

10. If FM acceptance and set ownership develop satisfactorily private commercial stations, may, in the general interests of broadcasting in Canada, be required to use FM only, on three years' notice and in any case not before April 1, 1955. This might be done by specific areas depending on conditions.
11. If at any time it becomes necessary to modify any of the above points to protect Canadian interests under international broadcasting developments, appropriate action will be taken.

The Chairman drew attention to Document No.2 of the Agenda which included the report of the Allocation Committee on AM and FM Broadcasting; a draft of the bilateral arrangement between Canada and the U.S.A. in regard to FM Broadcasting channels; a list of applications for new AM stations which the Board had recommended for denial during the last five years.

Discussion on television followed. The Chairman said that there seemed to be a good deal more public interest displayed in television than in FM, and that American companies were going ahead with television as quickly as possible with apparently little knowledge of when the industry would become commercially profitable. He said that private stations and others interested had been talking a good deal about the need for starting the introduction of television in Canada. He had discussed the matter with the directors of the CAB who had expressed great interest in television. He had suggested to them the idea of the CBC establishing television in Montreal and Toronto which might be used on a co-operative basis by others interested and where members of their staff might obtain some training. The CAB directors had warmly welcomed this suggestion. At the Chairman's request the General Manager presented a report on Television. He said that in order that the CBC might take its proper place in the development and operation of this industry in Canada, the Corporation should first operate transmitters in Montreal and Toronto so that the public would have a television system in operation; otherwise, the CBC would be unable to stop the introduction of Television in answer to popular demand, prompted and publicized by manufacturers eager to sell their equipment. He suggested, therefore, that Management be authorized to approach the Government for the grant of a subsidy to the Corporation for the establishment of a broadcasting station on Mount Royal and corresponding Television studios and a mobile unit as a first step in Television development; and for similar equipment to be provided for in Toronto as soon as its existing 25 cycle problem could be solved. Time on such facilities, he said, might be allocated to manufacturing concerns, private broadcasters and possibly theatres on a cooperative basis. As a possible alternative to the above he suggested that the Corporation might apply to the manufacturers of television equipment either for the rental or the gift of a transmitter and other apparatus, since they were the only concerns likely to benefit commercially from the introduction of this medium for some years to come. It was felt that the Corporation should exercise control in this new field from the beginning, and should institute the development of Television operations as soon as possible, while avoiding commitments too large for the Corporation to negotiate at the present time having regard to the high capital costs involved.