

Chapter 5

Historical dimensions of universalism at the Canadian Broadcasting Corporation

Some implications for today

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Abstract

This chapter explores the ways in which the Canadian Broadcasting Corporation (CBC) has embraced the idea of universal service. While the CBC was not legislatively mandated to elements of universality until 1968, throughout its history, Canada's public broadcaster has striven to provide what are seen today as key elements of this ideal. But the large size of the country, coupled with its small population, the regional, linguistic, and heritage diversity, the vagaries of funding, and relations with the private sector, have made meeting those goals challenging. Today, however, the shifting technologies and fragmenting audiences that characterise the digital media environment present perhaps the biggest challenge yet to the role of the CBC within the system and its pursuit of the principles associated with universalism. Understanding the lessons that past struggles in this regard may have for the challenges currently facing public broadcasting in Canada is the purpose of this work.

Keywords: public broadcasting, public service media, universality, Canadian Broadcasting Corporation, CBC

Introduction

This chapter explores the ways in which the public broadcasting in Canada – and, in particular, the Canadian Broadcasting Corporation (CBC) – has embraced the idea of universal service. While universal service is often seen as a key goal of public broadcasting, it wasn't until 1968 that the CBC was legislatively mandated to elements of this ideal. Throughout its history, however, Canada's public broadcaster has striven to provide what might be seen as seen as key dimensions of universality. But the large size of the country, coupled with its small population, the regional, linguistic, and heritage diversity, and the vagaries of funding, have made meeting those goals challenging at best. At the same time, since the inception of public broadcasting in Canada, the system has been comprised of both public and private elements (Canada, 1991) and, from the

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beginning, the public broadcaster has struggled with private broadcasters over access to the system's resources and audiences. Hence, a key element of this analysis is the influence the private sector has had on the pursuit of universal service within the system.

Today, the shifting technologies and fragmenting audiences that characterise the digital media environment present perhaps the biggest challenge yet to the role of the CBC within the system and its pursuit of the principles associated with universalism. Understanding the lessons that past struggles in this regard may have for the challenges currently facing public broadcasting in Canada is the purpose of this work.

Defining universality

While there is no consensus on a definition of universality in the context of public broadcasting, a number of writers have attempted to develop a working definition. For instance, Tracey identifies eight principles underlying the project of public broadcasting, two of which directly address universalism. The first is universality of availability. Key features of this principle include ensuring that "signals are available to all" and that "no one should be disenfranchised by distance or accident of geography" (Tracey, 1998: 26–27). The second principle is universality of appeal. Here the concern is that public broadcasting should "provide programmes which cater to the many different tastes and interests which constitute a society's life" (Tracey, 1998: 26–27).

Focusing on the history of British public service broadcasting, Born and Proser (2001) identify three key elements of universality. The first is technical and geographical universality. Similar to Tracey's first principle, the key here is the provision of high-quality technical service "regardless of geographic or social location" (Born & Proser, 2001: 676). The second principle is social and cultural universality. Recalling Tracey's second principle, the focus here is on "the provision of programming that caters for and reflects the interests of the full social and cultural diversity of Britain and its minorities, as well as the aim of enhancing social unity through the creation of a 'common culture'" (Born & Proser, 2001: 676). The third principle is universality of genre and mode of address. Expanding on Tracey's second principle, here the aim is to have "programming that includes the entire range of broadcast genres" (Born & Proser, 2001: 676). Here, the idea is that public service broadcasting "should be truly popular, both as a value in itself [...] and, more instrumentally, to draw audiences across different and unforeseen kinds of programming" (Born & Proser, 2001: 676).

Providing a somewhat broader definition, the 2018 RIPE Conference Call for papers states that, "The principle of universalism has four dimensions:

1) access and reach, 2) genres and services, 3) relevance and impact, and 4) financing with attendant obligations” (Lowe, 2018: para. 2). On the face of it, the first three principles appear to echo the ideas discussed above. Financing with attendant obligations adds a new dimension that might refer to the ways in which the organisation either perceives or is mandated to allocate available resources to its responsibilities.

As we shall see, from its inception in Canada, public service broadcasting has been framed and animated by principles similar to these. However, within the context of the peculiarities of the Canadian state, these principles have both developed and been realised in particular ways.

Setting the stage

Broadcasting began in Canada in 1919, but for most of its first decade, development investment in radio markets was focused at the local level and was both weak and parochial. Signals from high-power American transmitters flowed freely across the border, often overpowering those of the smaller Canadian stations, and hefty transmission fees on telegraph lines made networks all but impossible except under special circumstances (cf. Weir, 1965).

Set against the growing dominance of American stations and programming in Canada, the federal government struck the Royal Commission on Radio Broadcasting (Aird Commission) in 1928. The commission conducted an extensive survey of broadcasting in both the US and Europe and held a series of public hearings across the country (Canada, 1929b). In its report, the Commission found public opinion unanimous on one “fundamental question – Canadian radio listeners want Canadian broadcasting” – and that the “potentialities of broadcasting as an instrument of education [...] providing entertainment, and of informing the public on questions of national interest” had been impressed upon them (in Bird, 1988: 43). They posited that “broadcasting will undoubtedly become a great force in fostering a national spirit and interpreting national citizenship” but observed, “[at] present the majority of programs heard are from sources outside of Canada [and have] a tendency to mould the minds of the young people in the home to ideals and opinions that are not Canadian” (in Bird, 1988: 43).

