

Q. Your sound service broadcasting which you say you consider to be pretty well financed now on a grant basis is to some fairly considerable extent financed also on the basis of commercial revenue?—A. Yes.

Q. Do you then not foresee any appreciable—I know I am asking you to look into the future—do you not foresee any appreciable decline in commercial revenues on sound broadcasting?—A. There may be a decline, but as you will notice now, there will be some small decline before 1952-53, a small drop off, but not in any way attributable to television. There may be a certain drop, but you will notice now that under this present financial basis, the actual commercial revenue is under 20 per cent, a good deal under, so naturally a drop in that would have some effect, though I do not necessarily think a drastic effect.

Q. What is your present policy and intention with regard to frequency modulation broadcasting. I think you told us some time in the past that it was your intention to extend F.M. broadcasting.—A. I do not think quite that Mr. Fulton. As you know, F.M. broadcasting was a thing which, after the war, was very widely thought would develop to a very great extent both in the United States and here. We in the corporation hoped it would, because it would bring many advantages to broadcasting in general, it would make, for instance, for more clear reception and many low power private stations would benefit from it, but on the whole it simply has not caught on. As you know, its chief advantage is that it brings a higher fidelity reception and reduces interference, and usually cuts it out pretty well entirely. But it seems to me in general, with television coming more and more into the offing, people on the whole were simply not interested enough in that degree of high fidelity and the lessening of interference. There have not been enough sets sold in either country to make it worth while. It might have some revival, but at the moment the situation is not too encouraging. I think the thing is that television has come to the States, and is coming here, and people are not interested in buying a set for some improvement in sound reception.

Q. You did say I think there had not been enough sets sold in either country. Do you mean Canada and the United States?—A. Yes.

Q. Is the experience in F.M. which you outlined also the experience in the United States?—A. In general, except there are a fair number of F.M. stations down there and I think some get along fairly well. I think others have had a good deal of difficulty.

Q. Then you do not have a plan for a complete F.M. network?—A. No. As we have told other committees, we put in F.M. stations in several areas, and put out much the same programs on F.M. as on A.M. We are keeping these transmitters in operation, but at the moment we have not plans to put in any more. There will not be a network of F.M. I think perhaps what we are talking about was improving the quality of transmission by wire lines, so you would get a higher frequency of overtones which F.M. in turn could carry, and I think in technical terms we might have a network of lines carrying up to 5,000 cycles and F.M. would carry—what would it carry?

Mr. J. ALPHONSE OUMET (General Manager, C.B.C.): Up to the limit of audibility—about 14,000 to 18,000, depending on the age of the listener.

*By Mr. Fulton:*

Q. Have you had any applications for more private stations for F.M. outlets?—A. I cannot remember any requests for an increase in power. F.M. of course is more like television. Its coverage depends on height and radiated power, not necessarily on the power of the transmitting unit.