

DEPARTMENT OF COMMUNICATIONS /
MINISTÈRE DES COMMUNICATIONS

TELEVISION INDUSTRIE SUMMIT
SOMMET SUR L'INDUSTRIE DE LA TÉLÉVISION

THE HON. PERRIN BEATTY /
L'HON. PERRIN BEATTY

PRESS CONFERENCE / CONFÉRENCE DE PRESSE

HELD AT:

Four Seasons Hotel
Montreal, Quebec

December 10, 1991

TENUE À:

Hôtel Quatre Saisons
Montréal (Québec)

Le 10 décembre 1991

HE
8689.9
C3
B433
1991

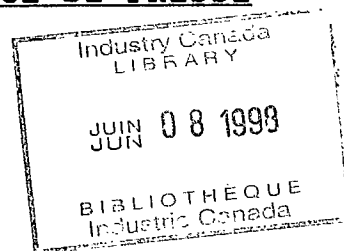
StenoTran

DEPARTMENT OF COMMUNICATIONS /
MINISTÈRE DES COMMUNICATIONS

2.
TELEVISION INDUSTRIE SUMMIT ...
SOMMET SUR L'INDUSTRIE DE LA TÉLÉVISION ...

1.
THE HON. PERRIN BEATTY /
L'HON. PERRIN BEATTY

PRESS CONFERENCE / CONFÉRENCE DE PRESSE



HELD AT:

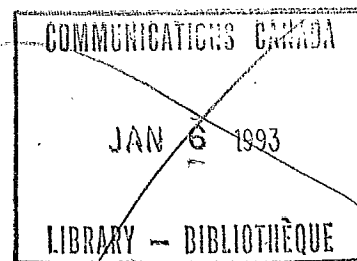
Four Seasons Hotel
Montreal, Quebec

December 10, 1991

TENUE À:

Hôtel Quatre Saisons
Montréal (Québec)

Le 10 décembre 1991



StenoTran

1 HON. PERRIN BEATTY: -- over the
2 course of the past two days, so I don't think you
3 need an opening statement from me.

4 I would be delighted to receive
5 questions, premièrement en français et après ça en
6 anglais.

7 Q. Monsieur le Ministre, vous
8 avez dit tout à l'heure que vous étiez très
9 satisfait de ce que vous avez qualifié de première
10 étape. Mais qu'est-ce qui va en résulter de façon
11 concrète et qu'est-ce qui va suivre demain matin,
12 ou enfin, quelle sera la seconde étape, si vous
13 voulez?

14 M. BEATTY: Il faut commencer
15 immédiatement à planifier la deuxième étape. Nous
16 avons considéré 31 recommandations, je pense, du
17 rapport Girard-Peters, et c'est notre
18 responsabilité maintenant de planifier une
19 stratégie industrielle cohérente et compréhensible
20 pour l'industrie de la télévision ici, au Canada.

21 Ce travail doit commencer
22 immédiatement. Je pense que nous avons beaucoup
23 accompli dans les deux dernières journées, mais il
24 nous reste beaucoup à faire.

25 Q. Qu'est-ce que vous retenez de

1 ce sommet-là? Selon vous, qu'est-ce qui est le
2 plus urgent pour l'industrie en ce moment? Quel
3 consensus est-ce que vous avez senti autour de
4 cette table-là?

5 M. BEATTY: C'est qu'il y a une
6 crise économique pour les télédiffuseurs ici, au
7 Canada. Ce n'est pas juste concentré ici, au
8 Québec, mais cela existe dans les autres régions
9 du Canada aussi. Cependant, la situation est plus
10 sérieuse ici, au Québec. C'est pourquoi il nous
11 faut concerter nos efforts et travailler ensemble
12 pour chercher des solutions.

13 C'est clair qu'il n'y a pas encore
14 de consensus sur toutes les réponses à cette
15 crise, mais il y a un assez grand degré de
16 consensus. En tout cas, c'est clair qu'il y a une
17 situation d'urgence; il faut agir aussitôt que
18 possible. C'est une condition préalable et
19 essentielle.

20 Je pense qu'il y a une volonté de
21 travailler ensemble, et c'est ce qui va nous
22 donner la chance d'en accomplir plus.

