Mr. Diefenbaker: Now then, there was some considerable discussion regarding the subject and finally I refer you to the letter of May 17, 1938, a letter from the general manager to the Toronto Star:—

As you know, I have had to bend over backwards to keep the *Star* identified with the new 50,000 watt Ontario regional transmitter. I have felt that your zealous support and your pioneering have deserved special treatment.

Do I quote the letter correctly?

Dr. Frigon: Yes sir.

Mr. DIEFENBAKER:

Nevertheless, it has to be kept in mind that sooner or later the situation will have to be regularized in terms of the press as a whole. By this, I do not mean the exclusion of the personality of the *Star* from the air, but rather its transfer to a 1,000 watt transmitter which we contemplate installing for the provision of a service alternative to that of the 50,000 watt regional transmitter.

Do I summarize this properly, that the arrangement between the *Star* and the CBC was never regularized by any resolution of the CBC board of governors, or by any agreement between the *Star* and the CBC. It has continued ever since on a verbal basis.

Dr. Frigon: I do not know of any resolution. I think it has been carrying on ever since.

Mr. Diefenbaker: And from time to time there have been objections raised by the Canadian Press and others to the continuation of this privilege.

Dr. Frigon: I do not think so, not that I know of.

Mr. DIEFENBAKER: I will come to the letter in a moment.

Dr. Frigon: All right.

Mr. Diefenbaker: One of the reasons given for the granting of this right, and I refer you to the letter of April 19, 1938, to the *Daily Star* from the general manager, page 2: one of the reasons given is that the broad general support which the *Star* had given to the corporation and to the principles for which it stands, is a consideration that the CBC had before it in agreeing to the free time. Do I read correctly, from the top of page 2?

We are not unmindful of the many courtesies and the broad general support which the *Star* has given to the corporation and the principles for which it stands. That has meant much to us and the whole plan of

nationalization.

Do I read correctly?

Dr. Frigon: Yes, but I am trying to get the meaning of the whole letter from that one paragraph.

Mr. Diefenbaker: Yes.

Dr. Frigon: I would like to comment on the fact that this is from the commercial manager of the CBC, not the general manager.

Mr. Diefenbaker: I beg your pardon; it is from the commercial manager, Mr. Weir, to the Star.

Dr. FRIGON: That is right.

Mr. DIEFENBAKER: Well, Mr. Weir would not write without the consent and approval of the general manager, would he, in a matter such as that?

The Vice-Chairman: That is not appropriate for this witness to answer. You may draw that inference, if you like, and argue it, of course.

Mr. Diefenbaker: Possibly I had better put it this way: is it customary for the commercial manager to be authorized to write a letter such as that?