

A study of

# *The Independent Production Industry*

with respect to  
ENGLISH LANGUAGE PROGRAMS  
FOR BROADCAST IN CANADA

with  
GLOSSARY, BIBLIOGRAPHY, APPENDICES,  
ANALYSES OF DATA.

VOLUME 2

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## GLOSSARY

**Affiliate** - a broadcasting station contracted to a network to carry a specified number of hours of programs each week at specific times. These hours are known alternatively as network time, reserved time, or option (expressed) time. Compare: O and O's, independent.

**Audience fragmentation** - with the addition of more viewing choices, the total available audience is split. The introduction of new channels particularly by cable in a community is said to fragment this audience and by implication reduce the audience for the existing stations.

**Backer** - investor.

**Bicycling** - refers to the physical distribution of film prints or videotape from station to station before return to shipper, each station exposing the program in turn. Compare: network feed, microwave or satellite delivery.

**Broad-band communications** - systems of communication that require much more radio frequency spectrum than AM radio or telephone, e.g. television, computer to computer.

**Buy out** - all rights purchased from talent, e.g. extent of distribution, number of exposures, length of time of use not subject to step-up or residuals.

**Cable saturation** - the percentage of homes subscribing to cable based on the number of homes passed by cable.

**Capital cost write-off** - a deduction from income of expenditures made for capital assets including land, equipment, etc.

**Cassette distribution** - videotape in 3/4 in. format. Compare: broadcast standard distribution.

**Commercial deletion** - the removal of commercial content from the program before re-transmission.

**Commercial substitution** - deletion of existing commercials and introducing other content prior to re-transmission.

**Common carrier** - An individual or company engaged in the transportation of goods in return for a fee, such services being available at uniform rates to all persons.

Contra - a barter arrangement in which the TV station receives the program free but some of the commercial positions are already used for which no charge is made.

Contracting out - implies the sub contracting with outside companies or individuals for services necessary for the production of programs which also reside in the plant, usually when inside resources are at capacity.

Co-production - two or more principals involved in organizing and producing a program. Each party may bring different contributions to the project, e.g. financial, facilities, distribution, talent.

Cost per thousand (CPM) - index of broadcast advertising viewing effectiveness expressed in dollars. The result of the cost of the time purchased divided by the measured audiences in thousands.

Cream skimming - exploitation of only the most lucrative markets without regard to providing services more generally. Compare: rate averaging, cross-subsidization.

Critical mass - concept implies that a production requires a certain minimum level of ability and competence in a wide number of areas (talent, technical, writing, directing, financial, promotional, etc.) before it can be successful and that although there may be exceptional expertise in some areas unless all areas meet a basic standard the project is predicated to failure.

Depletion allowance - a deduction from taxable income derived from an exhaustible or wasting asset. Depletion differs from depreciation in that the asset subject to depletion cannot be replaced. Thus a mine, an oil field, or a film cannot be replaced in the sense that a factory or a machine can.

Diminishing balance depreciation - a method of depreciation by which a constant percentage of the cost of the asset is deducted from income each year on the remaining or balance value of the asset.

Dollar matching - a technique of subsidy which places half the onus on the recipient. For every dollar which can be raised through conventional means a dollar in grant will be added.

Dumping - the sale of goods in a foreign country for less than the market price in the country of manufacture.

Exclusive services contract - an agreement which binds individual to provide services only to the contractor.  
Compare: special services contract.

Farming out - sub-contracting.

Independent production - implies that a producer or production company unrelated to the program exhibitor creates the program. For purposes of this study an independent producer is not a broadcast licensee nor is the production company owned or controlled by interests that also own broadcasting undertakings.

Indirect costs - costs of facilities or staff which are already carried by the company (overhead).

In-house (Production) - the producer or producing company owning its own production facilities and employing staff does not "contract out," i.e. sub-contract for most of the services necessary to produce the program.

International release - distribution in more than in the country of origin. For purposes of this study implies distribution wider than North America and generally means the producer has negotiated the performing rights with his talent for world wide release.

Kinescope - a film recording of a TV picture.

Labor intensive - the use of a large proportion of labor as an input in production in relation to other inputs such as capital.

Leveraged investment - an arrangement whereby a person acquires an equity interest in capital property at a stated purchase price substantially in excess of the amount actually invested or put at risk by him.

Local release - exposure by local station in non-reserved time, usually not simultaneously with other stations.

Marginal rate of tax - the rate of tax which is applied to successive additions to income.

Married (print) - composite film print embodying original film, effects, and master sound mix.

Mobile - out of studio production with transportable facilities.

Multi-station market - a community with more than one station.

Non-guaranteed note - a promissory note which has no collateral or is not backed by a third party as to

payment.

O and O's - owned and operated stations belonging to a network. Compare: affiliate, independent.

Packager - A production entrepreneur who brings together the program concept and the individuals likely to ensure its success. May be a producer or promoter who assembles the writers, directors, major talent, etc. all under contract for purposes of the project and presents this "package" to investors, network program procurers, etc. for funding of the project.

Pilot - a fully completed episode of a potential series to offer as a sample of the entire series to prospective buyers.

Post-production - all activities after production, e.g. color correction, printing, sound mixing, etc.

Pre-production - all planning activity, e.g. locations, scripting, hiring, etc. prior to actual production.

Pre-sold - the production project has a buyer from the outset of production work. Funding from the buyer has preceded the pilot.

Production house - a company which owns facilities and specializes in recording and preparing content.

Re-run - subsequent to first exposure or release.

Residuals - payments made to talent for re-runs of content after initial contract expires.

Rights - an interest held in project by author, talent, producer, etc.

Scale - the established minimum rate for specific talent services.

Special services contract - agreement which binds individual to provide services for a particular project or event but leaves him free to contract with other parties. Compare: exclusive services contract.

Syndication - distribution to individual stations in non reserved time. Compare: network release.

Value added - For a given enterprise, the market price of goods completed, less the cost of materials purchased from others.



Vertical integration - the integration or bringing together of various stages of production under one management or enterprise.

Withholding tax - a tax on income which is deducted or "withheld" at the source of the income.

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PEOPLE CONTACTED

PEOPLE CONTACTED

Adamakos, Peter. President, Disada Productions.	2
Appelton, Jerry. Executive Producer, Global.	2,3
Barnsley, Greg. Director of Community Relations, CFQC-TV.	1
Behnke, Garnet. President, Studio Centre Limited.	2
Bortnick, Norman. President, Bortnick Films.	1
Braden, John. Data Base Section, Department of Communications.	1
Brinton, Don. Executive Vice-President, CKND-TV.	1,3
Browne-Wilkinson, Don. Program Director, CBKRT.	1,3
Carduner, Gil. General Manager, Armadale Productions (CKCK-TV).	1,3
Chapman, E.W. President, CFCN-TV.	1
Chercover, Murray. President & Managing Director, CTV.	2
Cherry, Evelyn. Cherry Film Productions Ltd.	2
Clayfair, J. Special Assistant to the Minister, Revenue Canada.	2
Collier, Margaret. Assistant General Secretary, ACTRA.	2
Cormack, David. ACCESS South.	1
Courville, Leo. Special Advisor on Communications to the Minister of Telephones.	1
Cruikshank, Dave. Director of Radio, CBW.	1
Davies, E. T. Customs Tariff Division, Revenue Canada.	2
Dupasquier, Dalton. News and Freelance Film.	1
Ellis, Ralph. Producer, Ralph C. Ellis Enterprises.	1
Epstein, Seymour. Global Television Network.	1

Penn, David. President & General Manager, CFAC-TV.	1,3
Phillips, Jack. Director of Radio, CBR.	1
Purdy, Ken. BBM.	2,3
Quinn, Robin. Director of Research, Canadian Association of Broadcasters.	1
Ramm, Bob. President, Mobile Video Tape.	1,2,3
Raymond, Bruce. Bruce Raymond Limited.	2,3
Robertson. Tax Evasion Division, Revenue Canada.	1
Ross, David. Special Assistant to the Minister, Secretary of State.	1
Ruttle, Jack. Vice-President & General Manager, CJOH-TV.	1,2
Sher, Bob. Sher & Sinclair.	1,2
Slaight, Alan. President, Global.	2
Starr, Richard. Director, Telecommunications Research, Government of Manitoba.	1,3
Thomas, Stan. General Manager, Sask. Media Corporation.	1
Thompson, Charles. Assistant Director, Telecommunications Research, Government of Manitoba.	1
Van Ostrand, Mort. Freelance Producer.	1
West, Don. Program Director, CBET-TV.	3
Wilks, Wendell. Northwest Video, CITV.	1,2,3
Williams, Paul. Director of Programs, ACCESS.	1
Willis, Robert. President, Canawest-Master Films.	1,2
Yablonski, E. Merchandising and Service Division, Statistics Canada.	1
Young, Larry. Executive Director, Saskatchewan Educational Communications Authority.	1

1. Personal Interview
2. Correspondence
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Ferns, Pat. President, Nielsen-Ferns Ltd.	2,3
Francis, Peter. Chief, Television Programming Branch, CRTC.	1
Garmsen, Haro. Station Manager, CBKST.	1
Gibbs, John. Customs Division, Revenue Canada.	1
Gillespie, R. Director, Income Tax Division, Revenue Canada.	2
Gossage, Patrick. TV Program Research, CRTC.	1,2,3
Harrison, Glen. Supervisor, Manitoba School Broadcasts	1
Hause, Gordon. Special Advisor to the Minister of Telephones and Public Utilities, Government of Alberta.	1
Henning, Gunter. President, Western Films Ltd.	1,2
Hinch, Gordon. Manager, Film Production & Promotion, Imperial Oil Limited.	2
Holland, Gordon. Chairman of the Board, Manitoba Telephone System.	1
Hutton, Douglas. Producer, Northwest Video.	1,3
Keist, Ron. Director, Open Sector, OECA.	1
Kerr, E. J. President, Panorama Productions Ltd.	2
Ledingham, Edwin. Broadcast Programs Branch, CRTC.	2
Lumby, John. President, Lumby Productions.	1
MacBeth, Hilliard. Department of Federal Provincial Relations, Government of Alberta.	1
Mauerhoff, Joy. Executive Director, Canadian Communications Research Information Center.	1,2,3
McCaughey, Wm. President & General Manager, Film Factory Productions.	1,3
Moir, Gerald. Director of Photo, CFAC-TV.	1
Morgan, Wm. Director of TV, CBWT.	1,2
O'Reilly, Robert. Head, Broadcast Division, Secretary of State.	1

APPENDIX "A"

CRTC ANNOUNCEMENT  
PROGRAM PRODUCED UNDER CO-PRODUCTION  
OR JOINT VENTURE ARRANGEMENTS





CANADIAN RADIO-TELEVISION COMMISSION  
CONSEIL DE LA RADIO-TÉLÉVISION CANADIENNE

OTTAWA May 16, 1972

PUBLIC ANNOUNCEMENT

PROGRAMMES PRODUCED UNDER CO-PRODUCTION  
OR JOINT VENTURE ARRANGEMENTS

The Canadian Radio-Television Commission issues the attached guidelines for evaluation of the elements required in programmes produced as co-productions or joint ventures among Canadian and foreign producers to qualify these programmes as Canadian for the purposes of Section 6A(5) of the Television Broadcast Regulations.

These programmes will be called "Special Category Programmes".

The reasons for creating this category are:

- (1) To recognize the participation of Canadian television producers in co-productions and joint ventures; and
- (2) To ensure the maximum possible involvement of Canadian talent in the resultant productions.

In developing these guidelines, the Commission has taken into consideration views frequently expressed to the Commission,

- (1) that the prime responsibility of the Canadian television industry is the production of programmes by Canadians which are relevant to Canadians; and
- (2) that a proportion of programmes relevant to Canadians can have an international appeal without limiting their national interest.

The CRTC has also benefitted from the opinions of many people in the television industry on the relative merits of high-budget and low-budget programmes. The conclusion is that a healthy Canadian television production industry should not be limited to relatively low budget productions, important as they are, but must include a reasonable proportion of high budget programmes. International participation in the financing and distribution of Canadian co-productions can help develop the television industry in Canada. It will help to illustrate the abilities of our creative people on a world-wide basis.

The guidelines on "Special Category Programmes" are designed to acquaint all participants in co-productions and joint ventures with the qualifications necessary to obtain such classification.

The CRTC recognizes that the factors to be taken into consideration may differ from one project to another. It will, at the request of Canadian producers, discuss the proposed elements of co-productions and joint ventures to ensure the necessary degree of Canadian involvement.

The Commission invites the co-operation of all those involved in the production of programmes in the continuing development of policies which will foster a television programme resource of Canadian and international importance.

GUIDELINES FOR SUBSECTION 6A(5) OF THE  
TELEVISION BROADCASTING REGULATIONS

I - DEFINITION

1) In these guidelines:

- i. "Co-production or joint venture" means any arrangement among Canadian and foreign producers to produce, on film or video tape, one or a series of programmes for television viewing.
- ii. "Talent" means all persons involved in a television production.
- iii. "Canadian participation" means that portion of the total cost of the co-production or joint venture spent to employ Canadian talent and utilize Canadian facilities for each of the following:
  - a) Artistic control - those functions directly involved in determining the form and content of a programme including but not limited to concept and writing;
  - b) Principal performers - any person playing a major role;
  - c) Administration and finance - the business arrangement for a programme;
  - d) Technical - the contribution of camera men, sound men, lighting technicians and other technical personnel to the creation of the programme;
  - e) Production - the physical efforts, trades and the facilities involved in creating the programme;
  - f) Post production - finishing processes by which the basic programme is prepared for broadcast;
  - g) Additional talent - performers of less importance than principal performers and off camera performers; and
  - h) Music - the contribution of composers, conductors and musicians.
- iv. "Special category programme" means a programme or series of programmes which have been produced under a co-production or joint venture arrangement as defined, and which are recognized as such by the Commission. Such programmes will be assigned an S.R. (SPECIAL RECOGNITION/SPECIALEMENT RECONNU) number. Programmes recognized as such will be deemed Canadian under Section 6A(5) of the Television Broadcasting Regulations.

II - COUNTRIES OTHER THAN COMMONWEALTH  
AND FRENCH LANGUAGE COUNTRIES

- 2) A single programme or series of programmes produced under a co-production or a joint venture arrangement among Canadian producers and producers of countries other than Commonwealth or French language countries will be considered special category programmes where 50% or more of the total cost of the programme or programmes is spent in Canada on Canadian participation.
- 3) Special category programme recognition will not be given to a part of any single programme.

III - COMMONWEALTH AND FRENCH LANGUAGE COUNTRIES

- 4) A single programme or series of programmes produced under a co-production or joint venture arrangement among Canadian producers and producers of Commonwealth or French language countries will be considered special category programmes where 30% or more of the total cost of the programmes or programmes is spent on Canadian participation.
- 5) Where a series as a whole does not meet the requirements set out in paragraph 4, certain programmes in the series may be considered special category programmes on the following basis:
  - a) In a series of 13 programmes, 8 programmes will be considered special category programmes where 20% or more of the total cost of the series is spent on Canadian participation,
  - b) In a series of 13 programmes, 4 programmes will be considered special category programmes where 10% or more of the total cost of the series is spent on Canadian participation.

IV - GENERAL

- 6) In all cases special category programme recognition will only be given where, in addition to the required proportion of Canadian participation, there is a significant involvement by Canadians in the artistic control of the co-production and among its principal performers.

- 7) A single programme or series of programmes produced under a co-production or joint venture arrangement to which the Government of Canada is a party will be considered special category programmes.
- 8) A single programme or series of programmes produced for or on behalf of any department or agency of the Government of Canada or the Government of any Province will be considered special category programmes.

Monique Coupal,  
Secretary.



APPENDIX "B"

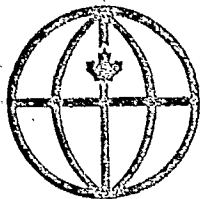
Annex. #1 - Questionnaire to TV Stations

Annex. #2 - Questionnaire to Independent Producers



# UNIVERSITY OF WINDSOR

Windsor, Ontario N9B 3P4. Telephone (519) 253-4232



The Centre For  
Canadian  
Communication  
Studies

October 30, 1975

A research team from the University of Windsor is currently conducting a study of the English-language independent television production industry in Canada. The study is being supported by the Federal Department of Communications.

To assist us in carrying out this study, we are asking you to have your program or traffic department fill out the enclosed form. Your own and/or your Program Director's comments would be most appreciated.

Thank you for your assistance.

Yours sincerely,

Hugh H. Edmunds  
Associate Professor  
Department of Communication  
Studies

/t

encl.

