

Q. One other general question, Mr. Chairman. Is it your intention to keep separate books on sound broadcasting and television operations?—A. It has been and is our intention to keep the accounts of the finances quite separate.

Q. Will that be reflected?—A. I think you will see it reflected in last year and again reflected in the statement for the year just ended. Our whole accounting system is organized to keep the accounts separately.

Q. Are you going to be able to keep the receipts from excise tax which is turned over to you, those receipts which are derived from the purchase of radio equipment, that is sound broadcasting equipment, separate from those receipts derived from the purchase of television equipment.—A. We hope so. It will depend on what information the Department of Revenue gives us. We hope we will get—

Mr. H. BRAMAH (Treasurer, C.B.C.): It is expected the excise division will keep them entirely separate, and make returns accordingly.

By Mr. Fulton:

Q. And you intend to apply one to radio and one to the separate field of television.—A. It is our intention to apply the revenue in respect of one to that form of broadcasting. It has been all along our intention, as the Massey Commission recommended, to keep the accounts separately.

By Mr. Fleming:

Q. When this committee last sat in the Fall of 1951, we were much concerned then about the expansion program of the C.B.C. for which at that time a request was being made to parliament to provide an annual grant of \$6½ million for a five-year period. You mentioned the French network in your statement yesterday. Could you tell us, apart from the French network, whether there have been any stations added to the C.B.C. networks?—A. The major capital undertakings that have gone ahead are a new studio centre in Winnipeg and a station in Moncton which will be going ahead shortly and we have a number of projects which we hope to go ahead with this year for which we now have the money to go ahead with from the surplus of the last two years. At the last committee we gave a list of a number of things we thought desirable, and a good deal of study has been made of the things we can make a start on this year.

Q. Can you tell us in a word what the Winnipeg and Moncton projects cost?—A. The Winnipeg sound broadcasting project altogether runs to a bit over \$1,100,000.

Q. And Moncton?

Mr. BRAMAH: \$450,000.

By Mr. Fleming:

Q. You were going on to speak about the next stage in your expansion program.—A. There has been some expansion in terms of new facilities, but a good deal will be the replacing of older facilities to improve the coverage in outlying areas. One of the most urgent things now is the replacement of the transmitter in St. John's, Newfoundland. It is an old transmitter which has deteriorated rather badly, and we are going to put in a new 10 kilowatt transmitter in order to bring the service to the outlying areas of Newfoundland.

Q. Have you been able to do anything with two areas that were regarded as blind spots to some extent. At previous meetings of the committee you were asked about the Gaspé and an area in northern Ontario, Kenora and north of it.—A. A good deal of study has been done in the Gaspé area. We had to see if it was possible to establish a station somewhere in the Gaspé peninsula to serve a good part of that peninsula and also parts along the gulf