneurs like Arthur Surveyor, who had leading financial interests in such corporations as RCA Victor and Canadian International Investment Trust, attempted to use strong political pressure to have the private and public broadcasting sectors separated and government control of private television broadcasting minimized (Peers, 1969: 418).

Despite the extended efforts of the private sector, the Canadian Federal Government, under the directives of the
Massey Commission, issued the first announcement in 1949, that the new medium of television was to be developed under the singular authority of the CBC. As a consequence, no private television networks would be allowed to operate without the permission of the CBC Board of Governors (Peers, 1969: 416). The CBC was authorized to establish television production centers and transmitter stations in Montreal and Toronto with the aid of a federal loan amounting to $4.5 million. Immediately, both the Western and far Eastern Canadian provinces recognized that the development of Canadian television, because it was centralized in Quebec and Ontario, failed to take into consideration the economic and cultural interests of the rest of Canada (Underhill, 1951: 12). The centralization of the television industry has been one factor of many, which has facilitated the underrepresentation of the interests of both the Western and Maritime provinces, in terms of media ownership and the actual content of television programming (Ayre, 1951: 25-9).

In December, 1952, in a second policy statement on television, the Federal Government urged the CBC to expand television services across Canada as quickly as possible. This action was not, however, in direct response to pressure from the Canadian public for an independent and representative Canadian television service. Rather, it was a response to pressure from private broadcasters who were more eager than ever to begin the establishment of private television stations, once the CBC had started to produce national programs and had the basis of a network (Sedgwick, 1953: 30). The second source of pressure was from those groups of companies engaged in the manufacture and sale of television sets - RCA Victor, Marconi and Westinghouse (Peers, 1969: 401). All of these firms were and remain Canadian subsidiaries of American multinationals.

Under the Massey Commission, the development of television in Canada was supposed to be guided by the concern for the realization of Canadian cultural and national identity. Nevertheless, we see that the real underlying impetus for the emergence and expansion of television in Canada was first, the desire of private broadcasters to secure American advertising dollars and, secondly, the promotion of American multi-national corporate interests in the manufacture and sale of television sets.

A fundamental contradiction has existed since 1952, between the official government policies towards television and the actual historical dynamics of its development.
as related to the interests of the private sector to secure higher levels of profits from the television industry as a whole. **This contradiction may very well** have ensured the continued irresponsibility of Canadian network television to meeting the wide ranging needs of Canadians, especially outside of Ontario and Quebec.

The important question which must be answered in future research, possibly through comparative studies, is whether or not it is practically feasible to have a television network in the private sector which can be responsible to the diverse interests of the whole society, as well as being able to promote its own self-interests in relationship to maximizing its profit goals. Ultimately, this is a question to which this analysis will repeatedly return.

The Ownership Pattern of the Canadian Television Industry

Attention must also be given to the ownership pattern in the private sector of the television industry. This ownership pattern, because of its contradictory implications, may be considered a further guarantee of the unrepresentativeness of Canadian television. **At the present time** the CBC operates the largest television network in the world; consisting of a composite of six networks and twenty-seven stations. In the private sector, the CTV network constitutes the central programming centre for twelve member stations. In turn, these network stations originate programming for seventy-seven other private affiliates. The French-Canadian counterpart to CTV is Télé-Métropole which consists of three affiliates as well as serving eight independents (Canada Year Book, 1972: 64).

Prior to the proclamation of the Broadcasting Act of 1968 and the establishment of the CRTC, substantial equity and debt positions were held by foreign interests in Canadian broadcasting. After 1968, in accordance with the stipulations of the Broadcasting Act, the CRTC following an Order In Council, ruled that non-residents were limited to no more than 20% of all voting shares in media corporations (Lax, 1974). **It was also required that total foreign investment** in media organizations in the private sector, including debt capital and retained earnings, could not exceed 60%. Further to this requirement, all directors of license holding or share holding Canadian media corporations had to be Canadian, while holding companies involved with television broadcasting were restricted to one corporate level of control (Clement, 1975: 287-324).