## CANADIAN TV PROGRAM STUDY

### LOCAL STATION PURCHASES OF CANADIAN PRODUCED PROGRAMS

Please list each Canadian program series (film or videotape) purchased by your station and currently scheduled in non-network time. Include your local programs only if they are sold or offered for sale to other stations. If you are unaffiliated, include all your syndicated Canadian produced program series. For purposes of this study, a "Canadian" program is one for which you are claiming Canadian content recognition. Disregard single "specials" or series of less than four episodes.

In no way will this information be used in terms of any individual station and your confidentiality will be respected.

Any comments concerning the availability, quality, content, or costs of Canadian programs would be useful. We are particularly interested in your problems of obtaining either local or national selective sponsors for these programs.

## CANADIAN TV PROGRAM STUDY

## LOCAL STATION PURCHASES OF CANADIAN PRODUCED PROGRAMS

	<u>Name of Program</u>	<u>Length</u>	<u>Day and Time Scheduled</u>	<u>Episodes</u>	<u>Purchased from or Supplied by</u>
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

(If more than ten please use reverse side)

COMMENTS

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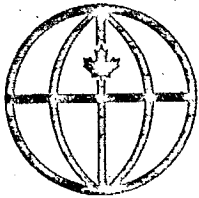
Station: \_\_\_\_\_ City: \_\_\_\_\_ Date: \_\_\_\_\_



# UNIVERSITY OF WINDSOR

Windsor, Ontario N9B 3P4. Telephone (519) 253-4232

January 21, 1976



The Centre For  
Canadian  
Communication  
Studies

Dear Sir:

A research team from the University of Windsor is currently conducting a study of the English-language independent television production industry in Canada. The study is being supported by the Federal Department of Communications.

We are concerned with the amount, quality and value to the economy of programs produced within Canada designed for release on television. As you realize, the terms "independent" and "producer" have a great variety of meaning, but for purposes of this study we are interested in those persons or companies who do not have a broadcasting licence nor are closely associated with a licensee. By "program" we mean anything longer than one minute i.e. not a TV commercial.

The attached questionnaire is designed to be as simple as possible and to take into account that the size of your operation may be very small or very large. It is also quite possible that currently you are not producing programs for broadcast either on film or tape, but I would appreciate your comments indicating whether you are interested in this area of production, what the major problems are, and any thoughts you might have which would improve the industry.

Your company was selected since you are listed in reference material as engaged in this activity and your co-operation would be most beneficial to the industry.

Yours truly,

*Hugh H. Edmunds*

Hugh H. Edmunds  
Associate Professor  
Department of Communication  
Studies

/t

encl.



1. Are you currently producing film or tape programs for broadcast?  
Please check

☐ No  
☐ Yes

☐ Canada Only  
☐ Canada and Foreign Markets

If you answered "Yes" to question #1, please turn over to the remaining pages.

If you answered "No" to question #1, please complete this page and return.

2. a) Are you producing commercials?

☐ No  
☐ Yes

- b) Are you interested in producing programs?

☐ No  
☐ Yes

- c) If so, what have been the major obstacles, e.g. revenue potential in terms of your costs, lack of writers and talent, union requirements, broadcaster's disinterest, inability to compete with U.S. product?

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- d) Recommendations for improvement of industry, e.g. greater Canadian content quota, Government subsidy, quota for independent production.

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- e) Do you see yourself as the initiator of the program idea and script or as being contracted to produce programs for clients from their scripts?

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3. Please list any programs or program series currently in distribution for broadcast.

Program Title and Co-producer (if any)	Client (made for or sold to)	Content Code (see below)	Distributor (if not yourself)	Length (mins.)	No. of Episodes	Currently Broadcast		
						In Canada TV	Cable	Foreign

4. Content Code

	Average cost of production per 30 min. program these categories (x)	Average revenue (30 min. programs) (x)	% of your <u>total</u> revenue in these categories
1. TV Entertainment . . . . .	(x) _____	(x) _____	_____ i.e. X%
2. TV Information or Documentary. . . . .	(x) _____	(x) _____	_____ i.e. Y%
3. TV Commercial (N/A Above). . . . .	_____	_____	_____
4. TV Other . . . . .	(x) _____	(x) _____	_____
5. Education. . . . .	(x) _____	(x) _____	_____
6. Other (non-TV), i.e. feature film, industrial. . . . .	_____	_____	_____

5. a) Facilities and Services. Please check the most appropriate column. Table implies broadcast standard (2 inch VTR, 16 mm film).

<u>Equipment</u>	<u>Owned or on staff</u>	<u>Rented or procured service</u>
Studio (Film)	___	___
Studio (TV)	___	___
TV Mobile	___	___
Cameras (Film)	___	___
Cameras (TV)	___	___
Lights	___	___
Sound Recording	___	___
<u>Services</u>		
Lab Processing	___	___
Contact Printing	___	___
Optical Printing	___	___
Editing (Film)	___	___
Editing (VTR)	___	___
Sound Mixing	___	___
Writers	___	___
Directors	___	___

- b) What percentage of your total broadcast revenue is spent on outside equipment or procured services? \_\_\_\_ %.

6. Would changes in the present tax regulations assist you, particularly, would 100% capital cost write-off for shorter length film (less than 75 minutes) make a difference?

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7. a) What are your major problems in producing for broadcast, i.e. investors, unions, broadcasters, foreign competition?

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- b) Recommendations for improvement of the industry, e.g. subsidies, access to cable, quota for independent production, etc.

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- c) How do you see your role? As initiator of the program idea and script or as being contracted to produce programs for clients from their scripts? What has been your experience with broadcasters to date?

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APPENDIX "C"

ANALYSES OF DATA  
NON-NETWORK PROGRAMS

APPENDIX "C"  
ANALYSES OF DATA  
NON-NETWORK PROGRAMS

Ninety-six program titles were identified as Canadian English language non-network, not CBC Regional Exchange nor purely education. These titles are of series of at least six episodes and were available for distribution in the 75/76 program year. In a few cases the programs received no distribution or single station exposure, but were included since they were designed for multiple station use and not purely local release. To the best of our knowledge, the list is complete. The obvious exceptions were specials.

Each program was researched to determine 14 facts about it.

1. Media of Recording - whether distribution on videotape, film, or if it was film mixed to videotape.
2. Program Distributor - who represents the program for sale in Canada.
3. Status of Production - in production, out of production, more than ten years old.
4. Facility Ownership - whose production studios were used to produce the program and who owned them.
5. Distribution Market - what were the affiliations of the Canadian stations carrying the programs.

6. Number of Stations - how many stations carried the program.
7. Geographical Market - whether the program was sold exclusively in Canada or extent of foreign sales.
8. Content of program - determined as:
  - a) Info Hard - documentary, public affairs, talks concerning issues, informative, factual.
  - b) Info Soft - non-controversial, cooking, travel, quizzes, game panels.
  - c) Sport/Outdoor - sports, sport news, outdoor, e.g. fishing, camping.
  - d) Religious - spiritual, gospel music for evangelical reasons rather than pure entertainment, evangelical whether appealing for money or not.
  - e) Childrens - non-religious programs designed directly for children, e.g. magic, cartoons, variety.
  - f) Dramatic - drama, dramatic narrative, characters and a plot, actors personifying characters.
  - g) Music and Variety - non-religious entertainment using performers, singers, musicians.
  - h) Arts, Letters, Science - similar to CRTC definition, drama, music, philosophy of a classical or distinctly experimental nature.
  - i) Educational - formal education as opposed to informative.
9. Conditions of Sale - whether the station purchased, was given free, bartered time, or was paid to run the program.

10. Number of Episodes - how many programs in the series for a program year.
11. Length of Program - duration 5 minutes, 30 minutes, 60 minutes, greater than 60 minutes.
12. Cost of Production - estimate of ranges of cost to produce the program.
13. Kind of Producer - true independent, co-producer with broadcaster, CTV production house, non-CTV production house, broadcaster.
14. BBM Results - Note: This information was not coded for the computer analysis. It can be summarized as:
  - a) One third of the occasions noted showed insufficient audience for reporting.
  - b) The remainder of attributions with few exceptions showed less than 10 per cent of the available audience.
  - c) Rarely were the programs used in prime time except for the independent stations. These prime time results were mediocre.
  - d) With very few exceptions were these programs ever rated first in the viewing period in their market.

FOR A COMPLETE LISTING OF DATA CATEGORIES AND TABLES, SEE  
VOLUME 3 OF THIS REPORT.



APPENDIX "D"

ANALYSES OF DATA  
FROM  
INDEPENDENT PRODUCERS

APPENDIX D

ANALYSES OF DATA  
FROM  
INDEPENDENT PRODUCERS

Replies to Questionnaire (see Appendix B, Annex 2).

Not applicable	23
Not producing for broadcast	51
Producing for broadcast	<u>39</u>
Total Replies	113*

\*Although this is a small response, the applicable replies were close to the total of all producers active in production for broadcast and represented almost all the firms or individuals identified as active.

TABLE 1

NOT PRODUCING FOR BROADCAST  
(51 replies)

## Question #2

## (a) Are you producing commercials?

Yes	25	49%
No	25	49%
No response	<u>1</u>	<u>2%</u>
	51	100%

## (b) Are you interested in producing programs?

Yes	33	64.7%
No	17	33.3%
No response	<u>1</u>	<u>2%</u>
	51	100.0%

## (c) Major obstacles? (some indicated more than one)

1) Revenue potential	13
2) Lack of writers	4
3) Union requirements	4
4) Broadcasters' disinterest	10
5) U.S. competition	4
6) Other*	17

(d) Recommendations for improvement of the industry.  
(Some indicated more than one)

1) Greater Canadian content quota	7
2) Government subsidy	7
3) Quota for independent production	6
4) Other*	18

## (e) Initiator or contracted for services? (some replied both)

1) Initiator	29
2) Contracted	25
3) Other	0

\*See Supplement "A" following for all comments categorized as other.

TABLE 2

PRODUCING FOR BROADCAST  
(39 replies)

Question #1

(b) Producing for

1) Canada only?	6	15.4%
2) Canada & foreign?	30	76.9
3) No response	<u>3</u>	<u>7.7</u>
	39	100.0%

Questions #3 and #4

See Appendix "E" for complete tables.

Program Content as per Statistics Canada

	<u>No. of Programs</u>	<u>% of Programs</u>
TV Entertainment (1)	14	12.8%
TV Information (2)	83	76.1%
TV Other (4)	0	0
Education (5)	<u>12</u>	<u>11.0%</u>
Total programs	109	100.0%

Does not include Other (non-TV) or Commercials.

Question #5

(b) Percentage of broadcast revenue spent on outside equipment or procured services?

Average	44.5%
Range	10-90%
Mode	50%
Median	40%

Question #6

Would changes in present tax regulations assist you, particularly, would 100% capital cost write-off for shorter length film (less than 75 minutes) make a difference?

Yes	31	79.5%
No	4	10.3%
Other	2	5.1%
No Response	<u>2</u>	<u>5.1%</u>
	39	100.0%

Question #7

(a) Major problems producing for Broadcast? (some indicated more than one).

- |                        |    |
|------------------------|----|
| 1) Investors           | 17 |
| 2) Unions              | 3  |
| 3) Broadcasters        | 21 |
| 4) Foreign competition | 9  |
| 5) Other*              | 17 |

(b) Recommendations for improvement of the industry? (some indicated more than one).

- |  |    |
|--|----|
| 1) Subsidies                           | 6  |
| 2) Access to cable                     | 0  |
| 3) Quota for<br>Independent Production | 19 |
| 4) Other*                              | 23 |

(c) Initiator or contractor? (some indicated both).

- |                                     |    |
|-------------------------------------|----|
| 1) Initiator                        | 33 |
| 2) Contractor                       | 23 |
| 3) Experience with<br>broadcasters* | 21 |

\*See Supplement "A" for all "other" comments.

## SURVEY CODE SUPPLEMENT "A"

## "OTHER" CATEGORY

Question 2. c)

If so, what have been the major obstacles, e.g. revenue potential in terms of your costs, lack of writers and talent, union requirements, broadcaster's disinterest, inability to compete with U.S. product? F. Other

Producer  
Code No.

- 9 Overpowering competition among film production houses.
- 20 We expect to succeed more quickly with our foreign clients than with the domestic since there is a greater availability of both budget and imagination with the foreigners. Canadian licensees in the electronic media are still in the dark ages of communications evolution.
- 39 There is only one way to make money in feature films in Canada. That is co-produce with reliable and qualified producers in the U.S.A. For that we need financing (our share). C.F.D.C. is and has been a detriment. For a bankroll of \$1,500,000 I could start a program of feature films that would do three productions a year continuously. These would be first class productions internationally distributed.
- 46 Competition for time by other business interests, (i.e. earning a living). Lack of local sponsors, lack of local production and lab facilities (Morley Silver is an improvement in that aspect). A certain amount of competition from government subsidized tax supported educational institutions.
- 47 There are only three real markets, CBC, CTV, and Global. As a sideline to our other efforts we have worked on three ideas for TV recently, one dealing with the economy, one on money, one on religion. In each case we developed our ideas to four or more hours of broadcasting, spending something more than 100 hours developing each of the three projects. In a one hour meeting with CTV we were not even asked what our subjects were. CTV has no interest in outside produced programming. Two of the last films we produced for the CBC were

"TELESCOPE" programs. We were paid something like \$7,000 each for two half hour shows at a time when it probably cost the Corporation \$50,000 for a half hour. So the trick is to make a film that looks like \$50,000 while saving enough out of \$7,000 to live on! As you probably know "ALL IN THE FAMILY" is sold to the CBC for \$2,000/show. There are very very few "Independent Producers" anywhere, even in the U.S. Here in Canada it may be just an impossible dream! To sell those two "TELESCOPE" programs we initiated 36 story ideas over a period of 18 months before CBC said "Maybe!"

- 51      The major broadcasters/CTV network affiliates, etc. not only operate as broadcast distribution points, but also offer a production service in the communities that they serve, at rates which no outsider could compete with. They have studios and staff with turn-key operations, which when sitting idle (of their own use) they are prepared to rent out cheaply. An example is Champlain Productions (CFCF-TV, Montreal) or Bushnell Communications (CJOH Ottawa).
- 55      Lack of a big enough market to justify the costs of a well produced program.
- 58      Reluctance of Canadian investors to accept risks associated with Canadian production.
- 61      Inability to compete with in-house direct cost accounting. Inability to overcome incestuous attitude of programmers toward outside productions.
- 64      The major obstacle is the CBC's inability to recognize that independent producers can produce quality programming. The private motion picture producer in Canada is faced with competition in many forms ranging from National Film Board competing for the same programs that the private producer could make and the Ontario Government having its own TV producing facility, namely OECA.
- 75      We make feature films for cinemas only. However, an assured television sale of these would be a very important part of independently financing films. The chief obstacle to this is the lack of a clearly delineated policy by the TV Networks (and thus our government) towards such sales.
- 77      Broadcasters do not tender their programs or film projects so most of the time you just don't hear about them. When you actively pursue this work



you frequently find that one or all of the following applies: (a) you have to produce a film and then try to sell it to them; (b) you are given a film assignment but 'restricted' on budget to a narrow profit margin; (c) often your control over such films is 'limited' creatively; (d) most of these projects are done by a handful of freelancers who have a contract with a broadcaster or some arrangement.

- 78 As an animation producer, I am trying an idea for a series. The major obstacle will be finding a sponsor. Certainly the talent is here. If my ideas are good enough all problems will be overcome.
- 79 Being a new company we have concentrated on industrial productions as this offers an immediate return. However, plan to enter general production in future when financing secured. Length of time needed to produce a profit seems major drawback. Also the unfortunate Canadian habit of thinking we can do it cheaper, this seems to effect potential backers. They automatically think "small budget," rather than "best product." Feel talent, stories, etc. readily available.
- 88 The biggest problem has been "broadcasters dis-interest." Unless you are famous they won't even talk to you. They also have their set few production companies who are the only ones allowed to produce for them. Competition with a U.S. product is pure baloney. I have had documentary films on U.S. T.V. but unless you are, or work for one of the chosen few production companies, Canadian TV is not the least bit interested. There is plenty of talent -- I hold a B.P.A. Degree in motion picture production (obtained in the U.S.) and there are many many others who try it in Canada and end up back in the U.S. industry.
- 89 N.F.B. monopoly of Federal Government departmental film projects is a major discouragement. Private producers should be free to negotiate directly with government departments and should not have to answer to N.F.B.
- 90 In 1972, we produced a 30 minute documentary on Snowmobile safety which was snapped up by the CBC. They made glowing statements about the originality of the production, the quality of the technical aspects, etc. etc. When the time for paying for it came -- we were offered and accepted \$3,000 for

a three year lease of the film. I would assume that if the bureaucrats had produced this film it would have cost the taxpayers about \$20,000 for the same thing. This miserliness when dealing with the independent as opposed to the big-spenders in the bureaucracy wilted any enthusiasm to invest in the production of any other projects without some form of commitment by CBC. Attempts to get commitments were impossible, although attempts were made to pick my brains for ideas gained in 25 years experience.

