

CHAPTER 9

West Coast Media: Ultra-concentrated Ownership

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Introduction

In a country with one of the world's highest levels of press ownership concentration, British Columbia stands out for the tight corporate control of its news media. Only much smaller New Brunswick, where all three daily newspapers are owned by the Irving Oil family, can rival BC for media concentration. Unchecked market forces have resulted in one Winnipeg-based company—Canwest Global Communications—owning all three of the West Coast's major daily newspapers and its largest television broadcaster. The “convergence” model of newspaper–television ownership that Canwest pioneered in 2000 has taken media control to a new level in Canada, and nowhere has the effect been felt more than in BC. In Vancouver, Canwest owns both daily newspapers (the *Vancouver Sun* and the *Province*), one of the two national dailies (*National Post*), and most of the Lower Mainland's non-daily “community” newspapers. It also owns Global BC, which from suburban Vancouver broadcasts across British Columbia as a provincial TV superstation. In Victoria, Canwest owns the only daily newspaper (the *Times Colonist*) and the leading television station.

The political importance of the press led to federal investigations into Canada's media in 1969–70 and 1980–81. Both called for measures to stem the rising tide of ownership concentration and to instead encourage diversity. A lack of political will to address the problem, however, resulted in almost no action. After press ownership concentration increased again in the 1990s and convergence arrived in 2000, two more federal

CHAPTER OUTLINE

Introduction	1
Political Importance	2
The Wild West	4
Growing Corporate Control	6
Monopoly Challenges	7
Complete Control	8
Taking to the Air	10
Broadcasting Concentration	11
Convergence Comes to Canada	12
Media Control in BC	14
Recent Developments	15
Conclusion	17
Notes	18
References/Further Reading	18

inquiries were called. Again nothing of substance ensued, raising serious questions about the symbiotic relationship between the media and politicians who campaign for power through them. The failure to slow media consolidation has profound political implications because scholars have long pointed to the centralization of power possible in concentrated media systems. Under the new ownership model of convergence, a tipping point in control of the mainstream media has clearly been passed.

Media researchers have repeatedly documented the ability of the news media to frame issues ideologically and to set the agenda for political discussion by covering some issues prominently and others not at all. Canwest's controlling Asper family, has used its media influence to aggressively promote a political agenda that includes neoliberal economic policies in a level of activism unprecedented for Canadian media owners (Edge 2007). In BC, Canwest has even contributed financially to the Liberal Party, leaving many to wonder if its 2002 dismantling of the *Vancouver Sun's* bureau at the provincial legislature, ostensibly a cost-saving measure, was instead a favour to Premier Gordon Campbell. Federally, Canwest has openly supported the Conservative Party. Shortly after gaining power in 2006, the Harper government officially blessed convergence as a business model for Canadian media despite federal inquiries that questioned the wisdom of allowing even tighter control through multimedia ownership. This official sanction helped cement Canwest's market dominance across Western Canada, and especially in BC.

Yet the digital technology that has allowed a few companies to dominate Canada's mainstream media through convergence is also enabling alternative voices to grow online. Perhaps because of BC's high level of mainstream media control, nowhere in Canada are new media flourishing more than on the West Coast. Internet publications have sprung up to cover stories that Big Media in the province ignore or bury, while blogs specialize in scrutiny of specific issues. The multicultural nature of BC has also resulted in a thriving ethnic press, with more Vancouver daily newspapers publishing in Chinese than in English. Alternative "underground" newspapers, which once thrived in Vancouver, and talk radio programs, which were once a powerful force in BC politics, have both declined in number, however.

Political Importance

The centrality of the mass media to the political process has been well documented, but thinking on the subject has changed considerably, and is still changing. Until the middle of the 20th century, scholars assumed that the media had a powerful effect on society, following centuries of anecdotal evidence of the power of the press and the demonstrated power of modern propaganda techniques to mobilize public opinion in favour of the First World War. After early social scientists proved unable to measure media power in the 1940s using statistical methods, however, powerful effects theory was replaced as the dominant paradigm by limited effects theory. Studies of voting behaviour, for example, found interpersonal communication to be just as influential as the mass media, if not more so. More sophisticated empirical research, however,

has subsequently shown that the mass media are indeed a powerful force in shaping political discourse.

The theorist who perhaps helped most to change thinking on mass media was Marshall McLuhan, a Canadian professor of English literature. Rather than the content of media, he counter-intuitively realized that “the medium is the message because it is the medium that shapes and controls the scale and form of human association and action” (McLuhan 1964, 9). McLuhan saw the new medium of television as revolutionizing not just communication but society itself, just as the printing press had centuries earlier. He inspired not only the study of communication technology but also the serious study of popular culture. McLuhan gave credit for many of his insights, however, to fellow University of Toronto scholar Harold Innis. An economic historian, Innis theorized that control of the dominant medium of communication inevitably results in control of any society by a small, elite group. A second generation of medium theorists inspired by Innis and McLuhan has shown more clearly how television is changing politics and society. Neil Postman, for example, argued that by focusing on images and ever-shorter sound bites, television has lowered political discourse to dangerously absurd levels (Postman 1985).

By combining research methods, such as content analysis and surveys, empirical scholars of political communication have demonstrated some very powerful effects of the mass media on society. The “agenda-setting” power of the mass media was shown by researchers who found that issues that were featured more prominently in the news were perceived by voters to be of greater importance than issues given little or no coverage. They thus noted that while the mass media cannot tell us what to think, “they are stunningly successful in telling us what to think about” (Shaw and McCombs 1977, 5). Researchers who studied violence on television found it could “cultivate” in heavy viewers misperceptions of a “mean world” that might result in them being more likely to accept repressive political measures. The “mainstreaming” effect they found in heavy television viewers even outweighed the demographic differences, such as age, race, and education, that earlier researchers had found important in explaining differing political beliefs (Shanahan and Morgan 1999).