With regard to the corporate structure of media organ-
organizations, it was stipulated by the Order In Council that such organizations not be restricted, as in the past, to three tiers of corporate ownership between the licences and Canadian citizens. This move was intended to make voting shares more readily available to the Canadian public. Nevertheless, the exact opposite came to be true. It is in this context that we must understand the contradiction which exists between the officially intended guidelines and expectations for the ownership of the television industry and the actual ownership pattern that has ultimately come to characterize the private sector of television in Canada today.

The Canadian media sector, through the efforts of the CRTC, is now more or less excluded from direct foreign control. This is not to say that the indigenous Canadian owners of the television industry in Canada are necessarily representative of the wide spectrum of Canadian interest groups. Owing to the fact that television is capital intensive, financial intermediaries such as pension funds, mutual life investments, credit associations and other non-share corporate entities quickly came to dominate the ownership of the private sectors of the Canadian television industry. This trend in television is similar to the concentration of ownership, in the finance transportation and utilities sectors of the Canadian economy (Clement, 1977).

Today, the vast majority of private Canadian television stations are owned by no more than sixteen dominant media corporations. In addition, 49% of those individuals who maintain a controlling position in one of these media complexes, are also members of the executive or hold directorships in one of the thirteen dominant corporation in Canada. The ownership and selection of key personnel to fill decision-making positions within the television industry, is heavily biased in favor of those individuals of the upper class who have attended select schools and universities, who were born in Ontario and Quebec and who are largely Anglican in religion and Anglo by birth (Clement, 1975: 340-1). In short, the ownership of television within the private sector is heavily biased in favoring particularistic interests in Canada.

It is important to emphasize that this indigenous concentration of ownership is in complete contradiction to the official attempts to democratize the television media, although such attempts were at least successful in excluding direct American and foreign control. The contradiction which exists between the hopes of the CRTC in
promoting dispersed and democratized Canadian ownership of the television in the private sector and their failure to recognize the capital intensive nature of the industry, has been a major factor in allowing private television to come under the control of a nationally unrepresentative media elite.

An important question which must be answered by future analyses, is whether the composition of the television elite in Canada has a direct effect on the content of television shows? To this end, the degree to which the media elite directly participates in the management decisions of the private networks must be carefully examined and evaluated.

Cable Television - CATV

Yet another equally as contradictory situation which ensures the denial of Canadian television as a representative mass medium is the role which cable television (CATV) is currently playing. Canada is the most heavily cabled nation in the world. Like the Canadian private television network, the six major Canadian cablevision companies are owned in whole, or in part, by the Canadian media elite (Lax, 1974: 228-239). Thus, not only are the "sources" of television communications heavily based in favor of the upper class of the Ontario and Quebec establishment, but this is also true of the "means" by which television is communicated across Canada, via the cable systems.

The six major cable companies serve about 71% of all Canadian T.V. subscribers. At the same time, cable television allows American programming to be widely available to this significant number of Canadian viewers. By imparting distant signals into communities already served by one or more local stations, CATV seriously contributes to limiting or fragmenting the audience of the local Canadian stations. Such fragmentation is due to the fact that audiences demonstrate a preference for American programming or at least specific aspects of it (CBC Research, 1963: 39-71). In major Canadian cities such as Vancouver, it has been found that CBC received 29% of the total viewer hours, CTV 25% and U.S. cable stations received 46% (Babe, 1976: 173-187).

As Gary Lax has emphasized, the reduction in viewers of the local Canadian television outlet precipitates a corresponding decrease in advertising revenues (Lax, 1974: 240). The importation of American signals in this sense
causes extensive revenue drain in that Canadian advertisers would rather buy time on the more popular U.S. stations. The attraction of buying advertising time on U.S. television stations is further intensified by the fact that American television is subject to less stringent laws regarding the advertising of food, drugs and alcohol. It is estimated that this revenue drain amounts from 12 to 15 million dollars per year of Canadian capital which is spent on advertising on American television stations (Babe, 1975: 208-12). To a large extent, cable systems present a serious challenge to the existence of a distinctive Canadian broadcasting system, sympathetic to the needs of local communities and the nation as a whole.

The contradictions which exist between the demands of Canadian advertisers for cable television, the ineffectiveness of the CRTC in the face of such demands, and the right claimed by Canadian citizens for American programs through cable, together contribute to the denial of Canadian cable T.V. as a viable and useful means for the promotion of Canadian cultural activities. This situation suggests an additional set of important problems which warrant critical attention in future research. These problems relate to examining the reasons why the CRTC has been unable to develop effective cable policy. Secondly, research is necessary in determining why American programming seems to be more popular among Canadians than locally-produced Canadian shows.