The Commission went on to recommend that an independent, state-owned broadcasting company be established and “vested with the full powers and authority of any private enterprise, its status and duties corresponding to those of a public utility” (in Bird, 1988: 44). The technical backbone of the system was to be seven high-powered broadcasting stations, with perhaps a few low-powered undertakings supplementing their service in locales that were “ineffectively served”. All other stations would be closed down. Financing for

the system would come from license fees, indirect advertising, and government subsidies.

While not explicitly stated, these recommendations reflected a number of the core principles of universalism described above. Informed by a nationalist vision, the Commission was convinced that private investment was not adequate to the task of building (e.g., access and reach) and programming (e.g., genres and services) a national system. They were concerned that the system should eventually cover all parts of Canada but that private broadcasters requirement that programmes develop large audiences to garner advertising revenue resulted “in the crowding of stations into urban centres and the consequent duplication of services in such places, leaving other large populated areas ineffectively served” (e.g., universality of availability) (in Bird, 1988: 43–45). Based upon the observations that only a minority of Canadians owned radios and that a high licence fee would be “burdensome to those of limited means” (e.g., universality of availability), the commissioners were also concerned that the public would not support a system financed solely by licence fees or government subsidy (e.g., financing with attendant obligations). Consequently, broadcasting’s “educative value” and “importance as a medium for promoting national unity” (e.g., relevance and impact) made it appear “reasonable” to the Commission “that a proportion of the expenses should be met out of public funds” (e.g., financing with attendant obligations) (in Bird, 1988: 50). In other words, the Commission envisioned public broadcasting as providing a universally available service with a comprehensive range of programming, financed in a way that spread the cost between a range of stakeholders. However, how these principles would play out in the peculiar circumstances characterising the emerging system remained to be seen.

Moreover, while advertising is sometimes seen as antithetical to the purposes of public broadcasting, here it was an important part of the equation, as it was seen as a means for alleviating the cost of the system to the public and meeting with concerns of Canadian commercial interests who argued that a ban on advertising would leave them at a disadvantage to American companies in Canadian markets.

Early radio broadcasting, 1930–1948

From the fall of 1930 to the spring of 1932, public debate on nationalising broadcasting was heated and government lobbying extensive. In the face of opposition, advocates for nationalisation allowed that stations serving local markets might be privately owned and locally programmed. And, in an effort to address both the popularity of American programmes and the concerns of station owners and advertisers that Canadian audiences would actually tune in to the proposed network instead of the American radio networks, selected

programmes would be obtained from foreign sources. These concessions illustrated the power of entrenched private interests and presaged the struggles between the private and public sectors that would characterise regulation for decades to come. At the same time, however, with the financial hardship of the Great Depression, the private profit-oriented interests were loath to undertake further responsibilities toward building a national system (Peers, 1969).

In May of 1932, Prime Minister R. B. Bennett gave a speech introducing the legislation in Parliament that clearly outlined its nationalist purposes and context. First, he argued that “this country must be assured of complete control of Canadian broadcasting from Canadian sources” (Bird, 1988: 112). Without it,

[broadcasting] can never become a great agency for communication of matters of national concern and for the diffusion of national thoughts and ideals [...]. It can never be the agency by which consciousness may be fostered and sustained and national unity still further strengthened. (Bird, 1988: 112)

Second, Bird (1988: 112) claimed,

no other scheme than that of public ownership can ensure to the people of this country, without regard to class or place, equal enjoyment of the pleasures of radio broadcasting. Private ownership must necessarily discriminate between densely and sparsely populated areas [...]. Happily [...] under this system there is no need for discrimination; all may be served alike.

Thus, from the outset, public broadcasting was envisioned as a national, universally available service for communicating Canadian ideas and perspectives and enhancing social unity; in other words, as having many of the hallmarks of universality.

The regulatory organisation which was created by the 1932 Radio Broadcasting Act – the Canadian Radio Broadcasting Commission (CRBC) – was not well equipped to mould the broadcasting system into the “great agency” envisioned in Bennett’s speech. The CRBC’s relations with the private sector were focused more toward regulation than eventual ownership, and its relationships with Parliament were structured more like those of a government department than an independent organisation (Canada, 1932). The Commission was unable to borrow money or raise capital publicly, and it was dependent upon Parliament for releasing funds collected from licence fees – its main source of revenue. Moreover, nowhere in the Act were either Parliament’s aims for broadcasting or the national purposes of broadcasting specified, leaving the Commission without a clear mandate. It was, however, equipped with limited powers on two fronts: 1) to regulate and control broadcasting in Canada, and 2) to “carry on the business of broadcasting”. In terms of the latter, it was empowered to both “originate programmes and secure programmes from within or outside Canada”. Toward distributing programmes, the Commis-

sion was given full power over network broadcasting and “to make operating arrangements with private stations for the broadcast of national programs” (Canada, 1932: n.p.).