Qualitative scholars who studied framing looked at what aspects of news stories were focused on, and what was left out of the picture. Informed by cultural theory, framing examined symbolism in news coverage that can evoke a powerful emotional response in audiences (Tuchman 1978). Experimental research into cognitive psychological processes showed how media coverage can influence the criteria by which political candidates are judged. In a process known as “priming,” researchers found that audiences tend to judge the overall competence of political candidates based on their performance on the issues covered most prominently by the media (Iyengar and Kinder 1987). As a result of these findings, many scholars now believe that not only do the mass media have the power to influence what we think about, but they can also help shape how we think about it.

The Wild West

In contrast to the current lack of competition in BC media, the first half of the 20th century saw an explosion of media outlets, a proliferation of owners, and perhaps not coincidentally a wide range of available perspectives on the news. Newspapers once openly took political sides under the “party press” model of media ownership, in which vigorous competition ensured a diversity of viewpoints. The *Vancouver Province* was established by local ownership in 1898 but was bought in 1923 by Toronto-based Southam, Canada’s first national newspaper chain. It was a conservative voice for business, and for years it was Vancouver’s best-selling daily. Its main competition, the *Vancouver Sun*, was founded in 1912 as a Liberal-Party publication, a fact the Cromie family, which acquired the daily in 1917, tried to keep quiet in later years (Stursberg 1982). The 1930s brought the Great Depression, which resulted in two Vancouver dailies folding but also saw the *News-Herald* established in 1933 as an employee-owned co-operative. While the *Sun* and the *Province* published in the afternoon, which before television evening news was the preferred time, the *News-Herald* published in the morning. It provided a labour perspective, supporting the socialist Co-operative Commonwealth Federation (CCF), which in 1961 became the New Democratic Party (NDP). Within a few years, the *News-Herald* was the best-selling morning newspaper west of Toronto, with a circulation of 20,000 (Coast co-operative 1936). Even at its peak circulation of 30,000, however, sales of the *News-Herald* were dwarfed by those of the *Sun* and the *Province*.

Labour was then a considerable force in British Columbia, however, and it played a pivotal role in altering the balance of power in Vancouver’s press. A strike by printers at the *Province* in 1946 led to a violent confrontation outside the newspaper’s Victory Square offices on East Hastings Street. Strike-breaking “scab” printers imported to Vancouver by Southam published an edition with non-union labour, but the newspapers were prevented from circulating by hundreds of picketers who jammed the building’s entrance. When the *Province* drivers ran the blockade, escorted by police, a riot erupted that saw trucks overturned, newspapers set on fire, and 17 arrested. While the *Province* was able to continue publishing with police protection, a long-running labour boycott against the newspaper led to a drop in both advertising and circulation. The *Sun* took full advantage and soon assumed the circulation lead.

Under the peculiar economics of newspaper publishing, first place was the only place to be. In most cities, second-place newspapers fell by the wayside due to the so-called circulation spiral, which fed the theory that newspapers were a “natural” monopoly like railroads and public utilities. Advertisers naturally favoured the newspaper that reached the most readers, and readers naturally favoured the newspaper with more advertising. In all but the largest cities across North America, this phenomenon usually left one newspaper with a monopoly on daily publishing. That newspaper was then able not only to dominate news coverage but also to exert market power by raising advertising rates and circulation prices. In some cities, competing newspapers entered into partnerships to share a printing press, with one publishing in the morning

and the other in the afternoon. While these newspapers competed in covering the news, they conspired to set their prices and advertising rates and split the profits, which is illegal under competition laws. A lack of enforcement by regulators, however, led to such laws being disregarded by publishers.

Joint publication came to BC first not in Vancouver but in Victoria, where the *Times* and the *Colonist* once competed. Max Bell published the *Calgary Albertan* and aspired to build a western-based newspaper chain to rival Southam. He bought the *Victoria Times* in 1950 and also bid for the *Colonist*, planning to combine operations to save money. Its owners weren't selling, so Bell proposed joint publication with separate ownership instead. When the *Colonist's* owners agreed, Victoria Press was born. Within a year, however, the persistent Bell had bought the *Colonist* as well.

In Vancouver, newspaper competition heated up after the *Province* strike, much to the benefit of readers and businesses that enjoyed cut-rate prices for subscriptions and advertising. Editorially, the city's three dailies competed for scoops in a decade-long newspaper war. According to the late historian Pierre Berton, who began his writing career at the *News-Herald*, the competition for news in Vancouver back then was like the "rough-and-ready, buccaneering brand of journalism that made Chicago famous in the '20s." (Berton 1948, 40) Like most good things, however, too much competition also had a downside. Shoddy journalism and sensationalism plagued the news. More important for the competing publishers, revenues failed to keep pace with needed technology upgrades, such as colour presses. The *News-Herald* was bought in 1952 by Thomson Newspapers, whose founder would become Lord Thomson of Fleet in the 1960s after buying the *Times* of London. Thomson found Vancouver's competitive newspaper market unprofitable, however, and tried to sell the renamed *Herald* to Southam. The Cromie family that owned the *Sun* poured everything it had into its newspaper war with Southam's *Province* and managed to stay ahead. While the *Province* was losing money, however, its larger corporate resources meant it might win a war of attrition. When Southam offered \$3.75 million for a partnership in 1957, the Cromies agreed and Pacific Press was formed. The *Herald* was bought and closed while the *Province* moved to morning publication.