Ottawa's solution to the problems associated with cable television, has been to proceed with caution in terms of effective policy proposals. However, growing demands by the provinces, especially Quebec and Manitoba for provincial control over cable services, may force the CRTC to speed up its policy development. Quebec is intent on controlling cablevision and has repeatedly expressed the opinion that jurisdiction over all electronic media is necessary to meet its cultural responsibilities and to "offset a new massive entry of foreign cultural products" (Fletcher and Fletcher, 1978: 8). During the recent First Minister's Conference, Manitoba also requested extended jurisdiction over its cable facilities, in providing better communication services to the scattered populations of its northern interior (Fletcher and Fletcher, 1978: 8).

Provincial control over cable channels could well mean the restriction of American advertising for the sake of promoting the advertising of local Canadian commercial interests. The stripping of American advertising would
involve the loss of notable revenue to private Canadian broadcasters and cable companies. For good reason, private broadcasters are worried that their economic interests will be ignored in the on-going debates between the Provincial and Federal governments. The real issue then, is the fundamental contradiction which exists between the promotion of provincial regional interests and concerns, as opposed to the possible loss by Canadian private television network stations and cable companies of sizeable revenue from American and Canadian advertisers.

**Canadian Content Regulations**

A further contradiction inherent within the organization of the Canadian television industry is related to the problems associated with the securing of Canadian content on television. Today, private television broadcasters have an ambivalent attitude towards content regulations. They are never happy with content regulations or with requirements to spend money on community programming. Maximum protection at minimal cost is the ideal business arrangement which is sought at the present time by private broadcasters from the government. The commitment of private broadcasters to strengthen the Canadian program production industry is effectively mediated by their need to maximize their own profit margins. This usually means the exclusion of Canadian content as much as it is legally possible. In many instances, the Canadian public react just as angrily to Canadian content regulations and object to the Federal government, depriving them of their right to watch American stations (Singer, 1971: 425). Such widespread dissention over Canadian Content regulations makes it difficult for the CRTC to operate on a basis of popular support and mutual understanding.

The Canadian Content Requirements technically referred to as CanCon are utilized by the Canadian government in ensuring the development of indigenous program production for television and radio. For Canadian television, a minimum of 55% CanCon has been required since 1959. The CanCon requirements to date, are only generally defined and relate to a variety of factors, a combination of which may be used to qualify for CanCon status. These factors emphasize the place of production as well as the nationality of principle actors, producers and other creative artists.

The first level of contradictions which exist between the intended purpose of the CanCon requirements and their actual ineffectiveness is contingent to the problem of
the financing of Canadian television productions. It has been consistently cheaper for Canadian networks to purchase American programs than to produce Canadian ones. As a consequence of the intensive level of capital investment, the high risk factor and the very real possibility of securing a minimal return on such investment, Canadian entrepreneurs have been generally reluctant to finance the production of Canadian television shows. The future prospects of broadcast advertising and investment in Canada were already anticipated in 1966 in a report by O.J. Firestone. He clearly indicated that television production is becoming a high risk and capital intensive affair. This trend has meant that "more and more of the [investment] capital is likely to come from large investors and institutions... This changing pattern of financing, as far as private broadcasting is concerned, may bring new problems to the fore... [the] concentration of ownership of communication media..." (Firestone, 1966: 302).

The financing of television programming is equally as concentrated as the overall ownership pattern of the private sector in Canadian television and holds similar negative implications for the promotion of representative programming. The concentration of finance capital would mean that, like any other industry faced with monopolization, television program production would be subject to a single management structure. As can be justifiably expected, the fundamental goals of management would focus on minimizing the risk factor involved in the initial investment. In turn, this would mean, and indeed this has been the case to date, that those television shows produced in Canada have an orientation towards the lowest common denominator in the television audience. The production of Canadian television shows, within the context of sensationalism and low-level variety entertainment is an effective guarantee to the investors and advertisers that these shows will be watched by as many Canadians as possible. This constitutes an assurance that an adequate return will be received on their investment.

