

to promote good reception conditions, it is most desirable that the radio activities of other departments of the Government should conform to the regulations and be subject to the authority of the Radiotelegraph Act. We are also of the opinion that the Radio Branch of the Marine Department should continue to carry on the service to broadcast listeners, which includes the suppression of inductive interference.

Certain of the technical duties now carried out by the department in regard to the radiotelegraph and radiotelephone stations in the Dominion appear to be duplicated by the commission in the case of broadcasting stations and the preponderance of evidence presented before your committee was strongly in favour of the handling of all this work by the department.

6. We regard it as a fundamental requirement that complete co-operation be established and maintained at all times between the minister and the corporation, and that the minister before taking any action towards the authorizing of any new private stations, changing the power of such stations, assigning wavelengths and other co-related questions, shall first consult with and obtain the recommendations of the corporation to the end that if and when it is decided to extend the national system, the location and organization of private stations will be such as to permit of the efficient absorption of any or all of them into the national system.

7. We reaffirm the principle of complete nationalization of radio broadcasting in Canada. Pending the accomplishment of this, radio listeners will continue to be dependent on private stations for much of their entertainment, and your committee is of the opinion that the fullest co-operation should be maintained between the corporation and the private stations.

8. We desire to reaffirm the principle set out in the Canadian Radio Broadcasting Act of 1932 that in determining the compensation to be paid for the taking over of any private stations, no allowance shall be made for the value of the licence terminated by the taking over of such station, and that no person shall be deemed to have any proprietary right in any channel allotted, and that no person shall be entitled to any compensation by reason of the cancellation of the allotment of a channel or change in a channel.

9. Your committee recommends that the corporation immediately consider ways and means of extending national coverage, either by linking additional existing private stations to the corporation's network or by the establishment of new stations.

10. In order to provide for the establishment of new stations from time to time to give further coverage, it is recommended that the corporation be authorized to borrow from the Government sums not exceeding a total of \$500,000 under such terms and conditions as may be prescribed by the Governor in Council.

The interest and amortization charges on such loans as may be granted shall be a first charge on the revenues of the corporation.

Your committee recommends that power be given to the Minister of Marine to control the use of electrical apparatus, machinery, or any devices which cause local interference with radio reception.

12. Your committee finds that during the last election there was serious abuse of broadcasting for political purposes and that lack of a proper control by the commission was apparent. The most glaring instance brought before the committee relates to the "Mr. Sage" broadcasts, in which offensive personal references were frequent and to which no proper or adequate political sponsorship was given. Some of these offensive broadcasts originated in the Toronto studios of the Radio Commission.