

Q. They wanted to control and manage it themselves. This was a compromise perhaps, and it was also so that the C.B.C. could take advantage of programs; it was an outlet for other programs, both from Canada and the United States?—A. Right.

Q. Because you did not have time on your own system for these things? That is really what it was?—A. And basically it was so that we could offer to the Canadian public a choice of two programs. With two networks you can offer two programs at the same moment.

*By Mr. Isnor:*

Q. In addition I suppose it would be fair to say that in setting up your second network you felt you would block any move by the private stations to have a network of their own?—A. It all depends what you mean by blocking.

Q. You mentioned a third network in your brief, and I was going to ask you what you meant by a third network.—A. If you say we did that in order that they could not be in a position to have a second network I say no, that was not our intention, but the fact that we did set up a network made it impossible for them at the present moment to have their own network, but the object was not to block any action on their part. It was because we thought we must ourselves create a network.

*By Mr. Coldwell:*

Q. To give the necessary service?—A. To give the necessary service to the Canadian public and to some extent to advertisers, and by the same token a specific number of broadcasters who thought there should be a second network. That is reflected in the fact we have twenty-three stations privately owned and only one C.B.C. owned station on the network. Our interest in it is not financial. There is no question about that because we will lose money with the second network. Therefore, our only purpose in setting up the second network was decidedly to serve the public and not to make money.

*By Mr. Isnor:*

Q. But it was brought to your attention by the application of private stations for a network of their own?—A. No, we have been doing that thing for years, but not on an established network basis. For a number of years we have built up networks across the country as the occasion required. That has developed gradually into the organization of a full-fledged network as of the first of January. We have had such networks for the last three years or so. It is only the natural development and progress of network operation.

*By the Chairman:*

Q. Dr. Frigon, are there any stations which are not on one of the two networks?—A. Yes.

Q. How many?—A. I cannot count them offhand, but anything between ten and fifteen. CFRB is not on the network; CKAC, Montreal, is not; and CHLP, Montreal, is not. They may be on the network as subsidiary stations but they are not permanent basic stations on the network.

*By Mr. Hansell:*

Q. Would it be right to say, Dr. Frigon, that if the private stations had not agitated at all for a network of their own that there would have been two networks?—A. Certainly; it is a logical development of broadcasting in Canada which we recognized years ago by studying it to meet the requirements of broadcasters and of the public.