- 92 Productions created in conjunction with CBC or CTV generally have a limited budget unless corporation facilities are employed. In the west lack of competent facilities and personnel within CTV and CBC makes production quality poor and runs up costs to the outside producer. The product can compete but "strings" imposed by networks make resale unprofitable for the outside producer in many instances.
- 100 Inability to market effectively, internationally through lack of expertise in Canada (market expertise) - another problem is that few Canadians who have professional abilities in film crafts get the opportunity to develop them in such a way that they would suit foreign markets.
- 106 If you have a good Canadian product, it can be sold in the U.S.
- 113
1. Recovery and distribution are principal problems in producing documentaries, featurettes and features.
  2. Qualified script writers.
  3. Production costs.

Question 2. d)

Recommendations for improvement of industry, e.g. greater Canadian content quota, Government subsidy, quota for independent production. D. Other

Producer  
Code No.

- |    |  |
|----|--|
| 3  | Require broadcasters to transmit a quota of prime time public service announcements carrying messages designed to develop attitudes and change public behaviour regarding health matters.  |
| 20 | We are diametrically opposed to all forms of government intervention in communications, including subsidy, legislated national content and standards of production. We will compete with others, including the Americans, with competence, creativity, ingenuity and ball-breaking hard work . . . stand on our own and succeed without any helping hand from any Orwellian bureaucrats. This is a fifth-rate country in terms of production competence because a) its size and market-base . . . and b) because of the proclivity we have to legislate that into being which we cannot <u>easily</u> obtain through competence. |
| 21 | The best recommendation I can make as a member of the private sector is the suggestion that more film production work that is required by government should be put out to tender. I feel that the N.F.B., the CBC and TV Ontario are all too large and produce much too much in-house. As a member of the private sector, I am very concerned about the large government bodies that produce in-house films. Canada seems to be moving more and more in this direction and it makes it increasingly difficult for the private producer.  |
| 32 | Establishment of a government supported financial institution for the financing of independent producers functioning as program contractors to the CBC and independent networks. This should be a lending institution not a subsidy. Reduce the volume of "in house" production by the CBC.  |
| 35 | A clean sweep of certain closed shop people in major networks (especially CBC). Thereby opening doors for serious consideration of new producers' work. Blitz campaign to interest Canadian advertisers in sponsoring more Canadian productions.   |

Producer  
Code No.

- 39 Quota system hasn't worked anywhere. It tends to make quality suffer. Government help is necessary but not under the guidelines of the CFDC.
- 42 CTV for example never air anything Canadian unless produced from one of their affiliates. It's almost a policy that they own what goes on. If there were an independent quota then they would find outside productions more attractive. "Co." production is not the answer/Network get all revenues.
- 46 Wiser people than I have been trying to improve the Canadian film industry for at least the last seventy six years. Subsidies are not the answer, for they result in the production of garbage. Quotas might put the garbage on the screen, but they will not make people watch the stuff. I think that what the industry needs is a large number of talented film makers, and investors who can recognize talented film makers. This might be expecting a lot, for we have had artists for five thousand years, and we still have trouble recognizing a talented artist.
- 48 Better communication as to what is going on. However great strides have been taken along this line already -- finally. Would like to have the opportunity of quoting on Government proposals.
- 49 There presently is too much competition for the private film industry from tax-supported endeavours -- NFB, CBC, provincial government agencies and branches. If their staff and overheads were considered as direct monies, private producers could underbid them 100% of the time.
- 50 A second network devoted to information style but entertaining documentaries with enough money. O.E.C.A. was supposed to satisfy this demand but mismanagement and ego destroyed it.
- 51 The difficulty with government subsidy, frankly, is that those firms that need it least get the subsidy (through patronage and effective lobbying, as you well know); therefore, many small but most capable and creative firms lose out; so does the nation's viewers. This situation is not without its own dilemma . . . namely, if you open funds up

to everyone, then a potential rip-off may result where incompetent firms vie for capital. The ultimate question is: DO YOU WANT TO GENERATE NEW IDEAS AND SOURCES??? If so, certain risks must be taken by all parties concerned.

- 52      Content isn't all that helpful in fact it is in many cases harmful. Bringing together good international talent with Canadian talent.
- 57      I am down on any subsidy system. We must carry our own weight!
- 58      CBC and NFB to concentrate exclusively on programs for Canada which are unlikely to attract foreign sales. All other production (theatrical as well as television, also industrial, government and documentary productions) to come from independent companies. Government subsidy as long as necessary.
- 61      Canadian quota for private Canadian productions on Canadian television as opposed to "in house" productions. Stop further internal (production) growth in favor of greater independent production input. Possibly greater tax incentive to private broadcasters in reference to outside Canadian productions.
- 64      Tell the government to get out of our industry and allow me to do my job which is making films instead of tying us down trying to legislate Canadians trying to be creative.
- 75      Highly in favour of substantial "up-front" funds for a television sale, or contracts which can be discounted at a bank, for Canadian feature films. The practice has been to make a television sale on completion of the picture.
- 77      It would be nice to see at least a 'tendering' system put into effect. In this way more small production houses would at least be aware of what is happening. As it happens now this area is considered almost a closed shop. Despite what broadcasters say, they do operate in very 'clique'-like fashion.
- 78      Decrease the competition of the N.F.B. to the private industry.
- 81      100% tax write off first year. A very definite plus in raising the money. Would not like to see restrictions on importing of foreign talent,

stories, crews or money as I feel they offer the best way to gain experience as well as insurance on quality. After all, the biggest market is international. Should be a special tax incentive on foreign sales. Please, get us 100% tax write off on shorts real soon! It would certainly stimulate investment around here.

87. Permit more commercials in Canadian content programs and less in non-content programs. For instance, 6 minutes in content and 3 minutes in non-content. Establish a Canadian magazine-like TV Guide. The U.S. TV-Guide magazine has an extremely high circulation, takes a considerable amount of advertising revenue out of Canada and is promoting only U.S. productions, U.S. performers, U.S. TV information. In the program listings, Canadian content programs are discriminated compared to the synopsis of U.S. shows.
88. Please, please cut out all the government subsidies-- they are not even going to the companies that could put it to good use now. Why a quota on independent production? Companies like Crawley Films already get 99% of the government contracts and there are many independents around that can and do put out a far superior product, superior in content and technical quality. Lets get to a fair open tender system.
90. 1. STOP the wasteful government subsidies -- START PAYING a reasonable price for worthwhile productions.  
2. Encourage the independent producer with a policy of using his product both in Canada television and abroad through reciprocal arrangements, the competition of the independents will do more to increase quality productions than all the "free money" and give-away programs you can dream up. They are all soaked up by the professional do-nothing artist.  
3. Let the novice work his way up the ladder instead of becoming an overnight Cecil B. Demille while being subsidized by public funds.
92. Independent production would create competitive products for the world market and a better quota for "above the line" costs is a must. Bureaucracy within the CBC and "Gravy Skimming" by CTV (i.e. high internal costing) would make an adequate quota difficult to get. But no subsidies!
100. A quota for grant sponsored theatrical shorts which would give apprentices experience in theatrics

and superior technology, i.e. 35 mm or cinemascope. Giving grants for features resulted in over self-indulgence by unqualified individuals. It is now practically a lottery system. Let novices practice on 1/4 the show for the \$\$\$. I suppose the first step instead is to encourage Americans (the largest foreign market) to produce more in Canada. Maintain Canadian Content but increase U.S. tax incentives.

- 101 More independent production and no government interference.
- 106 Greater co-operation from The National Film Board especially in the "Sponsored Program Section."
- 107 Would appreciate more opportunity to quote on CBC/NFB Projects.
- 113
  - 1. More productions by Canadian companies but not necessarily about or set in Canada.
  - 2. CFDC Grants - closer checking of scripts and qualifications of personnel before grants given -- also consideration for proposals from film makers outside of Ontario and Quebec.
  - 3. Tax write-offs for production costs for small projects.

Question 6

Would changes in the present tax regulations assist you, particularly, would 100% capital cost write-off for shorter length film (less than 75 minutes) makes a difference?

A. Other

Producer  
Code No.

- 57      Also, lets get rid of all the red tape in getting pro gear into the country for use by professionals.
- 111     However, we believe that assistance for shorter films should be earmarked for 'films for television'. The possibility of securing a return on shorter films not for television raises a question as to how much government should seek to support such productions.



Question 7. a)

What are your major problems in producing for broadcast, i.e. investors, unions, broadcasters, foreign competition?

E. Other

Producer  
Code No.

- |     |   |
|-----|---|
| 31  | Active and honest distributors both home and abroad.  |
| 50  | No proper distribution for individual programs to provide revenue for independent producers.  |
| 63  | Investment is no more difficult than any other business, you simply have to satisfy investors that they will realize a return. No one can expect to make a profit producing films for sale to Canadian networks (unless specifically contracted to do so). The solution is successful international distribution, primarily American. |
| 64  | Lack of talented writers and on camera performers and the negative attitude of broadcasting outfits to recognize independent production in Canada.  |
| 75  | The Actors Union shows no understanding of the problems of feature film making in Canada (because they earn so little money from it). Also they prohibit any TV sale of a feature film to Canada alone by charging residuals out of all proportion to the market, usually exceeding the sale itself.                                  |
| 94  | Budgetary constraints placed on government departments who might wish to produce a film or a series of films for broadcast. Costs are running from \$1,500. to \$2,000. per minute for films produced through the private sector.   |
| 96  | The Canadian economy cannot support the profitable production of television programmes or films of regularly international competitive quality.   |
| 97  | Equipment compatibility - even when releasing material on cable, we have to provide color video-cassette playback equipment. Local TV stations handle only 2" VT.   |
| 104 | Investors. Canadians are timid beyond belief. Also government should get out of film production. Internal A.V. Departments, etc. are a colossal expenditure in duplication of facilities staffed with incompetents. We have professional film   |

makers in this country who can deliver first class results for less money.

107 Lack of revenue potential in Canada.

111 Our main problem is access to air time. Very few time slots are available on CBC & CTV for programs produced by independent producers. Foreign competition in the form of dumping of U.S. programs at a fraction of their cost is a major problem, but one we've learned to live with - with the help of the CRTC.

112 Inability to cover costs of production based on revenue offered (one example).

Question 7. b)

Recommendations for improvement of the industry, e.g.  
 subsidies, access to cable, quota for independent production,  
 etc. D. Other

Producer  
Code No.

- 16 C.R.T.C. could force networks to utilize the film industry companies. C.F.D.C. could have their mandate expanded to TV. A tax could be put on revenues of foreign theatrical and television producers. Canada is about the only "free market" they have!
- 19 I personally feel the CBC should be a transmission service only and produce news only. It should not be a producer of program content in competition with private industry and largely to the exclusion of private industry.
- 20 A complete and utter change of mental attitude on the part of Canadians, broadcasters and producers alike . . . to aggressively confront the Americans on their own turf with a product that is comparable in quality, appeal and cost. A sale in the U.S. is worth five in Canada, and is the only easy way to subsidize a truly Canadian production capability.
- 23 Too much grants/subsidies and too little CBC involvement.
- 31 Sub contracts via N.F.B. Yearly list of film requirements from Canadian TV networks.
- 57 Lets end the old "its good because it was made somewhere else" syndrome.
- 58 Very high import duty on foreign productions (to be subject to co-production benefits).
- 59 More provincial granting (the federal already being expanded should naturally continue), and the encouragement of ultra-low-cost production, especially in socially-relevant documentation and art pieces.
- 63 KEEP THE GOVERNMENT OUT except in cases of legitimate business loan situations, then use the same rules as any other business. A healthy industry is not created by forcing junk down the throats of the public via quotas, etc. Perhaps a

greater emphasis on contracting out CBC TV productions to independent producers.

- 64 Close down the CBC production facility and NFB, Ontario OECA. Make these facilities purely purchasers of independent productions and transmitters.
- 65 Canadian content quota in theatres would strengthen use of shorts in cinemas and that distribution market - would also help investments, by profile. Government agencies (NFB) low sale costs unrealistic in independent production/sales.
- 89 Sponsor-clients are interested only in distribution. Canada lacks competence in this area; National facilities have little concern for the industry beyond their own welfare.
- 94 We have a viable film industry in Alberta which this government encourages and supports. We receive excellent co-operation from the cable companies and commercial broadcasters.
- 96 The term 'producer' is too casually awarded to people who are still apprentices. Government support is too eagerly given to the uninitiated who are learning their craft in an unreal environment with no sense of the real economy in which they want to work.
- 99 100% tax deduction, quota for Canadian content on TV, government agencies financial support, change banking laws to allow negatives as collateral.
- 101 Four seasons instead of two.
- 104 Legislation is only part of the problem. We need confident, aggressive risk-takers in the business of PROMOTING our films here and abroad -- and these should be private enterprisers -- NOT government funded cream puffs.
- 107 Shift production from civil service products to private industry. Open quote system.
- 110 Better distributors, clear up the problem.
- 111 A quota of 30% of program budgets on Canadian networks to be devoted to Canadian independent programmes would be highly beneficial. This quota could be dropped after five years. We do not believe in subsidies. The only access to cable which would help would be some form of Pay-TV.

Question 7. c)

How do you see your role? As initiator of the program idea and script or as being contracted to produce programs for clients from their scripts? What has been your experience with broadcasters to date? C. Other

Producer  
Code No.

- 23      Broadcaster attitude is so negative and tight as to inhibit any motivation in the independent sector especially at the Provincial level.
- 31      They order early and pay late.
- 33      Good co-operation from CBC English network.
- 42      If idea is acceptable then broadcaster advises producer that only "above the line" money available. He will not increase revenue to cover producer's rental of outside equipment and services, i.e. must produce better show for less than half budget in order to compete with house budgets of networks.
- 50      Would like to initiate ideas but existing facilities CBC-CTV-OECA not interested in anyone's ideas but their own. We waste time and money making presentations they ignore and lose.
- 52      Very good.
- 54      Finance for producers and distribution.
- 57      Our experience with broadcasters has been that they are victims of the condition "its good because it was made somewhere else."
- 58      Fees offered are too low to justify production risks.
- 60      Mixed - many don't seem to want films produced outside their own in-house system.
- 64      Our role is one of trying to stay alive as a business in the Canadian film industry. We are a professional film company and will produce anything in the audio visual field. When broadcasters are approached with our ideas the standard reply is, "your idea is not the type of programme we would normally buy" and six months later you find something similar running on the networks.

- 65 Have fairly flexible and good working relationship to broadcasters. Only problem networks (TV) do not pay well.
- 84 TV stations accept and play all TV program material if well made, not commercial, and containing helpful information.
- 89 No other film company in Canada produces the "Window-of-the-world" documentaries as does this coy. Governments could not seem to care less. The CFDC is a farce.
- 91 Broadcasters in Newfoundland prepared to air anything -- but prepared to pay for nothing!
- 94 Experience with broadcaster good.
- 99 Broadcasters want to buy programs for ridiculously low prices or show no interest.
- 101 Most of them are bias.
- 102 Broadcaster-agency relationship excellent.
- 104 CBC has been, on the whole, good to us. TVO is hopeless, it seems to be staffed for the most part with ignorant, defensive amateurs. The others we don't know.
- 105 Budget is biggest problem with broadcasters, like ideas but cannot find the money.
- 106 Being contracted to produce programs for clients with broadcasters, my experience has been favourable. If you prove that you are capable of producing a good product you have their confidence and backing.
- 110 Broadcasters experience - OK.
- 111 Broadcasters do not understand or are not particularly sympathetic to the real world of the independent producer.