The competition regulator of the day, the Restrictive Trade Practices Commission (RTPC), investigated the merger, holding hearings in Vancouver and Ottawa. It heard arguments that if the partnership was not allowed, under the natural monopoly theory eventually only one newspaper would be left in Vancouver. It heard promises that the *Sun* and the *Province* would compete for news just as hard as they had before. Finally, in 1960, the RTPC issued a report that declared the partnership an illegal merger between competitors but allowed it to continue on the basis of "economic necessity." The RTPC recommended that a court order be entered to prohibit changes to the ownership of Pacific Press without a hearing, but one was never sought by the Conservative federal government (Edge 2001b). As a result, incremental changes to the ownership of Pacific Press over the next four decades transformed it from a partnership with local half-ownership to one between two eastern corporations, then to a monopoly

controlled by a succession of absentee corporate owners. Between 1980 and 2000, sole ownership of Pacific Press would pass to Southam, to Conrad Black, and then to the Aspers.

Growing Corporate Control

The Cromies sold the *Vancouver Sun* in 1963 to Max Bell's F.P. Publications, which in turn was taken over by Thomson Newspapers in 1980. Within months, Thomson combined its two Victoria newspapers into one, the *Times Colonist*, then flipped the *Sun* to Southam on August 27, 1980, giving it both Vancouver dailies. Nationally, however, the transaction went almost unnoticed in the press dealings that day. It became known as "Black Wednesday" after Thomson closed the 95-year-old *Ottawa Journal* and Southam folded the *Winnipeg Tribune*, which had published for 90 years. The closures gave each chain a local monopoly and had all the appearance of collusion. They also briefly gave Canada the world's highest level of newspaper ownership concentration, with Southam (32.8 percent) and Thomson (25.9 percent) controlling most of the country's daily circulation between them.¹ The industry contraction came after a 1970 Senate report on the mass media showed growing chain ownership and urged oversight of press consolidation but failed to prompt regulation.

Liberal Prime Minister Pierre Trudeau formed the Royal Commission on Newspapers to investigate, and within a year it proposed measures to curb the growth of newspaper chains. The Kent commission, named after chair Tom Kent, took a regional approach to ownership concentration, recommending the dismantling of market power in several parts of Canada, including a corner of BC. But while Southam was larger than Thomson and dominant in BC, printing 65.8 percent of the province's daily newspapers, it largely escaped the proposed reforms. The Kent commission concluded that despite the fact Southam owned the largest newspapers in BC, "the size of the province and the number of smaller dailies qualify the dominance" (Royal Commission on Newspapers 1981, 242). In contrast to Thomson's notorious penny pinching, the Kent commission noted that Southam was devoted to quality journalism. As a result, the Pacific Press monopoly was overlooked in Kent's plan, which was never enacted anyway. A version of the recommendations was drawn up into the *Canada Newspaper Act* that was tabled in Parliament but never passed into law after the federal government changed to the Progressive Conservatives in 1984.

Criminal charges of conspiracy and monopoly were laid against Thomson and Southam by the RTPC, but the chains were acquitted after a trial. In its 75-year history, the competition regulator proved completely ineffective in preventing questionable corporate manoeuvres, taking only seven cases to trial and winning no convictions. It was hindered by having to make a case under criminal law, beyond a reasonable doubt, that a transaction was detrimental to the public in the present, not in a hypothetical future (Competition Bureau 2004). In an attempt to strengthen Canada's competition laws, the RTPC was replaced in 1986 by a new regulator. The Competition Bureau operated under civil law and thus had to prove only the probability of

public detriment. The new body would not have to wait long to be tested by Vancouver's rapidly consolidating newspaper industry.

Monopoly Challenges

Over the years, a number of challenges were mounted to Pacific Press. The first came in 1964, when supporters of the Social Credit Party started the daily *Vancouver Times*. The populist Socreds had defied all odds since 1952 by winning five consecutive provincial elections (they would win two more) despite the province's largest dailies supporting the Liberal and Conservative parties. The *Times* sold shares to local investors and hoped to capitalize on public distaste for Vancouver's press monopoly. The newspaper lasted for less than a year, however, as several large local advertisers refused to patronize the *Times* for fear of losing their preferred placement in the *Sun* and the *Province* (Edge 2001b). If the *Times* hadn't folded two years before industrial unrest began at Pacific Press, it might have lasted longer.

Twice during prolonged shutdowns of the *Sun* and the *Province*, in 1970 and in 1978–79, idled unionists published their own newspaper, the *Express*, which at its peak came out three times a week. The *Express* made so much money from advertising that it was able to pay its workers almost as much as they made regularly. One of the biggest beneficiaries of the two-month strike at Pacific Press in 1970 was the west-side Vancouver weekly *Kerrisdale Courier*, which had been founded as the *Point Grey Gazette* in 1908. It soaked up much of the advertising revenue left wanting by the shuttered Vancouver dailies, and in 1974 it was renamed simply the *Courier*. It cashed in again during an eight-month lockout of Pacific Press workers in 1978–79, moving to twice-weekly publication. As the shutdown dragged on, many *Sun* and *Province* journalists looked to the *Courier* for work as it grew fat with advertising. In mid-June of 1979, the *Courier* announced that it would go daily as a morning tabloid on July 3. Unfortunately, the labour dispute at Pacific Press was settled by then and the *Daily Courier* lasted only three months (Edge 2001b).

One type of newspaper that briefly flourished was the alternative weekly press that sprang up in the late 1960s in Vancouver. Starting in the 1967 “summer of love,” a spate of small “underground” publications emerged to express the vitality of a younger generation. They all eventually faded away, except for the pioneering *Georgia Straight*. It continually reinvented itself to endure as the largest circulation alternative weekly and the only underground newspaper from the 1960s still publishing in Canada. The *Straight* was fuelled by a “generation gap” between postwar baby boomers and their more conservative parents. The Pacific Press dailies, young people felt, were “deliberately terrifying the public about the revolutionary spirit of the age” and were waging a campaign against them to justify a police crackdown (Glavin 1997, 2).

