

When Chairman John Meisel announced the coming review of radio to the C.A.B. in Calgary in April of last year, he said many things near to our heart as community minded broadcasters. One statement, in particular, comes to mind.

"But the final arbitor in the long run must be the quality of what is what is produced and its contribution to the life and joy of individual Canadians and of the country as a whole. Financial gain, economic rewards and the like, are necessary but not sufficient conditions of our broadcast undertakings. Money, in other words, is needed, it is even nice, but it is not the end - the socio-cultural and political consequences of broadcasting are."

We could not agree more. We believe that campus-community (FM) stations are major contributors to the life and joy of individual Canadians and to the communities in which we exist. It is not presumptuous to say that we are necessary to the Canadian Broadcasting System. The CRTC has recognized our special role.

All organizations operating campus-community (FM) radio stations are non-profit. Financial gain is not why we are in broadcasting. Radio, for us, is not a vehicle for profit, but rather, a vehicle for ideas.

However, that is not to say that we don't need money. It is said that campus-community (FM) radio stations enjoy a privileged position, being on a campus, incurring fewer expenses and thus requiring less revenue. This may be true for some campus stations, for the present time.

However, it is not true for all campus community (FM) stations, nor may it be true for other campus community (FM) stations in the near future as university budgets are squeezed and universities refuse to subsidize hidden costs such as housekeeping and utilities. We concede that campus community (FM) stations do not pay announcers or operators, which is a great saving. But then, we are not seeking a \$500,000 budget either.

Not all campus stations are given the proverbial free ride by their university. CKCU, Carleton, for example, pays full rent for its studio and office space. CKCU pays more to Carleton University in rent than they receive from the university in grant and subsidies. Further, CKCU does not transmit from the Carleton campus. They pay market rates for their transmission and control lines and for their space on the Ryan Tower.

CFRC, Queen's, is considering a tower move to off campus, so they too may be paying market rates for transmission lines, control lines and tower space. The University of Guelph is considering charging the new CFRU-FM at least the cost recovery rental for its space. That would amount to \$8900 or 18% of their budget. They already pay 8% of their budget to the university in an imposed maintenance contract.

CFRC, Queen's, also has a maintenance contract imposed on it. The \$19,260 they paid in 1979 was 29% of their budget. A further \$11,832 of maintenance is absorbed by another Queen's department, but in future CFRC may have to absorb this cost. That \$11,832 could be used by Queen's University to hire an academic lecturer. Such decisions are and will be made at all universities.

When a station's budget is evaluated for its ability to produce programming of a defined technical quality, we must examine the area of the budget that is under the control of the station management; the discretionary budget. In this instance, CKMS Waterloo and CFMU McMaster are similar, but CFRU Guelph, and CFRC Queen's, are well below them. A station's discretionary budget is that ^{which is} left over after the fixed and variable cash commitments are financed. Before any programming is done, 55% of CKCU Carleton's budget is committed, 66% of CFRC Queen's budget is committed and 50% of CFRU Guelph's budget is

committed. CKCU Carleton has more money committed before programming than the total budgets of CKMS Waterloo, of CFMU McMaster, or CFRU Guelph.

With respect to programming, it is precisely that programming which is scarcest, hardest to produce, and most innovative, which suffers when insufficient funds are available. Rolling and gramophone format programming requires little beyond the fixed operating costs of a station. Mosaic and Foreground programming however require substantially more discretionary income, especially for quality programming. The development of local talent particularly requires money when campus radio is required to pay the musicians union scale. This is just one example of how Foreground programming requires adequate funding. It is the easiest thing in the world to mimic bad commercial radio. To produce quality alternative programming is more difficult, more rewarding and more expensive.

If the Commission is to regulate the revenue sources of campus-community (FM) radio, as they are currently doing, then they must be made aware of the sources of funds available to campus-community (FM) and the limitations of those funds. Campus-Community (FM) radio must have adequate financing and this financing must foster creative programming and sustain the station. To determine if the present financial arrangements are, or will be, congruent with those goals, let us turn to a discussion of the current financing of campus-community (FM) radio in Canada.