23 Q. Si vous me permettez une
24 autre question, vous avez dit aussi qu'il était
25 essentiel que la programmation canadienne soit de

1 grande qualité, finalement, pour nous différencier
2 encore plus des autres, des pays étrangers, et
3 caetera.

4 Est-ce que vous voyez une façon ou
5 un moyen d'améliorer la programmation canadienne?

6 M. BEATTY: Nous devons travailler
7 ensemble pour chercher les solutions. Nous avons
8 entendu mentionner plusieurs propos; je parle des
9 participants à ce sommet. Mais il nous faudra
10 travailler ensemble dans la deuxième phase pour
11 considérer comment travailler pour améliorer la
12 qualité de nos émissions.

13 Il est clair qu'on peut garantir
14 une certaine quantité de contenu canadien sur nos
15 ondes, mais il faut avoir des émissions de qualité
16 pour attirer les téléspectateurs.

17 Q. Est-ce que ceci veut dire
18 qu'il faudra encore attendre six mois avant de
19 savoir comment, financièrement, les télédiffuseurs
20 pourront trouver de nouvelles sources de fonds
21 pour faire face à la crise actuelle? C'est dans
22 six mois qu'on saura si c'est une déduction
23 fiscale ou une taxe sur la câblodistribution, ou
24 je ne sais quoi?

25 M. BEATTY: J'ai lancé un défi au

1 comité de direction de finir leur rapport d'ici
2 six mois, mais c'est le maximum. Je suis prêt à
3 recevoir ce rapport aussitôt que possible.

4 Notre progrès dépend de l'esprit
5 de coopération et du travail fait par tous les
6 participants.

7 Q. Est-ce que ça veut dire que
8 dans le prochain budget, par exemple, il pourrait
9 y avoir des annonces?

10 M. BEATTY: Tout est possible,
11 mais ça n'indique rien. Il est impossible de
12 prévoir le contenu du budget.

13 Q. Qu'est-ce que vous répondez à
14 ceux qui vous disent que dans six mois il sera
15 peut-être trop tard parce qu'ils ne seront plus
16 là?

17 M. BEATTY: Nous avons déjà agi
18 sur 31 recommandations du rapport Girard-Peters.
19 Il nous en reste quelques autres. Il nous faut
20 travailler ensemble pour créer un consensus.

21 Je ne suis pas dictateur de notre
22 système de télédiffusion au Canada, je suis
23 ministre. C'est ma responsabilité d'encourager le
24 développement d'un consensus et d'un esprit
25 collaboratif.

1 Comme l'a dit très clairement le
2 rapport Girard-Peters, le gouvernement ne possède
3 pas toutes les clefs. Il y a beaucoup d'actions
4 qui doivent être prises par les radiodiffuseurs
5 eux-mêmes. Il nous faut travailler ensemble pour
6 bâtir ensemble une stratégie pour répondre à la
7 crise économique qui existe présentement.

8 Q. Vous avez parlé beaucoup ce
9 matin des nouvelles technologiques qui créaient
10 une pression sur l'industrie. Est-ce que la
11 négociation de l'accord de libre-échange avec le
12 Mexique ne sera pas l'occasion pour les Américains
13 de rouvrir l'Accord de libre-échange et de
14 remettre en question notre politique
15 protectionniste à l'égard des communications au
16 Canada?

17 M. BEATTY: Non. Absolument pas.
18 Nos produits culturels sont à vendre; notre
19 culture n'est pas à vendre, ni aux Américains, ni
20 aux Mexicains.

21 Q. Les 12 minutes commerciales
22 de Radio-Canada le soir, entre sept et dix, en
23 grande écoute, est-ce que c'est intouchable?

24 M. BEATTY: Non, rien n'est
25 intouchable. Nous sommes prêts à considérer

1 toutes les recommandations du rapport Girard-
2 Peters et tous les autres propos de l'industrie.
3 Il y aura un bon échange d'opinions entre tous les
4 partenaires, publics et privés, et j'espère que
5 nous pourrons travailler ensemble pour trouver des
6 solutions.

7 Comme l'a dit déjà M. Veilleux, le
8 président de la Société Radio-Canada, si on
9 considère toute la grille-horaire de la Société
10 Radio-Canada, c'est peut-être à ce niveau déjà; il
11 faut considérer toute la grille-horaire.