Street vendors sold the first 12-page issue of the *Straight* for a dime in May of 1967. It caused a sensation, featuring articles on the youth movement in Amsterdam and the drug culture of Haight-Ashbury in San Francisco. Its printer refused to handle a second issue, however, as did every other local press, so the *Straight* had to go all the

way to Victoria to find a print shop willing to take it. Circulation soared to 60,000, but Vancouver mayor Tom Campbell seized copies of its sixth issue and revoked the newspaper's business licence. The issue featured a cartoon of the *Straight's* Acid Man character naked, for which the newspaper was charged with obscenity. A sex-advice column brought another four obscenity charges. For an article on how to grow marijuana, the *Straight* was charged with incitement to commit an indictable offence. For criticizing a judge, the newspaper drew the rare charge of criminal libel.

Soon the *Straight* was banned not only in Vancouver but also in most surrounding communities. The rebel journalists were undaunted and went to court to get their business licence reinstated. The publicity brought by the legal charges actually worked in their favour, as eager youth snapped up the *Straight* in increasing numbers. In 1969 alone, the newspaper was hit with 21 charges and six convictions, but benefit concerts helped pay the \$20,000 in fines and legal fees, and by then the *Straight* was selling for 25 cents. With the 1970s, however, the Age of Aquarius began to wane and by 1979 the *Straight* was down to a circulation of 6,000 and in financial trouble. That spring, the 600th issue proclaimed a break with the past. The newspaper was renamed the *Vancouver Free Press* in an attempt to go mainstream in the absence of the Pacific Press dailies, which had been shut down by another labour dispute since the previous fall. The experiment failed, however, and two years later the *Georgia Straight* name was reinstated. The newspaper transformed itself again, this time as a free weekly focused on entertainment, and its extensive event listings drew a regular readership. The *Straight* returned to serious journalism by the end of the 1980s with in-depth investigative articles that won an increasing number of awards. Today the *Straight* is fat with advertising, is available in 1,200 locations across the Lower Mainland, and has a circulation of 120,000.

Complete Control

The Pacific Press merger was just the beginning of today's Vancouver media monopoly, and again labour unrest would play a major role in bringing change. From 1967 to 1984, seven strikes or lockouts shut down Pacific Press. Each time, thousands of readers quit the *Sun* and the *Province*, and smaller competitors grew to absorb the available advertising dollars. In the late 1980s, Southam decided to gain some leverage in its labour negotiations by buying up its local newspaper competition. That way, even if Pacific Press was shut down by its unions, Southam would still get the advertising revenue. In a series of acquisitions from 1989 to 1991, Southam bought most of the non-daily "community" newspapers in the Lower Mainland. It bought the *North Shore News*, which published three times a week in North Vancouver and affluent West Vancouver and was Canada's largest non-daily newspaper. It bought the resurrected *Courier*, which by then landed free twice a week on every Vancouver doorstep and rivalled the *North Shore News* in circulation. It bought the *Now* newspaper chain, which circulated free in the eastern suburbs of Burnaby, Surrey, and Coquitlam. The *Now* newspapers had risen from the ashes of the *Columbian*, a daily that had published

in neighbouring New Westminster for 123 years before folding in 1984. Southam also bought the *Real Estate Weekly*, which published in 14 local editions across the Lower Mainland. Given Southam's control of the market for daily newspapers in Vancouver, the acquisitions were bound to attract the attention of the new Competition Bureau.

An investigation found that the additional newspapers gave Southam more than 85 percent of the newspaper advertising revenue in Vancouver and more than 95 percent on the North Shore. The Competition Bureau ordered Southam to sell the *Courier*, the *North Shore News*, and the *Real Estate Weekly* chain. When Southam refused, hearings were held, after which it was ordered to sell only either the *North Shore News* or the *Real Estate Weekly*. Southam appealed the ruling for years, first to the Federal Court of Appeal and then to the Supreme Court of Canada. Finally, it agreed in 1998 to sell only the North Shore edition of its *Real Estate Weekly* (Competition Bureau 2004). By then, however, the media landscape in Canada had changed considerably, as Southam was under new—and very different—ownership.

In the mid-1990s, one of the world's largest newspaper companies operated out of a modest third-floor office in a low-rise building in the Kitsilano district of Vancouver. Sterling Newspapers started out in the 1970s as a profitable chain of nine small dailies and seven weeklies. It published most of the newspapers in BC that were not owned by Southam or Thomson, including the Prince Rupert *Daily News*, the Terrace *Daily Herald*, and the *Alaska Highway News* in Fort St. John. It also published the *Alberni Valley Times* on Vancouver Island and all four daily newspapers in southeastern BC. Sterling's ownership of the dailies in Kimberley, Cranbrook, Trail, and Nelson drew the attention of the Royal Commission on Newspapers, however, which called in 1981 for its regional monopoly to be broken up. The chain's president, David Radler, had told the Kent commission hearings that Sterling's greatest contribution to Canadian journalism was "the three-man newsroom, and two of them sell ads" (Black 1993, 378).

By the 1980s, however, Radler increasingly oversaw the Hollinger International newspaper chain he and business partner Conrad Black built through a long-running series of acquisitions. Over a ten-year period, they bought more than 300 small newspapers in the United States, most of which were very profitable because they enjoyed a local monopoly. The wealthy Black launched takeover bids in Canada for F.P. Publications in 1980 and for Southam in 1985, but he failed each time. His far-right politics, Black felt, led Canada's media elite to exclude him from owning major dailies. Instead, he went overseas in 1985 and bought the struggling *Telegraph* in London, which he quickly turned around with non-union labour. Its profits allowed Black to buy Israel's *Jerusalem Post* in 1989 and the eight-largest US daily, the *Chicago Sun-Times*, in 1993. Radler oversaw both from his nondescript Vancouver office.

