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Canada. Parl. H.of C. Special Comm.on Radio Broadcasting, 1946. Minutes of proceedings & evidence.

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Canada. Parl. H.of C. Special Comm.on Radio Broadcasting, 1946.

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SESSION 1946

HOUSE OF COMMONS

Special

STANDING COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1

TUESDAY, MAY 28, 1946.

TUESDAY, JUNE 4, 1946.

INCLUDING

Statement of Honourable J. J. McCann.

WITNESS

A. Davidson Dunton, Chairman of the Board of Governors of the Canadian Broadcasting Corporation.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

ORDERS OF REFERENCE

TUESDAY, 16th April, 1946.

Resolved,—That a Select Committee—the members thereof to be later named, be appointed on radio broadcasting to consider the annual report of the Canadian Broadcasting Corporation and to review the policies and aims of the Corporation and its regulations, revenues, expenditures and development, with power to examine and inquire into the matters and things herein referred to and to report from time to time their observations and opinions thereon, and to send for persons, papers and records.

TUESDAY, 14th May, 1946.

Ordered,—That the Committee appointed on 16th April last to consider the annual report of the Canadian Broadcasting Corporation and to review the policies of the Corporation shall consist of the following members:—Beaudoin, Bertrand (*Prescott*), Bowerman, Diefenbaker, Fleming, Fulton, Gauthier (*Portneuf*), Hackett, Hansell, Knight, Laurendeau, Leger, Maybank, McCann, McCulloch, Mullins, Nixon, Picard, Pinard, Robinson (*Simcoe East*), Ross (*Hamilton East*), Ross (*St. Paul's*) Smith (*Calgary West*), Sinclair (*Vancouver North*), Zaplitny.

MONDAY, 27th May, 1946

Ordered,—That the name of Mr. Coldwell be substituted for that of Mr. Zaplitny on the said Committee.

TUESDAY, May 28th, 1946.

Ordered,—That the said Committee be authorized to print from day to day 500 copies in English and 200 copies in French of its minutes of proceedings and evidence and that Standing Order 64 be suspended in relation thereto.

Ordered,—That the said Committee be given leave to sit while the House is sitting.

Ordered,—That the quorum of the said Committee be 9, notwithstanding Standing Order 65(3).

TUESDAY, June 4, 1946.

Ordered,—That the name of Mr. Maloney be substituted for that of Mr. Leger on the said Committee.

ATTEST

ARTHUR BEAUCHESNE,
Clerk of the House.

REPORT TO THE HOUSE

TUESDAY, May 28, 1946.

The Special Committee on Radio Broadcasting begs to present the following as its

FIRST REPORT

Your Committee recommends:

1. That it be authorized to print from day to day 500 copies in English and 200 copies in French of its minutes of proceedings and evidence and that Standing Order 64 be suspended in relation thereto.

2. That it be given leave to sit while the House is sitting.

All of which is respectfully submitted.

RALPH MAYBANK,
Chairman.

(Concurred in May 28, 1946).

65374—1½

MINUTES OF PROCEEDINGS

TUESDAY, May 28, 1946.

The Special Committee on Radio Broadcasting met at 10.15 o'clock for the purpose of organization.

Members present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Gauthier (*Portneuf*), Hansell, Knight, Maybank, McCann, McCulloch, Mullins, Nixon, Pinard, Ross (*St. Paul's*), Smith (*Calgary West*) and Sinclair (*Vancouver North*).

The Committee agreed to print from day to day its minutes of proceedings and evidence.

On motion of Mr. Bertrand (*Prescott*),—

Resolved,—That the Committee asks leave to print from day to day 500 copies in English and 200 copies in French of its minutes of proceedings and evidence.

The Committee decided to ask permission to sit while the House is sitting.

On motion of Mr. Smith (*Calgary West*),—

Resolved,—That the Committee asks permission to sit while the House is sitting.

On motion of Mr. McCulloch, it was resolved that Mr. Beaudoin be elected vice-chairman.

Mr. Coldwell suggested the appointment of an Agenda Committee. It was agreed that names be given to the Chairman of those who would act with him as an *Agenda Committee.* Matters of procedure, future business and time of meetings were referred to the Agenda Committee.

On questions of Messrs. Smith and Fleming, the Clerk informed the Chairman that all available and related material such as the annual reports of the Canadian Broadcasting Corporation, The Canadian Broadcasting Act and By-Laws, Regulations, etc., will be tabled at the next meeting. Other material will be tabled on request by the officials of the Canadian Broadcasting Corporation.

The Orders of Reference were read by the Chairman.

On motion of Mr. Coldwell, the Committee adjourned at the call of the Chair.

TUESDAY, June 4, 1946.

The Special Committee on Radio Broadcasting met at 10.30 o'clock. The Chairman, Mr. Maybank, presided.

Members present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Gauthier (*Portneuf*), Hansell, Knight, Maybank, McCann, McCulloch, Mullins, Nixon, Pinard, Ross (*St. Paul's*), Smith (*Calgary West*) and Sinclair (*Vancouver North*).

In attendance: From the *Canadian Broadcasting Corporation:*

A. Davidson Dunton, chairman of the Board of Governors,
Dr. Augustin Frigon, general manager,
Donald Manson, assistant general manager,
E. L. Bushnell, director general of programs,
J. R. Radford, manager, broadcast regulations division,
Harry Bramah, treasurer,
Dan MacArthur, chief news editor,
Neil Morrison, supervisor of talks,
W. H. Brodie, supervisor of broadcast language.

From the *Department of Transport:*

G. C. W. Browne, controller of radio,
W. A. Caton, supervisor.

The Chairman reported verbally on the first meeting of the Agenda Committee. (*See evidence*)

Pursuant to a request of Mr. Smith and others members of the Committee relating the past minutes of proceedings of the Committee, the Chairman gave the substance of a memo prepared by the Clerk of the Committee. (*See evidence*)

The following papers, in English and French, were tabled and distributed, viz:—

1. CBC annual report for the year ending March 31, 1945.
2. The Canadian Broadcasting Act, 1936.
3. CBC Regulations and By-laws.
4. Policies and Rulings on Political and Controversial Broadcasting.
5. Canada's New Voice by J. Alphonse Ouimet (English).

The Honourable Mr. J. J. McCann, Minister of National Revenue and National War Services, made a statement. Orders in Council which accompanied his statement were tabled and on motion of Mr. Smith:—

Ordered.—That the orders in council be printed. (*See Appendices A, B, C and D to this day's evidence.*)

Mr. A. Davidson Dunton, chairman of the Board of Governors of the CBC was called. He reviewed in a statement the policies of the corporation. Alluding to a report of the Federal Communications Commission dated at Washington D.C. May 7, 1946, copies were requested and an attempt will be made to secure them for distribution to members of the Committee.

Various suggestions were advanced by Messrs. Smith, Fleming, Picard and Coldwell.

At 12.55 p.m., on motion of Mr. Ross, (*Hamilton East*), the Committee adjourned until Tuesday, June 11 next.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

June 4, 1946.

The Special Committee on Radio Broadcasting met this day at 10.30 o'clock a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: Gentlemen, in opening this meeting I should tell you what occurred at the meeting of the steering committee which was appointed. It was agreed at the last meeting there should be a steering committee. The personnel were not named, but it was left to me to appoint the committee on suggestions from the various parties. The steering committee was chosen consisting of Messrs. Knight, Hansell, Fleming, McCulloch, Beaudoin, Mullins and myself. We met, and the suggestion of the steering committee which comes to this committee is that, as well as we can see at this moment, the best way to proceed would be to have statements which would be a survey of the last couple of years. The statements would be made by the minister and officers of the corporation. It seemed probable to the steering committee that various interested parties would desire to come before this committee to make representations of one kind and another, and it might be that the right time to have them do so would be after statements had been made such as I have suggested. On the other hand, we might feel that it would be better to have the policy of the corporation stated prior to these delegations but, at any rate, it seemed to the steering committee that first of all we should have the survey of the past, secondly, the delegations, and thirdly a statement of policy. However, as to those latter two it might be desirable to interchange them.

I think the only other suggestion which the steering committee desires to make is that we meet regularly at 10.30 on Tuesdays subject, of course, to increasing that as we may see fit. I believe those are the only concrete recommendations that the subcommittee has to make at this time. I did not write it out as a report. I think that becomes a matter of record now by my having stated it to you. Are you agreed as to those suggestions? (Agreed).

There is one other matter that the clerk has drawn to my attention. Mr. Smith and others asked for certain papers at the last meeting. It was said that the clerk would do all he could to get those papers which were mentioned. As I recall it, what you wanted, Mr. Smith, were papers going back to about 1924, reports and that sort of thing. The situation is this with reference to such supplies. The joint distribution office has not any extra copies of minutes going back as far as that. Neither has the King's Printer. There is a set of minutes of proceedings of all committees kept in the library for reference, and it may be possible to obtain copies of the votes and proceedings of the dates on which the final reports were presented. It has not been possible yet, and it seems improbable that there will be a sufficient number of copies of each one of the reports desired, but with respect to the Canadian Broadcasting Act, 1936, regulations and by-laws of the C.B.C., and the annual reports they are available for distribution and will be distributed whenever desired. As to a good deal of the information for full distribution to the committee it is not possible to get it.

Mr. SMITH: If we cannot get it we cannot get it, but let us have what you have got.

The CHAIRMAN: They will be distributed as we go along. Following the idea of commencing this meeting in the manner indicated a few minutes ago I think it would be appropriate to call on the Hon. Mr. McCann to give the opening statement. If that is agreeable I will do so now.

Hon. Mr. McCann: Mr. Chairman, as you know I have occupied for three successive committees on this subject the chair in which you are now seated. In congratulating you, may I tell you and the new members of the committee how interesting and stimulating I have always found this particular work. You will find, I think, that any review of the operations of the Canadian Broadcasting Corporation covers a surprisingly wide range of topics and subjects—so many that no one man can be an expert on all of them. For that reason I propose to make my remarks very brief, and to confine myself to describing shortly what, so far as broadcasting is concerned, are my duties and responsibilities as the Minister concerned. Any information on specific points I hope I shall be able to give you in the form of answers to your questions.

The position often seems complicated to those who study it for the first time, because two separate ministers are involved. The popular conception of radio is broadcasting. But radio has a very much wider significance than that. Broadcasting is but one phase. Radio communication generally is covered by the Radio Act, 1938 (formerly the Radio Telegraph Act). Broadcasting is governed by the Canadian Broadcasting Act, 1936.

Under the Radio Act, 1938, the licensing and technical control of all classes of radio stations are vested in the Minister of Transport. This authority extends not only to the radio broadcasting stations whose signals we hear on our receivers at home; it covers in addition receiving stations or sets on which you hear that signal; it covers every kind of radio station—direction finding stations for aircraft and ships, stations for ship to shore communication and so on. This business of frequency allocation has international aspects because the allotment of the limited frequencies have to be the subject of international agreements and treaties.

The Canadian Broadcasting Act, 1936, constituted and set up the Canadian Broadcasting Corporation, charged with the creation and development of a national broadcasting service in Canada and with the regulation of all broadcasting in Canada—that is, with the broadcasting of the sort of material that we call radio programs. At the time the statute was passed, the Minister referred to from time to time in the Act was the Minister of Transport; indeed Section 2 (d) still reads "Minister means the Minister of Transport".

However, during the war certain changes were made by Order in Council in the allocation of ministerial responsibilities. What happened was this: In 1940 the duties, powers, and functions of the Minister of Transport under both these statutes with regard to broadcasting were transferred to the Minister of Munitions and Supply; in effect, Mr. Howe took these duties with him when he went from Transport to his newly created post in Munitions and Supply. (For purposes of the record, these changes were made by P.C. 3076, July 8, 1940, Appendix A; and P.C. 3435, July 25, 1940, Appendix B.). Then in the following year by P.C. 4215, June 11, 1941, Appendix C., the minister's responsibilities with respect to the Broadcasting Act were transferred to the Minister of National War Services. Since then, as you know, the Minister of Munitions and Supply has become the Minister of Reconstruction, still retaining his powers with regard to licensing; and the Ministry of National War Services is in process of liquidation, and the responsibilities of that Ministry so far as the Broadcasting Act is concerned have been conferred on me by P.C. 6552, October 18, 1945, Appendix D.

Here is the present situation in a nutshell. To-day the term "Minister" as defined in Section 2 (*d*) of the Broadcasting Act refers to myself in respect to broadcasting, and to the Minister of Reconstruction in respect to licensing. Mr. Howe continues to be the licensing authority; the only responsibility of the CBC in the matter is that it is required by its constituting statute to study and make recommendations to the licensing authority on all applications for licences for radio stations or for change of licence. They are recommendations and no more; the final authority on all matters connected with the licensing of any kind of

radio station is and remains with the Minister of Reconstruction, Mr. Howe. The responsibility in the matter of radio licences is not mine; for my own general interest I try to keep myself generally informed about the position. I would suggest to you, Mr. Chairman, that detailed information on this subject might better be obtained by calling a representative of the department that is finally responsible.

Turning now to the Canadian Broadcasting Corporation and to my position with regard to it, I want to make it very clear that the CBC does not operate in any sense as a government department. Except for certain high offices specifically named in the statute, the Government has no voice or influence in the appointment of CBC staff; the employees are not civil servants; the Corporation receives no part of the general funds of the Dominion raised by taxation; it has financed its operations entirely out of the proceeds of its licence revenue, supplemented by the revenue derived from its commercial operations.

I propose now, if you will allow me, to run in a very cursory way through the statute, noting all references to the Governor in Council or to the Minister, explaining each reference and trying to make clear to you whether the term "Minister" in each specific case refers to me or to my colleague, the Honourable C. D. Howe. So far as my own particular responsibilities are concerned, I shall do my best to answer any questions you care to ask. You will find, I believe, that the CBC assumes and is required by the statute to assume full responsibility for its aims and policies, subject to certain statutory safeguards in the national interest, which I shall point out as I come to them. Apart from these, the Corporation is responsible not to any particular government, but to Parliament as a whole and my function, apart from the duties specifically named in the Act, is to act as spokesman for the Corporation in the House of Commons.

I believe that every one here has a copy of the Act, and this will make it easier for me to be brief.

Section 3 deals with the constitution of the Board of Governors. You will notice that members are appointed by the Governor in Council. Since the last committee on broadcasting, the following changes in the Board have taken place:—

Retirements.—Dean, the Very Rev. W. E. Fuller, retired at the expiry of his term in November, 1944; J. Wilfrid Godfrey, K.C., retired from the Board at the expiry of his term in November, 1944; Dr. A. W. Trueman, resigned April 29, 1946.

Appointments.—William J. Parker, appointed February 3, 1944; B. K. Sandwell, appointed March 24, 1944; Dr. A. W. Trueman, appointed March 19, 1945; A. Davidson Dunton, appointed November 15, 1945.

Present Board.—A. D. Dunton (Chairman); Rene Morin (Vice-Chairman); Dean Adrien Pouliot; Howard B. Chase; Mrs. T. W. Sutherland; F. J. Crawford; W. J. Parker; B. K. Sandwell; (one vacancy).

That vacancy is due to the resignation a month ago of Mr. Trueman, and an appointment will be made shortly to fill that vacancy. May I interject here in passing that last fall when Mr. Dunton was appointed that was a new departure in appointing a full time chairman, and I think it was the first time in many years, at least, that there had been a fully constituted board.

Section 6 lays it down that the general manager and the assistant general manager of the Corporation shall be appointed by the Governor in Council on the recommendation of the Board, and as spokesman for the Corporation, I bring these recommendations forward to the Governor in Council.

Section 8 (*n*) says that the Corporation "may acquire private stations either by lease or, subject to the approval of the Governor in Council, by purchase". This concerns the operations of the Corporation and it is my

responsibility to discuss these matters with the Corporation and to put forward such reports to Council as may be considered necessary under Sections 10 and 11 of the Broadcasting Act.

Section 9 very properly reserves to the Governor in Council the final say in any arrangements or negotiations between the Corporation and any other British or foreign government. It is my duty to advise the government in these matters.

Generally speaking, the Corporation is master of its own funds, but as a protection to licence payers Section 10 provides that exceptional expenditures, fixed by the Act as expenditures in excess of $10,000 for single purposes, and agreements or leases for a period exceeding three years, require the approval of the Governor in Council. To examine the need for these expenditures, and to make a recommendation is again part of the functions of my office.

The acquisition of real property or of private stations is dealt with in Section 11.

This would be a function of my office so far as acquisition of property by the Corporation is concerned; although any action by the Corporation to acquire a private station would affect licences and would be a matter for the licensing authority. It is interesting to note the wording of subsection (5) of this Section which provides that there shall be no proprietary right in any channel (i.e. frequency). That is worth noting particularly in view of matters that may come before the committee.

Section 12. The Corporation has power to make by-laws; these by-laws must before coming into effect have the approval of the Governor in Council. I am the Minister through whom they would be presented to Council. No changes in by-laws have been made since the final report of the 1944 Committee.

I come now to the disposal of licence fees, dealt with in Section 14. This comes under the direction of the licensing authority.

Section 16 allows the Minister to recommend to the Minister of Finance a working capital advance, repayable on demand, out of the unappropriated revenues of the consolidated revenue fund. I am the Minister referred to here, and again I am the Minister referred to in Section 17 which governs larger advances.

I am the Minister referred to in Section 19 and am responsible for seeing that a satisfactory accounting system is kept by the Corporation. As a matter of interest, the Auditor General's department not only audit the annual balance sheet, but maintain a continuing audit throughout the year.

There is a further mention of the Minister in Section 22 (2). As a matter of actual fact this question does not arise in practice; but if it did, I am the Minister referred to. This has to do with the payment of time for CBC programs on private stations in case of disagreement.

Section 22 (6) outlines the procedure in the matter of penalties for breach of regulations and as it is a question which affects the licence of the station, it is the responsibility of the Minister of Reconstruction.

The Minister referred to in Section 23 is the Minister of Reconstruction. Section 23 deals with technical matters concerned with interference.

Section 24 is also the responsibility of the Minister of Reconstruction, and defines the responsibilities of the CBC with respect to applications affecting licences; under this section, the CBC studies all such applications and makes recommendations to the licensing authority.

In accordance with Section 26 the annual report of the CBC is submitted to me as Minister, and I submit that report to Parliament.

These very specific terms constitute the sum and total of the extent of government or ministerial control of the CBC. The Canadian Broadcasting

Corporation is not a government owned body, nor is it a government controlled body. It was never meant to be either; and I hope it will never become one, for government control of so important a medium has no place in a democratic state in normal times. The CBC is not responsible to the government of the day. It is responsible to Parliament as a whole, before whom its annual reports and balance sheets are laid, and who at their pleasure appoint a committee of this kind to examine its affairs. I understand that the question was asked why the committee was constituted and called at this time. I might say in answer to that the reason is that it is but carrying into effect the recommendations of former committees that radio broadcasting be reviewed yearly. A second reason is that matters can be brought before the committee for consideration, and it is advisable that that should be so in order that officers of the corporation may be here to answer the questions of any members of the committee.

So far I have reviewed briefly the statute which governs the establishment and operation of the national broadcasting system. I feel it would be useful similarly to review the Parliamentary Committee Reports which have been tabled to date.

The first Parliamentary Committee on Radio met in 1932, following the report of the Royal Commission which advocated the establishment of a national system financed primarily by licence revenue and operating a coast-to-coast chain of high power stations. In its recommendation, the Committee of 1932 said—

> Your Committee recommends that a nationally owned system of radio broadcasting be instituted and that all stations required for its proper organization be eventually acquired.

The Prime Minister of the day, the Right Hon. R. B. Bennett, introduced a bill on May 16, 1932, to establish a national system. During the second reading of the bill (which was later passed unanimously by both Houses of Parliament) Mr. Bennett said—

> First of all, this country must be assured of complete Canadian control of broadcasting from Canadian sources, free from foreign interference or influence. Without such control radio broadcasting can never become a great agency for the communication of matters of national concern and for the diffusion of national thought and ideals, and without such control it can never be the agency by which national consciousness may be featured and sustained and national unity still further strengthened. Other and alternative systems may meet the requirements of other countries, and in any case it is not my purpose to comment unfavourably upon those systems. But it seems to me clear that in Canada the system we can most profitably employ is one which, in operation and control, responds most directly to the popular will and the national need.
>
> Secondly, no other scheme than that of public ownership can ensure to the people of this country, without regard to class or place, equal enjoyment of the benefits and pleasures of radio broadcasting. Private ownership must necessarily discriminate between densely and sparsely populated areas. This is not a correctable fault in private ownership, it is an inescapable and inherent demerit of that system. It does not seem right that in Canada the towns should be preferred to the countryside or the prosperous communities to those less fortunate. In fact, if no other course were possible, it might be fair to suggest that it should be the other way about. Happily, however, under this system, there is no need for discrimination; all may be served alike. Equality of service is assured by the plan which calls for a chain of high power stations throughout Canada . . . .

For the Liberals, the late Right Honourable Ernest Lapointe endorsed the measure in these words:

> I just wish to endorse the views expressed by my right honourable friend, the Prime Minister, and to say that I am in full accord with the principle embodied in this bill. I have been supporting this principle from the first, more particularly after the work of the Aird Commission, but I knew the difficulties in the way and the strength of the propaganda carried on to prevent the work of that Commission from having the results which we witness to-day. I am pleased with the work which was done by the Committee which has been studying this question, and I congratulate the members of that Committee on the excellent work which they did. I congratulate the House upon having this bill introduced at the present session, and I congratulate the people of Canada on the principle which is represented in the bill.

The late J. S. Woodsworth, leader of the Co-operative Commonwealth Federation, expressed his approval:

> I should just like to associate myself with the last speaker (Mr. Lapointe) in congratulating the Prime Minister on his promptness in bringing down this bill to implement the report which has been unanimously adopted. May I further express my own very great appreciation of the admirable statement which the Prime Minister has made.

In 1936, after four years' operation, the organization for the national broadcasting system was recast along more flexible lines while not sacrificing the principles of public ownership and unified control laid down in the Act of 1932. The Canadian Broadcasting Corporation was brought into being in 1936 by the Canadian Broadcasting Act, 1936.

Although the national broadcasting system is autonomous in the sense that it is free from governmental direction or control, its operation has been constantly and searchingly supervised by Parliament itself through special committees on radio broadcasting. All of the principal federal parties have been represented on these committees, five of which have been appointed since 1936 (this will be the sixth) to consider the annual reports of the Corporation. These committees have made many fruitful recommendations for the improvement of broadcasting service to listeners in all parts of the country. In their final reports the special committees have been unanimous in supporting the principles of the national system outlined in the Broadcasting Act of 1936.

The following are relevant extracts from the final reports of the Committees:

> 1938
>
> Your Committee believes that the constitution of the Corporation ensuring a proper division between policy and management and a degree of flexibility and independence essential to the medium of broadcasting, together with ultimate parliamentary control, is well suited to the purpose for which it was created.
>
> 1939
>
> Your Committee recognizes that the responsibility of controlling and co-ordinating all broadcasting in the public interest rests upon the Corporation.
>
> 1942-1943
>
> Your Committee would like to preface its recommendations by stating its confidence in the framework provided by the Canadian Broadcasting Act, 1936.
>
> In the reports as well as in debates in Parliament, a number of principles governing national broadcasting in Canada were enunciated

and emphasized. Your Committee now desires to reaffirm these principles as stated in the reports of the Committees for the years mentioned in brackets:

(*a*) The paramount importance of a single national authority to control all broadcasting in the public interest; (1932)

(*b*) The public ownership of all high power stations under a national system of broadcasting, with low power stations individually operated or co-ordinated in relation to the dominant system; (1932)

(*c*) The co-ordination of all broadcasting in Canada through exclusive control being vested in the nationally-owned system of;

(i) The character of all programs, political or otherwise, broadcast by all stations and of the advertising content thereof; and

(ii) All wire-line networks used for carrying broadcast programs; (1936)

(*d*) The independence and flexibility of administration of the national broadcasting authority to be assured by its constitution as a public corporation. Under this constitution decisions as to policy are to be made by its Board of Governors while administration is to be unified under a general manager, and an assistant general manager, responsible to the Board for the conduct of all business of the Corporation; (1934, 1936, 1938)

(*e*) Members of the Board of Governors to be men of broad outlook, having a knowledge of the tastes and interests of the listening public and able to make a definite contribution to the solution of the problems before the Corporation; (1936)

(*f*) The independence of the Corporation from partisan control to be assured by its constitution. As a trustee for the people of Canada and the payers of licences, the Board of Governors should render an account of its stewardship regularly to parliament and be subject to ultimate parliamentary control; (1938)

(*g*) The importance of establishing at as early a date as possible a high power short wave broadcasting station financed as a national undertaking but operated and controlled by the Corporation as an integral part of its system; (1938, 1939).

I might say here that the short wave station on the east coast at Sackville is the result of that recommendation. I think that it is generally admitted it is one of the finest short wave stations in the world, and it has rendered a great service to Canada and to our men overseas during the war years.

(*h*) Political network broadcasting during federal and provincial election campaigns to be on a sustaining basis and time divided equitably among the political parties; (1939)

(*i*) That public broadcasting is a great instrument of education and national unity as well as of entertainment. In war, broadcasting can play a major part in mobilizing the resources of the nation and the will of our people to defend our country and defeat the enemy; (1942)

1944

May your Committee point out that ever since 1928 every parliament, every political party, every parliamentary committee inquiring into the question has been in favour of a system similar to the one we now have.

In conclusion, I would like to draw your attention to the fact that the final report of every Committee to date, supported by representatives of every part of the House, has endorsed and re-affirmed the principles of the national system first set forth by the Royal Commission and the Committee of 1932 and

presently outlined in the Broadcasting Act of 1936. This year the Committee will be able to have a report from Mr. A. Davidson Dunton, the first full-time Chairman of the Board of Governors; an appointment which resulted from a recommendation of a previous committee. While Mr. Dunton has held this position only since November 15th of last year, I am sure he will be able to give members of this Committee information on any aspect of the policy of the national system. Mr. Dunton will be supported by the officials of the Corporation who may be called to testify on particular phases of the operations of the CBC.

In order to bring the matter up to date and have it on record I have had put here as appendices copies of the different orders in council with reference to appointment. I thought it well at this time to give this background.

Mr. FLEMING: May I interrupt? Will the appendices to the minister's statement be printed in the records of the committee?

Hon. Mr. MCCANN: Yes. I thought it well at this time to give this factual background with reference to the C.B.C. more particularly because there are a great number of men on this committee who sit upon it for the first time. Going back on my own experience as a member of the committee for a number of years and as a past chairman of it I have found it rather hard to ferret out for myself the whole background of the organization and to become conversant with the type of operations that are carried on by the broadcasting corporation. It was with a view to making it a little easier for members of the committee to understand that background that I took the line along which I have addressed you.

The CHAIRMAN: To keep the record straight I believe it will be deemed necessary to have a motion covering these appendices which the minister mentioned. Would somebody move that they be printed in the proceedings?

Mr. SMITH: I will move it.

The CHAIRMAN: It is moved by Mr. Smith. You have heard the motion. All those in favor?

Carried.

Mr. SMITH: The minister has given a very valuable report that covers some eight closely typewritten pages. He also said he would be in a position to answer questions with respect to his share of the governmental responsibility. May I take it at some time when we have had an opportunity of studying this that in the event questions occur to us we may ask the minister questions?

Hon. Mr. MCCANN: Certainly.

Mr. SMITH: It would be impossible to do so now. I would only be wasting time if I started to do so.

Mr. ROBINSON: I am one of the new members of the committee who has very much appreciated the outline which the minister has given. There is one point which I would like to bring up at this time. The minister mentioned in his report subsection 5 of section 11 of the Act dealing with the fact that there is no proprietary right in any radio channel or frequency. There has been considerable conjecture recently as to the possible cancellation of the wave lengths of certain radio stations. Coming from Ontario I refer particularly to station CFRB. I should think that the committee might wish to have before it any proceedings or material of the Canadian Broadcasting Corporation in that connection. I was wondering if that material could be made available in the not too distant future.

Hon. Mr. MCCANN: That is not a matter to which I can give you a definite answer at the moment, but I do not think there will be any difficulty with reference to that. That is exactly one of the reasons why we have a committee set up, so that the officials of the corporation will be here and they will be in a position to discuss the matter to which you refer, and similar matters.

Mr. FLEMING: I take it that it might contribute to the orderly conduct of the proceedings of the committee if those who can would indicate at this stage

the information or reports they think it would assist the committee to have tabled in due course. I have made a note of half a dozen things which I think the committee might wish to have regard to during the course of these deliberations. I do not pretend at all that this is exhaustive, but I thought it might assist the committee if I were to indicate it now because it may be they will have to be looked up and brought down at a later date.

In the first place, we have had laid before us a booklet containing the regulations, and then a booklet containing the policies and rulings with reference to political and controversial broadcasting. May I ask in the light of that if it has been customary in the past for copies of the minutes of the Canadian Broadcasting Corporation to be furnished the committee? There are parts which would deal with some of the matters that are of concern to the committee. That is my first point.

My second point has to do with section 8, subsection (n) of the Act. That is the section which provides that the corporation may acquire private stations either by lease or, subject to the approval of the Governor in Council, by purchase. That is referred to also in the very illuminating statement which the minister has read. It is to be found at the bottom of page 3 of his statement. I should like to ask in that regard if we might have brought down to the committee at some time a statement as to the requests made by the corporation to the Governor in Council for approval of purchases and the action taken on them, whether approval, disapproval, or any that have been held in abeyance. Then this also is referred to on page 3 of the minister's statement. In section 10 of the Act we have the provision that the corporation shall not, unless the approval of the minister has been first obtained:

(a) enter into any agreement involving any expenditure in excess of $10,000;
(b) enter into an agreement or lease for a period exceeding three years;
(c) acquire any personal property, the cost of acquisition of which exceeds the sum of $10,000, or in any manner dispose of any personal property having an original or book value exceeding the sum of $10,000.

I wonder if in that regard we might have some information as to the applications made by the corporation to the Governor in Council for approval and the action taken thereon, whether approval, disapproval or being held in abeyance.

Similarly in section 11, subsection (1) we have the provision that:

> 11(1) No real property or private station shall be purchased, acquired, sold, exchanged or mortgaged by the Corporation except with the previous consent of the Governor in Council,

and so on. I think the same information would be of great assistance to the committee in that respect.

Again under section 12 we have a provision enabling the Corporation to make bylaws of certain classes. Section 12(b) provides:—

> No such bylaws shall come into force or effect, until approved by the Governor in Council, and no alteration, modification or repeal of any such bylaw shall have any force or effect until so approved.

That bears also on the first item I mentioned when I suggested I thought it would assist the committee to have access to copies of the bylaws of the Corporation. In reference to section 12(b) I should like to ask that similar information be provided, that is to say, bylaws as to which approval of the bylaws or of alterations, modifications or repeals was sought by the Corporation of the Governor in Council, and the action taken thereon.

The CHAIRMAN: Mr. Fleming, speaking of bylaws, is your request not covered by the booklet before you?

Mr. FLEMING: Not having seen this before I have not had an opportunity to study it carefully, but I do not realize that it purports to be all the bylaws of the Corporation. If these are all the bylaws of the Corporation then that will

help to clarify my first point, but it would still leave open my request for information as to any other bylaws of which approval might have been sought and of which approval might not have been forthcoming either because it was denied or held in abeyance. I do not think that is very difficult to obtain.

Hon. Mr. McCann: What you have are the bylaws up to date. No requests have been made for any change in the bylaws since that booklet was got out.

Mr. Fleming: Then I take it that in all cases where bylaws have been passed by the Corporation or repealed or modifications or amendments sought by the Corporation the approval of the Governor in Council has been forthcoming?

Hon. Mr. McCann: Yes.

Mr. Fleming: There have been no cases where there has been any problem with reference to the approval of the Governor in Council?

Hon. Mr. McCann: Not to my knowledge.

Mr. Fleming: Then could we have in the course of the proceedings the information as suggested by Mr. Smith last week, copies of the annual reports of the Corporation to date? Are they available?

Hon. Mr. McCann: Yes.

Mr. Fleming: Then I have another question which probably can be answered very simply. Section 22, subsection 6 provides for suspension of licences in the case of certain violations or non-observance by private stations of regulations of the Corporation. I should like to know as a matter of record if the power under that subsection has ever been invoked and used, and in what cases? I have asked for quite a bit of information. Naturally I do not expect it now. It may be that the answers to some of the questions can be put quite briefly, but I feel that at some stage during the proceedings of the committee we will need information of this kind.

The Chairman: Mr. Fleming and gentlemen: There is one point to which I should like to direct your attention, and that is the request for reference to the minutes. It would seem to me from past decisions within this committee that for the minutes of the Corporation simply to be brought in and laid open on the table is something that is against policy in the past, and I submit in the nature of things it is against policy. As to the minutes being present for the purpose of a question of a specific nature being answered I should think there would be no difficulty. You can readily understand that if the minutes of a company are thrown open to the world people who really are not entitled to know everything that goes on interdepartmentally would thereby come to know everything that went on interdepartmentally. I rather think they partake in their nature of interdepartmental memoranda rather than public documents such as a letter addressed to a different corporation. Might it not suit your purpose if the minutes were here and the officers of the Corporation were here and thus by reference to them the answers to questions could be given? If they were laid on the table they could be published verbatim to the world. I feel quite sure that the minutes of any corporation should be subject to some privacy. Would you not agree that it would satisfy your purpose if we had them here for the purpose of the answering of questions?

Mr. Fleming: Yes. I take it if individual members wish to have access to the minutes for certain purposes there will be no difficulty about that as long as they are not tabled?

Hon. Mr. McCann: That has never been the practice.

Mr. Coldwell: Has it not been the practice in the past to have the minutes here, and when a question is asked on a particular minute it can be read?

Hon. Mr. McCann: Exactly; that is the practice in former committees that the minutes are available. If there is any matter that any member of

the committee wants information on and wants to know the minute that refers to it that minute will be produced. I might say from my knowledge of the minutes of the corporation that if they were here they would not be of much use to the committee if they searched them from one end to the other.

Mr. SMITH: They are well kept.

Hon. Mr. MCCANN: They are well kept. A minute is a record of the conclusion of the deliberations of the corporation, and it is the same with any corporation. The verbatim talk that goes on and the discussion before they come to a conclusion is never incorporated in the minute. The minute is the conclusion or termination of one particular subject that is discussed. It is the recommendation. I think that if we follow the practice which we have in former years of having the minutes available there will be no complaint on behalf of members of the committee with reference to the information which they will get. I might point out to you that in the deliberations of the Committee on Railways and Shipping the minutes of the Canadian National Railway are not produced before the committee. It has never been the practice, as far as my knowledge goes, in parliamentary committees to produce the minutes of an independent corporation.

Mr. PICARD: In line with what Mr. Fleming asked I think his request was only for the minutes concerning political and controversial broadcasting. Do you not think there would be a number of occasions on which these rulings have had to be applied? It might serve the purpose of the committee if a synopsis was made of the different occasions on which these rulings have had to be applied and the interpretation of these rulings as made by the Radio Broadcasting Corporation was given to us. There are a number of regulations here that surely had to be applied, and a synopsis of the interpretation of these rules might be of great help to the committee and might be more useful than for us to go into the details of the minutes. These regulations are quite broad, and particular cases have surely been brought to the attention of the board for interpretation. It would help the committee, and it would give the public an idea of how these rules operate in practice if we had from the chairman an idea as to when these regulations had to be applied, a list of those cases, and the interpretation given by the board to the different regulations here. I think that might meet much of the demand that has been made and would help the committee.

Mr. FLEMING: To save time may I say that I did not intend to precipitate a discussion on that point this morning. I am quite content that we should start on the basis that has been observed in other years with regard to the minutes. If the occasion arises where a member thinks he would like to look at the minutes that can be dealt with at the time. I do not want to precipitate a lengthy debate this morning. We can deal with the situation as it arises.

Mr. PICARD: It is not a question of entering into a debate. I think if we got that we would know where we stand and any questions we might ask might be more pertinent than if we just had the regulations before us. Is there any objection to that?

Hon. Mr. MCCANN: I do not see that there would be any objection. I might say with reference to these regulations having to do with political broadcasting they are the result of mutual agreement between the representatives of the political parties. I think Mr. Coldwell will bear me out on that. There has not been any difficulty in the application of them because representatives of all parties who are in the House of Commons by mutual agreement have agreed to these regulations, and I might say they have lived up to them.

Mr. PICARD: I do not object to the regulations themselves. I just want to know if any reference has been made to them, when they had to be applied,

and what was the interpretation of the board. As Mr. Fleming suggested, whenever we have the occasion to ask a question on any of the items we can go to the minutes, but that will take a longer time than if we had a list before us.

Hon. Mr. McCANN: I think probably your purpose would be served, Mr. Picard, if when one of the officials is before the committee any questions with reference to political broadcasting are directed to him. He could then give you the times that there has been an application of the rules.

Mr. PICARD: Then, there is another item I wanted to know. I am asking it now because we are giving a list of what we may want. During the year there must have been applications for new stations, new licences granted, and so on. Who is the authority who will give us the information on that? Is that the Minister of Reconstruction?

Hon. Mr. McCANN: Yes.

The CHAIRMAN: The Minister of Reconstruction.

Mr. PICARD: We will have before us a list of the new stations, the new licences that have been given and the new stations that have been put into operation?

Hon. Mr. McCANN: That can be obtained.

Mr. PICARD: Or licences cancelled, and so on?

Hon. Mr. McCANN: That can be obtained.

Mr. COLDWELL: Will an approach be made to the provincial governments to obtain their consent to the production of correspondence relating to the ownership and operation of government-controlled stations, for example, in Manitoba, and the application for the establishment of a Crown-owned station in Saskatchewan? I asked for that in the House and I think the intimation was to this effect, that permission would have to be obtained from the governments concerned. I wonder if that has been obtained and if so can that be brought here during the discussions?

Hon. Mr. McCANN: I think that is a question that Mr. Dunton will be able to handle. It is a matter of their policy.

Mr. COLDWELL: The other thing I should like to suggest is that we have always found it interesting to get information as to other broadcasting systems. A very interesting report has recently been made in the United States by the Federal Communications Commission. I think if the corporation could obtain for each member of the committee a copy of that report it would help us to some extent to evaluate our own broadcasting system in comparison with what has happened in the United States where they have a different system altogether.

The CHAIRMAN: I think we can get that, and certainly if it is available we shall.

Mr. COLDWELL: I am quite sure it is a report which would be of interest to this committee.

Mr. SMITH: Perhaps the minister might answer one question now. As I listened to him I learned that the governmental setup of ministers in charge of certain things had been changed by order in council during and due to the war. Does the government contemplate restoring to the Minister of Transport, for example, the powers which he then had? What is the object of that division now being continued?

Hon. Mr. McCANN: I presume the object of the division is to divide the duties. The Minister of Reconstruction perhaps is more heavily burdened and taxed than he should be. At one time he had, as you understand, the management of the whole administration of the Radio Act and the Broadcasting Act. He carried over into his new duties the administration of the Radio Act but felt that he did not have the time for the administration of the Broadcasting

Act, and that a few years ago, as I have stated, was given to the Minister of National War Services. My predecessors, the Hon. Mr. Thorson and the Hon. Mr. LaFleche had the particular administration of the Broadcasting Act. I was not there at the time so I cannot give you the reasons. It is only a matter of conjecture on my part.

Mr. SMITH: You received it by way of direct descent, but what is the argument in favour of this division? I do not know why it should be divided. There may be a reason, but we have not heard it yet. Surely one would think that the business of broadcasting should be under one authority unless there is a good reason why it should be divided under three as it is at the present time.

Hon. Mr. McCANN: What three?

Mr. SMITH: Two. There is Transport and yourself and Reconstruction. Are you not all involved?

Hon. Mr. McCANN: No, not Transport. It was formerly in the Department of Transport.

Mr. SMITH: I am getting mixed up in my air waves. That is all that is wrong with me at the moment, but there is a division now between two, and why? What is the reason?

Hon. Mr. McCANN: I do not know the reason why the change was made.

Mr. FLEMING: I wish the minister would clarify this point. I take it that the hon. Mr. Chevrier does not discharge any of the functions assigned to the Minister of Transport under the Broadcasting Act?

Hon. Mr. McCANN: No, that is right.

Mr. FLEMING: There are only two ministers concerned now?

Hon. Mr. McCANN: Yes.

Mr. SMITH: I gather there is no change in policy contemplated to restore it or put it under one department?

Hon. Mr. McCANN: Not to my knowledge. I think that is a matter that has been brought up in former committees. If I recollect properly there was a discussion, if not a recommendation, to the effect that consolidation might be desirable, but it has never been given effect to. If this committee feels they want to make a recommendation to that effect it is within their province to do so.

Mr. SMITH: It seems to me it would have been automatic when the war was over.

The CHAIRMAN: Are there any other questions for the minister at the moment or are you ready to hear Mr. Dunton?

Mr. FLEMING: I have one more. I apologize for taking up so much time. Could we have a statement as to any grants or provisions made by parliament for working capital? There is a sentence in the statement read this morning by the minister. I do not know whether I can put my finger on it. He spoke of the financing of the corporation being taken care of entirely by the corporation out of the proceeds of its licence revenue supplemented by the revenue derived from its commercial operations. I believe though that the Crown did subscribe the working capital in the first place, did it not?

Hon. Mr. McCANN: Yes.

Mr. FLEMING: I should like to have that position clarified if the minister would kindly do it.

Hon. Mr. McCANN: My understanding is that capital was given to the corporation in the initial stage. That capital has all been repaid with interest

to the government out of the earnings of the corporation. The two sources of earnings of the corporation are from the collection of radio licence fees and frm commercial advertising. Out of those two sources they have been able to pay off their loans with interest, and at no time from the setting up of the corporation to date has it been necessary to vote public money from taxation by way of an estimate to carry on the operations of the Canadian Broadcasting Corporation except in one instance. When the short wave station was built two years ago capital was given to the Canadian Broadcasting Corporation, and it is not expected that will have to be returned because of the fact that there is no earning power from that short wave station. It was felt that if Canada had a short wave station it would be a means of advertising the country and that the returns that there would be in improved trade and commerce and exports from this country would amply repay the country in due time for the expenditure that was made.

In addition at that time there was a lot of pressure being put upon the government that there should be a short wave station here that we might have a better means of communication with our men who were in the fighting services. From all reports the Canadian short wave station has been perhaps the best short wave station in the world. I have personally inquired of a great many men who were overseas, and they say they got the Canadian signal and the Canadian programs better than from any other short wave station so that I think that has been amply repaid. There is an item of expenditure in that regard with reference to keeping up programs because, as I say, that was kept as a separate entity, and the licence fees that are collected in Canada and the commercial advertising revenue do not go to pay any part of the expenses of the short wave station.

Mr. SMITH: In what languages is it broadcasting now?

Hon. Mr. MCCANN: We are broadcasting in five different languages at the present time.

Mr. SMITH: What are they?

Hon. Mr. MCCANN: Mr. Dunton will cover that in his report.

Mr. COLDWELL: I noticed in the Federal Communications Commission report that the commission monitors certain of the stations to see to just what extent they are carrying out the ideas behind the Federal Communications Commission's work with regard to advertising, and so on. I wonder if any monitoring of that type is done by our broadcasting corporation? If so, when the officials come before the committee I should like them to be prepared to submit some typical logs that have been monitored. If the private stations are coming here, as undoubtedly they will, and since they are asking for privileges, because it is a privilege merely to have an air channel—it is not a right—I should like them to be prepared to submit logs on some of their weekly broadcasting so that we may understand just to what extent they are fulfilling the function of a local community station, encouraging local talent, and giving free the local service that they are supposed to do, and so on. In particular I should like a log of the Kingston station and of CFRB, CFCN, and two or three other typical stations across the country so that we can see to what extent they are fulfilling the function that is really allotted to them by the corporation.

The CHAIRMAN: We will take a note of that. Mr. Dunton will deal with that. Are there any other questions, gentlemen? If not, I will call on Mr. Dunton, the chairman of the board.

A. Davidson Dunton, Chairman, Board of Governors, Canadian Broadcasting Corporation, called.

The WITNESS: Mr. Chairman, I should first like to thank the committee for the privilege of appearing before you. The Canadian Broadcasting Corporation appreciates such an opportunity of reporting to Parliament. We have a keen sense of our responsibility to the public through Parliament; and we feel it is of great value to the corporation and an important guarantee to the public that its affairs and policies be studied by a committee such as this one.

One of the recommendations of the last parliamentary committee was that a full-time chairman should be appointed. In conformity with a part of the recommendation regarding the duties of the post, I have, as Chairman, concentrated on the policies of the corporation, including program policies, policies of relations with private stations and relations with the public.

If the committee is agreeable, therefore, I should like to summarize the recent general development of the corporation and its policies and its overall position. It is proposed that the general manager, Dr. Frigon, deal with operations, administration and finance, technical and commercial matters.

Radio Policies Established by Parliament

I should like to emphasize that the policies of the corporation are based on principles and policies established through parliament. In considering the position and responsibilities of the corporation it is necessary to have in mind the background of public policies regarding radio in Canada.

During the 1920's broadcasting in Canada developed in a haphazard fashion almost entirely through stations operating on a commercial basis. By 1928 the situation had become disquieting and the Aird Commission was appointed. Among the facts established by the Commission were these:—

Broadcasting was tending to concentrate in more densely populated areas, leaving more lightly-populated areas ineffectively served.

The majority of programs heard was from sources outside Canada.

There was a great demand and need for the development of Canadian broadcasting in the interests of Canadian listeners and in the national interests of Canada.

The Aird Commission came to the conclusion that the interests of the listening public and of the nation could be served adequately only, to quote, "by some form of public ownership, operation and control behind which is the national power and prestige of the whole public of Canada". It recommended that the public body set up should establish high power stations across Canada with the aim of giving good reception over the whole settled area of the country. The Commission stressed the need for interchange of programs among various parts of the country, and recognized that while the primary purpose of the national system would be to give Canadian programs through Canadian stations, every effort should be made to give Canadian listeners the best programs available from other countries.

The Aird Report became the basis for most of the subsequent legislation and practice. The special parliamentary committee in 1932 came to general conclusions similar to those of the Aird Commission and made recommendations regarding the setting up of a public radio body. The bill establishing the Canadian Radio Broadcasting Commission was in accordance with the recommendations of the parliamentary committe. Under the CRBC a network was established and first steps were taken toward the carrying out of the plan of national coverage.

Principles Enunciated by Committees of the House

Following the reports of the committees of 1934 and 1936 it was decided to remodel the organization of the national body on more flexible lines, maintaining the principles of public ownership and control. The Canadian Broadcasting Act of 1936, establishing the Canadian Broadcasting Corporation, was based on the reports of the 1936 committee and was passed by a unanimous parliament. The Committee also recommended that the corporation immediately consider ways and means of extending national coverage through the construction of a number of its own stations and the taking over of others. Since 1936 further parliamentary committees have studied national broadcasting. The parliamentary committee of 1942 listed and reaffirmed nine important principles regarding broadcasting in Canada, all enunciated by previous committees. These were reaffirmed by the committee of 1943 and again by the last one of 1944. I should like to read these principles because they must be constantly in the minds of those who are concerned with radio broadcasting in Canada:—

1938

Your Committee believes that the constitution of the Corporation, ensuring proper division between policy and management and a degree of flexibility and independence essential to the medium of broadcasting, together with ultimate parliamentary control, is well suited to the purpose for which it was created.

1939

Your Committee recognized that the responsibility of controlling and co-odinating all broadcasting in the public interest rests upon the Corporation.

1942-1943

Your Committe would like to preface its recommendations by stating its confidence in the framework provided by The Canadian Broadcasting Act, 1936.

In the reports as well as in debates in Parliament, a number of principles governing national broadcasting in Canada were enunciated and emphasized. Your Committee now desires to reaffirm these principles as stated in the reports of the Committees for the years mentioned in brackets:—

(*a*) The paramount importance of a single national authority to control all broadcasting in the public interest; (1932).

(*b*) The public ownership of all high powered stations under a national system of broadcasting, with low power stations individually operated or co-ordinated in relation to the dominant system; (1932).

(*c*) The co-ordination of all broadcasting in Canada through exclusive control being vested in the nationally-owned system of:

(i) The character of all programs, political or otherwise, broadcast by all stations and of the advertising content thereof; and

(ii) All wireline networks used for carrying broadcast programs; (1936).

(*d*) The independence and flexibility of administration of the national broadcasting authority to be assured by its constitution as a public corporation. Under this constitution decisions as to policy are to be made by its Board of Governors while administration is to be unified under a general manager, and an assistant general manager, responsible to the board for the conduct of all business of the Corporation; (1934, 1936 and 1938).

(*e*) Members of the Board of Governors to be men of broad outlook, having a knowledge of the tastes and interests of the listening public and able to make a definite contribution to the solution of the problems before the Corporation; (1936).

(*f*) The independence of the Corporation from partisan control to be assured by its constitution. As a trustee for the people of Canada and the payers of licences, the Board of Governors should render an account of its stewardship regularly to parliament and be subject to ultimate parliamentary control; (1938).

(*g*) The importance of establishing at as early a date as possible a high power short wave broadcasting station financed as a national undertaking but operated and controlled by the Corporation as an integral part of its system; (1938, 1939).

(*h*) Political network broadcasting during federal and provincial election campaigns to be a sustaining basis and time divided equitably among the political parties; (1939).

(*i*) That public broadcasting is a great instrument of education and national unity as well as of entertainment. In war, broadcasting can play a major part in mobilizing the resources of the nation and the will of our people to defend our country and defeat the enemy. (1942).

The 1944 Committee added:

> May your Committee point out that ever since 1928 every parliament, every political party, every Parliamentary Committee inquiring into the question has been in favour of a system similar to the one we now have.

The Canadian Broadcasting Corporation bears closely in mind these principles handed down by parliamentary committees and other recommendations the various committees have made. It is also very conscious of the responsibilities given to it by parliament in the Act which created the corporation.

I can assure the committee that the Board of Governors of the CBC has a deep sense of the trust committed to them by parliament. Our position does not seem to be always fully understood. The Act establishes us as trustees of broadcasting on behalf of the public. We feel a deep responsibility to those whom we regard as the shareholders of the corporation—the listening public of Canada. We have the trust of spending to the best advantage in broadcasting the money they pay in licence fees. We have the trust of exercising some supervision over all broadcasting in their interests.

CBC Responsible to Parliament

We are not part of the government. The government is responsible for the appointment of members of the board and for exercising certain specific powers of approval as laid down in the Act. But the corporation is not subject to government control and is not answerable to the government. The board is responsible for the policies of the corporation and for all its acts. We are responsible for our policies and acts to the supreme authority of parliament. And we are glad to report to parliament on our stewardship.

The Board of Governors are representative members of the public drawn from all across Canada. Any decision of the board is taken in a sincere effort to carry out to the best of its abilities its responsibilities to the listening public, without fear or favour in any direction. Certainly as long as this Board of Governors is in office, if there is any political pressure, it will be rejected from whatever quarter it comes. We feel it is the responsibility laid on us by

parliament to have an acute and abiding sense of our duty to be impartial; to act according to our honest and fearless judgment of the interests of radio listeners; to be able to so report to parliament.

As I said, we must always bear in mind the responsibilities laid down in the Act, the basic principles of public policy regarding radio in Canada and recommendations of parliamentary committees. In guiding the affairs of the corporation, therefore, it is our duty to try to insure the best possible national radio service to the greatest possible number of Canadians. In the operations of our own network broadcasting, in the control of all network connections, in any matters concerning private stations, we must bear in mind fundamental principles which are embodied in legislation.

Air Waves in Public Domain

The essential qualities of radio give it a form of natural monopoly, or series of partial monopolies. All countries recognize the principle of the public domain of the air waves. To operate a radio station anyone must have permission to use one of a limited number of radio frequencies available, which are part of the national domain. Under Canadian law, permissions to use any of these frequencies are granted by the state year by year; and it is specifically laid down that no private person or interest can have any proprietary right in a frequency. All radio broadcasting, therefore, since it uses a limited sector of the national resources, is inherently a public service.

The public has a right to expect comprehensive service from stations using these frequencies—frequencies which are public property. Each station should provide different forms of entertainment and information which the public, or different sections of it, want, and allow the expression of different points of view. A broadcasting licence is more than a permission to make money by using a frequency. It also brings obligations of using that frequency in the interest of the public to which it belongs.

Freedom of the Air

Freedom of the press and freedom of the air are not the same. Anyone who has the money can start a newspaper or publication. But only a limited number of people can have the chance to use the limited number of radio frequencies available. A newspaper owner is not using public property; a radio station operator is.

As we understand the principles laid down by parliament, freedom of the air does not simply mean freedom for anyone who has permission to use a frequency to broadcast what he likes. It must mean freedom for the public, and different sections of the public, to get at least some of the service and ideas they want broadcast on that frequency. It does not mean freedom for money or for position to dominate the public asset of the air waves. It does mean freedom for, and responsibility for, service to the public. In democratic terms, freedom of the air is freedom to share—to share in the opportunities to be derived from a piece of public property.

Radio Must Operate in Public Interest

Parliament has given the Canadian Broadcasting Corporation the responsibility of seeing that the great public utility of radio operates in the public interest. In the field of network broadcasting which can reach so many Canadians at one time, the Corporation itself operates directly on behalf of the public. In the field of local broadcasting it carries out its responsibility chiefly through a measure of regulation, sufficient only to protect minimum legitimate interests of the listeners.

The corporation believes that the system of broadcasting which has developed in Canada is particularly well suited to the needs and conditions in this country. The national authority carries on the far-flung network broadcasting which is so important to the nation. It leaves nearly all local broadcasting to private commercial stations. We feel private stations can play very valuable roles in their own communities, serving the particular needs of their areas. We are anxious that they provide the best possible service in their localities. Proof of this is the encouragement given to local stations by the corporation.

The opportunities enjoyed by private stations are indicated by the prosperity of many of them. High profits are apparently being made by many stations. The CBC does not begrudge these profits, but in conformity with the nature of broadcasting as a public utility it is our duty to have uppermost in mind the interests of the listening public. This must take precedence over the desires of any particular private interest for extra profit.

Co-operation With Private Stations

The corporation has done much to encourage good local private broadcasting. There is a large measure of co-operation between the CBC and private stations. In many areas private stations are outlets for CBC networks. This brings substantial revenues and good programs to the stations concerned. It provides coverage in those areas for our network broadcasts. In many other matters there has been a great deal of co-operation, and we are anxious that it should grow. We are always glad to, and often do, consult with private stations, separately, as groups of affiliated network stations, or through their association.

General broadcasting regulations apply to all stations, whether operated by the CBC or otherwise. There are of course a number of special policies applying to our own stations which do not restrict private stations. It has been the desire of the board to keep general regulations to a minimum. Only those have been established which have been thought necessary for minimum standards of broadcasting and service to the public. With regard to private stations it has been thought best to leave a maximum freedom to operators to exercise their own initiative and responsibility, consistent with minimum standards and fairness among them.

Report of Federal Communications Commission

I think it is fair to say that through the co-operation and guidance of the national radio authority Canadian listeners have been protected from at least some of the undesirable commercial over-exploitation that is causing concern in the United States. I think the committee will be interested in the report of the Federal Communications Commission on "Public Service Responsibility of Broadcast Licencees" issued on March 7 of this year, copies of which are before you.

The CHAIRMAN: That is the document to which you referred, Mr. Coldwell.

Mr. COLDWELL: That is the one I was asking about.

The WITNESS: That will be available. I am afraid we cannot get enough for the committee. There will be some available. Perhaps they could be circulated among the members of the committee. We have a number of digests. Perhaps they would be of some use. It is a fairly long report.

Mr. FLEMING: Are there enough copies of the digest to go around?

The WITNESS: Yes, we will have that circulated before the next meeting.

The report shows with disturbing clarity how the legitimate interests of the listeners can be neglected when profit is an all-compelling motive, without regulation in the public interest. In the United States, the Federal Communications Commission is authorized to issue or renew licences, in the words of the

statute "only if public interest, convenience and necessity will be served". Because this obligation has in many cases been ignored, the FCC now proposes that no licence shall be renewed without a critical appraisal of the manner in which each station has carried out its public service responsibilities.

In issuing and renewing licences the FCC plans to consider these factors which affect the public interest:

1. The carrying of sustaining programs, with particular reference to the retention by licencees of a proper discretion and responsibility for maintaining well balanced program structure.
2. The carrying of local live programs.
3. The carrying of programs devoted to the discussion of public issues.
4. The elimination of advertising excesses.

It is interesting to note that these points have all been matters of particular concern in CBC polices and regulations.

A further reference to the FCC report shows that in 1944 the average return of the radio industry in the United States was 108·8 per cent on original cost, and 222·6 per cent on the depreciated value of its investment. It is reasonable to assume that the ratio of profits to capital invested by owners of Canadian radio stations is not much lower.

General Broadcasting Regulations

You have before you a copy of the CBC rules for broadcasting stations. Other regulatory matters arise directly from provisions of the Broadcasting Act and in connection with the White Paper on Political and Controversial Broadcasting. There have been no changes in the regulations since the last parliametary committee. I shall, therefore, not take your time to go over all the regulations, but shall be glad to answer any questions concerning them. I believe that the various regulations have stood up well under the experience of the last few years and have proved their value to the listening public.

I should like to emphasize that the regulations are not immutable laws of the Medes and Persians. The board is quite alive to the fact that broadcasting is still a developing art. We are always willing to consider changes in regulations and hear representations concerning them. I should like to emphasize that in regulatory matters the board acts as an impartial tribunal, basing its decisions on what it believes to be the best interests of the listening public. It gives just as much weight to representations from outside the corporation as it does to any suggestions from the operating side of the organization. I believe the appointment of a full-time chairman has facilitated this function. Between board meetings urgent matters connected with regulations can always be referred to the Chairman of the Board of Governors, representing the whole board.

In the issuance or transfer of broadcasting licences the board is not the authority. It is required to make recommendations to the licensing authority in these matters. Opportunity is given to those concerned to make representations, personally if they wish. The board makes its recommendations in conformity with its best judgment of the interests of the listeners in the area concerned.

CBC Program Policies

The program policies of the CBC are shaped to the same end as all its activities—to serve the listening public to the best of its ability. But it must be remembered that the Canadian listening public is made up of a number of million individuals. Hardly two people have exactly the same radio tastes; and therefore there are a number of millions of shades of desires and wants to try to meet.

Tastes of the listening public can be thought of in various general groups, although the divisions are not distinct and overlap greatly. The largest group, taken very roughly, can be said to like popular entertainment programs. At least an equally large category want a certain amount of news through the radio. Then there are other sections of taste which like more serious entertainment—good music, drama of various kinds, religious broadcasts. There is the desire of many for informative programs of many varieties, for the chance to hear opinions and discussions.

