Whatever the reason, the Canadian experience clearly indicates that a widespread public demand for the institution of a pay television system simply does not exist.[11]

24. The Committee urges immediate action because it does not see the necessity of amendments to the Act at this time, and, in particular, it does not believe that rate regulation is necessary. Indeed, the Committee goes further: it contends that the authority to regulate rates is not even necessary to the Commission's authority to authorize the system on a permanent basis (Par. 221). In the Committee's view, it does not matter one whit that the Commission may not (and, under the present Act, does not) have the authority to protect the public against gouging.

25. In order to defend this type of "the public be damned" attitude, the Committee is forced to contend that the entire history of the present American system of broadcasting should be ignored and, in some magical fashion, pay TV should be considered in legal and practical effect *as if it were free TV*. Thus, the Committee asserts (Par. 221) that free TV is not really "free" because the cost is passed on to the consumer in the form of hidden additions to the price which the consumer pays for goods and services to cover advertising costs. The alleged indirect cost increase (which is never analyzed and the existence or amount of which is nowhere demonstrated by the Committee) is thereupon analogized to the *direct* per

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[11] It is also significant that after the cessation of the Etobicoke-Mimico test, less than 20 per cent of Telemeter's subscribers indicated regret that the system had stopped, despite the fact that Telemeter sought an expression of opinion from all of its subscribers. See Telemeter Comments, p. 7.