## APPENDIX "E"

### ANALYSIS OF PROGRAM DATA BY CONTENT FROM REPLIES OF INDEPENDENT PROGRAM PRODUCERS

Note: Content coding based on categories used by  
Statistics Canada

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Annex. #1 - TV Entertainment

Program Title and Producer Code No.	Client	Distributor	Length	No. of Episodes	Currently Broadcast			Average Cost	Average Revenue	\$
					Dom. TV	CA	For.			
Witness to Yesterday (19)	OECA Avco Embassy Pictures PBS Richard Price England	USA Avco Embassy Can. Ralph Ellis England Richard Price	26	37	x		x	12,000	Unknown	100
Flipside (42)	CBC Network	National Telepix	30	13			x	5,000	1,000	
Adventures in Rainbow Country (45) (Co-prod. with CBC)		EMI of the U.K.	30	26	x		x	15,000	30,000	
Take Kerr (52)	Robin Hood		4	260	x		x			
Swiss Family Robinson (52)	CTV		26	26	x		x	65,000	50,000	
The Game (56)	CBC	International Tel	6	1						
Matan Moods (56)	CBC	International Tel	3½	1	x					
Ranchero (56)	CBC	International Tel	3½	1	x					
Camreche (56)	CBC	International Tel	3	1	x					
The List to Centre (56)	CBC	International Tel	6½	1	x					
Various (Filler) (57)								20-25,000		
The Best of Images From Infinity (59)	In-house		30	12			x	100	none!	
Land of the Chief (89)	B.C. Govt.	CBC, NFB, B.C. Govt.	30	1	x	x	x			



Annex. #1 - TV Entertainment - Page 2

<u>Program Title and Producer Code No.</u>	<u>Client</u>	<u>Distributor</u>	<u>Length</u>	<u>No. of Episodes</u>	<u>Currently Broadcast</u>			<u>Average Cost</u>	<u>Average Revenue</u>	<u>\$</u>
					<u>Dom.</u>	<u>CA</u>	<u>For.</u>			
					<u>TV</u>					
Punchline (96)	CBC	Self	25	2				15,000		
The Gift of Winter (104)	CBC	CBC	25	1	x			75,000		

Annex. #2 - TV Information or Documentary

Program Title and Producer Code No.	Client	Distributor	Length	No. of Episodes	Currently Broadcast			Average Cost	Average Revenue	\$
					Dom.	CA	For.			
Japan (23)	Television		52	1				) 15,000		
Japan (23)	Television		26	1				)		
Meno's Reins (25)	Crosstown Credit Union		60	1				20,000		
The Beholder Series (31)	Various Networks	Viacom International	30	13	x		x	20,000+		
Journal (33)	CBC-TV		15	35	x		x	5,000	7,000	50
Audubon Wildlife Theatre (44)	CBC	Keg Productions Ltd.	30	78	x		x	) 60,000	60,000	
Wildlife Cinema (44)	Global	Keg Productions Ltd.	30	26	x		x	)		
To The Wild Country (44) (Co-Prod. with CBC)	CBC	Keg Productions Ltd.	60	10	x		x	15,000	30,000	
Gardening (50)	Vigoro	Vigoro	30	3		x				
R.O.M. Animals in Art (54)	CBC	V.P.P. Ltd.	4 1/2	4	x			2,000		
Norman Die Dreams (54)			25	1				20,000	3,500	
Tan Kukul (56)	CBC	International Tel.	26	1	x		x			
Various (Fillers) (57)								15-20,000		
The Chinese Way (59)	Bernard Liu	Bernard Liu	30	1		x		100	250	

Annex. #2 - TV Information or Documentary  
Page 2

Program Title and Producer Code No.	Client	Distributor	Length	No. of Episodes	Currently Broadcast			Average Cost	Average Revenue	\$
					Dom. TV	CA	For.			
Red Sunday (60)	U.S. Bicentennial	Pyramid Films	28	1			x )	40,000		
Teddy Roosevelt National Park (60)	N. Dakota Travel Division		15	1			x )			
Ernest Brown: Pioneer Photographer (22)	Cdn. Utilities Ltd.	Marvin Melnyk Assocs.	55							
Country Doctor (22)	CBC	New Cinema Enterprises	25							
Gung-Fu: Fighting Back (22)	CBC	New Cinema Enterprises	19							
Jimmy Simpson: Mountain Man (22)	CBC	New Cinema Enterprises	25							
A Lament for Woody (22)		New Cinema Enterprises	10							
Mountain People (22)	CBC	New Cinema Enterprises								
Paul Kane-To The Wild Woods (22)	CBC	New Cinema Enterprises	22							
Shelter (22)	CBC	New Cinema Enterprises								
To Live Good (22)	CBC	Melnyk & New Cinema	25							
The Bricklin Story (65)	CBC	Viking Films/Vantage Comm.	25	1	x			45,000	2-5M/yr.	40
Thoroughbred (65)	CBC/BBC/Radio Canada	Viking Films/Self/Pyramid	22	1	x		x			
Sunburst (65)	CBC/NZBC/Radio Canada	Self/Contemporary Films	6	1	x		x			

Annex. #2 - TV Information or Documentary  
Page 3

Program Title and Producer Code No.	Client	Distributor	Length	No. of Episodes	Currently Broadcast			Average Cost	Average Revenue	1
					Dom. TV	CA	For.			
Life Times Nine (65)	CBC/NZBC	Self/Pyramid Films	14	1	x		x			
Dreams & Musical Themes (65)	CBC/Prologue for the Perf. Arts	Viking Films Ltd.	14	1	x		x			
Various Fillers (65)	CBC	Viking Films, etc.	3-6	1	x					
From London With Love (84)	Uniroyal	Associated-Sterling	10	1	x	x		2M/Min.	Pub.Serv.	
Stormy Angel (84)	Uniroyal	Associated-Sterling	20	1	x	x		2M/Min.	Pub.Serv.	
Dan George Special (85)	Alta. Native Communic.	ANCS	28	1	x	x				u
Dan George Special (85)	Alta. Native Communic.	ANCS	21½	1	x		x			
Alberta's Japanese Community (85)	ACCESS Alberta	ACCESS Alberta	27	1	x		x			
Mrs. Taylor (85)	ACCESS Alberta	ACCESS Alberta	10	1	x					
Hydroponics (85)	ACCESS Alberta	ACCESS Alberta	9	1	x					
Woolmill (85)	ACCESS Alberta	ACCESS Alberta	11	1	x					
Together (85)	University of Lethbridge	University of Lethbridge	15	1			x			
He Comes Without Calling (85)	Alta. Native Communic.	ANCS	29	1	x	x				
Youth Under the Influence (86)	O.E.C.A.		26	13	x					
Target Impossible (86)	C.T.V.		26	26	x					

Annex. #2 - TV Information or Documentary  
Page 4

<u>Program Title and Producer Code No.</u>	<u>Client</u>	<u>Distributor</u>	<u>Length</u>	<u>No. of Episodes</u>	<u>Currently Broadcast</u>			<u>Average Cost</u>	<u>Average Revenue</u>	<u>\$</u>
					<u>Dom.</u>	<u>TV</u>	<u>CA</u>	<u>For.</u>		
Here Come the Seventies (86) (Toward Year 2000)	C.T.V.		26	26	x			x		
Horst Koehler Show (87)	Sold to TV stations	Garth Olmstead	30	13	x					
Journal International (87)	Sold to TV stations	Garth Olmstead	30	26	x					
German Diary (87)	Sold to TV stations	Garth Olmstead	30	52			x			
Lord of the Tremors (89)	BBC London, CBC Natl.	BBC, CBC	57	1	x	x		x	30-40M	
Darien Gap (89)	BBC London, CBC Natl.	BBC, CBC	57	1	x	x		x		
Torre, Torre (89)	BBC London, CBC Natl.	BBC, CBC	57	1	x	x		x		
Decks Awash (91)	Memorial University		26½	13	x				5,000	nil
Heading Out (94)	Travel Alberta	Govt. of Alberta	28	13	x					
Alberta Sunshine (94)	Travel Alberta	Govt. of Alberta	27	1	x			x		
China Today (Explo-Mundo) (96)		Self	52	1					10,000	
Christian Island (97)	Catholic Womens League	Georgian College	53	1			x			
Raggedy Ann (97)	Raggedy Ann Day Care Centre	Georgian College	20	1			x			
Dresser Industries (97)	Orillia Industrial Liaison Comm.	Georgian College	55	1			x			

Annex. #2 - TV Information or Documentary  
Page 5

Program Title and Producer Code No.	Client	Distributor	Length	No. of Episodes	Currently Broadcast			Average Cost	Average Revenue	\$
					Dom.	CA	For.			
Ten titles to be incorporated into one series (99)	General, schools, police departments	Self						7½-8M	7½-8M	
Three to Get Ready (101)		Schools	30			x		10,000	10,000	
Our Petroleum Challenge (102)	The Petroleum Resources Communication Found.		9½	26	x		)	6-8M	10,000	
Heavy Crude News Film Feaurettes (102)	Four oil companies	Lloydminster Market	3	10	x		)			
Diefenbaker Series (106)	Bushnell Communications	Bushnell	30	7	x			16,000	5,000	
The Maverick Nun (107)	CBC National	CBC Toronto only	26½	1	x			16,000	3,000	
A Third Testament (111)	CBC/Time-Life/Noranda	Time-Life Films	56½	6	x		x )			
Un Troisieme Testament (111)	SRC/Time-Life/Noranda	Time-Life Films	50	6	x		)			
The Stationary Ark (111)	CBC/OECA	Marlin Motion Pictures	28½	13	x		)			
In Distress (111)	External Affairs	N.F.B.	25	2	x		)			
Tomorrow's World (111)	BBC (Co-Producer)	N.F.B.	25	2			x )			
Aqui Canada (111)	External Affairs	Intercontinental Commun.	50	2			x )	18,000	20,000	95
An Ark for Our Time (111)	CBC	George Ritter Films	58½	1	x		x )	5,500	8,500	5
Dostoevsky (111)	CBC/Noranda Mines	Learning Corporation	54½	1	x		)			
Canada Not for Sale (111)	NET (Co-Producer)	PBS	58	1			x )			

Annex. #2 - TV Information or Documentary  
Page 6

<u>Program Title and Producer Code No.</u>	<u>Client</u>	<u>Distributor</u>	<u>Length</u>	<u>No. of Episodes</u>	<u>Currently Broadcast</u>			<u>Average Cost</u>	<u>Average Revenue</u>	<u>%</u>
					<u>Dom.</u>	<u>TV</u>	<u>CA</u>	<u>For.</u>		
Canada-Land in Shadow (111)	Bayerischer Rundfunk (Co-Prod.)	German TV	50	1				x )		
Jubilee (111)	S.C.C. (Warrenton, Vg.)	R.K.O. (U.S. Only)	50	1				x )		
Canada Economique (111)	ORTF (Co-Prod.)	French TV	50	1				x )		
Canada (111)	Nippon TV (Co-Prod.)	Japanese TV	25	1				x )		
Droit Des Enfants (111)	Societe Radio Canada		30	6		x		)		

Annex. #3 - TV Other

<u>Program Title and Producer Code No.</u>	<u>Client</u>	<u>Distributor</u>	<u>Length</u>	<u>No. of Episodes</u>	<u>Currently Broadcast</u>			<u>Average Cost</u>	<u>Average Revenue</u>	<u>\$</u>
					Dom.	CA	For.			
					TV					
Les Recettes de Juliette (111)	Inter Cine/Societe Radio Canada	Intercine	30	240	x			3,000	3,500	85



Annex. #4 - Education

Program Title and Producer Code No.	Client	Distributor	Length	No. of Episodes	Currently Broadcast			Average Cost	Average Revenue	\$
					Dom. TV	CA	For.			
From Script to Screen (34)	Wilfrid Laurier Univ.	HELPS (Ont. Universities)	28	1				4,000		
Last Chance for Recovery (34)	Wilfrid Laurier Univ.	HELPS and VIPS	28	1						
Polka Dot Door Segments (50)	O.E.C.A.	O.E.C.A.	90/30		x					
Various (Fillers) (57)								10-30M		
Death of a Delta (22)	Dept. of Education	NewCinema Enterprises	30							
Hay River: This Way North (22)	Dept. of Education	NewCinema Enterprises	25							
Boomtown, Boontown (22)	Dept. of Education	Filmwest Associates Ltd.	28							
Alphabet Soup (96)	CBC		26	52	x		x	3,500		
The Letter People (100)	PBS KETC-TV St. Louis	P.B.S.	1	39		x	x	54,000	12,000	10
Sesame St. (104)	CBC	CBC	2	3	x			40,000		
Readalong (104)	TVO	TVO	3	5	x					
An Outside View (111)	O.E.C.A.	O.E.C.A.	28½	26	x					
La Mangeaille (111)	O.E.C.A.	O.E.C.A.	30	13	x			1,250	1,500	5
Mon Ami Pierrott (111)	Govt. of Quebec	Radio Quebec	10	11	x					

APPENDIX "F"

CASE HISTORIES

## APPENDIX "F"

### CASE HISTORIES

Appendix "C" provides the analysis (case history) of 96 programs identified as running on TV stations during 75/76. Appendix "D" provides the titles of programs produced by the independent producers for broadcast. There is almost no similarity. The reason is that the producers list is composed mostly of one shot programs and constitute a negligible amount of air time. They are significant to the producer but not to the broadcaster or listings. Almost all these programs were excluded by definition from the table of 96 program series.

Of the 96 titles, most were not the work of true independent producers, since the list included all non-network programs in syndication. Those programs classified as coming from true independent producers turned out in a number of cases to come from religious organizations that produce exclusively for the purpose. The few remaining are consistent with the other table when it deals with programs of six or more episodes.

Annex. #1	ITV Concert Series
Annex. #2	Back Home
Annex. #3	Come Together
Annex. #4	Global 76/77

Annex. #5 CBC Regional Exchange

Annex. #6 Network Programs

Annex. #7 Educational

## Annex. #1

ITV "IN CONCERT" SERIES

This is probably the most ambitious semi-independent programming venture ever undertaken in Canada. It is a series of 60 minute edited actualities of name performers "in concert" at the Edmonton Jubilee Auditorium, produced by North West Video (a subsidiary of Allarco Development), using the mobile facilities of CITV-TV (also related to Allarco). The executive producer, Wendell Wilkes, was for a short time program director of Global and returned to Edmonton to participate in the development of CITV.

The series is in production and to date about 12 of a projected 18 programs have been taped and edited. Featured performers on the first six are Tom Jones, Jack Jones, Vicki Carr, Leslie Uggams, Paul Williams, Engelbert Humperdinck, each sub-titled "in concert with the Edmonton Symphony Orchestra." Sales in the U.S. appear to have gone well. Rhodes Productions is the syndicator.

This series exemplifies some of the major problems for independent production in Canada. Although lavishly mounted and backed by a Canadian symphony orchestra, it cannot get distribution here. Neither CBC nor CTV is interested and it is just too expensive for the others. If Global takes it, Hamilton is precluded. The use of U.S. headliners is necessary for any play on U.S. commercial stations, but they are not sufficient to excite Canadian broadcasters although the programs are Canadian content. It is mostly a competitive

and economic problem. The price asked for network distribution in Canada is \$30,000 for the first play and \$15,000 for a repeat—small, compared to the costs of original production in CBC and CTV, but why spend money outside the shop? This is really indicative of the chauvinism inherent in our system when an outside purchase from semi-competing broadcasting groups constitutes "disloyalty." The last reported attempts to market the program in Canada centered on a possible contra deal with Tele-Records doing the placement.

Original costs of production are approximately \$60,000 each. No doubt the box office, by and large, goes to the headliner and makes the deal possible. No other Canadian broadcaster has put so much money into a symphony orchestra and this form of backing is highly attractive to the performer. It is unlikely that a similar project could be done in the U.S. Although the merits of the program as an extension of Canadian expression are debatable, the advantages to our musicians, technicians, etc. are obvious. This is a case of extending our program capabilities in spite of the Canadian broadcaster. The ill-fated David Steinberg program from the same group ran into similar problems with Canadian broadcasters.

## Annex. #2

"BACK HOME"

"Back Home" is another North West Video CITV-TV production. The producer, Doug Hutton, screened a pilot for me and it proved to be a charming production. It is a folk-type music program featuring a small group of Albertans backed by fifteen Edmonton Symphony musicians. It is unpretentious but slickly produced. Costs are in the same order as "Irish Rovers" or "Pig N' Whistle" but in this case, it was directed toward a younger audience and was infinitely more "Canadian" in concept. Again, the same problems of distribution were being encountered and for the same reasons as noted with respect to the ITV "In Concert" series. I have rarely seen a program in the light entertainment area that exemplified as well the spirit of the broadcast act. On last report, CHCH-TV Hamilton was planning to schedule a program but were unhappy about the cost. Doug Hutton finds more and more of his time being spent in Los Angeles and now feels he has given his native Canada his best shot and sees no alternative but to head south permanently.

This program deserves adequate national exposure and a reasonable return to the producer. It is very indicative of the fact that although a true independent or semi-independent producer may have hurdled all the barriers of financing and production, it is still virtually impossible to gain distribution in prime time on the existing networks. The production and performing talent were certainly adequate and the program

had considerable audience appeal. The capability is not in question but the structure of the system is not conducive to outside participants.



## Annex. #3

"COME TOGETHER"

As noted in the study, network programming for CTV is primarily a CFTO-Glen-Warren proposition with some input from Montreal and Vancouver. Four or five years ago, CFCN-TV Calgary had a rather disheartening experience. As a result of a proposal from an independent producer, Doug Hutton, they produced 26 episodes of a country and western musical entitled "Come Together." Some of the original development and pilot costs were borne by the producer and first 13 and then another 13 were used on CTV. In all, the program cost close to \$400,000 or less than \$16,000 an episode. Even with a complete re-run on network, the program recovered only about \$350,000. CFCN-TV is still out \$30-40,000 and I understand the producer is out about \$12,000.

