

Mr. McGRATH: And the Bell Telephone Company had the low tender?

Mr. RICHARDSON: That is right. Even on the extensions we have asked both parties to tender. Quite often, if it happened to be out in the prairies where the telephone companies have the network in existence, the railways come back and say they do not want to tender on this. That has happened on several occasions.

Mr. McGRATH: Was there ever any intention on the part of the corporation to undertake this construction itself?

Mr. RICHARDSON: No.

Mr. McGRATH: Why?

Mr. RICHARDSON: Primarily we are charged with broadcasting. We felt we should use the facilities of common carriers wherever it is possible to use them. It would be extremely costly for the corporation to set up a microwave network which is strictly for network use. On non-network hours these facilities are used for other traffic by these people. Actually, I believe it would cost a great deal more for us to build and operate these ourselves than by going to the common carriers. We would have no other use for these facilities, whereas they would make other use of them in many instances.

Mr. McGRATH: Would the cost of these facilities to the Bell Telephone Company be prohibitive without the C.B.C. contract?

Mr. RICHARDSON: I am afraid you would have to ask the Bell Telephone Company. I do not know what other business they have.

Mr. McGRATH: How do you, yourself, feel about the cost of the Bell Telephone Company portion of the microwave network?

Mr. RICHARDSON: I think we get a good deal, and are getting good value. I base the statement on the fact that in the United States of America they have the American Telephone and Telegraph Company tariff for this sort of thing. We have copies of the American Telephone and Telegraph Company tariff and by and large our prices from the railways and the Bell Telephone Company are lower than theirs.

Mr. McGRATH: In places where the Bell Telephone Company does not operate and the C.N.R. provides the microwave facilities, how does the cost compare?

Mr. RICHARDSON: We take the lower of the two tenders.

Mr. McGRATH: For example, there was only one tender, I believe, to push the network from Sydney to St. John's.

Mr. RICHARDSON: No; there were two.

Mr. McGRATH: Who were they?

Mr. RICHARDSON: The Bell Telephone Company and the Canadian National Railways. The C.P.R. did not enter into that field.

The CHAIRMAN: May we go on to Item 5, new construction planned.

Mr. BELL (*Carleton*): What is the time-table in connection with the construction of the national headquarters building in Ottawa.

Mr. RICHARDSON: There is no time-table.

Mr. BELL (*Carleton*): Is there any forecast at all?

Mr. RICHARDSON: Not at this stage.

Mr. BELL (*Carleton*): What would you anticipate would be the total cost of the building which is to be built? I am only asking for a rough estimate.

Mr. RICHARDSON: Somewhere between \$2½ million and \$3 million, but that is a pure guess at this time without making any further study of the problems involved.