

Of course, other views in our industry are certainly very strong that there should be a broad representation or very broad expression of opinion from various factions or various groups in the community.

I personally cannot see it developing in competition to the type of programming you have in television stations today. But as the CRTC put it "rather it should supplement." I think this is very realistic.

**Senator McElman:** In other words, you don't see yourself bidding for programmes that a current broadcaster would consider buying for prime time?

**Mr. Boucher:** Well, this brings in a larger aspect of our industry and this is what the CRTC have expressed some views on from time to time—the east-west concept of networking. We visualize that in the immediate future and for many years to come, it will be pretty well restricted to—I hate to use the words "minority programming" but maybe minority appeal is what we are looking for.

**The Chairman:** Maybe "special interest" would be better.

**Mr. Boucher:** Yes, thank you very much—special interest programming, which would originate in one system and bicycle to another. There could be a programme exchange and I think this development is very practical and realistic.

In the sense of competition and in the sense of a network, it is very difficult to visualize this developing. If it does, it certainly could not happen in the very near future because this is not the type of role that we find ourselves in, in a practical way.

**The Chairman:** Mr. Allard I think wants to contribute something.

**Mr. Allard:** As long as the Commission will not permit us to sponsor any of the programmes that might originate on one channel in our community, it would be foolish indeed to compete with programmes that are available to broadcasters.

**Senator McElman:** Basically, the programming format you see ahead is one of community involvement rather than an entertainment channel?

**Mr. Allard:** If I could just use an expression—I believe community inter-assistance in Canada today can provide a mirror to the

community which the community can use as it best sees fit.

**Senator McElman:** You don't see entertainment playing a large role in this type of cablecasting?

**Mr. Allard:** Maybe in the future when we talk in terms of pay-TV, for instance.

**Mr. Boucher:** One of the basic problems we have in this area is economics. We charge a nominal fee averaging, say, from 4 to 6 dollars a month. If we were to actively compete with a network for programmes, we are talking about fantastic sums of money, even if it is spread over the entire subscriber list in Canada. Obviously the subscriber has to pay for it. So now the subscribers would find himself having to pay \$7.50 to \$8.00 or \$10.00 a month, even \$20.00 a month. Then you are going to lose a large section of the population that cannot afford that kind of money—and this is in the immediate future.

I don't know how long the condition could last but I don't see any foreseeable change. Therefore you would automatically reduce the penetration you have with cable because fewer people could afford the service; and you would see the spiral goes downward as the cost goes higher and higher for more selective programming.

I cannot visualize and I don't think we generally in the industry visualize this as a possibility or as a probability, certainly not for the immediate future.

**Senator McElman:** This leads to the next question. Your costs are obviously going to increase as you start cablecasting, for staff and technical people and so on. Do you see this resulting in an early increase in the rates that are being charged generally?

**Mr. Boucher:** As conditions are today, it doesn't appear that there will be any significant increase generally in the immediate future.

**Senator McElman:** You feel you can handle this within your current rate structure?

**Mr. Boucher:** I will give you one specific example of one likely source for additional revenues required for that. It might be because now you are offering a little bit of something extra to a minority group which you may not have as subscribers, especially in ethnic regions of a city. This is one source.