While Black and Radler were able to acquire an enviable array of newspapers internationally, they had been limited in Canada to their small Sterling chain. Black still coveted Southam, however, and in the mid-1990s he was able to buy a controlling interest in the historic chain. By 1998, through a series of deft corporate manoeuvres,

he had bought out all remaining shareholders and thus owned almost all of the daily newspapers in BC. Black then used the nation-wide resources of Southam to start a second national newspaper to challenge the *Globe and Mail*, which had been publishing from coast to coast via satellite since 1980, but which Black felt was too liberal. The *National Post* that Black founded covered the news with a political partisanship not seen in Canada since the days of the party press, declaring openly its ambition to “unite the right” of Canada’s fractured conservative parties and unseat the ruling Liberal Party. Radler took over as publisher of the *Vancouver Sun* and the *Province*, a title he also held at the *Chicago Sun-Times* and the *Jerusalem Post*. At the *Province*, journalists protested during the 2000 federal election that Radler’s new editor was rearranging campaign coverage between editions to favour Alliance leader Stockwell Day (Edge 2001a). By then, however, Radler and Black were already gone, having sold Southam to a new, but politically like-minded owner.

Taking to the Air

Newspapers flourished when they were the only medium of mass communication, but a succession of new media emerged in the 20th century that forced print media to adapt. With the advent of radio in the 1920s, newspapers were no longer first with the news, surrendering the element of timeliness to the immediacy of broadcasting. As a defensive measure, wary newspaper owners were among the first to found outlets in the new medium. In quick succession during March 1922, all three Vancouver dailies got into the radio business in a first wave of multimedia ownership. The *Province* founded CKCD, the *Sun* started CJCE, and the *World* (which would be bought by the *Sun* two years later) went on the air with CFYC (Duffy 1983).

Radio revolutionized politics, as politicians for the first time could take their message directly to the public without having to filter it through the printed press. CJCE, which the *Sun* operated in partnership with the Sprott-Shaw School of Commerce, marked a milestone in 1923 when it broadcast a ten-minute speech by Vancouver mayoralty candidate Walter Owen. CFYC aired what is considered to be Canada’s first live political broadcast in 1925 when it carried a speech by Prime Minister William Lyon Mackenzie King from Vancouver’s Denman Arena. None of the newspaper-owned radio stations lasted long, however. CKCD held on the longest, but in 1940 it was ordered off an over-crowded radio dial by the Canadian Broadcasting Corporation, which then served as industry regulator as well as national broadcaster (Duffy 1983).

By the 1940s, a number of new radio stations competed vigorously for listeners. CJOR went on the air from the back of a New Westminster radio shop in 1923 and moved to Vancouver a decade later. CKWX also moved in from Nanaimo in 1925. BC’s self-styled “top dog” in radio wasn’t founded until 1944, however, as New Westminster station CKNW. It quickly became popular by focusing on news, and by investing resources in public affairs programming it eventually took the market lead (Davis 1993). The CBC began as a radio network established by the Canadian National Railway to broadcast to its trains travelling across the country. In Vancouver, CNRV opened in

1925 with studios at the railway's Main and Terminal station, where it produced Canada's first regular drama series. The Canadian Radio Commission was established in 1933 to regulate radio, and it also assumed operation of the CNR service. Three years later it was renamed the CBC, and in 1940 it established at Revelstoke its first of dozens of repeater stations across BC. The CBC pioneered FM broadcasting in Vancouver in 1947, and in 1953 it brought television to BC.

In the 1960s, a new kind of radio program was born in BC that saw a spate of aggressive "open-line" talk show hosts draw massive audiences. Their tactics, however, brought a rewriting of the rule book by Canada's new broadcasting regulator. Gravel-voiced Pat Burns pioneered the talk-radio genre on CJOR in 1963, calling his show the "Hot Line" after the Kennedy-Khrushchev phone link of the previous year's Cuban Missile Crisis. Five hours a day, Burns not only fielded phone calls from listeners but also placed them to unsuspecting victims he put on the air live. The tactic prompted the Board of Broadcast Governors (BBG), which had taken over the CBC's regulatory role, to require radio stations to get permission before putting people on the air. The BBG threatened several times to close down CJOR for pushing the era's strict boundaries of decency, but Burns attracted an enormous following with his blunt social criticism and wild conspiracy theories.

An estimated 250,000 listeners across the Pacific Northwest tuned Burns in every night to hear talk on such topics as birth control, promiscuity, and drugs. The controversial subject matter and his criticism of the ruling social elite boosted CJOR's ratings fifteenfold within six months. The struggling *Vancouver Times* even attempted to capitalize on the Burns phenomenon by making him a regular columnist. When the BBG finally pulled CJOR's licence in 1965, the station dropped Burns in hopes of getting it back. He took his act to Montreal, where he created similar controversies before returning in 1968 to CJOR and a much more crowded Vancouver talk radio market. Burns was followed as Vancouver talk show king by such controversial open-line hosts as Jack Webster, who offered his opinions in a thick Scottish brogue, Gary Bannerman, a former *Province* city editor, and Rafe Mair, a former Social Credit Cabinet minister. They aired on CKNW, however, which had by then eclipsed the ratings of CJOR and every other radio station in BC.