The corporation feels it is its duty to try to meet the different kinds of tastes, endeavouring to relate the time allotted to each type of program of the size of the group wanting that type. It is a task that is far from easy. Any program that is put on will be criticized by some. Almost any person wants more of the type of program he likes, and tends to forget about the needs and tastes of others. But we believe it is our duty to try to proportion time and effort to fill as fully and fairly as possible the different sectors of radio wants, not allowing the desires of a majority to crush the legitimate wants of minority groups.

I should like to say as someone who has recently come to the corporation from outside that I have been struck by the amount of hard thinking and planning and straight work that goes into the working out of the program pattern and of individual programs. Much the most effective criticism I have heard of CBC programs has been from members of the staff itself. There is a constant effort to improve the daily program ribbon, not to suit any one taste, but to supply as effectively as possible, in limited time and with limited resources, the varied fare required by a variety of tastes.

Variety of Tastes to be Considered

It would be quite wrong, we feel, for the public facilities of the corporation to be used to push into the ears of listeners the type of broadcasting liked by any one individual or group of individuals. Listeners, through their licence fees, are shareholders of the corporation. Different groups have a right to hear what they like at least part of the time. If a large number like popular entertainment, there should be a good deal of popular entertainment. But there are others who want more solid matter. In the process of meeting the different wants the CBC can and does, we believe, contribute greatly to the development of new tastes and new ideas and to general communication among Canadians. Some programs on the air give fleeting pleasure, and are highly appreciated. They may be followed by another that will help to open up new vistas in the minds of the listeners. The CBC is very conscious of this responsibility to provide an active and stimulating force in the mental and artistic mind of the nation.

It was the intention that public radio in Canada should develop broadcasting produced by Canadians for Canadians. It was also the intention that good programs brought in from other countries should be mixed with the Canadian fare. That is also being done. The corporation carries suitable programs from Great Britain. And we are fortunate to be able to bring into Canada some of the most expensive and popular radio shows in the world from the United States. I think it is true to say that Canada, especially in proportion to its population and to the obstacles within the country, has remarkably rich radio fare.

Stimulus to Canadian Talent

It is important to remember also that national radio is proving a strong stimulus to the development of artistic and creative ability in Canada. Of the public's money for which we are trustees, over a million dollars a year is paid to Canadian artists and performers of different kinds. Many Canadian artists

and musicians and writers have had a chance to develop through CBC work. It is a policy to be constantly seeking new talent and making use of it where possible. And in addition to the work offered, the trained CBC program and production staff has been a strong force for artistic development itself.

I do not need to labour the responsibility we feel for producing programs heard all across Canada that help to make Canadians feel closer together as a nation; help people in different parts of the country to understand each other; help their common awareness of their whole country and its growing cultural life.

It is widely agreed, I think, that national radio was of valuable service to the country in wartime. The last parliamentary committee studied the war work of the corporation. During the last year of the war, the CBC overseas unit succeeded in many particularly fine achievements. I think the corporation played a valuable part in helping to keep the Canadian public closely aware of war developments.

Since last August, with priorities of war purposes gone, the corporation has concentrated on program planning to meet the more diverse peacetime wants of the public. I do not propose to go over the long lists of programs broadcast by the corporation, but I should like to indicate some of the thinking behind the schedules and production work.

There is the whole field of commercial programs. We are glad to have them, in fact we feel we must have them to provide a good wellrounded service of available programs to the Canadian public. They supply a wide variety of entertainment wanted by a large number of people. They also provide revenues which supplement the licence fees of listeners and help defray the heavy costs of the system carrying program service to Canadians all across the country.

Our responsibility is, of course, to present the best array of programs we can to Canadian listeners. This does not mean that the corporation can, or should, carry every commercial program offered. A period may not be available on the networks at the time desired by a sponsor. Too many programs of one particular type would upset a proper balance of the program pattern. Some programs would detract more than they would add. Some might be found unsuitable by a great number of listeners. The corporation has always in mind the fact that radio is a very intimate medium. The voice of radio comes right into the family circle; it speaks to old and young together right in their own homes. A picture of these hundreds of thousands of family circles must be in the minds of those who plan program schedules.

The corporation is constantly seeking to improve its own non-commercial programs. It also has sought, and is continuing to work, to aid in the improvement of commercial programs on its networks. It has encouraged the development of good Canadian commercial programs, and we feel that a number are making a real contribution to Canadian broadcasting and therefore to Canadian life. The CBC is also endeavouring to strive for a constant rise in the general standard of all commercial programs heard.

A main consideration of the CBC is the whole pattern of broadcasting on the networks. Commercial programs are usually designed to attract a very wide popular audience. The CBC takes this into account in planning the programs it produces itself. It remembers the other groups of listeners who want other types of radio fare. Therefore, in endeavouring to maintain a good balance it tends to concentrate a little more on programs of more lasting value, although some of these appeal to a smaller section of the public. At the same time the CBC can and does produce straight Canadian entertainment that will stand up with any other in wide appeal.

A look at musical programs indicates how an effort is made to meet different tastes. Music must be the backbone of radio and just over half of

the broadcasts produced by the CBC itself are devoted to musical programs apart from the music in drama and feature programs. This total musical time is made up roughly as follows: Serious music 15 per cent; semi-classical music 60 per cent; dance music, old-time music and bands 25 per cent. This balance in the total program pattern is, of course, somewhat altered by commercial programs.

I don't think I need to dwell on the encouragement given to Canadian music through the CBC. A recent example I should like to mention is the first full-length Canadian opera "Deirdre of the Sorrows". This work was commissioned by the CBC. The music and libretto were written by Canadians, and it was produced by the CBC for the Trans-Canada network on April 20. I think it was an important date in the development of Canadian music. Other examples are the very substantial support given by the CBC to Canadian symphony orchestras. I think in both English and French speaking Canada the CBC can claim to have been a strong force in developing Canadian musicians, composers, arrangers, and conductors and in stimulating the general appreciation of music throughout the country.

International Awards Won

In the field of drama our aims are similar—to provide good material for different tastes, and to develop Canadian actors and writers. An indication of the quality of CBC work in this field were awards received by our drama department at the annual competition of the Institute for Education by Radio held at Columbus, Ohio, in 1945. The department received three first awards in the class of cultural programs. The American committee judging programs from all over the continent said the awards were made to the CBC "for their astuteness in presenting to the public, authors and producers who, through their apparently unhampered abilities are enabled to create and project radio drama of originality, emotion appeal and intellectual integrity". CBC radio drama and those responsible for it have developed a very considerable and growing body of extremely competent actors in Canada. The technique of radio dramatic production has advanced to a standard under which at least the good examples can match anything being done in radio in the world. This is recognized by radio experts in the United States. It has also been a strong stimulant to creative writing in this country. The CBC gives Canadian writers a chance to express themselves with great freedom. Through the opportunities offered by the CBC a number of writers have developed their powers and we are constantly seeking new writers who have a creative spark.

An interesting example of very direct action in this connection was the literary contest organized this winter through the French network. Writers were invited to submit half-hour radio plays on historical or imaginative subjects. Prizes were offered and a committee of three outstanding men from outside the CBC acted as judges. The twelve best plays were chosen for broadcast, and the winners picked from these. The committee were very favourably impressed by the high standard of material submitted, mostly from writers previously unknown. Through this competition a number of new writers were discovered and a considerable stimulus given to creative radio writing.

During 1945-46 the CBC produced 862 radio dramas in French and English by 203 authors. Of these, 80 per cent were Canadians.

I should like to mention here that the corporation is paying particular attention to the development of new techniques for programs that are both entertaining and also contain useful informative material about aspects of Canada and the world we live in. Examples of this kind of program are such things as "Science a-la-mode" dealing with scientific developments in a light and yet informative way; "What's On Your Mind" dealing with practical psychology; "White Empire", a series on the development of the Canadian northland;

"Canadian Panorama" dealing with characteristics of the different regions; "Here's Your Health" dealing with health matters; "Sports College of the Air", a program produced in cooperation with the Y.M.C.A. and through which hundreds of thousands of Canadian boys are learning the fundamentals of different sports and about good sportsmanship in general; "L'Ecole des Parents", a sketch and commentary on raising and educating children; "Samedi-Jeunesse" a special variety show for school children; "Le Mot S.V.P." a kind of literary quizz or brain trust show.

An indication of the progress being made in this type of program is the awards this year at the Tenth American Exhibition of Educational Radio Programs at Columbus, Ohio. CBC programs won two first prizes and three honorable mentions in the eleven classes judged. The first prizes were for the production of Shakespeare's "Julius Caesar" and for the program "Here's Your Health". I should like to quote the citation in connection with this award: "For presenting simply, but with delightful effectiveness, sound information and constructive guidance in the field of public health. With outstanding freshness of treatment, this program utilizes a wide variety of radio techniques to appeal to a divergent audience. Humor, situation and character are employed with unexpected but appropriate development to bring the well chosen central facts to the listener".

Honourable mentions were awarded to the "White Empire", "The National Farm Radio Forum" and to Red Cross campaign programs in their respective classes.

CBC News Service

Apart from straight entertainment programs there are many other broadcasting services which the coporation feels it should provide under its responsibility to the public. One of these is the provision of an accurate, dependable and impartial news service. In our five news rooms (Vancouver, Winnipeg, Toronto, Montreal and Halifax), we get on teletype printers the full news service of The Canadian Press and the British United Press—just the same services that are supplied to the newspapers. Thousands of words a day come over the printers and this mass of material is sorted out; then, selected stories are summarized and rewritten into good easy radio style. In an ordinary day in the central newsroom some 200,000 words of material have to be reduced to about 15,000. In the Montreal newsroom the service must not only be edited in this way, but also rewritten in French.

I believe the quality and impartiality of the CBC news service is recognized by the public throughout the country. Within the limits of a clearly defined policy the CBC news editors have a free hand in their selection and presentation of news. I think that the overall policy is well summarized in the following extract from instructions given to all news editors:

> *Integrity of CBC News.* The policy which guides operations of the CBC national news service is based on the primary conception that this service is in the nature of a public trust; to present all the significant news of the day's happenings in Canada and abroad factually, without bias or distortion, without tendentious comment, and in a clear and unambiguous style.
>
> That this policy is followed without deviation is the responsibility of the chief editor. In actual operation, it devolves on the individual editors who are responsible for the preparation of CBC news bulletins.
>
> It is realized that if any channels were opened whereby pressure could be put on editors to include or exclude certain news, modify it in any way, or give it special emphasis, the integrity of the service would be lost immediately. With that in mind, editors must at all times appraise and present the news in their bulletins strictly on the basis of its objective news value.

Impartiality. Domestic political news must be treated with absolute impartiality. In controversial stories both sides of the issue must be given equal emphasis.

Radio has also a special part to play in the feature type of voice reporting—the kind of broadcasting that complements the spot news reporting of the bulletins. During the war the CBC carried a large volume of this type of actuality broadcasting from overseas. Since the end of the war increased attention has been devoted to actuality or feature reporting on happenings in Canada or events abroad in which Canadians are particularly interested. Good examples of regular programs of this type are "News Round-up" on the Trans-Canada network; "La Revue des Actualites" on the French.

Talks and Discussion Forums

It has been the policy of the CBC to carry a very considerable volume of informative talks of different kinds. The range of subjects is very wide. It has recently included, for instance, book reviews, international affairs, science and nature, travel, health, sports, story-telling, etc. Special attention is paid to the women's point of view. A number of talks are provided of particular interest to women on home building, civics, child guidance, careers, dressmaking, etc. There are such programs as the popular Sunday one of "Neighbourly News". Then there are the many messages on the air by outstanding personalities.

Mention should also be made of the news commentaries Midweek Review, Weekend Review and Capital Report. In these we try to get well balanced all-around interpretation from people well qualified to speak about current affairs.

I should also like to mention the special coverage in both English and French of special events of great importance to Canada such as the San Francisco Conference, the meeting of UNRRA, the United Nations Assembly, the United Nations Security Council and others.

Forums for discussions are regarded as an important function. Programs like Citizen's Forum and Preparons l'Avenir provide the kind of discussion presenting all points of view that stimulates thinking and arouses active interest in important current issues. On both these programs the CBC works in close co-operation with outside bodies active in adult education. Citizens' Forum, I believe, is an outstanding project of its kind in the radio of the world. Leading serious thinkers on radio have long emphasized the importance of organized listening. In connection with Citizens' Forum there are at least 500 listening groups meeting each week across Canada.

The responsibility of the corporation is heavy in connection with broadcasts in which opinions or points of view may be expressed. The basis of our policy in this connection is laid down in the White Paper on Political and Controversial Broadcasting, and approved by previous parliamentary committees. All particular decisions are made in an effort to carry out the spirit of the overall policy. The principles are mentioned in the White Paper as follows:

> The corporation does not exercise censorship. It does not restrict the nature of material to be broadcast, except to see that such material conforms with its printed regulations. The policy of the CBC, with regard to controversial broadcasting, is based on the following principles:
>
> 1. The air belongs to the people, who are entitled to hear the principal points of view on all questions of importance.
>
> 2. The air must not fall under the control of any individuals or groups influential by reason of their wealth or special position.
>
> 3. The right to answer is inherent in the democratic doctrine of free speech.
>
> 4. Freedom of speech and the full interchange of opinion are among the principal safeguards of free institutions.

> In the view of the corporation, these principles are not promoted by the sale of network time to individuals or commercial concerns for broadcast of opinion or propaganda. The principles can be furthered by the provision of free time to competent speakers to present, without let or hindrance, varying points of view on questions of the day. The best safeguard of freedom of discussion is a policy which permits opportunity for the expression of varying points of view.

As one of the few truly national instruments of communication the CBC must constantly keep in mind the essential role it is required to play in the cultural life of the whole country. I believe strongly that the corporation must undertake to foster and stimulate within the limitations of broadcasting the growth of a vigorous, healthy intellectual life in Canada. In the pursuit of that objective the importance of frank and open discussion cannot be over-emphasized. Encouragement must be given, not only in the form of talks and discussion, but in all forms of broadcast presentation, for the expression of a wide variety of ideas in all fields of human endeavour reflecting the strength and diversity of Canadian thought. This approach to the planning of programs may arouse criticism from time to time, but I am inclined to think such criticism is not undesirable. The alternative approach would inevitably lead to a sterility of thought on the air, to innocuous broadcasts on a dull level of mediocrity. We have too much faith in the intelligence and strength of mind of Canadian listeners to believe that they would prefer their broadcasting system to choose the latter course. I suspect that if we are not constantly being stimulated by a flow of critical comment about our programs, that we are not doing our job effectively or fulfilling our responsibility in terms of the national interest.

The principle regarding the sale of network time for controversial broadcasting does not seem to be understood sometimes in some quarters. It has long been a basic policy, and this has been approved by several parliamentary committees, that the networks should not be sold for broadcasts on controversial matters, and that this type of broadcasting is best handled on a sustaining basis under policies that provide for equitable opportunities for the free expression of different points of view

Political Broadcasting

As regards political broadcasting, the corporation has applied the policies set forth in its White Paper issued in February, 1944, which was approved by the last parliamentary committee, and which you have before you. Political broadcasting in connection with the last federal election was handled on the basis set forth in the White Paper, with some modifications to meet conditions as agreed among the political parties. The problem was difficult and complicated because a federal and a provincial campaign developed at the same time. Thanks to the willing co-operation of party representatives, of private stations and advertising agencies, I believe the radio campaigns were conducted with fairly general satisfaction.

With regard to between-election political broadcasting as provided for in the White Paper, there have been recent discussions with party representatives which are still continuing. It has been suggested by the CBC on the basis of experience, that it would make for better radio listening if a regular quarter-hour period each week were provided for federal political boadcasts, instead of two half-hours a month, as mentioned in the White Paper. This would mean a slightly greater amount of time than on the present basis.

It has been suggested several times in public print that the CBC censors of "vets" opinions on the air. Such statements are quite wrong. In wartime there were censorship regulations which were not the responsibility of the Corporation, which affected both press and radio. These have gone with the return of peace. Private broadcasting stations are responsible for what goes

out over their facilities, and they may take whatever steps they choose to see that any broadcast does not contain libel or obscenity or does not violate general broadcasting regulations. The responsibility of the CBC for what goes out over its facilities is the same. It must just take the responsibility for being assured that any broadcast does not violate the law or general broadcasting regulations, and that it falls within the category under which it was scheduled. The CBC does nothing in anyway to check opinions expressed.

Service to Farm Listeners

An important service is the provision of information and guidance to that part of the Canadian people engaged in agriculture. The regional daily farm broadcasts are well-known everywhere. Most of them reach the farmer at the time of his mid-day meal and provide him with useful and up-to-the-minute information on crop conditions and local market prices, scientific advice on agricultural problems and news about regional activities likely to be of interest to farmers generally. In addition the daily half-hour program contains the serial drama, different in each region, about farm life and farm folk. In these, much useful information is given in the course of the unfolding of an interesting story. Listening to these regional farm broadcasts and to Le Reveil Rural in Quebec has come to be a regular part of daily life in tens of thousands of Canadian rural homes. Recently in the maritime region a daily broadcast along much the same lines as farm broadcasts has been started in the interests of the large number of people engaged in fishing industry.

Farm Forum, providing an opportunity for the discussion of social and economic problems affecting agriculture, has been developing well. This weekly program is arranged in co-operation with the Canadian Association for Adult Education and the Canadian Federation of Agriculture. Apart from the many home listeners there are over 1,000 organized listening groups in Canada. A similar program on the French network is "Le Choc des Idees".

Religious and School Broadcasts

The problems connected with the question of religious broadcasting, as far as English-speaking Canada is concerned, are still dealt with in close co-operation with the National Religious Advisory Council. Regular Sunday religious programs have been continued with the time divided among religious faiths under the guidance of the NRAC. At local production points the local daily morning devotional broadcasts have been continued in co-operation with the local councils similar in constitution to the NRAC. A Sunday morning dramatic religious program "The Way of the Spirit" has received very favourable comment from many quarters.

The role of radio in formal education has become increasingly important. This seems particularly true of rural schools. In the last two years, through collaboration between the CBC and the provincial departments of education, there has been a wide development of broadcasting to schools both on a provincial and on a national basis. Many of these programs have been of a general interest and it has been found that they have appealed to a much wider audience than that in the schools for which they are primarily designed.

Efforts in the direction of broadcasting to schools have been hampered by the lack of receiving sets caused in part by difficulty of wartime supply. Now we believe we are on the eve of a considerable extension of the listening audience in schools.

In the development of school broadcasting the corporation is advised by the National Advisory Council on School Broadcasting. This is composed of representatives from the various provincial departments of education, the Conference of Canadian Universities, the Canadian Teachers' Federation, the National

Federation of Home and School, and the Canadian Trustees' Association. Valuable advice has also been obtained from the Canada and Newfoundland Educational Association.

In the province of Quebec, "Radio-College" has had wide and increasing success with its broadcasts over a wide range of subjects. It is interesting that this series of broadcasts have been chosen to be distributed by transcription by the United Nations Educational, Scientific and Cultural Organization in various European countries that are badly short of educational materials. These transcriptions are being furnished through the CBC international service.

Another aspect of broadcasting is the policy of co-operating with various Canadian organizations engaged in charitable, philanthropic and educational work such as the Canadian Red Cross, the Canadian Legion, Mothercraft Society, Salvation Army and the anti-cancer campaign, and many others. Facilities and assistance have been placed at the disposal of such bodies without charge.

In the course of the year, the CBC broadcasts over 55,000 separate network programs. Of all these programs 80 per cent are sustaining and 20 per cent are commercial. Of the sustaining programs, 85 per cent (over 41,000 a year) are produced by the CBC, 2·6 per cent by various private stations, 8·8 per cent comes to us from the United States and 3·3 per cent are BBC. Of commercial programs, 61 per cent are produced in Canada and 38 per cent in the United States. About 85 per cent of all program time is devoted to programs of Canadian origination.

I have attempted only a brief outline to give some indication of the program policies of the corporation. The general manager and the director general of programs will be ready to give you a more complete account of the vast amount of program work done.

Operation of International Service

I should like now to digress a few minutes to review briefly a separate function of the corporation—that of operating the international service for Canada. Successive parliamentary committees recommended the establishment of a high power short wave broadcasting station financed as a national undertaking, but operated and controlled by the corporation as an integral part of its system. The purposes of such a station were these:

To help keep Canadian servicemen and women overseas in touch with Canada. To enable Canada to take part through radio in the spreading of essential information in wartime to allied countries and to enemy occupied countries. Both in wartime and peacetime, to assist in interpreting and publicizing Canada abroad. To help in the establishment of areas of understanding, of goodwill and trade following the war. To project abroad information regarding special national events and other programs on the various phases of our social, economic and cultural life, and so to stimulate interest in Canada and understanding of this country and trade with it. To facilitate the exchange of programs with other countries for the above purposes.

In September, 1942, the government instructed the CBC to proceed with construction of modern and powerful short wave transmitters and to make the necessary arrangements for providing good programs, the whole project to be financed by national funds. After severe difficulties in obtaining the necessary complicated equipment, the short wave station was able to begin operations in the fall of 1944 and the service was formally opened in February, 1945.

In operating the international service the CBC acts as an agent for the state; funds are provided by appropriations by parliament and none of the cost comes out of the money paid by Canadian licence holders. The corporation operates the plant and provides the programs that are sent abroad. The work

of this service is carried out in consultation with the Department of External Affairs. In addition there is an advisory committee composed of representatives of the Department of External Affairs, National Defence, Trade and Commerce, Canadian Information Service and the Canadian Broadcasting Corporation.

The station located at Sackville, New Brunswick on the Tantramar Marshes, consists of two powerful 50 kw transmitters and an elaborate antenna system unequalled on this continent and is, I believe, a great tribute to the technical planning ability of the CBC organization. You may be interested in reading the details in an article by our assistant chief engineer in the July, 1945, issue of the *Engineering Journal*, copies of which I think you will have. The many technical reports received from Great Britain and Europe indicate that the signal strength there is the highest of all short wave stations on this side of the Atlantic.

Signals can be beamed in three principal directions and are reversible. First to Europe, reversible to Mexico and Central America; then the African beam reversible to service Australia and New Zealand, and lastly the South American beam reversible to serve Asia and part of Australia.

Foreign Language Broadcasts

The problems of programming this service differ greatly from those faced in the CBC domestic service. Units of program length are shorter; music has to be used with great discretion; voices must be exceptionally clear and the whole planning of a day's schedule is different because programs have to be organized and placed not with a view to overall program planning, but rather with a view to dividing time advantageously among the various geographical areas to be served.

The service is now broadcasting regularly in English, French, Czech, German, Dutch, Spanish and Portuguese.

During the first year of operation about 70 per cent of all the international service broadcasts were in English, directed to Canadian forces or to English-speaking listeners in various parts of the world. The demand of the forces audience has had top priority up to now, but the number of programs designed for them is gradually being reduced as Canadian forces are withdrawn from abroad and there is an increase in programs intended to interest, generally, listeners in the United Kingdom. I might mention two programs to indicate the sort of thing we are doing. "Canadian Forum" and "Canadian Chronicle" are programs which give listeners abroad an opportunity of hearing Canadian men and women prominent in the educational, scientific or cultural life of the country as well as actuality reports and commentaries reflecting the Canadian scene from week to week. Distinguished visitors are given the opportunity to send reports and talks back to their homeland. In the way of general entertainment a large number of the most popular programs on the Canadian networks have been broadcast. I might also mention that some 4,600 discs of Canadian programs were sent abroad so that they might be rebroadcast from local radio stations broadcasting to the forces.

The French section broadcasts daily to France and pays special attention to requirements of French-speaking members of the Canadian forces overseas. The principal daily program from Canada is known as "La Voix du Canada". It is made up of news bulletins, reviews of events, interviews, reports, reviews of the press and of books, talks on cultural subjects, on labour and business conditions, on agriculture, reconstruction planning, science, fine arts, sports and women's affairs. Popular programs on the French network are broadcast by short wave as well as programs especially prepared for this service. It is interesting to note that our short wave programs are monitored by the French radio authorities and excerpts from them are printed in "Le Bulletin des

Ecoutes". This is encouraging evidence of French interest in broadcasts from Canada. In all during the past year some 930 broadcasts were presented for French listeners generally, and 814 programs were especially directed to French-speaking Canadian servicemen abroad.

The European section is responsible for broadcasting to Czechoslovakia, Holland and Germany. During the first seven months of its operation, international service laid great stress on broadcasts to Germany. News bulletins and special programs designed to undermine the German will to resistance were beamed daily to Germany; in the last stages of the war hours of operation were extended in order that we might co-operate with the United States in relaying and originating programs for an intensive campaign to bring about the German capitulation. Our present broadcasts to Germany make it possible for Canada along with the other United Nations to help remould Germany's ideas and outlook. A good deal of work has been done with German prisoners-of-war. Recording equipment has been carried into nearly every P.O.W. camp in Canada and personal messages, talks, features, interviews, music and other items by the prisoners have been recorded and beamed to Germany. The activities of the German department in this respect have played an important part in the re-education program of the prisoners-of-war in Canada. We broadcast every day to Czechoslovakia, the program content consisting mainly of news bulletin features about Canadian life, industry, culture and international affairs; personal messages from Czechoslovakia-Canadians have with the co-operation of the Canadian Red Cross been broadcast to their relatives in Czechoslovakia at a time when no other form of communication existed. In many Czech homes the CBC International Service broadcast is a feature of daily life. We receive an enthusiastic audience mail response from every part of the country and we heard recently that a foreign affairs club under the patronage of the wife of the President, Mrs. Benes, has been established especially to listen to and popularize Canadian short wave programs. Regular broadcasts in Dutch directed to Holland are conducted along very much the same lines.

I should like to mention the extreme difficulty we experience in obtaining people capable of broadcasting suitably in these languages. It is not at all easy to find people who can speak a particular language clearly and fluently and have at the same time a thorough knowledge of Canadian conditions and ways of life as well as familiarity with conditions and ways of life of the country to which they are broadcasting. This means that we have had, generally, to employ people completely unfamiliar with broadcasting and a great deal of effort has gone into their training.

The Latin American section has only recently got started. We have one broadcast every week in Spanish and Portuguese. There is also a weekly program in English directed to the West Indies. This service to Central and South America will, I hope, be extended and improved; at the present time the transmissions are really still experimental.

Our international service is planning to establish regular broadcasts to Russia as soon as adequate additional space can be provided for Russian language specialists. Plans for extension of service in the near future also include broadcasts to listeners in Australia and New Zealand.

Cover International Conferences

The international service has paid particular attention to conferences of international organizations. Example of the effective work they can do in this field was shown by the meeting in Quebec last autumn of the Food and Agriculture Organization. The Service carried 180 broadcasts from the conference; of these, at least 80 per cent were rebroadcast by networks and stations in Europe. A number of programs and talks from recent United Nations meetings in New York has also been carried.

While the war was still being fought any kind of planned publicity in Europe was difficult if not impossible. Now our international service provides a regular monthly printed schedule of programs and this is sent abroad to listeners, schools, universities, newspapers, magazines, diplomatic representatives, banks, chambers of commerce, trade unions, etc. Already the mailing list contains some 5,000 names in Europe and 1,500 in Latin America.

It is an interesting indication that in spite of disruption of mailing service in Europe, the great shortage of receiving sets and electric power, over 10,000 letters have been received from Europe alone. Even more encouraging than the number of letters is what the writers say. Most write in extremely warm terms and speak of increased friendliness and understanding of Canada which they have derived in listening to the broadcasts.

I believe that this lusty child is growing fast and developing along the right lines. The international service with its short wave transmitters should play an important part helping to make Canada and Canadians even better known among the nations of the world.

Domestic Network Operation

Returning to the discussion of our responsibilities to listeners here in Canada, I should like to outline our domestic network arrangements.

In its effort to provide the best possible network broadcasting service to the Canadian public, the CBC is now operating three main networks. There is the Trans-Canada network stretching right across the country. It is composed of 7 CBC stations and 17 basic affiliated private stations. The network is programmed on a full 16-hour daily schedule. Then, there is the French network made up of 3 CBC stations and 8 basic affiliated private stations. It also operates on a full 16-hour day schedule. During the last two years, the corporation has established another network across the country—the Dominion. Its composition is different from that of the Trans-Canada network in that it is made up of a basic CBC station in Toronto and 28 private stations. So far this network is operating in the evening hours only. The Dominion network was set up to provide listeners with a choice of network programs, as reported to the last parliamentary committee and in line with a recommendation of the 1942 committee.

Arrangements with private stations affiliated to all three networks have continued to be as they were before. Under these arrangements the affiliated private stations receive through the corporation a substantial revenue from the commercial network programs they carry. The affiliates agree that during certain specified periods of the day known as "reserved time", they are obligated to take the programs on the network whether they are commercial or non-commercial. On the Trans-Canada network "reserved time" is three hours a day at different periods. During the remainder of the day the affiliated private stations can choose whether they will broadcast the CBC network program available, or a local program of their own. In practice, outside "reserved time" they take nearly all available network commercials because of the revenue it brings to them. But the private stations are often not anxious to take our sustaining programs outside "reserved time", because they do not get any direct monetary return and can probably sell the time themselves to an advertiser. We, of course, are sorry when a good non-commercial program produced at the expense of Canadian listeners is not available to the public in an area covered through a private station. There are large and important areas of Canada that are not covered by CBC stations where we are obliged to rely upon the facilities of private stations to carry our programs to listeners. At the present time, therefore, it is just not possible for a large number of Canadians to hear many of the programs produced by their own broadcasting system to which they contribute. It is only natural that private stations that are in

business to make profit, should try to sell time to advertisers, but this means that they cannot for business reasons devote more than a small part of their time to network sustaining and public service programs. A survey last spring showed for instance that only 47 per cent of our non-commercial program service was broadcast by basic affiliated private stations.

The areas in Canada in which full national network service is available to the public is shown by the list of stations owned and operated by the CBC:—

CBH	Halifax, N.S.	100 watts
CBA	Sackville, N.B.	50,000 "
CBJ	Chicoutimi, P.Q.	1,000 "
CBV	Quebec, P.Q.	1,000 "
CBM	Montreal, P.Q.	5,000 "
CBF	Montreal, P.Q.	50,000 "
CBO	Ottawa, Ont.	1,000 "
CBL	Toronto, Ont.	50,000 "
CJBC	Toronto, Ont.	5,000 "
CBK	Watrous, Sask.	50,000 "
CBR	Vancouver, B.C.	5,000 "

In addition, in December of 1942 the CBC leased station CFPR, Prince Rupert and has since been operating it. There have also been established 14 unattended relay transmitters at relay points on wire lines. These are located in remote areas where radio reception is extremely limited, such as in parts of the interior of British Columbia.

The list I have just read outlines the radio transmitting facilities which are possessions of the Canadian public. But in addition there are many other assets built up in the form of complicated gear connected with radio broadcasting and equipment and facilities of many kinds.

The listening public also own a very great asset in the organization and skill and efficiency that has been built up in the CBC. As the Chairman of the Board of Governors who has come newly to the corporation from outside, I should like to say a word of tribute to what in my belief is an extremely capable and devoted management and staff. I have had the opportunity of watching the organization at work at close quarters. I have found an intense devotion to the cause of serving the Canadian listening public. I believe the corporation has from the general manager down, a hard-working efficient staff, loyal to the public purposes for which the corporation was established.

Corporation Finances

You have before you the financial statement of the corporation for the year ending March 31, 1945. I should like to refer briefly to some aspects of the corporation's finances closely related to policy. About two-thirds of the revenues come from licence fees; approximately one-third is derived from the commercial operations of the corporation. In the last two years licence fee collections have actually diminished to some extent. Revenues from commercial operations have risen slightly. It is the policy of the corporation to maintain a good balance between commercial and non-commercial programs. This is an important factor in limiting revenue from this source.

While revenues have remained about the same, costs have increased sharply. This is a situation which the corporation must bear constantly in mind. Direct program costs, for instance, such as fees paid to musicians, actors and others, have risen greatly in the last two or three years. This increase means that fewer programs can be produced for the same amount of money. The corporation is anxious to increase rather than decrease the production of good Canadian broadcasting and to further encourage the develop-

ment of good Canadian talent, but it must face the limitations of cost. You will note that expenditures relating to programs take up a high proportion of the budget. Increase in direct program costs has probably been the sharpest, but costs are also rising in nearly every other sphere of the corporation's activities. The general manager will deal with these financial considerations.

As everyone knows thirty minutes of time on the air means a great deal more than half an hour spent in preparing and producing it. Even a fifteen-minute talk involves preliminary discussion of points to be covered, the actual writing of the script, timing of the script and rehearsal of the speaker. A half-hour show like Stage 46, apart from its writing, means five hours rehearsal of a cast of from 12 to 15 actors, an orchestra of twenty-six musicians, and sound effects. In addition to taking up time, rehearsals require the use of studios and facilities. The demands on radio are constantly increasing. Practically every broadcasting system, that has designed new premises and equipment to take care of increased requirements, has found that it has outgrown the expanded facilities very soon after they became available. In 1942, for example, the Toronto studios produced 7,000 programs filling some 2,000 hours of air time. Studio space has been expanded since then. During the year ended March 31, 1945, Toronto produced nearly 10,000 programs filling over 2,800 hours of time. Montreal during the same period produced over 16,000 programs filling over 5,000 hours of time.

Special Broadcasting Problems

I shall not attempt here to give a picture of the size and complexity of the organization and facilities necessary to carry on national network broadcasting. It is important to remember, however, that Canada is a country presenting extremely expensive and complex conditions for broadcasting on a national scale. The distances and spaces in our country are vast in relation to the size of the population. This means that far more broadcasting facilities and network connections are needed to reach the same number of people than in other countries. If the population of Canada were concentrated as is, say the population of England, the cost of providing broadcasting facilities would be only a fraction of what it is.

Apart from the question of the large number of stations needed across the country the corporation has to spend nearly one million dollars a year on wire lines alone to bring programs to its network stations.

Again there is the bedevilling fact that Canada stretches across five of the world's 25 time zones. That means a difference of four hours between the regions at the two ends of a national network. The difficulties in scheduling national programs at suitable times are obviously very great. A program just right for good early evening listening in the maritimes will hit British Columbia in the middle of the afternoon. An evening program produced in Vancouver probably comes on after the people of Ontario and Quebec have gone to bed. The Trans-Canada network has to open in the maritimes in the morning four hours before it does in British Columbia. And at night special service is needed in the west after service has closed down in the east. Thus in maintaining a 16-hour national service, the network actually operates in full or in part for 20 and one-half hours a day. Actually over 48 hours of network programming is done each day.

A number of broadcasts such as the noon farm broadcast which must come at a convenient hour in each time zone, are produced separately in different regions. This is equally true of other specialized services. Time differentials add greatly to the complication and expense of national broadcasting in Canada.

In addition we know that different regions of Canada have certain particular interests and needs of their own. The CBC endeavours to meet these special

regional interests to the extent it can by a certain amount of regional broadcasting, as well as by producing programs in different parts of the country for broadcasting nationally.

Another heavy cost factor is that the CBC operates in two languages. This necessitates a large amount of dual programming and also some duplication of broadcasting facilities. An effort is made to arrange that as many programs as possible go on both English and French networks, but of course this arrangement can be made only in certain instances and a great many programs have to be produced separately in the respective languages.

It is a policy of the corporation to keep the listening public as well informed as possible about the activities of the radio service of which they are the owners. There is a great need to keep listeners informed of the broadcast fare available to them. The corporation would like to have done more in this direction, but has been limited, as in other directions, by lack of funds.

The corporation would also like to have better facilities for gathering information about the radio wants of listeners. We are anxious to have all the comment we can obtain about programs, critical or otherwise, and to have suggestions for new ones. The whole effort of the corporation is directed to meeting the needs of the public and any indication we can get regarding public desires and the relative importance of different kinds of tastes is extremely helpful.

Development of F.M. Broadcasting

With regard to general developments in radio, the corporation has given considerable thought and study to possibilities raised by the introduction of frequency modulation broadcasting. I shall not endeavour here to go into the many complicated technical considerations involved. I should like to say that the corporation has adopted a policy of encouraging the introduction and development of the f.m. in Canada. We believe that the CBC should take steps in this direction and we also wish to encourage the use of f.m. by private stations. This winter the CBC began operation of a new 250 watt f.m. transmitter in Montreal on the new frequency band in addition to an experimental one on the old band.

Mr. Chairman, I have endeavoured to outline policies of the corporation connected with activities of the last two years. The general manager and the director general of programs will be glad to give you a fuller account of operations. I shall be ready, when the committee wishes, to speak of policies with regard to developments needed to carry out more fully principles and aims laid down by Parliament.

Radio broadcasting in Canada is highly complex, and covers a wide and varied field, but it is all one great public utility. It has been the responsibility of the corporation to see that the Canadian air waves are used to the general benefit of the people of Canada, over and above all other considerations. Network services, and the community services of private stations, must work, complementing each other, so that the interests of the listening public may be served as well as possible through the variety and quality of programs offered to listeners in all parts of Canada. Canadian radio must justify itself in the last analysis in terms of true program service to the public, in the manner in which it develops Canadian talent, in which it contributes to the community and national life of the whole country.

It has been the endeavour of the corporation to carry out faithfully the principles and objectives laid down by the representatives of the Canadian people in parliament. All its efforts, and all its decisions, have been made with the sole over-riding aim of ensuring to the best of its ability that radio effectively serve the public interest.

Mr. Ross (Hamilton East): I move we adjourn.

Mr. FLEMING: May I make a suggestion before we adjourn? In this very comprehensive report which runs to forty-one pages and about 15,000 words we have not got any index for sub-headings. A great many subjects have been dealt with. Might I suggest in the printing of this excellent statement that Mr. Dunton supply headings? They could be inserted in the printed record and it would greatly facilitate reference to the record later on.

The WITNESS: I should have thought of that as a former newspaper man.

The CHAIRMAN: Mr. Dunton says he can do that for the purposes of the printing. That will be done.

The committee adjourned at 12.55 p.m. to meet again on Tuesday, June 11, 1946, at 10.30 o'clock a.m.

APPENDIX "A"

P.C. 3076

(Monday, the 8th day of July, 1940)

His Excellency
The Governor General in Council

Whereas the Department of Munitions and Supply Act, Chapter 3 of the Statutes of 1939 (Second Session), provides for the establishment of a Department of the Government of Canada to be called the Department of Munitions and Supply over which the Minister of Munitions and Supply for the time being appointed by the Governor General by Commission under the Great Seal of Canada shall preside;

And whereas under and by virtue of Section 6 of The Department of Transport Act, 1936, Chapter 34 of the Statutes of 1936, the duties, powers and functions formerly vested in the Minister of Marine, and with respect to civil aviation in the Ministeer of National Defence, by any Act, order or regulation were vested in the Minister of Transport;

And whereas such duties, powers and functions vested in the Minister of Transport, as aforesaid, include the control and supervision of the Civil Aviation, Meteorological and Radio Services of the Department of Transport;

And whereas certain duties, powers and functions are vested in the Minister of Transport with respect to Trans-Canada Air Lines under The Trans-Canada Air Lines Act, 1937, Chapter 43 of the Statutes of 1937, and with respect to broadcasting under the provisions of The Canadian Broadcasting Act, 1936, Chapter 24 of the Statutes of 1936;

And whereas it is deemed expedient to transfer the duties, powers and functions vested in the Minister of Transport under The Department of Transport Act, 1936, with respect to the Civil Aviation, Meteorological and Radio Services of the Department of Transport and the control and supervision of such services, and the duties, powers and functions vested in the said Minister under The Canadian Broadcasting Act, 1936, with respect to broadcasting, and under The Trans-Canada Air Lines Act, 1937, with respect to Trans-Canada Air Lines, to the Minister of Munitions and Supply;

And whereas it is deemed expedient that the Deputy Minister of Transport shall be the Deputy Minister of Munitions and Supply with respect to the services proposed to be transferred to such Minister, and that the Deputy Minister of Transport and the appropriate officers of the Department of Transport shall, in respect of such services, have and exercise the respective powers and duties which they now have and exercise;

Now therefore His Excellency the Governor General in Council, on the recommendation of the Prime Minister and under and by virtue of the provisions of the Public Service Re-arrangement and Transfer of Duties Act, Chapter 165 of the Revised Statutes of 1927, and the War Measures Act, Chapter 206 of the Revised Statutes of 1927, is pleased to order:—

(1) That the duties, powers and functions vested in the Minister of Transport under The Department of Transport Act, 1936, with respect to the Civil Aviation, Meteorological and Radio Services of the Department of Transport and the control or supervision of such services, and the duties, powers, and functions vested in the said Minister under The Canadian Broadcasting Act, 1936, with respect to broadcasting, and under The Trans-Canada Air Lines Act, 1937, with respect to Trans-Canada Air Lines, be and they are hereby transferred to the Minister of Munitions and Supply.

(2) That, notwithstanding the provisions of Section 3 of the Public Service Re-arrangement and Transfer of Duties Act, the Deputy Minister of Transport shall be the Deputy Minister of Munitions and Supply with respect to the powers, duties, functions, control or supervision of the services transferred to the Minister of Munitions and Supply under paragraph (1) hereof, and the Deputy Minister of Transport and the appropriate officers of the Department of Transport shall, in relation thereto, have and may exercise the respective powers and duties which, prior to the date hereof, belonged to or were exercisable by them in respect of the duties, powers, functions, control or supervision hereby transferred.

A. D. P. HEENEY
Clerk of the Privy Council

APPENDIX "B"

P.C. 3435

(Thursday, the 25th day of July, 1940.)

His Excellency
The Governor General in Council:

Whereas by Order in Council (P.C. 3076) dated the 8th July, 1940, made under and by virtue of the Public Service Re-arrangement and Transfer of Duties Act and the War Measures Act, Chapters 165 and 206, respectively, of the Revised Statutes of 1927, it was provided, inter alia, that the duties, powers and functions vested in the Minister of Transport under The Department of Transport Act, 1936, with respect to the Civil Aviation, Meteorological and Radio Services of the Department of Transport and the control or supervision of such services should be transferred to the Minister of Munitions and Supply, and that, notwithstanding the provisions of Section 3 of the Public Service Re-arrangement and Transfer of Duties Act, the Deputy Minister of Transport should be the Deputy of the Minister of Munitions and Supply with respect to the powers, duties, functions, control or supervision of the services so transferred, and that the Deputy Minister of Transport and the appropriate officers of the Department of Transport should, in relation thereto, have and exercise the respective powers and duties which, prior to the date of the said Order in Council (P.C. 3076), belonged to or were exercisable by them in respect to the duties, powers, functions, control or supervision thereby transferred;

And whereas the Minister of Munitions and Supply reports that with respect to the abovementioned Radio Services of the Department of Transport, certain duties, powers and functions are vested in the Minister of Transport under The Radio Act, 1938, which correspond in many respects to the duties, powers and functions formerly vested in the Minister of Marine under the Radio-Telegraph Act, Chapter 195 of the Revised Statutes of 1927 and The Department of Marine Act, Chapter 31 of the Statutes of 1930 and which were vested in the Minister of Transport under The Department of Transport Act, 1936;

That, for the purpose of removing doubt, it is deemed expedient to include in the duties, powers and functions transferred to the Minister of Munitions and Supply under the said Order in Council (P.C. 3076) the duties, powers and functions vested in the Minister of Transport under The Radio Act, 1938;

Therefore His Excellency the Governor General in Council, on the recommendation of the Minister of Munitions and Supply (with the concurrence of the Minister of Transport), and under and by virtue of the provsions of the Public Service Re-arrangement and Transfer of Duties Act and the War Measures Act, is pleased to amend Order in Council (P.C. 3076) dated the 8th July, 1940 and it is hereby amended to include in the duties, powers and functions transferred thereunder to the Minister of Munitions and Supply the duties, powers and functions vested in the Minister of Transport under The Radio Act, 1938.

A. D. P. HEENEY,
Clerk of the Privy Council.

APPENDIX "C"

P.C. 4215

(Wednesday, the 11th day of June, 1941)

His Excellency
The Governor General in Council:

Whereas the Department of National War Services Act, 1940 (4 George VI, Chapter 22, Section 5, sub-section d), provides that the Minister may, with the consent of the Governor in Council "co-ordinate the existing public information services of the Government and originate or employ other means in order that the same may be used in the most efficient way for the obtaining of the utmost aid from the people of Canada in the National emergency which has arisen";

And whereas, in the interests of the war effort it is expedient to provide for the more effective co-ordination of radio broadcasting, film activities, and the promotion of tourist business in Canada, with other public information services of the government;

And whereas, for this purpose it is expedient to transfer to the Minister of National War Services the powers, duties and functions vested in the Minister of Munitions and Supply with respect to broadcasting, in the Minister of Trade and Commerce with respect to film activities, and in the Minister of Transport with respect to the promotion of tourist business in Canada, and to transfer the control and supervision of the Canadian Travel Bureau to the Department of National War Services;

Therefore His Excellency the Governor General in Council on the recommendation of the Right Honourable W. L. Mackenzie King, the Prime Minister, and under and by virtue of the provisions of the Public Service Re-arrangement and Transfer of Duties Act (Revised Statutes of Canada, 1927, Chapter 165) and of the War Measures Act (Revised Statutes of Canada, 1927, Chapter 206), is pleased to order as follows:

(1) The powers, duties and functions vested (by Order in Council P.C. 3076, 8th July 1940) in the Minister of Munitions and Supply under The Canadian Broadcasting Act, 1936, with respect to broadcasting, are hereby transferred to the Minister of National War Services.

(2) The powers, duties and functions of the Minister of Trade and Commerce, with respect to film activities, under The National Film Act, 1939, are hereby transferred to the Minister of National War Services;

(3) The powers, duties and functions of the Minister of Transport, with respect to the promotion of tourist business in Canada, are hereby transferred to the Minister of National War Services, and, to that end, the control and supervision of that branch of the Department of Transport known as The Canadian Travel Bureau, is hereby transferred to the Department of National War Services.

(Sgd) A. D. P. HEENEY,
Clerk of the Privy Council.

APPENDIX "D"

P.C. 6552

(Thursday, the 18th day of October, 1945)

His Excellency
The Administrator in Council:

Whereas by Order in Council P.C. 4215, dated June 11, 1941, the powers, duties and functions vested in the Minister of Munitions and Supply under the Canadian Broadcasting Act, 1936, with respect to broadcasting, were transferred to the Minister of National War Services;

And whereas it is considered expedient to transfer such powers, duties and functions from the Minister of National War Services to the Honourable J. J. McCann, a Minister of the Crown;

Therefore His Excellency the Administrator in Council, on the recommendation of the Honourable J. L. Ilsley, Acting Prime Minister, and under and by virtue of the Public Service Re-arrangement and Transfer of Duties Act (Revised Statutes of Canada, 1927, Chapter 165) is pleased to transfer and doth hereby transfer, effective on the fifteenth day of October 1945, the powers, duties and functions vested in the Minister of National War Services under The Canadian Broadcasting Act, 1936, with respect to broadcasting, to the Honourable J. J. McCann, a Minister of the Crown.

His Excellency in Council is further pleased to order and doth hereby order that the appropriation or appropriations of Parliament now available and payable under the supervision and control of the Department of National War Services for the purpose of defraying the expenses of the public service under The Canadian Broadcasting Act, 1936, with respect to broadcasting, shall continue to be available and payable on and after the fifteenth day of October 1945, for such purpose under the supervision and control of the said the Honourable J. J. McCann.

(Sgd) A. D. P. HEENEY,
Clerk of the Privy Council.

SESSION 1946

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2

TUESDAY, JUNE 11, 1946.

WITNESS:

Dr. Augustin Frigon, General Manager, Canadian Broadcasting Corporation.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

ERRATA

MINUTES OF PROCEEDINGS OF TUESDAY, JUNE 4

Officials of the Department of Transport should read:
G. C. W. Browne, acting controller of Radio,
W. A. Caton, Supervising Radio inspector.

MINUTES OF PROCEEDINGS

TUESDAY, June 11, 1946.

The Special Committee on Radio Broadcasting met at 10.30 o'clock. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, Coldwell, Fleming, Hansell, Knight, Laurendeau, Maybank, McCann, Mullins, Nixon, Picard, Pinard, Ross (*Hamilton East*), Ross (*St. Paul's*), Smith (*Calgary West*) and Sinclair (*Vancouver North*). (16).

In attendance:

Canadian Broadcasting Corporation: Same as at meeting of June 4 and Mr. Jean-Paul Massé of the Personnel and Administrative Services Division.

Department of Transport: W. A. Caton, supervising Radio Inspector.

The Clerk informed the Chairman that:

1. Copies of final reports of the Radio Broadcasting Committee for the years 1932, 1934, 1936, 1938, 1939, 1942, 1943 and 1944 have been obtained for reference by the members of the Committee.
2. Complete sets of the minutes of proceedings and evidence for the same years are available in the Clerk's office.

Dr. Augustin Frigon, general manager of the CBC, was called. He made a statement on the operation of the Corporation's activities concluding with approximate information of the financial position for the fiscal year 1945-1946.

The witness filed with the Clerk:—

1. CBC Job and Wage Analysis—April 1945—No. 6.
2. CBC Salary Groups and Classifications.
3. CBC Staff Magazine "Radio". Copies from November 1944 to May 1946.

The following were tabled for immediate distribution:—

1. An Editorial in "Variety" of March 13, 1946, entitled Let's Face It.
2. Digest of report of the Federal Communications Commission on the Public Service Responsibility of Broadcast License (March 7, 1946).
3. RCA Broadcast News—A.M.F.F. Television.

It was agreed to hear Mr. E. L. Bushnell, director general of programmes, at the next meeting.

After discussion and on motion of Mr. Mullins, it was *resolved* that hereafter the Committee hold its meetings on Thursdays.

It was further *resolved* to meet next Thursday, June 13, on the following division: Yeas: 8, Nays: 7.

Mr. A. Davidson Dunton, Chairman of the Board of Governors, undertook to make a supplementary statement on questions raised in the course of the meeting.

At 12.30, the Committee adjourned until Thursday, June 13, at 10.30 o'clock.

ANTONIO PLOUFFE,
Clerk of the Committee.

65905—1½

MINUTES OF EVIDENCE

HOUSE OF COMMONS,
June 11, 1946.

The Special Committee on Radio Broadcasting met this day at 10.30 o'clock a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: Order, gentlemen, we have had a quorum for some few minutes already, but we have waited in order to get organized up at this end of the table. When we came to adjournment at the last meeting, Mr. Dunton had just finished his presentation, and there was not time left then for questioning. I think it was understood that this morning questions would be asked of Mr. Dunton based upon his presentation. Since then, however, one or two members have spoken to me suggesting a slightly different procedure. I have spoken to each member of the steering committee and they agree; so, by reason of that I would suggest and recommend to the committee that instead of proceeding with the questioning of Mr. Dunton at the moment, Dr. Frigon be asked to present that part of the survey which comes, naturally, in his department or his section of the work, and that the questions to be asked of Mr. Dunton be reserved until Dr. Frigon has completed his presentation, whereupon the questioning could go on of either or both of these gentlemen, whenever it might be appropriate. Would you consider that to be a more satisfactory course, or to proceed with the questioning of Mr. Dunton now?

Mr. SMITH: Agreed!

The CHAIRMAN: Agreed. We shall go ahead then with Dr. Frigon now.

Mr. FLEMING: I think we might go farther than you propose because it would greatly facilitate, I think, an orderly presentation of any reports coming to us from the CBC, if we could have them all before us now. Otherwise, the questions will overlap between the different witnesses. May I ask if it is proposed, with respect to any statements to be presented by other officials of the CBC, that we hear them all before starting on any questioning?

The CHAIRMAN: There is not any other regular presentation. It might be that we would wish to hear Mr. Bushnell, the Director General of Programs, and possibly Mr. Bramah, the treasurer.

Mr. FLEMING: In other years, I think, Mr. McArthur was heard, and Mr. Bushnell was heard and many others. Otherwise, there is bound to be overlapping.

The CHAIRMAN: In any event, it would be satisfactory that Dr. Frigon go on at the moment. His statement would take considerable time, and at the conclusion of it we can decide whether there is anyone ready or not. How would that be?

Mr. COLDWELL: I understand that in addition to the three named, that other members of the staff will give evidence, Mr. Radford, for example, and Mr. McArthur and others. I think we should have these gentlemen available, and that they should be warned that we expect them to appear. I do not know about having them all at once.

The CHAIRMAN: Yes, well, the thought that was running through my mind while you spoke was that, in the case of Dr Frigon, you are going to have before the committee a prepared statement which would form the basis of questioning. In addition to that, there may be questions asked which would call

for some other person to come in, yet that person is not the one who would normally prepare a statement first, do you see; and for that reason, I thought it would be just as well to reserve the point raised by Mr. Fleming and proceed with Dr. Frigon. We know we want to do that; but as to whether there are prepared statements by these others to precede questioning is something I do not yet know. Are you ready to proceed with Dr. Frigon? Very well.

Dr. A. Frigon, General Manager of the Canadian Broadcasting Corporation, called:

The WITNESS: Mr. Chairman and gentlemen, with your permission I would like to submit to you certain facts which will indicate the state of affairs at the CBC and to make a number of observations which may help you to better understand our operations problem. I shall not attempt, by any means, to tell you all that could be said about our organization and achievements. That would take too much of your valuable time and, besides, I am prepared to answer any questions you may wish to ask on points in which you might be particularly interested.

Mr. COLDWELL: I suggest that Dr. Frigon be seated over about where you are, Mr. Chairman.

The CHAIRMAN: Yes, that is what we found to be the best. Have you got a proper view now, of everybody, Dr. Frigon?

The WITNESS: Yes, thank you.

"Our chairman has already given you a summary of our activities in the various divisions and departments. I would like to apologize if I seem to repeat some of his statements. I believe, however, that for the clarity of my own submissions some of the facts can bear repetition. Besides, there is no harm in showing that the chairman of the Board of Governors and the management talk the same language. He has discussed the situation from a policy point of view. I would like to stress the operations side.

May I assure you, gentlemen, that the appointment of a full-time chairman, especially with Mr. Davidson Dunton in the position, has been heartily welcome. I have often maintained that it is quite impossible for the same person to be in charge of policy matters at the CBC and at the same time keep the wheels of administration going. The two functions are absolutely distinct in character and require a different approach. Close cooperation is, of course, essential and at times there must even be an exchange of responsibilities. However, applying the policies enacted by the Board of Governors requires diplomacy, readiness to act quickly and a thorough knowledge of Canadian life. Administration calls for good knowledge of business principles and of administrative methods, a good sense of discipline and continuous and steady attention. I know Mr. Dunton can very well take care af his heavy load and I am trying my best to keep the machinery in good running order.

PROGRAM DIVISION

Program planning and producing throughout Canada is under the immediate supervision of the director general of programs, Mr. E. L. Bushnell. Working directly with him is a general superviser of programs. Each network also has a program director, one for the Trans-Canada, for the Dominion and another for the Quebec network. Reporting to the director general of programs are heads of departments, known as supervisors of music, drama, features, school broadcasts, broadcast language, talks and public affairs, farm broadcasts, presentation.

Regional representatives in Vancouver, Winnipeg and Halifax look after the particular needs of their regions and contribute their share to national programs.

If we include the international short wave service, we now have on our staff 61 announcers, 77 producers and 40 news editors, plus a number of music and recording librarians, continuity writers, music copyists, etc. If we add to the expenses of maintaining this staff, the salaries of supervisers and clerical staff, the large sums paid to artists, and the travelling expenses incurred in a business like ours, plus royalties and copyrights, you will understand why it costs us approximately three million dollars to operate our program division in 1945-46, and we might say that this is all spent on giving non-commercial programs to the country. As I shall point out later when talking about finances, we have to add to this, large expenditures to provide technical facilities so that these programs may be produced efficiently and may reach every listener. Broadcasting is indeed a very powerful instrument, but it can only be made efficient by spending important sums of money.

The centralization of our various activities in Toronto, that is, at our new Jarvis Street studios and offices, has permitted the reorganization of the operations side of the programming division's headquarters. The program division is now very well established and we already feel an increased efficiency in handling the production and routing of programs. If you so desire, Mr. Bushnell will give you all the details you may wish to have on the work of his division.

Program Service

However, I would like to tell you now that we are endeavouring to the limit of our financial resources, to give to Canadians the best possible radio broadcasting programs service. We believe that our contribution to Canadian life is becoming more and more important.

Some of the achievements of our program department deserve special attention.

We are rather proud of our service to Canadians both in Canada and overseas during the dark days of the war.

May I mention our elaborate news bulletin service, our news roundup, our reporting of all important international meetings—as a matter of fact, we have been highly complimented by officials of foreign countries for the excellence of our work in that field.

When the Canadian Meteorological Service was reorganized some months ago, we offered the service of the CBC to its director. We believe that the regional coverage of our stations has increased immensely the efficiency of the excellent meteorological service available to Canadians.

Farmers across Canada receive daily advice and market quotations from us and can listen to specialists discussing their particular problems.

We are always on the watch for the opportunity of informing Canadian citizens on important national and international matters. This is done either in the form of talks or discussions.

We have very successful school broadcasts. In the same field, Radio-College is continuing its good work in the province of Quebec. As our chairman has told you, this series has been chosen by the United Nations Educational, Scientific and Cultural office for rebroadcast in seven different languages in liberated countries of Europe.

Our contribution to the artistic life of our country is indicated by the amount of over one million dollars which we pay in fees every year to musicians, artists and writers for sustaining programs only. This figure represents remunerations paid to those who participate directly in programs. It does not, of course, include the cost of announcers, producers and clerical staff required to keep the show going. This contribution to our intellectual life and enjoyment,

alone would justify the subscriptions of Canadian listeners, especially when you consider that this is less than one cent a day per radio home to maintain all our services.

Part of the program money is spent on features, such as the composition, production and broadcast of the first opera written and produced in Canada, "Deirdre of the Sorrows", which has received enthusiastic recognition by the press all over the country.

Under the direction of our supervisor of music, and as part of our international service, we have produced and recorded an album of music by Canadian composers. This is being distributed throughout the world to Canadian Legations and Embassies and to broadcasting organizations; it will spread goodwill for Canada.

The French network last year organized a contest to encourage writers, which resulted in 330 manuscripts having been submitted by writers who had never contributed to radio before. Some of these were produced on the air and proved to be excellent. Winners have been commissioned to write scripts for us.

We have on many occasions spent a good deal of money on programs which, while entertaining, carry a message to Canadians on Canada. This was the case last year when we presented on the French network a rather ambitious series of broadcasts known as "Canadiana." This was meant to present the work of Canadian authors and writers in both the musical and the literary fields. It also informed the listeners on many aspects of Canadian life. Quite apart from their entertainment value, such programs are of great significance and are part of our general plan to serve the Canadian nation.

