

costs are always much higher, and the economic differentials are much greater. It is a thing we have to face constantly, and not just we—I think Canada—has to realize this if it wants its production to be a good measure of its television programming for itself. That is the complicated, the hard, expensive, part of television—the production of a satisfactory amount of Canadian programs for ourselves.

Our third general objective, again arising from the mandate we have, is to see that the national television system is extended as widely and as quickly as possible. Key points of it now exist with the production centres in Montreal and Toronto. They have, since they were established, been exchanging some programs between themselves by means of kinescope recordings, chiefly English programs going from Toronto to Montreal. Next month the direct relay network will go into operation between Toronto and Montreal and we will have the first physical link in Canada for instantaneous transmission of programs between stations. In the latter part of next month we expect to have a station in Ottawa in operation on a temporary basis, able to take programs from the network. So, again, that will be a third station in a developing national system.

Then looking a little further ahead, as the committee knows, we are working on the establishment of stations and production centres at Vancouver, Winnipeg and Halifax. They will also be component parts of a national system, that is, of course, they will be fed national programs by means of kinescope recordings. In addition, we expect there will be established a number of private stations in different parts of the country, and also in their own way to be components of a national system. We will be supplying all of them with national program service. They will be obligated to take a certain amount of service, and we in turn obligated to supply it. In other words, we will be working in a kind of partnership with these private stations, they supplying coverage for a certain amount of national program service and we supplying some of their programming, they in turn having available time for their own programming. Now that it is started, we see the national system growing at a pretty fast rate. Certainly it is at a rate that is putting a very heavy load of work on senior C.B.C. people at the present time. It would look to us as though very likely by next year the great majority of Canadians will have, one way or another, national television service available to them.

It is going to be a complicated and in many ways a difficult business working up this national service along the lines that I have tried to outline. Success will mean a good deal of effective co-operation between the private stations and the C.B.C., which seems in the offing from the statements of the private station people themselves. It is going to require lots of hard work, hard thinking and creative effort on the part of Canadians connected with television to further develop our television programming and to see that it is distributed well across the country. It has got to develop much further in quality as well as in coverage. It has quite a long way to go. We think it can go a long way, but we are sure now there is ability in the country to produce good, effective programs. There is the skill for it. If economic factors continue to be there, we do think that the country can look forward to the development of a good, effective television system drawing some programs from outside the country but having an essential core of Canadian produced programs.

That is a brief outline, Mr. Chairman.

The CHAIRMAN: I am sure we thank Mr. Dunton very much for his opening statement, and in accordance with the agreement reached at the commencement of the meeting I understand we will withhold our questioning until our second meeting to be held tomorrow in this room at 3.30 p.m.