Broadcasting Concentration

When the BBG denied a proposed sale of CKNW to Southam in 1956, station accountant Frank Griffiths bought it instead and began a BC broadcasting empire. In the mid-1960s, Griffiths got into television by buying an interest in Vancouver's CHAN-TV, which went on the air in 1960 and joined the new CTV network the following year. He also bought part of CHEK-TV in Victoria, which had signed on in 1956 as a privately-owned CBC affiliate. By 1970, Griffiths had gained control of both stations and over the next decade added repeaters across the province to create a network called BCTV. In the 1980s, Griffiths expanded across Canada as Western International Communications (WIC), buying stations in Alberta, Quebec, and Ontario.

In the mid-1970s, licences were issued for third television stations in major markets across the country by the Canadian Radio-television and Telecommunications Commission, which had replaced the BBG. In Southern Ontario, a regional network of six stations called Global Television began broadcasting in 1974. In Vancouver, CKVU-TV went on the air with local ownership in 1976. Both were acquired by Winnipeg entrepreneur Israel “Izzy” Asper, who had been given a licence for that city’s third station. Asper’s growing network, Canwest Global Communications, expanded to the Maritimes and Saskatchewan in the 1980s. The former tax lawyer and leader of the Manitoba Liberal Party wanted to create a national network, however, and his pursuit of it would transform BC’s media again.

One province in which Canwest Global lacked a station was Alberta. Asper bid for new station licences there twice in the 1990s, only to be rejected by the CRTC. Canwest Global was often dismissed as the “Love Boat Network” by critics who pointed to the large volumes of rerun Hollywood programming it broadcast (Fraser 1999). The only other way for Asper to expand into Alberta was to buy an existing station. He set his sites on the stations owned by WIC, but the company wasn’t interested in selling. Frank Griffiths died in 1995, however, and Asper moved in, buying up WIC shares in a long-running takeover bid. By early 2000 Canwest had acquired WIC’s television assets and suddenly had two stations in Vancouver with the addition of CHAN-TV. The CRTC frowned on that, as it did on Canwest owning CHEK-TV in nearby Victoria, which also broadcast into the sprawling Greater Vancouver market. Canwest agreed to sell CKVU-TV but fought to keep CHEK-TV, which the CRTC allowed it to hold in a separate network called CH and later renamed E!

Convergence Comes to Canada

Asper had retired as Canwest CEO by the time the WIC acquisition was finally completed. His son Leonard, who was only 35, took his place. The younger Asper was more enamored of the new medium than bursting onto the scene—the Internet. Like many, Leonard Asper was convinced that the World Wide Web was the mass media’s future. Internet enthusiasts predicted that all media—newspapers, magazines, radio, and television—would soon circulate only as bits and bytes of data transmitted online in a multimedia future called “convergence.” Just as Canwest Global was celebrating its status as a third national television network, and fittingly almost as a new millennium dawned, the new multimedia business model was pioneered in the United States.

The merger of media giants America Online and Time Warner in January of 2000 was the biggest business merger of all time. It married an Internet pioneer to the colossus that had been created only five years earlier by combining Time Life Publishing with the Warner Brothers movie and music empire. Coming at the height of the dot-com bubble in technology stocks, it convinced many media owners worldwide that they had to hitch a ride on the “information superhighway” or risk being left behind. Due to its absence of restrictions on cross-ownership of media, nowhere was the scramble to converge more dizzying than in Canada (Pitts 2002). A month after the AOL–Time Warner merger, telecom giant Bell Canada Enterprises (BCE) announced a \$2.3-billion

takeover of the CTV network. Before the year was over it would partner with the *Globe and Mail* and eventually be named CTVglobemedia. Politics intervened, however, to allow Canwest Global to bring convergence to Canada first and become the country's largest news media company.

Conrad Black had been named by British Prime Minister Tony Blair to the House of Lords in the United Kingdom, where he was publisher of the *Telegraph*. His appointment was blocked, however, by Canadian Prime Minister Jean Chrétien, who had received rough treatment from the Southam newspapers under Black, especially from his new *National Post*. The dispute led Black to renounce his Canadian citizenship, but due to tax laws he could not realistically own Canadian media as a foreigner. Only four years after completing the newspaper empire he had worked decades to assemble, Black looked to sell it. To preserve the ideological perspective he had imbued the *National Post* with and had imposed on the Southam newspapers, he turned to Izzy Asper, who was also an ardent proponent of neoliberal economic policies such as deregulation and tax cuts. In a \$3.2-billion deal, Black sold the Southam newspapers to Canwest Global Communications in July 2000 and quit the country.²

One of the strongest warnings issued by the Royal Commission on Newspapers in 1981 was against cross-media ownership. The Liberal government of the day had moved quickly to prohibit it, passing an order in council directing the CRTC to deny a television licence to any publisher of a newspaper in the same market. With the 1984 change in government to the Progressive Conservatives, however, the order in council was allowed to expire, paving the way for convergence to reshape Canada's media. The CRTC looked askance at multimedia ownership, however, and held hearings into whether Canwest and CTVglobemedia should be allowed to merge their newspaper and television newsgathering operations. The regulator wanted a "firewall" of separation between print and broadcast news, but the companies pledged only to keep separate management structures for their newspaper and television news operations.

Canwest's ownership of the Southam newspapers proved controversial from the start. In addition to neo-liberalism, the Aspers had other causes they wanted to promote in print. They included support for Israel in the Middle East conflict and dismantling the CBC, which the Aspers saw as unfair, taxpayer-subsidized competition for their Global Television network. When Canwest ignored the traditional Southam principle of local independence for publishers and ordered its major dailies to run editorials written at company headquarters in Winnipeg, journalists at the *Montreal Gazette* protested. They went on a "byline strike" by withdrawing their names from atop stories they had written, and dozens signed a letter of protest published in the *Globe and Mail* in late 2001. Columnists at Southam newspapers across the country found themselves out of work if they disagreed with the Canwest editorials, which were ordered to be published without any dissenting opinion, even in letters to the editor. Journalists at the *Regina LeaderPost* went on a byline strike in early 2002 to protest interference in local news coverage, but Canwest punished several with suspensions.

