

technical improvements and probably this introduction of local programming, along those lines I think cable will continue to develop; but once we reach the point where the hardware concept must be changed, it requires a tremendous amount of investment.

That problem will be very realistic and may well dictate a major national decision at that time but it is very premature to speculate what it might be as far as the futuristic pie-in-the-sky attitude by some people or very practical ideas. So again we are back to economics. The present limitations on computers, for instance, the concept of a cable system as such—I don't think it offers the same reliability which is required for data transmission. This is not the type of hardware we have in cable systems today but it is more than adequate and can do even a better job with the research developments that are presently being instigated; the quality of television can probably be improved.

I think the next step would probably be the additional carriage of channels but limited to the spectrum of cable as we know it today. When we talk about 20 channels, in practice it doesn't appear that we can carry more than 16 or 17, if that many.

I look at Mr. Switzer back there and I think he could answer much better than I can.

The fact we will have these limitations and that they can only be overcome by tremendous expenditure, I think, is what we are hung up with right now.

From the point of view of visions I could speak all day but I don't think it is nearly that practical to explore definite areas. I think our views as an association, of course, are in the brief in the sense that if we could have developed a technical aspect or practicability of such things even more, we probably would have.

The Chairman: I think Mr. Allard wanted to add something.

Senator McElman: Before he does could we look at the next 5 to 10 years. Do you see the real possibility of what Mr. Loader suggests of broadcast stations, as we now know them, actually being replaced. You say somewhere in your brief some broadcasters will choose—one would probably add that they are compelled to choose—to close down their transmitters and go on to cable. How soon do you see that happening?

Mr. Boucher: Within the next five years, I doubt that broadcasters will be compelled to

choose. Within the next five years I am sure you will see some form of applications from someone who wants to start a broadcast service using cable facilities. I think this is a very great probability.

Senator McElman: Then this would seem to bear out the very real concern that the CRTC expressed that as this conversion period takes place, considering service other than in the metro areas, there is a very real need for strong regulation.

Mr. Boucher: I think what would prompt a real threat is when you have a system where you dial a programme. Then you have relatively an unlimited channel capacity.

As you know the broadcast industry is really studying itself as to what the public really wants. I think there seems to be an earnest effort generally at finding out what their future role can be.

The only difference, for instance, in a broadcaster operating on a cable system, providing he is reaching the same audience, is really the fact that he is not using the airways but he is going directly to the home.

All we have done is replace air with a piece of copper. That is providing we have the same audience reach. That is the problem. We don't have that audience reach today.

One thing which is very important is to appreciate that cable owes its existence to the TV set. It is connected to the TV set. It is financed by the person behind the TV set. Whereas broadcasting is coming from a totally different direction. It is financed from the person who sponsors the programme.

There is certainly no dove-tailing as yet. I am not sure this is not possible but I would like to term that as a vision in the future. I am sure as we learn more about ourselves, learn more about our problems, being broadcasters or cable operators, that natural evolution will take place. Whether it will be along those lines or not I don't know but our Association certainly states very clearly that—to use my own words—we are guilty until we can now prove ourselves innocent.

While we can contribute to the Canadian television system, and it is not an insignificant contribution, we do not, I contend, have the same financial effect as people seem to think we would have. I think it follows naturally we will get together somewhere along the line but who knows what the future will bring. It is a very interesting area.