While Aird’s recommendations originally envisioned that the public broadcaster would buy up the existing local private stations, funds for this purpose were never forthcoming. Consequently, equipped with a handful of stations of its own in major centres, the CRBC, and later the CBC, set their sights on building and programming a national network and relied upon private stations to distribute much of their programming at the local level. Private stations were generally fickle partners, however. With their sights clearly set on the profit motive, they generally had to be paid to carry the public broadcaster’s programming and, where contracts and requests in this regard conflicted with more profitable alternatives – such as American programming – they refused carriage (CRBC, 1936). At the same time, where regulations were seen as interfering with their bottom line – such as in the case of content and commercial regulations – they complained, which often resulted in favourable changes. In the midst of the Depression, the Commission’s programmes were quite popular with private stations (CRBC, 1936). But, as economic conditions improved and commercial formats that attracted large audiences were developed, the public broadcaster’s programming quickly lost favour, forcing the public broadcaster to develop its own modes of distribution. However, through subsidising their operations with both free programming and payments, the CRBC played a key role in helping the majority of Canadian stations weather the tough economic climate of the Depression.

Consequently, animated by a discourse of nationalist purpose, and faced with the intransigence of private broadcasters, public broadcasting began to take up residence on the commercial margins of the system. Here, focused at the national level, what might be seen as universalism began to take on a particular form. Working in conjunction with the private sector, the public broadcaster created programming and supplied distribution services that the private sector was loath to undertake. Early on, the CRBC’s nationalist focus also ran up against another peculiarity of the Canadian state. To meet with what were seen at the time as Canada’s two major linguistic groups, the CRBC started out distributing programming in both English and French side-by-side in its programme formats. But in the face of protests from English Canada, the service was soon divided into English and French components, mirroring what were seen as the two cultural solitudes of the Canadian state (Weir, 1965). Meanwhile, profitable local programming, audiences, and services were largely left to private interests.

A new Broadcasting Act legislated in 1936 did away with the CRBC and gave rise to the CBC – an independent crown corporation. But while the CBC was granted more autonomy than the CRBC, there was still no clear direc-

tion or mandate for the corporation's activities, and its regulatory powers and own finances remained heavily circumscribed by parliamentary authority (cf. Canada, 1936).

Following the lead of its predecessor, network services and programme production were the CBC's main activities. After a judicious reorganisation of its financial relationships, the CBC doubled its investment in infrastructure, building a series of high-power transmitters similar to those envisioned by Aird (CBC, 1939). By May of 1939, the CBC claimed its signal reached 84 per cent of the population (cf. CBC, 1939; Canada, 1938; Weir, 1965).

Expanding programming increased demand for advertising. However, in partial response to criticisms by private radio stations and newspapers, the CBC adopted a "commercial acceptance policy" that limited advertising to 20 per cent of gross revenue and turned away hundreds of thousands of dollars in revenue per annum through the 1930s and 1940s (Peers, 1969: 226–230; cf. Weir, 1965). Thus, one avenue for helping finance the unique services of the CBC was voluntarily circumscribed.¹ At the same time, in the face of the escalating struggles of the World War II and led by its concerns for providing a comprehensive programme service, the CBC felt compelled to increase its news coverage and, working with newspapers, pioneered a national news service. Soon after, it also launched an international short-wave service. Consequently, set against evolving financial constraints and in the spirit of universalism, the CBC continued to provide an expanding range of programme genres and services at the national and international levels.

Meanwhile, private stations pressed the CBC for the unencumbered right to create their own networks. But because the CBC was concerned that these would be largely used to air American programmes and leave out many stations that were too small to attract national advertisers, these requests were often denied. Instead, in order to maximise coverage, the CBC included these stations in its network. Hence, as a regulator, the CBC worked to impose universalist principles on the system as a whole. As a result, both advertisers and small stations benefited from CBC network affiliation. These arrangements were not designed to be lucrative for the CBC, nor were they as profitable for large stations as independent arrangements might have been (Weir, 1965; cf. Malone, 1962). Consequently, in urban areas where advertising was readily found, private stations balked at these arrangements and often failed to meet even half their network commitments (Canada, 1938).

However, under the shepherding of the public broadcaster, the private sector prospered, and by 1948, their revenue was almost twice that of the CBC (Canada, 1951). This prosperity spurred lobbying efforts of private stations; key among their demands were the unencumbered right to construct radio networks and, fuelled by growing resentment that they were being regulated by a competitor, the institution of an "independent" regulatory board. While

parliamentary committees reviewing broadcasting continued to endorse the public purposes of broadcasting and its use as a nationalist instrument, these hearings also became forums for enhancing the reach and legitimacy of the private sector, fuelling its growth. Consequently, as the system developed, the CBC had to increasingly depend on its own resources for distributing its programmes, as well as contend with a growing range of private sector competitors and fragmented markets and audiences. This expansion effectively sounded the death knell for the primacy of the public sector within the system.

Television arrives

In the late 1940s, American television signals crept across the border, giving 60 per cent of Canadians access to them. Faced with this onslaught, the CBC began to make plans for the introduction of Canadian television in 1949. Just as American programmes had been employed in the CBC's radio schedules to offset the cost of production and improve broadcasting's popularity, the Corporation planned to deploy American programming in its television schedules to the same ends. The CBC was charged with building transmission and production facilities in six centres across the country and began broadcasting in September 1952. The federal government decided, however, that licences for stations in places other than these cities would be open to applications from the private sector.

