

revenue for the sale of time as our contribution to the network. I must add, however, that in all cases American networks generously allow us to carry their sustainers free of charge on our networks.

Mr. Sedgwick stated that "if you sell a station on your network—shall we say for \$100, and that you get \$50 and give the station \$50, what they get in exchange for the \$50 you have kept is a sustaining service in addition to what the network sells commercially". That is a vague and very incorrect statement. Mr. Sedgwick knows very well that no station actually receives 100 per cent of its card rate. When commissions, discounts and such charges are deducted it is fair to say that the clear amount collected by the station is of the order of just more than 50 per cent of the rate card. I hope the intention of Mr. Sedgwick was not to make you believe that we keep 50 per cent of commercial revenues to pay for sustaining programs sent to private stations. The figure is not 50 per cent, but below 10 per cent and that portion is hardly sufficient to pay for direct cost of maintaining our commercial department. There is not a cent left over to pay for sustainers.

Quite a case was made of the fact that the C.B.C. will not allow private broadcasters to have television transmitters. Going through the corporation's files we find statements such as these: "No application for television licences should be granted for private stations until further notice". That was in 1936. Later on the Board states that it is not opposed to the establishment and operation of private television stations for experimental purposes only, provided that licences for such stations are restricted to those fully qualified technically and financially and that the licences shall be subject to such terms of expropriation as the Board may deem advisable. In 1938 the same stand is taken, always with the possibility of further study of the question according to circumstances. The same reserve is observed at meetings taking place in 1939. Then in 1939, Mr. Brockington made the following statement before the Committee of the House:—

So far as the board of governors of the Canadian Broadcasting Corporation is concerned, its *present* policy is not to alienate from the public domain any broadcasting rights in television to privately owned stations or other profit making concerns.

People seem to forget that from that time on there has been a war and that things have been more or less at a standstill ever since. London has even discontinued its television service and big American firms are just marking time. There is nothing in that story to suggest that the picture Mr. Sedgwick has tried to impress on your mind is correct. For the first time Mr. Sedgwick said the other day that CFRB may wish to seek affiliation with a manufacturing concern which would be interested in sponsoring television for the purpose of creating a market for the sale of television receivers. So far as we are concerned no concrete plan has ever been submitted to us by any station. The Minister of Transport has received applications from broadcasters who evidently do not realize the difficulties involved. Here again we claim that there is no urgency in the matter. If I may risk my own personal opinion, I would be tempted to suggest that television in Canada might best be handled on a co-operative basis under the direction of the CBC. This is not turning broadcasters down but really inviting their co-operation. The proof of our desire to co-operate in such matters can be found in the agreement we have passed with the Canadian Marconi Company in Montreal before the war to operate an F.M. transmitter jointly on an experimental basis. The Canadian Broadcasting Corporation is simply performing its most elementary duty in keeping close