

caster's market. In response to questions, the President explained the difference between the community antenna system and the closed circuit system. The former receives the signal of a regular TV broadcasting station and passes the program material received on to its subscribers who are linked to it by cable. A commercial receiving licence from the Department of Transport is required for this type of operation and the CATV operator must not tamper with the broadcast programs picked up and relayed. The "pure" closed circuit television system has no broadcasting elements, either sending or receiving. It is closer to motion picture operation than to broadcasting in that it distributes to its subscribers filmed material or material originating in its studio. As with CATV, subscribers are linked to the parent company by cable.

Mrs. Aitken reported that a telemeter operation was being installed in her community and that some 15,000 people had subscribed at \$5 per home in perpetuity. Telemeter is also a closed circuit system in that subscribers receive their program material by wire. However, under this system, subscribers pay fixed amounts on a per-occasion basis to receive various categories of program material. Because of the direct-pay feature expensive feature films of recent vintage can be shown. Mrs. Aitken said she would supply a report on the operation of the telemeter system to the Secretary.

The President noted that closed circuit television did not fall within the jurisdiction of the Department of Transport or the BBG and that community antenna television was not a threat to television where the latter was available, since the community antenna service had to be paid for and broadcast television was free. He agreed, however, that the high-quality program material which telemeter proposed to offer its subscribers might, despite its cost, constitute a threat to television broadcasting. The Chairman noted the complexity of this whole matter and asked if the Audience Research Bureau could supply information on the number of Canadians affected by CATV, telemeter, etc. The President stated that this matter would be looked into.

Second Television Stations

The meeting took note of the agenda item on this subject, especially the need for a decision as to whether the Corporation should in the near future, as a matter of policy, apply to be the second station in some Canadian city presently served only by a private station. The President pointed out that it would be very helpful to have an indication from the Board that it is the Corporation's responsibility to ensure national coverage by establishing television stations in centres where the CBC does not now have broadcast facilities. If the Board were prepared to establish this principle, it was the view of Management that the Corporation should apply for a licence at either Edmonton or Calgary in time for the "second station" hearings of the BBG early in 1960. The Board agreed to entertain a resolution to this effect and asked that one be drafted for its consideration the following day. Mr. Ganong noted that the five-year capital plan, as reviewed by the Finance Committee, made no provision for such a second television station. The President agreed with this comment and indicated that, if the proposal had the Board's approval, the five-year plan could be amended accordingly.

BBG Advisory Committee on Public Broadcasting

The BBG's letter of October 13 to the President, requesting the Corporation to appoint four representatives to an Advisory Committee on Public Broadcasting which the BBG intended to establish, was noted by the meeting. The Chairman suggested that the composition of the CBC component of the committee could be left over until the following day when several organizational matters were to be discussed.

At 5:15 p.m. the meeting adjourned.

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(Morning Session)

The meeting reconvened at 9:30 a.m.

Mrs. Carter said that, prior to continuing with the agenda, she wished to place on record a statement of confidence by the Board as a whole in the