Saddled with the cost of developing television, the CBC began operating at a deficit in 1949 (cf. Anderson, 1976). But as sales of television sets took off in 1952, manufacturers began to complain that many people were purchasing those sets in the US, where economies of scale brought them to market at a lower cost. To discourage such cross-border shopping, in April 1953 the government imposed a 15 per cent excise tax on television and radio sets and parts. The proceeds of this tax were made available to the CBC (Anderson, 1976).

With the CBC pouring money into the system, television broadcasting in Canada grew at an extraordinary rate, and by March 1958, there were 8 CBC stations and 36 private outlets (Ellis, 1979).² As Weir (1965: 331) notes, "During the first three months of the life of most private stations 85 percent of their programs were supplied by the CBC without cost to them". As stations became viable and acquired programmes of their own, the CBC still "made no charge to private stations in the case of sponsored or unsponsored programs" (Canada, 1957: 185). And when the affiliates carried the national network's sponsored programmes, the CBC shared the revenue with the private stations. Consequently, as with radio, public broadcasting's push for universality helped spur the growth of the private sector while leaving it dependent upon their cooperation for distributing programming.

The system divided

In the context of the post–World War II development of consumer society, it quickly became clear that commercial television was going to be quite lucrative, and the private sector stepped up their campaign against CBC regulation. A newly installed conservative government provided a sympathetic ear, and in 1958, a new Canadian Broadcasting Act was legislated. While the government argued that the broadcasting system remained a single system, the 1958 Act recognised that system as being comprised of both public and private elements and set both reporting to an independent regulatory board – the Board of Broadcast Governors (BBG). With this shift, the CBC lost any hold it had over private broadcasters and was forced to appear before the regulator for both licence renewals and to compete with the private sector for new licences and other privileges within the system.

Fuelled by applicants' heady promises of big contributions to the production of Canadian programming, the BBG licensed a large number of private stations and a private television network – the Canadian Television Network (CTV). However, recognising that private broadcasters would find it much more profitable to import American programming than to produce their own, the BBG also introduced Canadian content regulations to help ensure that a percentage of broadcast time would be devoted to Canadian content.

While the protected commercial environment afforded by regulation gave extra impetus to the growth of the private sector, it provided little solace for the CBC. As the market for television sets became saturated, proceeds from the excise tax fell off sharply and the federal government began to subsidise the CBC with an annual grant in the late 1950s. But, because the grant was provided on a yearly basis, long-term planning was difficult at best. And as private investors rushed to cash in on the expanding television market, the CBC was at a clear disadvantage in the competition for new licences. Consequently, just as had happened in radio, the growing dominance of private investment at the commercial heart of the system began to force the CBC to its commercial margins. As the CBC (1960: 9) itself noted, “The problem is one of economics [...] where economically feasible privately-owned stations are filling the gaps through the establishment of satellite stations. But in most areas, because of economics, Canadians are looking to the Corporation for service”.

With the growth of the private sector pushing the CBC toward the system's commercial margins, the Corporation laid out what it believed to be the purpose of public broadcasting the following year: 1) “to be a complete service [...] bringing things of interest, value, and entertainment to people of all tastes, ages, and interests”; 2) “to link all parts of the country” through both a wide range of programming and extension of service to “as many Canadians as finances allow”; 3) “to be predominantly Canadian in content and character”; and 4)

“to serve equitably in the two main language groups and cultures” (CBC, 1960: n.p.). Thus, in the face of successive governments’ failure to provide the public broadcaster a mandate, it created one for itself. However, with this move, the principles of universalism “officially” became the responsibility of the CBC, rather than the system at large.

While this mandate was modified as it was entrenched in ensuing legislation, to a large part the principles have remained the same. These principles are very similar to those espoused by the Aird Commission, illustrating that despite the travails faced by public broadcasting through the development of radio and television, universality remained the guiding principle. However, the question of how to operationalise these principles in the face of limited organisational resources and ever escalating private investment would continue to dog the CBC. On one side, as the organisation strove to serve the broadcast needs of a growing set of diverse social and geographic interests across the country, it would divide its resources between a range of competing demands (just as Canada’s two main language groups and cultures had already forced a division within the Corporation). On another side, as private interests increasingly took hold of the commercial centre of the system, and began capitalising and investing profits in those aspects of the “national system” from which they might expect to turn a profit, the CBC’s mandate would continue to relegate it to those aspects of development that provided little or no commercial return. Thus, if private investment could not be controlled through regulation and turned to “uneconomical” national purposes, without a consistent and growing source of revenue, this mandate would leave the Corporation vulnerable to engaging with an increasing range of necessarily uneconomical responsibilities. The BBG was not always helpful in protecting the interests of the public broadcaster and, on several occasions, seeing the CBC as one element in the larger “single” broadcasting system, attempted to force the CBC to relinquish programming and broadcast time to the commercial network (Peers, 1969). But as the system developed and particular types of programming – such as sports – became more popular (and profitable), the private sector began outbidding the CBC for the rights to these programmes (Peers, 1969).