Fears for press freedom in Canada reached a peak that summer when Canwest fired *Ottawa Citizen* publisher Russell Mills. His newspaper had run an editorial calling

for the resignation of Chrétien, who was an Asper family friend. Izzy Asper died the following year, however, after which Canwest's ties to the Liberal Party loosened, as the second-generation Aspers had more in common with the Conservatives. *National Post* chairman David Asper appeared onstage at a rally in Ottawa to support Stephen Harper's candidacy for prime minister in early 2006 (Dornan 2006). Canwest executive Peter Kent ran as a Conservative Party candidate in Toronto with company blessing, losing in 2006 but winning on a second try in 2008 and being appointed minister of State of Foreign Affairs (Americas). Asper family management of the news brought renewed concern across Canada that too much political power had accumulated in the hands of a few large media owners. A parliamentary committee began studying Canada's broadcasting sector in 2001 and issued a 900-page report two years later that called for convergence to be reconsidered, among other measures to protect Canada's media. A Senate committee began investigating the country's news media in 2002, reporting four years later with some ideas to slow media consolidation. By then Harper's Conservatives were in power federally, however, which made any regulation of media ownership unlikely. Bev Oda, a former Canwest executive who was then Heritage minister, issued a policy response in late 2006 that dismissed the warnings of both the parliamentary and Senate reports: "The government recognizes that convergence has become an essential business strategy for media organizations to stay competitive in a highly competitive and diverse marketplace" (Canadian Heritage 2006, 13).

Media Control in BC

Convergence brought even tighter control of BC's news media. In addition to owning most of the province's newspapers, Canwest Global had captured powerhouse BCTV, which dominated the audience for evening news, drawing more than 70 percent of viewers in Greater Vancouver (Competition Bureau 2004). This multimedia stranglehold allowed Canwest to largely set the agenda for mainstream news media coverage. If an event wasn't reported in the *Sun* and the *Province*, or wasn't given airtime on BCTV (which was renamed Global BC), it might as well not have happened. For example, a May 2002 demonstration in Vancouver that protested Liberal cuts to provincial social services drew thousands but went largely unreported. Canwest news media also never mentioned the controversy surrounding the company's ordering of national editorials, its protesting journalists, or its firing of Russell Mills (Glavin 2002). When the Senate news media hearings convened in Vancouver for two days in February 2005, the only mention in a Vancouver newspaper was in the weekly *Westender*. When the NDP began to gain in the polls on the eve of the May 2005 provincial election, the *Vancouver Sun* and BCTV falsely reported that the BC Teachers' Federation planned to hold a strike vote just after the election. *Seattle Post-Intelligencer* correspondent Joel Connelly saw coverage of the election campaign by Canwest media as blatantly biased.

The opposition's case—75 medical facilities closed or downsized, 113 schools shut, slashes in environmental protection and the highly suspicious BC Rail deal—has been given short shrift. ... News coverage has been so slanted that

Vancouver's daily newspapers should be read at a 45-degree angle. (Connelly 2005)

When the BC Teachers' Federation did eventually go on strike that fall to protest classroom teaching conditions, coverage of its complaints by Canwest's *Vancouver Sun* and Global BC was almost nonexistent, according to one study. Despite widespread public support for the teachers, a content analysis showed news coverage and commentary in the two Canwest media outlets was overwhelmingly critical of them (Gunster 2008). Environmental issues, which ranked high with most British Columbians but not with Canwest Global, also got one-sided coverage (Anderson 2007).

Recent Developments

In the spring of 2005, a newspaper "war" of sorts broke out on Vancouver streets as competitors scrambled to break Canwest's monopoly with a new concept in publishing. Swedish company Metro International, which published dozens of free commuter tabloids around the world, began printing a *Metro* free sheet in Vancouver that March. Quebec-based publisher Quebecor, which owned the Sun chain of tabloids across Canada, teamed with Vancouver businessman Jim Pattison to launch *24 hours*, which provided a more progressive slant on the news. Canwest responded to the competition first by acquiring one-third ownership of *Metro*. Then it began printing its own giveaway newspaper called *Dose* in five cities across Canada. Suddenly, Vancouverites who had been starved for journalistic competition were inundated with newspapers they could pick up free on street corners. *Dose* proved a money loser for Canwest, however, and folded after little more than a year.

Several other new competitors have emerged in recent years to challenge Canwest's grip on the BC media. Victoria-based Black Press, owned by David Black (no relation to Conrad), has grown to become the province's leading publisher of non-daily newspapers. From one Williams Lake weekly in 1975, Black steadily expanded across the province and beyond. The understated "other" Black, who for many years ran his newspaper empire out of his Oak Bay home, has proven the antithesis of his outspoken namesake. He did provoke controversy in 1998, however, when he ordered his newspapers across BC to run editorials opposing the Nisga'a treaty that ceded 2,000 square kilometres of the northern Nass River Valley to settle a long-standing Native land claim. The NDP government launched a complaint to the BC Press Council that was dismissed after Black testified that he took the action because he felt a government publicity campaign in support of the treaty was too one-sided. Black Press now publishes 63 newspapers across the province, including more than a dozen in the Lower Mainland, where it even challenges Canwest's dominance in Vancouver with the weekly *Westender*. Many of the others are published thrice-weekly, with *This Week* tabloids also distributed free on intervening days, making them effectively daily newspapers. In 1996, Black bought Victoria's alternative weekly *Monday Magazine*, which had been founded in 1975 along the lines of Vancouver's *Georgia Straight*. In 1991, Black Press expanded into the United States and by 2006 owned more than half of the community

newspapers in Washington State. It broke into the daily newspaper business in 2001, when it bought the *Honolulu Star-Bulletin*, and it added the Akron, Ohio, *Beacon-Journal* in 2006 and part ownership of the *San Diego Union-Tribune* in 2009.