What is interesting is that with full network placement and re-run, a modestly budgeted program failed to meet costs. In all of this, there was a sense that Baton (CFTO-TV) with 24.6 per cent of the network controlled things in such a way that Glen-Warren was preferred and the larger stations got more sizeable budgets for their network shows. Also, the originator had to take all the original risks and the pilot was not subsidized. Some of the problems encountered were interference from Toronto by ACTRA and A. F. of M. Calgary locals were quite reasonable, but the Toronto offices applied Toronto rules which caused expensive inefficiencies. The result

is that CFCN-TV does not look to trying again to get a program on the network.

## Annex. #4

GLOBAL TELEVISION NETWORK

Since completing Volume 1 of this study, information concerning Global's experience and plans for 76-77 have been received. The following points are noted (from Global):

1. Written into Global's original mandate was the understanding that the new network would contract a good percentage of its Canadian programming through independent producers. In fact, the independent producers contracted were not truly "independent." "Shh! It's The News" was produced by Carleton Productions (CJOH-TV Ottawa), "The Great Debate," "Everything Goes" and others were packaged through Robert Lawrence Productions in Toronto, a company backed by Selkirk (which owns CHCH-TV). The lesson learned is obvious—the "Independent Producers" were, in reality, Global's competitors. Still respecting its mandate, Global is presently encouraging various co-productions with producers, e.g. Norman Sedawie, Randy Markowitz, Second City Troop, etc. with the production to be videotaped at Global.
2. Illusive dreams of U.S. syndication have a less than attractive track record. Global, at this point in its young history, is not about to take on such gambles. In order to compete in the U.S. distribution market, the financial investment is somewhat heavy while the returns must be shared (35-50 per cent) with the distributor.

3. Due to the high production costs of situation comedies and weekly dramatic series, e.g. CTV "Excuse My French," Global has refrained from pursuing such concepts on the short term.
4. Somewhere between 700 and 800 pieces of concepts have been received by Global since September, 1975. The proposals range in quality and financial feasibility. According to Global, approximately 10 per cent of the ideas are worthy of pursuing to various stages of discussion, with 1 per cent actually reaching the planning (pilot) stage. Global notes the Canadian programming in general is costly and with the existing fragmentation in the Southern Ontario market threatened even further with cable and Pay TV, attracting advertisers is becoming quite a task.
5. The 76-77 Global schedule holds several co-productions, e.g. "Caught In The Act" and "Mixed Doubles" from Sedawie, the "Opposite Sex" from Markowitz and a comedy feature from the performer-writers from Second City, plus a number of in-house productions.

The above is from information supplied by Jerry Appelton, Executive Producer, Global Television Network.

## Annex. #5

CBC REGIONAL EXCHANGE

As has been noted frequently in the report, a large number of programs are available to CBC owned and operated stations and CBC affiliates for scheduling in non-network time. These are programs produced for the most part in CBC production centers across the country and serve a number of purposes for the CBC: a) they are used to carry out the mandate in terms of regions being reflected to regions; b) they offer an opportunity to developmental work with both production and talent; c) meet Canadian content requirements.

The following is a list of most of the programs and information which we discovered.

<u>Name of Program</u>	<u>Length</u>	<u>No. of Episodes</u>	<u>Production</u>
Hoe Hoe Hoe	30	13	CBXT Edmonton
Par 27	30	13	CBXT Edmonton
Land and Sea	30	13	CBHT Halifax
Heritage	30	8	CBHT Halifax
Skipper and Company	30	13	CBNT St. John's
Who's New	30	10	CBHT Halifax
Beth	30	5	CBNT St. John's
Portraits	30	10	CBOT Ottawa
Curling Classic	60	26	CBLT Toronto
Bon Appetit	30		
It's A Musical World	30	26	
Howie Meeker	15	26	
Parade	60	44	CBLT Toronto
Platform	60	12	
Summer Evening	30	7	
Atlantic Week	30	39	CBHT Halifax
Lapierre	60	13	CBMT Montreal
Me and Friends	30	13	
Variety Special	30	3	CBET Windsor

The above is not a complete listing, but is indicative of the amount of product available to CBC affiliates which can assist them in meeting their Canadian content requirements.

## Annex. #6

NETWORK PROGRAMS

Contained in the report is a complete account of the CTV Network's use of independent programs. In the sense of true independent productions, they have used 6 1/2 hours, 6 of which are feature film in the current broadcast year. They are involved in a number of co-productions, most particularly the "Bobby Vinton Show" which has wide distribution in the U.S. The figures for the last three years indicate a steady reduction in the number of co-productions.

With respect to the CBC, we have no factual information and have never received a reply from them. They have been involved in some notable co-productions, for example, "The National Dream" and "The Third Testament," but the current program year indicates less of this kind of participation. Outside of the odd documentary film, we find no evidence of any use of true independent production and the most notable co-production is "Celebrity Cooks," produced at CJOH-TV in Ottawa by Bruce Raymond Productions. Our best information is that independent Canadian product is, by and large, treated in the same fashion as any program procurement and unless the CBC is actually involved in the production, the item is only considered at the standard rental rates.

## Annex. #7

EDUCATIONAL

As noted in the report, the various provincial educational broadcasting organizations have tended to look at program procurement as contracting for the costs of a program which must be originally created rather than simply a rental for limited exposures. Lately, with the acquisition of studios and hardware the educational authorities are moving away from outside purchase and are doing more and more in-house. By and large, for the true independent producer, the educational authorities represent a market somewhat larger than the Canadian broadcasters. Some of the most notable examples are "Witness to Yesterday," which was originally a Global release produced by Look-Hear Productions and is now produced for TVO; "Stationary Ark," a co-production of TVO with Nielsen-Ferns; "Youth Under The Influence," produced by Hobel-Leiterman for TVO; "Understanding the Earth," co-produced with Laurentian University for TVO; "Unitel," produced by the University of Saskatchewan for private stations in Saskatchewan; "La Mangeaille," co-produced with Inter-Video (Nielsen-Ferns for TV), and various other documentaries and shorter subjects.

With the formation of ATEC, the co-ordinating body for mutual interests of the various educational authorities, more and more co-productions are now arranged between the various authorities to cut the costs of original production and gain a wider market for their product. Again, vertical integration

is moving against the independent producer as the educational authorities elect to "make" rather than "buy."



APPENDIX "G"

CANADIAN VIEWING HABITS

## APPENDIX G

### CANADIAN VIEWING HABITS

#### 1. The Amount of and Factors Affecting Viewership

The effects of broadcasting described above have ample opportunity to be realized given the extent and pervasiveness of television viewing in Canada. According to recent Nielsen figures, the average daily viewing per household in Canada is five hours and 56 minutes (TvB, 1975); BBM figures for March 1974 indicate an average weekly viewing per person of 23 hours and 52 minutes (TvB, 1975); and a recent, specially commissioned CBC study indicates an average daily viewing per adult of about four hours (CBC, 1974).<sup>1</sup> Television viewing still seems to be an increasingly time-consuming activity for Canadians: the BBM figure for average weekly viewing per person increased from 22 hours and 12 minutes in November 1971 (CBC, 1973) to 23 hours and 52 minutes in March 1974 (TvB, 1975)—a 7.5 per cent increase. Much of this increase probably can be explained by the increasing proliferation of signals via cable (see "The Impact of Cable" and "Edmonton and Calgary as Case Studies").<sup>2</sup>

LoSciuto (1971) and the CBC (1974) point out that while average viewer figures tend to be impressive, they are also misleading given the highly skewed distribution of television viewing. In English Canada this uneven distribution of viewers (excluding the 4 per cent non-viewers of all respondents) ranged from an average daily viewing per adult of 45 minutes for the lightest viewers to seven hours and 30 minutes for the heaviest (CBC, 1974). In addition, when the sample was broken down into quintiles, it was discovered that the fourth and

fifth quintiles (or 40 per cent of the sample) together accounted for 68 per cent of the viewing, while the first quintile (or 20 per cent) accounted for only 4 per cent. Further analysis indicated that "the older and least educated members of society are indeed the heaviest consumers of television"—the former fact being crucial as will become apparent later in the analysis. These last findings tend to be confirmed by BBM data (CBC, 1973).

There are other factors which tend to differentiate heavy viewers from light viewers (CBC, 1973). Women tend to watch more television than men. In terms of occupation, heavy viewership seems somewhat inversely related to "occupational status" (housewives viewing the most, then blue collar, clerical/sales and managerial/professional, followed by the retired, students, and others). The variations in per capita viewing among regions do not appear to be great (with the exception of Quebec) but "the relationships between viewing habits and regional differences are complex and far from being fully understood." Finally, "people living in major urban centres spend significantly less time watching television than do those living in non-urban and rural areas." It should be stressed again, however, that the variables most capable of "explaining" variations in the total amount of time spent viewing are age and level of education (CBC, 1974).

## 2. Audience Flow Through the Day

The CBC (1973) has examined audience flow through the

day rather carefully, relating that flow to the crucial demographic variables. Some points appear critical for illuminating the status of Canadian programming—particularly the independent variety—and will be highlighted in this brief summary.

Most generally, while viewing trends on individual weekdays are highly consistent, weekdays and weekends show considerable differences. "About the same numbers of people watch television each day of the week but substantially more time is spent watching on Saturdays and Sundays than on weekdays, and the shape of the audience flow curves on weekdays, Saturdays and Sundays are quite different." The time differences are accounted for by "kid-vid" in the morning and early afternoon periods on the weekend, and heavier adult viewing in the afternoons and in the 6:00 to 9:00 pm period on Sunday evenings. As for the flow curves for adults and teenagers, Saturday is distinguished by heavy viewing beyond the normal weekday peak (to 10:00 pm), while Sunday exhibits an earlier peak viewing time (about 7:00-9:00 pm rather than 8:00 to 9:30 pm).

While there are some interesting (but not altogether surprising) differences in flows for men and women, age levels, occupations, education levels and regions, these differences are not crucial for the concerns here and will not be discussed. Seasonal differences should be noted, however. Quite simply, viewing levels are lower in summer than in winter—the general July level being about 70 per cent of the January one, with even lower levels on Saturdays (55 per cent) and Sundays (57

per cent). "Peak viewing times are also about an hour earlier in winter than in summer, both during the week and at weekends—at 8:00 to 8:30 pm instead of 9:00 to 9:30 pm—presumably a function of the longer daylight hours in the summer months."

More important than the specifics of the study is the general principle that it attempts to establish about viewing habits as they relate to the structural variables of the broadcasting system in Canada. Given its importance, this "principle" is quoted at length:

Clearly it is no surprise that there should be a smaller audience for television at 10:30 or 11:00 pm in the evening than at 8:00 pm or 8:30. What is perhaps less clearly recognised, however, is that this is only partly related to the bedtime habits of young children and that, even among adult viewers, there is a significant fall-off in the size of the available audience most evenings of the week. For most adults this audience fall-off begins at 9:30 pm on weekdays, at 9:00 pm on Sundays—later on Saturdays, at 10:00 pm—and as the evening proceeds it increases. And for some adults peak times are earlier and the subsequent fall-off greater.

It is true also that attractive programs can on occasion affect general viewing habits. It is true also that the shape of these viewing curves may be influenced to some extent, by the tendency for peak viewing hours on all networks to be given over to individual programs that are felt likely to attract the biggest audiences. This is, however, largely an assumption unsupported by any real evidence as to the extent of any such correlation. This is the status also of most assumptions about the lead-effect of big audiences on audiences to subsequent programming. Meantime, what these various audience flow patterns do suggest is that, in general, potential adult audiences for evening television vary considerably between peak and off-peak hours and that (even recognising the complexities of competitive scheduling) prime-time programs that are regularly scheduled in post-peak hours will generally draw smaller audiences than they would if scheduled at peak times. This obviously has implications for the types of program that it may be felt should or should not be favoured or disadvantaged in this way.

And later:

This [stability of audience flow for successive years] demonstrates the considerable independence of overall viewing trends from the particular audience appeal of the many different individual programs and program series that constitute the total television 'bill of fare' in successive years. . . . living and leisure habits being what they are, there appears to be just so much time available for television and no more. Hence, as new programs become available, they each obtain a share of the total audience at any particular time but usually without changing significantly the size of that audience or the shape of the viewing curve throughout the day.

While a question has been raised above about the existence of at least a slight increase in overall viewing, the general thrust of the statements appear reasonable since there are certainly upward limits to viewership at any given point in time.<sup>3</sup>

The implications of this principle are fairly wide-reaching—not the least of which is the rather arbitrary definition of "prime time" as presently employed. For the independent producer it means that even if his program ideas can run the gauntlet of the broadcast production/distribution/exhibition system and actually be realized as programs (the difficulties of which are described below), the tendency for broadcasters to slot such fare in off-peak hours (and even in what one might call off/off-peak hours) dictates that the audience for independent productions will be small.

### 3. Reasons for Viewing and Program-Type Preferences

The cumulative findings of a number of studies strongly suggest that a large majority of the population feels that the prime function of television is to provide entertainment, relaxation, and escape and relief from the cares of life. In

asking respondents to compare television, radio and newspapers as to the functions they best served, for example, the Special Senate Committee on Mass Media (1970b) found that people described television as best in the following areas (as well as in others): "is most relaxing," "lets you forget," "gives a sense of satisfaction" and "is easiest to relax with."<sup>4</sup>

The CBC (1974), in its specially commissioned survey, reports that in answer to the question "What do you generally do when you want to relax?" 46 per cent of the English-speaking respondents replied "watch television." To determine to what extent television is seen solely in these terms, they created a scale from responses to two questions on which "the average English-speaking respondent scored 4.2 out of 8 (i.e. a 52 per cent score) . . . [and also found that] . . . Almost a quarter of all English-speaking respondents (23 per cent) . . . scored 7-8 points, indicating that they see television very largely in terms of relaxation and time-killing. A half of the English-speaking sample (50 per cent) tend to see television to some degree in these terms." This led them to conclude that opinion on this issue was "quite widely distributed throughout the total population and within each language group" as well cutting across all conventional demographics.<sup>5</sup> In the same study, in response to the question "The best thing about television is . . .," 38 per cent answered "education-information-culture," 35 per cent "entertainment" and 20 per cent "news."

As Vernone Sparkes (1975) has observed, "questions relating to audience viewing behaviour, and more importantly,

the potential audience for new types of programming, have been the subject of considerable mass communications research." Most such research, while being more promising than "the clerical approach of commercial ratings services,"<sup>6</sup> has encountered some difficult problems of validity and reliability which have limited its usefulness. Sparkes proposed to "increase our understanding of the salient motivations behind viewing behavior" by increasing validity which meant comparing Canadian and American television audience response, and by increasing reliability which meant defining "program diversity from the perspective of the viewer, as that perspective has been analyzed by Functional Analysis and Uses and Gratification research." While Sparkes makes some valid theoretical points, his study contains the "tragic methodological flaw" of a survey response rate of only 18 per cent—or a mere 71 cases. Given that fact, despite his claim that a number of surveys back him up on several crucial points, Sparkes' findings must be taken with a substantial "grain of salt."<sup>7</sup>

More useful in this respect is a CBC (1975) study of the "dimensions of audience response." Like Sparkes, this CBC study is concerned with taking "account of program groupings as the viewer sees them." The CBC study is much more sophisticated methodologically (in terms of generating uses and gratifications and program "types") and does not have the generalizability limitation that the Sparkes' study does. The sample consisted of 2,584 responses (or 78 per cent) from "eleven separate subsets of 300 adults (aged 18-plus) . . .



selected at random of ex-members of the CBC English network audience panel [i.e. 3300 individuals]." <sup>8</sup>

The study postulated that "the nature of this [i.e. the viewer's] overall reaction [to a program] is the net result of (at least) two contributory factors: first, the extent to which the program fulfilled the function that the viewer expected it to fulfill for him; and second, his response to the way the program was actually presented." In attempting to determine "these various forms of [preconception-] satisfaction that viewers look for in television," the CBC study employed a combination of 'repertory grid' interviews and factor analysis to reduce the list of satisfactions to seven: relaxation versus concentration, or degree of demandingness, involvement through excitement, education, unpredictability, involvement through concentration and thinking, contribution to social interaction, and surveillance (Table II-1).

A distance matrix was then generated from the correlations of the scores on these factors for each program, and "a cluster analysis performed on it, using a single linkage algorithm." The overall pattern of linkages and the clusters that comprise the average viewer's "perceptual map of television programs" provide some interesting insights and certainly indicate the complexities surrounding viewer uses of and gratifications from television. The first point that must be noted is that this viewer-oriented approach produced several more categories of programs than do producer-oriented ones. The CBC study generated 19 program types (although several of them contained very few programs) whereas Dominick and Pearce

TABLE II-1  
SUMMARY OF PRINCIPAL COMPONENTS, FACTOR ANALYSIS

<u>Factor</u>	<u>Per Cent of Total Variance</u>	<u>Cumulative Per Cent of Variance</u>
I Relaxation vs. concentration, degree of demandingness	58	58
II Involvement through excitement	16	74
III Education	9	83
IV Unpredictability	5	88
V Involvement through concentration and thinking	4	92
VI Contribution to social interaction	2	94
VII Surveillance	2	96

Source: CBC. Dimensions of Audience Response to Television Programs in Canada, or What Canadian Viewers Expect From the Programs They Watch. Research Department, Canadian Broadcasting Corporation, January 1975.

