

(2) When the CBC took over on November 1, 1936, the power of all stations in Canada was 80,000 watts and the coverage of the national network 49 per cent of the population.

(3) On March 31, 1938, the total power of all stations in Canada was 186,000 watts of which network stations accounted for 168,000 watts and stations owned by the CBC, 113,000 watts.

(4) When the two new CBC 50,000 watt transmitters are completed this spring, the total power of CBC owned stations will be 215,200 watts or three-quarters of the power of all stations in Canada.

(5) The picture of the system which is emerging in Canada is, therefore, as follows:—

- (a) First, there is the CBC national network, including all high-power stations, plus other stations necessary for a really effective system;
- (b) Low-power local stations individually operated or coordinated in relation to the dominant system and fulfilling a useful local and subsidiary purpose;
- (c) The CBC controlling all network programs in the interests of an increasing amount of high-class network entertainment of a uniform and sustained quality, with planned alternatives for the listener.
- (d) A short-wave system as a medium of national interpretation and advertisement and as a means of broadcasting to French-speaking Canadians outside of Quebec.
- (e) Facsimile and television controlled in the public interest.

I propose to deal later on with network policy, with the short-wave system and with the control of facsimile and television.

- (a) Potentially—and I say it advisedly for the reasons which I gave last year and which are becoming increasingly true—we possess the best broadcasting system in the English-speaking world—because essentially we will be able, as we are in large measure now doing—to carry the best programs available outside of Canada, whether from the United States, NBC., Columbia or Mutual, the best available programs arranged for overseas consumption by the British Broadcasting Corporation (and they I understand will shortly be increased and improved). We shall also be able to continue to concentrate on the creation of Canadian programs worthy of exchange. Such a system would be of increasing utility as an agency of national unity.

There was one little point I should like to make as an aside. I referred to stations fulfilling useful, local and subsidiary purposes. We had an opportunity recently of trying an experiment.

Application was made, in circumstances which were such that the board desired to refuse it, for an increase of power at Yorkton in Saskatchewan. The reason we wished to refuse it was because of the unsatisfactory manipulatory history of wave lengths in that district. On the other hand, however, the Yorkton Board of Trade and a large number of neighbouring boards of trade within the coverage of that station joined together and came before the board of governors of the CBC, asking us to establish what they called a community station. We were able to bring together the people who wanted to put the station in and the local interests represented by the boards of trade. We made a new arrangement which we think is unique, and one which we should like to see followed in some measure throughout Canada. The arrangement, briefly, was that the equipment should be up-to-date; that the board of directors of the new company should include two representatives of the local boards of trade; that there should be an undertaking that at least four hours broadcasting