The small daily BC newspapers Conrad Black did not sell to Canwest in 2000 were bought in 2006 by Vancouver-based Glacier Ventures, including the *Kamloops Daily News* and *Prince George Citizen* that Black had acquired from Southam. A former bottled water company bought by a group of investors headed by Vancouver real estate magnate Sam Grippo, Glacier began buying small newspapers across Western Canada in 1998. Its 2006 purchase of Hollinger's remaining 25 newspapers and 73 trade magazines gave it a total of 80 newspapers and put Glacier firmly into the middle tier of Canadian newspaper publishers that also included Black Press.

New media have also emerged to report some of the stories the mainstream media in BC do not cover. The Vancouver-based online publication the *Tyee* (www.thetyee.ca) was founded in 2003 with funding from labour unions, philanthropists, and "socially responsible venture capitalists" (Beers 2006, 114). The *Tyee* includes contributions from some of the best writers in BC, many of them former Pacific Press journalists, and it provides a progressive perspective in contrast to the neoliberal prism of Canwest. It has also covered the under-reported story of Canwest's stranglehold on BC's mainstream media, shining a spotlight on the biases in its journalism. In Victoria, the online publication *Public Eye* (www.publiceyeonline.com) covers the BC legislature and also reports on Victoria's media, which are almost as completely controlled by Canwest as Vancouver's. The self-publishing abilities of the Internet also allow amateur "citizen journalists" to cover BC and local politics in online "blogs."

Ethnic media outlets have also grown rapidly in BC due to the increasingly multicultural nature of its population. While two Vancouver newspapers are published daily in English, three are published in Chinese. *Sing Tao*, a Hong Kong newspaper company, began a Vancouver edition to reach immigrants who flocked from Hong Kong starting in the 1980s, and it boasts a circulation of 50,000. Rival *Ming Pao* established a Vancouver edition in the early 1990s to compete in the Cantonese dialect and soon rivalled *Sing Tao* in sales. The *World Journal* also publishes daily in Taiwanese with a circulation of more than 30,000. The Korean-language *Chosun* newspaper publishes thrice weekly with a circulation estimated at 20,000. Several Punjabi-language newspapers are also published in the Lower Mainland. A 2007 survey of ethnic media in BC found a "surprising" number, with Korean and Farsi (Iranian) the fastest-growing among 144 ethnic print, radio, and TV outlets that employ an estimated 1,100 journalists. Multicultural broadcasters in BC focused on international news and issues of interest to immigrants, the survey found, and provided little coverage of Canadian politics. Some, however, featured more political coverage during election campaigns, with Channel M even attempting simultaneous translation of debates in the 2005 provincial election (Murray 2008).

Conclusion

Such tight control of BC's mainstream news media hardly makes for a healthy public sphere. Political perspectives on the news tend to be dominated by the neo-liberalism favoured by Canwest Global's controlling Asper family. The alternative weekly press has been reduced to the surviving *Georgia Straight* and *Monday Magazine*, which do scrutinize both government and corporate media. Talk radio, however, was robbed of its loudest voice of opposition to the monopoly press with the 2003 firing of outspoken Rafe Mair from CKNW. Mair had cost Canwest thousands of subscribers the previous year by calling for a boycott of the Pacific Press dailies after Asper family management of the news became apparent. Mair began writing a column for the *Tyee*, but in 2007 Canwest sued the online publication for defamatory comments Mair made about the Aspers. The lawsuit was later dropped, but Canwest also sued a pair of Palestinian activists who circulated a parody issue of the *Vancouver Sun* that mocked it for pro-Israel bias. The legal actions added a troubling new dimension to Canwest's dominance of BC media, as they were widely seen as frivolous "SLAPP" suits (Strategic Lawsuits Against Public Participation) designed to intimidate critics.

The intertwined nature of press and politics in Canada, as elsewhere, has resulted in a situation where a few large corporate owners control much of the news media. Canada has an even higher concentration of press ownership than most countries, however, due to its vast size, relatively small population, and limits on foreign ownership of media that were designed to prevent American dominance. The problem is worst in BC perhaps due to its distance from the country's centre of political power in Eastern Canada. Repeated attempts to slow the growth of Big Media have failed due to a lack of political will to limit press power. Media owners have also successfully framed Charter guarantees of press freedom to claim exemption from ownership regulation.

Control of BC's media may be loosening, however, as a result of two factors. Technology is already intervening to increase the diversity of voices heard in BC politics, if only at the margins, with new online publications such as the *Tyee* and *Public Eye*. Economic forces may also work to diversify BC media, as communication empires have been observed to enjoy a limited lifespan due to their sensitivity to external financial forces (Picard 1996). The Asper family's dominance of Canadian and BC media, it is worth noting, has lasted more than twice as long as Conrad Black's. The recession that began in 2008 drastically dropped the advertising revenues and stock price of Canwest as it struggled to service a heavy debt load. This created the expectation of asset sales that might once again transform the media landscape in Canada and BC. The free market forces that the dominant media owners so admire may, ironically, end up regulating ownership of media in a way that our political leaders have failed to do.

NOTES

1. Canada would soon be eclipsed for that dubious distinction by Australia, where Rupert Murdoch came to control two-thirds of that country's press in the late 1980s.
2. In 2005, Black and Radler were charged in the United States with fraud for unjustly enriching themselves at the expense of minority shareholders from sales of some of their American newspapers. Radler pleaded guilty and was sentenced to 19 months in prison, while Black was convicted at trial in 2007 and sentenced to 61/2 years.

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