(1976) and Sparkes (1975)—who both adapted their lists from previous U.S. studies—list 14 and 11 respectively.

More important than the number of categories, however, are the distinctions revealed among categories. Traditionally, comedy has been described unidimensionally as "situation comedy"—or in some cases, as also including comedy variety (Dominick and Pearce, 1976). In this empirical program classification, however, there was a marked "absence of a large group of programs corresponding to the traditional 'situation comedy' classification." In addition, for the analogous cluster (family comedy) that did emerge, the relationships were not strong. What was discovered though was that comedy divided into three main types—educational and unpredictable comedy, in addition to the more traditional family comedy. Since comedy occupies such a prominent role in programming—having the highest quarter hour rating in Canada for evening programs (TvB, 1975)<sup>9</sup>—it is probably useful to examine the differences among these types in some detail.

The only perceived similarities among all three varieties of comedy were their relaxing nature and their lack of involvement through thought or concentration. Educational comedy (as the label suggests) was seen as highly educational while the other two were not, and was low in surveillance properties while the other two were neutral on that dimension. Also, educational comedy tended to contribute to social interaction, while family comedy did not, with unpredictable comedy being neutral. Family comedy was seen as neutral on "involve-

ment through excitement" while the educational and unpredictable varieties tended to be uninvolving. Finally, the family category was also neither predictable nor unpredictable while both of the others tended to be unpredictable.

It is also interesting to compare the linkages here: educational comedies are linked to nature programs ("All in the Family" to "National Geographic Specials") and to a couple of unclustered programs ("Sanford and Son" to "Paul Lynde"); unpredictable comedies to action dramas ("Dick Van Dyke" to "Hawaii Five-o") and puzzles ("Laugh-In" to "Mission Impossible"); and family comedy to Westerns ("Doris Day" to "Bonanza") and an unclustered string of programs ("The Little People" to "Banyon").

Greater complexity than previously imagined also appeared in the "action/adventure" area—which has the second highest quarter hour rating in Canada for evening programs (TvB, 1975).<sup>10</sup> Dominick and Pearce (1976), for example, have described "action/adventure" in the following manner: "The emphasis is on action, usually violent, and fast paced excitement. This category includes Western, spy, police, detective, and war series." In this CBC analysis, however, some police shows appeared as "action" dramas while others appeared as one sub-cluster of "social" dramas—the other sub-cluster being medical programs. While both action and social dramas were seen as relaxing, involving through excitement and (less so or not at all) through thought, not contributing to social interaction and being neutral with regard to surveillance,

action dramas in comparison to social dramas are less predictable, more exciting and less educational.

Given the complexity of viewer expectations, the rather hit-and-miss efforts of television programmers become more understandable—especially when one realizes that they utilize program classification schemes that do not take into account the viewer's perspective. In addition, the whole question of determining whether broadcasters "give-people-what-they-want" or "make-people-want-what-they-get" is probably complicated by the fact that, although general uses/gratifications/expectations/functions may remain relatively stable, the means of providing them can vary widely.<sup>11</sup> Tudor (1974) has attempted to develop an "evolutionary branching tree" approach to explain the development of genres in film as an interplay between audience and producer. By and large, however, the study of the means by which audience desires modify producer behaviour is a non-existent activity.

The implications of these findings for the independent producer and his role in the Canadian broadcasting system are substantial. Given the tenuousness and marginal nature of his position (as elaborated below), the independent producer does not have funds to produce pilots, let alone finance sophisticated audience research the likes of which have just been described. Even if he did, the stranglehold which the networks have over exhibition and their reluctance to handle outside programs means that the independent producer must generate what appears to be "sure-fire" product in order for

it to be accepted. Since the network people are generally not much more sophisticated in terms of audience preferences than the independent producer, we have a situation in which independent programs are even more subject to a formula approach in both concepts and format than the broadcasters are. This is a far cry from being "the many and diverse voices" which independent producers are normally thought to be.

#### 4. Viewership of U.S. Programs

The availability and attractiveness of U.S. media to Canadians is a long standing phenomenon. The proximity of large portions of the Canadian population to the American border and the failure of electromagnetic waves to respect national boundaries has meant that large numbers of Canadians have always been exposed to U.S. media. As early as 1924, "it is certain that most broadcast music reflected American tastes, except French-language programming in the Province of Quebec" (Raymond, 1962). And Austin Weir (1965) notes that

the shadow cast by the United States [by its powerful stations broadcasting into Canada] was not lessened by the affiliation, by 1932, of four leading Canadian stations as part-time outlets of American networks, two in Toronto and two in Montreal. Almost forty per cent of the total time of the three English-language stations so affiliated was filled with imported programs. One Toronto station exceeded 50 per cent. Though many of these programs were excellent, their increasing dominance bolstered the conviction that Canada was fast becoming a mere satellite of American broadcasting.

With the arrival of television, this tendency toward U.S. media was further fortified in the border areas by the earlier implementation of television in the U.S. than in Canada.

Those areas not close enough to the American border to pick up U.S. signals over-the-air were soon able to view imported American fare on their local Canadian station. With the advent of cable and its increasing penetration, the overall availability of U.S. signals to Canadian audiences has increased astronomically.

The question of the popularity of U.S. television programs is quite consequential to the Canadian broadcasting system, then, as a result of: its availability directly over-the-air, via direct broadcast on Canadian stations, and via cable; the role that drawing audience has in broadcast economics; and the role that broadcasting has been seen to play in the creation and preservation of national identity.

It should be observed at the outset that there is an important distinction to be made between the popularity or attraction of U.S. "programs" (or shows) and of U.S. "TV" (or channels or stations). In attempting to assess such things as the impact of cable on Canadian viewership, for example, it is crucial that one realizes that while U.S. TV is more popular than Canadian TV, U.S. programs (shows) are even more popular than Canadian programs (Table II-2). The fact that Canadian TV overall is more popular than Canadian programs can probably be accounted for by the preference Canadians exhibit for Canadian news (Senate Committee, 1970b).

Any estimate of Canadian viewership of U.S. programs must take this greater popularity of programs into consideration, then, otherwise it will underestimate the extent of viewership

TABLE II-2  
PREFERENCE OF CANADIANS FOR AMERICAN TV,  
AND AMERICAN SHOWS ON TV

	<u>TV</u>	<u>Shows</u>
Canadian	43%	35%
American	54	60
Did not state	<u>3</u>	<u>5</u>
	100%	100%

Source: Special Senate Committee on Mass Media. Mass Media, Volume III, Good, Bad, or Simply Inevitable?  
Ottawa: Information Canada, 1970, p. 131.



of American programs. This necessity is demonstrated by the fact that "in the CBC-CTV common coverage area, over the 1972-73 fall-winter season, American-produced programs (most of them scheduled during peak viewing hours) occupied just 29 per cent of the 7:30-11:00 pm period in the CBC English-language full network schedule, but accounted for 39 per cent of all network viewing" (CBC, 1974). This is in addition to the fact that U.S. border stations received a 25 per cent share of total English-language viewing in November 1971 (CBC, 1973) and in 1973 (cited in CBC, 1974). In light of the variety of sources involved, the complexity of deriving an answer from existing statistics and the failure of researchers to pursue this question specifically, it is virtually impossible to come up with a figure on the total viewership of U.S. programs by Canadian viewers. One can probably be assured, however, that it is a very substantial proportion of overall television viewing in Canada—being cited as 45 per cent of all Canadian viewing in 1972 (Canada Consulting Group, 1972) and "guesstimated" at over 66 per cent in 1976 by CBC President Johnson (1976).

#### v) Attitudes Toward U.S. and Canadian TV

The data on attitudes toward U.S. and Canadian TV is rather impressive. The findings of a greater preference for U.S. TV and programs by the Special Senate Committee on Mass Media (1970) has already been cited (Table II-2). This finding is supported by a report by The Canada Consulting Group (1972)

to the CRTC, an extensive CBC (1974) study of the issue, and a recent Canadian Institute of Public Opinion (1975) poll.

The CBC study demonstrated that in those areas where both a CBC-owned English-language station and a CTV station were available, only 27 per cent of the viewers preferred the U.S. station while 28 per cent preferred the CBC and 34 per cent the CTV station (Table II-3). The preference for U.S. programs is more pronounced—and more significant, given what has been said above on this matter. Fifty per cent of English-speaking respondents think U.S. programs are better while 11 per cent think Canadian programs are, with 31 per cent seeing them as the same or having no preference and 7 per cent not knowing (Table II-4).<sup>12</sup> The CIPO (1975) produces somewhat different results since it included British program producers, but here 57 per cent selected U.S. programs as being the best (Table II-5). In a more direct comparison of entertainment programs, the Canada Consulting Group's (1972) data shows that U.S. entertainment programs hold a 90 per cent differential advantage in audience per show over CBC Canadian entertainment programs and a 15 per cent one over CTV ones.

In the same study in which the CBC (1974) found that U.S. stations trailed slightly behind CBC and CTV stations in viewer preference, an attempt was made to delineate the images of CBC and other stations in English Canada, by performing some elaborate statistical analyses to generate a number of constructs on which perceptions of CBC, CTV and U.S. stations could be compared (Table II-6). In the areas of most concern here, the CBC

TABLE II-3  
STATION PREFERRED IN THOSE AREAS OF ENGLISH CANADA WHERE  
BOTH A CBC-OWNED AND A CTV STATION ARE AVAILABLE

CBC	28%
CTV	34
Other Canadian	4
U.S.	27
All the same/ none/don't know	<u>7</u>
	100%

Source: CBC. What the Canadian Public Thinks of Television  
and of the TV Services Provided by CBC. Research  
Department, Canadian Broadcasting Corporation,  
February 1974, p. 56.

TABLE II-4  
PREFERENCE IN ENGLISH CANADA  
FOR AMERICAN OR CANADIAN TV PROGRAMS

American programs are better	50%
More entertaining/varied	21%
More experience/talent/acting	15
Better stories	2
More money to spend	5
Better news/documentaries	2
Better movies	3
Just better	9
Don't know	3
Canadian programs are better	11
More realistic	2
Not as much crime or violence	2
Better news/documentaries	2
U.S. shows are propaganda, prefer Canadian	3
More varied	1
Other reasons	2
The same, no preference	31
Don't know	<u>7</u>
	100%

Source: CBC. What the Canadian Public Thinks of Television and of the TV Services Provided by CBC. Research Department, Canadian Broadcasting Corporation, February 1974, p. 112.

TABLE II-5  
CANADIAN OPINION OF BEST TELEVISION PROGRAM PRODUCERS

Americans	57%
British	10
Canadians	19
Don't know	<u>14</u>
	100%

Source: Canadian Institute of Public Opinion Poll, November 1975.

TABLE II-6

MEASURES OF THE PUBLIC IMAGE OF CBC-OWNED ENGLISH-LANGUAGE  
TV STATIONS, OF CTV STATIONS AND OF U.S. STATIONS,  
AMONG PEOPLE WHO CAN RECEIVE ALL THREE

<u>Construct</u>	Average scores for*		
	<u>CBC- owned</u>	<u>CTV</u>	<u>U.S.</u>
Canadian	52	12	--
Educative-Informative	32	12	16
Relaxing-Entertaining	10	13	37
Local-Responsive-Popular	36	36	32
Best Programs for Children	21	7	23
Most Advertising	3	16	31
Best Sports Programs	20	27	23

\*These 'average scores' listed here . . . are the average percentage of respondents mentioning the station in response to the series of questions relevant to this particular construct.

Source: CBC. What the Canadian Public Thinks of Television and of the TV Services Provided by CBC. Research Department, Canadian Broadcasting Corporation, February 1974, p. 84.

stations are seen to be the most "Canadian" and "educational-informative," while the U.S. stations are seen as the most "relaxing-entertaining." Further analysis showed that when the Canadian stations alone are considered in these terms, CTV adopts the role of the U.S. stations vis-a-vis the CBC.

When the question becomes one of programs rather than individual stations, the perception of CBC programs as "Canadian" and "educational-informative" is also found—being joined by an emphasis on "drama." These differences are felt to be a good thing (although opinion is mixed on "drama"); however, only 57 per cent felt CBC programs should be a bit different from programs on other stations. Of this 57 per cent, "about a third feel that it [the CBC] should have a more Canadian orientation, about a fifth feel that it should have more entertainment programs and about a fifth that it should have more information-type programs" (CBC, 1974).

It is clear that a small majority of Canadians do feel that CBC programs should be different but only 10 per cent of the total sample feel that it should be more "educative-informative." A similar percentage would like to see more entertainment programs while close to 20 per cent of all English-language respondents would like to see more "Canadian" programs. National origin, then, would seem more salient than any particular program type—especially in terms of utilizing more Canadian talent (a wish expressed by 13 per cent of all English-language respondents). These statistics cannot be used to make inferences about attitudes toward the Canadian

broadcasting system as a whole, of course, since they are confined to opinions about CBC operations.

Reasons given for preferring U.S. and Canadian programs have already been reproduced in Table II-4. These reasons seem to coincide somewhat with the satisfactions that people derive from television generally as presented above (CBC, 1975). While not as pronounced, the single largest category is "more entertaining/varied." The CBC (1974) pursued the comparison of U.S. and Canadian programs on a number of specific characteristics (Table II-7). "American programs, it is felt, are better acted, more entertaining, more varied in the subjects they cover, and more violent. Canadian programs, on the other hand, are preferred for letting you know what's going on in the world, and for their greater realism."

Furthermore, the CBC (1974) study discovered that people can fairly easily distinguish among U.S., Canadian and British programs. "The average respondent could correctly identify, as to origin, about 75 per cent of the listed programs known to him." Even more interesting is the fact that Canadian viewers perceive U.S.-Canadian "co-productions made in Toronto by Canadian companies for showing in Canada and the U.S. . . . as American, not Canadian programs." As the CBC study notes, in this regard: "Whatever the benefits of these co-productions for the development of Canadian talent, they are certainly not doing anything to develop a Canadian image or identity."

Finally, the same CBC study reports that of the 75 per cent of respondents who were aware that CBC imported programs



TABLE II-7  
COMPARISON OF AMERICAN AND CANADIAN TELEVISION  
PROGRAMS ON CERTAIN CHARACTERISTICS

	American	Canadian	No Difference	Don't Know	Total
Which generally . . .					
. . . have better acting?"	60%	11%	21%	8%	100%
. . . are more entertaining?"	65	11	18	6	100
. . . tell you more about what's going on in the world?"	24	44	23	9	100
. . . are more realistic?"	21	44	23	12	100
. . . have more violence?"	78	2	14	7	100
. . . are more varied in the subjects they cover?"	48	23	18	10	100

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Source: CBC. What the Canadian Public Thinks of Television and of the TV Services Provided by CBC. Research Department, Canadian Broadcasting Corporation, February 1974, p. 114.

from the U.S., 50 per cent felt the present proportion was about right, 24 per cent felt they should import fewer programs and 20 per cent felt they should import more programs.<sup>13</sup>

While the danger of generalizing from these attitudes about the CBC to attitudes toward the entire national broadcasting system should be borne in mind, it does appear as if Canadian television viewers are more satisfied than dissatisfied with present programming arrangements—a situation similar to what LoSciuto (1971) found in the U.S.

#### 6. The Impact of Cable

The contention that cable TV has been a factor in increasing overall viewing time in Canada has already been raised. It was also pointed out how this contention flies in the face of the conventional wisdom of cable increasing viewership only in the short run with the main effect of cable being "to fragment the audience to existing stations but without adding significantly to the total amount of time spent watching television" (CBC, 1973).

Another bit of conventional wisdom with regard to the impact of cable is that it has not eroded "the Canadian broadcasting system." Part of the problem in this formulation has been that "the Canadian broadcasting system" has really been rather narrowly construed as the economic position of the over-the-air broadcast stations. In this light, the TvB (1969) reports that cable has not affected the home market station as an advertising vehicle. More recently, however, studies

have suggested that the economic position of conventional broadcasters, in light of increasing cable penetration, is extremely complex. The variables which need to be considered are: the station's network affiliation; the number and types of television stations available off-the-air within the station's coverage area; the number and types of channels that are available via cable; and the percentage penetration of the cable system(s) in the station's coverage area (Babe, 1975a). While adding to the complexity of the situation involved, Babe nonetheless foresees "a substantial, permanent decline in television advertising in Canada" when U.S. television obtains something like a 30-40 per cent share of Canadian viewing time. Similar but less bold and specific conclusions are reached by Woods, Gordon & Co. (1975) in their study of the impact of cable in five representative markets. They found that cable did reduce the audience share of established local stations, but that the financial impact of this loss had been largely offset by the growth of population in the markets and the general acceptance by advertisers of substantially increased advertising rates. Their conclusion is that while present conditions are basically good the long run economic prospects could be shaky:

While some local broadcasters (particularly those in small markets) may have lost some supplementary revenues and profits because of cable, the industry as a whole appears to be financially sound at this time. However, future developments may not provide off-setting factors as has the past.

