

At the request of the Acting Chairman, Dr. Frigon detailed at length a plan (plan B) which would increase good service coverage from the present 50% to 85% (approximate) of the population. He explained that this plan provided the optimum arrangement in that the maximum population was covered at the minimum cost. It contemplated a chain of 17 Corporation stations, the complete capital cost of which would approximate \$2,200,000. Dr. Frigon also outlined the extent of construction which could be undertaken within the limits of the borrowing powers provided for under Section 17 of the Canadian Broadcasting Act, 1936.

Mr. Nathanson then reported on the preliminary conversations which had taken place between himself, the General Manager, Assistant General Manager, and the wire companies' representatives respecting the new proposals made by the latter for a revised wire line contract for 12 or 16 hours per day for the basic sum of \$490,000. It was his recommendation that, as the Corporation might not have for some time the facilities available to furnish programs to this extent, the proposal be tentatively accepted, but not to become effective until an extension of service is undertaken. In the meantime, he thought the Corporation should go on with the present contract and if possible obtain any additional advantages which existed in the proposed new contract.

IT WAS RESOLVED

THAT the General Manager and the Assistant General Manager be authorized to discuss with the Wire Companies the possibility of acceptance by the Corporation of their proposal to provide 16 hours per day for the basic sum of \$490,000 per annum.

The General Manager read a letter, dated December 3rd, 1936, from the Minister of Transport with reference to expenditures.

The question of an executive committee was discussed. The General Manager indicated his desire for such a committee to advise him with regard to the onerous responsibilities placed upon him by the by-laws. It was decided to take no further action in this connection for the time being.

The General Manager brought up the matter of commercial policy and outlined his ideas about accepting the various classes of programs.

Draft regulations to cover travelling expenses were considered.

IT WAS RESOLVED

THAT the regulations governing travelling expenses for officers and employees of the Corporation be approved.

Mr. Nathanson thought that the Board should express its thanks and appreciation to Dr. Frigon for the manner in which the data and maps on the coverage report had been prepared and presented to the Board.

IT WAS RESOLVED

THAT the Board express its thanks and appreciation to Dr. Frigon and the Corporation staff responsible for the excellent manner in which the data and maps in connection with the coverage plans had been prepared.