An additional factor which has inhibited the development of high quality Canadian programming content is related to the fact that there has been a notable draining off of Canadian acting and production talent to the U.S. In the United States, career opportunities appear more available for Canadian actors and producers and financial rewards for their services are more lucrative.

The lack of Canadian production and acting talent is complemented by the CRTC's vague definitions and inces-
The indecisiveness of the CRTC has given the private broadcasters and the affiliates of CTV the opportunity of arguing that the presentation of Canadian sports spectacles meets all of the CanCon requirements. For the private television broadcaster, Canadian cultural content is understood as being equivalent to the presentation of programs dealing with the spectacles of various mass spectator sports events, in which professional Canadian teams compete. These sports spectacles provide large returns for Canadian and American commercial interests, who are only too willing to use them as vehicles to promote their various products.

The CanCon requirements are also met by other expedient and questionable means. Except for news and public affairs, the quota for Canadian content is fulfilled by CTV through the use of repeats, heavy programming in the low-viewing summer period and by neutral co-productions for U.S. networks like Police Surgeon and The New Avengers (Gwyn, 1979: 2). As a consequence the actual amount of Canadian content in CTV programming has decreased in the last three years. Since its last licence renewal in 1976, the CTV has reduced CanCon to one-half hour a week from two hours during the prime 8 p.m. to 10 p.m. time slot. Even more significantly, the private network's drama assignments have dropped from 3,129 in the last three years to 333 (Gwyn, 1979: 2). To date, the CRTC has been unwilling or unable to monitor these CanCon avoidance techniques and provide effective policy to control them.

The realization of Canadian content on the CTV network stations is mediated by the inherent contradictions which exist between the formal expectations of the CRTC in one hand and on the other, the lack of sufficiently diverse Canadian financing, the demands for profit by the private broadcasters, the loss of Canadian acting and production talent to the U.S., the vague definition of CanCon by the CRTC and the general unwillingness of the private broadcasters to fulfill these content requirements. Given these negative contradictions, it seems important that future research in Canadian mass media investigate in depth why many Canadian entrepreneurs have been reluctant to finance Canadian television production. Also, research attention must be given to the means by which such investment could be stimulated and how investment opportunities in program production compare with those in the United States.
The Organization and Role of the CBC

One of the underlying purposes for the establishment of the CBC was to ensure the realization of Canadian programming and content in television. The continued existence of the CBC was thought to be a guarantee that Canadians would be provided with quality programs in keeping with the requirement "for a continuing self-expression of the Canadian identity." Despite these well-meaning expectations, there exist a number of inherent contradictions within the CBC organization which have effectively denied the possibility that these expectations may be realized.

First, the composition of the CBC Board of Directors must be considered. The fourteen directors of the CBC, and its president are all appointed by the Federal Government for fixed terms - five years for the directors and seven years for its president. To some extent, the CBC Board of Directors, reflect the same biased ethnic, regional, religious and class composition as the media elite in the private sector. The implications of the compositional spectrum of the CBC Board of Directors is significant, in terms of the degree to which its compositions may effect the overall orientation of CBC television programming.

Another characterizing feature of the CBC which might prevent it from developing large range planning in the efforts to establish a representative television network, is its dependency on Parliament for yearly funding and subsidization. Operationally, the CBC is accountable to the Board of Directors. However, it has been pointed out that the directors of the CBC are often more concerned with gaining the support of the party in power at the federal level, than with the development of a viable programming schedule which may not necessarily be supportive of the official party platform (Laws, 1978: 11). In this manner, the directors hope to ensure continued yearly funding. The question of the interdependency between the CBC and the official policies of the Liberal Party in the past, and the Conservatives at present, is a provocative one. It is a research question which holds major implications for the critical evaluation of the goals of the CBC.

The CBC is also faced with the costly task of developing and maintaining a television programming distribution system that reaches more than 98% of all Canadians; often in remote and sparsely populated areas. This factor alone constrains the CBC as to the amount of money it can invest directly in the production of quality Canadian television
shows. At the same time, the revenue return from advertising for the CBC, in communicating to the more remote sectors in Canada is minimal. This is a fact which the CBC affiliates never tire of pointing out. (CBC, 1970).