Following trends in the US, the television system grew sharply, and by 1965, 92 per cent of Canadian homes were considered television households (Canada, 1965). As with radio, advertising was the primary source of income within the system, and American programmes were key to providing it. Equipped with its mandate, the public broadcaster worked to turn such revenue to the production of Canadian programmes and the extension of broadcast service. For the private sector, however, producing domestic programmes entailed a double jeopardy. Not only was Canadian programming more expensive to produce than foreign programmes were to purchase, if a Canadian programme was scheduled to replace a foreign programme – even if it drew as large an audience – any return

on investment would be severely reduced if not lost altogether unless the cost of the Canadian programme was roughly equivalent to that of the imported program. Given that the cost of Canadian rights was generally a fraction of the cost of production, this was rarely the case. Consequently, the BBG constantly struggled to get private broadcasters to meet with their content obligations (Babe, 1979). This problem continues to haunt broadcast regulation.

At the same time, the CBC's push for universalism put it at a disadvantage in the emerging commercial environment. To maximise advertising income, the American programming offered by the private stations was designed to attract as large an audience as possible and carry that audience through the evening programme schedule. However, in striving to meet a diverse range of tastes and interests, the CBC deliberately focused on constructing different types of audiences from timeslot to timeslot through the evening (cf. Miller, 1987). These scheduling practices seemingly encouraged viewers – whose tastes were not met by the upcoming programme – to switch channels. Once they switched to another station, they became wrapped in a programme schedule that was deliberately devised to hold large, diverse audiences through programme changes or to capture a portion of a competitor's audience at programme breaks. Consequently, in the face of growing competition, by 1967, the CBC held just 50 per cent of the Canadian audience, and as the number of channels multiplied, the CBC's audience share continued its downward spiral (CRTC, 1979; cf. Rutherford, 1990).

Fuelled by concerns that the broadcasting system provide Canadians with the best service available, throughout the 1960s, the CBC continued to ride the leading edge of technology, experimenting with FM radio in 1960, proposing satellite distribution in Canada in 1961, and introducing colour television in 1966.

In radio, licencing on both AM and FM frequencies foregrounded the American popular music format throughout the system and, as national advertisers moved to television, declining revenue and pressure from private stations induced the CBC to abandon commercial radio broadcasting. Through this period, CBC radio continued to clearly differentiate itself from private stations and, based upon the principles of universalism espoused in its mandate, establish a relatively large and loyal share of the radio audience that continues to tune in to this day.

Meanwhile, entrepreneurs began building co-axial cable television (CATV) systems in Canadian cities. With their ability to import large numbers of distant, mainly American, signals, these systems threatened to flood the broadcasting system with foreign content. Because cable did not utilise the radio spectrum, these systems were outside the jurisdiction of the BBG, and the board stood helplessly by.

Partially in response to the cable problem, the federal government legislated a new Canadian Broadcasting Act in 1968. For the first time, both the nationalist

goals of the system and the mandate of the CBC were enunciated in legislation. But while the Act stated that the broadcast undertakings within the system constituted a “single system”, two elements were defined: a national broadcasting service and a private element. Following the lines set out in the CBC’s self-proclaimed mandate, the public broadcaster was charged with the presentation of “a whole range of programming”, extension of service to “all parts of Canada”, “contributing to the flow and exchange of cultural and regional information and entertainment”, and contributing “to the development of national unity and provid[ing] for a continuing expression of Canadian identity” (Canada, 1968: section 2.g). The private sector, on the other hand, was given the more modest responsibilities of issuing a programme service providing “reasonable and balanced opportunity for the expression of differing views [...] of high standard, [...] and] using predominantly Canadian creative and other resources” (Canada, 1968: section 2.d). In the case of conflict between the two elements, “paramount consideration” was to be given to the “objectives of the national broadcasting service” (Canada, 1968: section 2.h). Moreover, while there had originally been provision for a five-year funding formula for the CBC, by the time the legislation reached the House, annual appropriations were still the rule.

With this legislation, the dual economic systems that had underwritten broadcasting development since its inception were enshrined in regulation. Similarly, reflecting its historical position within the system, the CBC was defined as a “national” broadcaster – not a “public” broadcaster. The CBC’s new “mandate” also reflected the difficulties in forging private investment to the larger interest of public communication, and left the Corporation with the larger purpose of constructing programming that reflected the diversity of interests of Canada’s different communities while, at the same time, attempting to forge these interests to the larger national purposes of unity and the expression of a “Canadian identity”.

Despite shifting technologies and markets, over the next 30 years the public and private elements would follow much the same paths as they had always followed. Private broadcasting would continue its attempts to capitalise only those elements of the system that presented a potential for profit, while the public sector would continue to pursue the more ephemeral goals of extending service and programme production into areas where private investment was loathe to tread.

The Canadian Radio-Television and Telecommunications Commission

In the hope of increasing Canadian programme production, the Canadian Radio-Television and Telecommunications Commission (CRTC) expanded the

private sector and admonished the CBC to be less commercial and schedule more Canadian programming. But, as the private sector expanded and audiences were fragmented, the CBC lost audience share, and advertising revenue fell from 21.9 per cent of total income in 1969–1970, to 16.7 per cent in 1975–1976 (Babe, 1979). At the same time, private broadcasters began to consolidate their holdings to take advantage of economies of scale. But harnessing the private sectors' profits to Canadian programme production proved difficult for the CRTC and, between 1968 and 1979, the amount of Canadian programming the CTV network scheduled from 8:00 p.m.–10:30 p.m. fell from 22.8 per cent to 5.7 per cent (CRTC, 1979; McFadyen et al., 1980). Still, led by its mandate, the CBC continued to press ahead with new distribution technologies, renting three channels from the newly launched government-owned Anik satellite in 1972 for radio and television distribution, introducing a stereo radio network, and developing an accelerated coverage plan to bring its service to northern and underserved communities.

