

in non-option. Mr. Ouimet replied that our present contractual agreement had no jurisdiction over this particular instance, but according to the BBG licensing condition, the stations were assigned to operate as a CBC affiliate. However, the agreement itself does not guarantee that private affiliates could not be allowed to join a second network, provided that it did not interfere with their option time commitment, which the agreement covers.

In reply to a further question by Mrs. Aitken inquiring what effects a change in the Act would have on CBC affiliates should they decide or want to join the second network to form a national network, Mr. Ouimet replied that although this is possible, in his opinion very unlikely under the present attitude of the BBG. The BBG might have some difficulty seeing the merit of the Corporation's argument to refuse the splitting of networks for certain areas of programming. The BBG may ask the Corporation why it would not permit its affiliates to join the second network in non-contractual times, but the BBG would probably give responsibility to the Corporation for national coverage. Their queries might be narrowed down to specific cases outside option time. Mr. Ouimet reiterated that it is not the Corporation's intention to take the position that there would never be an occasion for the second network to have access to CBC affiliates, but rather attempt to reduce the instances where this situation could arise, and also to get the BBG to agree to some sort of regulation so that in the future things like football TV rights would not make demands on the Corporation to release its affiliates for the necessary coverage.

The Chairman felt very strongly that the Corporation should take a definite stand on not allowing its affiliates or networks to be separated so that years from now the Corporation will not have been reduced to the point where it will be only producing non-commercial programs.

At 12:55 p.m. Mrs. Carter rejoined the meeting.

Mrs. Aitken queried the statement made in the Star article entitled "Competition for CBC" which stated that the new microwave link would have such refinements as instantaneous reversability. The President reassured Mrs. Aitken that this statement was not correct and was not the only network in the world with this feature; that the Corporation's national network facilities had the instantaneous reversability feature since the inception of the national TV network and has been used many times.

Mr. Ouimet advised the Board that there would be a meeting with the affiliates committee on Monday, April 10, here in Ottawa and it was his opinion that the Corporation would get a resolution which would clearly support the CBC's position on not splitting network facilities. Mr. Ouimet pointed out that the Corporation's position was based on a question of principle and stated that if the Corporation had both principle and practical aspects covered, the CBC would have a very strong case.

At 1:05 p.m. the meeting adjourned and reconvened at 2:45 p.m. with the Vice-President, Corporate Affairs (Mr. Fraser) and the General Manager, English Networks (Mr. Walker) in attendance.

A draft resolution regarding the Corporation's policy with respect to the splitting of networks was distributed to the members of the Board for their consideration. Following further discussion regarding the verbage in the draft resolution, Mr. Leeson moved, seconded by Dr. Lumsden

WHEREAS this Board has carefully reviewed its policy with respect to the splitting of networks, and

WHEREAS under the Broadcasting Act the Corporation is established for the purpose of operating a national broadcasting service, and

WHEREAS to carry out this responsibility the Corporation is empowered to maintain and operate networks of broadcasting stations, and