

it, so far as I can find, whether the government's intention is to proceed along the lines of parallel services within a single system, or the continuation of a mixed system to the extent that that is possible. Is it the intention of the Government eventually to provide a full service on the public network, if you like, or to have the CBC totally independent of affiliates? Do you see a continuation of affiliates?

Miss LaMarsh: This hardware argument is really very important, Mr. Chairman. I do not think that we should bind ourselves either to operating in the most expensive way, which is by completely owned and operated hardware, or in the cheapest way, which is probably to mix private stations and affiliates.

The government has not taken any hard-and-fast view about this. This will obviously come up as a matter of capital expenditure. Extension of services is going to depend on what money is available, as voted by Parliament. However, it is not intended that one should infer from this Bill that the CBC is to be given a mandate to erect costly edifices all across the country.

Mr. Jamieson: I raise the question because of the repeated comments of the Board of Broadcast Governors that there is a certain basic inequity, or if you like, almost insuperable conflict, where, for example, a private applicant and the CBC appear both at the same time seeking a channel or a frequency, or to establish a particular station. As I recall it, the BBG's attitude was that it was impossible for them to adjudicate because the two situations were quite different; that is, the private applicant's position vis-a-vis that of the CBC.

Do you see in this legislation, or in the operational techniques that will evolve from it, the elimination of this problem? In other words, there are areas—and I understand a few are being heard this week—in which a CBC applicant and a private applicant both appear before the BBG. Would the CRC be given policy directives which would eliminate what seems to me to be this inequitable situation?

Miss LaMarsh: I think that is contemplated in the provision for instructions to be given by the government to the CRC. Since the government has to go to Parliament to raise

the money this is certainly something that it should be concerned with.

Mr. Jamieson: Let us assume that the CBC is free to apply, as it apparently is, at the moment, in any event, for a channel or frequency. Is there in that very act of application an indication of government approval? For example, I would assume that the CBC would not be able to apply unless it knew that the financing was going to be available?

Miss LaMarsh: The applications are made after the CBC includes in its estimates provision for such services. If the estimates are not approved by Parliament, then obviously it would be incapable of using the license even if it got it. On the other hand, if Parliament approves then it has its mandate with respect to that particular licence.

Mr. Jamieson: If I interpret that correctly it would mean that there really is no point in having a competitive application after the estimates have been approved. In other words, this would seem to indicate that Parliament, by approving the estimates, has said to the CBC, "Yes, we will give you the money to build station X," and that must mean that the public approves of that construction. Perhaps I am taking it too far?

Miss LaMarsh: I do not think that the assumption should be drawn that there is no point in making application if the CBC has already applied. The BBG currently—the CRC in the future—is there to make value judgments about which kind of services should be there. I would hesitate to say that the government stands behind each application for extension by the CBC and that therefore a private operator is wasting his money in also applying.

Mr. Jamieson: If the estimates have been approved giving the CBC the necessary authorization?

Miss LaMarsh: Yes. It is very difficult to say that the Government has then approved every application, or every intent shown on that capital budget, to expand. Generally speaking it is the global amount that interests parliament and the government. I think it would be generally considered to be a part of management's responsibility to decide how that is to be applied in the capital field, as in others.