Program Policy

Our general program policy is not principally directed towards obtaining great popularity. This is done to a great extent by commercial sponsors who must reach as many people as possible to sell their products. Although we have frequently proved that we are quite capable of competing with anyone in the field of popular programs, we are simply trying to give to the Canadian public a choice of programs where everyone will find something to satisfy his tastes and aspirations. We do not spend much money making people believe that we are wonderful broadcasters. Maybe we should spend more, and if in the past we have neglected our public relations, it was mostly because we have been growing very fast and we have been very busy trying to do a good job of national broadcasting. Our program division is working in that spirit and is doing an excellent job, even if we do say so ourselves.

In submitting these facts, I simply want to show you what is in the mind of the management in the way of operating our program division, because any organization designed to provide programs must meet the requirements of the program schedule.

Program Finance

I shall come back later to our finances but because programs are our "product", so to speak, and are, in a way, our "show window", I would like to give you a first glance at our overall financial position which, of course, governs our capacity to produce programs. There is a minimum of fixed expenditures which is required to keep our organization going and to a large extent program money is the balance available after essential fixed charges have been paid. It can, therefore, be said that almost every extra dollar we receive goes directly into producing more and better programs.

When one thinks that our budget last year, including all domestic and international services—technical, wire lines, program, etc.,—was approximately $6,000,000, when the BBC with a much smaller country to cover and an abund-

ance of talent, will spend this year $36,000,000, one has an idea of our handicap in serving the public as fully as we would like. Of course, we have to forget completely about the $400,000,000 a year business which is broadcasting in the United States. As you were told before, the fact that we have to deal with two languages, that we have five different time zones, which means that the western parts of our networks have to be kept going long after we have passed the peak period in the east, and also a vast territory to serve, does not make it easy for us to operate with the limited funds at our disposal. One of the most difficult problems affecting our program budget is the ever increasing cost of fees to musicians, artists, announcers and producers. Hardly a month passes without us receiving some new demands from artists' or musicians' unions. I believe I am right in saying that during the last few years remuneration to those who participate directly in programs has increased from thirty to one hundred per cent.

Another aspect of the problem which affects the quality of our programs is the fact that the high cost of recording for delayed broadcasting, imposed by musicians' unions, makes it impossible for us to present some of our best programs in the most suitable hours in all sections of the country. For instance, a first class program produced in Toronto from 8.00 to 8.30 p.m. is heard in Vancouver between 5.00 and 5.30 p.m. If we could record that program at some western point and play it back from 8.00 to 8.30 p.m. Vancouver time, this would not only bring across Canada at the proper time our best productions but would permit us to use the money we now spend on programs heard only in British Columbia, on Pacific Coast programs that would be heard in the East during the best hours. This is a major problem with us and has a most disturbing influence on our relations with stations affiliated to our networks.

It has been said recently that, notwithstanding their large populations and their tremendous market possibility, it costs Americans over $4 per year per listener (not per radio home) to maintain their broadcasting system. The licence fee in England has been raised this year to one pound per year per home. Although these figures need to be interpreted, they indicate the handicap under which we are working. We insist on maintaining quality of production and we are striving to pay everyone reasonable fees, but we must often limit the scope of our endeavour because of lack of financial means. Nevertheless, we produced a much greater number of sustaining programs than all private broadcasters put together. Although that is only natural, it shows the importance of our program division.

REGULATIONS AND STATION RELATIONS

Up to a few months ago we had what was known as the station relations division, charged with the responsibility of maintaining contact with private stations and also applying regulations. This has now been split in two, with one, the broadcast regulations division under Mr. Radford, to look after regulations and another which will soon be fully organized as a station relations division under Mr. George Young. There is nothing new to report regarding regulations. They are made by our Board of Governors and applied under the direct authority of our chairman. All I can say is that in practice we are more severe in applying our own regulations to our own stations and network operation than we are in requesting private broadcasters to submit to them. I may add that a signed agreement now exists between affiliated private stations and the CBC, as was suggested by the Parliamentary Committee of 1944.

COMMERCIAL DIVISION

For those of you who are not familiar with our commercial set-up, I would like to mention that our commercial division is under a commercial manager, Mr. E. A. Weir, and another commercial manager, Mr. O. Renaud, for the French division, who reports to him. You may want to know why we carry commercial programs.

Canadian listeners are justified in demanding that they be permitted to listen to a number of the best sponsored programs broadcast in the United States because of their entertainment value and in certain cases because of their high artistic quality. We must, therefore, bring those programs to all Canadian listeners through the facilitities of our networks. Having done so, we must also offer Canadian firms the same opportunity; it is therefore next to impossible for us not to carry sponsored programs. Of course, this business brings us greatly needed revenue.

Class of Sponsored Business

The corporation's commercial broadcasting activities are confined mainly to network programs. A quite limited number of spot programs are accepted on the individual CBC owned station, but generally this class of business is limited because most of the good periods are occupied by the corporation's network service. Therefore, most of this type of business is directed into private station channels and the spot announcement business nearly all rests with private stations.

Religious broadcasts are not accepted commercially since the corporation donates free time to all denominations through the medium of the National Religious Advisory Council.

Network Operations

As you already know, we operate three networks. Twenty-four basic stations (7 CBC and 17 private) and 7 supplementary private stations constitute our Trans-Canada Network which operates 16 hours per day. Twenty-nine basic stations (1 CBC and 28 private) and 9 supplementary private stations from the Dominion network operating in the evenings only. The French network is composed of 3 basic CBC stations and 7 supplementary stations. I must explain these terms:—

Basic stations are those which receive all CBC network program service including all sponsored programs. For the latter the private stations are compensated on the basis of 50 per cent of their network card rates after frequency discount is deducted, the corporation taking care of all other discounts; namely, regional and special line discounts, also agency commissions.

This basis of payment was arrived at after full discussion with private stations which joined our networks when they were organized in 1937. It brings to private broadcasters approximately the net revenue they may expect to make in the ordinary course of their business. Of course, our share of the business booked for private stations does not only cover the items mentioned above, but it covers also part of the cost of our commercial division, the use of studio facilities, line connections, etc. Private stations, although they are required to reserve certain periods for CBC network programs, are never called on to pay a single dollar for their affiliation to CBC networks. So far as they are concerned, the transaction always results in their receiving a cheque without any effort on their part to solicit, book or bill for accounts for network sponsored programs. Their revenue from their network affiliations may vary, according to the population they serve, from a few thousand dollars up to forty thousand dollars a year. All our sustaining programs are available to them free of charge.

That is good business and I am certain that most owners of affiliated stations are quite happy about their commercial deal with the CBC. This becomes very evident if it is found necessary to drop one of them from the network.

Supplementary stations are divided into four groups:—

Group (A): Those stations that receive unrestricted sustaining program service, but unlike basic stations, are optional to the sponsor. These stations are compensated for sponsored network business the same as basic stations referred to above.

Group (B): Only a prescribed amount of Trans-Canada sustaining service is available to these stations which may also be added for commercial network programs at the request of the sponsor. In the latter case, the station is compensated on the basis of its network rate, less 15 per cent and 15 per cent agency and network commissions.

Group (C): These stations receive only occasional Trans-Canada broadcasts of national importance. They may be added for commercial network programs upon request of the sponsor and are compensated on the basis of their network rate, less 15 per cent and 15 per cent agency and network commissions.

Group (D): No permanent line connection; special facilities engaged on occasional basis for broadcasts of national importance, or for commercial network programs upon request, and are compensated on the basis of their network rate, less 15 per cent and 15 per cent agency and network commissions.

The commercial division of the corporation assists supplementary privately owned stations in obtaining network sponsored business. Rates for such stations are listed on the various CBC network rate cards and in trade publications.

At present, approximately 75 per cent of all private stations benefit financially from CBC network operations in one way or another. The corporation forwards to them annually approximately $1,200,000 for time bought by sponsors.

In addition to the financial benefits from sponsored network programs, the popularity and variety of these programs add colour and prestige to the private station's daily program schedules and enhances the value of other periods available for sale to sponsors locally on a spot basis. The value of network service to member stations is indicated by the prominence they give to the promotion of network programs.

Subsidiary Hookups

Subsidiary hookups of two or more private stations, generally confined within provincial boundaries, are arranged for when requested by sponsors or private stations, the latter being for special broadcasts such as sports events or programs of local public service character on a sustaining basis.

To assist some of the private stations, the corporation reduced the charge for connecting stations, effective January 1, 1946. Therefore, one station in Montreal and another in Quebec can now hook up for a half hour program at the cost of $19.90 for the wire line service.

American Originations

The corporation schedules to its networks many of the most important and popular programs that originate with the American networks, such as, "Edgar Bergen and Charlie McCarthy", "Album of Familiar Music", "Information Please", "Carnation Contented Hour", "Fibber McGee and Molly", "Bing Crosby", in the "Kraft Music Hall", "Rudy Vallee", "Breakfast Club", "Philco

Hall of Fame", "Alan Young Show", the Saturday afternoon "Metropolitan Opera" program and the Friday night "Fight Broadcasts" from Madison Square Gardens, "Lux Radio Theatre" and many others.

Canadian Originations

The number of network programs originating in Canada, both French and English, has increased. Many have been scheduled during evening hours on the Dominion network, e.g., the "Northern Electric Show", Tip Top Tailors' "Music for Canadians", Imperial Tobacco "Light Up and Listen", Goodyear Tire & Rubber "Parade of Song", while on the Trans-Canada network were the Toronto Symphony 'Pop' concerts sponsored by the Robert Simpson Company Friday evenings, and the Whitehall Pharmacal "Stars to Be" program each Tuesday and Thursday. This program, like the "Singing Stars of Tomorrow" by York Knitting Mills on Sunday, is designed to develop new Canadian talent, affording young people with dramatic ability opportunities to compete for awards.

To maintain excellence of program production, the corporation, with its expert staff, is now in a position to produce more programs for sale to sponsors. Such was not always possible during the war years because many of the staff were in the armed forces, or with the CBC overseas unit, but with their return their services are available to sponsors and agencies for this important function.

French Network Originations

The majority of sponsored programs on the French network originate in Montreal. Unlike the corporation's two English networks, very few of the U.S.A. network programs are suitable for release over the French network. Therefore, sponsored program production activity in Montreal is very great and Canadian artists and others benefit accordingly. Among the new programs scheduled to the French network are: "Qui suis-je", "Au Coin du Feu", "Ceux qu'on Aime", "Mosaique musicale", "Le Théatre de Chez-nous", "Les Talents de Chez-nous".

Sponsored Program Acceptance Policy

All sponsored programs are subject to acceptance by our program division for quality and availability of periods on our schedules. Many are turned down because they do not come up to what we believe to be acceptable network standards and others because we insist in keeping a number of periods free, not only for entertainment programs of Canadian origination, but also for public service programs, which we do not hesitate to schedule at peak commercial hours if we believe they contribute to Canadian life.

All sponsored program script material, English and French, is examined prior to broadcast. This includes the script portion of a program as well as the commercial announcements. In addition, the commercial announcements made on programs advertising food and drug products are submitted for approval in the usual manner to the Department of National Health and Welfare for validity of claims and to our broadcast regulations division for good taste. This applies to all such commercial copy whether for CBC or privately owned stations. Seldom is it necessary to request sponsors to change their script material, apart from the commercial announcements, on account of violation of CBC policy or good taste, but occasionally policy interpretations have to be made. Almost without exception the corporation receives the fullest cooperation from the sponsor or agency.

Now that all wartime censorship restrictions have been lifted, we are endeavouring to administer our acceptance policy from a broad point of view in keeping with the trend of post-war broadcasting and the demands created by the competition resulting from the rehabilitation of industry.

Dominion Network

While the Dominion network is not yet operating on a sixteen hour daily basis, nevertheless a substantial and growing service is being provided during evening hours and in due time the network will operate on the same basis as the Trans-Canada network. It costs money to operate networks on a sixteen hour basis, so it is best to build surely but gradually.

Apart from the important function of providing an alternative program service to the listeners across Canada, the Dominion network has stimulated applications for licences to operate stations in parts of the country where dual network service did not exist.

You may think that I have overstressed the value of commercial service. Maybe I have, because it does not occupy in our mind the importance this part of my brief may indicate. My purpose was simply to show that at least the sixty-eight odd private stations connected to our networks can hardly claim that we are giving them unfair competition, when they each receive their proper share of the business mentioned above.

Sponsored War Effort

In considering the corporation's commercial activities, I should like to refer to the effective contributions made towards the war effort by sponsors through their network programs. Many sponsors during the war period dispensed almost entirely with direct advertising and substituted appeals for aid on behalf of voluntary organizations such as the Red Cross Society, etc. They broadcast much vital information on behalf of the various 'wartime' government departments.

Quite apart from their program efforts, sponsors and their advertising agencies were ever ready to cooperate when it became necessary to clear the network for news or events of vital importance.

In addition to the corporation's own programs, many programs paid for by advertisers were transmitted by shortwave to the Canadian troops in Europe, such as, the regular Saturday night N.H.L. Hockey broadcasts, while programs of sporting events, including the World Series, were extended from Edmonton over military circuits to the troops in the Dawson Creek and Whitehorse areas.

DIVISION OF PERSONNEL AND ADMINISTRATIVE SERVICES

Salaries

Ever since the CBC took over the personnel of the Canadian Radio Broadcasting Commission on November 2, 1936, we have continually endeavoured to improve working conditions and the salaries paid to our staff. As a result, salaries have increased greatly and are now at a level which favourably compares with those of other private enterprise using the services of personnel who require the same qualifications as ours. So far as clerical staff is concerned, we have never lost sight of Civil Service salary ranges. In other divisions, such as engineering, we have adopted salary classifications in common with other large enterprises. We have also established uniformity of pay across Canada for similar occupations. I do not hesitate to say that the salaries we pay, although quite reasonable and not excessive, far from it, are way above the average paid by private enterprise in Canada. I mention this to establish clearly that we treat our employees well, and, by comparison, they should be very happy working for us.

However, there is a field of activity where we have had and possibly always will have trouble. This concerns the class of employees who participate directly in programs, and that difficulty arises from the fact that most of them really belong to the theatrical world and we have to take into consideration

the conditions established in the United States. I am very much afraid that as soon as we produce good men who succeed in getting public recognition, we will always be exposed to their leaving our staff for more remunerative positions, possibly in the United States or to join some organization with a huge advertising budget and where these men may decide to try their chance in free lance broadcasting. Unfortunately, this is a situation which exists in many fields of activity in Canada and we have heard frequently in the past few months of the danger of losing too many of our good men to the wealthy country to the south.

Staff Councils

Some years ago we established a system of Staff Councils. Each of our operating centres elects its own council and, in turn, these councils choose a national council which meets once a year, and the executive have more frequent meetings. Representatives of staff councils sit frequently at administrative meetings of our senior officials. These staff representatives are the liaison between our personnel and management. Major policies concerning the staff are discussed with them before they are adopted. Pension scheme, salary classifications and ranges, social activities, publication of a staff magazine, hospitalization plan, group insurance, etc., which are now operative, have all been discussed and been agreed upon between staff and management. Some weeks ago staff councils reported that a vote organized by them was taken across the country to ascertain the views of all the staff in respect of staff-management relations. The result of the vote was very interesting. 63% were in favour of maintaining conditions as they are now. 18% were in favour of the same organization being maintained, but with official recognition by the Labour Department as the bargaining agency between the personnel and management and 14% voted in favour of straight union organization, with affiliation to already existing national or international labour organizations. 5% of the votes registered were declared void.

Personnel and Administrative Services Division

Since 1944 we have taken another very important step towards improving staff-management relations. We have created a division of Personnel and Administrative Services, under the direction of a director of personnel and Administrative Services. Colonel René Landry occupies this position and he has under him assistants looking after different branches of this service. This was done so as to better co-ordinate all matters related to the administration of personnel, office routine and procedures and staff welfare, and at the same time provide for local administrative management at the larger operating points.

The main functions of the department are:

To carry out policy in regard to the administration of the corporation's personnel; maintain the establishment of personnel of the corporation and implement all decisions pertaining thereto; have charge of staff welfare; deal with staff councils on behalf of management; co-ordinate the administrative organization so as to provide the necessary administrative and clerical services to all divisions; supervise and maintain uniformity of office systems and procedures; establish, supervise and maintain central registries; act as budget master and supervise expenditures related to salaries, staff magazine, transfer and removals, and to perform other related work as required.

The total permanent work staff, including the International Short Wave Service, as at March 31, 1946, numbered 977, i.e. 887 within the home service and 90 within the international service.

The P. & A. division administers the policies laid down with respect to personnel and establishes administrative services and machinery with the object of relieving the operating divisions as far as possible of duties related to these functions.

This new division has been in full operation for over a year and a half and has resulted in bringing about more efficient administration, uniformity of working conditions and salaries paid, and it may be said generally that the results obtained fully justify the increase of expenditures involved and the trouble taken in organizing this important section of our operations.

Job Analysis

One of the first duties assigned to the P. & A. division was to proceed with a thorough job analysis. This was undertaken in 1944-45 for the purpose of specifying the various jobs within the divisions of the corporation, arranging them in order of their respective importance and affixing to them monetary values in accordance with going rates for similar or comparable work in Canada. The report which was prepared is too voluminous to permit the printing of copies, but I would like to leave a copy with the secretary of the commitee on loan so that every member may have the opportunity to consult it. This report has received high praise from various quarters for its thoroughness and comprehensiveness. The classifications and salary scales which were approved by the Board of Governors received the authorization of the National War Labour Board insofar as its jurisdiction carried and were the basis for individual adjustments under the authority of the Salaries Controller for those who were considered to be salaried officials.

I am filing with the secretary a complete list of classifications, salary ranges, number of employees, etc. On March 31, 1946, we had 977 employees, divided as follows:—

Executive	6
P. & A. Services	364
Treasurer's	9
Program	234
Engineering	251
Broadcast regulations	3
Commercial	7
Press and information	13
International service	90
Total	977

May I point out that all ordinary clerical help are under the control of the P. & A. services division.

Commercial Fees—Announcers and Producers

For over a year commercial fees have been paid to announcers and producers on a new basis as recommended in the job analysis report and as approved by the National War Labour Board. Basic salaries are set for 45 hours a a week of sustaining work. Announcers and producers who work on commercial programs receive 85 per cent of the fees collected for their services by the CBC and a deduction is made pro rata from their basic salary, i.e. in proportion to the number of hours' rehearsal and program time spent on commercial work.

Staff Magazine—"Radio"

A staff magazine, first published in November, 1944, has filled the need for an exchange of opinion and information within the service. An editor under an editorial board publishes the organ on a monthly basis and the

pride and interest on the part of the staff at large have had a marked effect on general morale. A sample copy of the magazine "Radio" is available for the use of the members of this committee.

Reinstatement and Rehabilitation of Permanent Staff who have returned from Military Service

Eighty-five employees have returned from active service and have been reinstated in jobs at least equivalent to those they held prior to their being granted leave of absence to serve with the armed forces; during their absence salary increases were granted them annually, subject to the provisions of the Salaries Control Order and, whenever possible, upon their return to the service of the corporation, they have been promoted to more responsible positions.

Under the provisions of the Pension Fund, provided they remain in the service of the corporation for a period of three years following service with the armed forces, this category of employees will have all pension benefits purchased for them by the corporation for the period spent serving with the armed forces.

Brotherhood of Electrical Workers under Order in Council P.C. 1003

Late in 1945 a group of technical operators in Toronto applied, through the I.B.E.W., to the Wartime Labour Relations Board for certification as a bargaining unit under the terms of order in council P.C. 1003.

The corporation represented by the Department of Justice took the position that, while it could not and did not question the principle of collective bargaining, the employees who had made application represented a small percentage of the entire group of operators working at the numerous operating points across Canada. It is also customary to transfer operating staff from one location to another and consequently it would be extremely difficult to deal with an organized group in Toronto and a non-organized group at another location, both engaged in handling the same programs but operating under different conditions.

The Board found that the proposed bargaining unit was inappropriate, that the CBC is engaged in the business of communication, and that its radio broadcast technicians work together on the same broadcast although their duties are performed at points which are hundreds of miles apart.

Our policy towards our personnel has resulted in many employees obtaining promotion through our service. Indeed, most of our high officials have been promoted from the ranks, so to speak, and if the salary ranges result in a ceiling being applied to the salary paid to any given position, there is always plenty of opportunity for promotion through transfer to other positions.

It is very gratifying to know that most of our employees agree that they are well treated and applications we receive from employees of other organizations prove that the CBC is considered as having a good staff management policy. We shall continue as in the past and we hope our employees will remain as faithful as they have been in the past.

ENGINEERING DIVISION

We have in our engineering division one of the best organizations of its kind in the world. It is fully organized, well departmentalized and it has a very competent staff of engineers, architects and technicians. At the head of the division there is a chief engineer, Mr. G. W. Olive and also an assistant chief engineer, Mr. J. A. Ouimet. Under them are heads of departments, such as, Plant, Projects, Properties, Transmission & Development, Operations, Purchasing & Stores, etc., departments. These are all at engineering headquarters in Montreal under the chief engineer. Regional engineers are in charge of the five regions across Canada and they have, under their supervision, the personnel of studios and transmitting stations.

During the war, to be exact, in May 1942, we undertook, with the knowledge of the Department of Transport, to reduce the power of our stations by 20 per cent. This had become necessary to meet the power tube shortage situation which had become quite alarming. For a while, two of our 50 kw. stations operated with only one spare high-power tube. With the cutting down of power, we were able to use a number of tubes which had been discarded, and new tubes could be used at least twice as long as under full power. The Department of Transport and the F.C.C. ordered the power of all stations to be so reduced by 20 per cent about February 1943. This, of course, affected slightly the quality of reception, especially along the edge of the coverage of each station. With the end of the war all CBC transmitters returned to normal full power operation.

During 1944, and until the end of the European war, the CBC engineering division continued to operate four mobile units overseas with a staff of six engineers, but the activities of these units have since been curtailed considerably. At the present time only one engineer and one mobile unit remain overseas.

Personnel

In 1944 the manpower situation, insofar as the engineering division was concerned, eased to some extent because by that time most of the technical employees eligible for military service were on active service, and had been replaced by others, not eligible for military service who had been trained under an apprentice training plan supervised by some of the senior members of the division. Since the end of the European and Pacific wars, some fifty-three veterans, many of whom were former employees, have joined the CBC engineering division and, as a consequence, the manpower picture is now entirely different with well qualified personnel applying for positions that may be open or be vacated by war temporary employees.

Many of our returned men have had splendid records with the armed forces, and our operators who accompanied our war correspondents also did a remarkable job. The names of Matthew Halton, Marcel Ouimet, Peter Stursberg, Benoit Lafleur, and others are well known to our listeners, but technical operators such as Holmes, Beauregard, Moore, McDonald, etc., are entitled to just as much praise. They had to operate equipment close to the front line and sometimes under fire. They have never hesitated to take whatever risks were to be taken to give to the Canadian public a sound record of what was going on at the front. One of them, Mr. Holmes, at the beginning of the war often risked his life to make the best recordings of the bombing of London ever made and which, for quite a time, were the only ones available to moving picture and other operators for their sound effects.

Lately, one of our men, Mr. McDonald, who had worked under the torrid climate of Africa accompanied the Musk-Ox expedition where he also did a splendid job.

I believe the names and the feats of these men should receive better recognition, as reports from our commentators would have been almost useless without the faithful help of these technical men.

International meetings

The CBC engineering division was represented at the Commonwealth Broadcasting Conference held in London in February and March, 1945, as was the program division. Members of the engineering division have continued to collaborate with international and national bodies, both in the regulatory and technical fields. Since the end of the war the CBC was represented at a number of conferences such as the Third International Radio Conference at Rio de Janeiro, the Second North American Broadcasting Conference at Washington,

as well as numerous committee meetings of the Canadian Radio Propagation Committee, the Canadian Radio Technical Planning Board, the Canadian Standards Association and other similar organizations.

Additions to facilities since 1944

Since 1944, we have made additions to our technical facilities. A station was installed to take care of our Trans-Canada network coverage in Halifax, and the private station CHNS which was previously the outlet at that point, was transferred to the Dominion network.

We completed our studios at the Palais Montcalm in Quebec City. Our operations in Toronto were centralized into one property at Jarvis Street, where our program headquarters are now located, as well at our Toronto studios and commercial division headquarters. This centralization has increased the efficiency of operations materially, and has been financed on an amortization basis over a short period so that within a very few years we can build permanent studios in Toronto without having to carry the burden of the capital cost of obsolete constructions.

We now have in Toronto seven studios, two speaker booths, two concert studios outside of the main building, and space for additional studios when our finances permit our proceeding with the completion of this temporary setup. A canteen for the use of the personnel is now in operation and has proven extremely handy.

Shortwave operations

Besides our receiving station in Ottawa, we now operate two other temporary stations: one in Vancouver and one in Halifax. As expected, the Halifax, or to be more precise, the Dartmouth station, is more useful than Ottawa for the reception of BBC transmissions.

The Pacific Coast station is used experimentally to establish contact with Australia and Asia. We also receive short-wave transmissions on a much smaller scale at our CBL station at Hornby near Toronto.

The biggest achievement of the engineering division has been the complete design and construction of the Sackville short-wave station. We had the previous experience of designing the Brazzaville station in French Equatorial Africa for the Free French forces during the War. The success obtained with the Sackville transmission is due to a very carefully selected location of the site following very extensive tests in the field, and also the design of the high gain antennas which are unquestionably the last word in engineering. Not only were results fully satisfactory but the design was so accurate that we did not encounter the troubles, which might very well have developed during the experimental period, with such an intricate piece of electrical and mechanical engineering. There are available for distribution copies of an RCA publication where you will find highly appreciative remarks about this installation.

The studios which are used by our international service are located in Montreal on Crescent Street. They are not very elaborate but quite efficient. We are now looking for additional space so that we may increase the number of hours on the air and the number of countries served. The Sackville short-wave and domestic installation occupies an area of 213 acres of land. You will realize the magnitude of this installation when I say that the European antenna is 1,400 feet long, 180 feet high at the lowest point and 380 feet at the highest point. It is, of course, of the curtain type and directional.

Experimental transmission directed to Europe started in December 1944, using call letter CHTA and a frequency of 15·22 megacycles. These tests continued daily in co-operation with the BBC until the formal opening of the station on February 5, 1945. Reports from the outset were most encouraging. Two weeks after the commencement of the first operations, the corporation was

advised by the BBC Chief Engineer that CHTA was the best shortwave broadcasting received at that time in the United Kingdom from the North American continent. Similar reports have been received since then from many other listeners and authorities in Europe and from observations made by CBC personnel in Europe.

Besides CHTA operating on 15·22 mc., the following frequencies and call letters have been assigned to this service:

6090.....CKOB	11705.....CKXA
6160.....CHAC	11720.....CHOL
9610.....CHLS	15190.....CKCX
9630.....CKLO	17820.....CKNC
9640.....CHMD	21710.....CHLA

Since August 1937, the CBC short-wave receiving station in Ottawa has kept complete records of daily reception conditions between the United Kingdom and Ottawa. The analysis and correlation of these reports, as well as of similar information from other CBC short-wave diversity receiving stations and from the BBC, are in progress and, when completed, should enable the CBC engineering division to predict accurately optimum workable frequencies for the short-wave service to various parts of the world. Making such predictions involves a great deal of laborious calculation and these predictions are being compared with monitoring reports supplied by the BBC.

The satisfactory results obtained with the first tests and operation of Canada's new international service have amply justified the engineering effort and increased cost required to design and build so-called "high gain" arrays, used for the first time on the American continent for European service. These high gain arrays, together with the excellent location of Sackville at maximum practical distance in Canada from the north magnetic pole, have made possible an improved circuit between Canada and Europe for short-wave broadcasting transmission. These high gain antenna systems were developed from information originally supplied by the BBC engineering division, and the entire mechanical and electrical development was undertaken within the engineering division of the CBC. In addition to the antenna proper, the detail design of reversing, slewing and antenna switch gear, operation and control circuit for these, and RF transmission lines, was completed during the year reviewed. Special portable test equipment for field use was also developed to check the performance of the antenna and associated apparatus.

Many consultations were held with the Department of Transport regarding short-wave channels for use at Sackville and several changes have been made in an attempt to find the best frequencies for service to various parts of the world with minimum interference. Reception reports from Europe, Africa, South America and New Zealand and Australia have all been encouraging. Reports from Europe continue to be highly satisfactory in comparison to anything received from the American continent by short-wave broadcasting. We still operate a 10 kw short-wave transmitter at Vercheres near Montreal which was originally intended to give French language programs across the country.

Coverage Requirements

It may be useful to note that the two major functions of the CBC as a broadcasting system are:

(1) to make sure that as many Canadian citizens as possible enjoy the privilege of a full broadcasting service of the best possible quality from Canadian stations.

(2) To join all parts of Canada together by means of networks of broadcasting stations so that Canadians, separated as they are by great distances, may easily exchange their views on affairs of interest to their country, and also contribute their share to its social, economic and artistic life.

To provide broadcasting of a truly Canadian character and purpose the CBC must have at its disposal facilities through which every point in Canada can be reached. Because of this, the CBC is greatly interested in regional coverage, even over thinly-populated districts where the cost per listener of providing service is relatively high. That is why the CBC has already built a 50 kw transmitter at Sackville (CBA) to serve the largest possible portion of the Maritimes, and likewise another 50 kw transmitter at Watrous (CBK) to serve the prairie provinces; these would hardly be justified from a purely commercial point of view. Additional high power stations of this kind are required to complete the national coverage.

Interference

We usually take for granted that certain stations will reach certain listeners, and this brings up one of the most controversial aspects of broadcasting to the general public that is the question of proper "coverage". May I be permitted to throw some light on that subject.

It is impossible to obtain a clear picture of the effective coverage of any station simply by accepting the opinion of the individual listener. The effective reception from any station depends on many factors such as the power of the transmitter, the efficiency of the antenna system at the station, the characteristics of the terrain, the extent of interference from other stations, the influence of electrical noises produced by power lines and electrical equipment (which varies from a maximum in important cities to practically nothing in isolated rural districts) the condition of daylight or night and of the stratosphere which greatly affects the secondary transmission according to time of day and of year, and the importance given to any specific program by the listener.

The last factor is very important. If the listener is not interested in certain programs he will only listen to them if reception is perfect, and he will be inclined to discredit the service generally if the signal he receives is not absolutely clear. He will feel the same if he finds it impossible on some particular occasion to hear a program in which he is greatly interested, even if reception is quite good normally. On the other hand, if a program is eagerly expected by isolated listeners, as is the case for instance with "Northern Messenger" heard in the most remote regions of the Arctic, reception, no matter how weak reception may be, is welcome by those who are only too glad to get something, even if conditions are not perfect.

A higher signal is required to give satisfactory service within the limits of a large city, but 0·1 millivolt per meter may provide quite acceptable reception at isolated points where no man-made interference exists within a certain radius and when quiet prevails.

We receive all sorts of fantastic opinions from listeners: the enthusiast will say that a certain low power station is heard at a far distant point. The skeptic will criticize reception from a powerful station located at a short distance, if he suffers the slightest interference. Also, people are more critical of the CBC technical service, possibly because they expect more of it, than of private stations and too because our publicity is much more moderate and we do not claim extravagant results.

For all these reasons, there is only one way of discussing coverage with any chance of common understanding and that is by using definite standards and definitions such as those adopted at the Havana Conference. So far as so-called primary coverage is concerned, calculations may be considered as infallible and in fact may be checked by measurements within a very small percentage. When it comes to the secondary or additional night-time coverage which is obtained through the reflection of the radio waves from the ionosphere, the outside results can be calculated, but they are subject to great variations according to the time

of the day and year and also to the condition of the transmission path. A distant station may be heard consistently for a long period and then its signal at a given point completely disappears for a while. This explains why the reception of a station in the medium wave band, i.e. the broadcasting band is at times strongly interfered with by another station operating on the same frequency or on a frequency next to it on the band, even if the interfering station cannot be identified.

Any serious broadcaster, for instance the American networks, any equipment company, and any radio engineer would discard automatically all figures except those obtained by actual measurements. It is the practice, however, for commercial agencies and sponsors to use other figures, known as ratings, which are based on the habits of listeners living within a certain territory. These methods are purely empirical and can be only used as a bsais of comparison. Although they are extremely useful for figuring market conditions, they are very disappointing when the exact performance has to be prophesied or guaranteed.

All figures used by us are based on actual engineering definitions as adopted in Havana, and any reception outside of the territory considered as primary area is to be taken as unreliable, even if very useful and acceptable to a great number of people. Engineer's coverage maps are greatly disappointing to commercial broadcasters, but they are the only means of discussing such matters intelligently.

Frequency Modulation

I am sure you have heard quite a good deal about frequency modulation, or FM, as it is commonly called. One difference between the broadcasting system now in use and the one presently being devised, is that AM, or amplitude modulation, operates on a frequency broadcasting band which extends from 550 kcs. to 1600 kcs., while FM operates at very much higher frequencies on two different bands in the United States, one around 50 megacycles and the other one about 100 megacycles. The AM frequencies and the FM frequencies have different propagation characteristics. AM frequencies are reflected to far distant points, which means that a station would interfere with another one operating on the same frequency a long distance away. With FM frequencies, transmissions do not reach so far, and for all practical purposes, especially in the higher band, there is no interference between stations operating on the same frequency. This means that you can use a given frequency at a great number of points within a country. It also means that the reception of each station not being subject to interference, is the same day and night. In fact, many stations now operating in the AM band could enjoy much wider coverage with the same power they use now if they had an FM transmitter properly installed. Besides, the FM system has other characteristics which are most interesting to the listeners. Reception is free of static, background noise and, provided you have a good receiver, can give you a high fidelity reproduction of the performance transmitted. This last quality is most important to lovers of good music.

I shall be glad to give you more about the technical characteristics of FM, but as I presume you have read a lot about it, I shall wait for your questions rather than take too much of your time at the present moment. We are very much in favour of FM at the CBC. We believe it will add to the enjoyment of listening to radio programs. We know it will permit the use of a greater number of stations throughout Canada to the advantage of smaller localities which cannot enjoy local broadcasting at present because of the over-crowding of the AM band. It has taken a long time for the United States to adopt an allocation plan and we had to wait until that came out before suggesting a plan for Canada. This is now under consideration and should be ready before very long. The Department of Transport is, of course, the authority in the matter.

In the meantime, we have recommended to the licensing authority, and our recommendation, I believe, has been accepted, that operators of AM stations be invited to start, if they so desire, FM transmission of the programs carried on their AM transmitters. Prompt action could be taken if operators only want to try the new system with a low power transmitter installed on some convenient structure. If they wish to go about it in a more elaborate way, they may have to wait a few months before a frequency can be assigned to them. At any rate, it is not probable that FM receivers will be on the market in Canada before late next fall or early next year. At least that is the information we have received from manufacturers. So far as the CBC is concerned, we already have two transmitters in Montreal, we will have one in Toronto very shortly, and one in Vancouver and Winnipeg before the fall. These will be low power, installed on existing buildings and temporary installations which will be improved in due time. Canadian Marconi also has an experimental broadcasting station in Montreal operating in a similar manner. Our aim is to get FM signals on the air so that there will be programs available for any owner of an FM receiver and therefore assure to manufacturers, buyers for the equipment put on the market.

We have had consultations with CAB in the matter and we propose to have meetings with other interested parties in the near future. Whether the new system will ever replace AM for coverage is to be hoped, but then, again, the time limit is quite uncertain.

Television

We hear a lot about television and there has been an extraordinary amount of publicity designed to make listeners television conscious. Notwithstanding the millions spent in research and promotion, this new art is not developing with the rapidity that some people would like. This is due to many factors. First, there is the controversy between the promoters of two different systems. On the one hand, there are those who want to continue on the basis of television as it existed before the war and wait until a new high fidelity and colour television system is quite ready so as to introduce it in parallel with the present method. This second system must operate at a much higher frequency.

On the other hand there are those who want to start colour television and high fidelity transmission at the higher frequencies immediately, claiming that this system is ready for practical operation. This controversy has resulted in some uncertainty in the mind of the public. Furthermore, post-war labour and economic adjustments have retarded the production of television receivers and transmitters. As a result, it will be some months before new television receivers are placed on the market in the United States. At present, there are only a few thousand sets, mostly in the New York and Philadelphia areas.

Television will not be commercially feasible until a good proportion of radio homes have receiving sets. Above all this, the fundamental fact remains that television is a very costly affair not so much in capital cost as in operating cost. We believe it would be a mistake to encourage the introduction in Canada of television without sufficient financial support and, therefore, take the risk that unsatisfactory programs would, at the start give a poor impression of this new means of communication. It is a lot better, it seems, to wait until matters have stabilized in the States before starting in Canada with some certainty and permanency a system well organized from a financial point of view.

Among the most enthusiastic television promoters, there are some who declare that they do not expect to operate on a profitable basis for seven or eight years. In the meantime, high-frequency circuits are being established in the United States and some experimental attempts are already under way in Canada whereby it would be possible to operate television networks which, would, of course, bring down the cost very considerably. We, at the CBC

propose to step in and encourage television as soon as we believe it is ready for Canada. If we had listened to a few people who were insisting on an immediate decision some years ago, there is no doubt that we would now have a very cheap and inadequate service, if any, and further, manufacturers could not have, under war conditions, produced receivers or even transmitters.

We propose to continue exercising discretion in the matter and we refuse to be stamped into premature action by publicity directed to the general public and really meant for things to come. Besides, there has been a decided lull in television propaganda in Canada, during the last couple of years, and I am sure only a small proportion of those who have applied for television permits would be prepared to go through with their plans. In the United States, notwithstanding the terrific pressure exercised, quite a number of applicants have withdrawn their applications and are doing as we are doing, that is waiting for the whole matter to crystallize properly.

Facsimile

Facsimile is still an unknown factor in the future of broadcasting. It has potentialities, and I believe it will ultimately be introduced on a large scale. Fortunately, it does not require a large capital outlay. The policy of the CBC in the matter can very well be left in abeyance for the time being.

FINANCIAL DIVISION

The balance sheet for the fiscal year ended March 31, 1945, is printed in the annual report and is before the committee. For the fiscal year ending the 31st of March, 1946, the books of account are not yet definitely closed, in order that all invoices for materials, etc., delivered before March 31, together with all accrued and deferred charges, can be included. I hope that we will have for you an estimated balance sheet before this committee adjourns. I can, however, at this time give you some approximate information on our financial position at the end of the fiscal year 1945-46. For the first time in our history, we will show a net operating deficit which will amount to approximately $35,000, before providing for depreciation and obsolescence. In other words, for the year 1945-46, our expenditures will be some $35,000 above our income. We had last year a deficit after depreciation, but this is the first time we will have to draw from reserve to meet our obligations.

The operating deficit this year may be explained by the following reasons:—

First and foremost, our revenues from the sale of radio receiving licences have fallen short of our estimated budget requirements. We estimated we would receive $3,900,000 from this source and according to recent reports received from the Department of Transport, it would appear we shall receive approximately $3,787,000. This would account for a difference of $113,000.

Commercial broadcasting revenue has also not materialized as expected. We budgeted for $1,800,000, whereas we only anticipate approximately $1,692,000, a difference of $108,000 less. Savings in expenditures have reduced what otherwise might have been a very heavy deficit.

Quite naturally our expenditures are guided by what our revenues are likely to be, but in past years our revenues have reached a higher figure than anticipated, thereby allowing us to show large operating surpluses which have been ploughed back into the broadcasting business by way of capital expenditures, such as erection and installation of transmitters, studios, technical equipment, musical instruments, office furniture, etc. At the present time the situation is quite different, as our operating expenditures are continually increasing, whereas our revenues are not.

Besides paying all our debts and reimbursing the government for a total loan of $1,250,000, we have been able, in our profitable years, to accumulate

$500,000 worth of government bonds, which are held in reserve. This is considered sufficient for our present needs, even if we have to finance at times the international short wave service. Also, we have always kept $200,000 as working capital. This year, that total cash possession of $700,000 is all we will have after current commitments have been taken care of.

Going back to the 1944-45 fiscal year, the last one for which we have a complete breakdown, you will notice in studying our balance sheet that on March 31, 1945, our fixed assets were $770,547 after depreciation, for a plant which had cost $3,005,237. This does not include the international short wave station in which, on April 1, 1945, $1,038,984 had been invested. Except for accounts payable and some minor items, we had and still have no debts.

In 1944-45 our net commercial revenues, before deducting the cost of our commercial department and a portion of the cost of operation that could be charged to commercial activities, were $1,639,159. It is safe to say that our commercial revenues are of great importance to us because they help to keep our operations going and absorb a portion of our operating costs. Our revenues from licence fees collection have amounted to $3,783,452, and if we add miscellaneous income of $75,785, plus commercial revenues, you will see that our total income for 1944-45 has been $5,498,397; that is, for domestic operations only.

For sale of network time, private stations received through us in 1944-45 the total sum of $1,164,491.

For 1944-45 our expenditures can be broken down as follows:—

Programs	$2,824,188.39
Engineering	1,114,153.37
Wire Lines	929,818.54
Administration	227,740.95
Press and Information	138,241.14
Commercial	109,343.93
	$5,343,486.32

We also spent $189,407 on short wave operations.

I can give you any breakdown you may wish to have, either on income or expenditures, as we have an excellent accounting system under the supervision of our treasurer, Mr. Harry Bramah.

Mr. SMITH: Mr. Chairman, just to keep the record straight, I have made some notes of omissions in the record.

The CHAIRMAN: Dr. Frigon has not finished yet.

The WITNESS: That is all I had to submit today. I am sorry.

The CHAIRMAN: Oh, then you are finished?

The WITNESS: Yes.

Mr. SMITH: It is on page one if you will look at it, the second paragraph; there were two or three sentences omitted after the words, "a thorough knowledge of Canadian life," in the fifth from the last line of that paragraph.

The WITNESS: I added those, after the word "approach."

Mr. SMITH: The next one is on page 25, and might I make a suggestion, sir, that Dr. Frigon might approve of. On page 25, the third paragraph, Mr. Moore's name is omitted.

The WITNESS: Yes, Mr. Moore's name will go in.

Mr. SMITH: "Lately, one of our men who had worked under the torrid climate of Africa accompanied the Muskox Expedition where he also did a splendid job." I believe the man's name, whoever he is, should be added in that paragraph.

The WITNESS: It is Mr. McDonald.

The CHAIRMAN: It is understood that the name will go into the record at that point. Gentlemen, Mr. Bushnell, the Director General of Programs is ready to proceed with a presentation, but it has not yet been mimeographed and made ready for distribution. It will take a longer time than is at our disposal this morning. This course, however, could be followed, if you see fit; it could be mimeographed immediately and then mailed to the members of the committee so that, by the time he resumed it, every person would then have it in his possession. I anticipate that he would about half finish, if he were to proceed with it now, this morning. Would that be your wish? To go ahead now?

Mr. COLDWELL: No; let us have the statement all at once.

Mr. SMITH: If we had it all at once and an opportunity to read it, then we might dispense with it.

The CHAIRMAN: Then, we should not have it read, but rather have it mimeographed and mailed to us, with a view to having it presented at the next meeting?

Mr. COLDWELL: I think it should be read to us; and I also think we should not split the presentation, but rather have it read all at one time.

Mr. HANSELL: I do not agree with dispensing with the reading of it, because thereby you would be creating a precedent which is not good.

The CHAIRMAN: Then we won't call at this point upon Mr. Bushnell, but rather call on him at the next meeting. There is another point to be decided, the choice of Tuesday or Thursday. I sent around to you a memo in regard to that choice, and the replies coming back are almost unanimous in favour of Thursday instead of Tuesday. Those who did not declare that they preferred Tuesday regarded it as immaterial which day we use; so that brings it back to pretty nearly unanimity for Thursday.

Mr. SMITH: There was a further suggestion about Friday?

The CHAIRMAN: Yes; one suggestion said it would be a good idea to use Friday; but another said: Friday is no good; so I think we can cancel them out, Mr. Smith. Now would somebody move that hereafter we meet on Thursdays at 10.30?

Mr. MULLINS: I so move.

The CHAIRMAN: It is moved and seconded that we meet on Thursday instead of Tuesday. Now, which Thursday shall we start?

Mr. FLEMING: I think we should start this Thursday because there is a good deal of work assigned to this committee, and we have just begun. We are late in meeting. I was looking at the dates this morning. The resolution for the setting up of the committee was passed on April 16, yet the committee was not actually established until May 14; so we are getting away to a late start, and I suggest that we should not lose any time now; otherwise we might find it difficult to finish our work.

Mr. MULLINS: I believe we have had quite a long session today and I think we should put it off until next Thursday, a week from this Thursday.

The CHAIRMAN: You know, if we go putting it off, we may find ourselves in a jam with double meetings, or triple meetings a day a little later on.

Mr. FLEMING: I move that we have the first meeting on Thursday next, that would be June 13.

The CHAIRMAN: It would be nice if we could get it unanimous?

Mr. COLDWELL: We have a lot of material before us now which we really should go through; and Mr. Bushnell has to mimeograph this other document. I think it should be Thursday next because it looks as if we will be sitting until September now.

The CHAIRMAN: Until October, I think.

Mr. HANSELL: There is no reason why we should not double it later; nearly all committees have two sessions, morning and afternoon sessions.

Mr. BEAUDOIN: Will Mr. Bushnell's report be ready for this Thursday?

The CHAIRMAN: Yes, it could be ready for this Thursday.

Mr. BEAUDOIN: Then we should get through with Mr. Bushnell first.

Mr. PICARD: It would give us time to go through the material, if we could have it ready for this Thursday with no discussion on it, if we are not ready; and then to carry on with that later on.

Mr. MULLINS: I think we should put it off until a week from Thursday.

The CHAIRMAN: We are all agreed that it should be Thursday. That is settled. Now, shall it be the first or the second Thursday? Those in favour of this coming, immediate Thursday?

The CLERK: Eight.

The CHAIRMAN: And those opposed?

The CLERK: Seven.

The CHAIRMAN: That is, eight to seven, gentlemen. That is a majority, is it not? We will meet next Thursday at 10.30 a.m., the day after tomorrow.

Mr. FLEMING: Are there any other officials of the CBC who have statements to read, apart from Mr. Bushnell?

The CHAIRMAN: Something in the way of a prepared statement?

Mr. DUNTON: I have nothing at the moment, unless the committee wishes something.

The CHAIRMAN: There is nothing at the moment, unless the committee may wish something, or unless some questions in the committee would call it forth.

Mr. COLDWELL: I think some of us would be very interested in getting something prepared by the appropriate officials of the corporation, placing before us the logs which, I understand, are forwarded to the corporation from time to time by some of the radio stations. I mentioned one or two of them the other day, and there are more; also, I would like to know just how these stations are living up to the regulations laid down by the corporation. We have had a lot of discussion in the papers about CFRB and CFCN, and one or two other stations. I do not know who the appropriate official is, but I think we should have a report from the CBC to how these stations are living up to their obligations and the regulations. I am thinking of the stations that are looked upon by private broadcasters as their outstanding stations, CFRB and CFCN, and how they are carrying out the obligations laid upon them. I would also like to know the extent of spot announcements of those stations, and about the charges. We have a right to know just how they are doing, arising out of their permission to use the air channels which are the property of the people of Canada; and if that needs preparation, I think such preparation should be made.

Mr. SMITH: I join with Mr. Coldwell in that respect, and I would like to have the logs for the month of May to be tabled or made available with respect to stations CFAC and CFCN in Calgary.

The CHAIRMAN: Could that be carried out, Mr. Dunton?

Mr. DUNTON: We can get a report.

Mr. COLDWELL: A report is what I want.

The CHAIRMAN: It is feasible to supply that, and we will take it that it is made available, at the requests of Mr. Coldwell, backed up by Mr. Smith's suggestion, and that it be carried out.

Mr. SMITH: Private stations say that they are carrying out a public service; let us find out.

Mr. COLDWELL: And also Kingston, Kirkland Lake, and some of the smaller stations.

The CHAIRMAN: I think that would be satisfactory if it were filed with us here and distributed.

Mr. COLDWELL: I think that Mr. Radford might explain how it is being carried out.

The CHAIRMAN: Subject to questioning, of course, and amplified by questioning.

Mr. COLDWELL: Which ever way would be the more convenient.

The CHAIRMAN: It is understood; that is the committee's wish.

Mr. HANSELL: Will we be having any official statement in respect to the relationship or policy between the CBC and the various provincial governments? There are three provinces in the country that have been given some considerable publicity and consideration in this matter, and I think we should have some official statement.

Mr. COLDWELL: We asked for correspondence in the House, and they said that they would try to get the permission from the provincial governments.

The CHAIRMAN: The governments have not yet given their permission for that correspondence.

Mr. COLDWELL: I think we could easily get it from Saskatchewan; in fact, I know we could.

Mr. SMITH: There is no trouble in respect to Alberta.

Mr. DUNTON: May I say a word?

The CHAIRMAN: Yes, Mr. Dunton.

Mr. DUNTON: I think we could cover the policy of the CBC largely under licensing authority and government policy.

The CHAIRMAN: Wouldn't that come out adequately in questioning which will follow?

Mr. COLDWELL: If a recommendation were made, for example, in regard to any one of these applications, we should know what that recommendation was.

The CHAIRMAN: Would it not come out sufficiently well in the questioning, Mr. Coldwell?

Mr. COLDWELL: I think we should have the actual written recommendation made at the time.

The CHAIRMAN: Mr. Dunton will be prepared to answer questions and to bring such papers as are necessary to do so.

Mr. COLDWELL: That would be all right, so long as we know.

Mr. FLEMING: That is covered, I think, in part, in the report I asked for on page 9, in the minutes of the committee. Perhaps Mr. Dunton has a note of this and is going to make some supplementary statement, having that thought in mind.

The CHAIRMAN: It is fairly well understood that these things, so far as they could be dealt with, would be handled either by questioning or by supplementary statements to be brought out.

Mr. FLEMING: It would be much more satisfactory if a statement could be prepared, because it would save us time in the committee, and we would have a much more orderly presentation of the answers.

The CHAIRMAN: As we go along that can be dealt with, can it not? That can be dealt with as we go along. Is there anything else?

Mr. SMITH: I move we adjourn.

The CHAIRMAN: It is moved that the committee adjourn. The committee is hereby adjourned, to meet again on Thursday, June 13, at 10.30 a.m.

The committee adjourned at 12.20 p.m. to meet again on Thursday, June 13, at 10.30 a.m.

SESSION 1946

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3

THURSDAY, JUNE 13, 1946.

WITNESS:

Mr. E. L. Bushnell, Director General of Programmes, Canadian Broadcasting Corporation.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

MINUTES OF PROCEEDINGS

Thursday, June 13, 1946.

The Special Committee on Radio Broadcasting met at 10.30 o'clock. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, Coldwell, Fleming, Hackett, Hansell, Knight, Laurendeau, Maybank, McCann, Mullins, Nixon, Picard, Robinson (*Simcoe East*), Ross (*St. Paul's*) and Smith (*Calgary West*), (15).

In attendance: Officials of the CBC and of the Transport Department listed at meeting of June 11.

Mr. E. L. Bushnell, director general of programmes, was called and proceeded to make a statement relative to programmes and related matters.

The following which he tabled for distribution were *ordered* printed on motion of Mr. Coldwell, namely:

1. Cost of Talent for a few United States Network Programmes.
2. Cost of Talent for a few CBC Programmes.

(*See Appendices A and B to this day's evidence*).

The witness tabled with the Clerk for distribution copies of:

1. CBC National Programme Order No. 25 for the week of June 16-22, 1946.
2. CBC Monthly Short Wave Schedule—International Service.
3. CBC National Farm Radio Forum.
4. CBC Chart of Family Needs.
5. Young Canada Listens (Schools Broadcasts), 1945-46.
6. Report on Citizens' Forum Broadcasts—1945-46.
7. Canadian Panorama—Thursdays from 10.30 to 11.00 p.m. (E.S.T.).
8. Publication of the Kitchener Chamber of Commerce—an address of John Fisher over Trans-Canada Network.

Mr. Knight complimented the witness on his presentation.

Information relating to the Radio Act and to the Regulations and a list pertaining to talks over CBC was also requested.

After a discussion on procedure, the Committee adjourned until next Thursday, at 10.30 o'clock.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

June 13, 1946.

The Special Committee on Radio Broadcasting met this day at 10.30 o'clock a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: When we adjourned at the last meeting, it was understood that Mr. Bushnell would commence proceedings this morning by presenting his evidence. Unless you have any contrary view this morning, I will call on him now. Is that agreed?

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: Mr. Bushnell, will you please come forward?

Mr. E. L. Bushnell, Director General of Programmes, Canadian Broadcasting Corporation, called.

The WITNESS: Mr. Chairman and gentlemen, Mr. Dunton and Dr. Frigon have indicated clearly the basic policies of the Canadian Broadcasting Corporation and the manner in which they are applied and related to the work of the programmes division. My main job to-day is to carry the progression one step further. It is my purpose to tell you how the programme division functions on both a short and a long term basis—how the programme balance that has been referred to as such an essential part of the over-all operation of your national broadcasting system, is maintained in the interest of listeners.

First I think I should make it clear just what my position is and how it is related to both the management and the other divisions of the CBC. I am director general of programmes. I am responsible to the general manager and the assistant general manager. All matters pertaining to administration of the Programme Division are discussed with either or both of them. They are kept fully aware of programme plans either through correspondence, telephone, teletype or at administrative conferences held regularly at which time the heads of divisions meet for the purpose of keeping one another informed of forthcoming projects so that the work of all may be properly co-ordinated. Programme policy matters are reviewed with both the management and the chairman of the Board of Governors.

In keeping with the recommendation of the Parliamentary Committee of 1942 that the operation of the International Short Wave Service should be completely integrated with the national (or domestic) service of the CBC, I am responsible for giving direction and supervision to the programming of both systems. I have associated with me Mr. Charles Jennings, general supervisor of programmes, on the domestic side; and Mr. Peter Aylen, general supervisor of the International Short Wave Service.

It would seem proper that I should deal first with the operations of the national system although I am confident that you would not wish me to overlook the growing importance of the work being done by the short wave service, now in its second year of transmitting a fairly complete and widely diversified programme schedule to many parts of the world. It is sufficient to say at this time that while this was a new and somewhat different kind of venture from what most of us had previously been engaged in, the canons of good broadcasting

were applied as our guiding principle. We believe our efforts have not been entirely unsuccessful. Results have been extremely gratifying and it is my honest belief that Canada's high power short wave station, the erection of which was so strongly endorsed by succeeding parliamentary committees, is performing well the purpose for which it was built. If its programming is carried forward as effectively as its technical operation, there is no reason to suppose that it will not have world-wide listener interest.

The last time I was privileged to give evidence before the Parliamentary Committee on Radio Broadcasting—and I believe that was in 1944—I can recall the stress and emphasis that was laid on the responsibilities of the CBC for helping to maintain morale and to bring to listeners a true and vivid picture of the many phases of our war effort. To-day the scene has shifted, at least in some of its aspects. The responsibility now is no less great, but the emphasis has changed from war to peace. The many complicated problems that face everyone in trying to build a better world out of the ashes of confusion are no less important. The programme division of the CBC is conscious of its responsibilities and is doing its best to bring understanding and a clearer conception of world problems to its national audience during this period of readjustment.

Planning Programmes a Difficult Task

I should like to make it plain that no one in the programme division that I know regards himself or herself as possessing a particuliar or special brand of omniscience. We are nothing more, nothing less than plain ordinary beings with certain specialized capacities and experience, whose job it is to plan and produce programmes that will meet to a reasonable extent the acceptance of the shareholders of the CBC. That might appear to be an easy task. I can assure you it is not. You know before you start that to please every listener precisely when and how he wants to be pleased is an impossibility. I believe your own experience will corroborate that statement. The fact that this is so does not prevent us from trying.

I point that out for one purpose. It may well be that through the years there has developed a misapprehension on the part of some that the CBC, and particularly the programme division, has come to regard itself as the instrument through which the welfare of the nation is to be preserved, and that the enlightenment of its listeners is its sole aim. Not too thingly veiled suggestions have been made that the "intellectuals" of the CBC programme division are determined to see to it "that the public gets only what they, not the public, but what they—the planners and producers—think the public should hear". That, Mr. Chairman, I submit, is nonsense; and such stories have been and probably will continue to be circulated for no other purpose and for no better reason than to undermine the confidence of the people in their publicly owned broadcasting corporation. Cerainly such fallacious reports will not stand the light of honest, critical examination.

We of the programme division do not operate from ivory towers. We are in continuous contact with almost every organization and movement that plays a vital part in Canadian life. From them and from other sources we try to gauge what a representative cross section of Canadian listeners would like to hear and we try to give it to them. It should be clearly understood that from time to time we add new blood to our programme staff. We draw on all parts of the country for these newcomers. They bring with them enthusiasm and a freshness of viewpoint that keeps some of our more experienced planners and producers on their mettle. It is also our policy to transfer creative people from one region to another so that they do not get the chance to become narrow or sectionalized in their outlook.

I hope my remarks are not interpreted by anyone as indicating that a sense of smugness exists in the programme division, for as the Chairman has told you, the most severe criticism of CBC programmes has been raised from within the division itself. That, I think you will agree, is a healthy situation.

It might be wise to state at this point that the CBC does not try to obtain a mass audience all the time. We recognize the existence of minority groups whose tastes must be taken into account. The easy and profitable way of doing this is to put programmes that are not supposed to be big audience builders into periods outside peak listening time. This we have resolutely refused to do.

And that (indicating) is the national programme order from June 16 to June 22; and what I ask you is just to take a look at it. This is a rather astonishing looking document. There are our programmes for one week. If one is statistically minded and would care to count them there are something well over a thousand.

Mr. COLDWELL: You are not going to read all this?

The WITNESS: I don't think so. I am in the hands of the committee, of course, if you care to check our programme schedules, copies of which you have before you, you will find what are often supposed to be select audience programmes occupying the very best listening periods. Discussion groups, symphony concerts, recitals of Bach's organ music or cantatas, the drama of ideas—all of these you will find scheduled in some of the very best and commercially profitable broadcasting hours. As a matter of fact many people are inclined to underestimate the general standards of public taste. I have often been surprised and pleased to note the wide response and high rating enjoyed by some programmes that many of us thought would be listened to only by a small and select audience. I am sure that public taste is in general a bit better than it is assumed to be by many of those who cater to it.

I should like to say a word or two here about the limiting factors in our attempts to achieve perfection. One of the first of these is money. The financial pinch is perhaps felt most in the very important matter of rehearsals. Obviously the more rehearsal time, within reason, that can be given to a programme the better the final results will be. It is too often forgotten that rehearsals cost money, sometimes as much as 50 per cent of the total cost of the programme; therefore they must be carefully planned ahead so that not a moment is wasted. Even though all ordinary precautions are taken we still find that many of our programmes could be improved if more money were available to pay for extra or longer rehearsal periods.

