

I think our industry particularly in Canada has been much more progressive than it has in the United States and has shown amazing ability to adapt. The technological development has been very rapid and I think, in general, they have been able to cope very well. Much of the technical planning in the cable industry was done in Canada; in fact by people like my father—he would not say it but I will.

We are quite confident of our ability to cope with the move to 27 channels. In fact I would make the opposite point. I think when you have a rapidly developing technology, what you cannot afford to have is large companies because they cannot move nearly as quickly as small companies. You see it in a number of fields where you have rapidly developing technology that the small companies are the ones who are most able to adapt. If you have a huge monolithic organization it would take them 15 years to get around to figuring out the right way to do it and by that time we are into an entirely new area of communications.

Senator Prowse: In other words, you would agree the present situation, where you have the country pretty well fragmented in a lot of small cable companies, may serve the public interest better than letting there be a concentration in the same area, for example?

Mr. Ted Jarmain: I think it is a matter of degree. As I understood Mr. Switzer he was saying we need companies five, ten times as large as the largest today. I don't agree with that.

On the other hand, I say that the small cable operators in Canada—the small cable systems in Canada is a man and boy kind of operation and it is not going to be able to cope.

Senator Prowse: If it is too small it cannot operate?

Mr. Ted Jarmain: Yes.

Senator Prowse: What channels have you available for your own cable casting today? How many channels do you have on an average?

Mr. Ted Jarmain: I think in all the systems we have or shortly will have, one channel fully dedicated for cablecasting.

Senator Prowse: And that would be then dedicated to serving the particular area and

giving a limited service which is not now available by the larger general broadcasting companies? Am I correct?

Mr. Ted Jarmain: Yes, that is correct. Just as an example we attached a program schedule to the copy of the remarks I made here this morning. If you looked at the last page of the those pages you will see that in London this week we will have a total of 45 hours of cablecasting, of which 17 hours is new local origin material; 10 hours 30 minutes is repeat of that; 11 hours is imported material; and seven hours is repeat of the imported material.

Mr. Ed Jarmain: I think the word "imported" is a little unfortunate. They may think it is U.S. or foreign import. We don't mean that. It is imported into London.

Senator Prowse: In other words, you see the possibility of a completely complementary service without it being in competition with the present broadcasters? In other words, what you would do is add something that they are not able to add to the present mix that the public are able to receive.

Mr. Ted Jarmain: Yes. That is certainly our intention now. What that is may depend on the market that you are in. I mentioned that we operate a system in Newmarket, Ontario, for example. There is no TV station in Newmarket, Ontario and there is not likely to be one.

I cannot think of any reason why there should be any constraints on what goes over the cable casting channel in Newmarket. If a cable system is able to fill and provide some of the kinds of programming that the broadcaster would provide if he was there why should they not do so?

In a market like London I would hope our programming would be complementary. I am not saying there is not going to be any competition. I don't think that would hurt.

Senator Prowse: What I am particularly interested in is the area in which you state in both your brief and your written material that at some stage you felt you should have access to advertising revenues. We have heard from other people the fact that there are local merchants in a local area who would like to be able to buy this type of time for advertising service but don't want to have to buy the whole metropolitan area for a local service.