

MEMORANDUM TO CABINET

CANADIAN BROADCASTING CORPORATION
CAPITAL BUDGET 1969/70

The Canadian Broadcasting Corporation recommends that approval be granted pursuant to Section 80(2) of the Financial Administration Act for the Capital Budget appended hereto as Schedule A in the amount of \$30,000,000.

The Corporation's first priority plans for the 1969/70 Capital Budget of \$30,000,000, as detailed herein are predicated on no unusual delays occurring beyond the Corporation's control in the commencement or completion of projects. Where such delays result in surplus funds becoming available within the \$30,000,000, the Corporation would use such funds to finance reserve priority projects wherever possible, thus ensuring improved service to the public and the efficient use of its engineering staff.

The 1969/70 Capital Budget may be subject to deferrals, cancellations or additions to conform with new policies and decisions on coverage as announced from time to time by the Canadian Radio-Television Commission, the full impact of which cannot be determined at this time.

Some \$26,000,000 is required to continue or complete projects already in progress. New undertakings have been limited to under \$4,000,000.

The main features of this budget (detailed in Addendum Pages I to VI) are:

	<u>1969/70 Amounts</u> <u>(\$000's)</u>
1. <u>Extension to Broadcasting Service - Coverage</u>	\$ 8,024

This amount includes:

- a) The extension of radio and television coverage to unserved areas, including Mother Tongue service in English and French to unserved language groups.
- b) The extension of television service to communities in remote areas (Yukon, Northwest Territories, and Northern Provincial areas) through the Frontier coverage development program.
- c) The extension of coverage by existing stations through relocation and/or increases in power.

Extension of service to unserved communities in the Budget Plan is based on service areas containing 2,000 or more population for television and 500 or more for radio, except in remote frontier locations.

Amounts for the construction of television transmitters in Major Market areas to provide alternative service are not in this Capital Budget. These transmitting facilities will be self-supporting from commercial revenues and are not to be financed from the Capital vote (see Appendix I for list).