Another financial point concerns the apparent restriction of the field for newcomers. In any large centre of production there are a number of established, experienced and professional artists—musicians, singers, actors and so on. If we are to retain the services of those people in the region, or in Canada for that matter, we have got to see that it is possible for them to earn a living. Consequently they must have regular and fairly steady work. We cannot afford to lose them, because apart from their success and public appeal, they are people who are trained and broken to the microphone. The newcomer into the radio field will in most cases find the going slow; there is plenty of room for new artists, but at first they will have to be satisfied with occasional jobs or the odd "bit" part. Of course every now and then a genius is discovered who is an immediate success.

NEW TALENT IS ENCOURAGED

I should not like you to gather from these remarks that the talented young artist has no chance. The CBC does a great deal for the encouragement of new talent of all kinds. Various recital periods throughout the week on regional or national networks give the younger artists, vocal and instrumental, an

opportunity to be heard and to make themselves known. In our numerous drama and feature programmes a very large number of new actors and actresses are tried in the course of a year and those with talent and a capacity for hard work often quite quickly get into the circle of regular or professional artists. Writers and composers get very real encouragement. It must be remembered that the singer, for instance, who may be good enough for a small town concert is not necessarily ready to broadcast to a national audience. In my opinion there is a very real *opportunity,* a duty I might say, for the community station to give these people a chance to develop and to groom real talent for competition in bigger fields.

Since reporting last to this committee, the CBC system for auditioning new talent has not been changed. Regular auditions are held at all our production points and in the course of the year hundreds of aspiring artists are given an opportunity to be heard by independent auditioning committees who report on their possibilities. Careful attention is paid to the reports of the adjudicators and whenever possible new talent is injected into either a new series or used as frequently as possible in some of our better known and longer established programmes. As an illustration may I cite a series of programmes recently started designed for the purpose of giving solo network appearances to young Canadian artists thought to have distinctive talent. Backed by a full concert orchestra we include vocalists, pianists, violinists and 'cellists. We work in co-operation with the Toronto Conservatory of Music, our consultant being Dr. Arnold Walter, principal of the conservatory's graduate school.

The formation of the programme may best be described by giving an excerpt from the opening announcement on each programme:—

> From the CBC's Concert Hall in Toronto we offer another in a series of programmes by Samuel Hersenhoren and his orchestra. Mr. Hersenhoren has as his guest artist each week, a young singer or instrumentalist who, in the opinion of a group of advisers, is deemed worthy of being brought to the attention of radio listeners. In most cases the appearance of the young artist will not mark a radio debut. Some of them have been heard before and, we hope, will be heard again.

Some of the young artists used so far are:—

Audrey Farnell—Soprano of Amherst, N.S.

She, as you may recall, was a finalist in the Singing Stars of To-morrow programme sponsored by the York Knitting Mills Company.

Frederick Morriss—Baritone, R.C.A.F. veteran now taking a "rehab" course in singing.

Joseph Pach—17-year-old violinist.

David Hughes—Baritone, R.C.A.F. veteran, also taking a "rehab" course in singing.

Esther Ghan—18-year-old coloratura soprano of Winnipeg.

Earle Moss—19-year-old pianist of Toronto.

Encouragement for Canadian Music

Mr. Dunton has mentioned the encouragement given to Canadian music through the CBC. I believe it is a fair statement to say that the CBC does more than almost all other bodies put together to help music in Canada and to enable musicians of all kinds to devote themselves entirely to their art. As another example, let me take our big symphony orchestras. We pay symphony orchestras in Vancouver, Montreal and Toronto more than $50,000 annually.

By Mr. Coldwell:

Q. Is that the aggregate?—A. The aggregate.

By Mr. Hackett:

Q. Where can we get the breakdown of that?—A. If you care I will give it to you now.

Q. I would be glad of it.—A. When we are through.

These are orchestras of which Canada is justly proud and I know that the money they receive for broadcasting is an important factor in their budgets. Without it they would find the problem of survival considerably more difficult. In return for this money we are able to give our listeners a Canadian symphony concert every week of the year, and sometimes more than one a week.

Perhaps this is a good time to mention a pleasing incident of international goodwill in broadcasting. For many years Canadian listeners have been able to enjoy listening on their own local stations to the New York Philharmonic Orchestra on Sunday afternoons, broadcast in the United States by the Columbia Broadcasting System. Recently that ceased to be a CBC sustaining programme and was sponsored in the United States by the U.S. Rubber Company. Through the courtesy of our American friends the CBC obtained permission to broadcast these programmes without charge and without advertising content. This generous action has been greatly appreciated.

We are also grateful to all the network companies in the United States for the privilege of using their many fine sustaining programmes free of charge. During the war they were unable to accept many programmes from Canada but I am glad to say that recently we have been able to send to the Mutual Broadcasting System two very good musical programmes each week.

By Mr. Hackett:

Q. Are they the symphonies?—A. No, concert orchestras. We are now making plans to expand this exchange of programmes between ourselves and other broadcasting systems in a way that we hope will be beneficial to all.

Regular Programme Conferences

Before getting too deeply involved in the details of what has been accomplished in the past two years, perhaps it would be wise to tell you briefly something about the planning that goes into programmes. Fornightly meetings of the heads of the various programme departments, such as music, talks, schools, farm, etc., are held regularly at the national programme office in Toronto. Plans not only for forthcoming programme projects are discussed and analysed but programmes that have already been broadcast are critically reviewed.

In wartime it was not always possible for us to hold national programme conferences as frequently as we would have liked. We are hoping, however, that regional representatives and programme directors will be able to assemble at least twice a year for the purpose of planning both national and regional schedules for the ensuing season. These national programme meetings are more than general conferences, for in fact they become programme clinics with both new and old ideas undergoing critical examination. New trends in programming are considered and from the wealth of material submitted by the programme directors representing all parts of Canada, schedules for the next season are drawn up. At our last national programme conference, held early in April of this year, it took the combined efforts of at least ten people almost three full days to straighten out the tangle created by the fact that daylight saving once more had become the responsibility of local and municipal authorities. Our difficulty was to arrange well established programmes such as the news and noon-day farm broadcasts in periods that would best serve the needs of listeners in five time zones. To bring these into line so far as it was possible to do has cost the corporation almost $10,000 more than in those years when daylight saving was

nation wide. I point this out to emphasize but one of the many complications that arise in network broadcasting in a country as large as Canada.

As well as national programme conferences and the fortnightly meetings of the supervisors, departmental meetings are held with producers and the specialists of the various departments. In this way the complicated pattern of our programme schedule is worked out so that an even balance between one section and another is reasonably well established. It would be a very simple matter indeed to operate networks if the objective was merely to provide programmes of straight entertainment. Because of the inevitable trend towards regionalization, decentralization, and specialization (and by the last I mean farm broadcasts, school broadcasts, women's features, news, etc.)—because of this, the problems become more complex and the overall operation very much more costly. But if we are to serve our shareholders in the way they expect to be served, and have a right to be served, further expansion along the lines I have indicated is bound to take place. All that can postpone it will be lack of funds to provide the necessary programmes and lack of CBC stations through which a full service can be broadcast.

If you would care to examine the national programme order which is issued weekly, and I think I have spoken of this before, you will get some idea of the extent of the programme division's activities. You will observe that in almost any hour of the day as many as ten or twelve separate programmes originating in all parts of the country are broadcast, some to the full network and others to regional networks. You will also notice that as nearly as possible programmes are scheduled to coincide with the times of the day in which it is felt they will best serve the needs of listeners. This weekly schedule has to be planned at least three weeks in advance and is distributed widely as an internal guide to our operations. I may say here that national programme order is not distributed to the public at large.

It would be quite impossible to give you a detailed report on all the major programmes that have been broadcast by the corporation since it last reported to this committee. Mr. Dunton has told you in general terms of the policies governing the broadcasting of what we call "public service broadcasts", such as Farm Forum, Citizens' Forum, talks, commentaries and school broadcasts. We have distributed copies of reports covering the work of some of these departments for the fiscal year 1945-46.

I am referring to these two booklets and the one mimeographed piece of paper here. One is The Farmer Feeds the World, the other is Young Canada Listens and the third is a full report on Citizens' Forum broadcasts for 1945-1946. I do not want to go into too much detail but I would call your attention to page 5 of the report on Citizens' Forum. There you get a breakdown of the participants taking part in the Citizens' Forum broadcasts of last year. You will notice all interests have been included, business, labour, veterans, co-operative unions, and we have even thrown in the odd politician.

By Mr. Fleming:

Q. May I ask what a politician is?—A. Excuse me, maybe I should say parliamentarians.

I would like you to look through them as carefully as time will permit for I am sure you will gain a more thorough knowledge of our activities in this field and cannot fail to be impressed by the wide diversity of subjects covered.

Talks and Public Affairs

One of the strongest arguments for a national publicly owned system of broadcasting advanced in the early days of broadcasting in Canada, was that such a system would be a powerful national instrument for education in the

broadcast sense. Part of the work done by the corporation in this field is handled by the Talks and Public Affairs department. Their primary responsibility is in the field of public information and adult education and consists of the effective presentation of the spoken word in a variety of forms, such as straight talks, commentaries, interviews, quiz shows, forums and discussion programmes, documentary or semi-dramatized educational programmes. The subject matter of these broadcasts covers an extremely wide area ranging from amusing yarns to discussions about world government; from modern art and Canadian literature to home economics and popular science.

Talks themselves are planned not only for serious purposes but also for entertainment. We know from the response of listeners that talks can be good entertainment and excellent listening. This is also verified by the fact that many programmes in the field of public affairs have audience ratings on a par not only with such items as news, but with many commercial programmes designed strictly for entertainment. "Citizens' Forum", for example, commands a listening audience in such cities as Toronto, Ottawa, Winnipeg, Regina and Vancouver larger than that of many non-educational programmes such as swing music or drama, both sustaining and commercial.

A letter from a listener in Winona, Ontario, which is typical of a great many we receive in praise of our talks and public affairs programmes, gave us considerable satisfaction. This lady said, and there may be some who disagree with her; but anyway this is what she wrote:—

"It seems to me that we should have more and more educational programmes. Information can be presented and made attractive via radio and listeners can be increased by raising the standard of such programmes. Professor George Kimble's series are the sort of talks that are stimulating and interesting for the whole family. Couldn't we have Blair Fraser give a series on the present Dominion-Provincial conferences? I agree with Mr. McAree (*Globe and Mail* to-day) that he (Blair Fraser) has a fine radio voice and can present political tangles in a clear, non-partisan way. Our eight-year-old son learns much about Canada from listening to John Fisher. I congratulate you on the Tuesday forums in the Citizens' Forum; they have stimulated thought and discussion on a national scale which could never be achieved by any means except radio".

The Federal Communications Commission in its recent report, already referred to in meetings of this committee, devotes a section to the whole field of sustaining programmes. They point out the popularity and importance of commercial programmes in the American broadcasting system, but they emphasize the need for public service programmes which we in the CBC have always emphasized and what is more have made it our business to produce.

May I quote a paragraph or two from page 12 of the FCC Report:—

> Since the early days of broadcasting, broadcasters and the commission alike have recognized that sustaining programmes also play an integral and irreplaceable part in the American system of broadcasting. The sustaining programme has five distinctive and outstanding functions:
>
> 1. To secure for the station or network a means by which in the overall structure of its programme service, it can achieve a balanced interpretation of public needs.
>
> 2. To provide programmes which by their very nature may not be sponsored with propriety.
>
> 3. To provide programmes for significant minority tastes and interests.
>
> 4. To provide programmes devoted to the needs and purposes of non-profit organizations.

5. To provide a field for experiment in new types of programmes in secure from the restrictions that obtain with reference to programmes in which the advertiser's interest in selling goods predominates.

CBC programmes presented under the general heading of Talks and Public Affairs, as well as others, play an important part in fulfilling these functions described by the FCC. As you know, it is the policy of the corporation not to sell time for the expression of opinion or the discussion of controversial issues. These needs we feel are taken care of in commentaries, discussions and series of talks such as "Mid-week Review", "Week-end Review", "Citizens' Forum" and so on. Book reviews may or may not appeal to the majority of the Canadian people, but our weekly book review programme "Books for the Times" has aroused considerable comment. In fact recently one of our reviewers stirred up something of a controversy about the function of criticism in the development of Canadian literature. There were a number of editorials pro and con to say nothing of letters from listeners. An editorial published by MacLean's magazine in their March 1 issue entitled "Time to Grow Up" presented a very strong argument for the role of criticism on the air in our Canadian democracy.

I should like to read that editorial.

> Not long ago a CBC book reviewer made uncomplimentary remarks about the Canadian novel. Ever since he's been dodging brickbats, not only from indignant authors and editors but in some cases from indignant private citizens. The idea seems to be that to criticize anything Canadian is disloyal, a kind of treason.
>
> This is not only nonsense it's a sign that this country still isn't wholly grown up.
>
> Criticism is the life of a free society. That's what freedom means; the right of dissent, the right of intellectual detachment. And one of the salient marks of maturity is the ability to take criticism good-naturedly, to act upon it if it's well-founded, and to ignore it if it's not.
>
> Far from resenting criticism, Canadian art, literature and journalism should welcome it. They're all a long way from perfect—harsh words once in a while will do none of them any harm. We don't hear very many. Perhaps we'd all be better off if we did.

Co-operation With Public Organizations

Many of our adult education programmes are presented in co-operation with public spirited, non-profit organizations. An outstanding example of the effectiveness of radio in presenting the findings of such organizations in an entertaining and popular canner was the series we did last winter in co-operation with the National Committee for Mental Hygiene. This programme entitled "What's on your Mind?", dealt with problems in human relationships and personal psychology in dramatized form. The broadcasts were based on authentic case histories supplied by the committee and the scripts were carefully checked for accuracy and soundness by experts on the staff of the national committee. Another example of experimentation in techniques for presenting information and ideas in popular form is the series "Science a la Mode" written by Tommy Tweed. This programme deals with recent scientific and industrial developments. It has not only built up a large listening audience, but it has also drawn many favourable comments from business trade journals, as well as teachers and educational organizations. The humorous formula of this programme is similar to the series on various phases of public health broadcast under the title "Here's Your Health" which won the first award in the Columbus,

Ohio, competition for an informational programme dealing with social questions. A popular programme of talks which has a very faithful listening audience on Sunday mornings is "Canadian Yarns" in which we offer stories by many outstanding writers including; Thomas Raddall, Marius Barbeau, Tony Onraet, Dan McCowan, Hugh Kemp, Kerry Wood, and many others. In addition, we are constantly on the look-out for good new writers and a great deal of time is spent in helping them write and present their material.

In fact during the past couple of years our talks production staff has paid increasing attention to the problem of raising the standard of broadcasting by insisting on improved quality in both writing and speaking, by experimenting with new forms of presentation and by more careful selection of broadcasters. This would be a comparatively easy task if we could rely entirely on what is now fairly large group of experienced competent broadcasters who have become professional or semi-professional in this field, but if we did this we would be limiting the fare offered to listeners to much too narrow a group not really representative of Canadian life.

Talks broadcasters may be classified generally as radio reporters—both staff and non-staff, commentators with knowledge of national and international affairs, personalities who are specialists in literature, music, sports, etc., public personages such as political figures, noted writers, etc., and representative citizens who can reflect in a radio talk, interview or discussion, the background of thought of their section of the community. Thus, in the selection of speakers the CBC has tried to have Canadian radio truly reflect the ideas and activities, the interests and diversity not only of Canadian life but of events in the world at large.

If I were to read you a list of the speakers heard on CBC networks during the past year it would include literally hundreds of names, representing quite an amazing cross-section of the Canadian people and including many renowned world figures.

The Talks and Public Affairs Department regularly plans and supervises from 30 to 40 quarter and half-hour broadcasts weekly on national and regional networks, not including daily commentaries or purely local talks. I do not want to go into detail but I would like to refer to some highlight features of this phase of our broadcasting activity.

World Affairs

Since the end of the war we have devoted special attention to problems of peace and world organization. We have done this not only because of the obvious interest of Canadians in the great events that have been taking place but also because we felt it was essential for Canadians to have access to a continuing flow of infomed opinion about international affairs in keeping with the new responsibilities our country has assumed. Detailed plans were worked out for coverage of outstandng international conferences and staff members and commentators were present at San Francisco, the United National Assembly in London, the UNRRA conferences in Montreal and Atlantic City, and at the opening meetings of the Security Council in New York City, and the meeting of the Food and Agricutural Organization at Quebec City. Talks, commentaries, interviews, discussions and actuality broadcasts from these important conferences were presented either in established weekly programmes or special features.

Recognizing the increasing seriousness and urgency of the world situation during the first four months of this year we arranged a special series of Sunday night talks under the title "Progress Toward Peace". In this series Canadian and world figures were asked to report on problems facing the United Nations and to evaluate the progress the world was making toward peace from a number

of different aspects. I think you would be interested in the names of some of these speakers. Hon. Louis St. Laurent; Hon. Paul Martin, Hon. Phillip Noel-Baker, Britain; Dr. Wellington Koo, China; Dr. R. C. Wallace, Canadian delegate to UNESCO; Hon. N. J. O. Makim, Australia; Sir Rami Swami Mudaliar, India; Raymond Gram Swing from Washington; Dr. George Johnston of the I.L.O.; Hon Herbert Lehman, of Atlantic City; L. W. Brockington; I. Norman Smith, Ottawa *Journal;* and Professor Gordon Skilling, University of Wisconsin from New York; Dr. Reinhold Neibuhr, Union Theological Seminary, New York; Colonel W. L. Hodgson, Australia; Dr. W. J. Gallagher, Secretary Canadian Council of Churches; Dr. Percy E. Corbett, Professor of International Law, Yale University; Dr. Ewen Cameron, Professor of Psychiatry, McGill University; C. Gordon Cockshutt, President Canadian Chamber of Commerce; Don Fairbairn, CBC war correspondent; and Kenneth Wilson, *Financial Post;* Canadian representatives attending the United Nations in London in January heard on the air in Canada also included the Hon. James Gardiner; Gordon Graydon, M.P., and Stanley Knowles, M.P.

Programmes Featuring Veterans

In addition to world organization another important area of concern which demanded our attention was that of rehabilitation and re-establishment of veterans. In addition to the special rehabilitation programmes which I will mention later, we presented a number of series of ten or more broadcasts which featured Service personnel including "Adventure Story", "When I Was Overseas" and "The Secret is Out". We also made particular effort to ensure representation of the veteran's point of view in many of our other programmes.

Commentaries on National and International Affairs

One of the most successful new programmes established during the past year has been "Capital Report". Heard every Sunday at 2.00 p.m. EDT on the Trans-Canada network it brings Canadians an interpretation and summary of the important developments as seen from Washington, London and Ottawa. Matthew Halton reports regularly from London in outstanding talks which have attracted widespread attention and praise. In Washington our panel of commentators (all Canadians or former Canadians) has included Charles Michie of *P.M.*, R. T. Bowman of the Southam Press; Hal Miller, correspondent for the Toronto *Telegram* and member of the editorial staff of the London *News.* Our Ottawa panel has consisted of Chester Bloom, Blair Fraser and W. C. Eggleston, all of whom I am sure are well known to members of this committee.

"Weekend Review" which is devoted to a survey and analysis of the significant events of the week in international affairs has continued to be an established favourite with many listeners. Our regular panel last winter included H. L. Stewart, G. V. Ferguson and Elmore Philpott. Other speakers heard were Willson Woodside of *Saturday Night* and Craig Ballantyne of the Montreal *Standard.*

"Midweek Review" heard on Wednesday evenings has presented the opinions of three speakers each week—one report from England, one commentary on international affairs, and one on Canadian affairs. In this programme we have drawn on a wide group of speakers including R. A. McEachern; Bruce McKinnon —both of the *Financial Post;* Dr. Glen Shortliffe; Wallace Reyburn; Ronald Kinsman; Dr. R. O. McFarlane; Henry Angus; B. T. Richardson; J. B. McGeachy; Sir Robert Holland; Willson Woodside; Donald C. MacDonald; Lou Golden of the Toronto *Globe and Mail;* Andrew Cowan; J. P. Smith; Frank Doyle and C. F. Fraser; Dr. E. T. Salmon; Percy Phillip; James Grey; Major

Gerald Graham; Alexander Calhoun; Elmore Philpott; Prof. George F. Drummond; Gordon Skilling; Ann Francis. "This Week", a Saturday night period devoted to topical talks, is designed on a week-to-week basis in order to maintain some flexibility and provide an opportunity for presenting talks by outstanding visitors to Canada or reports about conferences, special anniversaries or other current events.

Balanced Presentation of Views

Undoubtedly one of the most difficult jobs we have is that of planning broadcasts in the field of public affairs. It is in this area dealing with international and national political broadcasts that we are likely to be subjected to the most severe criticism and to pressure from many different quarters. In these days of rapidly changing political and economic events in which conflicting ideologies are competing for public approval in this and every country of the world, listeners are bound to feel strongly about views expressed by broadcasters. One gathers from reading the editorial columns in newspapers and letters from irate listeners that there are certain erroneous impressions about the programme policies of the CBC in this field. I would like to give you just a word of explanation about the basic principles which guide our work in the planning of programmes and the selection of speakers. It may seem obvious, but I think it is worth stressing, that our underlying philosophy is completely democratic in character. We recognize that there are conservatives as well as liberals in Canada; there are socialists and adherents of other economic and political theories; there are British imperialists and Canadian nationalists. We recognize that the interests and points of view of business men are sometimes different from those of trade unionists or farmers. Some people believe co-operation offers the solution to all social and economic ills whereas others see the only salvation in complete preservation of free enterprise. In other words we recognize that there are a variety of major points of view about social, economic and political problems and that it is quite likely all are represented among our shareholders—the licence payers. Consequently, we are constantly aware of our responsibility to try to give reasonably fair representation to these different interests and opinions in our commentaries, talks and discussions. We feel that, while the frank expression of opinion may arouse more criticism on one side or the other, this is in the interests not only of good broadcasting but also of the preservation of democracy in Canada. Diversity of point of view and conflict of ideas is of the essence of the democratic way of life. Further, for this reason, once we have selected speakers we encourage them to express their views frankly and honestly. Aside from the obvious safeguards against libel, slander, defamation or racial or religious discrimination, we do not exercise censorship or attempt to dictate what speakers shall or shall not say. However, we believe also that freedom of speech does imply responsibility. For this reason we insist that commentators or speakers shall be reliable and accurate in their presentation of fact.

There are a number of methods of presenting information and opinion on the air about public affairs. One of the most popular methods is broadcasts by well-known commentators who have established their personality and identity in the mind of the listener. It is an established CBC practice to use panels of commentators rather than to rely on any one or two individuals. In selecting these panels we try to make them broadly representative of different major points of view in the country. In addition we have to keep in mind their suitability for the microphone both as to voice and personality. And that, gentlemen, is important.

Also, we attempt to select people of experience, competence, and special knowledge in particular fields, whether international affairs, business, agriculture, labour, women's interests, or national politics. Finally, we feel it is important

to select people who are known for their integrity, reliability and good judgment no matter what their particular viewpoint.

In addition to commentaries we feel that listeners are interested in and have a right to hear the voices and views of personalities who figure in the news, about questions of current interest. Since many of these questions are likely to be controversial we feel that the best way to handle issues such as labour management disputes, civil rights, price control, jobs for married women, to mention just a few illustrations, is to ask two or more speakers to express their opinions in one broadcast. Or, alternatively, to present a series of broadcasts in which different speakers are heard on succeeding weeks.

Finally, there is an important job to be done in the field of public affairs through the medium of direct discussion in forum or round table broadcasts. Here two or three representative speakers can engage in person to person argument so that the listener may be in a position to weigh the pros and cons and to judge for himself the relative merits of different schools of thought on any particular issues. This does not mean, that we always strive for out-and-out controversy. We feel that it may be equally beneficial if participants in a discussion who are representative of different interests, find that there are areas of common agreement about any particular question. During the past year we have tended in Citizens' Forum to put more emphasis on ad lib broadcasts which are presented without script, although there is a considerable amount of pre-broadcast planning and discussion. Next year we intend to put more emphasis on topical subjects.

You may be interested to know that we have also had in recent weeks on the Dominion network a fifteen minute programme called "Youth Discusses". This programme was developed by the Y.M.C.A. and one of the privately-owned stations in Hamilton, Station CHML. It was so interesting that we felt it deserved a wider audience and consequently in co-operation with the Hamilton people we presented a series of six broadcasts on the network. We have followed this with a similar programme arranged with the co-operation of Miss Isabel Thomas and pupils of the East York High School in Toronto, entitled "Topics by Teen Agers". It is interesting but perhaps not surprising that young people are frequently much more lively and vigorous in a discussion than are their more serious minded elders, or perhaps they do not stand in the same awe of appearing on a national radio network.

Community and Family Life, Science, Nature, Travel

During the past year we have presented several dramatic programmes dealing with various aspects of individual family and community living. "The People Next Door", written by Elsie Park Gowan; "Don't Leave It To George", a series about the responsibilities of citizens in a democracy, and produced in Vancouver.

"Science a la Mode", humorous dramatic scripts written by Tommy Tweed, Dominion network, Mondays 10.30 p.m., on such subjects as "Good Wood Would", "Metal and the Crystal Ball", "Long Distance Talking", "Long Distance Writing", "Subbing with Substitutes", "Take Your Time Bub", "It Begun with the Sun", "Escape on Rubber", "Overdraft at the Blood Bank", "The Eyes Have It" and "Boy, Some Shape". Believe it or not, these were the titles of educational programmes based on sound scientific knowledge supplied by expert authorities.

Neil Morrison, Supervisor of Talks and Public Affairs, in a short series reported his impressions of conditions in Holland and Germany after his visit there last summer; so did Mr. L. W. Brockington, K.C. Currently our Farm Broadcast Supervisor, Fergus Mutrie, is attending the World Farm Conference in London and has been doing special reports for the farm audience and other listeners.

Talks producers in various regions in the country have the responsibility of planning programmes dealing with the special interests of their own region. For example, we have presented a variety of subjects and speakers in such weekly programmes as "Prairie Comment" and "Maritime Comment". Another old favourite with listeners is the Sunday morning programme in the Maritimes, Ontario and Quebec, Prairies and B.C., called "Neighbourly News". Friendly radio personalities, Andy Clarke, R. D. Colquette, Gerald Redmond and Les Way, report on news of local doings selected from the weekly papers in their own region. This programme is presented in co-operation with the Weekly Newspapers' Association. On the Prairie, Bill Good gives a weekly sports roundup.

Women's Interests

Our Talks and Public Affairs Department has another specialized section—Women's Interests.

Happy family living was the basic theme of women's talks on national and regional networks. Practical and scientific information was supplied on current problems of food conservation, consumer buying, home dressmaking, health, housing, recreation and child care.

Two dramatized series of "CBC Cooking School of the Air" appeared to be extremely popular.

For the annual "School for Parents" programme, 85,000 Charts of Family Needs were distributed through women's organizations, provincial departments of education and individual listeners.

Opportunity for mothers to speak from their own practical experience on techniques of building home life was provided in the series "Mother's Business".

Vocational guidance to high school girls, and women looking to present day labour opportunities, was offered in a second annual series "Your Next Job", and suggestions for community organization supplied in an all-winter series "Community Life".

The series "Women in Office" was an interesting one. Eighteen Canadian women, members of parliament, women mayors, councillors and school trustees, participated. Women holding public office in Great Britain, United States, Australia and South Africa also gave their personal views on the duties of women as citizens.

National women's organizations aided in publicizing CBC women's talks by distributing 60,000 programme leaflets, and home listening circles were formed to follow special series.

Regional women commentators in regular morning programmes supplied reports, interviews and comment on community events, and Ethelwyn Hobbes spoke five days a week on homemaking. Special weekly programmes of this type were supplied in the prairie and B.C. regions. So you see it could hardly be said that we have overlooked the interests of the real homemakers of the country.

Sports College of the Air

Our Chairman referred briefly to the programme "Sports College of the Air" which the C.B.C. initiated in cooperation with the National Council of the Y.M.C.A. of Canada. This, by the way, is another programme for which our Talks and Public Affairs Department is responsible. "Sports College" began on July 29, 1944, and is broadcast once a week for fifteen minutes over a network of 44 stations. We feel confident that it reaches a specialized audience of not less than 500,000 listeners a week and this, I may say, without any special inducements or $64 questions. I should think that almost a Canadian record has been set in the way of mail response. From 80 fifteen-minute broadcasts once a week 426,998 pieces of mail were produced. Some of you who are statistically

minded might care to figure out how much revenue these produced for the Post Office Department. About 65 per cent of the mail received comes from rural areas and places of less than 5,000 population and communities where there are no Y.M.C.A.'s. The board of consultants is composed of nationally known specialists in physical education, health, nutrition, mental hygiene, boys' work and radio broadcasting. Time does not permit to give you further details of what seems to be a very worthwhile project. It is sufficient to say that "Sports College" has been endorsed in formal resolutions by the National Fitness Council, the Canadian Physical Education Association, the Toronto Board of Education and in thousands of letters from school principals, boys' workers, ministers of religion—both Protestant and Roman Catholic, group leaders, sports coaches and parents. It is only fair to add that the National Advisory Council of the Y.M.C.A. has provided some $50,000.00 since the inception of this programme to take care of the cost of printing pamphlets, answering letters, issuing membership cards and distributing free sweater crests, all of which are offered without charge and without discrimination and have no connection with membership in local associations. This rather large sum has been donated entirely by private individuals and organizations interested in boys' work. I have been informed that not one cent of the ordinary revenues of the Y.M.C.A. goes towards the support of this project.

John Fisher Reports

I do not wish to pick out particular programmes or persons for special mention but I should like to refer now to the series known as "John Fisher Reports". I am sure many of you have heard Mr. Fisher's broadcasts. One of the aspects that seems to have attracted particular attention has been his reporting on the origin, development and the present activities of some towns and cities located all across Canada. Just a few days ago a brochure, published by the Chamber of Commerce of the City of Kitchener was brought to my attention. This organization thought so highly of Mr. Fisher's broadcast that it went to the expense of publishing and distributing it widely.

In the last two years Mr. Fisher has broadcast special stories about thirty-five Canadian towns, cities and communities. In his other broadcasts he has given publicity to dozens of others. I do not propose to recite the full list but a few will serve to illustrate. When he spoke about Lunenberg the title of his talk was "Tides and Tidiness". From Sudbury he talked about "The Three Stack City", emphasizing the richness of our great mineral belt. When he was in Edmonton he told the story about the opening up of the Peace River district and called his broadcast "Champagne in the Bush". From Trois Pistoles his subject was "The Better Way" when he stressed the excellent work being done at the annual summer school in teaching both the French and English languages. A story about Winnipeg was called "In the Heart of a Continent", and one about Regina was entitled "Dust but never Despair".

But in this way, incidental though it may seem, I am sure you will agree these broadcasts by John Fisher are helping to create in the minds of Canadians a consciousness of oneness and nearness.

Not only are Mr. Fisher's broadcasts of interest and benefit to Canadians but from mail received it is evident that he has a large following in the United States. We feel sure that he is doing a good job in promoting Canada's tourist industry. May I quote a sentence or two from a letter received last month from a resident of Kenora, Ontario. He says:— "The Canadian Restaurant Association sent to its members copies of a broadcast in which you suggest that higher standards for tourist accommodation and entertainment must be set. Our respect for your judgment has crystallized a long held desire into a decision". Then he goes on to tell what that decision was. I believe they bought a motor boat or something like that.

By Mr. Hansell:

Q. I do not want to stop any discussion, but I would like to know why John Fisher was shifted to another hour?—A. It was just a normal matter of programme scheduling.

Q. I did hear some criticism of that, since he is not on the best listening hour now. It was just criticism that came to my attention?—A. There again it was a matter of judgment. We thought it was a better hour. John Fisher has been shifted from 6.30 to 8.30 on Sunday evenings.

By Mr. Hackett:

Q. Don't you have to give the better hour to someone, now and then?—A. Yes, we do.

Mr. HANSELL: I do not know about that.

The CHAIRMAN: I do not wish to curtail the discussion, but we had it fairly well understood that questions would be reserved until after the presentation.

Mr. HANSELL: I am sorry, Mr. Chairman.

The WITNESS:

> He concludes his letter: Yours is the yeast that leavens the bread which, cast on the tourist waters, should return many fold indeed.

REHABILITATION PROGRAMMES

Some eighteen months ago, when it became fairly obvious that the war might end soon the CBC began planning for the period of readjustment that would follow. A special committee was set up at national programme office to advise the production staff on rehabilitation programmes. The committee considered at that time that such programmes would tend to fall into three phases:—

(1) The immediate preparation, while the war was still on, of civilians at home for receiving returning veterans. These programmes would take the form of talks on the psychological and social readjustment of *both* groups. Programme producers were instructed not to overstress the problem of psychological readjustment but in view of current interest in the topic at that time it was felt that the Canadian people should hear the foremost authorities on the subject.

(2) The second phase envisaged the end of the war in Europe and was to concern itself with the more immediate problems of the return of the men themselves.

(3) The third phase was related to the problems of getting men and women back to industry, and of the conversion from wartime to peace-time production.

In carrying out the lines laid down by this special committee the CBC co-operated with trade unions, employers of labour, the Canadian Legion as well as government departments and rehabilitation agencies.

When the Rehabilitation Information Committee was set up by the government the CBC was asked to send a representative. Because of the importance attached to re-establishment programmes, Andrew Cowan, CBC staff member who had been serving overseas for two years as a war correspondent, was recalled to be special assistant to myself on all matters relating to re-establishment, and to represent the CBC on the Rehabilitation Information Committee. In January 1946, Mr. Cowan was sent to London, England, to represent the International Short Wave Service and was replaced in rehabilitation work by Mr. Donald Fairbairn, who for two and a half years served overseas with the R.C.A.F.

May I take a few minutes to tell you about some of the special programmes that were created and produced for this purpose.

(1) "The Soldiers' Return". This was a series of 41 talks by outstanding Canadian authorities on the problems of veterans' readjustment to civilian life and their return to family community and industry. The series entered a second phase after VE-Day, when the speakers shifted the emphasis to employment for veterans and for civilians who had participated directly in war industry.

(2) "Repat Reporter". When the series "The Soldiers' Return" was completed in September 1945, it was replaced by a series written and broadcast by Royd Beamish, now on the staff of The Financial Post. Major Beamish had been a public relations officer with the Canadian army overseas. His talks were factual reports and analyses of the way in which the rehabilitation programme was working out for those who had served their country.

(3) "The Johnny Home Show". It was apparent that there was a need for a light type of programme which would explain rehabilitation to listeners who ordinarily do not listen to talks or get their information from other sources. The suggestion for such a programme was endorsed by the Rehabilitation Information Committee. Staff Sgts. Frank Shuster and Johnny Wayne, who had played such a big part in creating the Army Show, were engaged to write the script.

(4) "Servicemen's Forum". This programme, which began in January 1945, was a discussion by service personnel of the problems they expected to meet in the post-war world. At first it originated in army camps, air force stations and naval barracks in Canada, and after January of 1945, it was produced in England and on the continent. The programme was prepared by Lieut. Donald MacDonald, RCNVR, and Lieut. Robert Allen, of the Canadian army. Full freedom of expression was given to those who participated and all angles of the many problems fighting men expected to face upon their return to civilian life were discussed "without let or hindrance". They were indeed real "bull sessions".

(5) "Civvy Street B.C.". In October 1945, the first of these programmes was broadcast from Vancouver to the Pacific network. Douglas Nixon, of the British Columbia programme staff, spent six weeks during the summer gathering material from all sections of the province. These broadcasts served to explain the work of the Citizens' Rehabilitation Committees throughout the region. Where good work had been done due praise was given and held up as worthwhile examples for less energetic communities to follow.

(6) "Civvy Street Down East". During the winter months of 1946, a similar programme to "Civvy Street B.C." was broadcast over the Maritime network.

(7) "Your Family". On the Dominion network, a new type of programme was started in March of this year. It portrays the life of a typical Canadian family of to-day. It was felt that the most obvious and one of the best methods of highlighting rehabilitation problems and presenting suggestions for their solution, was to relate them to the every day happenings with which family life is confronted. This programme is meeting with considerable success and it is hoped it will continue as long as there is need for it.

(8) "Gregory Clark's Programme". It was felt that there was a need for a programme that would answer the questions of servicemen, ex-servicemen and their dependents on their rights and benefits. Gregory Clark (who has a warm and sympathetic radio personality), a veteran of the first great war and a most distinguished war correspondent in world war two, answered questions received from listeners—each related to his or her own special problem.

Matters pertaining to rehabilitation information were also introduced in their natural context through established programmes. They have been dealt with in "Farm Forum"; "Stage 46"; John Fisher has devoted some of his Sunday evening periods to them. They have been included in women's talks and in many

other programmes. I think it should be evident that this extremely important subject has been dealt with in a very comprehensive way by the Canadian Broadcasting Corporation.

Probably it is getting the cart before the horse to talk about rehabilitation and then refer to CBC activities overseas. But the period I am about to review includes not only the days of some of the fiercest fighting, but also what has taken place since the "Cease Fire" order was given both in Europe and the Far East.

Overseas Unit

The overseas unit based in London, England, was and still is responsible to the News and Special Events department of the national programme office. This section is directed by Mr. D. C. McArthur, our chief news editor.

Battle coverage became more difficult in the last weeks of the war, since the press camps could not keep pace with the armour and infantry as they swept with increasing speed into enemy territory. The CBC's battle reporters travelled hundreds of miles daily to get up to the front and back again to points from which their recordings could be flown or radio-transmitted to London, and from there via BBC short wave to one of three CBC receiving stations. The weeks from the beginning of April to VE-day were among the most strenuous of the whole war for the correspondents. They also had their added dangers, for as they dashed by jeep across the German and Dutch countryside, over roads only hastily checked for mines, our men were frequently uncertain whether they were in our own or the enemy's territory.

At the end of February, the CBC's war reporting personnel was consolidated, for W. J. Herbert and Paul Barette accompanied the 1st Canadian Corps on its secret move from Italy to western Europe. It was not until April 23 that censorship was lifted and Herbert and Barette were able to broadcast their accounts of it.

April 24 brought historic broadcasts from Halton and Ouimet—accounts of the link-up with the Russians on the Elbe. On that date also, a sidelight on the rapid sweep of victory came in a broadcast from the CBC's London office—interviews with a number of released RCAF prisoners of war were being flown from the continent to England at the rate of hundreds a day.

The CBC's war reports kept pace with the succession of German surrenders, the over-running of prison camps and concentration camps, and the final assaults of allied air power. On VE-Day, the overseas unit broadcast messages from General Crerar, General Officer Commanding the 1st Canadian Army, and Honourable Vincent Massey, Canadian High Commissioner in the United Kingdom. From Paris, we carried an eye-witness account of the final German surrender to the Allies at Rheims. The following day Matthew Halton was on the air from Paris, describing Berlin, whence he had just returned by 'plane as a member of the first allied press and radio party admitted to that devastated city.

The end of the war in Europe presented the CBC overseas with an important new function, and from telling the home audience about their men in battle, the emphasis of the CBC's overseas job swung to keeping the troops more and more in touch with home. Throughout the campaigns in Europe, Canadian troops had been getting Canadian news and entertainment supplied by the CBC, through the Allied Expeditionary Forces programme which were broadcast over BBC transmitters to all fighting fronts. The AEFP discontinued its operations on July 28, 1945, but the following day the CBC overseas unit, through advance planning and the notable co-operation of the BBC and the Canadian army, inaugurated the Canadian Forces Radio Service—a service of sixteen hours' daily broadcasting for the Canadian troops in England awaiting repatria-

tion. The BBC provided studio accommodation, special transmitters and indispensable technical help and advice; the Canadian army underwrote the cost and provided broadcasting staff. Gerry Wilmot of the CBC supervised CFRS operation with Major Campbell Ritchie, of Canadian Army Public Relations. The daily programming provided a large number of specially-designed troop programmes from the international service of the CBC, including news broadcasts direct from Canada. Later in the year, through the co-operation of the Netherlands National Radio, seven hours of Canadian radio programmes were broadcast daily over Radio Hilversum for the benefit of the Canadian troops in Holland and the Canadian Occupation Force in Germany.

After the withdrawal of the last Canadian troops from the Netherlands, the Hilversum service was discontinued and CBC troop broadcasting efforts on the continent were focused entirely on the occupation force. At the end of March, 1946, the Canadian section of the British forces network was broadcasting approximately twenty hours of Canadian programmes per week, operating from its own studios at Oldenburg, in the heart of the CAOF area.

Meanwhile, the CFRS closed down operation in the United Kingdom on February 2, 1946.

These troop broadcasting activities were additional to, but did not replace, the overseas unit's original function of reporting the British and European scene to Canada. From London and from the liberated and conquered capitals of the continent, CBC correspondents continued to broadcast reports, in English and French, for all CBC networks. For instance, CBC men sent full accounts of the victory march through Berlin; the opening phases of the Nuremberg war criminal trials were reported by Matthew Halton. Similarly, the first session of the United Nations, in London, was thoroughly covered by Messrs. Halton and Cowan, with supplementary help from other commentators who were regular contributors to the CBC's overseas reporting.

The CBC overseas unit is continuing to discharge these functions, although several of its wartime members have been recalled to Canada. Remaining there are Matthew Halton, Benoit Lafleur, who reports regularly to the French network, and Lloyd Moore of our engineering staff. Gerry Wilmot, whose voice is known to millions overseas, has decided to leave the CBC to accept a position in broadcasting with another Commonwealth country. We regret his decision and it would seem only proper to pay tribute to the excellent work he has done since the very beginning of the war in broadcasting to Canadian forces overseas and reporting on their activities to their friends and relatives at home.

In our regular service of news bulletins here in Canada, no period in history brought more momentous news events. In April, 1945, Mr. Roosevelt died; Mussolini was executed by Italian partisans. On May 1, Hamburg radio announced Hitler's death in the rubble of Berlin.

VE-Day was followed by the setting up of the United Nations Organization at San Francisco. The Potsdam declaration was signed in August.

Four days later, the first atomic bomb was dropped and the capitulation of Japan followed quickly.

Each of these events meant special service to listeners from CBC.

In addition to the regular service of news bulletins carried at breakfast time, noon, supper time and late evening in all of the different time zones, a special service of bulletins was set up over VE-Day and VJ-Day periods. Network control was vested in the central newsroom in Toronto, so that special news could be put on the air at a moment's notice to the whole national network, regardless of what programmes were being carried. Through the exchange services of the BBC and the American networks, many additional features and commentaries from overseas, from Europe and later from the Pacific, were made available to Canadian listeners. The French network was serviced on all of these occasions from Montreal.

Although it might make an interesting story, it would take far too long to recall the many special programmes broadcast on VE and VJ-Days. All departments and all regions played a full part. No one, least of all broadcasters is likely to forget them. In passing it might be worth noting that for the special programmes presented on these two days, the cost to the C.B.C. through extra expenditure involved or by reason of the cancellation of commercial programmes was not less than $40,000. When one is operating on a restricted budget such an unexpected curtailment of revenues, plus heavy special costs, is indeed serious. The only way in which the financial balance can be restored is by cutting the costs of long established programmes or in other ways limiting programme service. Nevertheless these are occasions when national radio has an obligation to the public which it must accept.

In any account of the C.B.C. overseas unit, mention must be made of the technical personnel. The part played in the C.B.C.'s overseas job by C.B.C. engineers and operators was largely anonymous, but nonetheless indispensable.

Now, I realize that the general manager made mention of the fine work done by the engineering section of the overseas unit; but, as the director-general of programmes, I, too, should like to pay tribute to that work.

One of the two original members of the unit was an engineer—Arthur W. Holmes, who with Bob Bowman, accompanied the first Canadian contingent to Britain in 1939. His study of requirements was the basis on which the C.B.C. was able to build its excellent technical facilities for war reporting. Throughout practically all the war years he served as senior overseas technician, and before the war was over the C.B.C. had as many as seven engineer-operators simultaneously at work on the battle-fronts and in Britain.

The engineers shared fully in the risks of their reporter colleagues—a fact to which countless battle and blitz recordings testify. Two C.B.C. engineers survived the torpedoing of their ship, and did excellent rescue work in the Mediterranean. Another went on a bombing mission to Berlin in the first Canadian built Lancaster aircraft, and got back by a most precarious margin. Through Sicily, Italy and western Europe, C.B.C. engineers went wherever the reporters went, and very often they made their recordings under enemy fire. The C.B.C.'s battle recordings are evidence of the engineers' devotion and courage, as well as of their skill.

Speaking of overseas service, we have welcomed back to the C.B.C. many men and women who for the past four, five and some of them six years, have been serving their country with the armed forces. We have not found them a problem. Indeed the very opposite has been true. Generally it has been found that though they required a short period in order to get used to microphone work again their experiences have given them added maturity and authority. Experience in camp and in the battle lines and in hospitals behind the lines has given new impetus to their imagination, and provided them with a thousand human interest stories upon which that imagination can play. We believe they will continue to bring new ideas to us; that they will tell us how to use this great instrument called radio with greater skill and effectiveness. This applies with equal force to those, who, though not members of the C.B.C. staff, have become artists of prominence in their own right. Many of them have been with the Army Show or the Navy Show, or in entertainment units of the R.C.A.F. and have thereby gained experience in the entertainment field that will quickly open the doors of broadcasting to them. It is hardly necessary to say that our producers and programme builders are giving them not merely encouragement, but very real and practical recognition of our appreciation of what they have done.

I should like to say a special word about our announcers. They are in a way our shop window and they have a great responsibility in helping to establish and maintain good standards of speech. They are mostly young men,

and consequently we had a hard time during the war to maintain our standards. There probably will never be complete agreement in this country on the subject of what are the correct and acceptable standards of English, but I believe that to-day we have an announcing staff that will stand comparison with any on the continent. Many of them are returned men, to whom what I said a moment ago applies very particularly. All of them are keen about their work, ready and willing to do the study and research that their responsible work requires. As in past years they are ably directed and supervised by the Supervisor of Broadcast Language, Mr. W. H. Brodie.

By Mr. Hackett:

Q. They should take a lesson from that in Quebec where the pronunciation of some of the cities and towns, in Quebec, is hopeless.—A. I daresay that is true.

As I have indicated, during the war CBC News Roundup was established primarily for the purpose of carrying reports from our war correspondents in the different theatres where Canadian forces were engaged. Each night, Monday though Friday, we carried in this program two reports from overseas, with an analysis of the day's war news by Willson Woodside. After fighting ended on the different fronts, it was felt that the roundup should be re-established on a more comprehensive formula. It now includes reports from overseas correspondents like Matthew Halton, dealing with international news developments, occasional reports from Ottawa and Washington discussing developments of unusual news interest, and from time to time reports from other countries. However, in addition to these we also include in each roundup two or three items from different parts of Canada, highlighting some of the unusual and little known things that are happening in our own country. We feel that, in addition to information on international affairs, it is important that Canadian listeners should in times of peace be given the opportunity of hearing what goes on at home.

I should explain that this programme is designed not to be interpretative but to carry reports on news events, or factual information that may help listeners to understand news developments more clearly. Broadcasts of opinion, as I have said before, are the responsibility of the talks department, not the news department.

The reports in CBC News Roundup are for the most part contributed by experienced radio and newspaper reporters or persons who have expert knowledge in certain fields. Some reports come from members of our own staff, like Bill Herbert in Vancouver and Roger Baulu in Montreal. Peter Stursberg, who was a CBC war correspondent and who is now working for a London daily newspaper, recently gave us voice reports direct from Delhi and Simla in India on the negotiations then taking place there.

I should like to give you a few examples of the type of report that we have been carrying in CBC News Roundup, from different parts of the Dominion. We had very thorough coverage on Operation Musk-Ox, from the RCAF Public Relations Officer for the expedition, Flight-Lieutenant Gadsby. Here are some other interesting features that have been broadcast—an actuality of the annual horse sale at Lacombe, Alberta; a description of the new air ambulance service from Regina; a broadcast from the ice-breaker clearing Montreal harbour for spring traffic; an actuality of the spring log run north of Quebec City; a description from Halifax of the rescue of survivors from the Greek freighter that went down off Sable Island; a description of the trotting races on the ice, from Charlottetown; and from New Westminster an actuality broadcast of the loading of the biggest shipment of shelled eggs ever sent to Great Britain.

It is only proper that I should pay tribute here to the high degree of co-operation that we have had from private stations throughout Canada, in developing interesting contributions to this programme, the CBC News Roundup. It offers an example of the effective way in which national radio and private

stations can co-operate in service to Canadian listeners. Our roundup offers one of the most effective mediums for informing Canadians about their own country, and it would be difficult to do this successfully without the co-operation of local stations. Things that are interesting and unusual happen in every part of the country and we never know where a new story will come from. So far this year we have had roundup contributions from private stations in:—

Halifax
Charlottetown
Saint John, N.B.
Fredericton
Cornwall
Peterborough
Hamilton
St. Catharines
Kitchener
London
Chatham
Windsor
Owen Sound
North Bay
Sudbury
Fort William
Fort Frances
Winnipeg
Regina
Prince Albert
Edmonton
Calgary
Trail and Prince Rupert

It is our hope that this cooperation will continue and extend. The roundup programme will not be carried during the two summer months of July and August but will be on the air again in the early Autumn.

Feature Broadcasts

Mr. Dunton has mentioned the series produced by our Features Department called "White Empire" in which the history and development of Canada's great northland was interestingly and vividly told. I should like to mention another called "Canadian Panorama"—a series of twenty-five documentary features broadcast over the Trans-Canada network started last October and ended in April of this year. I do not wish to weary you with a long recitation of what this series was about. A synopsis of each programme has been prepared and a copy is before you. May I earnestly suggest that you read it carefully. In my opinion these programmes presented in an entertaining fashion and interpreting as they did, Canada to Canadians, were sufficient in themselves to fully justify the need of a national broadcasting organization such as the CBC.

Entertainment

It may seem that I have spent far too much time in telling you about our public service broadcasts. I do not want you to think that the straight entertainment side is overlooked. It is not. In fact entertainment constitutes a major portion of our work. Nor does it follow that programmes in the public service field are devoid of entertainment value. To inform, one does not have to be dull.

Among the many programmes that have been scheduled during the last two years and that have had no other purpose than sheer entertainment I can only mention a few for literally there have been thousands. Some of these, in my opinion, have been top-flight shows and will stand comparison with any of a similar nature that are produced anywhere in the world—and this in spite of their relatively low cost.

I have often been asked why in Canada we don't have more comedians. It may be because we are such a serious minded people but I think the real reason is not hard to find. We have never had a national theatre, or vaudeville or burlesque shows that were of our own creation. Even the old Chautauqua circuits have disappeared. It was from sources such as these that sprang the comedians featured in programmes originating in the United States and Great

Britain. When we do discover one in Canada, such as Alan Young, the wealthier networks and sponsors in the United States lure him away from us. To-day Alan Young is quite likely being paid ten times the amount either the CBC or a Canadian advertiser could afford. High priced comedians in the United States usually have three of four writers on their payroll and a good one seldom receives less than $500.00 a week. A recent issue of "Variety" (the trade paper of the entertainment world), contained a list of the cost of some of the outstanding sponsored programmes heard weekly on American networks. Many of these are also broadcast over one or the other of the CBC national networks.

Now, gentlemen, I have two sheets here, and I would like them to be distributed for your information.

1. Cost of talent statement fnr a few United States network programmes, *(see appendix "A").*
2. Cost of talent statement for a few CBC programmes, *(see appendix "B").*

You will notice that one of the top-flight shows is over the $20,000.00 mark and a great many come close to this astonishing figure. This is for one programme only, of, in most cases, thirty minutes' duration. And may I remind you that these costs represent only the money paid to talent—to artists, writers, and musicians—and *do not* include the cost of station time or network facilities.

By Mr. Hackett:

Q. And what about royalty. Is that included?—A. I would not presume that it was.

On the other hand, the CBC has only $20,000.00 to provide programmes for a whole week—over a thousand of them every seven days and fifty-five thousand in a year. I bring up that point *not* because we are ashamed of the quality of CBC programmes but only to show you the kind of competition we have to meet and to explain why it is that sometimes we have to play phonograph recordings on the networks in daytime and why we have to have some commercial programmes, entirely apart from the fact that a great many listeners like them and want them broadcast locally. And if it wasn't for that vast network of transmission lines, paid for to the tune of a million dollars a year by the CBC, does anyone imagine the good commercial programmes and the public service programmes and the sustaining entertainment programmes, judiciously interspersed would ever be heard in many of the remote parts of this country? I doubt it.

I have given you a list of some of the sustaining programmes broadcast by the CBC in the last two years. Opposite the titles of these programmes and their points of origin you will notice the average cost of each production. Will you please compare these with the list of American programmes. May I say here that money is not the criterion of quality; but I must add that very often a few more dollars to spend on reherasal or extra talent would help to improve the standard of production of CBC programmes.

You may have noticed that I have not mentioned programmes that are produced and broadcast on the French network. I have deliberately avoided doing so, not because they are any less important either quantitatively or qualitatively, but I would prefer that the director of the French network, Monsieur Jean Beaudet, should give you a full report on the activities of this section. The work of the two divisions, French and English, is closely integrated in the programme head office and the policies applying to one apply with equal force to the other. Wherever possible programmes suitable for both French and English-speaking listeners are broadcast simultaneously to their respective networks and in both languages.

Mr. Beaudet is not only director of the French network but is also supervisor of music for the CBC for all of Canada. He is one of the most distinguished orchestra conductors on this continent. If I may be permitted to say so, he is also one of those extremely rare individuals who is able to combine in a most effective way the qualities required in a good business executive and a first-class musician. At the present time, Mr. Beaudet is in Great Britain where he will conduct a symphony concert for the BBC. This morning I received word that on June 23 he will also conduct the Paris Radio Symphony Orchestra. He is on his way home from Prague where he conducted their great national symphony orchestra at the International Musical Festival. He was the guest of the government of Czechoslovakia and appeared as conductor on this occasion by their special invitation.

I believe all Canadians will wish to share in the feeling of pride of Mr. Beaudet's colleagues that such high honour should have been bestowed upon him by our friends in Czechoslovakia, who are regular listeners to our International Short Wave Service. Thus is Canada's fame spreading not only as a great industrial and agricultural nation but as a centre of culture and artistic achievement.

You will have observed from the list showing the cost of Canadian non-commercial programmes that some of the titles describe the character of their content. The field of entertainment to-day is as wide and varied as it was in the first days of the old Greek theatre. Tragedy, comedy and music for the dance all go to form the mosaic pattern of broadcasting. We have old-time dance music and music for moderns, variety and comedy shows, drama ranging from the play of ideas to the simple boy loves girl formula, symphony orchestras, organ recitals, soap operas, sonatas and Shoo-Fly-Pie. Its all there if you care to look for it. Maybe it isn't scheduled just when its convenient for you to listen, but a few days at home in bed with your radio beside you will convince you that at least very little in the way of entertainment is forgotten by the "long haired" boys of the CBC. If you do get the opportunity of listening for a day or two, I can guarantee that you will either be killed or cured.

There is little time to mention the splendid work of the regional programme directors and their production staffs. Besides contributing regularly to the national networks they continue to present programmes of high quality with special appeal to listeners in their respective areas.

I had intended to make specific mention of the excellent work done by the school broadcasting department, and the drama department, the farm broadcast department, the religious broadcast department, but realizing that these subjects were well covered by our Chairman last week, I won't take up your time by dwelling further on the subject. I should, however, like to read you a letter from Dr. Keith Tyler. Dr. Tyler is director of the Institute for Education by Radio. After the recent conference at Columbus, Ohio, attended by 1,500 delegates from many parts of the world, he wrote to me as follows:—

> On behalf of the Institute for Education by Radio, I want to express our very sincere appreciation to the Canadian Broadcasting Corporation for sending representatives and participants to the recent annual meeting. As you probably have heard, Mr. Lambert did a splendid job as chairman of the "School Broadcasts" group and of course the other representatives were active and interested participants in the institute. We value the participation of members of the Canadian Broadcasting Corporation very highly, and only regret that more of them could not be present.
>
> I hope you realize the importance of the general atmosphere of freedom which characterizes CBC. Your writers and producers operate under less restrictions than would be possible in most of American broadcasting. It's out of this climate that there blossoms the creative programmes which have given the CBC such a reputation in recent years—

programmes which have won honours in competitions all out of proportion to the size and financial resources of the CBC. I am afraid you would not have the Tommy Tweeds, the Len Petersons, the Lister Sinclairs, or the Andrew Allans in American networks, unless they had established themselves as securely as Norman Corwin has been able to do. It is the originality and creativeness of people like these which impresses itself upon us from American broadcasting. I trust this freedom of thought will be protected in the corporation in the future as it has been in the past.

International Short Wave Service

As I mentioned at the beginning of this statement, I am responsible to the management of the CBC for the operation of the programme side of the International Short Wave Service. Mr. Peter Aylen, a former manager of CBC stations in Windsor, Toronto and Vancouver, is in immediate charge. The operations of the short wave station are quite as complicated in some respects and more so in others than those of the domestic service. I do not propose to go into them in detail. If this committee so wishes I am sure that Mr. Aylen would be pleased to have the opportunity of presenting a comprehensive report on the work of the station since it began to broadcast a year ago last February.

Mention has been made of the clarity of its signal in the United Kingdom and on the continent of Europe. A recent letter from one who may be considered somewhat of an authority verifies this fact; but what is of equal importance is the reference made to the quality of the programmes. May I read an excerpt from that letter dated May 19, 1946:—

> I can confirm that the CBC signal is the strongest received by short wave from North America; and in my view for what it is worth coming from an editor in the BBC European Service the content of the transmissions is qualitatively the best. This qualitative superiority is most marked, as might be expected, in the French output, and the standard in German is extremely high.

Such comment is both gratifying and encouraging, but what this correspondent did not realize apparently was that programmes broadcast in the English language were intended for our troops overseas and were not planned or produced to meet the tastes of listeners in the United Kingdom.

You have before you the printed schedule of programmes for the period June 2 to June 29. These are issued once a month and are distributed widely to those for whom they might have interest. Our mailing list is growing rapidly. We are also taking other means to publicize the service rendered by the short wave station as soon as postal facilities, particularly in Europe, become somewhat more normal.

With the return of our troops from the United Kingdom and Europe, the present schedule of programmes will be modified and more foreign language broadcasts will be introduced. There will also be a considerable expansion of the service aimed directly at Great Britain and France. It is hoped that as soon as staff can be found and additional office space in which to put them can be located that the number of daily hours of operation will be increased.