12 Mais rien, sauf l'existence même
13 du système et la présence des produits culturels
14 canadiens, n'est intouchable. Rien, sauf ça.

15 Q. Advenant la séparation du
16 Québec, qu'est-ce qu'il arrive de Radio-Canada?

17 M. BEATTY: Pardon?

18 Q. Est-ce que vous vous êtes
19 posé des questions là-dessus jusqu'à maintenant?

20 M. BEATTY: Non. Je pense qu'on
21 va éviter la séparation du Québec, et un des
22 instruments pancanadiens est la Société Radio-
23 Canada. C'est notre responsabilité et notre
24 devoir d'éviter cette possibilité.

25 Q. What do you regard as the

1 major accomplishment of this two-day session here?

2 A. Two key ones. The first is
3 that we have been able to deal with the bulk of
4 the Girard-Peters report and to have comprehensive
5 consensus on the vast majority of the
6 recommendations which were made by Girard-Peters.
7 All of the participants have come to the table
8 with a sense of collaboration.

9 Second, there is a degree of
10 consensus which I saw today which, frankly,
11 surprised me. If you look at the two days,
12 yesterday you had, in large part, reports being
13 made of steering committees and working groups.
14 Many of the issues were worked out over the course
15 of the last several months, and it was
16 extraordinary that so much progress was made. It
17 was a much more structured day.

18 Where you would expect to see the
19 differences emerge, where people would be digging
20 in in opposing camps, would be today when we had
21 an agenda which was much less structured and was
22 looking much more forward into the future. You
23 did see the divergences of opinion or perspective,
24 but what surprised me at the end of the day, over
25 the 39 interventions we heard, was the degree of

1 consensus that exists. We didn't find hard and
2 fast positions being taken by cable people on one
3 side and producers of programming on another and
4 broadcasters on another. We found a remarkable
5 degree of consensus.

6 What is so encouraging for me
7 about that, Craig, is that -- on Monday morning I
8 said, "We will all succeed together or we will all
9 fail together." The condition precedent for our
10 being able to succeed is a spirit of compromise
11 and a sense of shared purpose. That exists, and I
12 think it carries us into the next phase with a
13 good sense of momentum.

14 Q. What about that next phase?
15 What do you expect of the report six months down
16 the road? Where will that go from here? What
17 will you have and where will you take it?

18 A. We will be dealing with a lot
19 of the issues that we were looking at today. It
20 will help us to try to develop a consensus as to
21 where, first of all, the technology is taking us
22 naturally.

23 We heard people say in some cases
24 that there really isn't a sense of urgency here,
25 that we have always heard of new technologies

1 coming along and that technologies often fail and
2 maybe we don't need the sort of sweeping change
3 that some talk about. In other cases people were
4 saying that these changes are upon us now and, if
5 anything, we are going too slow.

6 I hope that, in designing a
7 blueprint, we will be able to agree on the
8 foundations for that blueprint, for the
9 construction if not the blueprint, that what we
10 will be doing is saying: This is where we see the
11 industry evolving in the future; these are the
12 technological challenges that are going to be
13 facing us; these are the impacts that it has on
14 the economics.

15 These are our goals, and I cited
16 two of them. One is the maintenance of the
17 Canadian industry. It is important, if we are to
18 deliver Canadian content to Canadians, that there
19 be an industry to do so, an infrastructure to do
20 so. Second, the sine qua non is the Canadian
21 content that is on there -- Canadian content of
22 quality, Canadian content that is varied, Canadian
23 content that is affordable.

24 For me, everything is on the table
25 for discussion with the exception of those two

1 points. If we can agree on where we are going,
2 what sorts of obstacle exist in our way, and if we
3 can work together in terms of making progress,
4 then I don't see how we can fail, if we continue
5 to maintain the momentum we have.

6 If, on the other hand, we fragment
7 and we begin to dig in and say, "Look, I am
8 worried about me, not about the system as a
9 whole," then it would be impossible to succeed.

10 Q. Where do you go after the
11 report is delivered?

12 A. We will have to see what's in
13 it. Obviously, by designing a new architecture
14 for the industry, it will give us guidelines at
15 the governmental level as to how we should be
16 taking decisions. As we look at the addition of
17 new services, for example, when should this be
18 taking place? How do we phase them in? What is
19 the nature of them? Who should be able to obtain
20 licences? What is the relative role of cable or
21 broadcasters in the television industry?

