

It must be emphasized that *none* of the many regulations to which broadcasters (or other “distribution undertakings”) are subject seek to specify the themes, subject matter or *substantive* content of program material. “Canadian” programs are simply those that are made by persons who are Canadian citizens. It is for that reason that most economists think of Cancon regulations as “boiling down” to yet another case of a small, well-organized group using the power of the state to redistribute income to themselves. In other words, the suppliers of Cancon are, in terms of motivation if not in terms of rhetoric, no different from the egg farmers who persuaded the federal government to create a cartel arrangement (called “supply management”) to raise their incomes far above the level that would prevail in the absence of government regulation.<sup>1</sup>

“Canadian” programs are those produced by Canadian citizens in the sense that certain positions must be held by Canadians, and 75 percent of the total remuneration for post-production work must go to Canadians. In other words, “Cancon” is not – legally speaking – about thematic content at all. It is about the *citizenship* of the persons who made the program. Anything produced by a group of Canadian citizens is “Cancon” regardless of its substance. In other words, if a group of Canadians made a program about South American iguanas, the history of the Albanian labour movement, Pathet Lao folk songs, the arms of Teutonic knights, medieval Spanish poetry, moon rocks, the works of a 14<sup>th</sup>-century Chinese author, the importance of cricket to old Etonians, the military campaigns of Alexander the Great, the voting laws of South Australia or Pol Pot’s political philosophy – all would be classified as “Canadian” in terms of the regulatory requirements.

On the other hand, if a group of former Canadian citizens made a program dealing with the political philosophy of Sir John A. Macdonald, the ranching culture of southern Alberta, the spiritual life of Mackenzie King, the rise of the PQ, any of Pierre Burton’s books about Canada, the history of the CBC and CRTC, the growth of minor league hockey on the Prairies, the life of professional nationalist Melville Watkins, the League for Social Reconstruction, the hobbies of John Diefenbaker or the childhood of Jean Chrétien – none would qualify as “Canadian programs”. Therefore, it is not “Cancon” that is being subsidized, it is those Canadian *persons* who choose to make their living producing (using the term broadly) material that is broadcast on radio and TV stations or distributed on cable-TV operations in Canada. (The criteria for the Recognition for Canadian Programs is contained in the appendix to *Public Notice 1984-94*, April 15, 1984 – reproduced in Peter S. Grant *et al.*, *1994-95 Canadian Broadcast and Cable Regulatory Handbook* (Toronto: McCarthy Terrault, 1994), pp.364-72.<sup>2</sup>

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<sup>1</sup> Steven Globberman, Hudson N. Janisch and W.T. Stanbury, Convergence, ‘Competition and Canadian Content’, Chapter 12 in *Perspectives on the New Economics and Regulation of Telecommunications*, (edited by W.T. Stanbury), The Institute for Research on Public Policy, Montreal, 1996, p. 217.

<sup>2</sup> Ibid, pp. 240-41.