As Mr. Dunton has said, the station is making excellent progress, and Canada's voice among those of the nations of the world is being projected with forthrightness and honesty and in a manner that I feel confident will meet with the approval of this committee.

Conclusion

What may seem to you like a very exhaustive report does not, I assure you, begin to cover the multitudinous activities of the CBC programme division since

this committee met last. To report in greater detail would require hours of your time. I hope it has been sufficiently comprehensive to give you at least in broad outline a picture of what the shareholders of the CBC have had as a part of their radio fare.

I shall conclude with what I believe to be are the aims and objects we so earnestly try to follow.

National radio, which brings programmes to countless homes in every part of Canada, is developing a sense of neighbourliness and community of interest throughout the whole country. We are fortunate, as Canadians, in being able to draw upon such a rich variety of cultural heritages. It is our privilege to share in these, in the traditional music and folk-lore of the different races and nationalities that settled this country, as well as the native Indian and Eskimo peoples who have interesting cultures of their own.

While we are no doubt working gradually to a common Canadian culture that will derive from all of these great heritages, I do not feel that it will ever be—or should ever be—a blend that is uniform and characterless. It seems to me far more desirable that the music and songs of Quebec, for instance, should continue to preserve their distinctiveness and local quality; the same is true of the Gaelic tradition of Cape Breton or the Fraser Valley, the Ukrainian songs and dances of the prairies, the seafaring songs and tales of the maritimes and so on. The important thing is not uniformity, but diversity, provided that all of us, no matter where we live in Canada, have the common privilege of sharing—of vying with one another in developing music and drama and other programmes that will draw on these local cultures for the enjoyment of all. Local pride can be a fine thing and a stimulus to fresh achievement, but it is too often linked with local prejudice and a narrowing of interests. Over and beyond this local pride, Canadians must develop a broader love of country, a neighbourly interest in the traditions, the problems and the aspirations of their fellow-Canadians.

This is one reason why we have, in our National Programme Office staff in Toronto, people from every part of Canada, so that there will be a pooling of ideas, and no imposition of the tastes and preferences of any particular part of the country. National radio, more than any other means available, is contributing through its day-to-day presentation of programmes in Canadian homes, to the development of a truly Canadian outlook—and I mean that in its broadest sense, without political or other special implications. Children who may find geography lessons dull, who may not be able to envisage in their imaginations this vast and amazingly diversified country, may hear a programme from Halifax one evening, from Vancouver another, from Quebec, from Ontario, from the prairies. In this way, perhaps without even knowing that they are learning, they are growing up with a realization that Canada is something greater and more inclusive than their local interests, no matter how important and legitimate these may be. Realization of the part that radio must play in the development of our country imposes a heavy sense of responsibility on those who are planning our programmes. We are conscious of our own shortcomings in fulfilling such a responsibility, but we are not, I assure you, unaware of its importance.

Thank you, Mr. Chairman.

The CHAIRMAN: And I thank you, Mr. Bushnell. Gentlemen, it has occurred to me that those statements of comparative costs of CBC and United States net-work talent, which were distributed, might ordinarily not find their way into the record. It is my own view that it would be well if they were in?

Mr. COLDWELL: I move that they be placed in the record.

The CHAIRMAN: You move that, Mr. Coldwell. Are there any seconders?

The CHAIRMAN: It is moved by Mr. Coldwell that the two statements showing comparative costs of talent be placed in the record. All those in favour? All those opposed? Carried!

By Mr. Hackett:

Q. Mr. Chairman, the director of programmes said that this national programme order was not distributed to the public. I am anxious to know how one obtains it. What is its purpose, if it is not for distribution?—A. I think, sir, as I explained, that the national programme order is used for the guidance of members of the staff; but, supplementing that, we have a weekly regional programme schedule printed and issued and distributed widely to newspapers and, in some cases, to a selected list of listeners. Now, I think it is fairly obvious that if we distributed the schedules to every listener in this country, the cost would be very great indeed. But these regional schedules, as I said before, are printed and sent to the newspapers. And from the newspaper listings you probably can get a fair idea, at least, of the CBC programmes that are being broadcast in your community.

Q. Do the newspapers publish the radio programmes under the heading of news or as advertising?—A. The newspapers publish the radio programmes as news.

By Mr. Hansell:

Q. You said you had a mailing list. How is that list made up? Can anyone write in and ask for his name to be placed on that mailing list?—A. I would think that if too many people did not write in, we might accommodate them.

By Mr. Knight:

Q. I wonder if this would be the right place to say that I appreciate very much this particular report, and I would like to express my pleasure at the efficient manner in which it has been drawn up, and particularly with respect to the last two or three. I would like to compliment Mr. Bushnell on a very fine piece of work.

The CHAIRMAN: Thank you, Mr. Knight. That is a matter of record, and it would be very nice.

Mr. COLDWELL: Are we to hear the officials and question them now, or what?

The CHAIRMAN: I will tell you what was going through my mind in that regard. I thought it would probably turn out that questions would be asked of one witness and he might, very often, say: I think it would be better if you asked that of someone else. I wonder if a procedure somewhat similar to that of the Canadian National Railway Committee might be followed. There, when officers are being questioned, the questions usually are addressed to the president of the railroad, but he often designates one of those officers who are with him to answer the question. Now, if we did that, or something like that, I suppose the questions might always be addressed to Mr. Dunton and yet they might be answered by Dr. Frigon. Thus, you would be questioning three witnesses at the one time. Would that be a suitable way?

Mr. COLDWELL: We have always done the other thing here. We have had the officials before us, and we have questioned a particular official until we were through with him, and then we called the next one. But I do not know. It seems to me that your procedure would be a good one.

Mr. HANSELL: I think so, providing we start with the one presentation and go through, logically.

The CHAIRMAN: Yes, and use the first presentation as the basis for questioning. It is probable that that particular one would answer most of the questions. Do you think that is a suitable way, everybody?

Mr. FLEMING: I take it that all three of the officials of the CBC who have made presentations to us so far will be with us at all our sessions?

The CHAIRMAN: That is right, Mr. Fleming.

Mr. HACKETT: We can ask them questions, and if they cannot answer, there are others who can.

Mr. FLEMING: The function of this committee is primarily to review the policy of the CBC. We have had reports from three senior officials of the corporation. I think it is only fair that the corporation should make its report complete, at the outset; and if there is any other report that the corporation wishes to lay before the committee, it should have an opportunity of doing so, before we launch into an examination of any of the officials and of the reports that have been read thus far. It may be that these reports are complete statements as far as the intention of the CBC officials is concerned; but I think they should have that right, if there is anything further they wish to lay before the committee. I think they should have an opportunity of doing that now.

The CHAIRMAN: Mr. Dunton might tell us whether, in his judgment, there is some additional material that might properly be laid before us?

Mr. HACKETT: And before Mr. Dunton answers, I understood Mr. Bushnell to say that there was a report to be made on the French language activities. I am anxious to know if that report would be made before the general examination as suggested by Mr. Fleming, takes place.

The WITNESS: If I might answer that question for you; unfortunately Mr. Beaudet, the gentleman I mentioned, is still in London, and he will be in Paris and will not be with us until early in July; so it would not be possible for him to report until early in July.

Mr. PICARD: Well, I think we will be sitting here until then.

Mr. COLDWELL: I have asked questions which would require other witnesses, and probably a presentation by some other witnesses, in connection with the logs, and so on, of the various stations. Yesterday in the House I asked the minister if he would make available to the committee certain reports that he is entitled to receive from the private radio stations. I want to warn Mr. Dunton that I am going to ask him if section 24 of the Broadcasting Act is being carried out fully; and I would like to get, if possible, a report on that. The section I am particularly interested in is part two of it:—

> (2) The corporation shall, each year, prior to the renewal or issue of the licences for private stations by the Minister review the activities of such private stations, and shall make such recommendations to the Minister in regard to their working, broadcasting or any other matter concerning such stations as it may deem desirable.

And from the Minister of Transport, with respect to the regulation 31A.(*d*) which entitles the Minister:

> (*d*) The Minister may require periodic or other returns to be made by the licensee of the revenues, profits and expenditures of the station and any other information required by the Minister for the purposes of this Regulation and to ensure that such station is operated in the national interest and for the benefit of the community in which it is located.

I think those two, one a portion of the Act and the other a regulation are germane, because of the discussion that is likely to arise concerning certain of the radio stations. And I think we should have the records of: CKLW, Windsor; CFRB, Toronto; CFCN, Calgary; CKAC, Montreal; CKWS, Kingston; CFCH, North Bay; CJCA, Edmonton; CKRM, Regina; and CHNS, Halifax, in order to give us a picture of what those stations are doing all across the country.

I think that, under the Act and regulations, we are entitled to have it. We have never had the information here before, and since there is a great deal of discussion as to wavelengths and the right of the corporation in certain particulars, we should ask for this information and get it.

The CHAIRMAN: I take it that the reason for mentioning this, at the moment, is the fact that the officials might be charged with the matter in advance so that they will, at a later time, when the matter comes up, have the material with which to deal with it.

Mr. HANSELL: May I ask for something else in connection with Mr. Bushnell's report this morning, which might be added as an appendix. He stated that the number of individuals who had been selected by the talks department would, perhaps, number into the hundreds. I wonder if we could get a list of names of those who have been selected by the talks department and who have spoken on the air, say, six times or more?

The WITNESS: I would think so.

Mr. HANSELL: Together with the number of times they have spoken. I have particular reference to those who are more or less regular speakers.

The CHAIRMAN: Will you recall to yourself to ask that question when we are using his presentation as a basis for questioning at which time Mr. Bushnell would probably be able to file a statement such as you desire.

Mr. DUNTON: I understood, with reference to Mr. Fleming's question, that it was the wish of the committee to go over the past, so to speak, and then to deal with the current plans, or plans for coming development. We will be quite ready to give an account to the committee of the corporation's plans and we will be glad to know when the committee would like to have them.

The CHAIRMAN: I think we desire to get into the questioning by using these statements as bases first; and at the same time we are doing so, it will emerge that it is desirable to go into consideration of future plans. That is about what we have decided so far. Would you not think that still has validity?

Mr. FLEMING: I do not think we want to be too firm in any thought in advance on that subject. I put forward the suggestion simply in the interests of fair play towards the corporation. After all, it is their task to submit their report and their policies to this committee for review, and I think in all fairness they are entitled, in the first place, to make a general presentation in whatever way they think best. My thought is simply that they should have, at this time, an opportunity to make their presentation in the way they think they can best do it. We have got to think also about conserving the time of this committee; and yet this further presentation in regard to future plans, that Mr. Dunton has referred to, if that could be more usefully put before us now so that we could have the whole material before us, we could frame our questions in the light of that information and we would probably, thereby, make the best use of the time of the committee and get the most intelligent picture at the outset of the whole task of the committee.

Mr. COLDWELL: In order to appraise the proposals of the CBC, it is necessary for us, first of all, to go into the past record of the CBC, and it seems to me that perhaps we would be overlooking the record that has been placed before us, if we jumped now to future plans. I think the best thing to do would be to discuss the reports that have been placed before us and to ask for any further information that we require, and after that to discuss the future plans of the corporation.

The CHAIRMAN: The remarks of Mr. Coldwell are in consonance with two different views: (a) The method of presentation already suggested seemed to commend itself to the officers of the CBC; and, (b) the steering committee appointed by you looked at the question also and was of the same view and reported to you some little time back. So it would appear that the view expressed by Mr. Coldwell has been the one approved by each little group that is, so far as concerned the plans.

Mr. PICARD: I think it is more sensible that we do that; if we review the past and ask all our questions, and then have a further period of time for the

future. Is it the intention or plan of the steering committee that the private stations have an opportunity first to talk about their past, and then, if they have any criticism to make about the future, or any suggestions to make, that they should come back When are we going to have them before us Has it been decided yet?

The CHAIRMAN: The steering committee consider, with reference to that, that it might be that they should come in after consideration of the past of the CBC; but the steering committee thought that when they might do that would be arrived at here by the committee as we went along; and perhaps at the next couple of meetings we would have to consider when to reply to their various requests about coming here and making their presentation. There are several requests in. There is just one further word to add with reference to that: as to the manner of presentation of whatever case it is they may wish to give us. I do not suppose it would lie in our mouths to tell them the manner of doing so. They would simply come and make whatever presentation seems the appropriate one to them.

Mr. COLDWELL: Would it not be better to have a discussion of the activities of the CBC and then hear the private broadcasters? That might modify our views regarding plans, future plans of the CBC itself.

The CHAIRMAN: That was the original view and the view put to this committee by the steering committee, except that the steering committee pointed out that you might wish to accept our recommendation tentatively and change it in that regard a little later; but that was the way the steering committee reported it.

Mr. COLDWELL: We usually have had the private broadcasters representatives here at the last minute. I do not think that has been satisfactory.

The CHAIRMAN: It does not give them a very good chance, just to bring them in at the conclusion.

Mr. COLDWELL: We should get them before that, and consider the CBC's proposals for the future afterwards.

Mr. HANSELL: Might I suggest that when Mr. Bushnell brings down the information I asked for, that I might also have information with respect to the fees that have been paid to these gentlemen.

The CHAIRMAN: Gentlemen, do you wish to start questioning the management now, or do you wish to reserve it until the next meeting?

Mr. HACKETT: It is too late to start now.

The CHAIRMAN: All right then, at the next meeting we shall start right in with the examination of witnesses in the manner we have indicated, one to the other, here this morning. Is that all agreed?

Mr. FLEMING: May I suggest in that connection that you call a meeting of the steering committee this week with a view to bringing in some recommendations for future meetings. We will start with Mr. Dunton first and, probably, if we pass him, we will take either Dr. Frigon or Mr. Bushnell in turn. But let us have a meeting of the steering committee before the next meeting of the main committee, so that we may look a little farther ahead.

The CHAIRMAN: Well, you are a member of the steering committee yourself, so that settles that. Now, there is just one other thing before we adjourn. We were fifteen minutes late to-day in getting started because of some members not being here at 10.30. We should meet here promptly at 10.30.

Mr. DUNTON: May I say a word with regard to Mr. Coldwell's remarks about regulation 31A(*d*); that is a matter of the licensing authority under the Department of Transport.

The CHAIRMAN: We will adjourn now, gentlemen.

—The committee adjourned at 12.45 p.m, to meet again on Thursday, June 20, at 10.30 o'clock a.m.

APPENDIX A

Cost of Talent For a Few United States Network Programmes

Title	Talent Cost per Program	Title	Talent Cost per program
Kay Kyser	$13,500 00	Abbott & Costello	$18,000 00
Lux Radio Theatre	20,000 00	Fred Allen	20,000 00
Metropolitan Opera	10,000 00	Amos 'n' Andy	12,500 00
Mr. District Attorney	10,000 00	Jack Benny	22,500 00
NBC Symphony	10,000 00	Edgar Bergen	20,000 00
N.Y. Philharmonic	10,000 00	Joan Davis	17,500 00
Radio Hall of Fame	12,500 00	Fibber McGee & Molly	15,000 00
Request Performance	17,500 00	The Ford Hour	10,000 00
Frank Sinatra Show	12,000 00	Bob Hope	17,500 00
Kate Smith Hour	13,500 00	Danny Kaye	17,500 00
Texaco Star Theatre	11,500 00	Andre Kostelanetz Music	10,000 00
Theatre Guild of the Air	15,000 00	Kraft Music Hall	17,500 00

APPENDIX B

Cost of Talent for a Few C.B.C. Programmes

Title	Origination Point	Talent Cost per program
Sunday Nite Show	Montreal	$ 900 00
Stage 46	Toronto	1,050 00
Classics for Today	Vancouver	275 00
Let's Play Charades	Winnipeg	250 00
Serenade for Strings	Montreal	450 00
Don Messer	Charlottetown	60 00
Old Songs	Toronto	120 00
Latin American Serenade	Toronto	300 00
Leicester Square to Broadway	Vancouver	375 00
Sweet and Low (Mart Kenney)	Toronto	500 00
CBC Concert Hour	Toronto and Montreal	1,050 00
Canadian Party	Various pickups	1,350 00
Prairie Schooner	Winnipeg	200 00
Red River Barn Dance	Winnipeg	240 00
Songs at Eventide	Halifax	130 00
Geoffrey Waddington	Toronto	975 00
Let There be Music	Toronto	1,425 00
Clary's Gazette	Toronto	500 00
Radio Repertoire	Montreal	375 00
Radio Carabin	Montreal	925 00
Radio Theatre	Montreal	300 00
Once Upon a Time	Winnipeg	625 00

SESSION 1946

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 4

THURSDAY, JUNE 20, 1946

WITNESSES:

A. Davidson Dunton, Chairman of the Board of Governors,

Dr. Augustin Frigon, General Manager, Canadian Broadcasting Corporation.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

MINUTES OF PROCEEDINGS

THURSDAY, June 20, 1946.

The Special Committee on Radio Broadcasting met this morning at 10.30 o'clock. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, Coldwell, Fleming, Gauthier *(Portneuf)*, Hackett, Knight, Laurendeau, Maloney, Maybank, McCann, McCulloch, Mullins, Nixon, Robinson *(Simcoe East)*, Ross *(Hamilton East)*, Ross *(St. Paul's)*, Smith *(Calgary West)*, 17.

The Committee began its examination of the printed statements of the Chairman of the Board of Governors and the General Manager. This examination pertained to controversial broadcasting and CBC commercial revenues.

Messrs. Dunton and Frigon were jointly recalled and examined. They were assisted by Messrs. Brodie and Bramah.

During the momentary absence of the Chairman, Mr. Beaudoin, the vice-chairman presided.

The following was filed with the Clerk:

CBC Network Program Statistical Report (Sustaining and commercial) —Year ending March 31, 1945.

Copies of the following documents were distributed:—

1. CBC Program statistics—quarterly report.
2. Report of the Royal Commission on Radio Broadcasting—1929.

Information relating to CBC network coverage was requested by Mr. Ross *(Hamilton East)*.

Mr. Coldwell requested a copy of the recommendation and the correspondence relating to the application for the transfer of a licence from CHAB.

After a discussion on procedure, the Committee adjourned to Thursday June 27, at 10.30 o'clock, on motion of Mr. Nixon.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

June 20, 1946.

The Special Committee on Radio Broadcasting met this day at 10.30 o'clock a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: Gentlemen, let us proceed. At the close of the last meeting it was understood that the committee would go ahead with questioning of the officers of the C.B.C. Mr. Dunton, Dr. Frigon and Mr. Bushnell are here, and any questions covering the Act can be put to them; questions concerning the C.B.C. management. You can go upon the assumption that you may ask questions concerning the three briefs which have been submitted to us and that the appropriate person will answer the question. Do you agree that that is in accord with our decision at the last meeting? If so, we are now ready for questions with relation to those briefs.

A. Davidson Dunton, Chairman of the Board of Governors of the Canadian Broadcasting Corporation, recalled:

By Mr. Coldwell:

Q. Mr. Dunton, last week I asked you to what extent section 24 of the Act was carried out by the corporation. Could you tell us?—A. Yes, that is the section referring to—

Q. Returns made of the renewal of licences?—A. Each year, toward the end of the year, when the time comes up to consider the renewal of licences, the board has before it a very full report on the application of regulations and contraventions of them. In considering recommendations about renewal of licences the board first considers that report and any other things that are before it before it advises the licensing authority on the renewal of licences.

Q. Do you get contraventions of them from any of these stations?—A. A certain number, yes. There are not very many, but there are some.

Q. Is there any report that you could give to the committee on the review you have made?—A. I did not realize that you would want a full report of that. I think this year there are only one or two fairly local things, and nothing that would in any way justify recommending non-renewal of licence.

Q. Did you go into the matter as to whether the intention of the Act has been carried out: for example, whether a station is performing a real community service or not?—A. No, the corporation quite frankly up to now has not really given consideration to the actual quality of the services being provided by the stations.

Q. You have read the Federal Commission's report from the United States?—A. Yes, carefully.

Q. And it makes certain criticisms of the radio stations in the United States. Do you think that those criticisms are to any extent applicable to our own radio stations?—A. I think some of them maybe, to a certain extent, but a number of them not nearly as much; partly on account of the C.B.C. regulations themselves, some of which are designed to prevent some of the excesses which the F.C.C. report brings out. For instance, the regulations against the full use of transcriptions in the evening. That regulation was to cover the use of live talent in good hours, a point the F.C.C. makes, and regulations against spot announcements between 7.30 and 11.00, designed to keep the worst of advertising off the

air in the evening. The F.C.C. has ruled about that, too. I do not think the situation is nearly as bad here. On the otherhand, I do think that perhaps, along the lines you are speaking of, the corporation should pay a good deal more attention to the actual real quality of the community or area service being performed by the local stations. I think it is more than a question really of conforming with regulations; it does become a question of whether or not a real service is being performed on that channel to the community.

Q. Did you get the logs of those stations?—A. I should like to explain the question of monitoring. The C.B.C. does not have a staff of monitors as the F.C.C. has, listening and checking day by day on stations; it is working on an honour system. Stations are required to submit a full log for daily radio activities. That goes in to the C.B.C. regulations division. There is a great volume; the private station knows that not every day of every week is checked. Spot checks are taken with a good deal of care to see if the regulations are being conformed with, and in that way violations of regulations can be caught up with. On the whole it is pretty much an honour system. The regulations are there, they are known by the private stations; most of them try to conform and do conform with regulations, but there is a need for a certain periodic check-up.

Q. You get the number of spot announcements?—A. Yes, the logs include that. Mr. Coldwell asked for a report on that. There is a great volume of material and work being done on a report to make some of these logs fairly understandable and to break them down into categories. It is a mass of material that will be available to the committee, but it will take time to prepare.

Q. We had better wait until we pursue that line of questioning.—A. Yes, you will be able to see the picture better.

Q. You will be able to produce that?—A. Either myself or Mr. Radford.

Q. Does Mr. Radford handle that?—A. Yes, he has control of the regulations division.

Mr. HACKETT: Mr. Chairman, is it the policy of the committee to permit questions as we go along, or would you prefer the questions being asked in a question period?

The CHAIRMAN: Mr. Hackett, just before you came in I recalled to the committee that it was arranged that this morning the committee would go ahead with questions covering the whole field of the three presentations, and if a question were asked concerning Mr. Dunton's brief Mr. Dunton would answer it and if one were asked concerning Dr. Frigon's brief Dr. Frigon would answer it.

By Mr. Hackett:

Q. I would like to ask one or two questions. I understood Mr. Dunton to say that transcriptions were not used in the evening?—A. I should explain that a little more; it is rather complicated. There is a regulation against the use of transcriptions between 7.30 and 11, but after consultation and a lot of discussion with private stations a scale of exemptions, if you like, was worked out to allow a certain amount of time—an hour, a half hour, or two hours—in which period they may produce transcriptions.

Q. Why do you rule transcriptions out? Is there any difference in the quality or value of a transcript?—A. I think the chief difference is that a transcript probably comes from outside of Canada; it is prepared by an artist outside of Canada. The object of that regulation was to encourage the use of live Canadian talent at fairly reasonable radio hours.

Q. There was a time when people who were called politicians were asked to submit manuscripts. Now I think the custom is to have each speaker cut a record is it not?—A. Perhaps I could explain that—

Q. If you could explain that and say what difference there is between talking directly into the microphone and making a record we would like to hear that. I was under the impression that you ask these people to make a record so that

you might in a measure be sure they are not indiscreet?—A. I think there is a little misconception about this business of checking talks or speeches. During the war there were, of course, censorship regulations, but the C.B.C. had nothing to do with that. As with the newspapers, there were certain regulations and the censors imposed certain checks on things that were said on the air. I think toward the end of the war it could be said that the responsibility was put on the station operator to make sure that whatever was said conformed with the censorship rules, and the operator would want to see the script beforehand to make sure that censorship was not being violated. Therefore, the operator would be responsible to the censors. In peacetime when censorship does not apply, there is no C.B.C. rule, regulation or practice demanding the submission of scripts for, if you like, censorship or any check. But I think it must be remembered that any operator of any station is responsible for what goes out on the air over his station, as any newspaper editor is. If there is libel in the matter, or obscenity or something that violates the law, or violates the regulations, then the operator is responsible.

By Mr. Smith:

Q. Are you sure of that?—A. That has always been our advice.

Q. I think the idea was that the publication of the libel had to be a conscious publication.

Mr. HACKETT: A controlled one.

The CHAIRMAN: I think probably, Mr. Smith, they are playing safe in that.

Mr. SMITH: I think you are quite right. I was wondering if Mr. Dunton was right in his law, though.

The WITNESS: I am not a lawyer.

Mr. SMITH: I am a very poor one, so do not worry about it.

The WITNESS: It does seem logical that the operator of the station must be responsible for what happens and what goes out.

By Mr. Smith:

Q. A newspaper editor when he publishes, has the right to know what he publishes. That is the reason he is liable for publication. But when an operator who has disseminating power does not know what I am going to say, he has no way of stopping me like a newspaper has. He has no way of stopping me. I have said it and the damage is done. He can say, "You should not have said that" but that is the best he can do. I do not think there has ever been a determination as to whether or not a station would be liable for slander.—A. Certainly, at least under the regulations, the station operator obviously must be reasonable for violations of the regulations.

Q. Oh, yes?—A. Over his air.

Q. Oh, yes.—A. Therefore it is up to a private station operator to decide what he wants to do. If he thinks he should check his script, or would like to talk it over with the person, he may suggest to the person going to speak that it be so submitted or checked over with him. Actually, of course, it often assists in broadcasting. But it is the responsibility, in the case of the private station, of the operator of that station, whatever steps he takes to protect himself. With the C.B.C. it is exactly the same. The responsibility is put on the station operator or manager, the responsible person, wherever the broadcast originates; and it is up to him just to assure himself that whatever is being broadcast is not going to violate the regulations, that it roughly falls within the category of what is going to be broadcast. How he makes that assurance is up to him. I think it is common sense. It may be by showing him the broadcast, or it may be that he knows the person who is broadcasting.

I should like to emphasize that there is no censorship, no check or no venting of any opinions expressed on the air as far as the C.B.C. is concerned.

By Mr. Fleming:

Q. Might I follow that up. Who, in a given situation, would decide whether the laws of defamation are about to be broken and would advise the C.B.C. accordingly? Does the C.B.C. retain advisers for the purpose?—A. We have a lawyer on the staff and we consult the Department of Justice at times. I do not think such a case has ever come up. I do not know of anybody ever actually trying to put libel or defamation on the air.

Q. May I give an illustration from my own experience? About two years ago I was presiding at a meeting of the Canadian Club in Toronto at which Professor Watson Kirkconnell of McMaster University was to be guest speaker. The address was to be broadcast, and 1½ minutes before we were due to go on the air I was handed a telegram notifying me that in the opinion of the C.B.C.—and incidentally the telegram was sent on the authority of the general manager of the C.B.C., Dr. Thomson—the script about to be read by Professor Kirkconnell contained libellous matter and that the broadcast would not proceed. That was 1½ minutes before we were due to go on the air. I should like to know who, in that instance, was retained for advising the C.B.C.? In the second place, who reached the decision to take that broadcast off the air? I should like to amplify that by saying this. I do not see how in the world anything that is said over the air could be in any circumstances regarded as libel. I mean, libel has got to be written defamation. Let us say at the moment it could be slander. I would be very much interested to know who, in that particular case, undertook to advise the C.B.C. that the script that Professor Kirkconnell had prepared was slanderous. It was dealing with Communist activities in Canada and with the publication of Communist propaganda by certain newspapers in Canada, mostly newspapers published in European towns. As one individual, it does not strike me that there was anything slanderous in the article. It was comment, together with reference to extracts taken from newspapers. I wonder if Mr. Dunton would tell us, Mr. Chairman, who advised in that case and who made the decision that the broadcast should not proceed on the air?—A. I am afraid, Mr. Chairman, that was some little time ago.

Q. It was about two years ago.—A. I do not recall it. I do not believe the general manager does either. We would be glad to get some information about that. As I say, we have legal advice available and, when necessary, obtain it. I should think it would probably have been obtained in a case like that.

By Mr. Coldwell:

Q. Does the same regulation apply to the private stations? What is the authority, would you say, of the private station in this regard?—A. I think it is more responsibility.

Q. But you say that they may refuse a script because it is slanderous or obscene?—A. I think they would be very wise to.

Q. Yes. But if it was controversial criticism, would you say you would refuse the script, or that the private station should, under the Broadcasting Act, refuse it?—A. Certainly not, if it were supposed to be a controversial broadcast.

Q. I have something in mind here. I am thinking of two in particular in Calgary. CFCN refused one very recently on the transportation problem. I have read the script. I have it in my office. There is nothing libellous in it. There is nothing slanderous in it. It is a criticism of the transportation policy. But this script was refused on the ground that it might be slanderous. I have

that script in my office; I did not bring it down with me this morning. Then of course you have the "Report from Parliament Hill" which I think we all appreciate; but nonetheless we are instructed—and I have the instruction before me now—as follows:—

> We do not insist upon prior submission of scripts but are willing to talk these over with members in advance to avoid misunderstanding. The stations themselves, however, must be granted the right to reject any talk which is obviously a purely political discussion.

Has a radio station the right to reject a script which is purely a political discussion?

Mr. SMITH: I think they would if that was a gift.

Mr. COLDWELL: Just a minute. It is a gift. But my understanding of the Broadcasting Act is that there is to be freedom of discussion, freedom of speech on the air. We hear a great deal about civil rights and the necessity for freedom of speech. These radio stations are occupying a wave which belongs to the people of Canada and one part of the responsibility they assume in return for receiving this privilege from the people of Canada is to give facilities for free discussion. While I say I appreciate and keep within these rules, and would do so if the rule was not there, yet I do not think this proviso is proper within a broadcasting system in this country that provides for freedom of speech. That is the point I am making.

The WITNESS: That, of course, is a matter of the private stations. I hesitate to speak about it.

By Mr. Coldwell:

Q. Is it?—A. We are interested in maintaining freedom of speech. For instance, it has always been maintained that as a principle that we think that private stations should offer equal facilities to opposing points of view; and if necessary, I think we would try to take action to clear up any situation where that did not happen. As I say, I think the people responsible should answer, but I think this is supposed to be a non-political report, a report from a member of parliament. I can see the point that if it were to be labelled as controversial, then the opposing side or sides should have their chance.

Q. They have.—A. I beg your pardon?

Q. They have, of course.

The CHAIRMAN: Yes.

Mr. COLDWELL: All sides are given a chance.

The WITNESS: Not on the same station, though.

Mr. COLDWELL: Oh, yes, the same station.

Mr. HACKETT: Mr. Chairman, I should like to ask Mr. Coldwell's question as I understand it. Has a private station the right to refuse to broadcast anything that would not be subject to prosecution? I think that is the broad question.

The CHAIRMAN: You mean free or paid for?

Mr. HACKETT: I am assuming it would be paid for. I should think that it would have, just as the newspapers have the right to say, "I will not publish that in my paper."

The WITNESS: I would say, as Mr. Hackett said, that the operator of that station controls it and is responsible for it. Therefore presumably and, in fact, he has to say what goes on that ribbon of broadcasting at different times. At the same time I think because he is using an air channel which is a part of the public radio he has a certain responsibility to give differing points of view an equal chance.

Mr. HACKETT: I am just taking the situation where the owner of a station does not like the colour of my hair and he is not going to take anything from me. If he is the owner of a newspaper he has that right. Has the owner of a broadcasting station the same right? I would think he had.

The WITNESS: I would say he had the same right, but also if he has put your opponent, the man giving the opposing view, on the air then he has a responsibility to put you on the air and, if you like, he has not the right to refuse you an equal opportunity.

By Mr. Fleming:

Q. Suppose he does not do that; what happens?—A. I think if a complaint got to the C.B.C. we would put pressure on the station because it is laid down as a general principle that there should be equitable opportunities to differing points of view.

Q. The C.B.C. in a case like that would conduct an investigation?—A. We would try to find out the facts of the matter and if necessary tell the station they should put the other person on.

Q. Have you ever had occasion to do that?—A. I think there have been one or two cases, but not recently. I think two or three times we have. I can get the details.

By Mr. Hackett:

Q. All of that is incidental. Have you the right—and I understood that to be the purport of Mr. Coldwell's question— to coerce him to give the use of his station to the party complaining?

Mr. COLDWELL: Is Mr. Hackett's analogy correct in regard to a newspaper?

Mr. HACKETT: Well, let us leave that off the record for a minute.

The CHAIRMAN: Just a moment; that question is going to be answered. Mr. Dunton wants to get the chapter and verse.

Mr. COLDWELL: I do not want the analogy to go though.

Mr. HACKETT: I do not blame you.

The CHAIRMAN: You can correct that afterwards.

Mr. COLDWELL: I do not want the analogy to go with that question.

The CHAIRMAN: A subsequent question can clear up any difficulty Mr. Hackett is creating, if you think he is creating a difficulty.

Mr. HACKETT: As far as I am concerned I understand that may be a question that you would rather consider and if you would rather give your answer at a later meeting I have not any objection. I do not wish to put you in a difficult position by insisting on an answer immediately.

Mr. COLDWELL: May I suggest if Mr. Dunton is going to look it up he also think over the analogy you used of the newspaper. Anyone with money can buy a newspaper. It is private property. It is a different matter.

Mr. HACKETT: But he has certain privileges as to the mails. He has certain facilities for disseminating his views that are given only to newspapers. The analogy may not be complete. I will concede that.

The CHAIRMAN: I think the question can be cleared up now.

The WITNESS: I think I will put it this way. The corporation is given fairly wide powers as to making regulations to control the character of any programs produced by the corporation or by private stations and to prescribe certain periods, if necessary, for the use of corporation programs. Under that power to make regulations it passes this white paper which really has the effect of a regulation. It is hard to put it specifically, but it lays down the principle of equitable opportunity. Therefore I would say that under the

regulation made under the power of the Act the corporation would have the right to force a station to carry the opposing view when it did not wish to.

By Mr. Smith:

Q. It is on page 5 of the white paper. It is all set out there?—A. Yes, on page 5. The white paper in turn is really a regulation passed under our powers to control the content of broadcasting.

By Mr. Fleming:

Q. This white paper purports to apply to political and controversial broadcasting. We are dealing with denying access to the air to people who may be speaking on subjects that are not politically controversial and using as a ground the fact that the content of their script is slanderous. What is the principle that is to be followed there?—A. We have a regulaion that nothing shall be broadcast that is contrary to law. Presumably slander, as I understand it, would be contrary to law. Therefore I presume that somebody would be breaking the law. He would also be breaking a broadcasting regulation.

Q. That is not what contrary to law means.—A. I say there are two things.

Q. It is contrary to somebody's civil rights to slander him, but when you speak about contrary to law surely you mean contrary to the public law of the land.—A. Is there not a question of criminal libel and slander, too?

Q. Yes.—A. In addition there is a regulation.

Q. I do not want to confuse this. I want to find out at some time, either today or later, whether the C.B.C. in any given case is prepared to assume the responsibility for saying before some broadcast goes on the air that it contains slanderous mater and therefore is not entitled to be broadcast. If a person is advised that course will be taken what would be the rights of the person who is intending to deliver the broadcast if he is denied access to the air under what he might consider to be an unfair ruling?—A. We will try to find the particular case to which you referred and get it.

Q. I am interested in more than the particular case. It is the principle involved.

The CHAIRMAN: Of course, Mr. Smith pointed out a little while ago that there would need to be a consciousness of that which was going to be done in order that there be slander. In the event of them reading the script first they then bring themselves into the position Mr. Smith was drawing attention to and, of course, caution alone would determine the action, would it not?

Mr. SMITH: What I have in my mind is this. Suppose I have a house and a back fence, as we have in the places where I come from, and somebody comes along and puts some libellous matter with a piece of chalk on my fence. I own that property. It is on my fence but I do not consciously publish that. The thing that struck me is this—and I am not insisting I am right at all—that I doubt very much the liability of the owner of the station or of the C.B.C. for the publication of something which they did not know was going to be published. If they had reason to suspect that something might be done then they might be guilty because they did not make inquiry. Broadly speaking I think the publication of the libel or slander must be a conscious publication. In that they differ entirely from newspapers because everything that appears in a newspaper is a conscious publication because it is typed out, and so on.

The WITNESS: It seems to me to be common sense, whether or not it is the law, that somebody is responsible for what goes out over a certain transmitter, and presumably it is the operator who controls that transmitter. Otherwise it seems to me you would have a curious situation of a man making a speech and running away. You would have no responsibility. Surely the man controlling and owning that transmitter, having a licence to use that wave length, must be responsible and answerable for what goes out over the air.

Mr. SMITH: As a matter of regulation I think you are quite right. I think it is a good idea that these scripts should be submitted.

The WITNESS: As I say, there is no regulation about the submission of scripts.

Mr. SMITH: No, but you have principles set out in this white paper which I think are very fine. I am not criticizing them at all.

Mr. COLDWELL: On the other hand, there is this to be said. Mr. Hackett said that if the man does not like the colour of your hair he can refuse. If the owner of the station does not like your point of view he can refuse, but that point of view may be a point of view that should be expressed on the air quite freely.

The WITNESS: We believe very strongly that it should be, that different points of view should have that chance. We think that is the real freedom of the air.

Mr. SMITH: What Mr. Coldwell thinks is this, that theere should be the same law governing stations as there is for an innkeeper. If you go there and are ready to pay your money he has got to put you up. He cannot dislike the colour of your hair.

Mr. COLDWELL: I think the understanding should be quite clear on this matter. I thought it was, as a matter of fact. I thought in previous committees we had been given to understand very clearly that except for libel and slander any view might be expressed on the air, and that opportunity should be given for the expression of that view by stations to various parties who wished to express that view.

The WITNESS: In a general way I think that is completely the view of the corporation.

By Mr. Coldwell:

Q. Well, it is not carried out.—A. May I ask how?

Q. Well, I mentioned CFCN in Calgary. I have the script upstairs. There is one sentence I do not like in it myself which the fellow who submitted it offered to take out, but the script was refused. I would be very glad to show it to you.—A. I have been emphasizing it is first the responsibility of the private station. They are the responsible people, responsible for using the wave lengths and I would think they are responsible for freedom of speech.

Q. To the public?—A. Yes, to the public. As I say, the corporation has certain powers. If it seems that a station is abusing them we can step in to protect true freedom of speech.

Q. I got the script the other day. I will be very glad to turn it over to you.

Mr. BEAUDOIN: Was that the script which was submitted for the broadcast "Report From Parliament Hill"?

Mr. COLDWELL: No, it was paid for time.

By Mr. Hackett:

Q. Do I understand it to be the policy, and it may be the law which governs broadcasting, that the owner and operator of a private station may not refuse to transmit matter that anybody wishes to broadcast?—A. May not refuse or cannot refuse?

Q. You can put it either way, that the owner of a private station has not the right to refuse his property to be used to broadcast matter of which he does not approve?—A. I could say that he has the right to accept or refuse broadcasts fully, apart from his responsibility towards the freedom of the air which I think means essentially in radio giving equitable opportunities to differing points of view and reasonably full opportunities.

Q. Let us come down to concrete cases. Let us say that I am the champion of private enterprise and that I abhor Communism. A Communist comes to me and says that he wants to use my station to disseminate his doctrine and he is willing to pay the standard prices. Have I not the right to refuse him the use of my station?—A. I would say that you have the right to refuse him subject to two things. The first is whether somebody has been on the air offering a differing point of view and secondly your general responsibility to give reasonable time for the discussion of public affairs on the air.

Q. If you will not think me ungracious I do not think that is an answer. I think that somewhere there is a right; somewhere there is a duty. Has a Communist, whom I have chosen as an example, the right to use my property to disseminate his views, or putting it the other way do I owe a duty, being a champion of private enterprise, to the Communist to enable him to state his views over my property?—A. I would say if you are a station operator you have a duty to present important differing points of view on your station so that people can hear them on the air. You also have a duty to give roughly equitable opportunities to differing points of view.

Q. If I want to close up my station for a day have I that right?—A. I think so as far as I know. I am not certain. That would be a Department of Transport matter. I think you are supposed to operate a full regular service. I think your licence would probably lapse.

By Mr. Beaudoin:

Q. Is it not a fact in the first place that the private station operator would have to have available time to offer?—A. Yes.

Q. And in the second place is he forced to put on the air a political broadcast of Communist theories, for instance, at 8 o'clock if the period is free when at 8.15, for instance, there is a very important commercial broadcast coming on and the operator fears that his public would be chased away by the political talk? Does he have to take it?—A. I think we have to realize what the medium of radio is. On one radio station there are probably sixteen hours a day of broadcasting. The people who get the service of that station want a number of different things. They want entertainment, music, news, some plays and dramas, and probably at least some of them want discussions of public affairs. It becomes purely a matter of good common sense, of reason and judgment as to giving some proportion of that time to the discussion of public matters, and then the allocation of that time in whatever form it is as fairly as possible among differing points of view. In radio it is terribly hard to lay down definite rules like that. I think it would be pretty unfair to expect a private station operator to give somebody fifteen minutes at 8.30 when his best commercial spot is then. I do not think it is reasonable for the operator to be expected to throw out his revenue and his good program and thereby disappoint a lot of people, but I think on the other hand that the operator in planning his whole schedule, the whole operation of the station, should leave some reasonable time for discussion of public matters.

By Mr. Hackett:

Q. We are not disputing that, but I want to know if I, as the owner of a private station, have the right to say, "I will not permit my private station to be used to disseminate Communistic propaganda." Have I that right?—A. I would say your rights are fundamentally limited by certain responsibilities because while you own the station you do not own the channel on which you operate that station, on which you reach the people. You are using a part of the public property. Therefore you have certain obligations to the public. It seems to us that one of those obligations is to give some time to discussion, and roughly a fair amount of time to differing points of view.

Q. I am willing to concede a great deal of what you say, but I want to know, if you can answer it, if I have the right to refuse to disseminate Communistic propaganda if I am the owner of a private station.—A. As I say, as clearly as I can put my views, you have the right to refuse but subject to the considerations of freedom of opportunity to differing points of view in the public, and subject to your obligation to present a certain amount of discussion on the air.

By Mr. Coldwell:

Q. Is it not this, that if you give one view you should give the other?—A. Exactly.

The CHAIRMAN: Does it not go further than that? A certain amount of time must be allowed to the giving of views.

Mr. COLDWELL: That is right.

The CHAIRMAN: Then, if you give one view you must give the other.

By Mr. Hackett:

Q. I have not asked that question. I am merley trying to ascertain if I, the owner of a private station, may say I will not provide the means for the dissemination of Communistic views?—A. I would say you have not an absolute right because it is governed to some extent by these other responsibilities of giving some time, and a fair allotment of time, among differing points of view.

Q. Then am I to construe your answer, Mr. Dunton, as in the negative, that I have not the right to refuse to permit my private station to be used for the dissemination of Communistic propaganda?—A. You have the right as long as you are giving some time for discussion of public affairs, and as long as you are not being unfair to that one particular point of view. Apart from that I would say you have the full right.

By Mr. Coldwell:

Q. Instead of using Communism let us take a station which is owned by a very strong Progressive Conservative. Has he the right to refuse permission to a Liberal to go on the air?—A. I would say again he has the right as long as he is giving a reasonable chance for discussion of all points of view, and I presume that would include the Liberal point of view. I think he has the right to refuse to give the Liberal inequitable emphasis above others.

Q. That is to say, there should be a certain amount of time for the discussion of public affairs regularly over a station?—A. Regularly.

Q. And it should be apportioned in some manner which is satisfactory?—A. Yes.

By Mr. Knight:

Q. That brings me to the point I have been trying to ask a question about for a long time. Mr. Dunton stated it was the duty of a station to give equitable or fair time to the expression of various views. I think my point will help Mr. Hackett's question. Who is to be the judge? Who is to say in the final analysis what is an equitable amount of time? Who is to judge to what extent it is the decision of the man to grant or refuse?—A. I think if a man is operating a station and has the use of that channel he should be capable of making a pretty sound judgment because he is responsible to the public for the use of that channel. I think that is one of the reasons for having a public body such as ourselves to which an appeal can be made, a body which has an understanding of the needs and complexities of radio. If necessary we can take some action under our regulations to see that at least a too obvious injustice is corrected.

Q. In other words, it has to remain a matter of opinion. It cannot be a matter of regulation or law?—A. I think it would be a terribly difficult thing to draft.

By Mr. Hackett:

Q. I do not want to appear to be unduly persistent. This is my last question. I want to put it in the converse. Have I, the owner of a station, the right to refuse Fascist propaganda?

By Mr. Nixon:

Q. Before you answer that—this is in connection with the same question—suppose the private operator did refuse; what recourse, if any, has the man?—A. With regard to Fascists I can only answer by stating a positive case that you should, as a private operator, be giving some time to the discussion of public affairs and let differing points of view have a chance. I do not know that there is any law against Fascism in Canada. If there is an important Fascism element in that community then presumably they should have their fair chance.

Mr. COLDWELL: I am not a lawyer, and I do not know if there is anything in the law, but is there anything which prevents the advocacy of the overthrow of government by force in the law?

The CHAIRMAN: Yes.

By Mr. Coldwell:

Q. Would that not operate in connection with Fascists and Communists?—A. I think, as Mr. Fleming suggests, we would have to go to our legal advisers.

By Mr. Smith:

Q. May I try to strip it down a little bit further? We will say there is no law in Canada against Fascism, and that is quite right. Suppose I, a Fascist, go to a private operator and I pay him his fees for fifteen minutes to broadcast my views. Let us assume further that no one else goes to the station to answer. It is not a question of division of time. There may not be anybody else go. Has the station operator the right to refuse to sell me that fifteen minutes, granted he has that open time?—A. I would say he had. If he is giving some time to that kind of discussion in general, and if only a Fascist comes along, I would think he would have the right to do that.

By Mr. Coldwell:

Q. It is up to the other fellow to ask for time?—A. Exactly.

Q. And it is up to the station operator to give that time?—A. To provide it.

Mr. FLEMING: I should like to carry it a step further.

Mr. SMITH: I wonder if you would let me finish.

Q. Following up what I have just asked, let us assume that the station operator did refuse me, a Fascist, under the circumstances I have mentioned. Then I go to you. What would you do?—A. I would think if a matter like that came along where there had been no one opposing the views of the Fascists on the station we would not put any pressure on the station to carry it. You have to take the general point of view as long as the station is giving certain time to differing points of view and is not being unfair.

Q. I am speaking of the purchasing of time.—A. Yes, providing it, making it available.

By Mr. Coldwell:

Q. Are the private stations providing this time now?—A. What kind, exactly?

Q. Making it available to people who wish to broadcast a point of view? Is there any regulation which suggests that they should do this or order that they should do it?—A. No, I think it is a part of the pretty well understood general responsibilities of a station to its community. My own impression is

that perhaps there should be a good deal more open, free, fair discussion of public affairs, local and national, on the air.

By Mr. Fleming:

Q. May I carry this a step further? It is very easy to get broadcasts in denunciation of Fascism. Anybody can make one of those today very easily. Suppose that is done. Does that mean that the station owner must then, on application of a Fascist, give time to the Fascist to answer the denunciation of Fascism, and does it also mean if the station refuses the Fascist, or Communist in the corresponding case, that the C.B.C. will undertake to review that case and tell that station operator that he must give time to the Fascists in the one case and the Communist in the other?—A. I think a certain amount of common sense must be used in these questions. If, as I say, somebody is attacking Fascism in general in Germany and there happens to be one man in that area who is a Fascist hangover I do not think there would be any reason or any common sense in letting him go on the air, but if there is an important section of that community's point of view represented there which feels it has been attacked I think somebody speaking from that point of view should have a chance on the air.

Q. Let us take a case that is more likely to arise than the Fascist example. Suppose a minister of religion or a priest preaches a sermon denouncing Communism; does that mean that the Communist is entitled to time over some station to answer that attack?—A. In the first place I would say that time is provided for religious broadcasting, and I think it would be a diversion of the purpose were it being used for political ends. That is the kind of problem which comes up often in broadcasting. You have to give some consideration as to whether the period is being used for the sort of thing it is meant to be. I do not think that a period for religious broadcasting should go into political matters.

Q. There might be a difference of opinion as to whether or not an attack on Communism is purely political. I am quite sure there must have been cases where Communism, because of its emphasis on irreligion, has been attacked from the pulpit over the air. Now, where those cases occurred, is the owner of the station which broadcasts the sermon advised to give time for an answer? —A. I would not know; I think you would have to look at a specific case. In the first place, I do not think it would be very proper for political consideration to enter into a religious broadcast.

The CHAIRMAN: What about your white paper?

Hon. Mr. McCANN: It is under section eight of the broadcast regulations. That pretty well covers it:

> The broadcast must be of sufficient interest to the public to justify inclusion in the program schedule.

That gives certain rights to the owner of a station to determine whether or nor it is of sufficient interest to the general public, and to determine whether or not such and such a broadcast should be put on.

Mr. SMITH: Communism would be of general interest to everybody in Canada.

Hon. Mr. McCANN: It is a question.

Mr. SMITH: My interest would be to kill it; but everybody in Canada is interested.

Mr. FLEMING: I think the section begs the question we are now discussing.

Hon. Mr. McCANN: Have there been instances in which broadcasts have been refused, and where there has been an appeal to the corporation, and the judgment of the owner of the individual station has not been sustained?

The WITNESS: We will have to check on that; I cannot recall any off-hand.

Mr. SMITH: Mr. Fleming's case was right in point.

Mr. FLEMING: Yes, I was handed a telegram one and one-half minutes before going on the air. The wire purported to be sent on the authority of Dr. Thompson.

Hon. Mr. McCANN: When was that?

Mr. FLEMING: Two years ago.

Hon. Mr. McCANN: Two years ago; that was when it was under war censorship. I remember the particular case; it was not a matter for the broadcasting corporation, it was a matter of war censorship, and the broadcasting corporation had nothing to do with it. It was a matter of decision by the censor.

Mr. FLEMING: Well, it would be in the records of the Canadian Club in Toronto. Dr. Thompson's reason for denying the time was that the contents of the script were libellous.

Hon. Mr. McCANN: The C.B.C. had been notified to that effect by the censor.

Mr. SMITH: Surely the war censorship was not so all-embracing as to take care of everybody's little slanders, all over the country. That could not be war censorship under any circumstances.

Mr. FLEMING: May I ask the minister if there are other cases where broadcasts which contained talks on Communism or Communistic propaganda were denied access to the air under the wartime censorship regulations.

Hon. Mr. McCANN: I cannot recall specific cases, but I think there were.

Mr. FLEMING: You do think there were other cases?

Hon. Mr. McCANN: Yes. The censorship division, which came under the Department of National War Services, has been liquidated and disbanded; but it might be possible to find something in the records with reference to it. The records have been all filed away and it would be very difficult. My recollection is that on more than one occasion, through the censorship division of the War Services Department, broadcasts such as you have indicated have been censored and denied access to the air.

By Mr. Smith:

Q. We do not need that. The C.B.C. sent the telegram and they would have a file on it.—A. We will look that up.

Mr. FLEMING: I would ask the chairman to look into similar cases.

Hon. Mr. McCANN: The C.B.C. had a representative on the Censorship Board.

Mr. COLDWELL: There might have been some references in the broadcast that might have been construed as being not in the public interest, due to our alliance at that time with Russia.

Hon. Mr. McCANN: Yes.

Mr. FLEMING: I read the address and there was nothing in it about Russia. It was about Communism and the way Communism was being circulated in this country by European language newspapers.

By Mr. Robinson:

Q. You mentioned that private stations might give time to public affairs broadcasts. I take it to mean that they should do so in order to round out a full daily program. Is that the fact, or is there some compulsion placed upon them to give time to public affairs broadcasts?—A. There is no compulsion; I think it is just part of their general responsibility to the public.

Q. If they refused all public affairs broadcasts, they can do so; but if they take one, then they must give equal time to the others?—A. My opinion, and I think it is the opinion of the board, is they would not be carrying out their proper responsibility to the public, and I think that when their licence came up for renewal, it would be looked at, if a station refused any kind of public discussion on the air.

By Mr. Coldwell:

Q. Do you get reports on them?—A. There are logs. I think the corporation, in the light of what has been said today, will be looking a good deal more into the actual quality and kind of service rendered.

Q. Do all the private stations which are associated with the network take the various forums?—A. Pretty well. The "Citizens' Forum" is in reserved time, and I think also the "Farm Forum." Some stations have not been very keen on taking it, but it is in reserved time and it has been carried pretty well.

Q. If the stations on the network are obligated to give time for discussion of public affairs, why does not the corporation see to do that they do so, since they are using public facilities? Why does not the corporation see to it that they take these programs?—A. I think they do, Mr. Coldwell, I am quite sure that the "Citizens' Forum" and the "Farm Forum" are definitely in reserve time.

Q. Could you let us have the number of stations who take these programs regularly, and the number of times some of those stations have not taken them? —A. Reserve time means that a station is obligated to take it; and then there are some others who have agreed to take it for more isolated areas.

Q. How many have you got?—A. There is the "Citizens' Forum", and the "Farm Forum". They are the only two regular discussion programs at the present time. Then, there are those like the "Mid-week Review", with different speakers, and there are talks programs with one or two speakers presenting different points of view.

Q. You have no "Labour Forum" now; and you have no forum, let us say, for employers or interests represented by employers; those two classes are not on the air?—A. No, the "Labour Forum" was dropped several years ago; but that kind of subject is quite often brought into the "Citizens' Forum", as well as subjects related to the economic life of the country and things like that. Labour people and representatives of business have quite often been on the "Citizens' Forum."

Q. I think the forum method is probably the best method, because thereby you obtain all shades of view. I think that forums should be organized so that all shades of view are represented.—A. If you look at the list in connection with the "Citizens' Forum", you will find a very wide variety of subjects and interests represented.

By Mr. Smith:

Q. In Alberta they have a forum which I think is sponsored by the University of Alberta Extension Department. That forum seems to run regularly in our province. In fact, I was on it once myself. It operates weekly, I think.—A. I think you were asked to take part in a C.B.C. forum, Mr. Smith.

Q. Yes, I was, but that was a mistake.—A. I would not necessarily agree to that.

By Mr. Fleming:

Q. We have been taking up cases of complaints made to the C.B.C. by individuals who have been denied time on private stations in order to explain their views. Now, let us consider the phrase of the minister, complaints coming to the C.B.C. from citizens at large, or from organizations, about the type of program coming from the private stations; that is, outspoken complaints, let us

say, about the type of programs and the views being expressed, and the complaints that there is not a fair balance between conflicting views. What action would the C.B.C. take in connection with that kind of complaint?—A. You mean, in a general way?

Q. Suppose a Communist says there is a private station which is not giving fair time to the Communists to answer attacks being made over that station against Communism, and he appeals to you as chairman of the C.B.C. board to see that such a station does give a fair opportunity for reply to those attacks. What decision would the board take?—A. I think, in a case like that, we would go into the matter pretty thoroughly and we would then probably talk it over with the private station. Things like that have to be considered in the light of common sense. If there seemed to be an injustice, or if the station was used improperly, we would necessarily take some action about it, under the principles laid down.

By Mr. Coldwell:

Q. Let us get away from using the one example of Communism and let us take a general problem. Assume that a privately-owned station might, as I suggested earlier, not allow a Liberal or a Conservative or a C.C.F. speaker. If we are to have freedom of the air, should there not be some regulation that would give them an opportunity of expression on the air?—A. I think it would be hard to give it much more specific treatment than is laid down in the white paper, because it is so hard to define in writing what an expression of opinion is or how much time should be devoted to certain things; but if general principles are laid down, then the responsibility is placed on the operator of the private station to see that reasonable and just time is provided.

Q. My original point was exactly that. Does the corporation make any investigation to see that reasonable time has been allotted for that kind of purpose?—A. Following the suggestions made today, we will look into that more carefully.

By Mr. Beaudoin:

Q. You do check the schedules to see if a fair proportion of time is given to public affairs?—A. Yes, and that kind of thing will be looked into a little more carefully from now on.

By Mr. Knight:

Q. At one time was it not the practice to allow the leaders of the various political parties to express their opinions?—A. Yes, that is all laid down in the white paper.

Q. Has that practice not fallen into abeyance?—A. It will be started up again very soon now.

The CHAIRMAN: There is a schedule of dates published only today in one of the papers.

By Mr. Fleming:

Q. I am trying to understand the whole discussion that we have had on this subject this morning. The C.B.C. has seen that there is a limit to the general principles that can be laid down to guide private stations, and there is a certain discretion reserved both to the owner of the private station and ultimately to the C.B.C. in connection with such matter.—A. Yes, there is a very wide discretion. The main responsibility lies on the operator of the station, a very important responsibility, to control the use of an air channel.

Q. But there remains with the C.B.C. an ultimate or residual responsibility to say whether or not a particular broadcast ought to go on the air.—A. That is not a case that rises very often. I do not recall anything of that kind having arisen during my term of office.

By Mr. Coldwell:

Q. But you do have the authority, if necessary?—A. Yes, we have the authority under the general regulations laid down; but the question does not come up in the usual course of things. Most private station operators are glad to sell time to either side of a question.

Hon. Mr. McCann: Is it not a fact that the operator of a private station attempts to give the public in his region a balanced program; therefore he must have the inherent right to say, when the time arrives: we have had enough of that particular type of program, just the same as a newspaper editor who has had a lot of controversy, might say that the time has now arrived when we must put all these letters in the waste basket because we have had enough. I think the owner of a private station has the right to say, at a certain stage: we cannot carry any more of this type of broadcast.

Mr. Smith: Are you not arguing the position of the C.B.C. there? Mr. Fleming said that a moment ago.

Hon. Mr. McCann: On appeal; but before it ever comes to the C.B.C.

Mr. Smith: Not necessarily on appeal, surely?

Hon. Mr. McCann: No. The operator himself has certain rights.

Mr. Smith: Yes, the operator himself has certain rights, but always subject to the approval or disapproval of the C.B.C.

Hon. Mr. McCann: Yes, always subject to the approval or disapproval of the C.B.C. who are supposed to exercise good judgment having regard to the interests of the public.

The Witness: The operator is free to go ahead and use his good judgment; but if somebody wants to bring some particular matter to the C.B.C. and feels that an injustice is being done, it would be then only that the C.B.C. would be called in. Those cases are very rare. The C.B.C. would not want to act in an arbitrary way.

Mr. Smith: I was using the Doctor's expression: "On appeal."

The Chairman: We are all pretty well in agreement on that now.

Mr. Smith: Can we open a new subject now, Mr. Chairman?

The Chairman: I would think so; it is your judgment.

By Mr. Smith:

Q. I would like to ask some general questions on matters of policy. Now, going back to the Aird report, page 13, section "k" reads:—

> (*k*) That time should be made available for firms or others desiring to put on programs employing indirect advertising; that no direct advertising should be allowed;

You have gone a long way from that, have you not?—A. Quite a long way, Mr. Smith.