22 If the next phase of the Summit
23 proves that I am right in my thesis -- and it is
24 my belief that we have to be viewer-driven -- how
25 do we achieve that? That was one of the issues we

1 tried to wrestle with today.

2 In the final analysis, the days
3 when the government could instruct people as to
4 what they were going to see and hear on their
5 televisions and on their radios are gone. What we
6 can do is to ensure an orderly transition to a new
7 world, and we can work on trying to ensure that
8 there is programming that is Canadian and that is
9 attractive for people to see and to hear. That is
10 the challenge for us.

11 I don't have any quick fixes or
12 magic solutions on that. What we have to do is
13 pull the best brains in the business together to
14 try to achieve those goals.

15 Q. Does that mean the end of the
16 CRTC?

17 MR. BEATTY: No, not as yet. Mr.
18 Spicer, for example, said today: Until that day
19 comes when the death stars, which is the shorthand
20 you folks use, or new technologies absolutely make
21 the CRTC irrelevant, it is going to continue and
22 it is going to be a major player. But the way in
23 which we conduct our business is going to have to
24 change.

25 Mr. Spicer, I thought, made an

1 excellent presentation this morning when he talked
2 about the changing way in which the CRTC saw its
3 own role. I think that bodes very well. It shows
4 a flexibility on everybody's part with these new
5 challenges.

6 Q. Mr. Beatty, you said several
7 times that the broadcasters have to look at the
8 whole thing from the viewers' point of view, but
9 no viewers were invited to this Summit. Do you
10 think they should have been?

11 MR. BEATTY: I think we are all
12 viewers. I don't know anybody in the room who
13 isn't a viewer and I don't know anybody in the
14 room who isn't dependent upon the viewers. The
15 very livelihood of every aspect of this industry,
16 everything from the CBC to the CRTC to the
17 production people to the private sector
18 broadcasters to the advertisers -- all of us are
19 dependent upon the viewers. If we allow ourselves
20 to be isolated from their needs or their desires,
21 then we won't succeed.

22 One of the things that was
23 extraordinary about its being televised from coast
24 to coast throughout the whole duration of the
25 Summit was that it enabled Canadians from one

1 coast to another to sit in that room and to see
2 the proceedings, and they will be getting in touch
3 with us. They will be writing to us; they will be
4 talking to the various participants there. We
5 will be reading certainly in the newspapers and
6 magazines and hearing on radio and television
7 where people think we should be going.

8 I think one of the very positive
9 things about this is that it will stimulate
10 significant and important national debate in
11 Canada as to what Canadians have a right to
12 expect.

13 Q. Should there not have been
14 representatives of different viewers who have no
15 other vested interest in cable or conventional
16 broadcasting or specialty services or anything
17 else?

18 MR. BEATTY: I am not quite sure
19 how you would select, say, three people or four
20 people, or however many, who would fit those
21 criteria and would be representative of all of the
22 25 million viewers in Canada. All of us have a
23 responsibility to be sensitive to the needs of
24 viewers. They are not a homogeneous block,
25 however. They are very heterogeneous.

1 Indeed, if our experience shows us
2 anything, it is that there is a remarkable
3 heterogeneity among Canadian viewers. Anybody who
4 holds himself out as the spokesperson for Canadian
5 viewers, I think it is fair to ask whoever it is
6 what his credentials are.

7 Q. Do you think there is any
8 need for further research? Some people mentioned
9 that --

10 MR. BEATTY: You bet, and it
11 doesn't end with the second phase of the Summit.
12 It has to be a process that is ongoing.

13 The viewer is king. We cannot
14 mandate that the viewers are going to have to
15 watch or hear any particular programming. If they
16 don't like what is being done, they will turn it
17 off.

18 One of the participants today went
19 even further than I did in my comments about
20 thousands of choices. He quite properly mentioned
21 that with Nintendo and other games that are being
22 made available, with alternative media, the
23 competition to what is being presented on any
24 broadcast channel today is increasing and
25 increasing dramatically. There are thousands of

1 choices out there for people during any hour to
2 watch, but they don't have to watch it all. They
3 have other options.

4 We see it increasingly. People
5 are saying, "Okay, I'm opting out of the system
6 and I am finding other forms of entertainment."