If the effects of cable are somewhat murky with regard to their impact on the economics of the Canadian broadcasting

system, the impact on viewing of Canadian stations is crystal clear—Babe's (1975a) econometric model notwithstanding. Cable has meant an increase of viewing of U.S. stations at the expense of Canadian stations. Stanton (1975) provides a number of examples:

[In 1972] An independent Victoria study discovers that, with cable penetration at 81%, U.S. stations have 71% of the viewing audience.

[In 1974] With cable penetration risen from 25% to 64% since 1970, local TV stations in Toronto report a drop in overall Nielsen ratings from 64% in 1970 to 55%. With 76% of viewers cable subscribers, CHAN-TV reports a 31% decrease in audience share. CFRN-TV in Edmonton reports a 39% drop in overall ratings with cable penetration at only 34%.

[In 1975] The two Vancouver TV stations, CBU [sic] and CHAN, report their combined overall Nielsen has dropped from 71% in 1961 when cable subscription was negligible, to 43%, now that cable subscription is up to 80% of viewers.

Even the CRTC (1975) recognizes the problem: "By the Commission's own estimates, there has been a loss of 6% in the viewing hours of [one would assume, all] Canadian stations." Their basic concern in this matter is the fact that such audience losses mean losses of revenue for improving domestic programming.<sup>14</sup>

One estimate of the impact of cable till 1972 has attributed cable with "causing Canadian broadcasters' share of viewing hours nationally to drop from 83 to 75 percent" (Canada Consulting Group, 1972). The continued expansion of cable would reduce that amount a further 3 per cent. This last estimate seems ridiculously low in light of more recent developments.

## 7. Edmonton and Calgary as Case Studies

This erosion of viewing of both Canadian stations and

Canadian programs as a result, in large part, of the growth of cable can be underscored by examining the situations of Edmonton and Calgary. Initial television service was introduced in Edmonton in 1953 when CFRN, a CBC affiliate, went on the air. CFRN remained the sole source of television in Edmonton until 1961, at which time CBXT commenced operation as a CBC owned-and-operated station and CFRN became a member of the CTV network. Edmonton's two cable services (Capital Cable and QC-TV) began offering service in the fall of 1971—CBS and PBS being the first two U.S. outlets so available. In the fall of 1974 a third Canadian station, the independent CITV, was put into operation, and arguments for the protection of this new station effectively delayed the introduction of an ABC channel on cable until June 1975. A decision to allow the introduction of NBC service is still pending.

The initial introduction of cable into Edmonton moved the CBC (1973) to observe that

The biggest loss of audience share by a CBC-owned station these past three years [1969 to the end of 1972] has been by CBXT-Edmonton. The privately-owned Canadian station in Edmonton has also lost share, the beneficiaries being the new U.S. and Canadian stations brought in by cable.

More recently, Wilks (1975), in a submission to the CRTC concerning the importation of additional U.S. channels to Edmonton via cable, demonstrates that the situation has further deteriorated in the last few years. Citing BBM data, Wilks points out that

Since CITV signed on, there has been 25% less hours of viewing of Canadian programming in Edmonton in 1974 with 3 Canadian English language TV stations than in 1973 with 2 Canadian English language TV stations, even though Edmontons [sic] population increased by 2.8% in 1974,

from 1973. Total number of hours in METRO viewing went from 4,450,206 hours in 1973 to 3,454,968 hours in 1974 with CITV on the air.

The balance of Wilks' presentation would seem to indicate that he feels that this reduction in the viewing of Canadian programming can be attributed to the advantage that the U.S. producers have of repeated exposures of programs in a single week (via the various cable and local channels) while Canadians are limited to showing their programs only once in the same time period.

At the June 1975 CRTC Public Hearing, Murray Chercover (1975), the President of the CTV network, used Edmonton to demonstrate that the increased availability of Canadian programming can actually lead to a decrease in viewership of Canadian programs.<sup>15</sup> The addition of CITV to Edmonton provided an estimated 21 new hours of prime time Canadian programming per week. Despite the fact this represented an approximate 30% increase in available Canadian programming, the total viewing of regularly scheduled Canadian programs dropped by 22.5% in 1974.

Fuller details are available on the situation of Calgary as a result of the intensive study of that market by Woods, Gordon & Co. (1975) as part of their survey on the impact of cable on the Canadian broadcasting system. These results can be used to shed further light on the Edmonton case as well, however, since "Calgary possesses sufficiently similar market and broadcast characteristics to those in Edmonton and Ottawa to infer that the impact of cable service on Calgary's broad-

casters would likely apply in large measure to those in Edmonton and Ottawa as well."

The history of television in Calgary is very similar to that of Edmonton. Initial service was provided by the CBC affiliate, CHCT, which was joined in 1960 by CFCN. CFCN was an independent for its first year, then joined the fledgling CTV network. In 1966 CHCT changed its call letters to CFAC and remained a CBC affiliate until Fall 1975 when it became an independent. Cable was introduced in 1971 by Community Antenna and Calgary Cable—CBS and PBS being the initial U.S. services available, as was the case in Edmonton. Similarly, ABC was added next (but earlier—in June of 1974) and the decision on the addition of NBC is also pending. Finally, in 1975 the CBC o & o, CBRT was put into operation.

The first striking fact which the Woods, Gordon & Co. (1975) study reports is that, for the 1969-1974 period, total hours tuned to the Canadian stations (CFCN and CFAC) declined 0.5 per cent while the growth in reach suggests the figure should have increased 15.8 per cent. A decline rather than a growth has been primarily a result of "a decline of about 14% in the average weekly hours tuned per person to the two Calgary broadcasters." (The study is based on data previous to the introduction of CBRT.) This decline has occurred in both the metropolitan (cabled) and outlying areas (uncabled). While "the bulk of the decline [for the former] would appear to be largely attributable to the introduction of additional signals into the Calgary market via cable," the reasons for the decline

in the outlying areas remain unidentified. In addition, as regards the two Canadian stations, "CFCN has suffered a more severe decrease than that experienced by CFAC, with the resultant conclusion that part of CFCN's declining audience has not been caused by cable but in fact has been lost to CFAC."

The fact that cable viewing has significantly affected viewing patterns is amplified by Tables II-8 and II-9. It now becomes evident that Calgarians have switched a significant amount of their viewing time (22 per cent) to U.S. stations since cable was introduced in 1971 (Table II-8). This growth in viewing of U.S. stations has been continual and, as audience share demonstrates even more dramatically (Table II-9), "the trend to increased U.S. station viewing appears to accelerate with the number of U.S. signals available via cable (as evidenced by the increase from 28% in 1972 to 41% last year [1974] with the introduction of KREM in 1973)."

While off-air viewing is exclusively of Canadian stations, given Calgary's geographic location, cable viewers watched Canadian stations only 59 per cent of the time in 1974—the remaining 41 per cent being spent viewing U.S. stations. The decline in hours of tuning to Canadian stations attributable to cable is calculated to be about 14 per cent<sup>16</sup>—the rest being the net effect of factors such as Calgary's "rapid population growth, the overall attractiveness of TV as a viewing medium and of the program selections offered to both off-air and cable viewers, the attractiveness of alternate



TABLE II-8

## HOURS TUNED BY COUNTRY OF STATION ORIGINATION

Calgary CMA

	<u>Canadian Stations</u>		<u>U.S. Stations</u>		<u>Total</u>	
	<u>Hours Tuned</u> ( '000)	<u>% of</u> <u>Total</u>	<u>Hours Tuned</u> ( '000)	<u>% of</u> <u>Total</u>	<u>Hours Tuned</u> ( '000)	<u>%</u>
1969	6,897	100%	--	--	6,897	100%
1970	8,080	100	--	--	8,080	100
1971	7,936	97	225	3%	8,194	100
1972	7,121	87	1,122	13	8,366	100
1973	7,783	83	1,566	17	9,426	100
1974	7,378	78	2,080	22	9,598	100

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Source: Woods, Gordon & Co. The Impact of Cable Television on the Canadian Broadcasting System. A Report to the Canadian Cable Television Association, May 1975, p. 21. Originally calculated from BBM November TV Circulation and Coverage Reports.

TABLE II-9

## CALGARY CMA

## AUDIENCE SHARE BY STATION OFF-AIR AND VIA CABLE

(English)

	<u>1972</u>	<u>1973</u>	<u>1974</u>
Off-Air Viewing			
CFCN	54.5%	52.5%	58.2%
CFAC	45.3	47.4	40.9
Other	<u>.1</u>	<u>.1</u>	<u>.9</u>
Total Canadian	100.0%	100.0%	100.0%
U.S. Stations	0	0	0
Total	100.0%	100.0%	100.0%
Cable Viewing			
CFCN	37.8%	35.1%	30.5%
CFAC	33.8	30.0	28.0
Other	<u>--</u>	<u>1.1</u>	<u>.3</u>
Total Canadian	71.6%	66.2%	58.8%
KREM	--	15.5%	20.4%
KXLY	28.4%	16.5	19.4
KXPS	<u>--</u>	<u>1.7</u>	<u>1.5</u>
Total U.S.	28.4%	33.8%	41.2%
Total	100.0%	100.0%	100.0%

Source: Woods, Gordon & Co. The Impact of Cable Television on the Canadian Broadcasting System. A Report to the Canadian Cable Television Association, May 1975, p. 21. Originally calculated from A. C. Nielsen November Survey.

uses of Calgarians [sic] time, etc."

Again, the distinction between viewing of stations and of programs must be emphasized. As would be expected on the basis of what has been said above, the decline in viewership of Canadian programs (or conversely, the increase in viewership of U.S. programs) is greater than the respective changes in viewership of stations. What is surprising, however, is the very large extent to which viewing of Canadian programs has declined since cable was introduced—and most markedly since the Canadian Content Regulation changes were made in 1972. Overall viewing of Canadian programs dropped from 46.3 per cent in 1972 (which is, after all, less than a majority share of viewing time to begin with) to an incredibly low 34.7 per cent—or a decline of 25.2 per cent (Table II-10). This overall decline is the joint result of an increased proportion of cable viewers (cable penetration moving from about 26 per cent in 1972 to roughly 50 per cent in 1974) and "their reduced Canadian content viewing compared to off-air viewers, particularly with ABC service being introduced in 1973"; combined with a reduction in off-air viewing of Canadian productions (from 52 per cent in 1972 to 43 per cent in 1974).

A closer examination of the extent of the decline for each of these reasons suggests that "the factors causing the decline in off-air Canadian content viewing has contributed over 65% of the overall decline (16.9% as a percent of 25.2%), cable's direct share being less than 35%."<sup>17</sup> The reasons for cable's effect is the obviously greater choice of U.S. content

TABLE II-10  
PER CENT TUNING TO CANADIAN PRODUCTIONS IN CALGARY

	<u>Cable Households</u>	<u>Off-Air</u>	<u>Total</u>
1970	--	46.3%	46.3%
1971	38.1%	43.3	42.6
1972*	39.3	51.6	46.4
1973	30.2	43.9	37.4
1974	29.0	42.9	34.7
% Change 1972 to 1974	26.2%	16.9%	25.2%

\*Canadian Content Regulation Changes

Source: Woods, Gordon & Co. The Impact of Cable on the Canadian Broadcasting System. Report to the Canadian Cable Television Association, May 1975, p. 36. Originally obtained from BBM material used in the CFCN intervention.

it offers the viewer, thereby reducing the likelihood that cable viewers will choose Canadian productions as compared to non-cable viewers. This increased choice is so seductive that it "has meant that of the 30 most popular programs viewed in Calgary in 1974, for cable subscribers only two were Canadian as compared to nine productions for off-air viewers."

The study did not attempt to discover the reasons for the off-air decline in such viewing, but the factors that it suggest are most interesting:

The extent to which it [the off-air decline in Canadian production viewing] is caused by the rescheduling of Canadian productions in competition to U.S. shows being imported from Spokane by cable, or the reduced broadcaster efforts or expenditures to program attractive Canadian productions in the face of reduced viewing of Canadian productions by cable subscribers remains uncertain.

These possible factors do tend to suggest a theory to explain the downward spiralling nature of the problem faced by Canadian producers: the threat of competition of U.S. programs leads to the head-on programming of Canadian shows in off-peak hours thereby reducing the audience for Canadian programs thus making them a less attractive advertising investment requiring the cutting of costs to make them more competitive for advertisers' dollars which makes them less able to attract audiences which reduces their ability to attract advertisers, and so on. Given the already disadvantaged position of independent producers as will be presented below, such developments accompanying the introduction of cable make the environment in which they must operate ever more hostile.

The impact of cable, then, contrary to conventional

wisdom, has been quite significant if one pictures the Canadian broadcasting system as one in which Canadian program producers make Canadian programs for the satisfaction of Canadian audiences. Clearly the situation is increasingly becoming one in which American program producers and broadcasters have "captured" the Canadian audience—making Canadian programming secondary in its own country as Stewart (1975) suggested it might become. And in looking to the future, since Kiefl (1973) found that cable subscribers were even more partial to U.S. programs than non-subscribers were, this tendency is likely only to increase. When one adds to cable the spectre of satellite and pay TV—which The Canada Consulting Group (1972) estimated would reduce viewership of Canadian stations an additional 5 per cent and 1-2 per cent respectively, with the second phase of satellite service alone reducing it to 55 per cent—the odds for maintaining a Canadian broadcasting system become frighteningly low.

#### 8. Prospects for the Viewing of Canadian Programs

In projecting the future of viewing habits of Canadians, writers seem to have confined their discussions to the relationship between the use of cable and viewing habits. The assumption here seems to be that the proliferation of cable (with its accompanying increase in choices) will be the most significant developments in terms of influencing viewing behaviour. The CBC (1972), for example, indicates that cable may appear to increase viewing time in the short run due to a "novelty

effect," but in the long run, viewing levels remain stable. Similarly, Woods, Gordon & Co. (1975) note the tendency of cable viewers to exhibit less station loyalty.

The most extensive projection in this regard is offered by Babe (1975a) in his econometric model. Babe does find that cable viewers tend to watch less Canadian television—but only by 3-6 per cent. Aside from this difference, "the best estimates of viewing patterns of cable and noncable viewers were identical." This assertion covers the Canadian broadcasting system as a whole, but

should be treated with less confidence when being applied to particular populations. The most likely explanation for the phenomena described above is that while cable subscribers do not show a significantly greater preference for American television as such (only 3 to 6 per cent more), they do show greater discrimination in the programmes they watch. The relative time they watch Canadian television will depend not only on the number of Canadian and American channels available, but also on their "qualities" to a much greater degree than for off-air viewers.

This would seem to be confirmed by Woods, Gordon & Co. (1975) who judged cable viewers as being "more oriented in their television viewing to programs offered that interest them irrespective of the station on which they appear than are off-air viewers who seem to possess stronger station loyalty."

In looking at the impact of cable on viewing patterns for individual stations, Babe (1975a) found that "In general, the audience share of cable subscribers will differ by only 4 to 5 percent from the off-the-air audience."

This finding is highly significant. It reinforces the previous conclusion that cable television subscribers do not have greatly different viewing habits than conventional viewers, and that they apparently do not exhibit, through the act of subscribing to CATV, any great dissatisfaction

with their local television stations. These results indicate also that the only danger inherent in CATV vis-a-vis the Canadian broadcasting system is through the ability of cable TV to increase channel availability. This is not meant to minimize this danger, of course, but it bears emphasizing that CATV by itself does not appear to change viewing habits.

These similarities in viewing habits of the two groups are very important for the longer-range ability of Canadian broadcasting to survive. Fear has been expressed that Canadians would become more and more addicted to American television because of its expensive mass-appeal type programming. It had been forecast that by placing such foreign channels on cable, thereby equalizing the technical qualities of the American and Canadian signals, Canadians would begin to shift their preferences toward these more expensive, lighter television programmes. . . . [but the result obtained here] suggests no such trend.