According to a recent analysis, 45% of the CBC affiliates' time is occupied by network programming which generates only 15% of their total incoming revenue (Laws, 1978: 11). This dramatic discrepancy in revenue return is primarily due to the reluctance of American and Canadian advertisers to buy spots and finance programs with a high Canadian content. Many advertisers have accurately recognized that at the present time, there is a direct relationship between high Canadian content television shows, of the type promoted by the CBC, and the decline in the size of television audiences. As a result, the CBC affiliates, in the quest to get more advertising dollars, are a growing pressure group. They demand that the CBC's official goals of the further Canadianization of CBC television programs be completely abandoned.

The contradictions and inconsistencies which exist between the official goals and policies of the CBC and the costly task of providing television communication to all of Canada, its yearly dependency on government funding and the growing pressure exerted by the CBC affiliates to stop the further Canadianization of programming make up the present reality of the CBC. It is a reality, characterized by the unsettling fact that the CBC's share of the T.V. audience in English Canada has collapsed from 47% to 24% during the decade 1967-77 (Gwyn, 1978: 2). Also, it is a reality which ensures that CBC television shows, of high Canadian content, remain uncompetitive with American shows, available time via the cable system.

The CRTC And The Future

The question of whether or not the CRTC will be able to improve the quality of Canadian television programming, very much depends on the reception which this official body receives from the public in the future. In a recent analysis by Alex Dryden, it is shown that there exists a high level of public sceptism of the CRTC and a low degree of sympathy. The private sector is frustrated with the CRTC's constant tendency to expand regulatory inhibitions to the development of the industry in the form of attaching new CanCon requirements to the renewal of broadcasting licenses (Baer, 1976: 25). The provincial governments are also becoming increasingly resentful of the fact that the CRTC seems to overly favor federal powers and concerns.
while minimizing the importance of the wide range of regional, ethnic and class interests in Canada.

Apart from these criticisms, it is becoming quite apparent that the CRTC's policies in the last ten years are incongruent with a growing and popular political and economic philosophy which now, more or less characterizes such provinces as British Columbia, Alberta and Manitoba. This philosophy is founded on the belief that industry should be allowed to stimulate itself, rather than be inhibited by endless government regulation (Dryden, 1978: 9).

An explicit argument that the CRTC regulations have inhibited the development and vigor of the industry is contained in the proposed Economic Council of Canada studies of the history and effects of regulation on the entire Canadian economy. As Alex Dryden argues, it is predicted that these studies will culminate in a final report, expected for December, 1980. Many expect that this report will recommend profound changes in the regulatory system which may ultimately involve the restriction of the CRTC's directorial powers. The recommendations of the EEC report would also be congruent with the negative opinions of governmental regulation expressed in the First Minister's conference (Dryden, 1978: 9).

There is little likelihood that the newly federally elected Progressive Conservative Party will display any unusual amount of sympathy for the CRTC. This fact was confirmed before the last federal election by Patrick Nowlan, Conservative spokesman on communication. He openly stated that if the Conservatives win the next election, their first action with regard to communications, will be to replace the CRTC commissioners with individuals more representative of Canada's diverse interest groups (Dryden, 1978: 9). It seems that the redefinition of the CRTC's role in the regulation of the television industry is a very real and imminent possibility.

Recently, the CRTC has displayed an unusual level of militancy in promising to renew the licenses of the CBC and CTV networks for only minimum periods of twelve to eighteen months rather than for the customary five-year term. Richard Gwyn had incisively argued that two factors seem to have pushed the CRTC to this militant position that could very well "make or break the commission itself." As he has emphasized, "if broadcasters ignore its new directives, the CRTC would have exhausted its alternatives other than either to withdraw a network's licence, a step that is virtually impossible politically, or to recommend
its own dismemberment because it is impotent to regulate the broadcasting industry" (Owyn, 1979: 2). Whatever decision is made, the future of the CRTC seems bleak in terms of it remaining as an organization intent on ensuring the responsibility of the networks to the needs and interest of the nation. The contradictions between the CRTC's efforts to regulate the Canadian media industry and those processes which are currently operating in undermining its power base, hold major implications for the future development and orientation of Canadian television.

