

tions cover a variety of advertising matter. For example, a man puts two programs over the eastern network. He does not wish to spend money on two programs, because there are line charges, which are very expensive. What happens is this: the program is taken off the line and a transcription is made of the program, and that program is reproduced in the western station, or even in the maritimes. I have been in the advertising business, and we have had occasions arise on which records were made and sent out in that way. A certain percentage of transcriptions are of this type: an advertiser will can his program, which is produced in the city, and send his transcription up here. That has been followed in the United Kingdom. An advertiser in the United Kingdom who wishes to get on the air and cannot get on through the B.B.C. makes a transcription of his program and sends it over to the continent, and it goes on the air through a continental station by means of electrical transcription. The words "electrical transcription" are very broad words, and cover many things.

WITNESS: It is a very fine type of record. The N.B.C. is making them up very nicely, a very beautiful thing, very delicate in every way.

*By Mr. Slaght:*

Q. Do you agree with Mr. Massey's explanation of electrical transcriptions, as given to the committee?—A. Mr. Massey would know more about it than I.

Mr. MASSEY: I speak from experience.

*By Mr. Slaght:*

Q. That will be helpful. Perhaps Mr. Massey's explanation agrees with your view?—A. It agrees with what my information is.

Mr. MASSEY: The reason I introduced it is this: many splendid programs are put out by means of electrical transcription, and I think the committee should consider it very carefully before replacing it. Take a program that was put on in the east, but not available to the west. It would be proper policy to have that program carefully recorded in the east by means of transcription and sent to the west, and I think it would be perfectly permissible to reproduce it by means of these records. It would be a perfectly good program, even though it might be a transcription.

WITNESS: That matter was before the committee in 1934. The wire companies were here and spent an entire morning pointing out that if it were allowed to go uncontrolled, the use of electrical transcription would destroy their investment and they had invested several million dollars in organizing radio transmission. You cannot send broadcasts out from an ordinary rural telephone or telegraph office. You will find in the report of the evidence taken in 1934 a very extended report made by the representatives of the Canadian National Telegraphs and the C.P.R. communications, and if I remember rightly, the Bell Telephone company—I am not sure about that.

*By Mr. Slaght:*

Q. That is what you mean by the three companies who have installed their equipment?—A. Yes.

Q. This recommendation: a greater use of electrical transcription would be received adversely by them because it would affect their revenue.—A. It was adversely received; but we permitted a greater use to allow us to show some benevolence to the smaller stations that could not get line programs.

Q. We are coming to your amended recommendations later.

Mr. MASSEY: Electrical transcriptions are also used for this reason, and I refer now to the larger cities or stations where a program is arranged. On this program is to appear a great artist, and for some reason or another he may