7 All of those criteria put
8 pressures on us within the system to be responsive
9 to viewers' needs.

10 Q. Mr. Beatty, I am not sure
11 there is a lot of choice. I live here in
12 Montreal, and I moved here from Toronto last
13 summer. I had a choice between CF cable and CF
14 cable and CF cable and CF cable. I miss Rogers
15 now because I know that back in my old home in
16 Toronto there is pay-per-view. I don't see any
17 choice. I don't see that I have an option to say,
18 "I just want CNN or I just want TVO." I have to
19 take First Choice and Super Écran and all this
20 stuff so that I can get the services that I want.

21 Where is the choice in the
22 Canadian cable industry today, and what is this
23 Summit going to do about giving us some real
24 choice, not monopolies?

25 MR. BEATTY: Ted Rogers will be

1 sorry that he went home early.

2 Q. Especially hearing it from
3 me.

4 MR. BEATTY: He would have been
5 delighted.

6 I think there is an enormous
7 amount of choice. I think the important point to
8 make is that the choice isn't simply what is
9 presented if you are hooked up to cable. There
10 are also choices presented at every video store in
11 town. There are choices presented from laser
12 disc. There are choices presented from
13 alternative media as well.

14 What we will be finding in the
15 future is increasing numbers of choices being
16 provided, whether off-air or from cable or from
17 direct-to-home satellite broadcasting.

18 I guess what I would say to you is
19 that, if you look at what we have today compared
20 to any period at any time in our history, the
21 choice that is available to Canadians today in any
22 part of Canada is greater than it has ever been
23 before. It can only go in one direction, and that
24 is for increasing choices.

25 The nature of the choice, though,

1 is important. If there is a threat or if there is
2 a danger out there that we have to be sensitive
3 to, it is the loss of Canadian choices. The real
4 challenge for this Summit is to ensure that it
5 isn't just a buffet of foreign choices that we
6 have to select, but that there are Canadian
7 options there as well. That is why we have to
8 work together to do that.

9 By any standard, whether
10 international compared to other countries around
11 the world or historical, the choices that are open
12 to Canadians are broader than ever before, and
13 they are continuing to expand exponentially.

14 Q. But I don't have the Canadian
15 choice. I am paying \$4.95 a month for TVO,
16 something which used to be free here.

17 MR. BEATTY: For TVOntario?

18 Q. Yes, for TVOntario. I have
19 to pay \$4.95 plus PST plus GST for a service that
20 used to be free here, which is Canadian. That's
21 the only way I can get it. I have to have a
22 decoder and I have to have the whole thing.

23 I don't understand how any of this
24 is going to lead to any increased choice for the
25 viewer, how it is going to reduce the cost to the

1 viewer, how it is going to improve service to the
2 viewer. I see a lot of people here protecting
3 their own butts, and I am not really sure that the
4 viewer here has been represented in any real way
5 to get around the monopolies of the cable
6 companies and to have better low-cost
7 alternatives. Yes, they should be Canadian.
8 People have a right to choose what they want, and
9 they are not getting that choice any more here,
10 and I don't see them getting it in the future.

11 MR. BEATTY: First of all, let's
12 take the example of TVO that you cited. We had
13 Bernard Ostry today making the suggestion that one
14 of the elements that should be looked at in Phase
15 2 of the Summit is this whole question of whether
16 it might make sense for us to distribute
17 educational television which is generated in a
18 particular province across the country. That is
19 one of the issues that can be looked at and which
20 would provide again, even in the case of
21 educational television, a range of choices which
22 have never existed before in our history.

23 What is abundantly clear is that
24 the number of services is going to increase, the
25 number of media by which those services are

1 delivered is going to increase, and the number of
2 choices ultimately that viewers can make as to
3 what they watch at any hour of the day can only
4 increase. They will not decrease in the future.

5 It's the quality of those choices
6 and ensuring that there are Canadian options,
7 including the one you cite of educational
8 broadcasters, which is going to be so important.

9 Q. But you are making me eat the
10 whole buffet instead of just the food I want.
11 This is what I am getting at. None of us really
12 has a choice.

13 I am not harping on this, but I
14 just see it getting worse and worse and worse. We
15 are going to have to get 100 channels when we may
16 only want six. This is what I mean by real viewer
17 choice.

