

Should the CBC have first call on all TV station applications? Should it have its own stations across the country or should it depend partly upon affiliates? In other words, should the CBC in future work towards a BBC-type system of station ownership, as tentatively suggested by Mr. Ouimet, or should the CBC system be different to fit a different Canadian situation? More generally, should there be statutory conditions under which TV stations can be established by public or private broadcasters? These questions must have answers and the answers obviously depend upon what kind of Canadian broadcasting system is desired - single, dual or mixed.

#### Special Problems of CBC

Apart from these general questions and problems raised by the uncertainty of the Broadcasting Act, there are related subjects pertaining specifically to the CBC. The structural organization of the CBC is one of them. The Glassco Commission made some general comments about the structural organization of the CBC and, if the Glassco inferences are well founded, important changes must be made in the Corporation. At the moment, the CBC itself has a small "Glassco Committee" studying CBC structures. Undoubtedly it would be useful to make serious appraisal of the findings of that CBC Committee when they are ready.

The Government also feels that there should be a serious look at the whole CBC financing picture, both short-term and long-term. It is of interest to note in this connection that the CBC budget in 1950, before the coming of television, was \$10 million and that in 1963 the CBC budget was \$110 million.

Included in a study of CBC financing, of course, is the subject of advertising and its ramifications in terms of Canadian broadcasting, public and private.

Also involved in CBC financing are the costs of CBC consolidation projects like those contemplated for Montreal and Toronto. In turn, these consolidation projects may influence the future development of Canadian private producers and technical facilities whose general role vis-à-vis the CBC merits serious study and consideration. The Glassco Commission had something to say about this last item, but again its remarks were rather general.

#### Re-broadcasting and Pay-TV

I think many of you here will agree that television re-broadcasting stations and pay-TV (excluding community antenna television systems) are raising or may soon raise, special and complicated problems. The President of the CBC, Mr. Ouimet, suggested in the 1962-63 CBC annual report, that some re-broadcasting stations were being established for purposes different from their original objectives, that in effect they might form regional networks, and that they could block the future establishment of full broadcasting stations.

As for pay-TV, though not yet established firmly as a commercial television system in the home, it has been making strides into the cinemas,