Q. I am not criticizing the gentlemen who made that report, but if you look at appendix one you will see that twenty-four lines were adopted in reference to the German system, six lines adopted in connection with the British system, and only two and one-quarter lines were put in there with respect to the system in the United States. Now, in the United States, broadcasting is supported entirely by advertising, and they have no fee from licences. —A. That is correct.

Q. Then, turning to the 1938 report of the committee, to the evidence of Mr. Brockington who, I think, was the then chairman, was he not, I notice that he said that the corporation would take advertising to the extent of $500,000, but that was the limit. You probably recall his statement?—A. Have you got the reference?

Q. I have a marked copy. His evidence was given in volume two, on Friday, March 25, 1938.—A. Page 32, I think, Mr. Smith, the second paragraph.
Q. Yes.

> 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.

Now, according to Dr. Frigon's evidence, the statement that he gave to us the other day, at page 49, Dr. Frigon told us that the revenue paid over to the private stations was $1,200,000. Now, I understand that for the year 1944 to 1945 the net to the corporation was $1,639,159.97. I wonder if you or Dr. Frigon could tell us the gross billing from which those two amounts were ultimately obtained. I have looked for it in the annual statement and it is not shown. I would like to know the gross from advertising to the C.B.C. I do not think it is the sum of those two amounts by any means.—A. I have not got the two figures but perhaps Dr. Frigon has them. Any gross figure is not gross to the C.B.C. because a very large part of it is paid to private stations in the country.
Q. $1,200,000?—A. Yes.
Q. That is set out here.

By Mr. Coldwell:

Q. Do you pay line charges out of your revenue?—A. Line charges are paid against those programs.
Q. And what about commissions?—A. That is net after commissions.
Q. But the line charges come out of revenue to the C.B.C.?—A. Yes.
Q. Perhaps Dr. Frigon could tell us what the line charges are as well.

Mr. SMITH: That is what I want to get. I want to get the gross and then break it down, if I can.

Dr. FRIGON: Referring to the evidence of some years ago which has just been mentioned, there was never any definition of what was meant by revenue, whether it was gross or net, including line charges before or after commission. It was just a figure thrown in and I fear it has been very badly misinterpreted with respect to our total revenue of $1,639,159.97. That has to be interpreted along with wire line charges, private station services, and so on. Our revenue for 1944 and 1945 for station time should be compared to the $500,000 mentioned some years ago. That is comparable to the revenue which would go to private stations for the sale of time of the stations. The total revenue to us in 1944 to 1945 is $1,645,000 odd, but that is not net to us because we could charge against that, as I have said, the cost of land lines and the cost of running the commercial department and a very important part of our overhead. That is the way these figures have to be interpreted. I do not know whether or not that answers your question.

Mr. SMITH: No, I realize that; but what I want to get, if you can give it to me, is the total advertising revenue. Let us put it this way. As I understand you, the two sources of revenue are: (1) from licences which have been given; and (2) advertising revenue. I want to know what the gross revenue is, then

I want it broken down, because I want to see how you arrive at these net figures of $1,639,159.97.

Dr. FRIGON: Well, I do not know whether this would answer your question, but we have handled, on behalf of network stations in 1944 to 1945, a total amount of $3,447,868.61. That money has gone through our books, most of it going to private stations. In other words, we collect money from the sponsors or agencies, and we issue cheques to the private stations, so that most of this money just goes through our books. In addition to that, the private stations may get money from other sources, but that would not be the concern of the Canadian Broadcasting Corporation. This is a mixture of C.B.C. and private station business. Now, out of that amount you take commissions in respect to C.B.C. stations, in respect to private stations, to line costs and the amount going to the private stations, as I have just explained, so there remains for the C.B.C. $1,639,159.97.

Mr. COLDWELL: Out of which you have to pay line charges?

Dr. FRIGON: Out of which we have to pay line charges to the wire line companies?

Mr. SMITH: Yes, but I do not seem to be able to make myself plain.

Dr. FRIGON: I could give you the same kind of breakdown which I gave in 1944:

Gross Billings		
C.B.C. Stations		$ 821,923 75
Private Stations		1,762,968 86
Lines		804,674 00
Miscellaneous		58,302 00
		$3,447,868 61
Deduct Agency Commissions		
C.B.C. Stations	$ 123,966 98	
Private Stations	358,058 98	
Lines	162,191 14	
	$ 644,217 10	
Payments to Private Stations	1,164,491 54	
		1,808,708 64
		$1,639,159 97

Mr. SMITH: That is the net position.

Dr. FRIGON: Out of that we have to pay the wire line companies for the use of their lines.

Mr. FLEMING: How much?

Dr. FRIGON: $804,674.

Mr. COLDWELL: What is the meaning of the miscellaneous item of $58,302?

Dr. FRIGON: I am breaking down the $1,639,159.97 to give you the amount which was paid to us for the use of our stations.

Mr. COLDWELL: I thought you were giving us the expenditures?

Dr. FRIGON: All right. The lines would be $642,482 net revenue.

Mr. COLDWELL: What have you got left after you have apportioned everything, and have made the thing balance?

Dr. FRIGON: We have a net of $1,639,159.97.

Mr. COLDWELL: No, you get one million and some odd thousand dollars, and you deduct from that line charges and some other things.

Dr. FRIGON: We cannot break it down that way because we do not know how much we pay for each portion of the line used for commercial programmes.

Mr. COLDWELL: But you do know how much money you have paid the line companies.

Dr. FRIGON: Yes.

Mr. COLDWELL: Is it not a simple thing to deduct the amount you paid them each year and give us what you have left for the separate stations?

Mr. SMITH: You would be using the lines for other programmes.

Dr. FRIGON: We have to maintain the lines; only a part of the time is used for commercial programmes, and part of the time is used for sustaining programmes. Part of this time is used for programmes of secondary importance, just to keep the network going. What portion of the cost of the lines can be attributed to commercials is not easy for us to determine.

Mr. COLDWELL: I can see that, but it is putting the revenue of the corporation in a wrong light before the committee.

Dr. FRIGON: Yes. The revenue of the corporation which can be compared to the revenue which was mentioned some years ago is the revenue which we derived from the sale of our stations to sponsors; that came to $697,956.

Mr. COLDWELL: That is the point.

Dr. FRIGON: In other words, the time we sell on our stations, in the same manner as we sell time on private stations, for network commercials, has given us in 1944 to 1945 roughly, $700,000. That is the figure which should be compared, to the $500,000 which was mentioned some years ago.

Mr. SMITH: In other words, the $500,000 used by Mr. Brockington was a misnomer. What I want to get now—we will leave out 1938—I want to know your gross billings for advertising on the CBC. It may be that you have already given it.

Dr. FRIGON: $697,956.

Mr. SMITH: All right.

Mr. FLEMING: For the year 1944-1945?

Dr. FRIGON: Yes, for the year 1944-1945.

Mr. SMITH: The amount of $1,639,159.97 is charged to commercial activity?

Dr. FRIGON: That is revenue for the sale of time on all stations . . .

Mr. SMITH: Is that the gross?

Dr. FRIGON: That is the net, after commissions and discounts.

Mr. SMITH: Then, you do know what your gross is?

Dr. FRIGON: Yes, I gave it to you before.

Mr. SMITH: You do not give it in your statement, do you?

Dr. FRIGON: I just gave it a moment ago. Our gross billing is $821,923; that is the gross billing for the CBC stations. The $1,639,159.97 is composed of revenue from the sale of time on all stations, plus wire line charges, plus miscellaneous, less commissions.

Mr. BEAUDOIN: Could you give us what portions of that amount come from the Dominion network, Trans-Canada network and the French network?

Dr. FRIGON: I have not got that broken down here.

Mr. COLDWELL: I was going to ask you if we could make a comparison.

Dr. FRIGON: I do not think we could break it down that far on our books because there is an overlapping of services. It is very difficult. We could give you how much we made out of CBF, CBV, CBJ, CBL, and so on, but when you come to the wire line charges it is not possible.

Mr. BEAUDOIN: But excluding the wire line charges?

Dr. FRIGON: We could give you the revenue on each station.

Mr. COLDWELL: I was going to deal with one question. I notice in the reports we have before us we are told that the British Broadcasting Corporation gets $36,000,000 a year from all sources, and that the American stations get about $400,000,000 a year from all sources. That is the total amount of money

spent in those countries on radio. Can you give us any estimate as to how much money is available in Canada for all radio broadcasting and what the revenue of the private stations would be? You could get the logs, and you know the rates. If you cannot give it for all stations can you give it for two or three like CFRB in Toronto, CFCN in Calgary and CKCO in Ottawa which does a lot of advertising.

Dr. FRIGON: Of course, we have no access to their books. All we could do would be to make a wild guess.

Mr. COLDWELL: It would not be a wild guess if you had the rate cards and the logs. You would know how much advertising they do, how many spot announcements a day, and so on.

Dr. FRIGON: We could make an estimate from whatever information we have on hand.

Mr. COLDWELL: I think it would be interesting to know how much money is actually available for broadcasting. The C.B.C. gets $700,000 a year net. How much is spent in Canada on radio broadcasting for all purposes?

Dr. FRIGON: I think our chairman mentioned the other day a figure of $10,000,000. Whether that is conservative I do not know.

The WITNESS: That would be conservative. I think it is conservative because the total money available to the private stations is probably twice the total money available to the whole national system.

Mr. ROBINSON: Are we to take it that the money available to the national system is that amount of $3,400,000, part of which goes to the private stations?

The WITNESS: No, what is available to us from licence fees plus the figure of $1,639,000; in other words, the money we have to run the system with.

By Mr. Robinson:

Q. That is the total of licence fees plus commercial operations?—A. Yes.

Mr. SMITH: I want to refer the witness to page 62, the third paragraph. "In 1944-45 our net commercial revenues, before deducting the cost of our commercial department and a portion of the cost of operation that could be charged to commercial activities, were $1,639,159."
What I want to get at is from what gross figure that net figure is arrived at?

Dr. FRIGON: I thought I had just given that. I will repeat.

Mr. SMITH: Perhaps it would be a good idea to give us a statement and break it down. With the greatest respect, Dr. Frigon, I think a moment ago you may have been confusing revenues with expenditures because line charges is an expenditure, of course.

Dr. FRIGON: I have used the word "line charges" in two different meanings. The first is the billing of sponsors for the use of lines. That is a line charge. Then we turn around and we pay the wire line companies our own line charges for the use of their facilities sixteen hours a day. It is the same definition but for two different purposes. What we call our line charges is the $1,000,000 a year which we pay to the C.P.R. and C.N.R. telegraph companies for the use of a number of lines sixteen hours a day across the country. Those are our line charges. Then we sell time on the network to any sponsor and we have to charge them line charges which is their cost of using these lines for a definite programme.

Mr. SMITH: I want your gross costs.

Dr. FRIGON: Of the whole C.B.C. operation?

Mr. SMITH: No, the whole cost of billings for advertising on the C.B.C. from which this net figure of $1,639,159 is derived.

Dr. FRIGON: Would you mind repeating that so that I can get it straight.

Mr. SMITH: I want the total revenue of the C.B.C. for advertising whether you spend it in line charges or anything else. In other words, on page 62 you have a net figure of $1,639,159. From what gross figure is that net figure derived?

Mr. COLDWELL: Is it not the total gross revenue less licence fees?

Dr. FRIGON: The only gross revenue I can give you—because the $1,639,159 is derived from that gross revenue less commission charges—is $3,447,868. That is the gross revenue through the C.B.C. books.

Mr. ROBINSON: That is the gross revenue. Is that all derived from advertising?

Dr. FRIGON: Commercial advertising.

Mr. ROBINSON: Then over and above that you have further revenue from licence fees?

Dr. FRIGON: That is right. I want to make myself quite clear. That gross revenue which is the gross figure of our commercial activities goes directly to private stations in part, so that is not our business. It is business handled partly for private stations. I will give an example of that. Suppose a sponsor wants to buy half an hour on the network. We quote him a figure. The total of those figures for the whole year is $3,447,000. When we have done that we send a portion of it to private stations under an overall agreement. We pay commissions. When that is done there remains to us for the whole business a revenue of $1,639,159.

Mr. SMITH: The gross I want is the total amount of money you received from advertising.

Dr. FRIGON: $1,639,159.

Mr. SMITH: That is the net amount.

Dr. FRIGON: The gross amount. I would have to deduct from that first of all the cost of wire lines to us, which is next to impossible, because of the way the networks operate. I have to allocate to commercial broadcasting a portion of our total overall line charges.

Mr. SMITH: I do not want you to do that. What I want to know is this. Suppose you have 20 advertisers and 20 only. I want to know how much money they pay you in one year.

Mr. ROBINSON: That is $3,447,000.

Dr. FRIGON: They would pay us for the use of our stations $697,956. That is what they pay us for our stations. We then have to make to them a charge for the use of wire lines.

Mr. SMITH. How much is that?

Dr. FRIGON: The charge in 1944-45 was $642,482. That is for our business of selling at retail prices wire lines we buy wholesale.

Mr. FLEMING: It is still part of the gross revenue. Let us forget for a moment how you move from gross to net. The gross figure as given to us for commercial revenue was $3,447,000.

Dr. FRIGON: As I said before that is very misleading because we are only agents for the private stations.

Mr. FLEMING: It is not misleading if you understand what the gross figure is. I think Dr. Frigon has made clear that in arriving at the net commercial revenue you have to take account of a number of factors including the fact that a part of that amount is really divided up so far as revenue is concerned with private stations, but when you try to isolate that one thing, the total gross commercial revenue, is not the figure $3,447,000 for the year 1944-45?

The CHAIRMAN: May I interpose a question there to you to see if I have it clearly. When you are collecting money a definite part of which it is already understood belongs to a different person is it to be properly denominated as your revenue? Do you call that your gross revenue when you collect $100, $35 of which, a definite fraction, by prior agreement belongs to somebody else?

Mr. FLEMING: It is the total gross.

Mr. SMITH: It is the total billings that we want. It is a very simple thing.

The CHAIRMAN: The billing gross has been clearly given as $3,447,000.

Dr. FRIGON: Following the chairman's remarks, suppose an agency in Canada or in the United States handles $10,000,000 worth of soap business from Proctor & Gamble, let us say. Would you say that the agency has $10,000,000 revenue.

Mr. SMITH: Certainly not.

Dr. FRIGON: It is the same thing here.

The CHAIRMAN: The gross billing revenue is as stated. We must clearly understand that.

Mr. SMITH: If that is the figure that is fine.

The CHAIRMAN: Gross billing revenue is certainly not gross revenue.

Mr. SMITH: I used the expression "billings" when I started and somebody switched me on to revenue. I began with billings. Am I correct that figure is $3,447,000?

Dr. FRIGON: Right, sir.

Mr. SMITH: I have taken a long time to get that.

Dr. FRIGON: Because it is important, for whatever use is made of the figures, that it be understood that this $3,447,000 represents partly, moneys collected by us as an agent for private stations.

Mr. SMITH: Would you take the billings and break it down in a little statement?

Dr. FRIGON: I have broken it down.

The CHAIRMAN: I should like to suggest that this statement from which Dr. Frigon is reading might very well become a part of the record.

Dr. FRIGON: It has been dictated.

The CHAIRMAN: That may be so but we would like to have it in the short form it is there.

Dr. FRIGON: Yes.

Mr. KNIGHT: Have we had the amount that was paid to the private stations?

Dr. FRIGON: It has been given.

The CHAIRMAN: It has been given.

Mr. KNIGHT: Then if we subtract it from that $3,447,000 figure would that not give the gross?

The CHAIRMAN: No, it would approach the gross. There are some other payments have to be taken out.

Dr. FRIGON: We would have to take out commissions.

Mr. FLEMING: The figures we are dealing with are from the statement for 1944-45. Are the figures not available yet for 1945-46? If we are going to have the statement as an appendix to our proceedings would it not be well to have the most recent one?

Dr. FRIGON: We will have it before the committee adjourns. The figures cannot be final until they are approved by the auditor-general but we will give you an approximate balance sheet before the committee adjourns.

By Mr. Smith:

Q. May I come back to Mr. Dunton now? Obviously now the policy of the C.B.C. has been changed with respect to revenue from advertising? That is obvious, is it not?—A. I would not say so. As Dr. Frigon explained there is a question of what that figure of $500,000 means that Mr. Brockington gave.

Q. Let me go back and leave that figure out. The Aird report on which we began our broadcasting said "indirect advertising". You will correct me if I am wrong, but as I understand that it means advertising which is not selling advertising. In other words, you put on a newscast and you say, "This is put on through the courtesy of the A.B.C. Brewing Company," or something of that kind. That is indirect advertising, is it not?—A. I imagine so.

Q. Then direct advertising is an effort to sell the product directly. Am I right in that?—A. Except to me it would be quite hard to draw the line as to a lot of advertising on the air now to say whether it was direct or indirect. I think a good deal of the advertising on the air could be called indirect now.

Q. In any event, to some extent we have left the idea of indirect advertising and we are now using direct advertising on the air?—A. Right.

Q. Cigarettes, soap, and so forth.

Mr. FLEMING: Razor blades.

By Mr. Smith:

Q. When did that change in policy take place? I do not mean the exact date?—A. Dr. Frigon was a member of the Aird Commission and perhaps he could answer that.

Dr. FRIGON: I could answer this way. As I said in my report the other day we have to carry the American network programmes.

Mr. SMITH: I am very happy you do.

Dr. FRIGON: For instance, last night you would not have listened to the Louis-Conn fight if it had not been for the fact we were carrying a commercial broadcast. That is why we have been forced to abandon the idea of purely institutional broadcasts because we carry the American networks and over there they have no institutional broadcasts in the way you have in mind. The best illustration I can give you of that is the Louis-Conn fight last night.

Mr. SMITH: I accept your explanation. I listened to it and I am very glad you had it. You are getting away from indirect advertising and that has made you some money. You have increased your advertising. What is the corporation's limit with respect to that? What is the policy of the corporation?

The WITNESS: If I could answer that from the board's point of view the limit is set by the need to keep a proper balance on the air so that there is still adequate time left for good non-commercial programmes of different kinds, the kind of programmes which are not done commercially. You only have sixteen hours a day. If you are going to keep that balance the limit is very obviously set. I would say that on the Trans-Canada network we have been keeping it at about its present balance for some little time, and apart from minor changes would probably not want to change that balance.

By Mr. Smith:

Q. What is that balance in hours?—A. Over all C.B.C. networks it is 20 per cent commercial to 80 per cent non-commercial or sustaining. There is a little different situation on the Dominion network. It is operating only at night now. The 28 private stations on the network are very anxious that the service be extended to the day time, but to extend that service we have not the money to order wire lines for sixteen hours a day. We need some commercial revenue there. It would not make any more money for the corporation. It would probably cost us more, but we would like to improve the service on that network and meet the requests of the private stations by extending it to the day time,

an operation which would entail some commercial programmes during that day time portion. It would look like an expansion of revenue but it would mean better service on that other network with actually most of the money going to the private stations.

Q. You used those figures in your original statement and you have used them again to-day, 20 per cent and 80 per cent. Are you sure of those figures? —A. We have a pretty full survey.

Q. You have something to support that which you can probably produce for us so that we may look at it?—A. Yes.

Q. My impression was, having listened to one of your stations down here, that the commercial portion ran a good deal over the 20 per cent. The soap operas in the mornings take all morning.—A. We must say that in radio figures do not tell the whole story by any means. In the evening there is certainly more than 20 per cent commercial. That is an overall figure, but it is a definite figure.

Q. You have some sort of survey or breakdown?—A. Yes, we have a very thorough survey.

Q. You can show it to me at your convenience so that I can convince myself you are right?

Mr. FLEMING: Is it too lengthy to print in the record?

The VICE-CHAIRMAN: (Mr. Beaudoin): No, it does not seem to be too lengthy.

The WITNESS: We can get copies for the committee if they wish to have it.

Mr. FLEMING: Put it in as an appendix to the day's proceedings.

The WITNESS: It is pretty long. Could we just circulate it to the committee?

Mr. SMITH: Give us copies. Have you copies available now?

The WITNESS: The are copies available.

By Mr. Coldwell:

Q. Mr. Smith mentioned the Aird report. I happen to have a copy here. Have we not got away from the Aird report almost entirely over the years? The Aird report contemplated there would be one overall broadcasting system in Canada. We have almost entirely deserted the principles of the Aird report, it seems to me, in the manner in which we have allowed other stations to come upon the scene. The Aird report certainly recommended that the nucleus of the system should be seven 50,000 watt stations. We have not those yet after all these years. Dealing with the matter that came up early this morning the Aird report, from which Mr. Smith himself read just now, on page 13, section (k) says:

> (*k*) That time should be made available for firms or others desiring to put on programmes employing indirect advertising; that no direct advertising should be allowed; that specified time should be made available for educational work; that where religious broadcasting is allowed, there should be regulations prohibiting statements of a controversial nature or one religion making an attack upon the leaders or doctrine of another; that the broadcasting of political matters should be carefully restricted under arrangements mutually agreed upon by all political parties concerned; that competent and cultured announcers only should be employed.

With the exception of that last clause it seems to me that generally speaking we have pretty well got away from it.—A. I would say that a lot of those principles are still being applied but that results change the picture of radio.

Q. We have not got such a broadcasting system. Section (*a*) reads:—

> (*a*) That broadcasting should be placed on a basis of public service and that the stations providing a service of this kind should be owned and operated by one national company.

We have not got that.—A. Not fully.

Q. That is the very first recommendation. We should have seven 50,000 watt stations covering the country and a lot of other things, but we have not got them. It seems to me that gradually we have whittled down the Aird report until we have very little of the original recommendations made.—A. I was going to say that later when the committee wishes we will want to discuss our plans to develop again after the war. The war has caused a terrific gap in the whole development of the corporation. We will explain what our plans are to develop again in accordance with all the principles laid down then and since the Aird report by parliamentary committees.

By Mr. Smith:

Q. The Aird report refers to Australia. Their set-up is somewhat similar to what we have. They have class A stations and then they set up class B stations to be operated by private companies and to be maintained from revenue to be derived from publicity programmes. That is still true in Australia?—A. Yes, I understand so.

By Mr. Smith:

Q. The Australian system does not use advertising to supplement its revenues?—A. That is right.

Mr. COLDWELL: What is the licence fee in Australia?

Mr. SMITH: It is given here. 24 shillings.

The WITNESS: I think that covers only the cost of programmes for the network. I do not think it covers the technical side.

Mr. SMITH: It says:—

> The cost of maintaining these services will be borne from the revenue derived from the listeners' licence fee, which has been fixed at 24 shillings per annum.

The WITNESS: I know the Australian Broadcasting Commission is really pretty much a programming department. I think it is the post office which actually maintains the facilities of the station.

By Mr. Coldwell:

Q. May I ask this question? Is it not a fact that one of the objects of the referendum was to give the Australian government more power to do some of these things on a federal basis, and radio work included? As a matter of fact, one of their ministers told me that last week they hoped to get an amendment this time during the general election that would enable them to more completely control the radio system.—A. I am not sure.

Mr. SMITH: Perhaps I had better clear up the situation. I am reading from the report on page 14:

> Australia has 24 broadcasting stations. They are divided into two categories: Class A—those of high power and class B of low power. Arrangements have been made for class A stations to be taken over by the Commonwealth government. The post office department will control and operate the stations and studio equipment, a contract being made with a private company for the rendering of programmes throughout the commonwealth.

That is what you had in mind?

The WITNESS: Yes, and I think that roughly that is still the system.

Dr. FRIGON: Referring to Mr. Coldwell's question as to the Aird report I happen to know something about the Aird report.

Mr. SMITH: You should.

Dr. FRIGON: The general background of the Aird report is the necessity for a national system of broadcasting. At that time some people thought that besides this national system there was room for local stations to give community service. The CBC has interpreted the report in that manner trying to establish a national system of broadcasting and parallel with it private stations giving community service. That has been the policy of the CBC since the beginning, national service in the case of the CBC community service in the case of private broadcasters. That is what has become of the policy of the Aird Commission. It was soon found out even before the CBC existed that there was room for stations to give service to different localities small and large, besides a national system of broadcasting.

Mr. SMITH: That is so obvious with a country as long and narrow as Canada is and with only 11,500,000 population. I am very anxious that everybody should know that I think there is a place in the sun for the Canadian Broadcasting Corporation. There is no doubt about that whatsoever. All I am concerning myself with at the moment up to now is how it derives its revenue and how it spends it. Nobody is going to hear me argue to kill the CBC, not for one minute.

The WITNESS: I should like to re-emphasize that the corporation feels very strongly there is not only a place but a need for local community stations deriving commercial revenues and doing a good job. We are anxious to encourage them. The corporation can say it has done a lot to encourage the development of these stations supplementary to the overall national system, with opportunity for local stations to do a good job and make money.

Mr. SMITH: May I turn to something else or do you want to adjourn?

The CHAIRMAN: I do not think we should adjourn yet. We have almost half an hour.

Mr. SMITH: I do not want to monopolize all the time.

The WITNESS: Could I add something about advertising? I should like to point out as the policies and the corporation have developed they have been examined by parliamentary committees. For instance, in 1934 the committee which was formed soon after the Aird report made a recommendation that the provisions of the Act dealing with advertising should be more liberally interpreted. In other words, as radio was developing policies were being changed, and parliamentary committees were taking cognizance of that.

By Mr. Smith:

Q. You could not have lived without them?—A. They have done a good service.

Q. I think that is quite obvious. Speaking from the standpoint of the private stations where do you intend to end? I think you answered me you intended to maintain the proportion of 20 to 80 you have now? I think that answers my question.—A. Yes, a balance as I mentioned before. I should like to re-emphasize that we are in the national broadcasting field, not in the local field. That is where the big proportion of commercial revenue comes from. Much more is available in local programmes, national spot business, local spots, and so on.

Q. Another reason you are in the national field is that you will not let anyone else in there.—A. We have always interpreted that as being the intention of the Act and parliamentary committees.

Q. I am not quarrelling with you. No one else can come in under our present legislation?—A. That is how we interpret it.

By Mr. Coldwell:

Q. Mr. Smith said he was asking the question from the point of view of private stations. I am going to ask a question from what I think may be the

opposite stand. Is not the difference between the $500,000 Mr. Brockington spoke of and the $700,000 in 1946 about the amount by which the cost of living and the costs of operation, and so on, have risen, probably not quite as much as that?

Mr. SMITH: Dr. Frigon, may I ask you this so that we will be sure about it? You spoke of the $500,000 that Mr. Brockington mentioned. Would you give us the gross billings of that year, not now, but later?

The CHAIRMAN: Bring in a statement comparable to the one you have already given.

Mr. SMITH: I want to know what we should compare the $500,000 with. Dr. Frigon has said he thinks it is $700,000.

The CHAIRMAN: That was 1938, was it not?

Mr. SMITH: Yes, he gave his evidence in 1938.

The CHAIRMAN: May I ask if you can answer this? Do you know the total commercial revenue of radio in 1938 out of which that $500,000 came? Do you know the total commercial revenue in Canada in this last year we are dealing without of which the $1,649,000 came?

Mr. SMITH: He is going to give us a statement.

The WITNESS: We are going to draw up something. I made a rough guess of between $10,000,000 and $11,000,000 for commercial revenues of private stations. I do not know if anything can be got for 1938.

Mr. COLDWELL: Probably some of your officials could make a rough estimate of the total radio revenues available in 1938.

Dr. FRIGON: I hardly think we have the documents available for that.

Mr. COLDWELL: You might look into it and see.

Dr. FRIGON: If we have, we will.

Mr. SMITH: If we can get 1938 and 1944-1945 then we will know what we are comparing things with.

The WITNESS: I should like to mention that figure of $10,000,000 or $11,000,000, or whatever it is, should be comparable to our figure of $1,600,000. That is the net revenue.

By Mr. Coldwell:

Q. That is the net revenue?—A. Yes, and without question of the wire lines.

Q. That makes a big difference. I was taking it as the gross revenue.

The CHAIRMAN: Do you want to go into some other field?

By Mr. Ross (Hamilton East):

Q. Have the CBC a booklet called "Network Coverage"?—A. Yes, there is one.

Q. I wonder if copies of it could be made available for the committee?—A. Yes.

Q. For our next meeting?—A. We will do that.

By Mr. Robinson:

Q. Before we leave that subject which Mr. Smith has brought up I understand that there is to be a rather full report distributed on the question of that 80 per cent and 20 per cent and allied subjects?—A. That is right, fairly complete.

Q. Will that be ready for the next meeting?—A. Yes, a fairly complete statistical breakdown.

Q. That may lead to further questions on production in the United States and Canada?—A. It shows all points of origination, and so on.

By Mr. Fleming:

Q. May I turn to another matter. At page 20 of the first issue of the minutes and proceedings of this committee under the heading "General Broadcasting Regulations" there are three paragraphs of which this is the third:—

> In the issuance or transfer of broadcasting licences the board is not the authority. It is required to make recommendations to the licensing authority in these matters. Opportunity is given to those concerned to make representations, personally if they wish. The board makes its recommendations in conformity with its best judgment of the interests of the listeners in the area concerned.

That is from Mr. Dunton's preliminary statement. I should like to ask a question of Mr. Dunton with particular reference to the first two sentences which read:—

> In the issuance or transfer of broadcasting licences the board is not the authority. It is required to make recommendations to the licensing authority in these matters.

The first question is this. In the issuance and transferring of all licences hitherto has the CBC been consulted for its recommendations?—A. Certainly as far as I know. I do not know about past history. I think so certainly in recent years. I think we can say since the corporation was set up, yes.

Q. Then my next question is, have the recommendations of the CBC been adopted by the licensing authority in all cases?—A. I am not sure. I think we would have to check. I think pretty well. On the whole the recommendations have been pretty well followed.

Q. Is it possible to furnish us with a statement as to cases where these recommendations have not been accepted and the reasons given?—A. Yes—I imagine it really should come from the Department of Transport.

Q. Do they notify the CBC in all such cases where the CBC recommendations are not adopted as to the reasons they have not been adopted?—A. I think they would. As I say, I do not know of any cases where they did. We can check up and see, but I think it really should be the Department of Transport.

Q. You would have a record if they had notified you. Could you look that up and inform the committee if there are such cases and if so what were the reasons given by the Department of Transport for denying the licence?—A. We can look it up and perhaps consult with them.

By Mr. Coldwell:

Q. May I follow that with one specific question? You had an application for the transfer of a licence from CHAB. Did you make a recommendation in that case?—A. Yes, but not in a specific way. We made a recommendation in connection with that question which came before us.

Q. You did not make a specific recommendation?—A. No.

Q. That went without recommendation?—A. Yes. I can explain the position of the board this way. We looked at it very carefully. Our duty is to make recommendations in connection with broadcasting matters, the suitability of applicants, whether it seems that the person who is applying to receive the transfer of the licence is likely to do a good broadcasting job, whether it is in the interests of broadcasting. From that point of view the board saw no objection at all to the transfer, but it saw that there might be involved much more general principles of division of functions among governments which they felt were not at all in the province of the board to make recommendations about. Therefore it just passed on that note that it saw no objection to the transfer from the point of view of the radio capacities of the applicant but thought it was a matter which the licensing authority, and therefore the government, might wish to consider.

Q. Of course, there is the recommendation of the Aird report that provincial authorities should have full control over the programmes of the station or stations in their respective areas.—A. I think that was before the Privy Council decision in 1931 which changed the jurisdiction picture.

Q. Could we get a copy of the recommendation and the correspondence which took place with the board regarding this particular matter?—A. I should like to explain that we do not have official correspondence about these matters since we are not the issuing authority. The Department of Transport is the licensing authority. We do not have correspondence. The only exchanges we had with the Saskatchewan government were a couple of telegrams making arrangements for them to come to meet the board in Vancouver.

Q. Could we get a copy of the recommendation?—A. Yes.

Q. Then we will ask the Department of Transport for the correspondence. Is that right?—A. That is right.

By Mr. Fleming:

Q. I should like to ask Mr. Dunton if the C.B.C. has given consideration to the present system of issuance or transfer of broadcasting licences? Has the board ever sat down and considered whether or not their present system is the best system that can be devised?—A. In what respect?

Q. For instance, does the C.B.C. board consider that the present system is operating satisfactorily or that it could not be improved? Does it think it ought to have wide powers with reference to the issuance or transfer of licences? —A. No, I do not think so.

Q. Or that you should continue a system that has some element of duality in it where recommendations come from one body but the final decision as to the issuance or transfer rests with another body, namely, the Department of Transport?—A. I do not think the board has seen any need for any further power. We have a chance to recommend, and I think the provision was put in there to assure as the national system developed it would be able to have a pretty good voice in how frequencies were being allocated. Obviously the national system could not grow if another body was allocating frequencies to stations and blocking the development of the national system. I think at the same time, as I understand it, when it was being set up it was thought that the actual authority over licences should be kept with the government. That would be too much to give to the board.

Q. In other words, the view of the C.B.C. board is that its rights are sufficiently protected by requiring that its recommendations should be had before any decision is made in each case by the Ministry of Transport?—A. It is the view so far.

Q. But that the final responsibility for approving the issuance or transfer of a licence should rest with the Department of Transport?—A. I think it has worked pretty satisfactorily. I cannot speak for the board. I do not think the board has ever considered it. It has found the legislation pretty satisfactory.

By Mr. Beaudoin:

Q. Is that not a matter of government policy?—A. Yes, and it would be in any case. I do not think the board has seen any need for a change.

Dr. FRIGON: There is another angle there which I might bring in. Broadcasting is only a very small part of wireless telephony and telegraphy. There has to be one licensing authority in Canada to allocate frequencies to all services of which broadcasting is only a part. That is why you need a federal authority recognized internationally as a licensing authority to allocate frequencies to all services, aviation, coast to ship, broadcasting, and all the rest.

By Mr. Fleming:

Q. I take it that the board has not concerned itself particularly about the present system?—A. That is right.

Q. I have a further question. The expression used in the passage I have quoted on page 20 is:

> "In the issuance or transfer of broadcasting licences the board is not the authority."

Does that apply also to station wave lengths? Before Mr. Dunton answers it I want to be quite frank with him. I want to relate this to the current proposals to require three radio stations in Canada particularly, CFRB, CFCN — — —

Mr. SMITH: May I interrupt Mr. Fleming? I thought that the steering committee had recommended that at the present time we were examining with respect to history and that Mr. Dunton was going to give us another statement with respect to future policy.

The WITNESS: That is it.

Mr. SMITH: That is the way I understand it.

The CHAIRMAN: You are quite right, but I think Mr. Fleming has hardly gone far enough to rule him out of order.

Mr. COLDWELL: He is opening up a very wide question.

Mr. SMITH: He sits too close to me for me to have him ruled out of order. Strangely enough we are on the same side in politics, too.

The CHAIRMAN: I think the position of Mr. Fleming at the moment is this. He wanted to ask a question and he mentioned in passing that he was thinking about CFRB or something like that. He is hardly delving into future policy yet. I think his question is quite in order.

Mr. BEAUDOIN: May I suggest the adjournment?

Mr. FLEMING: I take it when we open that door we will be at it for some time. We do not want to start on it at 1 o'clock in a meeting like this. I had one simple question, and it was in fairness to Mr. Dunton that I wanted him to understand that it might have a bearing on this other situation.

The CHAIRMAN: You are quite in order to ask the question. Go ahead.

Mr. FLEMING: I simply wanted to know whether in the construction of the sentence which Mr. Dunton has used in his former statement appearing on page 20 the expression "issuance or transfer of broadcasting licences" includes changes in wave lengths of existing stations?—A Yes, because the licences and the permission to use a certain frequency under those licences are given each year. We have a duty to make recommendations regarding those each year as they come up.

Q. The final authority in that case rests with the Department of Transport? —A. Certainly.

Q. Your function is confined to recommendation?—A. Certainly.

Mr. FLEMING: That is all I wanted to ask on that point.

Mr. SMITH: May I ask a question as to procedure? Unfortunately I cannot be here next Thursday. That has nothing to do with what the committee will do, but do I understand our procedure correctly that we are now asking questions with respect to statements already submitted and are confining ourselves to that? In other words, we have no statement with respect to future policy. Then I think Mr. Dunton or someone said they were going to give us a brief, so to speak, on that. Is that the procedure?

The CHAIRMAN: That is correct. It has been the understandinng that we would proceed in this fashion, and then we would probably hear those who desire to come and make representations. They would be notified to do so.

Mr. SMITH: With respect to history?

The CHAIRMAN: No. I would not say that. That was not decided.

Mr. SMITH: It should be, should it not?

The CHAIRMAN: I do not know. I am explaining what I think was the situation so far. An organization may want to come forward and submit its views. I do not think there was ever any understanding that they would come and submit their views as to their past performance and then later on come and submit their views again with reference to the plans of the C.B.C. and their integration into those plans. I do not think that was the understanding. It was simply that the case of the C.B.C. would be presented, as we have already indicated, in these last few words this morning, and that persons desiring to come forward would be brought forward at an appropriate time. That is as far as the steering committee's recommendation went. The steering committee will have to meet immediately now.

Mr. SMITH: Let me make this suggestion. You say that such persons can come forward. By such persons I gather there are two groups. There is the listener who should be represented here in some way or other, I think, and there are the private broadcasters.

The CHAIRMAN: Would you allow me to interject there? There are also some others such as educational societies and that sort of thing.

Mr. SMITH: And the radio artists no doubt have a point of view. What I had in my mind was this. They should come, but we should follow one plan or not follow it. They should be dealt with as we have already dealt with what has happened up to date. The matter of future policy is a separate matter. Take the concrete case of CFRB, CFCN and the one in Manitoba. All we know about them is what we have seen in the newspapers and one answer we got in the House of Commons. How can those stations come in here and give evidence with respect to taking over a wave length when we do not know what the corporation intends to do? Surely we must follow the same procedure as to future business as we have with history. Does that not seem reasonable?

The CHAIRMAN: This is only a personal point of view, but I believe you should not consider the situation here as a lawsuit between the private stations and the government.

Mr. SMITH: Oh no.

The CHAIRMAN: I should think that any organization which wants to come and make representations respecting its business could quite adequately make representations based on certain assumptions. There is no great problem for a man presenting a brief to a parliamentary committee to say, "Now such and such seems to be the case. It is spoken about in some quarters. We have reason to fear so and so, and in such an event our view is so and so." There is no problem.

Mr. SMITH: Then the Canadian Broadcasting Corporation comes in and says, "You are talking a lot of nonsense. We never intended to do that at all".

The CHAIRMAN: Then at once they would say, "That is fine. Since we are knocking at an open door we will cease knocking."

Mr. SMITH: Where is our logic?

The CHAIRMAN: As far as CFRB is concerned one does not have to draw a very long bow to assume it is going to lose its present frequency. That is not any assumption they need to be wondering about as to whether that is going to happen. They are really in no difficulty there at all.

Mr. SMITH: Are you saying definitely that they are going to lose it?

The CHAIRMAN: I do not think there is any doubt they are going to lose it.

Mr. SMITH: What is this committee here for?

The CHAIRMAN: This committee is not here to decide that question. I am expressing my view. I have not the slightest hesitation in prophesying they will not continue to have that wave length. A year from now there will be a changed situation in Toronto. I may be all wet in saying that, but that is the way it looks to me from all the corridor rumors I can pick up.

Mr. FLEMING: I think it is desirable that the steering committee should meet, but if you are hearing views on the situation at the moment—

Mr. SMITH: Perhaps I should have left it to the steering committee altogether.

Mr. FLEMING: I think it will be making a difficult situation doubly hard for individuals other than the CBC who wish to make presentations here if they are called before the CBC has completed its presentation which will include, I take it, the future policy as well as the past performance.

Mr. COLDWELL: Is it fair to ask the CBC to come here and give its policy to this committee and then for us to invite all and sundry in Canada to come here and pick holes in that particular programme and policy? We have done that each year, as a matter of fact, but I do not think it has been a proper way for the committee to handle these things. It seems to me that we have got the background now, or we shall get it, and that the proper thing to do is to get all the evidence and the policy placed before us, then we can discuss policy more intelligently once we know the past on both sides of the question.

Mr. FLEMING: I completely disagree with Mr. Coldwell on that. I do not think that is the way to get an orderly presentation for this committee. Our duty is to consider the CBC report and policy. Before we can have any assistance from persons outside who might be affected by that policy, surely we must know what the policy is. Surely there has not been any reluctance on the part of CBC officials to come before us and lay before us the policy of the CBC whenever we wished it. As a member of the committee I would be stumbling in the dark trying to give consideration to representations made by persons outside, until we know what the CBC has to say with respect to its own future policy.

The CHAIRMAN: It is a matter of opinion. I see no great problem on the part of private broadcasters concerned presenting a brief here without knowing the policy of the government in advance. I see no difficulty there, but it is a matter of opinion.

Mr. BEAUDOIN: It is likely that the CBC case will be presented to us before the privately-owned stations come here?

The CHAIRMAN: I do not know.

Mr. NIXON: I move we adjourn.

The committee adjourned at 1.02 p.m. to meet again at the call of the Chair.

SESSION 1946

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 5

THURSDAY, JUNE 27, 1946

WITNESSES:

G. C. W. Browne, Acting Controller of Radio, Department of Transport.
A Davidson Dunton, Chairman of the Board of Governors,
Dr. Augustin Frigon, General Manager, Canadian Broadcasting Corporation.

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1946

MINUTES OF PROCEEDINGS

THURSDAY, June 27, 1946.

The Special Committee on Radio Broadcasting met at 10.30 o'clock a.m. Mr. Maybank, the Chairman, presided.

Members present: Messrs. Beaudoin, Bertrand *(Prescott)*, Bowerman, Coldwell, Fleming, Gauthier *(Portneuf)*, Hackett, Hansell, Knight, Laurendeau, Maloney, Maybank, McCulloch, Nixon and Ross *(St. Paul's)*.—15.

In attendance: Officials of the Canadian Broadcasting Corporation and the following from the Department of Transport:—

Messrs. G. C. W. Browne, Acting Controller of Radio,
W. A. Caton, Supervising Radio Inspector,
J. W. Bain, Senior Radio Engineer, Standards and International Section,
V. W. Irish, Head of Receiving Licence Section,
W. E. Connolly, Head of Traffic and Personnel Section.

Mr. Fleming made corrections in the minutes of evidence of June 20, on pages 102 and 105. *(See this day's evidence.)*

The Chairman reported orally on the last meeting of the Agenda Committee, where Mr. Fleming dissented as to the order suggested with respect to the appearance of witnesses from CFRB, The Canadian Association of Broadcasters, and officials of the CBC.

After discussion on further procedure, it was moved by Mr. Knight that, excepting the reference to this day's afternoon sitting, which is cancelled, the report of the Steering Committee be adopted.

Referring to the order of appearance of officials of CFRB, CAB and CBC, Mr. Fleming moved in amendment that the Committee hear officials of CBC on their future policy before hearing CFRB, the Canadian Association of Broadcasters and others.

Mr. Fleming's amendment was negatived, and Mr. Knight's motion was resolved in the affirmative.

Mr. G. C. W. Browne, Acting Controller of Radio, Department of Transport, was called. He read statements, was examined thereon and retired.

The witness was assisted by Messrs. Caton, Bain, Irish and Connolly.

The following documents were read by the witness and copies distributed to the members.

1. Statement relating to statistics covering issue of private receiving station licences.
2. Statement regarding assignment of radio frequencies.
3. Statement respecting Class 1A frequency in use by private stations.
4. The Radio Act, 1938, and regulations made thereunder in effect on March 31, 1942 (with amendments).

67211—1½

The witness also tabled for distribution a complete list of Broadcasting Stations as of June 6, 1946.

On motion of Mr. Fleming:—

Ordered,—That the above list of broadcasting stations be printed. (*See Appendix A to this day's evidence.*)

On the question of assignment of frequencies, Mr. Fleming requested a copy of a letter addressed to stations CFCN, CFRB, CJOC, and CKY by the Deputy Minister of Transport. The letter is dated April 18, 1946.

Ordered,—That this letter be printed. (*See Appendix B to this day's evidence.*)

Messrs. Dunton and Frigon were recalled and examined on the allocation of channels and assignment of frequencies.

As requested, Mr. Dunton quoted from the Minutes of the Board of Governors.

Messrs. Dunton and Frigon were retired.

Pursuant to a recommendation of the Steering Committee and on motion of Mr. Beaudoin:—

Resolved,—That the Committee ask permission to sit in the City of Montreal for one day, viz:—Friday, July 5, and that the Secretary do accompany the Committee.

Several references having been made to the Havana Agreement, Mr. Hackett suggested that, if possible, a copy be obtained for the information of the Committee.

On motion of Mr. Beaudoin, the Committee adjourned until Thursday, July 4, at 10.30 o'clock a.m.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

June 27, 1946.

The Special Committee on Radio Broadcasting met this day at 10.30 o'clock a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: Now I see a quorum, gentlemen.

Mr. FLEMING: Mr. Chairman, on a matter of privilege. On page 102 of the report of the last meeting there is a mistake which I think ought to be cleared up. It speaks about the incident where Professor Kirkconnell was denied access to the air for fear of his speaking about Communism and the report of Proceedings and Evidence at the middle of page 102, contains the following:—

> It was dealing with Communist activities in Canada and with the publication of Communist propaganda by certain newspapers in Canada, mostly newspapers published in European towns.

The word I used was "tongues".

The CHAIRMAN: Yes, that is right.

Mr. FLEMING: That is just about the middle of page 102. Then on page 105 there is the word "mater". It should be "matter". It is no doubt a printer's error.

The CHAIRMAN: The corrections are noted.

Gentlemen, the steering committee met between the last meeting and this, and the recommendations they would make is, as I shall state now; I am not reading from the memorandum exactly, that I have here, although at the time the committee were together the memorandum was made up; I am using it as a basis for what I am now saying. We recommended that in this meeting to-day we would continue with the questioning of the C.B.C. Board and also that representatives of the Department of Transport would be called in, would be asked to be present—and I have no doubt they are present at the moment—for the purpose of answering any questions that might be desired and to bring forward any material that has hitherto been requested; and that it should be recommended to the committee that we commence sitting twice a day at the next sitting—that would be an afternoon meeting to-day. Then the committee felt that this committee would probably finish the questioning to which I have referred in the meeting to-day, and that the one one week from to-day, the 4th of July—that is one week from to-day—it is expected to have two meetings; and if the questioning to which I have referred has been finished we might have briefs presented by two organizations which have requested an opportunity of coming before us. They are the Association of Canadian Radio Artists, and the Canadian Association for Adult Education. If there were two meetings held then, a week from to-day, that could be taken care of and probably the questioning could be concluded. I might remark that the Canada-Newfoundland Educational Association has also requested an opportunity for putting in a brief, and it was agreed to recommend that they should be given an opportunity. That organization, however, has requested that they should not be called during the first week of July; that is owing to the absence of Mr. Lambert of the C.B.C., and they were desirous of having him present. Your steering committee thinks it is possible to accommodate them in that respect and would call them a little later.

We have spoken about a sitting in Montreal, to have a sitting there. The steering committee recommend that such trip would be on the 5th, the Friday following our next meeting.

Going on then to the 11th of July, and the calling of the meeting on that day; that being a Thursday we are supposed to call CFRB and CAB in that order, and considering that it would be possible that they would not finish on that day we would recommend that there be a meeting on the following day; that is, Friday; so that if they did not finish their presentation on Thursday, they would not have to wait a week until they came back again; rather they could carry right on again the next day. If, of course, they do not finish their presentation at that time naturally they would come on at the next meeting after that which would, so far as we can see at the moment, be the then following Thursday.

Now, that is the recommendation of the steering committee this morning. I should say that after the steering committee came to that conclusion, the first part of the recommendation, being that we should have a second meeting to-day, that there have been other matters come forward which make it inconvenient for some to be present this afternoon; and that might be borne in mind when you are discussing this recommendation of the steering committee. There is an important meeting this afternoon which some two or three members of this committee find it necessary to attend. I am in that position myself; although, of course, if this committee were to decide to meet this afternoon, I would naturally absent myself from the other.

Now, I think that is the whole recommendation; excepting that I should say that the steering committee in one respect was not unanimous, and Mr. Fleming said at the time that he desired to feel free to speak on that point; so that in so far as that goes, of course, he doubtless will want to submit some argument against one point of the recommendation.

Mr. FLEMING: Would you care if I did that now?

The CHAIRMAN: No, it will be quite O.K.

Mr. KNIGHT: Do you want a motion to adopt the report? I would so move.

Mr. LAURENDEAU: I would second the motion.

The CHAIRMAN: And in moving the adoption of the report of the steering committee you would exclude the meeting this afternoon; or, would you include that?

Mr. KNIGHT: I would exclude it.

The CHAIRMAN: Having that motion before us you are now in order, Mr. Fleming.

Mr. FLEMING: The matter which I would like to raise with respect to the report of the steering committee as presented to you by the chairman, has to do with the order in which certain parties are to be given the opportunity of appearing before this committee and making representations. These parties are the representatives of CFRB and the Association of Canadian Broadcasters, who have indicated to the chairman and the secretary that they desire to submit briefs to the committee. May I say at the outset that the position that has been taken has been decided on without reference to either of these parties. I did not know what their desires were until after the chairman of the committee had acquainted the committee with the fact after the conclusion of the discussion we had. I want to make that abundantly clear at this time, and I want to make equally clear my own feelings in connection with this matter, and I make this plea without the consent of the principals and without reference to the parties principally concerned. It comes down to this, Mr. Chairman, I think we have all got our eyes opened to this fact, that the presentation of the CBC future policy and plans is going to affect some of these private stations very much.

CFRB has been mentioned as one of the three stations going to be directly concerned. And my point in a word is this, that the committee should have from the CBC officials themselves their presentation of their future plans and policies before we call upon and hear the views of those who may be affected by the CBC policies and plans.

As one member of the committee I want to make it perfectly clear that in the outlining of CBC policies and plans, I want that to come from CBC, and I want a firsthand presentation of CBC's policies and plans. I do not want any interpretation of the CBC's policies and plans coming from someone affected by it in the first instance. I think that is only logical and sound, that the CBC should give the committee its policies and plans before we hear other people who are going to be affected by them. In the second place, we are not conducting this hearing, as you quite well said at the last meeting, like a lawsuit. And there is no such thought involved here, we do not want I think to split unduly the presentation of the whole report of CBC. That report would cover, of course, not only a review of past performances and policies, but would also include an outline of future policies and plans; and I think it would be illogical and unsound to widen the interval of time between the presentation of these two essential parts of the CBC report. I felt right from the beginning that it would have been more helpful to the committee to have had that presentation of the whole CBC report, both on past performance and future policy, before going on to anything else. But as we have so to speak decided to mark time in the presentation of the CBC report in order to question the officials on that part of the report we have had to date, namely the report of past performances, then I think the less time we allow to pass between the presentation of this first part and the presentation of the second part of that report the better.

The third point involved, Mr. Chairman, is that I think we will save time in the long run in that respect. Now, as anyone who has had experience with people purely in the capacity of witnesses will appreciate, you will save an awful lot of time if you can get a presentation of essential opinion first. That comes back to the point I was trying to make, getting a firsthand presentation of CBC's future policy before we start to hear people who are going to be affected by the interpretation and application of that policy, and that interpretation of policy is brought to them perhaps through the medium of official communication than perhaps in other ways—that, we do not yet know. And I propose to the committee, Mr. Chairman, that the report of the steering committee be amended in this respect; that before we hear the views of any organization or station that may be affected or considers it is likely to be affected by CBC's plans and policies that we hear the full report from the CBC officials as to their plans and policies for the future. In my opinion the report of the steering committee should be amended accordingly.

The CHAIRMAN: Are there any other comments?

Mr. Ross (*St. Paul's*): I would like to say a few words. I would like to back up what Mr. Fleming has said. Certainly, we want to know what the policy of the C.B.C. is going to be, what program they have in view. I would like to know what channels they propose to take over, over a period of years. I think it is only fair that private stations should know what is going to happen. I do not think they should be kept in the dark about this thing all the time, and surely C.B.C. has some long-term plan as to what they propose to do over the next four or five years. I think that would be a convenient period of time, and I think they should put their cards on the table and let everybody know just what is going to happen. I do not see how private stations can make any plans for the future unless they know what steps the C.B.C. are going to take. A number of these private stations are willing to spend money, but they cannot

go ahead with their planning or make expenditures unless they know there is going to be for them a measure of security. And I certainly agree with Mr. Fleming that it is very unfair to ask any of these private stations who are immediately going to be affected to come down here and give us a brief and tell us what they want, when they do not know what the C.B.C. are going to do. I think we should go on with the C.B.C., first and get their long-term view of what is going to happen before we call on any of these private broadcasters.

Mr. FLEMING: I think all members of the committee would assume it, but I would like to make it perfectly clear, that the C.B.C. should have a full opportunity, in my view, to make any additional submissions, after the private or other organizations have been here. If there is anything they desire to clarify or reply to, they should have that privilege or right.

Mr. BEAUDOIN: I was under the impression that this question was brought up and that we had taken into account that officials of the Transport Department would appear here and provide, most likely, all the material which might be necessary for the private interests to enable them to prepare their briefs. I thought that was the understanding.

Mr. COLDWELL: I think that Mr. Fleming's argument is unsound. As a matter of fact we are now discussing past policy of the C.B.C., and no doubt, some of these private interests have criticisms of the policy as it has been followed in the past. Secondly, before the C.B.C. places before this committee its future policy, the committee should know what those criticisms have been in the past, and in that way any policy placed before the committee by the C.B.C., could be modified to the extent that the criticisms were valid. Mr. Ross argues that the private organizations who have been using certain wavelengths do not know what their future is. That is their fault. There should be no misapprehension regarding the intention of the former radio committees. Right from the outset we have the Aird report which recommends that this country should be covered by seven powerful broadcasting stations. It has been reported to us on numerous occasions that there was an agreement at Havana whereby certain wavelengths were allocated to Canada. The C.B.C., was not financially in a position to take advantage of those wavelengths at the time they were allocated to Canada; and the C.B.C. has, as I understand it, on a yearly basis, allocated certain powerful wavelengths to certain private stations.

As far as this committee is concerned, and I have been on it since its inception, we have always been told that the stations that occupied those wavelengths were told, quite categorically, that if and when the recommendations of the Aird report were put into effect, and this country was covered by seven powerful, 50,000 watt stations, that those Havana channels allocated to Canada would be occupied by the C.B.C.

Two years ago there was a great deal of discussion as to the possibility of Canada losing those Havana channels. Records will indicate that we had quite a long discussion here and at that time Dr. Frigon told us that they intended to use those channels at the earliest possible moment. I think that is right. Now the time has come, with the war over and so on, when the C.B.C., having given the privilege to use these wavelengths to certain stations, is now prepared to do what it originally intended to do. So I do not think that the argument that the private stations do not know what the policy of the C.B.C. is, in this regard, can carry any weight with this committee.

To return to this report, I would say that the procedure should be to hear what the C.B.C. has to say regarding the policy it has followed, to hear what the private stations have to say about that policy, and the criticism of it, and have the C.B.C. come before us, perhaps, with some modifications in their policy. Then we would be in an intelligent position to decide whether or not the C.B.C. policies are sound.

Mr. HANSELL: I am sorry that I was not at the meeting of the steering committee, but I was not able to be there. I notice that, evidently, Mr. Fleming was the only one who took objection to the general plan. As he has presented his view, it seems to me to be quite logical, but I would make this observation: no matter what takes place, our experience in the past has been that the corporation can always come back again and submit further briefs or further evidence. In other words, they can always have the last word to say. I must confess that I would like to hear the entire report of the corporation, regarding not only the past but the future.

As a matter of fact, I think that the committee was called this year not so much to review the past as to look into the future because there was to be some change in future policy. I suggest that, perhaps, the private stations organization know already what the C.B.C. have in mind. Nevertheless, whether they have received it officially, or by word of mouth, we do not know. I might ask one question: have the C.B.C. or C.A.B., the private stations, expressed their views on the procedure. Could you tell me that?

The CHAIRMAN: Have expressed their views on what?

Mr. HANSELL: Have expressed their views on the procedure, what they would like to do?

The CHAIRMAN: I had intended to acquaint the committee with the facts of an interview I had with Mr. Sedgewick, representing CFRB, and Mr. Guy Herbert, representing CAB; both of these gentlemen indicated that they would be at a disadvantage in presenting their briefs to this committee unless they had in front of them at the time they should be speaking the whole picture from the C.B.C. for the future. They indicated that there were difficulties of advocacy when they did not have the full case of the other side before them, if I might put it that way. I think it would be only fair to add that I told them that I was not personally impressed with their statement of difficulty and that I did not regard it as a serious, difficult problem in advocacy; but of course I was only able to speak my own personal view. I think I have given to you, in that thumb-nail sketch, what the conversation was that I had with these gentlemen, a fair report of the nature of our conversation.

Mr. HANSELL: Considering that the corporation can always be brought back again, and I think we have recognized that in the past by what we have actually done, would it not be the right thing to accede to the wishes, then, of Mr. Sedgewick and Mr. Herbert?

The CHAIRMAN: You do have to bear in mind, of course, the time element. We have been talking in the corridors here in the building, sometimes, somewhat facetiously, about sitting here until Christmas; but in truth, when we begin to size things up coldly and carefully, we realize we won't be here that long. Our next meeting will be in July; and in this report, this morning, we have already taken care of the time up until the 11th and projected on, indeed, to the 18th. Now, you may very well find that at the close we will have some legislation and that there will be quite a bit of time taken up in the discussion of it.

When this particular controversy comes before this committee you may have two full days by the private interests or three full days. All the examination will flow from material then submitted as well as material submitted by the C.B.C. following on. You may find that you have been too generous to-day in your allocation of time, that we have not pictured the thing very well.

Mr. HANSELL: I think we all appreciate the time element, but I do not think that should mean we should do our work any less thoroughly.

The CHAIRMAN: Pardon?

Mr. HANSELL: I think we all appreciate the time element, but that does not mean we should do our work any less thoroughly. The only answer to that is to meet more often.

The CHAIRMAN: That is unquestionably a correct statement as to what ought to be so, but the simple truth of the matter is—and we may as well face it—that when workmen are hurried they do not do their work as well.

Mr. Ross (*St. Paul's*): With all due respect I do not think your argument is quite sound. There is a certain amount of work which has to be done. It is only a matter of procedure, the question of the time element. We have got so much to do and we have got so many people to hear. It is just a question which ones we will hear first. We either hear the C.B.C. first or the C.A.B. first. I think the committee are entitled to know what the policy for the future is as far as the C.B.C. is concerned. They must know it by now. I think the people in the country want to know.

As far as Mr. Coldwell is concerned I should like to point out to him that in the recommendations of the committee we had before one of our recommendations was that stations should be assured of the continuance of their licences and the frequencies occupied so long as they operated with due regard to the public interest, and that the power to cancel and issue licences should be taken from the C.B.C. and committee to an impartial board. Oh, I am sorry. That was not our recommendation. That was the recommendation of the C.A.B.