18 MR. BEATTY: One of the points
19 that was made earlier today was that in
20 providing -- and I believe it was Ted Rogers who
21 may have made it -- foreign signals, he has
22 piggybacked those signals on to Canadian signals.
23 If you want to get new foreign signals, you have
24 to buy Pay TV to do it. He did that, in part, to
25 generate revenues for the Canadian domestic

1 industry and to ensure that those Canadian choices
2 existed.

3 One could take the position that
4 we have no real interest in ensuring that there is
5 a viable Canadian broadcasting industry. I think
6 we do. If there are to be real choices -- and
7 this is a point I want to keep on coming back to.
8 A hundred or two hundred channels of "Gilligan's
9 Island" and "Love Boat" reruns are not a choice.
10 What we have to have is programming that is
11 different and that is attractive, programming that
12 is relevant to Canadians as we live our lives on a
13 day-to-day basis. It is the Canadian programming
14 that is going to enable us to do that.

15 The thing that is so extraordinary
16 to me, having been involved on and off with the
17 industry over the past 20 years -- I first sat on
18 this committee of Parliament back in 1972 when I
19 was first elected and then 10 years later was our
20 critic in opposition and now I am Minister. One
21 of the extraordinary changes, to me, in that time
22 is that it used to be that Canadian programming
23 was looked upon as this horrible burden that
24 nobody should be asked to bear. It was something
25 being inflicted upon viewers, and it was a

1 terrible heavy burden that broadcasters and others
2 had to carry.

3 Things have turned around entirely
4 since then. The only hope for salvation of the
5 Canadian broadcasting industry is to be able to
6 offer something different from what is being
7 offered by the Americans and others. I think that
8 is a positive and hopeful sign. It is that real
9 choice that we want to maintain.

10 If the issue that you want to
11 raise is one of unbundling, for example, that's
12 legit. That's the sort of question that the
13 Summit can look at. Mr. Spicer indicated that the
14 CRTC is prepared to take a whole fresh look at how
15 the industry is regulated. I am prepared to do
16 that, as Minister, as well.

17 We have moved on the English
18 service to pay-per-view which again increases
19 choices. I specifically left open on the French
20 service yesterday, when I announced the decision
21 with regard to a moratorium, the possibility that
22 we could see pay-per-view coming in in French. I
23 raised that question with Mr. Fortier when he made
24 his report.

25 With the exception of the two

1 essential points that I made earlier about the
2 existence of a viable industry in Canada and the
3 existence of high-quality, attractive, affordable
4 Canadian programming, everything else is
5 negotiable.

6 I might just add -- and I am sorry
7 to go on at such length. The other point you made
8 about whether it is just people sitting on their
9 licences
10 -- "I have a licence; I'm okay; protect me". In
11 opening the Summit yesterday morning I made it
12 very clear that there are no guarantees given to
13 any individual licensee that they will be
14 profitable. Our goal is to ensure that the
15 industry survives. The only way in which an
16 individual licensee will survive is if he or she
17 is a good business person.

18 Q. Mr. Beatty, do you have any
19 sense of what kind of force this industrial
20 strategy, assuming you and the industry are able
21 to put it together -- how does that get translated
22 into action? Does it come in the form of a policy
23 statement? Does it come in the form of a whole
24 variety of things -- directives to the CRTC,
25 directives to the industry? Are we going to have

1 a document that says "Industrial Strategy"?

2 MR. BEATTY: That's my hope, that
3 we see a report or a series of reports that
4 attempt to integrate the system, to sketch out a
5 broad sense of direction as to where we want to go
6 and to make very coherent recommendations in terms
7 of how each of us achieves that.

8 Where it will differ from Girard-
9 Peters is that we have Girard-Peters to work from
10 as a basis for discussion, but there is a
11 commitment on the part of all the players to sit
12 down and make commitments in the formulation of an
13 industrial strategy that we will deliver on. It
14 is not simply recommendations; it is a commitment
15 on all of our parts to act.

16 It could find its way into action
17 in a number of different ways: in some cases,
18 recommendations to government as to how we
19 structure the assistance that we give to the
20 industry; in other cases, commitments on the part
21 of industry. For example, on non-simultaneous
22 substitution, there are some issues yet to be
23 resolved. But, assuming that we can surmount the
24 technological and legal issues that are still
25 outstanding, I strongly favour it. We are getting

1 a haemorrhaging of funds from the system which is
2 unnecessary and which we can stop it if we make a
3 commitment in Phase 2 of the Summit to do so.