In the 1970s, footprints of American broadcast satellites began edging into Canada and attracting viewers. In the face of these incursions, the government began to press the CRTC to introduce pay television as a way to keep audiences tuned to Canadian services. The CRTC was loath to do so for fear that it might fragment audiences. But the Commission's efforts to hold back the tide of technological change soon proved for naught. With economic tremors from the end of the post-war boom rocking the economy, the federal government developed a new policy vision to spur the growth of the communications sector in the early 1980s.

Set against the impending threat of foreign satellite broadcasters, privately owned CATV distribution networks were positioned as the "cornerstone" of a new system that would carry a wide array of new information services (Canada, 1983b). As the government stated, in this new "multi-channel broadcasting environment [...] the Canadian broadcasting system as a whole, rather than the CBC, [would] provide a balanced and comprehensive programming service" (Canada, 1983a: 12). But the CBC would still play "key" role that "complements" the private sector and helps spur programme production (Canada, 1983a: 12). Toward this end, the CBC's Canadian content targets were raised, and it was charged with contracting 50 per cent of its programming from private producers. But, as a new conservative government came to power in the mid-1980s, one of its first actions was to pare about 10 per cent from the CBC's budget (Raboy, 1996; Winseck, 1995).

In the face of this shifting environment, a task force was appointed to re-view broadcasting policy (Canada, 1986). The ensuing investigation became the backdrop for the legislation of a new Canadian Broadcasting Act in 1991. Running counter to government concerns for restraint, many of the task force's recommendations looked to strengthen and expand the place of the public sec-

tor within the system and were reflected in the ensuing regulation. Toward this end, both community and aboriginal broadcasting were given particular mention, and a new set of cultural concerns were enunciated. However, these were never followed up with strong policy action and, for instance, while aboriginal broadcasting managed to obtain a degree of independence, the CBC continued to carry large responsibilities in this area, particularly in the north. For the CBC's part, their mandate reiterated the necessity of continuing to provide a range of programming that "informs, enlightens and entertains", that the majority of its programmes be "distinctively Canadian", and that extension of service "throughout Canada" remain a key priority (Canada, 1991: section 3.1 & m. i, vii). Extending these service and programming responsibilities, the CBC was also charged with: actively contributing to the "flow and exchange of cultural expression", contributing to "shared national consciousness and identity", and "being made available throughout Canada by the most appropriate and efficient means [...] as resources become available" (Canada, 1991: section 3. m. iii, vi, vii).

With the changes introduced by the new Canadian Broadcasting Act and the increasing number of pay and specialty television channels – or "discretionary services" as they would come to be known, covering topics from history to science and sports to nature – being launched, the scope of the Corporation's once singular responsibilities was, to a degree, reapportioned amongst new players in the system. In the face of these changes, the CBC floated a "repositioning" strategy in the early 1990s that would have strengthened the Corporation's representation of regional issues and concerns (at the time, a noticeable gap in the system), as well as creating some economies through centralisation. But the plan was cut off at the knees by the CRTC's refusal to allow the Corporation to solicit "local" advertising for "regional" service (CRTC, 1991: 423; Raboy, 1996). A litany of budget cuts followed, and by 1998, the CBC's full-time staff was reduced to half of its 1984 level. In the wake of these cuts, local news and public affairs programming were heavily cut back. At the same time, the conservative opposition party began to call for privatisation of the CBC (Canada, 2003). Despite these setbacks, however, the CBC continued its efforts to expand the dimensions of broadcasting service. In 1990, it began to quietly experiment with digital audio broadcasting, and in 1993, the first CBC radio programmes were made available on the emerging Internet (Patrick & Whelan, 1996).

With the increasing number of television channels, audience fragmentation accelerated through the 1990s. Although the CBC and conventional "over-the-air" stations were all carried on the growing cable and satellite distribution services, this fragmentation saw the English CBC's share fall from 12.9 per cent in 1993 to 7.1 per cent in 2003. The share of conventional stations fell from 44.1 per cent to 35.1 per cent, and the new discretionary channels rose from 6.2 per cent to 16.4 per cent during the same period (CRTC, 2004). Private

operators moved to cope with these events by reassembling audiences through mergers and acquisitions. The new discretionary channels offered opportunities for private broadcasters to both cross-promote and rebroadcast programming. However, the CRTC regularly refused the CBC's request to develop discretionary channels where it might accomplish similar ends.