Conclusions - A Solution of Contradictions

The reality of the Canadian television industry, is mediated by a whole constellation of inherent and dynamic contradictions. These contradictions originate in the conflict of interests which exist between the need of the private as well as the public sectors to secure a realistic level of profit and the expectations which have been placed by the Federal Government on these sectors to promote responsible and representative television programming. The larger theoretical question of whether Canadian television constitutes a vehicle of enlightenment, education and information on the one hand, or conversely, a tool of manipulation and American cultural imperialism must be answered in terms of the framework of contradictions defined here. In turn, it is clear that the complexity of this framework, militates against providing a generalized and monocausal answer to this question.

What Canadians watch on television cannot simply be reduced to the conspiracy of a power elite committed to perpetuating its own self-interests, consumerism and the interests of American multi-nationals (Tunstall, 1977; Wills, 1972). At the same time, television programming is also a product of what Canadians as an audience have found to be entertaining and informative. The fact of the matter remains however, that Canadian television, because of the operation of the inherent contradictions which characterizes its organization continues to fail to live up to the expectations and ideals of the Broadcasting Act of 1968.

While a whole set of inherent organizational contradictions have prevented the Canadian television industry from living up to the policy guidelines outlined by the Federal Government, this does not mean to say that such a situation is a permanent one. One the contrary, Canadian television is also characterized by another constellation of contradictions, set apart from those already de-
fined here, which may indeed provide a basis and impetus for the reorganization of the industry in the future. This other contravening set of contradictions is predicated on two essential and underlying aspects of the Canadian communication industry as a whole: the conflict of interests between the provincial and federal governments and the tendency of the private sector to maximize its profit margins.

The contradiction which now exists in Canada between provincial-regional interests and federal responsibilities is in truth an important indicator of change, at least with respect to Canadian television. Specifically, the demands by the provinces for the control over the cable systems and the intentions of the Federal government to relegate such control to the private sector and the CRTC, holds important implications. If in fact, out of this conflict of interests, the provinces are able to gain the acquisition of the cable systems in Canada, this might very well mean that there would be a tendency for programming to become more responsive to immediate regional needs. Such a development would be much more in line with the expectations and hopes of the Act of 1968.

The second set of contradictions which hold some promise in facilitating the reorganization of television in Canada is directly related to the organizational principles of the private sector of the television industry. To date, the CTV because of its lack of public funding has had to increase and expand its own profit potentials through the promotion of American programming which has been in most cases, contrary to the overall stipulations and requirements of the Act of 1968. Its dependency on American programming has meant that its advertising rates have largely been tied in with its costs of purchasing such programming. Owing to the popularity of CTV programming as opposed to that provided by the CBC and buyers in Canada have been willing to tolerate the rather higher advertising rates demanded by the CTV, in return for the knowledge that their products will be advertised to a larger percentage of the Canadian television audience. Recently, however there has emerged a contradiction within this particular aspect of the organization of the CTV.

The contradiction within the CTV is directly related to the fact that it has had to recently increase its advertising rates by 30% to 40% as a result of the higher costs of American programming. The contradiction which exists between CTV's dependency on American programming
and its desire to continually increase its own profit margins has meant that it has had to pass on the higher costs to national advertisers. As a result, an advertiser who last year bought time form the CTV, on two afternoon shows and one U.S. - made prime time program, would have been paying $3.34 to reach every 1000 Canadian viewers. This year, U.S. shows are being packaged with Canadian prime time shows, and the cost per thousand, as CTV estimates, will be $9.84 (Clifford, 1979 : B1).

The CTV's increase in its advertising rates promise a number of significant developments in the future. Probably the most important of these developments will be that advertisers may become less reluctant to make use of the CBC and its affiliates. A transfer of capital from the CTV to the CBC, even in the short term, would mean an increase in the amount of overall finance capital which could directed towards the development of quality Canadian programming (Clifford, 1979 : B1).

We may understand from these newly emerging developments, that Canadian television today is a fluctuating and uncertain industry. These dynamic and uncertain conditions have been determined by the essential contradictions which have characterized its growth and expansion, historically. However, these contradictions have not been aloof from other developments and trends which have emerged in Canadian society, especially those trends related to the demand for provincial autonomy and the growing need of national advertisers to make use of the most economically viable networks to promote their products. The future of the Canadian television industry and the organizational characteristics which it will adopt will depend on the extent to which these newly developing social and investment trends will be able to offset those contradictory features of the medium which have been antithetical to the realization of nationally representative programming.

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