4 It requires that all the partners
5 sitting around the table say: Okay, how do we
6 ensure that in a system that is transparent to the
7 viewer, that doesn't offend the viewer by suddenly
8 having the screen go blank, we can prevent some of
9 the haemorrhaging of money from Canada? That can
10 be acted on in a very direct way.

11 In other cases it may be that
12 recommendations will be made that we give
13 direction to the CRTC or that advice is given. It
14 will really depend on the nature of the report
15 that comes back. I would see us implementing it
16 in a number of different ways.

17 Q. (Inaudible)

18 MR. BEATTY: Talking
19 philosophically, I am open to consider anything.
20 I think it is important to make one point, and
21 that is that I can't, as Minister of
22 Communications, bind my colleague, the Minister of
23 Finance. Were tax incentives, as such, to be
24 included, there would be a budget measure, and it
25 would be something that the Minister of Finance

1 would have to have exclusive prerogative on.

2 What can be done is certainly that
3 recommendations can be made to the government that
4 particular tax measures be put in place. That is
5 fair ball. My colleague, the Minister of Finance,
6 would look at that. Then I have an obligation to
7 advise my colleague as to what I would see as the
8 benefits of doing so.

9 Q. In the last couple of days we
10 have heard a lot about this alien voice, the
11 threat from the death star, fighting off this
12 influx of American programming. Would it be fair
13 to characterize this as a form of anti-U.S.
14 collaboration?

15 MR. BEATTY: No.

16 Q. How would you characterize
17 it?

18 MR. BEATTY: As a form of pro-
19 Canadian collaboration and ensuring that there is
20 a Canadian voice.

21 I don't want to be entirely
22 facetious about that. First of all, I today
23 expressed my reticence about the shorthand of
24 death star. I turned on the tube myself and read
25 a number of the papers in the last few days, and

1 one of the concerns I have is that, first, it is
2 too apocalyptic to hang everything on DBS as being
3 the make-or-break. Second, it tends to distract
4 us from the much broader problems that exist.

5 The DBS isn't here yet; yet, the
6 Canadian broadcasting industry is already
7 suffering economically. The problems weren't
8 caused by DBS. DBS may accelerate or exacerbate
9 those problems, but they existed before DBS did.

10 To simply use it as a shorthand
11 and say, "This is the issue. If we can deal with
12 DBS, we have it resolved," I think would cause us
13 to misdirect our efforts.

14 The other point I want to make is
15 this: My frustration as an outsider during the
16 1960s in looking at the way in which our system
17 was regulated was that it was so often regulated
18 based on building walls, on trying to prevent the
19 exposure of Canadians to programming from abroad.
20 It was based on the premise that, given a choice,
21 Canadians wouldn't choose to see Canadian
22 programming. It was something that relegated, as
23 Mr. Spicer said, Canadian programming to the
24 status of junk that had to be forced on people
25 that they wouldn't otherwise want.

1 I thought it was a very negative
2 form of nationalism. It was one that was premised
3 on the basis of shutting other people out.

4 I am a nationalist, and I am a
5 Canadian cultural nationalist as well. I am not a
6 xenophobe. I welcome competition from the best
7 that the world has to offer. The success of
8 Canadians in Hollywood, in New York, in Paris, in
9 London shows that we can succeed in the most
10 difficult markets anywhere in the world.

11 I want, as Minister of
12 Communications, to have Canadian entertainers come
13 into the United States. The Americans were poorer
14 for that, but we would be poorer if we didn't
15 encourage that cross-fertilization with the best
16 the world has to offer.

17 I don't seek to stifle the voices
18 of others. All I seek to do is to ensure that
19 Canadian voices aren't stifled, that a real choice
20 exists.

21 The penetration of foreign
22 cultural product into Canada, whether it is in
23 broadcasting, in film, in books, magazines, in the
24 sound recording industry is higher than it is in
25 any other western industrialized country. I don't

1 seek to shut others out. I just want Canadians to
2 have some room in their own house so that they can
3 live there themselves.

4 Let me thank each and every one of
5 you for your courtesy and your patience over the
6 last couple of days. Thank you.