Mr. COLDWELL: That was not the recommendation of our committee at all.

Mr. Ross (*St. Paul's*): That is what they wanted done.

Mr. COLDWELL: It was turned down.

Mr. Ross (*St. Paul's*): It is quite obvious that is what they want to do. I think we did recommend that private stations should be encouraged and permitted, as a matter of fact, to go up to the full power they could take under practical circumstances. I am sure we recommended that.

Mr. COLDWELL: What limit was placed on the power they should go to?

Mr. Ross (*St. Paul's*): I do not know what limit was placed on the power.

The CHAIRMAN: It is a matter of record what that limit was.

Mr. COLDWELL: 10,000?

Mr. DUNTON: 1,000 at first and raised to 5,000.

The CHAIRMAN: That is the recommendation hitherto.

Mr. Ross (*St. Paul's*): I do not think it makes any difference as far as time is concerned. It is a matter of procedure. I think we are entitled to know what the policy is. We have had long briefs read by the C.B.C. but not one single thing has been read as to what their future policy is with regard to these stations. Surely they must know what they are going to do. I think we are entitled to know it.

The CHAIRMAN: You understand, Mr. Ross, that in making their presentation as they did it was by reason of the decision of this committee that it should be done in the way it was at that time.

Mr. BEAUDOIN: I quite agree with Mr. Fleming when he says we cannot treat this matter as a lawsuit, but after having said that I would not argue that we should treat this matter as being the case of the private interests against the C.B.C. The way these gentlemen across the table are arguing it seems to me—

Mr. HACKETT: What gentlemen across the table?

Mr. BEAUDOIN: The two previous gentlemen who have already addressed the meeting. They seemed to argue that we should give the private interests a privileged position in order to be able to argue their case against the C.B.C. I submit that the procedure which has been adopted by the steering committee

is sound procedure to follow. After all, our order of reference said that we should review the policies and aims of the corporation, its regulations, and so on. Having the private interests here, to which all members here are very sympathetic, is only helpful in our review of the policies and aims of the C.B.C. That is all there is to it, but I do not think we should give them a preferred position before this committee in bringing them here in order to argue their case against the C.B.C. I submit we should start with the questioning of the witnesses. I think that our friends will find that after they have questioned the transport officials they will have all the material which is necessary in order to complete the case of the private interests to which they have referred.

Mr. HANSELL: I only make this observation, that I do not think we are arguing for a privileged position for any one. The fact of the matter is that the Canadian Broadcasting Corporation can have the last word which gives them a privileged position.

Mr. BEAUDOIN: There is also the time element.

Mr. FLEMING: May I say a word in reply if the other members have said what they want to say? In the first place I do not think at this stage we want to get into an argument on the merits of any contest that there may be between the C.B.C. and these private stations. I expressly avoided that in discussing procedure only. I think with all due respect to Mr. Coldwell he has made at least two unwarrantable assumptions in what he said. He has had the advantage of being a member of a corresponding committee in earlier sessions of parliament. In his argument I think he is just treating this committee as though it were a continuation of other committees. I think it is a fact that the majority of the members of this committee have never sat on any of these private committees. I do not think we ought to assume that in coming to this present review of the C.B.C. we start with everything that has gone before in our minds and every presentation that the C.B.C. has made in times past as though it had already been given before this committee. I think this committee should start de novo, and whatever presentations the C.B.C. has to make ought to be made to this committee without reference to what has gone before. That will develop out of their presentations.

Mr. COLDWELL: There is an Act of parliament and also regulations.

Mr. FLEMING: Quite so, but that is not the point at issue. Mr. Coldwell is bringing up history on a number of things that bear on C.B.C. present and future policy. I want that presentation to come from the C.B.C., and I want it to come only from them so that we have an official presentation. I have not the slightest doubt that Mr. Coldwell made an accurate statement on the situation but as one of the members of the committee, without the benefit of having sat in as a member of these previous committees, I want the benefit of having the presentation of that whole story and its relation to future policy from the C.B.C.

I think the second assumption that Mr. Coldwell made without foundation is this. He says that we should not assume now that these private stations do not know what the C.B.C. plans are. It is not a question, in my submission, of what these private stations do or do not know. It is a question of this committee.

Mr. COLDWELL: I am referring to Mr. Ross' statement when he says they should be informed as to what the intention is.

Mr. FLEMING: The only way either the committee or the private stations will get the final correct official statement from the C.B.C. is when the C.B.C. makes the statement. You, Mr. Chairman, raised the question of time. I want to take complete issue with any suggestion that the procedure I am contending for means the taking up of time. On the contrary I think it means saving time.

The CHAIRMAN: I would not press the point.

Mr. FLEMING: I think you will get a much more complete review of C.B.C. policy, and of the presentation of those who are going to be affected by it, if we have a complete understanding at the outset from official sources as to what that policy is. In the last place I do take issue with any suggestion that what I am contending for places these private organizations in a preferred position. I do not think it does anything of the kind. I think it is offering fair play to all concerned. It certainly was not offered with that thought in mind. I do not agree with the contention that Mr. Beaudoin brought forward. It is not giving them a preferred position. I have not gone into the merits of this matter. I have carefully refrained from that because I do not want to make up my mind until I have heard all the information from whoever has information to give the committee. I should think that these private organizations such as station CFRB when it comes to this committee will come feeling it is fighting, so to speak, for its life as a station. I would think it would be the desire of the C.B.C. officials and the desire of the committee that in a situation like that it should not be left to any such persons to say, "Well, we did not get an opportunity of knowing fully in advance the case that we had to meet before the committee". I do not think that would be a desirable thing. I am not suggesting for one minute that there is a member of this committee who does not want to give complete fair play to everyone concerned, but on the question of procedure surely that is the way in which you will give fair play to everyone, the C.B.C. having the last word to answer anything that has been raised by those who may take a different point of view.

The CHAIRMAN: I think that is the nub of the question. Is it unfair? Is there an injustice in calling on CFRB and the C.A.B. to present their case in the manner offered?

Some Hon. MEMBERS: Question.

The CHAIRMAN: You have heard the motion moved by Mr. Knight. It is not necessary that it should be seconded but it has been seconded by Mr. Laurendeau. It is that the report of the steering committee be accepted excepting the reference to meeting this afternoon.

Mr. HACKETT: What was that?

The CHAIRMAN: Part of the recommendation was that there should be a meeting this afternoon, and that is being deleted. Those in favor?

Mr. FLEMING: I offered an amendment.

The CHAIRMAN: Yes, I did not know whether you expressed that as an amendment. You did make that as a formal amendment, did you not? I cannot repeat it exactly to the committee, but I think that you will agree that the committee is quite well seized of the nature of your amendment without my trying to put it in words.

Mr. COLDWELL: Let Mr. Fleming state it so that we will be clear on it.

Mr. FLEMING: The amendment was where the steering committee recommends that CFRB and the C.A.B. should be heard by the committee before the C.B.C. makes its presentations on future plans and policies, that instead the C.B.C. should make that presentation before these organizations are called. I am including those who may be affected and wish to make representations.

Mr. COLDWELL: That the C.A.B. and other private interests be heard.

Mr. FLEMING: I would not confine it to private interests.

The CHAIRMAN: You have the gist of both the motion and the amendment. The amendment of Mr. Fleming will be voted on first. Those in favour of that amendment please raise your hands. Those opposed? The amendment is defeated. Those in favour of the motion? Opposed, if any? The motion is carried. Bear in mind one thing, gentlemen. That calls for a meeting in

Montreal very shortly, on the 5th, I think. We will have to arrange that. I will ask the officers of the corporation to get themselves in a position for questioning. Mr. Browne of the Department of Transport is here, too. He is Acting Controller of Radio and will be available for questioning at any time. It may be that you will want to vary your questions first to one and then to another. Would that meet with your approval that we have all witnesses before us at the one time?

Mr. Ross (*St. Paul's*): Has Mr. Browne a statement to make?

The CHAIRMAN: I do not think so. I am sorry, he has a statement to make. Would you desire to do that and then have all witnesses before you at one time? Is that agreeable, gentlemen?

Mr. BEAUDOIN: We may as well.

G. C. Browne, Acting Controller of Radio, Department of Transport, called.

The WITNESS: Mr. Chairman, the usual statement which comes from the Department of Transport deals with the revenue for the C.B.C. That is the revenue from licence fees. In view of the discussion this morning I do not know whether it is your wish that I should present that statement first or the statement which has to do with changes of frequencies and other matters.

The CHAIRMAN: I do no think it will matter. You just proceed with one and they will both get before the committee in due course. They can handle whichever they like first.

Mr. FLEMING: Is there any reason they could not both be read?

The CHAIRMAN: I think not.

The WITNESS: Then I will proceed with my statement regarding revenue. We have copies available for distribution to the members.

It has been the custom in the past for the Controller of Radio to prepare for the Committee on Radio Broadcasting figures covering the issue of private receiving station licences and the statements being submitted herewith follow the same general pattern as those of previous years. It is felt that in making the details as comprehensive as possible, the Committee will be enabled to have full information on all the factors involved.

The radio division of the Department of Transport is responsible for the administration of The Radio Act, 1938, and the regulations made thereunder. This Act establishes control over all forms of radio communication in Canada including private receiving stations and over the technical operation of broadcasting stations. It also empowers the Governor in Council to make regulations prescribing the tariff of fees to be paid for all classes of radio licences.

The Radio Act, 1938, also empowers the Minister (of Reconstruction and Supply) to make regulations:—

(*a*) prescribing the form and manner in which applications for licences under this Act are to be made;

(*b*) classifying coast, land, and mobile stations, and prescribing the type of radio equipment to be installed, the frequencies to be used and the nature of the service to be rendered by the several classes of stations; (broadcasting stations come within the category of land stations).

(*c*) defining the different kinds of licences that may be issued, their respective forms and the several periods for which they shall continue in force;

(*d*) prescribing the conditions and restrictions to which the several licences shall respectively be subject;

(*e*) prescribing that no radio receiving set or radio apparatus for installation or use as, or in, a private receiving station may be sold, repaired or maintained by any person until a licence is first obtained for such station;

(*f*) prescribing the different classes of certificate of proficiency of operators and the class of certificate, if any, necessary to qualify persons as operators for coast, land and mobile stations;

(*g*) for the examination of persons desiring to obtain certificates of proficiency as radio operators and to determine the qualifications in respect of age, term of service, skill, character and otherwise to be required by applicants for such certificates;

(*h*) to provide against any person divulging information received by means of a private receiving station;

(*i*) prescribing the watches, if any, to be kept by operators and the number of operators, if any, to be maintained at coast, land and mobile stations;;

(*j*) for the inspection of radio stations;

(*k*) to compel all radio stations to receive, accept, exchange and transmit signals and messages with such other radio stations and in such manner as he may prescribe;

(*l*) for the effective carrying out of the provisions of this Act.

Section 14 of The Canadian Broadcasting Act, 1936, provides in part:—

14. (1) The Minister of Finance shall deposit from time to time in the Bank of Canada or in a chartered bank to be designated by him to the credit of the Corporation—

(*a*) the moneys received from licence fees in respect of private receiving licences and private station broadcasting licences, after deducting from the gross receipts the cost of collection and administration, such costs being determined by the Minister from time to time.

It will be noted that under this section of The Broadcasting Act, 1936, costs of collection and administration are to be deducted before the moneys are made available to the Canadian Broadcasting Corporation.

During the fiscal year 1945-46, which terminated on March 31, last, a total of 1,754,351 receiving licences were issued resulting in a gross revenue of $4,260,379.14. From this latter amount must be deducted the total commissions paid of $295,775.90 and the cost of administration $231,818.48, leaving a balance of cash to turn over to the Corporation of $3.732,784.76 in respect of receiving licences.

In addition to the moneys from private receiving station licences, an amount of $40,500.00, being the fees accruing from the issue of private commercial broadcasting station licences, will also be turned over to the C.B.C., making a total of $3,773,284.76. It is gratifying to note that this figure is only $10,167.86 less than the amount turned over to the C.B.C. for the fiscal year 1944-45, notwithstanding the decrease in sets in use which has grown appreciably during the past two years.

The thousands of reminder reply cards returned by listeners marked "set out of commission" and the reports of our inspectors in the field led us to anticipate a far larger deficit than actually resulted.

The reduction in the number of sets in use can be attributed to various reasons, including—

(*a*) sets no longer operative due to obsolescence;

(*b*) replacement parts unobtainable;

(c) acute shortages of certain types of tubes;
(d) acute scarcity of batteries; (for rural sets);
(e) suspension of manufacture of domestic broadcast receiving sets on Feb. 1, 1942;
(f) congested housing conditions resulting in families doubling up and sharing the use of sets;
(g) movement of population to and from wartime industrial centres;
(h) decrease in the number of private automobiles in use.

The percentage of licences issued by house-to-house canvassers and radio dealers was lower than in the previous year, resulting in a decrease in the commissions paid to these classes of issuers amounting to $14,898.75. Conversely, the proportion of licences issued by post offices and, to a lesser extent by banks, increased, with a corresponding increase in commissions of $6,550.50, leaving a net decrease in commissions paid to all classes of licence issuers amounting to $8,348.25.

The cost of administration increased by $14,469.88. The Department of Transport's proportion of this increase in cost was $14,350.16. which was accounted for, chiefly, by:—

(a) an increase in printing and stationery costs of $8,863.76. This figure appears higher than normal because the cost of last year's printing and stationery was lower than for previous years and the additional expenditures were necessary to replenish stocks. It also takes into consideration expenditures for which payment could not be made until after the books for 1944-45 were closed.
(b) an increase in salaries of staff of $4,193.70, principally due to the higher cost-of-living bonus and to the payment of annual increases to temporary employees.

To these two items must be added an increase for miscellaneous expenses of $1,292.70 which can be considered as normal.

Licences were issued to private commercial broadcasting stations for the current fiscal year 1945-46, as follows:—

Canadian Broadcasting Corporation station licences. This includes sixteen shortwave licences and fourteen "repeater" licences	41
University (educational) station licences at a fee of $50.00	2
Privately owned commercial station licences. This includes eight shortwave licences	99
Total	142

No action has been required of the Department in regard to the implementation of recommendations of any of the special committees on radio broadcasting since 1942.

Gentlemen, there are appended to this statement several reports consisting of statistical data on licensed receiving sets, prosecution of unlicensed receiving set owners, and other statistics on the issuance of licences and on revenue. I do not suppose it is necessary to read those.

Mr. FLEMING: There is a blur in my copy as to the figure for 1943-44. Is that total 8,445?

The CHAIRMAN: What page?

Mr. FLEMING: Appendix 1.

The CHAIRMAN: The last line is 8,749.

Mr. FLEMING: No, the year 1943-44.

The CHAIRMAN: 8,445.

By Mr. Coldwell:

Q. On page 4 which you have just read you have a fee quoted for university stations of $50. No other fees are noted. I do not see anything in the appendix. What are the fees that are charged for stations other than universities?—A. The fees for the regular commercial licences are based on various factors such as the power of the station and certain radii which have been set down as the coverage of the stations of various powers and also on the population. Those are the factors on which licence fees are based and are set by order in council under the Act.

Q. Under the regulations you have the right, I take it, and to some extent the duty, to require from these private stations an accounting of their financial and other operations. In view of that what about the fee? In order to set the fee you should know what they are making out of the wavelength that is allocated to them. Have you a statement of that description to place before the committee?—A. No, the fees have been set by order in council and the fees have not changed for a period of years. They were originally set by order in council and they so remain.

By Mr. Knight:

Q. The amount of money the station makes is not a factor in setting the fee whatsoever?—A. No, that is true.

By Mr. Coldwell:

Q. You have the right under the order in council passed in June, 1943,—I thought I had it with me but I have not got it before me; I had it the other day and I asked about it in the House—to inquire into the finances of the private stations, and I think two years ago or more there was some discussion in the committee as to whether these fees were fair and just in view of the profits of the private stations. What have you done in order to look into that matter since it was discussed by the committee?—A. I do not think we interpreted that to mean that any return was required from the stations for the purpose of altering licence fees.

Q. I know perfectly well that is not the interpretation you put upon it. It seems to me that it is a legitimate basis upon which to set the fee.

Mr. HANSELL: I would make this observation. It is very seldom done in any other business at all.

Mr. COLDWELL: What is that?

Mr. HANSELL: Setting the licence on a rate commensurate with their business income.

By Mr. Coldwell:

Q. I will put it the other way. What steps have you taken to get the information that is suggested under this order in council to which I referred? Have you got the order in council?—A. It is not an order in council. It is a minister's regulation.

Q. Have you got it there?—A. I can read it to you.

Q. Read it.?—A. It is embodied under regulation 31-A, subparagraph (*d*):

> The minister may require periodic or other returns to be made by the licensee of the revenues, profits and expenditures of the station and any other information required by the minister for the purposes of this regulation and to ensure that such station is operated in the national interest and for the benefit of the community in which it is located.

Q. What has the minister done under that regulation?—A. We have not found it necessary to demand returns from any of the stations as to their revenues, profits and expenditures in so far as the department is concerned.

Q. You are obligated to see that the station is performing its service to the community. If you are obligated to do that are you not obligated to see that it is apportioning a reasonable amount of time and is not using up all the time for profit-making activities?—A. I think that is not altogether the responsibility of the Department of Transport. Perhaps it is something which falls equally between the corporation and ourselves because the control of programs is a matter which comes under the corporation.

Q. It falls between the two departments?

By Mr. Ross (St. Paul's):

Q. May I ask a question to clear something up. On page 3 you have the total number of receiving licences, 1,754,351 and the gross revenue is $4,260,379. In appendix 3 you have the 1,754,351 and then in the next appendix you have the amount of money collected, $3,964,603. What does that mean?—A. Dealing with appendix 3 the total of $3,964,603.24 is the actual money received in the department less commissions.

Q. After commissions?—A. After commissions.

By Mr. Coldwell:

Q. Is the amount $40,500 all the money that is received in private broadcasting licences?—A. Yes, in so far as broadcasting licences are concerned that is the total amount of the fees.

Q. Some of them must be a very small amount. Can you give us the range? —A. The range is from $50 for educational up to a maximum of $10,000.

Q. The $10,000 applies to what power station?—A. 50,000 watts and a population of over 1,000,000.

Q. What is the 10,000 watts?—A. Well, depending on the population it would be of the order of from $500 to $4,000.

Q. Are there any stations paying that top licence fee?—A. Yes, there are.

Q. What stations are there?—A. CFRB is one.

Q. What is its power?—A. 10,000 watts. It pays $4,000.

Q. You said the limit was 5,000 watts?—A. 10,000 watts.

Q. Is it on the recommendation of the CBC that they were given that power?—A. I think that station had grandfather rights, shall I say. I think it was one of the originals.

Q. In what year was that station given that wavelength?—A. Given the power?

Q. No, the wavelength. You say it had grandfather rights.—A. I thought you were speaking of power.

Q. The power is 10,000.—A. It was already 10,000 watts when the CBC came into being.

Q. And it has not been reduced since?—A. No.

Q. What year was it given its present wavelength?—A. When the Havana Agreement came into effect.

Q. 1941?—A. That is right.

Q. Was there any communication held with them at that time as to on what basis they were allocated that wavelength?—A. Yes.

Q. What was the understanding?

Mr. FLEMING: First of all where is the understanding contained? Was a letter written?

The CHAIRMAN: That is his very question.

Mr. FLEMING: Mr. Coldwell said what was the understanding. I want to know what form the understanding took. I do not want an oral statement of it if there is a written document embodying it.

The CHAIRMAN: Mr. Browne tells me that he has prepared a statement covering the whole matter. Perhaps you would be agreeable to him giving that and then it may be you will want some of it pointed up by documents. Would that be agreeable?

Mr. COLDWELL: It answers the question I asked?

The CHAIRMAN: It covers the question you asked and goes somewhat further. I suggest we hear it and then fill it in.

Mr. FLEMING: I take it that we can come back to the submission now before us on another day after we have digested it?

The CHAIRMAN: There is no question about that. We are not shutting any doors as we go along.

Mr. FLEMING: I have got one question I can ask right now on appendix 1, the statement of convictions by provinces for unlicensed receiving set owners. I see that the province of Ontario is away in the lead in the matter of convictions. I trust that is not attributable to any inherent lawlessness on the part of the residents of the province of Ontario but rather to better enforcement in Ontario.

The WITNESS: There has been no discrimination against anybody.

The CHAIRMAN: Mr. Browne will give the statement we have been referring to.

The WITNESS: I have two statements here. One is a general statement dealing with the background of the assignment of radio frequencies. Perhaps I should read it first.

> When the private commercial broadcasting station class of licence was first established on April 1, 1923, these licences contained as one of their conditions the following reference to the wavelength (frequency) assigned to the station:—
>
> 19 (*a*) . . . . . .
>
> (*b*) The allotment of the wavelength or wavelengths specified in the schedule annexed hereto does not confer a monopoly of the use of such wavelength.
>
> This condition embodied in the licence form which in turn was included in the regulations isued by the Minister administering the Radiotelegraph Act had the same effect and full force of law.
>
> This form of licence continued in force until 1932.
>
> The Canadian Radio Broadcasting Act, 1932, which placed the control of broadcasting under the Canadian Radio Broadcasting Commission, provided, in part, as follows:—
>
> 8. (*d*) . . . . . the Commission shall have power to allot channels to be used by stations in Canada and may cancel any allotment and substitute any other therefor;
>
> 13. (1) In determining the compensation to be paid no allowance shall be made for the value of a licence terminated by the taking over of any private station and no person shall be deemed to have any proprietary right in any channel heretofore or hereafter allotted, and no person shall be entitled to any compensation by reason of the cancellation of the allotment of a channel, or by reason of the allotment of a new channel in substitution therefor.
>
> With the passing of this Act the form of licence was shortened and the detailed conditions omitted. However, the licence continued to provide that it was issued in accordance with the provisions of the then Radiotelegraph Act and regulations issued thereunder and, in addition, that it was subject to the provisions of the Canadian Radio Broadcasting Act, 1932, and regulations made thereunder.

The Canadian Broadcasting Act, 1936, which superseded and repealed the Canadian Radio Broadcasting Act, 1932, retained the above quoted Section 13 (1) of the old Act with slight modification of the wording which does not alter its significance. This is now Section 11 (5) of The Canadian Broadcasting Act, 1936.

After The Radio Act, 1938, which superseded and repealed the Radiotelegraph Act of 1913 became law, the Minister made regulations under the authority given him by Section 4 of the Act, which provide, in part, as follows:—

> 15 The allotment of a frequency or frequencies to any station does not confer a monopoly of the use of such frequency or frequencies, nor shall a licence be construed as conferring any right or privilege in respect of such frequency or frequencies.

That is just a general statement of the background of the allocation of radio frequencies, purely factual data.

By Mr. Fleming:

Q. You are not concerned with the provisions of the Canadian Broadcasting Act, section 11?—A. Section 11?

Mr. COLDWELL: He has referred to it.

Mr. FLEMING: I beg your pardon. It has been quoted.

The WITNESS: No, we are not concerned with it.

Mr. COLDWELL: Section 11 gives such authority as is contained in your outline here.

Mr. FLEMING: It is a complementary provision.

The WITNESS: That authority is exercised by the minister responsible for the administration of the Canadian Broadcasting Act.

Mr. COLDWELL: All right.

The WITNESS: I will proceed to read my other statement dealing with the use of class 1A channels by private stations.

> The Canadian Broadcasting Corporation came into being in 1936, and the Board of Governors at their 2nd meeting in December of that year recommended that all clear channels be reserved for the corporation's stations. This was approved by the Department on April 16, 1937.
>
> Pursuant to this recommendation, when the 50,000 watt station CBF was established in Montreal, the following stations were required to chanrge frequency to clear 910 kc/s:—
>
> CBM, Montreal ..... changed from 910 kc/s to 1050 kc/s
> CBV, Quebec ..... changed from 1050 kc/s to 950 kc/s
> CBJ, Chicoutimi ..... changed from 950 kc/s to 1120 kc/s

By Mr. Hackett:

Q. Could you just say what that means? The paragraph would indicate that all clear channels were conferred upon the corporation, and yet it appears to have been necessary to dislocate some existing rights to make way for the CBC?—A. Any stations which were then using high powered channels, which were reserved for the corporation, had to be shifted from those channels.

Q. How could they be allotted clear channels, if they were being used?—A. They did not become clear channels until they were so designated in the treaty; they did not actually become such until the treaty itself came into effect. They were referred to in the treaty as clear channels; therefore we used the terminology so to describe them in our correspondence.

Q. Internationally clear but not nationally clear, and they were practically expropriated by the corporation?—A. They were not clear in the sense that there was some other station occupying them in Canada. There is an international definition of the term "clear channel" in the sense of the treaty.

By Mr. Fleming:

Q. And it is in that sense that you used the word in the memorandum? —A. Yes!

By Mr. Beaudoin:

Q. But they were also potentially clear, taking into account the regulations you referred to in the previous statement?—A. Not under the regulations but under government policy.

By Mr. Hackett:

Q. They could be expropriated?—A. Under the Act and regulations; the regulations prescribe as follows:—

> The allotment of a frequency or frequencies to any station does not confer a monopoly of the use of such frequency or frequencies, nor shall a licence be construed as conferring any right or privilege in respect of such frequency or frequencies.

By Mr. Beaudoin:

Q. What was the year during which the Havana conference—A. Could I be permitted to read through my statement; I think you will find the whole story there.

Q. All right.—A.

> To provide for the 50,000 watt stations at Watrous—CBK, the following changes took place:—
>
> CJRM, Regina ..... changed from 540 kc/s to 950 kc/s
> CJOC, Lethbridge ..... changed from 950 kc/s to 1210 kc/s
>
> To provide for the 50,000 watt station at Sackville, N.B., the following stations changed frequency:—
>
> CBM, Montreal ..... changed from 1050 kc/s to 960 kc/s
> CHNC, New Carlisle ..... changed from 960 kc/s to 610 kc/s
> CJBC, Toronto ..... changed from 960 kc/s to 1420 kc/s
>
> Class 1A frequency channels did not come into existence as such until the North American Regional Broadcasting Agreement became effective on March 29, 1941. By that time, three of the Class 1A channels assigned under the terms of this agreement were already in use by the Canadian Broadcasting Corporation and the remaining three Class 1A channels were assigned, provisionally, as follows:—
>
> CFRB, Toronto ..... 860 kc/s.
> CKY, Winnipeg ..... 990 kc/s.
> CFCN, Calgary ..... 1010 kc/s.
>
> The Board of Governors of the Canadian Broadcasting Corporation, at their 17th meeting in March, 1941, recommended that the licensees of the above mentioned stations be advised that these channels may be required by the C.B.C. at some future date and must be vacated if and when such occasion arises.

Accordingly, the licences issued for these stations for the fiscal year 1941-42 which were dated April 1, 1941, and which were forwarded to the respective licensees under covering letters dated May 15, 1941, bore the following endorsation:—

> This frequency is assigned subject to the provisions of Regulation 15 of Part II of the Radio Regulations issued by the Minister in accordance with Section 4 of The Radio Act, 1938.

The said Regulation 15 provides as follows:—

> The allotment of a frequency or frequencies to any station does not confer a monopoly of the use of such frequency or frequencies, nor shall a licence be construed as conferring any right or privilege in respect of such frequency or frequencies.

Licences issued for the above stations for the fiscal years 1942-43, 1943-44 and 1944-45 carried the same endorsation.

At their 41st meeting in April, 1945, the Board of Governors recommended that the following specific endorsation should be made on the licences for each of the three private stations occuping Class 1A channels:

> The frequency of...kc per second being a clear channel is definitely reserved for the national system of broadcasting and this station is authorized to use this frequency provisionally until such time as it may be required or assigned to the Canadian Broadcasting Corporation.

The licences for stations CFRB, CKY and CFCN, for the fiscal year 1945-46, dated April 1, 1945, bore the above endorsation and the attention of the licensee was drawn thereto in each case in the covering letter mailed with the licence on May 16, 1945.

By Mr. Fleming:

Q. What about the licences dated April 1, 1946?

The CHAIRMAN: Would you put a pencil mark on your paper and let this additional half-page be read, Mr. Fleming?

The WITNESS:

> Mr. H. G. Love, President of The Voice of the Prairies Limited, licensees of Station CFCN, acknowledged the letter and licence and stated as follows:—
>
> > Inasmuch as no good purpose would be served by discussions at this time, we advise merely that we do not concur in or submit to its conditions and reserve all our rights legal and other.
>
> At their 44th meeting in November, 1945, the Board of Governors instructed the management to advise that it was the intention of the corporation to apply to the department for the three Class 1A channels in due course.
>
> At the 46th meeting of the Board of Governors in March, 1946, the Board applied for the use of the Class 1A channels—860 kc/s for the Toronto area; 990 kc/s for Manitoba; and 1010 kc/s for Alberta; and recommended that the stations concerned be notified immediately that the frequencies would be required on or about June, 1947. At the same time, they recommended alternate frequencies:—
>
> CFCN, Calgary—to change from 1010 kc/s to 1060 kc/s.
>
> CJOC, Lethbridge—to release 1060 kc/s and change to 1220 kc/s (or better)

CKY, Winnipeg—to change from 990 kc/s to 1080 kc/s.
CFRB, Toronto—to change from 860 kc/s to 640 kc/s, or 800 kc/s, or 1010 kc/s or 1550 kc/s.

The licensees were advised of the required changes by letter dated April 18th, 1946.

26/6/46.

Now, I think Mr. Coldwell's question was answered by the statement further back.

Mr. COLDWELL: Yes, quite fully and quite satisfactorily.

By Mr. Hansell:

Q. Referring to the last sentence, Mr. Browne, who was that letter from?—A. From the department; I am not quite sure, but I think the letter was signed by the deputy minister.

Q. The Deputy Minister of Transport?—A. The Deputy Minister of Transport, yes.

By Mr. Beaudoin:

Q. On the first page, which stations belong to the C.B.C. and which stations are privately-owned?—A. CBM, CDV, CBJ, and CJBC are corporation stations; while station CJRM, Regina, is a private station, and so are stations CHNC, New Carlisle; CFRB, Toronto; CJOC, Lethbridge, CKY, Winnipeg, and CFCN, Calgary.

By Mr. Coldwell:

Q. With regard to station CFRB, you give a number of kilocycles here, four of them. What is the inference there? Is it that they are to make a choice, subject to the department?—A. They have been in correspondence with the department as to the best selection from this group of frequencies, from an engineering standpoint; I think they have also consulted with the engineers of the department.

Q. They could choose any of the four which would be most satisfactory to them?—A. Which ever would be most suitable from an engineering standpoint.

Q. You give them the privilege of choosing one out of four?—A. Yes, that was the recommendation of the board.

By Mr. Fleming:

Q. There are other questions I would like to ask in connection with pages 1, 2 and 3 of the statement just read. On page 2, you say: "Licences issued for the above stations for the fiscal years 1942-43, 1943-44 and 1944-45". Now, what about licences for the fiscal years 1945-46, and 1946-47?—A. The 1945-46 licences, you will note, bore the endorsation, down towards the bottom of page 2, which resulted from the recommendation of the board at their first meeting in April, 1945.

Q. What about the fiscal year 1946-47, the licences dated April 1, 1946?—A. From the 1st April of this year; I am not sure whether those licences have all gone out yet. We always have a backlog of licences to get out at the beginning of the fiscal year. At midnight on the 31st March of each year every station in Canada is automatically unlicenced.

Q. Could you get that information for us?—A. If all the licences have not yet actually been issued, it is not due to anything connected with the inquiry or discussion with which we are concerned at the moment.

By Mr. Coldwell:

Q. Is it usual, when the minister has made a decision and the party has been notified of that decision, that every time a letter or licence is issued, that decision is reiterated? Does not a ministerial decision, once given, govern the person to whom that decision is given.

Mr. HACKETT: For the term for which the licence is issued.

Mr. COLDWELL: But the licence is only issued provisionally.

By Mr. Fleming:

Q. I want to come back to that point; is it not unusually late for the issuing of these licences in the fiscal year?—A. No, sir; we shall be issuing licences for several months.

Q. Could you give us the dates of issuance of those licences a year ago?—A. I think I did.

Q. There was a covering letter mailed on May 16, 1945?—A. If the licence does not go out for a few months after the commencement of the fiscal year, the licence is dated April 1.

Q. The licences have not gone out yet?—A. It is due purely to a shortage of staff and accumulation of work.

Q. Thank you! On page 2, we have a statement that in April, 1945, the Board of Governors recommended that the following specific endorsation should be made on the licences, and the minister acted on that recommendation, I take it, without any variation from it?—A. That is right.

Q. On page 3, we have a reference to a letter written by the licensee of station CFCN. Were any corresponding letters received from the licensees of the other stations effected, CJOC, CKY, and CFRB?—A. We have no recollection of such, but we will take another look at the file.

Q. On page 3, the third paragraph: At their forty-fourth meeting in November, 1945, the Board of Governors instructed the management to advise that it was the intention of the corporation to apply to the department for the three class 1A channels in due course. I take it that this applicaion was made to the Rt. Hon. Mr. Howe, exercising his functions as Minister of Transport, under this Act?—A. All recommendations of the Board of Governors are submitted to the Minister of Reconstruction and Supply through the medium of the minister responsible for the Canadian Broadcasting Corporation.

Q. That application would go to the Rt. Hon. Mr. Howe. Further down the page you have a statement that the frequencies would be required on or about June, 1947. Is it still the view of the minister that that is the approximate date on which these frequencies will be required?—A. To which minister do you refer?

Q. The minister who apparently made the decision on the recommendation; I take it to be the Rt. Hon. Mr. Howe.—A. I believe the minister accepts the recommendation of the Minister of National Revenue.

Q. I ask if this is still the date, June 1947, when these frequencies will be required by the C.B.C.?—A. I have not been instructed otherwise.

Q. Then, as to the kilocycles referred to for the four stations as alternatives, what is the significance in terms of power and kilocycles set forth here?—A. I do not quite understand your question.

Q. We have been talking in terms of 10,000 watt stations and 50,000 watt stations. What is the significance in terms of power of the stations of the proposed alternate frequencies?—A. The same power may be employed on any one of those channels but with, perhaps, certain limitations as to protection required to co-channel stations.

Q. Would you mind explaining that a little more fully so that we, who are not technical men, may follow you?—A. These channels are already occupied

by other stations. Therefore, it will be necessary to afford protection to those other stations by the installation of directional antennae which will be required to conform with engineering specifications and with the terms of the treaty.

Q. These new or rather alternate frequencies that are offered to these various stations, are they of the same strength, the same wattage as they now possesss?—A. Yes; the normal power of the station is in no way curtailed.

By Mr. Beaudoin:

Q. Will they permit CFRB to have the same coverage?—A. There may be certain changes in coverage in certain directions due to the necessity of protecting stations situated in those directions. There may be some attenuation of the emitted signal on those directions but also an increase in others.

By Mr. Coldwell:

Q. I take it that the privilege of 10,000 watt strength to station CFRB is an interference with certain other stations in the area which really ought not to be permitted. I am thinking of Hamilton, Brantford, Oshawa, and Owen Sound. Station CFRB, as far as advertising revenue is concerned, is able to compete unfairly, on account of its high power, with those community stations. I believe that a community station performs a service; and I am not at all critical of the community stations performing services. But simply because these people were in the field first, they are able to get a revenue which interferes with the stations to which I have referred. I have been told that by some of the people who are in these places, Hamilton, Branford, Owen Sound, and Oshawa.

Mr. HACKETT: To whom do you refer?

Mr. COLDWELL: I refer to CFRB, because Mr. Browne has said that they were the Grandaddy of all the stations. We must take into account that these people have twice the power that is permitted, and that they are interfering with the service given by those stations to which I have referred. If you are changing the frequencies, why not change the power?

The CHAIRMAN: Is that your question, that final sentence, Mr. Coldwell? I was not quite certain.

Mr. COLDWELL: My question is: if the department is concerned with proper service to the public and so on, as the Act and regulations indicate, why does the department permit this privilege which interferes with other stations to be continued, when the frequency has been changed? If the C.B.C. has a regulation for 5,000 watts, why not say to these people; we are changing you over and you will now abide by the regulations of the commission?

The WITNESS: I feel that is within the scope of the corporation which, after all, makes recommendations to the department.

Mr. COLDWELL: Very well, we will leave it.

The CHAIRMAN: It was understood that any of these witnesses could be asked a question. Do you wish that the questions be answered now by one or the other?

Mr. COLDWELL: When they appear again, I shall put the same question. I think it is better to go ahead with the one.

Mr. FLEMING: I am not through with the questions I was asking Mr. Browne.

Mr. COLDWELL: I am sorry, I thought you were.

By Mr. Fleming:

Q. I am still not at all clear as to the effect of the change to the proposed alternate frequencies. I take it from Mr. Browne's answer that there will be

some restriction in the present coverage of these stations if they are transferred to the proposed alternate frequencies. Is that correct?—A. Generally speaking, yes, perhaps there will be; but where there may be a little loss in one direction, there may be a gain in another, it all depends on the actual pattern.

Q. Is Mr. Browne in a position to give us a diagram showing the coverage of the present wavelength, and again, of the alternate frequency.

Mr. HACKETT: Have you got a map?

By Mr. Fleming:

Q. Yes, have you got a map so that we may know, at a glance, just what this means in terms of coverage?—A. We are not in a position to furnish that information because it is now the subject of an engineering study by the engineers who are handling these problems for the various stations. I know that is so in the case of station CFRB and that they have not reached a conclusion and have not yet come to the point where they can present to us data which we could place before the committee.

Q. But have not your own engineers made that study before they asked for these wavelengths to be taken over?—A. We made a preliminary study, but not sufficient, I think, to warrant laying something before the committee which could be seriously considered.

By Mr. Hackett:

Q. Was it not sufficient to rest the change upon that we are speaking about?—A. It was sufficient to act as a guide to the engineering representatives of the station to carry out or make their studies.

Q. I seems to me that if it was sufficient to rest these most important decisions upon, it would be of some interest to the committee.—A. Our engineers, in conjunction with those of the C.B.C. made a complete study of the spectrum and selected these as the most appropriate of all the frequencies that were available, and that could be used in that area.

By Mr. Fleming:

Q. Who made that selection? Was it done by the engineers of your department or jointly by the engineers of the Department of Transport and the engineers of these stations?—A. No, by the C.B.C. and ourselves, in compiling information on which the board based its recommendation. We have a set-up—perhaps I should explain. Some years ago we set up a technical committee which is composed of engineers and officers of the department and of the C.B.C. who consider these matters, chiefly, from a technical standpoint, and prepare factual data for the information of the board, which is considered by the board in making its recommendations to the minister.

Q. What were the factors which the joint committee took into account in arriving at this selection of alternate frequencies?—A. The availability of channels open for stations at the particular places using power of the order for which they are at present licensed.

Q. What consideration was given to this matter of coverage?—A. Coverage will depend on what the patterns call for in order to satisfy the conditions of the treaty and taking into account all the other stations using these channels.

Q. I think there should be some diagram to illustrate the comparison between existing frequencies and the proposed alternate frequencies. We are not technical people here, and I think a diagram of that kind would show us, at a glance, how these things compared.—A. It is more difficult than that.

By Mr. Beaudoin:

Q. You could not give us any information as to the effect it would have, if CFRB should obtain any one of these alternate frequencies, having regard to coverage and how it would affect the other stations?—A. No, not until we receive the report or recommendations of the consultants. They are required to prepare that data and submit it to the department.

Q. Could we hope to have it before this committee concludes its sittings? —A. We could communicate with them and see how the matter stands.

By Mr. Hansell:

Q. If these stations are given another frequency, even though they retain the same power, they will not be able to have the same coverage.—A. Generally speaking, that is true.

By Mr. Fleming:

Q. That applies to all these stations?—A. To a greater or lesser degree.

Q. To which one, a greater, and to which one, a lesser degree?—A. I am not in a position to make that statement without an engineering examination.

By Mr. Hansell:

Q. That principle has been established anyway.—A. It is obvious that clear channels are subject to less restrictions from an engineering standpoint than channels of a lower category.

By Mr. McCulloch:

Q. If CFRB, Toronto, has a preferred position and the rest of the stations have four different frequencies to choose from, the others have no choice.— A. It is probably due to the peculiar situation of the Toronto area. Perhaps the frequency spectrum is more congested in the east. But in any case, with respect to CFCN, Calgary, the frequency of 1060 was reserved under the Havana treaty, for that station, and the same applies to 1080 kc/s for CKY, Winnipeg.

Mr. COLDWELL: Mr. Hansell was anxious to establish a point.

Mr. HANSELL: It has been established.

By Mr. Coldwell:

Q. When they took these channels in 1941 they were told that, when the channels were required, they would have to vacate those channels; so their listening public would change at the same time. Isn't that right?—A. I think I made that clear in my statement; at least I hope I did.

By Mr. Ross:

Q. I notice that 1060 has been offered to Calgary. Lethbridge has been occupying that channel at the present time, and they are close together.—A. I do not get your question.

Q. I notice that Calgary has been offered 1060 and also that Lethbridge has been occupying that frequency. That would have to be changed, would it not?—A. Lethbridge will go to 1220.

By Mr. Coldwell:

Q. Why should you displace Lethbridge in order to accommodate Calgary? It seems to me that it is unjust to do that, if I may use the names of the towns instead of the stations?—A. We are just giving effect to the provisions of the treaty.

By Mr. Hansell:

Q. Is it not because of its geographical position? Would that not answer Mr. Coldwell's question?—A. When provision was made for the station, under the treaty, no doubt geographical position was taken into consideration.

Q. On page 3 of the last brief you submitted:—

> At the 46th Meeting of the Board of Governors in March, 1946, the Board applied for the use of the Class 1A channels—860 kc/s for the Toronto area; 990 kc/s for Manitoba; and 1010 kc/s for Alberta.

You explained the procedure of these applications. Now, tell me if you can, or if you have the information, were these applications made in writing, by submission of a brief, or were they made just through a private conference?—A. It was a recommendation made by the Board of Governors and passed to the minister.

Q. I know that; but did they submit a brief in writing, or was it by conference?

The CHAIRMAN: Verbally or written?

The WITNESS: It was written into their minutes.

By Mr. Hansell:

Q. That means that there may be some discussion as to whether we could get the minutes. I would like to ask what reasons they gave. You may not be the man of whom I should ask this question, but what reasons did they give for wanting the channels?—A. To establish the high-powered stations of which they had previously notified us.

By Mr. Coldwell:

Q. Was it not to carry out the obligations they had under the Broadcasting Act, to establish seven high-powered stations?—A. It may have been C.B.C. policy.

By Mr. Beaudoin:

Q. Was it not a part of the Havana conference resolution?—A. The Havana treaty assigned to Canada certain channels, clear channels.

By Mr. Hackett:

Q. The subdivision in Canada was a matter of domestic import and nothing else.—A. I beg your pardon?

Q. It was a matter of domestic policy, and Canada had nothing to do with the channels that were allotted.—A. Oh yes, it prescribes what channels shall be used in certain areas and at certain points; I shall read an extract from the treaty:—

> The Canadian Clear channel allocation under the provisions of the agreement is specified as follows:
>
> 690 Kc. for a Class 1-A Station in Quebec
> 740 Kc. for a Class 1-A station in Ontario
> 860 Kc. for a Class 1-A Station in Ontario
> 990 Kc. for a Class 1-A Station in Manitoba
> 1010 Kc. for a Class 1-A Station in Alberta
> 1580 Kc. for a Class 1-A Station in Quebec

Q. That is in the Havana Treaty?—A. That is prescribed in the treaty, yes.

By Mr. Hansell:

Q. I am not going to be side-tracked in what I was trying to get at. There must be some reason for wanting these channels now in counter distinction to

any reason that existed before. Why do they want these channels now?—A. I presume it is to establish the 50,000 kilowatt stations which the treaty calls for. I take it that the C.B.C. will make a statement about that.

By Mr. Beaudoin:

Q. Why not ask that question of Dr. Frigon?

The CHAIRMAN: Mr. Dunton can answer the question now, if you permit.

Mr. DUNTON: The board passed quite a full resolution at the time including the reasons.

The CHAIRMAN: The question has arisen whether the minutes could be produced. It was always understood that the minutes would be here for the purpose of acquainting members with anything it was necessary to know.

Mr. HANSELL: In that connection, might I ask this further question. Has there been any demand made from the public that these channels be changed by reason of the fact that the public are not served to-day as they should be?

The CHAIRMAN: We will have the resolution first.

By Mr. Coldwell:

Q. If we do not use these wavelengths by 1947, then we are in danger of losing them altogether under the treaty.—A. That is right.

Q. Isn't that the reason why this is before us now?—A. Yes.

The CHAIRMAN: We will have the minutes read.

Mr. FLEMING: May we have the whole minutes, including the resolution?

The CHAIRMAN: Yes.

Mr. DUNTON: If that is the wish of the committee?

The CHAIRMAN: Yes.

Mr. DUNTON: This is a minute from the 46th meeting of the Board of Governors, March 20, 21, 22, 1946:—

> After further study of the question of Class 1A channels, the following resolution was adopted—
>
> It was resolved:
>
> That whereas at its 44th meeting, the Board of Governors of the Canadian Broadcasting Corporation passed a resolution—
>
> > That the Management be instructed to notify the Minister of Reconstruction that in accordance with its original plans the CBC will require the Class 1A channels referred to above and will in due course apply to him for these particular channels which it considers necessary to the operation of its national service.
>
> Whereas the channels referred to are 860 kc., 990 kc., and 1010 kc. which were provisionally assigned and are presently in use by private stations until such time as required for stations of the Canadian Broadcasting Corporation as stipulated in the respective station licences;
>
> Whereas the North American Regional Broadcasting Agreement stipulates that the Class 1A channels of 860 kc., 990 kc., and 1010 kc. must be occupied by stations having minimum powers of 50,000 watts by the expiration date of the Agreement;
>
> Whereas unless powers of 50,000 watts are in use on these channels at the expiration date of March 28, 1949, the Class 1A rights of Canada will be lost; that is the channels will be degraded in Canada;

Whereas it has always been the policy of the Board, concurred in by the licensing authority, to reserve the use of stations of high power for the national system of broadcasting;

Whereas the Canadian Broadcasting Corporation is now taking steps to extend the national system of broadcasting and to establish new high power stations in Alberta, Manitoba and Ontario;

Whereas in establishing such high power stations, it is necessary to make use of the channels above-mentioned;

It was resolved—

That the Minister of Reconstruction be advised that the Board of Governors of the Canadian Broadcasting Corporation hereby applies for the channels 860 kc. for the Toronto area, 990 kc. for Manitoba and 1010 kc. for Alberta and further that the changes in channel assignments as listed below be approved and further that the stations listed be notified immediately that said changes in frequency will take place on or about June, 1947.

And then there follows a list of changes as given by Br. Browne.

Mr. Ross *(St. Pauls)*: Why do you want another high-powered station for the CBC in the Toronto area?

Mr. DUNTON: This would open up the whole question; I would be glad to answer it.

The CHAIRMAN: Do not go too far afield from what has been decided; I should think that would be better.

Mr. Ross: I would like to know why they want it. They have one high-powered station there now. One reason might be that the corporation would refuse to allow CFRB to go up to 50 kilowatts, or that in order to maintain the channel you are going to take it over. My question is: why do you want another high-powered station in Toronto? What is the object of it? What coverage would you get?

The CHAIRMAN: Mr. Ross, the answer to that question will have to be deferred until the general statement is proceeded with. My statement now made to you is in line with the decision of the committee already on the books. In other words, you are premature with your question because it will be dealt with in the statement shortly anyway.

Mr. HACKETT: Before you go on to the next phase of the discussion may I ask a question to verify Mr. Dunton's statement? How many 50,000-watt stations has Canada at the present time?

Mr. Ross (St. Paul's): When will my question be dealt with?

The CHAIRMAN: In the statement of policy.

Mr. Ross (St. Paul's): That comes after the Canadian Association of broadcasters?

The CHAIRMAN: Correct.

Mr. FLEMING: If I may interject, nothing could show more clearly why we should have had the C.B.C. statement before we heard from CFRB and these other stations than the ruling you have just made now. We got some of the information this morning from the Department of Transport.

The CHAIRMAN: I think you are not questioning the ruling. It is in line with the policy. You will agree with that, I am sure.

Mr. FLEMING: I hope the committee can see now why this matter ought to be reopened. We are going to get bits and pieces.

The CHAIRMAN: You are hoping that the committee will get struck suddenly with hindsight.

Mr. Ross (St. Paul's): I still think my question should be answered.

The CHAIRMAN: The question which is now being dealt with is the question of Mr. Hackett.

Mr. Ross (St. Paul's): The question I asked before that should be answered.

Mr. DUNTON: Four, Mr. Chairman.

Mr. HACKETT: They are all owned by the CBC?

Mr. DUNTON: Right.

Mr. HACKETT: Under the Havana treaty Canada has the right to seven 50,000-watt stations.

Mr. DUNTON: I can explain. There will be seven class 1-A channels but additional further class 1-B channels on which 50,000 watt stations may be built. Class 1-A channels have to be occupied by 50,000 watt stations. Class 1-B may be occupied by 50,000 watt stations.

Mr. HACKETT: Then if Canada is to derive the full benefit of the treaty at least three and possibly four 50,000 watt stations must be established between now and some time in 1949?

Mr. DUNTON: That is right.

Mr. Ross (St. Paul's): There are four, are there not, that must be established? There are six clear channels.

Mr. DUNTON: There are seven altogether and three are now established. There would need to be four.

Mr. Ross (St. Paul's): Under the treaty there are six that must be established. You have one station at Chicoutimi of 1 kilowatt at the present time. When do you propose to take care of that and bring it up to 50,000 watts?

Mr. DUNTON: We will be explaining that later. I said there are seven class 1-A channels. There are three occupied now. There are three class 1-A channels occupied by 50,000-watt stations.

Mr. COLDWELL: Is it not four?

Mr. DUNTON: One is on a class 1-B channel. There are four 50,000 watt stations, but one is on class B. As you have heard, we have asked for three more of these frequencies. As to the one in Chicoutimi from what we have seen, as we will be explaining later on, we do not see that it will be economical to raise the power of our station there to 50,000 watts. As we foresee it, it probably will be degraded to a class 1-B and with higher power but not 50,000 watts. It will operate as a class 1-B and not as a class 1-A.

Mr. HACKETT: Does that mean the policy of the corporation is not to take the ultimate advantage of the privileges conferred by the treaty?

Mr. DUNTON: In the case of the frequency of 1,580 at the present time we do not see that it would be very economical to do it.

Mr. HACKETT: To that extent and for that reason we would be taking somewhat less than what was allotted to us under the treaty at Havana?

Mr. DUNTON: To that extent, yes. It would be a very small extent. It would be still occupied as a class 1-B on which it could later go to 50,000.

Mr. COLDWELL: Is it classified today as 1-B or 1-A?

Mr. DUNTON: 1-A.

Mr. HACKETT: If the right be not exercised before some month in 1949 it is lost and goes back into the pool for allotment to other nations?

Mr. DUNTON: It will be lost as a 1-A, but if we build a 10,000 watt station it will be maintained as a 1-B which is still a clear channel but not quite as good.

Mr. Ross (St. Paul's): You mean to have a 1-B channel on a 1-A?

Mr. DUNTON: We presume it will be occupied with 10 kilowatts which under the treaty is enough to maintain it as a 1-B channel and it could later be used for 50,000 watts.

Mr. FLEMING: Mr. Chairman, I have a couple of questions. Mr. Dunton has read to us an extract from the minutes of the board meeting in March. I do not know whether we got the date in March.

Mr. DUNTON: The 20th, 21st and 22nd.

Mr. FLEMING: It was a three day meeting?

Mr. DUNTON: Yes.

Mr. FLEMING: We have had a reference in Mr. Brown's memorandum to an earlier meeting, and it was also referred to in the minute which Mr. Dunton read, the meeting of the CBC board in November, 1945. I wonder if Mr. Dunton would give us the relevant extract from the minutes of that meeting. I should like to couple with that a request for the relevent extracts of the minutes of any other meetings of the CBC board relating to this matter within the last three or four years if there are any other meetings at which this matter of assuming the wavelengths now occupied by these three stations was discussed in any way.

Mr. DUNTON: I would first answer that the operative part of the minutes of the November meeting was included in the minute I read from the March meeting. It referred back to it.

The CHAIRMAN: You quoted that in the one which you read?

Mr. DUNTON: It was quoted in the preamble.

Mr. FLEMING: The operative part but that is not the entire minute?

Mr. DUNTON: No.

Mr. FLEMING: I think we might as well have the minute of the meeting of November, 1945.

The CHAIRMAN: Have you that there?

The CHAIRMAN: Yes. It seems you have got it already.

Mr. FLEMING: We may have the gist of it, but I should like the entire minute, if we may have it, please.

The CHAIRMAN: Have you got it there?

Mr. DUNTON: Yes, I have it.

Mr. HACKETT: Would it be useful—

The CHAIRMAN: Mr. Hackett, that question is going to be answered.

Mr. HACKETT: I am quite willing to wait.

Mr. DUNTON: I do not think it adds much. This is a minute of a meeting on November 27, 28 and 29, 1945.

Mr. FLEMING: You are going to give us the whole minute, not just the resolution.

The CHAIRMAN: What do you mean by the whole minute? Do you mean everything that was handled at that meeting or do you mean the part of the minute which refers to this matter?

Mr. FLEMING: What I said was the relevant extract from the minute. There may be something else in the minutes other than the resolution.

The CHAIRMAN: Whatever is relevant to this in that minute is what Mr. Fleming wants.

Mr. DUNTON: This is a from a minute of a meeting of the Board of Governors on November 27, 28 and 29, 1945.

The General Manager brought forward plans for technical expansion which were accepted in principle.

Messrs. Harry and Joseph Sedgwick came before the Board to discuss the frequency for CFRB. Mr. Harry Sedgwick reviewed history of the station and asked for stability on the frequency 860 kc. Mr. Joseph Sedgwick argued at length on the question. He said all possible action in the courts, and if necessary through political pressure, would be taken to resist loss of 860 kc. unless another suitable frequency could be allocated to CFRB.

The next session gave further consideration to the problem and adopted the following resolution:—

The next session gave further consideration to the problem and adopted the following resolution:—

Whereas under the terms of the Havana Agreement the following clear channels, amongst others, were allotted to Canada, to wit: 860 for the Toronto area, 990 for Manitoba and 1010 for Alberta;

Whereas following this International Agreement a re-allotment of wavelengths in Canada had to take place in 1941;

Whereas Canada was then at war and on that account the C.B.C. could not consider building high power stations to use these particular wavelengths;

Whereas the Board of Governors of the Canadian Broadcasting Corporation in recommending the assignment of these particular wavelengths at its 17th meeting asked the licensing authority to advise the assignees of these particular wavelengths that these frequencies might be required by the Canadian Broadcasting Corporation at some future date and would have to be vacated if and when such occasion arises;

Whereas as a result of this recommendation the licences in respect of these particular wavelengths carried the following endorsements;

For the years 1941 to 1945: This frequency is assigned subject to the provisions of Regulation 15 of Part 2 of the Radio Regulations issued by the minister in accordance with Section 4 of the Radio Act, 1930.

For the year 1945-1946: The frequency of—(according to station) k.c. per second being a clear channel is definitely reserved for the national system of broadcasting and this station is authorized to use this frequency provisionally until such time as it may be required for and assigned to the CBC.

Whereas it has now become expedient for the CBC to complete its chain of stations by the construction of a second high power station in Toronto to be used as the basic station of the Dominion network, and of high power stations in Manitoba and Alberta;

It Was Resolved

That the Management be instructed to notify the Minister of Reconstruction that in accordance with its original plans the CBC will require the class 1A channels referred to above and will in due course apply to him for these particular channels which it considers necessary to the operation of its national service.

Mr. FLEMING: Are there any other meetings at which this matter was discussed? I noted a reference in that last minute to the 17th meeting, and there is a reference on page 2 of Mr. Browne's memorandum to the 41st meeting in

April, 1945. If Mr. Dunton has not the whole group of meetings there now I should like to get that sometime so that we will have a complete record as to the action taken.

The CHAIRMAN: Mr. Dunton says he has it.

Mr. COLDWELL: I was going to ask Mr. Dunton what is the meaning of the expression used as to protecting CFRB by any legal means or by political pressure? What is the significance of Mr. Sedgwick's threatening political pressure as apparently he did?

The CHAIRMAN: I think that question is not a proper one to submit to this witness.

Mr. COLDWELL: It intrigues me though in view of all that has gone on.

The CHAIRMAN: I doubt if a witness giving factual information is competent to declare the meaning of a phrase that some one else may use.

Mr. COLDWELL: We will ask Mr. Sedgwick.

The CHAIRMAN: I think it is hardly a fair question.

Mr. FLEMING: I do not suppose Mr. Dunton was at that meeting.

Mr. DUNTON: Just, Mr. Chairman.

The CHAIRMAN: That might be an additional reason why he is an inappropriate witness.

Mr. DUNTON: I was there.

The CHAIRMAN: You were going to read something further for Mr. Fleming.

Mr. DUNTON: This is a note from the 17th meeting of March 24, 1941. That will be just before the Havana Agreement went into effect. It is not a resolution. It is a note.

> After the frequency changes take place on March 29, 1941, under the Havana Agreement, the following class 1 channels will be used by privately-owned Canadian broadcasting stations: 860 kc.—class 1A to CFRB, Toronto, Ontario, 10 kw. 990 kc.—class 1A to CKY, Winnipeg, Manitoba, 15 kw. 1010 kc.—class 1A to CFCN, Calgary, Alberta, 10 kw. 1550 kc.—class 1B to CKTB, St. Catharines, Ontario, 1 kw. (Class 1A minimum power 50 kw; maximum 500 kw. Class 1B minimum power 10 kw; maximum 50 kw.)
>
> These channels were obtained with great difficulty at the Havana conference in 1937 and were for the use of the National radio system in Canada. Owing to the war emergency it is improbable that these channels can be used by the Canadian Broadcasting Corporation at this time. However, it should be recommended that the above mentioned licensees be advised that these channels may be required by the C.B.C. at some future date and must be vacated if and when such occasion arises.

The CHAIRMAN: Is there a further minute in line with what Mr. Fleming has asked?

Mr. FLEMING: Are there any others?

Mr. DUNTON: I think that is all.

Mr. FLEMING: Then I understand that we now have a complete record so far as the minutes of the Canadian Broadcasting Corporation Board of Directors as to the extent of their contact with this problem of the assumption of these wavelengths now enjoyed by CFRB, CKY and CFCN?

