

commercial advertising. I want to ask the Chairman if it is the intention, as part of the policy, eventually if possible and when conditions permit, to get away from commercial advertising and eliminate it from the C.B.C. programs. I am not suggesting that that would take place in the immediate or near future, but the ultimate long-range policy is what I am referring to. Is it the intention to increase commercial advertising or to decrease it?

The WITNESS: All I can say to that, sir, is to repeat what I said yesterday and on other occasions, and what I think the minister stated in the House, and that is this: As far as the C.B.C. is concerned we recognize the paradox of our present position, but we are obliged to take some commercial advertising for the purpose of building up our revenues in the hope that eventually commercialism will be totally eliminated from the Canadian Broadcasting Corporation. We have set ourselves a maximum of \$500,000, because we feel we should not go any further, and that will at least meet our present needs and allow us to build up our revenues eventually from the national growth of radio in this country. My answer therefore is this: we look upon the elimination of commercial advertising from the C.B.C. certainly as part of our ultimate policy.

By Mr. Bertrand:

Q. Mr. Brockington, would it not be better to lease the channels to the private stations at a fair price? They are using to-day the air, which is the property of the people of the country. Would it be possible to lease them, and by means of a reasonable licence fee permit the private stations to function and in that way get rid of commercial advertising? That would give a chance to the private stations to take any advertising that they wish, without being in competition with you.—A. At the moment, sir, all the networks are controlled by us. We propose to keep these networks and the time available for us. I am afraid I do not quite understand your question. If I do I am not in a position at the moment to answer it. Is it your suggestion that we should encourage private stations to go in for network advertising?

Q. Yes.

Mr. DUPUIS: There is a regulation—

By Mr. Bertrand:

Q. Private stations are not paying for their advertising on the air, and are not paying for the air.—A. In my opinion they are certainly not paying anything like enough.

Q. Would it not be a good thing for the corporation to increase what they are paying, if they are paying anything, and to compensate for the loss of advertising by the fees that you could get from private stations?—A. That would depend on a survey. We would have to know something about the earnings of private stations, what they were doing; and obviously a big station in Toronto and a small station in Chilliwack are so different that I am unable to speak as to the condition at the moment.

Mr. EDWARDS: I am not one of those who is so fussy about having commercial advertising on the air. It seems to me you have an alternative. On the one hand you have people who think there should be a limited amount of advertising to sustain your programs; otherwise you must get your money from some other sources, either by subsidy from the government or by increasing the licence fees on the radio. Now, what real good argument is there against a certain amount of commercial advertising on the programs? That is what I should like to know.—A. At the present time I should say there was none; and I would also point this out to you; we had to maintain a balance between advertising and entertainment, and nobody can deny that the general advertis-

[Mr. Leonard W. Brockington.]