

Senator Everett: Or being overly competitive with the present broadcasting system?

Mr. Ted Jarmain: No, I don't see that there is a strong competition there at all. I view cable as the broadcasters' ally and if it is not working that way we ought to find a way of making it work that way.

What cable is doing is providing subscribers with a wide range of choice. Cable subscribers want choice, they want variety, they want good programming and it is the broadcasters' job to make that kind of programming.

In our distribution role we have been in the middle, trying to get good programming from the broadcasters to the people who want to watch it.

Senator Prowse: When salesmen go to sell cable service what point do they emphasize?

Mr. Ted Jarmain: Speaking generally now, I think there are three main points and the emphasis would vary depending which market: more channels, better quality reception, no antenna.

Senator Prowse: And "no antenna" saves them an outlaw of money and then the "better quality" means you don't have the ghosts and trouble and you get a good picture no matter which channel you get.

As between the better reception and the more channels, have you found that one of those is more effective than the other or not, in selling service?

Mr. Ted Jarmain: I think it depends quite a bit on the market that you are talking about. I have an interesting analysis here in Chatham Ontario. The off-air reception—people with their own antennas could get 18 different channels.

Senator Prowse: Including UHF?

Mr. Ted Jarmain: Yes. That includes six in Detroit; five in Cleveland, Windsor, London; three in Toledo and Lansing and Erie, for a total of 18 different channels.

Cable brings them 11. Obviously what we are bringing is better reception.

Senator Prowse: I was going to say, do you get any UHF overlap in those on the ordinary 12 channels?

Mr. Ted Jarmain: We bring some of the UHF stations in and put them on the ordinary VHF channels.

Senator Prowse: If I were listening there could I get 18 channels with an antenna of my own in Chatham?

Mr. Ted Jarmain: That is what I was saying.

Senator Prowse: There must be some overlap.

Mr. Ed Jarmain: Yes.

Senator Prowse: I get two programs, one better than the other on the same channel?

Mr. Ted Jarmain: Occasionally—No, I don't think so.

Senator Prowse: You follow what I am getting at?

Mr. Ted Jarmain: This includes a fair number of UHF channels. None of the 18 are on the same channels.

Mr. Ed Jarmain: All differently assigned channels.

Senator Prowse: When you put those on to cable ordinarily I think you put a different cable on the channel than on the air. Am I correct?

Mr. Ted Jarmain: I think other things being equal that we would try to put a station on the same channel on cable as we do on the air. There are a number of factors that sometimes prevent us from doing that. You cannot on the cable use the same channel that the local broadcasting station is on.

That cuts out one. If you have a UHF channel coming off-air obviously you have to convert that. There are some things that change it around.

Senator Prowse: When you talk about going to 27 channels what period in the future are you talking about?

Mr. Ted Jarmain: Since the beginning of last year, all new construction that our company has been doing has been 27 channel construction. We are not yet using that capability in a 27 channel mode but we realize that we are going to have to prepare ourselves for that.

I might just add that I heard Mr. Switzer speak yesterday and I am afraid I cannot agree with his views on the difficulty of the problem of adapting to 27 channels.