Still, throughout this period the CBC remained the largest single source of Canadian television programming. In 1995, the CBC announced it was going to "Canadianise" prime time by 2000–2001. On the English side, 90 per cent of programming during peak viewing hours (7:00 a.m.–11:00 p.m.) was Canadian content, while the private conventional stations averaged less than 25 per cent. On the French side, Canadian programming averaged 88 per cent, while the private French networks averaged about 50 per cent between them. Moreover, during peak viewing hours, 93 per cent of viewing time on CBC's English television was devoted to Canadian content, while on the private conventional networks, it accounted for less than 15 per cent (Canada, 2003). The CBC also continued to innovate on the emerging Internet, and in 2000, it launched Radio 3 – an online music archive directed toward youth. Hence while the CBC was further marginalised within the system through the 1980s and mid-1990s in terms of both regulation and audience share, following principles of universalism remained a key driver of cultural production within it.

Through the late 1990s, media policy continued to accent market liberalisation. Key was a convergence policy that allowed media industries once kept separate through regulation – such as broadcasting, telecommunications, and newspapers – to consolidate, thereby creating new economies of scale and scope. But, as the private sector consolidated to take advantage of efficiencies in programme production and delivery, both local and broadly popular distinctively Canadian programming were increasingly left out of this mix. Driven by universalist principles, the CBC felt increasing pressure to fill these gaps. Meanwhile, in May 1999, the CRTC announced that the Internet did not fall under the purview of the Canadian Broadcasting Act and thereby it would not be regulating Internet content under the terms of the Act (CRTC, 1999). In time, this would unleash a whole new set of pressures on both the CBC and the system at large, as digital streaming services began to undermine the objectives of regulation.

Into the new century

Over the last two decades, the CBC's place within the system has been a matter of continuing controversy. Following a two-year study of the broadcasting system, the Standing Committee on Canadian Heritage's 2003 report succinctly outlined the questions that still haunt the CBC:

The conundrum [is] clear – how does one situate a publicly funded broadcaster in an era of increasing choice and fragmented audiences? What is its role? What should its mandate be? What should it be doing? Can it still be justified? And how should it be funded? (Canada, 2003: 208)

While the Committee found no clear answers to these questions, it went on to reiterate the central importance of the CBC to the system at large and recommended stable funding, more focus on regional and local programming, and amending the Canadian Broadcasting Act to reflect the importance of new media services to the future of the CBC. Other studies that reached similar conclusions followed (Canada, 2006).

Building on the recommendations of these studies, The CBC announced a five-year strategic plan in 2011 (CBC, 2012). Among the promises were to boost Canadian content in prime time, develop more online services, and add local radio stations. These were places where broadcasting services were flagging at the time. The two growing gaps signalled in the 1990s were particularly apparent at 1) the local level, as the private broadcasters had begun to abandon small- and medium-sized markets where, in the multichannel universe, local programming is no longer profitable, and 2) the “national” level where, due to the economies of scale, distinctively Canadian programming was simply unable to compete financially with American programmes. The CBC stepped up in both these areas, initiating both new radio and online services, as well as developing a growing number of popular weekly television programmes. To meet with emerging mobile markets, the CBC also introduced a number of new online services including a music platform for showcasing Canadian artists (CBC, 2012).

In late 2013, however, the public broadcaster was dealt a serious blow when broadcasting rights to its flagship hockey sports programming were purchased by a private media company. Professional hockey had been a mainstay of CBC programming since the early days of radio. But under the public broadcaster’s management, it had grown to command highly valuable audiences, and coupled with the promise of greater profits from new media markets – like other sports programming the CBC pioneered – the broadcast rights to those games grew beyond the financial reach of the Corporation (Shoalts, 2014). Thus, another field of programming that the CBC had nurtured and developed was effectively spun off to the private sector for further exploitation.

In 2014, the CBC released a five-year strategic plan titled “Strategy 2020: A Space For Us All”, outlining directions for development. In the face of shrinking resources, a central feature of the plan was further investment in online resources:

This strategy will reduce our fixed costs and shift investments from support services, real estate and traditional broadcast infrastructure, to providing high

impact Canadian content, including news and current affairs, progressively adapting to audience preferences through an even greater focus on digital and mobile across all genres. (CBC, 2014: 1)

Here, the principles of universalism might be seen as attenuated through the financial pressures of the day.

Meanwhile, in October 2015, a new liberal government took office. After years of budget cuts under the conservatives, the liberals promised to increase the CBC's appropriation by more than 10 per cent annually. Soon after, the government also announced that the Department of Heritage would undertake a public consultation on "Canadian Content in a Digital World" – an effort to develop a policy to forward the interests of Canada's cultural, or "creative", industries (Canada, 2017).

The CBC's submission to the consultation continued to draw upon the nationalist vision of public broadcasting developed in the early twentieth century as well as accenting the Corporation's commitment to digital expansion. In this regard, the document described four priority areas that would guide their future work and investments: "1. Digital innovation; 2. Contributing to a shared national consciousness; 3. Creating quality Canadian content; 4. Promoting Canada to the world" (CBC, 2017: 3). At the same time, responding to concerns over continued growing gaps in local broadcasting services, it also promised that the CBC would be "More local than ever before" (CBC, 2017: 12). Here, the CBC demonstrated that, to a large extent, the founding principles of public broadcasting in Canada – programme production and distribution – still drove its operations. However, as the Corporation noted, in the face of declining advertising revenue, it was at a disadvantage with the private sector in that, unlike "vertically integrated broadcasting distribution companies", it did not have "other sources of revenue" to "mitigate the impact of these changes" (CBC, 2017: 17). Consequently, in the face of declining revenue and increasing pressure from the private sector, in exchange for a guaranteed annual income, the CBC also floated the idea of going advertisement-free (CBC, 2017).