While Babe's econometric model is impressive and probably most accurate given the assumptions and variables it incorporates, it is not completely useful nor accurate for someone interested in projecting the prospects for the Canadian cultural component of the Canadian broadcasting system (i.e. Canadian programs). This lack of utility is the result of two basic problems: the interpretation of the viewership variable as the viewership of Canadian stations rather than Canadian programs, as mentioned above, and the reduction of the determinants of viewing behaviour to cable subscription alone. This latter neglect flies in the face of the evidence that level of education and age are the two variables "most capable of 'explaining' variations in the total amount of time spent viewing" (CBC, 1974). In other words, "The older and least educated members of society are indeed the heaviest consumers of television."

The CBC (1974) failed to control for either of these two



variables making it difficult to explore the relationship among age, level of education and amount of television viewing completely. While by no means a substitute for statistical control, an examination of the ability of the two variables to discriminate between heavy viewers of CBC and of CTV is suggestive. While there was no difference in the level of education between viewers of the two networks at all usage levels, the heavy viewers of CBC stations are significantly older than heavy viewers of CTV stations (CBC, 1974). This is even more interesting when it is remembered that when comparing perceptions viewers have of CBC, CTV and U.S. stations, and then comparing only CBC and CTV, CTV took the role the U.S. stations had occupied in the original comparison (CBC, 1974). Somewhat contrarily, however, the CBC (1973) had earlier found that age was able to discriminate between heavy viewers of CBC and CTV Canadian-produced programs but not between viewers of U.S. programs carried on the two networks. Nevertheless, age can probably be considered a (if not the) major determinant of television viewing behaviour.<sup>18</sup>

In light of this, it is important to review the findings on attitudes toward U.S. television in terms of age differences. This has been done in Tables II-11 to II-15. While exact comparisons are impossible given the different age ranges employed (and in the case of Table II-13 percentages having been calculated by stations rather than by age groups) it is apparent that in each case preferences for U.S. television increase with decreasing age—and quite dramatically. The differences in terms of

TABLE II-11  
PREFERENCE OF CANADIANS FOR AMERICAN TV  
BY AGE

	Age				Total
	<u>Under 20</u>	<u>20-24</u>	<u>25-44</u>	<u>Over 44</u>	
Canadian TV	40%	38%	38%	52%	43%
American TV	58	58	59	45	54
Did not state	<u>2</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>3</u>
	100%	100%	100%	100%	100%

Source: Special Senate Committee on Mass Media, Vol. III,  
p. 131.

TABLE II-12  
PREFERENCES OF CANADIAN FOR AMERICAN SHOWS  
BY AGE

	Age				Total
	<u>Under 20</u>	<u>20-24</u>	<u>25-44</u>	<u>Over 44</u>	
Canadian Shows	30%	29%	32%	43%	35%
American Shows	68	67	64	51	60
Did not state	<u>2</u>	<u>4</u>	<u>4</u>	<u>6</u>	<u>5</u>
	100%	100%	100%	100%	100%

Source: Special Senate Committee on Mass Media, Vol. III,  
p. 131.

TABLE II-13  
 STATION PREFERENCE WHERE CHOICE LIMITED TO ONE  
 BY AGE

	<u>18-24</u>	<u>25-34</u>	<u>35-49</u>	<u>50-64</u>	<u>65+</u>
CBC-English	14%	21%	25%	19%	21%
CTV	20	19	28	23	10
U.S.	21	21	29	19	9

Source: CBC. What the Canadian Public Thinks of Television and of the TV Services Provided by CBC. Research Department, Canadian Broadcasting Corporation, February 1974, p. 58.

TABLE II-14

PREFERENCE IN ENGLISH CANADA FOR AMERICAN  
OR CANADIAN TV PROGRAMS: BY AGE OF VIEWER

	Age					Total
	<u>18-24</u>	<u>25-34</u>	<u>35-49</u>	<u>50-64</u>	<u>65 plus</u>	
American programs are better	60%	56%	51%	43%	41%	50%
Canadian programs are better	12]	10]	11]	11]	13]	11]
The same, no preference	23] 35	29] 39	32] 43	36] 47	36] 49	31] 42 43
Don't know	<u>6</u>	<u>6</u>	<u>7</u>	<u>10</u>	<u>10</u>	<u>7</u>
	100%	100%	100%	100%	100%	100%

Source: CBC. What the Canadian Public Thinks of Television and of the TV Services Provided by CBC. Research Department, Canadian Broadcasting Corporation, February 1974, p. 113.

TABLE II-15  
 CANADIAN OPINION OF BEST TELEVISION PROGRAM PRODUCERS  
 BY AGE

	Age			<u>Total</u>
	<u>18-29</u>	<u>30-49</u>	<u>50 &amp; over</u>	
Americans	67%	58%	45%	57%
British	10	10	10	10
Canadians	14	21	24	19
Don't know	<u>9</u>	<u>12</u>	<u>21</u>	<u>14</u>
	100%	101%*	100%	100%

\*Exceeds 100% due to rounding-off.

Source: Canadian Institute of Public Opinion, November 1975

preference for U.S. television between the most extreme age groupings range from a low of 12 per cent (Tables II-11 and II-13) to a high of 22 per cent (Table II-15). This preference is more pronounced for U.S. programs as compared to U.S. stations—as has been pointed out previously. Interestingly, it is only the oldest age group which prefers Canadian to U.S. TV overall (Table II-11). It is also interesting to note that where "no preference" was an explicit alternative, viewers in all age categories opted for it to a greater degree than, "Canadian programs" (Table II-14)—but the combined percentages for "Canadian programs" and "same" approach 50 per cent for the two oldest age categories. Similarly, in judging the best program producers, older viewers were just slightly more inclined to respond "Canadian" than "don't know" (Table II-15). These latter two observations may seem to blunt the differences between extreme age groups somewhat. Nevertheless, the differences appear significant and cannot help but be seen as having profound implications for the future viewership of Canadian programs.

While nowhere near exact predictions can be made, a general impression can be obtained. It is assumed that such opinions about television as noted above are translated into actual viewing choices<sup>19</sup> and that such behaviour will persist over time.<sup>20</sup> Given the fact, then, that older viewers are heavier viewers than younger ones (CBC, 1973; 1974) and that older viewers presently view more Canadian TV (i.e. stations, and by extension, programs as well) than younger ones (CBC,

1973), the audience for Canadian English-language television programs cannot help but constantly shrink over time. As younger viewers grow older and begin viewing in larger amounts, the viewing of U.S. programs will increase steadily while the viewing of Canadian programs will decrease steadily. This will be all the more pronounced since those who will then be younger viewers should be expected to be at least as U.S.-oriented in their viewing as younger viewers are now—and probably more so.

The contention that cable will have a minimal impact on the viewership of Canadian television in the future appears fallacious. In fact, it has already had a deleterious but latent effect by planting the seeds of destruction for Canadian programming. Cable has greatly increased the availability of U.S. signals to younger Canadians whose viewing habits have been and are being influenced (formed?) by massive exposures to U.S. programming. Most of their elders were not subjected to such a barrage—at least not in their "formative years." (The first "TV generation" is after all just reaching maturity.) Moreover, the fact that advertisers are becoming more interested in reaching the 18-49 age group, rather than generating as large an overall audience as possible (Fletcher, 1971), may mean that this inclination for U.S. programs has already made its impact felt in the dynamics of the Canadian broadcasting system's economics. Be that as it may, as cable spreads to those presently uncabled areas of the country, it would appear that the trend established herein cannot help but

reach the logical end of negligible, if not non-existent,  
viewing of indigeneous Canadian television programs. In  
light of what has been said above about the importance of  
broadcasting as a force is fostering national identity and  
in light of Kiefl's (1973) finding that cable viewing makes  
people more susceptible to U.S. culture—especially those  
fifty years of age and under—such a development does not  
auger well for Canada as a culturally distinct nation.<sup>21</sup>



## ENDNOTES

<sup>1</sup>Canadians appear to view slightly less television than Americans. The corresponding U.S. figure for average daily viewing per household is six hours and 14 minutes (TvB, 1975). Comparable U.S. figures for the other two categories do not seem to be available, but LoSciuto (1971) reports that average daily U.S. viewing per person is three hours and 20 minutes.

It should also be noted (given the focus here on English-language production) that the Canadian figures are national figures and would be somewhat deflated if Quebec viewing averages (26 hours and 26 minutes per week per person) were excluded. Higher Quebec averages are explained by "the double attraction of English and French TV to bilingual viewers in French Canada" (CBC, 1973).

<sup>2</sup>An earlier CBC (1972) study suggests that the availability of cable increases viewership only in the short run, after which viewership returns to its normal level. In addition, it has been suggested that there is great stability in amount of viewing over time—on the basis of a comparison of all November BBM's on average daily viewing per person for 1968-1971 (CBC, 1973). Part of the problem here is that a March BBM figure has been compared to a November one, and March viewing is traditionally higher than November viewing—but only by about 3 per cent (CBC, 1973). Furthermore, the CBC (1974) finding from a study conducted in October and November 1972, that the daily average is close to four hours would suggest that viewing levels have increased somewhat as suggested.

<sup>3</sup>While dealing with a different medium with different kinds of structural variables, Hesbacher, et al. (1976) are asking similar questions with regard to radio format strategies in that they want to know "whether changes in the sound format of stations are associated with subsequent changes in the size of listenership."

<sup>4</sup>The other areas in which television receives better than 50 per cent of the responses were: "allows you to see life as others live it," "makes experts available," and "is easiest to learn from." Entertainment and relaxation are also the prime reasons given for choosing to watch TV.

<sup>5</sup>The French-speaking portion of the sample was even less strong in this particular orientation, scoring 3.4 or 43 per cent and having only 33 per cent who tend to see television to some degree in these terms. The U.S. data seems much more clear cut (LoSciuto, 1971):

TABLE 19: MAIN REASONS FOR WATCHING TELEVISION

	100%
For entertainment	32%
For relaxation	26%
To kill time	18%
To keep up with current events	8%
For learning or self-improvement	4%
For social reasons	4%
To see specific show	2%
Other	2%
No answer, no reason	4%

A large measure of the difference in the results can probably be accounted for methodologically. LoSciuto generated his data by asking respondents to volunteer the main reasons they watched television (and later confirmed the above results by asking them "to choose which of three reasons best described their use of television"—with 62 per cent choosing "relaxing"). The CBC study, on the other hand, generated its data by creating a scale encompassing "scores based on the extent to which respondents agreed or disagreed with these statements:

Q.9a: "The only real use of television is to help you relax." (Emphasis added)

Q.9b: "Television is mainly useful when you have to kill time." (Emphasis added)

While the difference in extent of relaxation-orientation is most likely accounted for by the amount of forcing involved, LoSciuto does concede "that a substantial minority of viewers feel that their television viewing is not entirely a frivolous or escapist use of time"—a view which seems to be an underlying motivation of the CBC study.

<sup>6</sup>Wells (1974) posits that the possibilities for "feedback mechanisms" in media systems are reports from fieldworkers, audience participation, polls and ratings, and evaluations by critics and sponsors. He states that: "The latter two methods are most common in commercial systems where raw size of audience is often crucial." This dimension, then, is of course not unrelated to the configuration of the particular media system on the other dimensions (control, finance, programming goals and target audience).

<sup>7</sup>Sparkes found that the Diversion function ("relaxing, amusing, exciting") was the most important one, except for the viewers of high education who value its Surveillance ("informative, relevant, believable") and Self Identity ("stimulating, educational") functions. The Diversion function was best served by American Adventure and Comedy

shows, and the Surveillance and Self Identity functions by CBC Documentaries and CBC News. Sparkes basic conclusion is that

Canadian programming does not appear to be matched to the uses and gratifications Canadian viewers are seeking from television. By default the American programs are therefore claiming the audience, not because they are American per se, but because the American programming is more truly matched to the viewing tastes and interests of the bulk of the Canadian television audience.

<sup>8</sup>In addition to the fairly high response rate, "non-respondents were not significantly different from respondents in the usual demographic and social variables—age, sex, marital status, education, occupation, presence or absence of children in the household, area of residence, time spent watching television."

<sup>9</sup>For the U.S., Dominick and Pearce (1976) show comedy third in recent years in terms of number of productions—behind action/adventure and movies—while LoSciuto (1971) reports that comedy and variety shows led the list of reported favourite programs.

<sup>10</sup>In the U.S., action-adventure topped the number of productions in recent years in the Dominick and Pearce study (1976), and "crime-adventure," "other adventure" and "other dramatic" followed close behind comedy and variety in program popularity in LoSciuto's (1971) national inventory of television viewing behaviour.

<sup>11</sup>As K. M. Vagg Research Associates reported to the CBC (1975) on the basis of their repertory grid analysis: "There are enormous difficulties in developing a stable attitude structure. Not only do different people receive different gratifications from the same program, but a given individual may receive different gratifications from the same program at different times." And there is the possibility that such a structure can itself shift over time.

<sup>12</sup>The smaller percentage for preference for U.S. programs here in comparison to the Senate Study (Table II-2) is most likely a result of the fact that the Senate study asked respondents to select Canadian or U.S., while the CBC study placed a similarity option directly in the question.

<sup>13</sup>Of the 59 per cent of the sample who were aware that the CBC imports programs from Britain, 45 per cent were content with the present proportion, 36 per cent wanted more while only 14 per cent wanted fewer.

<sup>14</sup>The CRTC's position is somewhat ironic given Babe's (1975b) analysis of their seeming lack of concern with

profit levels of broadcasters. While he notes that there is some reason to be concerned with the revenue picture of the smallest broadcast stations, that is not the case with regard to the largest ones:

While the 14 largest stations, those with revenues over \$3.0 million, do account for 76 percent of all programming expenditures in the private sector, the fact that they have been allowed to earn a rate of profit over 50 per cent after tax would indicate that such stations currently possess sufficient resources to significantly increase programming expenditures. In fact these stations could have spent an additional \$25.0 million on programming (42 percent more than actually expended) and still have earned a 20 percent return after tax (assuming a 50 percent tax rate).

The failure to deal with this situation, combined with the CRTC's position on cable (i.e. to protect the economic base of the conventional broadcasters), would seem to indicate that the CRTC has indeed put the goal of protecting broadcaster's revenues ahead of the goal of stimulating the production of Canadian content—albeit perhaps unknowingly—as Babe suggests.

<sup>15</sup> Stewart (1975) earlier demonstrated the potential of this dilemma that cable presents for the Canadian broadcasting system as a whole by examining one, two and multiple channel markets (Charlottetown, Halifax and Toronto respectively) in terms of the availability of U.S. programming in 1970: "in moving from a one-station to a six-station area, there is a steady increase in the number of Canadian programs available (from 34 half-hour programs to 67), but a dramatic decrease in the percentage of Canadian programming available (from 60% Canadian programming in Charlottetown to 20% in Toronto)."

<sup>16</sup> "The following calculation indicates how this figure is derived:

Proportion of Calgary viewers within cabled areas to total audience reach of Calgary stations	66%
X Estimated cable penetration (CMA)	50%
X Percent reduction in share of tuning to Calgary broadcasters via cable compared to off-air	41%
Product of above	13.5%"

<sup>17</sup> The calculation of respective contributions of cable and off-air to the total reduction is somewhat mystifying. There is something unsettling (but not completely specifiable) about taking 16.9 per cent as a straight percentage of 25.2

per cent in calculating off-air's contribution. This would seem to neglect too many factors which were not neglected in the calculations of footnote 16.

<sup>18</sup>While neither conclusive nor definitive, Kline's (1971) study would indicate that age is a better predictor of TV usage than education, although a life style variable "anomia" or alientation, would seem to be an even better predictor. In reporting a test to explore the relationship among these three variables, Kline states: "When we computed a standardized partial regression coefficient, age remained a significant predictor, along with anomia, whereas education dropped out."

<sup>19</sup>The CBC (1974) points out that commercial ratings tend to confirm the stated preferences for U.S. programs and The Canada Consulting Group's (1972) data on viewing of Canadian and U.S. entertainment programming does as well.

<sup>20</sup>While Bechtel, Achelpohl and Akers (1971) suggest that "Perhaps the attention to television [and hence the incidence of overestimating viewing time] follows the u-shaped curve of general attention span and age," Gans (1968) states that the viewing habits of adolescents and adults closely resemble one another (although adolescents show a higher viewing of comedy programs). Beyond that there appears to be no longitudinal data to answer the question of how viewing preferences and behaviour perform over the life history of viewers—although changes in the viewing behaviour and preferences of younger viewers (5-16) have been fairly well-documented by the U.S. Surgeon General's Report. These are summarized in Lyle (1971).

<sup>21</sup>The Canada Consulting Group (1972) came to a similar conclusion four years ago: "Given present trends, there is little doubt that the multiplicity of programming choices will be dominated by foreign programming, making more remote the possibility of preserving a distinctive Canadian culture and identity. Unless the pattern is altered, the future of television in Canada is in danger." The reason for the urgency of their plea for action should be patently obvious given our analysis of the prospects for the viewership of Canadian programming.



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EDMUNDS, HUGH H.

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