Meanwhile, the private sector was already coveting the CBC's digital assets. With more than 14.8 million views of CBC's website in 2015–2016, and more than 3 million views of Radio-Canada's digital offerings in Quebec during the same period, the CBC/Radio Canada was the online leader in Canada (CBC, 2017). Hungrily eyeing this online news audience, a 2017 report written by a panel of news industry experts recommended that the Corporation give up news advertising revenue and refocus its news production to more local and less profitable forms of news – in other words, surrender much of the news field they had developed over the last 60 years to the private sector (Public Policy Forum, 2017).

The 2017 report of the Department of Heritage's creative industries consultation reaffirmed the CBC's universal mission:

The expectations for CBC/Radio-Canada are high, but reflect what Canadians expect: a CBC/Radio-Canada that showcases the best of Canada to the world; that reflects the country's diversity, including Indigenous cultures, on multiple platforms, from coast to coast to coast; and that continues to provide an essential local service to Canadians in all regions of the country, and in both official languages. (Canada, 2017: 32)

However, there were no commitments of support other than to state that the government would work with the CBC to “renew” its mandate in the context of an upcoming review of the Broadcasting Act and Telecommunications Acts. In the interim, the CBC remains by far the largest single producer of Canadian programming as well as the largest distributor of Canadian content across a growing array of digital platforms (CRTC, 2017).

Summary and conclusions

Invested with nationalist purpose and led by both implicit and explicit mandates reflecting universalist principles (as well as pushed by both regulators and private operators), public broadcasting in Canada has been located on the ever-shifting commercial margins of the system. In this position, the CBC – as a “national” public broadcaster – has operated as a kind of development vehicle – at times subsidising the growth of the private sector, but primarily taking up elements of production and distribution that the private sector was unwilling or unable to undertake. The character of this role has shifted through time – across different technologies; between the national, regional, and local levels; and between different language and cultural groups – but it is a position the CBC has occupied since its inception.

Here, the principles of universalism have helped guide public broadcasting to areas, audiences, and services that have been underserved by private, profit-oriented broadcasters. At the same time, however, hampered by both lack of funding and the support of regulators in developing new services, public broadcasting has continued to hover on the margins of the system in terms of audience reach and the services it provides. Meanwhile, in the shifting economic currents of the system, the CBC is being pressured to both backfill local services abandoned by the private sector and relinquish some of the online audiences it has developed to them.

While historically the private sector has often worked to flood the system with foreign programming, led by universalist principles, public broadcasting in Canada has well served the public interest in the system, striving to provide both universally available broadcasting services and a wide range of content to fill them. Given this history, providing the CBC more latitude in meeting its universal objectives would help fulfil the larger objectives for the system set

out in the Canadian Broadcasting Act at a time when new digital technologies threaten to overwhelm the system with foreign programming.

One of the first steps in this direction might be to establish predictable 5–7-year funding for the Corporation. This has long been a recommendation of enquiries and studies. Stable funding would allow the Corporation to undertake meaningful long-term planning. A second step would give the CBC priority to license new services that complement existing operations. Too often such licensing requests have been turned down in favour of private sector applicants. The effect has been that the private sector has been able to develop efficiencies in their operations that have eluded the CBC. Finally, on a more controversial note, while the CBC and many of its supporters are currently calling to make it “advertising free”, giving the Corporation free reign to solicit advertising where it sees fit would provide some flexibility toward developing new income streams and, consequently, new services. As pointed out by Leonard Brockington, one of the first chairs of the CBC, unlike the private sector, every cent that the Corporation takes in is set to the purpose of developing programming and services for Canadians. Moreover, as we have seen, led by a universalist mandate, traditional concerns about the impact of commercial imperatives upon the character of media programming don’t impact the CBC in the same way as they do the private sector. On the contrary, they might spur the development of popular, recognisably Canadian programming, something private investment has shunned historically.

In conclusion, while the universal principles upon which public broadcasting was founded in Canada have at times been subverted to support the growth and profits of private interests within the system, they have also worked to focus the public broadcaster on elements of content production and distribution that might have otherwise gone untended.

Notes

1. It is interesting to note that at this juncture, CBC management saw little conflict between the carriage of advertising and the purposes of public broadcasting. For instance, when asked by a parliamentarian, “what real good argument is there against a certain amount of advertising on the [CBC’s] programs?” the CBC’s chairman, Leonard Brockington, replied, “At the present time I should say there was none” (Canada, 1938: 32). And, when pressed on the point that the CBC’s advertising practices presented unfair competition for private stations, Brockington reminded the committee of how the Corporation converted this revenue to public purposes: “It is sometimes forgotten that every cent taken in by the Canadian Broadcasting Corporation is used for the building up of something for the benefit of the Canadian listener. It does not go into the profits of shareholders. It does not go to build up private operators’ profits. It is held in trust for the people of Canada” (Canada, 1938: 33).
2. The CBC contributed substantially to this growth, and between 1952 and 1957, the Corporation pumped USD 170 million into the system (CBC, 1960).

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