Mr. DUNTON: I should like to check further to see if there is any other formal record. I would also point out that these questions of expansion have been the source of a great deal of study and of consultation in the Corporation and with private stations, and these are important records of decisions, but it has been studied and discussed on other occasions at other times. I should like to check before I can say definitely these are the only formal records.

Mr. FLEMING: While Mr. Dunton is checking I should like to draw his attention to the fact that a reference was made in one of the minutes he read to something done at the 17th meeting of the C.B.C. board.

Mr. DUNTON: That is what I just read.

Mr. FLEMING: Then there is a reference on page 2 of Mr. Browne's memorandum of action taken at the 41st meeting of the board in April, 1945.

Mr. DUNTON: I have not got that. I think Mr. Browne's statement covers it pretty fully. The recommendation was borne out by the endorsements he mentioned.

Mr. FLEMING: His statement is:—

> At their 41st meeting in April, 1945, the Board of Governors recommended that the following specific endorsation should be made on the licences for each of the three private stations occupying class 1A channels.

I should like to know if there is anything more in the minutes?

Mr. DUNTON: I will have a look and see if there is anything more.

By Mr. Coldwell:

Q. I was going to ask Mr. Browne what was the wavelength of CFRB before 1941?—A. 690 kc.

Q. There is another C.B.C. station in Toronto, CJBC, which has another wavelength? I think it is 1400, is it?—A. 1010.

Q. The thing that is puzzling me is why the wavelength of 860 kc., the clear channel, was allotted as a temporary privilege to CFRB and not retained by the corporation's own station, CJBC?

The CHAIRMAN: Dr. Frigon can give the answer to that.

Dr. FRIGON: I think the obvious answer is at that time CFRB was operating at 10 kilowatts, and it seemed more logical to let them use 860 with 10 kilowatts rather than put CJBC there, which was just a 100-watt station, on that good channel.

Mr. COLDWELL: That is to say, you gave them a privilege that you felt at that time was warranted, a temporary privilege for them?

Dr. FRIGON: Exactly.

Mr. ROSS *(St. Paul's):* It was a convenience for the C.B.C. at that time?

Dr. FRIGON: And for CFRB.

Mr. HACKETT: We have heard something this morning of the Havana Agreement. We have also been told that it did more than allot certain clear channels to Canada. I was going to ask if you would not think it wise to have the Havana Agreement produced as an appendix possibly to to-day's testimony?

The CHAIRMAN: I do not wish to break in on you at that point, but Mr. Dunton was just going to give the final answer to Mr. Fleming. Would you permit that to be read and then answer the other question?

Mr. DUNTON: It is still being looked up.

The CHAIRMAN: The answer is we have not got it. That document is in front of us. Let us have a look at it.

The WITNESS: The document is quite thick and would involve mimeographing.

The CHAIRMAN: How many pages has it?

The WITNESS: It is not paged.

The CHAIRMAN: Have a look at it yourself and see whether you would think it should be printed.

Mr. HACKETT: I will undoubtedly have a look at it, but I assume that the portions which affect Canada probably do not cover very many pages.

The CHAIRMAN: Oh, yes, I think they might.

The WITNESS: Of course, the whole treaty affects Canada; there are general paragraphs in it which affect all stations in all countries.

Mr. HACKETT: If you are relying on it and decisions are taken in consequence of it it is basic material that should be before the committee.

By the Chairman:

Q. Was it ever printed and filed in the House of Commons?—A. I do not believe it was.

Mr. HACKETT: The secretary has been good enough to show me that notes regarding the Havana Agreement are to be found in the minutes of the special committee in radio broadcasting, No. 7, taken on June 9, and 10, 1942, at page 367 under the heading "Appendix C", but they are not quite complete. Possibly their reproduction would be of some assistance but I was rather amazed when I learned that the Havana Agreement not only allotted certain channels to Canada but indicated at what points in Canada they should be available.

The CHAIRMAN: I am passing the treaty down to you for further help in your thought.

Mr. FLEMING: In the meantime do you want another question?

The CHAIRMAN: How did you make out about that?

Mr. DUNTON: I have it.

The CHAIRMAN: That which you wanted has been found.

Mr. DUNTON: This is a meeting on April 7, 8, and 9, 1945. It is really just as Mr. Browne read earlier with an introduction.

> That the Minister of Reconstruction be advised that the Board of Governors of the Canadian Broadcasting Corporation recommends that the licences of stations operating on clear channels of 860, 990, 1010 and 1550 kc. be endorsed as follows,

and then there is the endorsement as read.

Mr. FLEMING: Thank you. That is a complete record as far as the minute book is concerned of everything the Board has done in relation to this thorny question?

Mr. DUNTON: I would not like to say definitely. I think so, but probably we should have a look. They are pretty long minutes. We will check back before the next meeting. They are certainly the main decisions.

Mr. HANSELL: Mr. Chairman, I have two questions. I understand that under the Havana Agreement it is positively necessary for stations of a minimum of 50,000 watts power to be erected on those particular channels? Do I understand that?

The CHAIRMAN: That is right, is it not?

The WITNESS: In order to implement the agreement in so far as Canada is concerned.

By Mr. Hansell:

Q. My second question is, according to the agreement is it necessary for the corporation to use those channels?—A. The channels are reserved to Canada.

By Mr. Hackett:

Q. Private enterprise could avail itself of that prerogative quite as well as the corporation, could it not?

The CHAIRMAN: The answer to Mr. Hackett is "yes".

The WITNESS: Yes. If the treaty procedure be followed and, of course, subject to domestic legislation.

By Mr. Hackett:

Q. I wish you would try to answer it "yes" or "no", because you are saying "perhaps". My question is could an international agreement be implemented in so far as Canada is concerned, and all of the rights that are conferred upon Canada preserved to Canada if those rights are taken up by private enterprise instead of by the corporation?—A. Yes, quite so. That is true in so far as the treaty is concerned.

Mr. COLDWELL: It has been decided that class A stations should be reserved to the corporation. That policy has been laid down from time to time.

Mr. HANSELL: Anything that has been laid down can very easily be changed.

The CHAIRMAN: I do not know whether you are quite right in saying "very easily" but with that slight exception you are correct.

By Mr. Fleming:

Q. I have two or three questions to ask Mr. Browne. The last sentence of his last memorandum reads:—

> The licensees were advised of the required changes by letter dated April 18, 1946.

I take it that was a letter on behalf of the minister?—A. It was signed by the Deputy Minister of Transport.

Q. Will Mr. Browne produce that letter so we may have a copy of it on the record?—A. A Copy of the letter to each licensee involved?

The CHAIRMAN: One letter to cover them all.

By Mr. Fleming:

Q. If they are all written on the same day in the same form?—A. The same form is used, but in the case of the CFRB letter it suggests four alternative channels.

Q. They are probably not lengthy letters. Probably they could all be printed as an appendix to to-day's proceedings.?—A. I would be glad to produce them.

Q. My next question is I take it from what you have said that the proposal to take over these three wavelengths originated with the Canadian Broadcasting Corporation?—A. To take them over in 1947 as per their recommendation.

Q. That move was initiated by the C.B.C.?—A. That is right.

Q. It was not initiated by the minister?—A. No.

The CHAIRMAN: The Minister of Transport or the Minister of Reconstruction.

Mr. FLEMING: Yes. My third question is this. Perhaps this might be more aptly asked of Mr. Dunton. It has to do with consultations with these licensees. Has the department had any consultations with the licensees in the light of the request and recommendation from the C.B.C. that these wavelengths be taken over?

The WITNESS: Yes, the licensees of two of the stations have visited the offices of the department and gone into the matter from the technical angle.

By Mr. Fleming:

Q. What two were they and when did they come?—A. I believe we were visited by the representatives of CFRB. I do know Mr. Rogers was in to see us, and also Mr. Love of Calgary was in in regard to CFCN.

Q. When was that, since they received this letter in April?—A. Yes. I do not recall any visit from a representative of the Winnipeg station.

Mr. FLEMING: May I switch the question to Mr. Dunton? One minute he read referred to representations made on behalf of CFRB. Has there been any similar consultation with persons representing the other stations affected?

Mr. DUNTON: Yes, the representative of CFCN in Calgary came at the meeting in Vancouver at the end of January.

The CHAIRMAN: January this year?

Mr. DUNTON: January this year. We offered to see the representatives of CKY, but they did not come before the board. Then there have been at different times both before and after the letter went out informal consultations with officials or conversations of myself with representatives of the stations. Of course, the board wrote to all stations that might be affected and asked them if they would like to come and discuss matters with the board.

The CHAIRMAN: Mr. Fleming, if I would not be doing your questioning harm by interjecting at this moment, we are just at the point of adjournment. There is a motion that has to be put and carried in the committee. I have passed the text of it down to Mr. Beaudoin and have asked him to move it. We have only two or three minutes. It may be you could carry on from where you now are at the next meeting.

Mr. FLEMING: I am quite agreeable.

Mr. COLDWELL: Before we adjourn, I refrained from asking questions about the proposed transfer of CHAB because of other matters, but I should like to ask some questions about that next time.

The CHAIRMAN: That is all right.

Mr. BEAUDOIN: You referred to a motion.

The CHAIRMAN: About that July 5th meeting. We have got to pass a motion.

Mr. BEAUDOIN: That arrangements be made by the clerk of the committee in conjunction with the officials of the C.B.C. to arrange a visit to Montreal. I therefore move that the committee ask leave of the House of Commons to sit in Montreal for one day, Friday, July 5th next, and that the clerk of the committee do accompany the committee.

The CHAIRMAN: You have heard that motion. Are you ready for the question? All in favour? Opposed? Carried.

There is another statement Mr. Browne wishes to lay before you. He will indicate its nature and it will be described.

The WITNESS: This is a list of broadcasting stations in Canada as of June 6, 1946. Attached to that you will find statements which embody the information which has been requested at previous meetings of the committee. I will read the headings: "New Standard Band Broadcasting Stations established during the period April 1, 1944, to June 6, 1946". "Authorized Standard Band Broadcasting Stations which have not yet been established".

Then there is a list of standard band broadcasting stations authorized but now suspended. There are three of them. Then there is a list of changes in licences of broadcasting stations during the period April 1, 1944 to June 6, 1946 including changes in the name of the licensee, changes in call sign and frequency, increases in power. Then there is a list of changes of frequency of existing stations authorized but not implemented as of June 6, 1946. The final state-

ment covers increases of power of existing stations authorized but not yet implemented as of June 6, 1946. I thought that by leaving these statements with you if there were any questions I would be in a position to answer them.

The CHAIRMAN: Mr. Browne will be back at the next meeting.

Mr. HACKETT: Before you adjourn would you please look at this Havana Treaty and ascertain and inform yourself if you do not think that the substance of it—and when I say the substance of it I do not mean that somebody should attempt to epitomize it, but the part of it reflects the agreement—should be made available to the committee. I do not know of any place where it can be obtained.

The CHAIRMAN: I will be glad to do that.

Mr. BEAUDOIN: I move we adjourn.

The CHAIRMAN: Mr. Fleming is speaking and consequently your motion to adjourn is not in order yet.

Mr. FLEMING: What about the printing of this last statement submitted by Mr. Browne? There is a lot of useful information here, and it could be printed as an appendix.

The CHAIRMAN: That is filed with the object of being an appendix to the minutes.

Mr. FLEMING: Would you direct that the letters that were referred to, the letters of April 18, 1946, to the licensees, be printed in the appendix?

The CHAIRMAN: They will likewise be printed as an appendix to their presentation.

Mr. BEAUDOIN: I move we adjourn.

The committee adjourned at 1 o'clock p.m. to meet again at the call of the chair.

APPENDIX A

DEPARTMENT OF TRANSPORT, OTTAWA

CANADA

AIR SERVICES—RADIO DIVISION

LIST OF BROADCASTING STATIONS IN CANADA

(as of June 6, 1946)

Call Sign	Name of Licensee and Address of Main Studio	Frequency (KC/S)	Operating Power (Watts)
CBA	Canadian Broadcasting Corporation, Sackville, N.B.	1070	50000
CBF	Canadian Broadcasting Corporation, 1231 St. Catherine St W., Montreal, Que.	690	50000
CBFW	Canadian Broadcasting Corporation, 1231 St. Catherine St. W., Montreal, Que.	6090	7500
CBFX	Canadian Broadcasting Corporation, 1231 St. Catherine St. W., Montreal, Que.	9610	7500
CBFY	Canadian Broadcasting Corporation, 1231 St. Catherine St. W., Montreal, Que.	11705	7500
CBFZ	Canadian Broadcasting Corporation, 1231 St. Catherine St. W., Montreal, Que.	15190	7500
CBH	Canadian Broadcasting Corporation, United Services Building 100 Sackville St., Halifax. N.S.	1240	100
CBJ	Canadian Broadcasting Corporation, Chicoutimi, Que.	1580	1000
CBK	Canadian Broadcasting Corporation, Watrous, Sask.	540	50000
CBL	Canadian Broadcasting Corporation, 354 Jarvis St., Toronto, Ont.	740	50000
CBM	Canadian Broadcasting Corporation, 1231 St. Catherine St. W., Montreal, Que.	940	5000
CBO	Canadian Broadcasting Corporation, Chateau Laurier Hotel, Ottawa, Ont.	910	1000
CBR	Canadian Broadcasting Corporation, Hotel Vancouver, Vancouver, B.C.	1130	5000
CBRX	Canadian Broadcasting Corporation, Hotel Vancouver, Vancouver, B.C.	6160	150
CBV	Canadian Broadcasting Corporation, Chateau Frontenac Hotel, Quebec, Que.	980	1000
CFAB	Avard M. Bishop, 7 Clifton Avenue, Windsor, N.S.	1450	250
CFAC	The Southam Company Limited, Southam Building, Calgary, Alta.	960	1000
CFAR	Arctic Radio Corporation, 75 Hill Street, Flin Flon, Man.	1230	250
CFCF	Canadian Marconi Company Limited, 1231 St. Catherine Street, West, Montreal, Que.	600	500
CFCH	R. H. Thomson, 37 Main Street East, Capitol Building, North Bay, Ont.	600	100
CFCN	The Voice of the Prairies, Limited, Toronto General Trusts Building, Calgary, Alta.	1010	10000
CFCO	John Beardall, William Pitt Hotel, Chatham, Ont.	630	100
CFCX	Canadian Marconi Company Limited, 1231 St. Catherine Street West, Montreal, Quebec	6005	75

Call Sign	Name of Licensee and Address of Main Studio	Frequency (KC/S)	Operating Power (Watts)
CFCY	The Island Radio Broadcasting Co. Ltd., 85 Kent Street, Charlottetown, P.E.I.	630	1000 Night 5000 Day
CFGP	Northern Broadcasting Corporation Ltd., Northern Broadcasting Building, Grande Prairie, Alta.	1050	1000
CFJC	Kamloops Sentinel, Limited, 310 St. Paul Street, Kamloops, B.C.	910	1000
CFJM	Eastern Ontario Broadcasting Company Limited, Revere Hotel, Brockville, Ont.	1450	100
CFNB	James S. Neill & Sons, Limited, York Street, Fredericton, N.B.	550	1000
CFOR	Gordon E. Smith, Orillia, Ont.	1450	250
CFOS	H. Fleming, 904–2nd Avenue East, Owen Sound, Ont.	1400	250
CFPA	R. H. Parker, Public Utilities Building, Port Arthur, Ont.	1230	250
CFPL	The London Free Press Printing Co. Ltd., 442-446 Richmond Street, London, Ont.	1570	1000 DA
CFPR	Northwest Broadcast & Service Co. Ltd., 336 2nd Avenue, Prince Rupert, B.C.	1240	50
CFQC	A. A. Murphy & Sons Limited, Murphy Building, First Avenue South, Saskatoon, Sask.	600	1000
CFRB	Rogers Radio Broadcasting Co. Ltd., 37 Bloor Street West, Toronto, Ont.	860	10000
CFRC	Queen's University, Fleming Hall, Kingston, Ont.	1490	100
CFRN	G. R. A. Rice, C.P.R. Building, 10012 Jasper Avenue, Edmonton, Alta.	1260	1000
CFRX	Rogers Radio Broadcasting Co. Ltd., 37 Bloor Street West, Toronto, Ont.	6070	1000
CFVP	The Vocice of the Prairies, Ltd., Toronto General Trusts Building, Calgary, Alta.	6030	100
CHAB	C. H. A. B. Limited, Grant Hall Hotel, Moose Jaw, Sask.	800	1000
CHAC	Canadian Broadcasting Coporation, 1236 Crescent Street, Montreal, Que. (transmitter at Sackville, N.B.)	6160	50000
CHAD	Radio Rouyn-Abitibi, Limitee, Amos, Que.	1340	100
CHEF	The Granby Broadcasting Company Limited, 7 Johnson St., Granby, Que.	1200	250
CHEX	Peterborough Broadcasting Co. Ltd., Hunter and Water Streets, Peterborough, Ont.	1430	1000 DA
CHGB	G. Thomas Desjardins, Main Street, Ste. Anne de la Pocatiere, Que.	1230	250
CHGS	R. T. Holman, Limited, Holman Building, 190 Water Street, Summerside, P.E.I.	1480	100
CHLA	Canadian Broadcasting Corporation, 1236 Crescent Street, Montreal, Que. (transmitter at Sackville, N.B.)	21710	50000
CHLN	Le Nouvelliste Limitee, Hotel Chateau de Blois, Three Rivers, Que.	1450	250
CHLP	La Patrie Publishing Company Ltd., Sun Life Building, Montreal, Que.	1490	250
CHLS	Canadian Broadcasting Corporation, 1236 Crescent Street, Montreal, Que. (transmitter at Sackville, N.B.)	9610	50000
CHLT	La Tribune Limitee, 3 Marquette Street, Sherbrooke, Que.	900	1000 DA-Night

Call Sign	Name of Licensee and Address of Main Studio	Frequency (KC/S)	Operating Power (Watts)
CHMD	Canadian Broadcasting Corporation, 1236 Crescent Street, Montreal, Que. (transmitter at Sackville, N.B.)	9640	50000
CHML	Kenneth D. Soble, Pigott Building, James St. South, Hamilton, Ont.	900	1000
CHNC	The Gaspesian Radio Broadcasting Co. Ltd., Main St. and Blvd. Perron, New Carlisle, Que.	610	1000
CHNS	The Maritime Broadcasting Co. Ltd., Broadcasting House, 10 Tobin Street, Halifax, N.S.	960	1000
CHNX	The Maritime Broadcasting Co. Ltd., Broadcasting House, 10 Tobin Street, Halifax, N.S.	6130	500
CHOL	Canadian Broadcasting Corporation, 1236 Crescent Street, Montreal, Que. (transmitter at Sackville, N.B.)	11720	50000
CHOV	D. A. Jones, Provincial Bank Building, Pembroke, Ont.	1340	250
CHRC	C. H. R. C. Limited, Metropolitan Building, 39 St. John Street, Quebec, Que.	800	1000 DA
CHSJ	New Brunswick Broadcasting Co. Ltd., 14 Church Street, Saint John, N.B.	1150	1000
CHUM	York Broadcasters Limited, Hermant Building, 21 Dundas Square, Toronto, Ont.	1050	1000 (Day-time only)
CHWK	Chilliwack Broadcasting Co. Ltd., Wellington Avenue, Chilliwack, B.C.	1340	100
CJAD	C. J. A. D. Limited, 1191 Mountain Street, Montreal, Que.	800	1000 DA
CJAT	Kootenay Broadcasting Co. Ltd., 814 Victoria Street, Trail, B.C.	610	1000
CJAV	H. E. Warren, Bedford Road & Trunk Highway, Port Alberni, B.C.	1240	250
CJBC	Canadian Broadcasting Corporation, 354 Jarvis St., Toronto, Ont.	1010	5000 DA
CJBR	Central Public Service Corporation Ltd., 1 St. Jean Street, Rimouski, Que.	900	1000 N 5000 D
CJCA	The Southam Company Limited, 10113-104th Street, Edmonton, Alta.	930	1000
CJCB	Eastern Broadcasters Limited, Radio Building, 318 Charlotte Street, Sydney, N.S.	1270	1000
CJCH	Chronicle Company Limited, Lord Nelson Hotel, Spring Garden Road, Halifax, N.S.	1320	100
CJCJ	The Albertan Publishing Co. Ltd., 120-7th Avenue West, Calgary, Alta.	1230	100
CJCS	Frank M. Squires, 23 Albert Street, Stratford, Ont.	1240	50
CJCX	Eastern Broadcasters Limited, Radio Building, 318 Charlotte Street, Sydney, N.S.	6010	1000
CJEM	Edmundston Radio Limited, Edmundston, N.B.	1240	250
CJFX	Atlantic Broadcasters Limited, Antigonish, N.S.	580	1000 DA
CJGX	Yorkton Broadcasters Company Ltd., Broadway Avenue, Yorkton, Sask.	940	1000
CJIC	J. G. Hyland, Windsor Hotel, Sault Ste. Marie, Ont.	1490	250
CJKL	Northern Broadcasting & Publishing Ltd., Arcade Building, Kirkland Lake, Ont.	560	1000

Call Sign	Name of Licensee and Address of Main Studio	Frequency (KC/S)	Operating Power (Watts)
CJLS	Laurie L. Smith, 529 Main Street, Yarmouth, N.S.	1340	100
CJOB	J. O. Blick and E. B. Osler, 10th Floor Lindsay Bldg., Winnipeg, Man.	1340	250
CJOC	Lethbridge Broadcasting Limited, Marquis Hotel, Lethbridge, Alta.	1060	1000
CJOR	C.J.O.R. Limited, Hotel Grosvenor, 846 Howe Street, Vancouver, B.C.	600	5000 DA
CJRL	Kenora Broadcasting Company Limited, 2nd Floor, Brydon Block, Main Street, Kenora, Ont.	1220	1000
CJSO	Radio Richelieu Limited, 72 du Roi Street, Sorel, Que.	1400	100
CJVI	Island Broadcasting Company Limitee, 620 View Street, Victoria B.C.	*900	*250 Night 1000 Day
CKAC	La Presse Publishing Company Limited, 980 St. Catherine Street West, Montreal, Que.	730	5000
CKBI	Central Broadcasting System Limited, Sanderson Building, Prince Albert, Sask.	900	1000
CKCH	La Compagnie de Radiodiffusion, CKCH de Hull Limitee, 85 Champlain Avenue, Hull, Que.	1240	250
CKCK	Leader-Post Limited, 1863 Hamilton Street, Regina, Sask.	620	1000
CKCO	Dr. G. M. Geldert, 272 Somerset Street West, Ottawa, Ont.	1310	1000 DA-Night
CKCR	Wm. C. Mitchell & G. Liddle, Waterloo Trust Building, 31 Ontario Street South, Kitchener, Ont.	1490	250
CKCV	C. K. C. V. Limited, 142 St. John Street, Quebec, Que.	1340	250
CKCW	Moncton Broadcasting Company Limited, Knights of Pythias Hall, Moncton, N.B.	1400	250
CKCX	Canadian Broadcasting Corporation, 1236 Crescent Street, Montreal, Que. (transmitter at Sackville, N.B.)	15190	50000
CKEX	Canadian Broadcasting Corporation, 1236 Crescent Street, Montreal, Que. (transmitter at Sackville, N.B.)	11900	50000
CKEY	Toronto Broadcasting Company Limited, 444 University Avenue, Toronto, Ont.	580	1000 DA-Night 5000 DA-Day
CKFI	John M. Reid, Fort Frances, Ont.	1340	250
CKFX	Western Broadcasting Company Limited, 543 Seymour Street, Vancouver, B.C.	6080	10
CKGB	R. H. Thomson, Thomson Building, Timmins, Ont.	1470	1000
CKLN	News Publishing Company Limited, 711 Radio Avenue, Nelson, B.C.	1240	250
CKLO	Canadian Broadcasting Corporation, 1236 Crescent Street, Montreal, Que. (transmitter at Sackville, N.B.)	9630	50000
CKLW	Western Ontario Broadcasting Company Ltd., Guaranty Trust Building, Windsor, Ont.	800	5000
CKMO	British Columbia Broadcasting System Ltd., 812 Robson Street, Vancouver, B.C.	1410	1000
CKNB	Restigouche Broadcasting Company Limited, Campbellton, N.B.	950	1000 DA

* Provisional Authorization.

Call Sign	Name of Licensee and Address of Main Studio	Frequency (KC/S)	Operating Power (Watts)
CKNC	Canadian Broadcasting Corporation, 1236 Crescent Street, Montreal, Que. (transmitter at Sackville, N.B.)	17820	50000
CKNW	William Rea, Jr., Windsor Hotel, 736 Columbia Street, New Westminster, B.C.	1230	250
CKNX	W. T. Cruickshank, Josephine Street, Wingham, Ont.	920	1000 DA-Night
CKOB	Canadian Broadcasting Corporation, 1236 Crescent Street, Montreal, Que. (transmitter at Sackville, N.B.)	6090	50000
CKOC	Wentworth Radio Broadcasting Company, Ltd., Wentworth Building, Hamilton, Ont.	1150	1000-Day 500-Night
CKOV	Okanagan Broadcasters Limited, Mill Avenue, Kelowna, B.C.	630	1000
CKPC	The Telephone City Broadcast Limited, Arcade Building, 49 Colborne Street, Brantford, Ont.	1380	100
CKPG	Frank H. Elphicke, Ritz Keifer Hall, George Street, Prince George, B.C.	1230	250
CKPR	Dougall Motor Car Company Limited, Radio Hall, 104½ South May Street, Fort William, Ont.	580	1000
CKRC	Transcanada Communications Limited, Free Press Building, 300 Carlton Street, Winnipeg, Man.	630	1000
CKRM	Transcanada Communications Limited, Fidelity Life Building, Regina, Sask.	980	1000
CKRN	Radio Rouyn-Abitibi Limitée, Riley Hardware Building, Rouyn, Que.	1400	250
CKRO	Transcanada Communications Limited, Free Press Building, 300 Carlton Street, Winnipeg, Man.	6150	2000
CKRX	Transcanada Communications Limited, Free Press Building, 300 Carlton Street, Winnipeg, Man.	11720	2000
CKSB	Radio Saint-Boniface Limitée, 607 College Street, St. Boniface, Man.	1250	*500
CKSF	The Standard Freeholder Limited, Cornwall, Ont.	1230	250
CKSO	W. E. Mason, 21 Elgin Street North, Sudbury, Ont.	790	1000
CKTB	Niagara District Broadcasting Co. Ltd., Cor. Yates and St. Paul Streets, St. Catharines, Ont.	1550	1000
CKTS	Telegram Printing & Publishing Co. Ltd., 3 Marquette Street, Sherbrooke, Que.	1240	250
CKUA	University of Alberta, Electrical Engineering Building, Edmonton, Alta.	580	1000
CKVD	Radio Rouyn-Abitibi Limitée, 586 Third Avenue, Val d'Or, Que.	1230	100
CKWS	Allied Broadcasting Corporation, 306 King Street East, Kingston Ont.	960	1000 DA
CKWX	Western Broadcasting Company Limited, 543 Seymour Street, Vancouver, B.C.	980	1000
CKX	Manitoba Telephone System, Princess and 8th Streets, Brandon, Man.	1150	1000
CKXA	Canadian Broadcasting Corporation, 1236 Crescent Street, Montreal, Que. (transmitter at Sackville, N.B.)	11705	50000
CKY	Manitoba Telephone System, Telephone Building, Winnipeg, Man.	990	15000

DA—Directional Antenna. * Provisional Authorization.

NEW STANDARD BAND BROADCASTING STATIONS ESTABLISHED DURING THE PERIOD APRIL 1, 1944 TO JUNE 6, 1946

Call Sign	Location of Transmitter	Owner	Authorized Frequency (Kc/s)	Authorized Power (Watts)	Actual Operating Power (Watts)	Date of Commencement of Operations
	British Columbia—					
CJAV	Port Alberni	H. E. Warren, Port Alberni	1240	250	250	April 6, 1946
CKNW	New Westminster	Wm. Rea Jr., New Westminster	1230	250	250	Aug. 28, 1944
CKPG	Prince George	Frank H. Elphicke, Prince George	1230	250	250	Feb. 8, 1946
	Manitoba—					
CJOB	Winnipeg	J. O. Blick and E. B. Osler, Winnipeg	1340	250	250	Mar. 11, 1946
CKSB	St. Boniface	Radio Saint-Boniface Ltee, St. Boniface	1250	1000	500 Temp.	May 27, 1946
	New Brunswick—					
CJEM	Edmundston	Edmundston Radio Ltd., Edmundston	1240	250	250	Dec. 16, 1944
	Nova Scotia—					
CBH	Halifax	Canadian Broadcasting Corporation, Halifax	1240	100	100	Sept. 14, 1944
CFAB	Windsor	Avard M. Bishop, Windsor	1450	100	100	Nov. 13, 1945
CJCH	Halifax	Chronicle Co., Ltd., Halifax	1320	100	100	Oct. 31, 1944
	Ontario—					
CHUM	Toronto (North York Township)	York Broadcasters Ltd., Toronto	1050	1000	1000 Daytime only	Oct. 28, 1945
CKFI	Fort Frances	John M. Reid Jr., Fort Frances	1340	250	250	Nov. 11, 1944
CKSF	Cornwall	The Standard Freeholder Ltd., Cornwall	1230	250	250	Feb. 15, 1945
CFPA	Port Arthur	R. H. Parker, Fort William	1230	250	250	Sept. 3, 1944
	Quebec—					
CHEF	Granby	The Granby Broadcasting Co. Ltd., Granby	1450 Operating on 1200 temporarily	250	250	Mar. 9, 1946
CJAD	Montreal (Parish of La Prairie)	C.J.A.D., Montreal	800	1000 DA	1000 DA	Dec. 8, 1945
CJSO	Sorel	*Henri Gendron & Arthur Prevost, Sorel	14000	100	100	Jan. 6, 1945
CKTS	Sherbrooke	Telegram Printing & Pulbishing Co. Ltd., Sherbrooke	1240	250	250	May 11, 1946

*Changed to Radio Richelieu Ltee. Sept. 29, 1945.

AUTHORIZED STANDARD BAND BROADCASTING STATIONS WHICH HAVE NOT YET BEEN ESTABLISHED (JUNE 6, 1946)

Call Sign	Owner	Authorized Frequency	Authorized Power (Watts)
	Alberta—		
CHAT	Monarch Broadcasting Co., Ltd., Medicine Hat..	1270	1000
	British Columbia—		
CKOK	Okanagan Broadcasters Ltd., Penticton.....	1450	250
Not yet assigned	Mill Wilna Moore, Dawson Creek.....	1350	1000
Net yet assigned	R.C.A.F., Fort Nelson.....	1240	25
	New Brunswiek—		
CFBC	Fundy Broadcasting Co. Ltd., Saint John.....	930	5000
	Ontario—		
CHNO	Sudbury Broadcasting Co., Sudbury.....	1440	1000
CJBO	G/C A. M. Haig, Belleville.....	1230	250
CKDO	T. W. Elliott, Oshawa.....	1240	100
CHOK	Sarnia Broadcasting Co. Ltd., Sarnia.....	1070	{5000 Day {1000 Night
Not yet assigned	Frank Ryan, Ottawa.....	560	1000
	Quebec—		
CJFP	Armand Belle, Riviere du Loup.....	1400	250
CKVL	J. Tietolman, Verdun.....	900	1000
Not yet assigned	Henri Lepage, Jonquiere.....	1240	250
	Saskatchewan—		
CHNB	C. R. McIntosh, North Battleford.....	1240	100
	Yukon and N.W.T.—		
Not yet assigned	C. H. Chapman, Dawson City.....	1230	100
Not yet assigned	R.C.A.F., Watson Lake.....	1240	25
Not yet assigned	Leo Brossard, Val d'Or, Que. (Station at Yellowknife).....	810	250

STANDARD BAND BROADCASTING STATIONS AUTHORIZED BUT NOW SUSPENDED JUNE 6, 1946

Call Sign	Owner	Authorized	Authorized Power (Watts)
	British Columbia—		
CKPA	Neal Jordan, Port Alberni.....	1240	250

The licensee did not proceed with the establishment of the station and the licence was not reissued after March 31, 1945 on the recommendation of the Board of Governors of the Canadian Broadcasting Corporation.

	Ontario—		
CKMC	Robert Lindsay McAdam, Cobalt.....	1240	50

This station obtained authority to increase power from 50 to 100 Watts but never acted upon it. More over, it broadcast once a week from 6·30 p.m. to 7·00 p.m. only, and on the recommendation of the Board of Governors of the Canadian Broadcasting Corporation the licence was not reissued after March 31, 1942.

	Prince Edward Island—		
CHCK	CHCK Radio Broadcasting Co., Charlottetown.	1340	50

On the recommendation of the Board of Governors of the Canadian Broadcasting Corporation the licence for this station was not re-issued after March 31, 1942, as the Board felt that the station did not render proper public service, operating only from 4·00 p.m. to 5·00 p.m. daily except Sunday and ONE evening per year.

CHANGES IN LICENCES OF BROADCASTING STATIONS DURING THE PERIOD APRIL 1, 1944 TO JUNE 6, 1946

				Date of Change
Change in Name of Licensee—				
Alberta	Lethbridge	CJOC	from H. R. Carson Ltd. to *Lethbridge Broadcasting Ltd.*	Oct. 24, 1944
British Columbia	Vancouver	CKMO	from Sprott Shaw Radio Co. to *British Columbia Broadcasting System Ltd.*	Sept. 28, 1944
Ontario	Brockville	CFBR	from J. C. Whitby to *Eastern Ontario Broadcasting Co., Ltd.*	Mar. 11, 1946
	St. Catharines	CKTB	from the Silver Spire Broadcasting Station Ltd. to *Niagara District Broadcasting Co. Ltd.*	Nov. 9, 1944
	Toronto	CKCL	from Dominion Battery Co. Ltd. to *Toronto Broadcasting Co. Ltd.*	Aug. 28, 1944
Quebec	Amos	CHAD	from R. H. Thomson (Northern Broadcasting & Publishing Co. Ltd.) to *Radio Rouyn-Abitibi Ltee.*	July 21, 1944
	Rimouski	CJBR	from J. A. Brillant to *Central Public Service Corp. Ltd.*	Oct. 24, 1944
	Rouyn	CKRN	from La Compagnie de Radiodiffusion to *Radio Rouyn-Abitibi Ltee.*	July 21, 1944
	Val d'Or	CKVD	from La Voix d'Abitibi Ltee to *Radio Rouyn-Abitibi Ltee.*	July 21, 1944
	Sorel	CJSO	from Henri Gendron & Arthur Prevost to *Radio Richelieu Ltee.*	Sept. 29, 1945
Change in Call Sign—				
Ontario	Toronto	CKCL	to CKEY	Aug. 28, 1944
	Orillia	CHPS	to CFOR	Sept. 1, 1945
	Brockville	CFBR	to CFJM	Mar. 11, 1946
Change in Frequency—				
Alberta	Edmonton	CFGP	from 1340 kc/s to 1350 kc/s	June 13, 1944
	Edmonton	CFGP	from 1350 kc/s to 1050 kc/s	Jan. 1, 1946
British Columbia	Victoria	CJVI	from 1480 kc/s to 900 kc/s	May 12, 1945
Quebec	Sherbrooke	CHLT	from 1240 kc/s to 900 kc/s	May 11, 1946
Saskatchewan	Yorkton	CJGX	from 1460 kc/s to 940 kc/s	Oct. 21, 1945
Increases in Power—				
Alberta	Edmonton	CFGP	from 250 watts to 1000 watts	June 13, 1944
British Columbia	Victoria	CJVI	from 500 watts to { 1000 day 250 night	May 12, 1945
	Vancouver	CJOR	from 1000 watts to 5000 watts	April 8, 1946
	Vancouver	CKMO	from 100 watts to 1000 watts	May 1, 1946
Nova Scotia	Windsor	CFAB	from 100 watts to 250 watts	May 1, 1946
Ontario	Toronto	CJBC	from 1000 watts to 5000 watts	Sept. 1, 1944
	Toronto	CKEY	from 1000 watts to { 5000 day 1000 night	Jan. 14, 1945
Prince Edward Island	Charlottetown	CFCY	from 1000 watts to { 5000 day 1000 night	Jnn. 23, 1945
Quebec	Quebec	CKCV	from 100 watts to 250 watts	Feb. 15, 1945
	Sherbrooke	CHLT	from 250 watts to 1000 watts	May 11, 1946
	Three Rivers	CHLN	from 100 watts to 250 watts	July 2, 1944
	Rimouski	CJBR	from 1000 watts to { 5000 day 1000 night	April 11, 1946

CHANGES OF FREQUENCY OF EXISTING STATIONS AUTHORIZED BUT NOT IMPLEMENTED JUNE 6, 1946

Alberta—			
Calgary	CJCJ	from 1230 kc/s to *1240* kc/s	
Lethbridge	CJOC	from 1060 kc/s to *1220* kc/s	
Manitoba—			
Flin Flon	CFAR	from 1230 kc/s to *590* kc/s	
New Brunswick—			
Saint John	CFBC	from 1470 kc/s to *930* kc/s	
Edmundston	CJEM	from 1240 kc/s to *1230* kc/s	
Ontario—			
Timmins	CKGB	from 1470 kc/s to *680* kc/s	
Quebec—			
Three Rivers	CHIN	from 1450 kc/s to *550* kc/s	
Montreal	CHLP	from 1490 kc/s to *1150* kc/s	

The following stations have been advised that, effective June 1, 1947, their frequencies will be altered as indicated.

Calgary	CFCN	from 1010 kc/s to 1060 kc/s
Lethbridge	CJOC	from 1060 kc/s to 1220 kc/s
Winnipeg	CKY	from 990 kc/s to 1080 kc/s
Toronto	CFRB	from 860 kc/s to 640 or 800 or 1010 or 1550 kc/s.

INCREASES OF POWER OF EXISTING STATIONS AUTHORIZED BUT NOT YET IMPLEMENTED JUNE 6, 1946

Alberta—			
Edmonton	CJCA	from 1000 watts to 5000 watts	
Edmonton	CFRN	from 1000 watts to 5000 watts	
Calgary	CFAC	from 1000 watts to 5000 watts	
Lethbridge	CJOC	from 1000 watts to 5000 watts	
British Columbia—			
Victoria	CJVI	from 500 watts to 5000 watts	
Vancouver	CKWX	from 1000 watts to 5000 watts	
Trail	CJAT	from 1000 watts to 5000 watts	
Kelowna	CKOV	from 1000 watts to 5000 watts	
Chilliwack	CHWK	from 100 watts to 250 watts	
Manitoba—			
Winnipeg	CKRC	from 1000 watts to 5000 watts	
New Brunswick—			
Moncton	CKCW	from 250 watts to 5000 watts	
Campbellton	CKNB	from 1000 watts to 5000 watts	
Saint John	CHSJ	from 1000 watts to 5000 watts	
Fredericton	CFNB	from 1000 watts to 5000 watts	
Nova Scotia—			
Yarmouth	CJLS	from 100 watts to 250 watts	
Antigonish	CJFX	from 1000 watts to 5000 watts	
Sydney	CJCB	from 1000 watts to 5000 watts	
Halifax	CJCH	from 1000 watts to 5000 watts	
Halifax	CHNS	from 1000 watts to 5000 watts	
Ontario—			
Port Arthur	CKPR	from 1000 watts to 5000 watts	
North Bay	CFCH	from 1000 watts to 5000 watts	
Kirkland Lake	CJKL	from 1000 watts to 5000 watts	
Timmins	CKGB	from 1000 watts to 5000 watts	
Kingston	CKWS	from 1000 watts to 5000 watts	
Peterborough	CHEX	from 1000 watts to 5000 watts	
Toronto	CKEY	from 1000 watts to 5000 watts	
St. Catharines	CKTB	from 1000 watts to 5000 watts	
Hamilton	CKOC	from 1000 watts to 5000 watts	
Hamilton	CHML	from 1000 watts to 5000 watts	
London	CFPL	from 1000 watts to 5000 watts	
Chatham	CFCO	from 100 watts to 1000 watts	
Wingham	CKNX	from 1000 watts to 5000 watts	
Kitchener	CKCR	from 250 watts to 5000 watts	
Sarnia	CHOK	from 1000 watts to 5000 watts	Day
		1000 watts	Night
Sudbury	CKSO	from 1000 watts to 5000 watts	
Brockville	CFJM	from 100 watts to 250 watts	
Stratford	CJCS	from 50 watts to 250 watts	
Owen Sound	CFOS	from 250 watts to 1000 watts	
Brantford	CKPC	from 100 watts to 1000 watts	
Prince Edward Island—			
Summerside	CHGS	from 100 watts to 250 watts on condition a new transmitter was installed, Licensee did not fulfil this condition and authorization lapsed.	
Charlottetown	CFCY	from 1000 watts to 5000 watts	
Quebec—			
Quebec	CKCV	from 100 watts to 250 watts	
Quebec	CHRC	from 1000 watts to 5000 watts	
New Carlisle	CHNC	from 1000 watts to 5000 watts	
Montreal	CFCF	from 500 watts to 5000 watts	
Three Rivers	CHLN	from 250 watts to 1000 watts	
Montreal	CHLP	from 250 watts to 1000 watts	
Sorel	CJSO	from 100 watts to 250 watts	
St. Anne de la Pocatiere	CHGB	from 250 watts to 1000 watts	
Saskatchewan—			
Saskatoon	CFQC	from 1000 watts to 5000 watts	
Prince Albert	CKBI	from 1000 watts to 5000 watts	
Moose Jaw	CHAB	from 1000 watts to 5000 watts	
Regina	CKRM	from 1000 watts to 5000 watts	
Regina	CKCK	from 1000 watts to 5000 watts	
Yorkton	CJGX	from 1000 watts to 5000 watts	

APPENDIX B

CANADA

DEPARTMENT OF TRANSPORT

(A) Covering Letter

OTTAWA, June 28, 1946.

DEAR MR. PLOUFFE—In accordance with the request made before the Committee, I am enclosing copies of letters sent to Private Commercial Broadcasting Stations CFRB, CKY, CJOC, and CFCN on April 18, 1946, advising them that their frequencies will be changed effective June 1, 1947.

Yours very truly,

G. C. W. BROWNE,
Acting Controller of Radio.

Mr. Antonio Plouffe,
Clerk of the Special Committee of the
House of Commons on Radio Broadcasting,
House of Commons,
Ottawa.

(B) Copy of Letter Requested

April 18, 1946.

DEAR SIR—I have to advise that a recommendation of the Board of Governors of the Canadian Broadcasting Corporation that the channel 860 Kc. be made available to them for the use of a high power station of their system has been approved. I am accordingly directed to inform you that this channel will no longer be available to your station after June 1st, 1947.

CFRB is given the option of four frequencies namely 640 Kc. 800 Kc, 1010 Kc., or 1550 Kc., all requiring directional antennas for use with 10 Kw.

As the use of some of these frequencies will involve changes of frequency for other stations and in the case of 640 Kc. negotiations with the United States, I would request that you make your choice known to the Department with the least possible delay.

Yours very truly,

C. P. EDWARDS,
Deputy Minister.

Mr. S. ROGERS,
Secretary,
Rogers Radio Broadcasting Co. Ltd.,
37 Bloor Street W.,
Toronto, Ontario.

SESSION 1946

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 6

THURSDAY, JULY 4, 1946

WITNESSES:

W. H. Brittain, President, Canadian Association for Adult Education; Earle Grey, President, and Mrs. Jean Tweed, Secretary-Treasurer, Association of Canadian Radio Artists;

G. C. W. Browne, Acting Controller of Radio, Department of Transport;

A. Davidson Dunton, Chairman of the Board of Governors, and

Dr. Augustin Frigon, General Manager, Canadian Broadcasting Corporation.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

TUESDAY, July 2, 1946.

The Special Committee on Radio Broadcasting begs leave to present the following as its

SECOND REPORT

Your Committee asks that it be empowered to sit in the City of Montreal for one day, viz: Friday, July 5th next.

All of which is respectfully submitted.

RALPH MAYBANK,
Chairman.

(Concurred in July 2, 1946.)

MINUTES OF PROCEEDINGS

THURSDAY, July 4, 1946.

The Special Committee on Radio Broadcasting met at 10.30 o'clock a.m. The Chairman, Mr. Maybank, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Fleming, Gauthier (*Portneuf*), Hackett, Hansell, Laurendeau, Knight, Maloney, Maybank, McCulloch, Mullins, Nixon, Picard, Robinson (*Simcoe E.*), Ross (*St. Paul's*), Sinclair (*Vancouver N.*).

In attendance: Officials of the CBC and of the Department of Transport, Radio Division; and Mr. Phil Lalonde, Director of station CKAC, Montreal; Mr. Guy Herbert, of the Canadian Association of Broadcasters, Toronto.

The Chairman called attention to the itinerary relating to the sitting in Montreal on Friday, July 5th next. He also mentioned an invitation from Mr. Phil Lalonde on behalf of some private broadcasting stations which the Committee is unable to accept.

Referring to the delay in the printing of minutes as brought forward by Mr. Ross *(St. Paul's)*, the Chairman assured the committee that he would look into the matter.

As agreed at the last meeting, the committee proceeded to hear the Canadian Association for Adult Education and the Association of Canadian Radio Artists.

Mr. W. H. Brittain, president, assisted by Mr. E. A. Corbett and Mr. H. M. Estall, respectively, director and assistant director, was called. He made a statement, was examined and retired.

In the course of the examination, Mr. Hansell quoted from a telegram which he tabled. (*See evidence*).

Mr. Hackett quoted from a resolution from the Quebec Council of the Association for Adult Education. (*See evidence*).

Mr. Earle Grey, president, assisted by Mrs. Jean Tweed, secretary-treasurer of the Association of Canadian Radio Artists, was called. He read a brief statement, was questioned and retired.

At 12.55 o'clock a.m., the committee adjourned until 4 o'clock this afternoon to resume the examination of Mr. Browne of the Department of Transport.

AFTERNOON SESSION

The Committee resumed at 4 o'clock.

Present: Messrs. Beaudoin, Bertrand (Prescott), Bowerman, Fleming, Fulton, Gauthier (*Portneuf*), Hackett, Hansell, Knight, Laurendeau, Maloney, Maybank, McCann, Nixon, Picard, Robinson (*Simcoe East*), and Ross (*St. Paul's*).

Mr. G. C. W. Browne, acting controller of Radio, Department of Transport, Radio Division, was recalled, interrogated and retired. He was assisted by Messrs. Caton, Bain and Connolly.

Mr. Fleming referred to some statistical tables which were appended to Mr. Browne's statement made on Thursday, June 27 last and which were not printed.

It was therefore agreed and ordered that the above be printed. (*See Appendix A to this day's minutes of evidence*).

Dr. Frigon and Mr. Dunton were recalled and were questioned. Dr. Frigon answered questions relating particularly to the Havana Agreement. They were assisted by Messrs. Bramah and Brodie.

The question of printing this Agreement was again raised by Mr. Hackett, and after discussion, it was *ordered* that a copy of same tabled by Mr. Browne be printed excluding two charts contained therein. (*See appendix B to this day's evidence*).

A document showing the location of stations, the name of licencee and the fee was tabled for the information of the members of the Committee.

Arising out of his questioning, Mr. Ross (*St. Paul's*) referred to a copy parliamentary paper No. 130 B relating to channels assigned to Canada under the Havana Agreement and it was *ordered* printed as an appendix. (*See appendix C to this day's evidence*).

Mr. Beaudoin, vice-chairman, presided during the momentary absence of the Chairman.

Dr. Frigon and Mr. Dunton's examination being deferred and on motion of Mr. Beaudoin, the Committee adjourned until July 11, at 10.30 a.m. to hear representatives of CFRB and the Canadian Association of Broadcasters.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

July 4, 1946.

The Special Committee on Radio Broadcasting met this day at 10.30 o'clock a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: I see a quorum, gentlemen. Order! There are two or three reports to be made. In the first place, over the week-end, there has been prepared a memorandum in the nature of an itinerary for the meeting at Montreal tomorrow. I presume everybody has it. If not, will you let some of us know.

In the second place, Mr. Phil. Lalonde, who is the director of Radio Station CKAC in Montreal, has very kindly requested and very kindly invited the committee to be the guests of some private stations at luncheon tomorrow in Montreal. I have conferred with Mr. Plouffe and with Dr. Frigon of the CBC, and we have considered the invitation in the light of the memorandum that had been made up for our business down there. It did not appear to me there would be a sufficient length of time for us to accept this invitation, and I replied to Mr. Lalonde along those lines, or rather Mr. Plouffe did so.

The itinerary shows that when we get into Montreal we will not have very much time for luncheon. A buffet luncheon has been arranged. It would seem clear that if we try to avail ourselves of Mr. Lalonde's kind invitation, we would be taking more time for our itinerary than we can afford. We must bear in mind that our main purpose in going down to Montreal is to see the plant of the CBC. That is what I have done and I hope it meets with your approval.

Mr. NIXON: But we do get a lunch somewhere, do we not?

The CHAIRMAN: I said that a buffet luncheon had been arranged. Anybody who gets in early will get enough; but anybody who comes late will have to take his chances.

Mr. FLEMING: Could we compare the menus of the two luncheons?

The CHAIRMAN: I do not think it matters to Mr. Nixon whether the menus are compared or not, because he is going to be there first.

Mr. LAURENDEAU: There won't be time for us to see a private station.

The CHAIRMAN: It would not appear to be so according to the itinerary, doctor. That itinerary leaves us only a little time for quite important things.

Mr. LAURENDEAU: We should see the difference between a public station and a private station.

The CHAIRMAN: Of course, but our purpose is to examine the accounts of the CBC and the business of the CBC. Those are our purposes. I have no doubt that what you say is correct, yet we have to work according to the details on that sheet.

Mr. LAURENDEAU: There will be no spare time.

The CHAIRMAN: No, there will not be.

Mr. ROBINSON (*Simcoe East*): I think the formal thanks of the committee should be extended to Mr. Lalonde.

The CHAIRMAN: Yes, we have responded in that way. Do you feel that it meets with your approval?

Now, you will recall that it was arranged at the last meeting that we would carry on with the questioning of the CBC officials and department of Transport

officials, and it was also arranged that we would hear two delegations, the Association of Canadian Radio Artists, and the Canadian Association for Adult Education. The representatives of those organizations are both, I believe, from Toronto, and they are here. I imagine that you would desire to hear them first because, if anything were to go wrong, and they were kept back too late, they would be held over for another appearance. So, if you agree, we would ask the representatives of those two organizations to come in at this stage and present their views. Then, when that is finished, we could go on from where we left off at the last meeting. What is your view in that regard?

Mr. FLEMING: Seeing that they come from Toronto, I think they ought to be heard first.

The CHAIRMAN: I believe that the two Toronto gentlemen on my left desire to move that they be given preference, since they come from Toronto.

Mr. BEAUDOIN: I understand that the radio artists people are coming from Montreal.

The CHAIRMAN: Oh!

Mr. Ross (*St. Paul's*): Despite that fact, I think they ought to be heard first.

The CHAIRMAN: I do not think any slight was intended, Mr. Beaudoin.

Mr. NIXON: Do I understand that Toronto will be heard first?

The CHAIRMAN: These two delegations should be heard first. I think that is the unanimous opinion. Is that not so? All right, we will call for a decision.

Mr. Ross (*St. Paul's*): I wonder if we could not do something about having the printed minutes of the meeting available. It is now a week, and we have not got them in our hands yet. It is difficult to carry on without those minutes. I wonder if you could do something about it.

The CHAIRMAN: Mr. Ross, Mr. Plouffe informs me that it is due to the fact that there are so many committees meeting at the same time. I think everybody will agree with that. This committee has not met for a week, and I think we have not been getting that preference to which we are entitled. Anyway, I shall take it up with the King's Printer or some other office and see what can be done about it.

Mr. Ross (*St. Paul's*): There are certain press reports which say that several of us on this committee are taking the part of private stations. That might mean that we are taking the part of certain private stations. Now, I do not want to be connected with any of them. I have not been lobbied by anybody, and none of us have. I want to get that quite clear. What I am interested in, so far as I am concerned, is the freedom of the radio, the freedom of the voice on the air, the same as the freedom of the press. That is what I am interested in more than anything else. I think it is too dangerous, in these times, to have just one voice on the air, and so on. That is what I feel about it. That is why I want to see that private stations have more than one voice on the air. It is all very well to say that the CBC are impartial. Probably they are, as far as that is concerned.

The CHAIRMAN: May I interrupt you, for just one moment, please, because this is a point of order. I think you are stating a question of privilege?

Mr. Ross (*St. Paul's*): That is right.

The CHAIRMAN: I think if you go beyond just that, you will only be introducing a very general debate which is not appropriate at this moment. Now, your statement of privilege is, as I understand it: that certain reports have been given out misrepresenting you, although you have quoted no reports.

Mr. Ross (*St. Paul's*): I have not quoted any report; but what I have done is to see these things in print.

The CHAIRMAN: Just a moment, while I declare this order. You are, as I said, arguing a question of privilege.

I am sure you will agree, and everybody will agree that the question of privilege is not being associated in the manner in which it ought to be associated with what you have said so far. At the same time I do not want to make any ruling against your continuance if it is going to lead into a general debate. After all, my position here is only to steer proceedings in the light of the general sense of order in the committee, and I submit to you without making a definite ruling that on the question of privilege you have gone far enough already.

Mr. Ross (*St. Paul's*): No, Mr. Chairman, I have not gone far enough. I intend to assert my privilege on this committee to say what I want to say.

The CHAIRMAN: Just a moment, I will make a declaration now; I rule that discussion of the sort Mr. Ross is now entering upon is out of order at this stage; and I call you out of order and I rule you out of order; and I say that what you have just said about asserting your privileges is hardly called for because your privileges have not been invaded, on the contrary by continuing in a course which is not in order you are abusing, unintentionally I know, the privileges of the committee. I declare now that those remarks made at this stage are out of order.

Mr. Ross (*St. Paul's*): Well, Mr. Chairman, I am on a question of privilege and everybody has a right to speak on a question of privilege.

The CHAIRMAN: I have ruled that you have no question of privilege.

Mr. Ross (*St. Paul's*): Then that means that we have no rules in this committee. I certainly have a question of privilege.

The CHAIRMAN: That is not the same thing.

Mr. Ross (*St. Paul's*): If you are going to rule that way it is not right.

The CHAIRMAN: That is the rule of the chair, that there is no question of privilege, and that further remarks of the kind entered upon are not in order at this stage.

Mr. Ross (*St. Paul's*): Well, I suppose there is not much I can do about it.

The CHAIRMAN: I don't know.

Mr. Ross (*St. Paul's*): Except to appeal from your ruling.

The CHAIRMAN: Yes.

Mr. Ross (*St. Paul's*): I do not know that I would like to leave it there. I believe that my question of privilege is well taken. I have stated what I had to say.

The CHAIRMAN: Let us not argue. I know no member of the committee will desire to argue about a ruling of the Chair after it has been made. Any other course you may desire to take may, of course, be taken. But let us do our arguing, and even our quarrelling within rules.

Shall we proceed with the calling of these two delegations? We have the Association of Canadian Radio Artists, represented by Mr. Grey. Is Mr. Grey here?

Mr. GREY: Yes.

The CHAIRMAN: Also the Canadian Association for Adult Education, represented by Dr. W. H. Brittain. Have you gentlemen agreed among yourselves as to who shall be heard first? We will call Dr. Brittain.

Dr. W. H. Brittain, President, Canadian Association for Adult Education called:

The WITNESS: Mr. Chairman and Honourable Members of the parliamentary committee on Radio: before I proceed, Mr. Chairman, I would like to explain that I do not come from Toronto, I come from Montreal.

I esteem it a great privilege to follow my instructions, given by the Canadian Association for Adult Education at its annual meeting held in Kingston, Ontario, on May 23, 1946, to bring to your attention the views of the association in the general field of radio broadcasting and education by radio in Canada.

This is not the first time we have appeared before a committee of this kind. We had the privilege and responsibility of presenting a brief to the parliamentary Committee on Radio in 1944, in company with the Canadian Federation of Agriculture. All of what we had to say on that occasion is equally cogent today.

On that occasion we expressed our belief in the fundamental soundness of the principle of public ownership, operation and control of a national radio broadcasting system for Canada. We further said that in our opinion the constitution and organization of the CBC was fundamentally sound, that in our experience it was staffed by persons who were able, efficient and conscientious in the discharge of their responsibility, and that it was doing a fine job of national education for citizenship, particularly in relation to the two programme projects, in the sponsorship of which our Association was jointly engaged—viz., National Farm Radio Forum and Citizen's Forum.

Mr. Chairman and gentlemen, in the name of our own membership and on behalf of the thousands of citizens in town and country who regularly listen to and discuss current topics over Farm Forum and Citizen's Forum, we hereby reaffirm our unqualified support of the basic principles and policies governing the control and operation of broadcasting in Canada, as incorporated in the Canadian Broadcasting Act and as enunciated by successive parliamentary committees. We are firmly convinced that all radio channels should be regarded as part of the public domain and consequently that no property rights in wave lengths should ever be granted or recognized. We believe that franchises granted for radio broadcasting on the authority of parliament should be subject to and not only that but they should actually receive careful periodic review by parliament, and that all such franchises should carry with them an explicit obligation to provide radio programmes in the public interest.

We should like to commend those private stations in Canada which carry on their business with a lively sense of their public responsibility for upholding high standards of efficiency and taste and for contributing to the welfare of the local community and the unity of this nation. We are quite sure that privately operated stations fulfil a useful and necessary function in the total pattern of radio broadcasting in Canada and indeed it appears likely to us that new technical developments, as for instance in the field of frequency modulation, will increase the opportunities for public service open to private stations. And my colleagues and myself, Mr. Chairman, would be very glad to, or are in a position to give specific instances of such co-operation on the part of private stations.

But we are equally convinced that articles 21 and 22 of the Canadian Broadcasting Act, governing the operation of networks and the over-all control of programme facilities, should remain in force. Our reasons for affirming this may be set forth very briefly:—

1. We see no better way of ensuring unified national control (subject to international agreement) of radio in the public interest, or of developing a well-integrated pattern of radio fare in Canada.
2. We are particularly proud of the way in which many CBC programmes serve the needs of rural areas in Canada and we are satisfied that the more sparsely settled parts of this country are far better served under the present system than they ever were before.

And, I might add, than they ever could be under any private system.

3. We believe such a system is necessary in order to prevent undue commercialization of radio in Canada.

4. Sustaining programmes in the fields of information, education and public affairs, and others designed to stimulate and encourage the development of Canadian musical and dramatic talent should continue to be accessible to listeners everywhere in Canada at times when it is convenient for them to enjoy them. It is our experience that over-all planning of network time by an authority not subservient to the demands of commercial sponsors is essential if these ends are completely to be served. We are convinced that it is not necessary to choose between the educational and entertainment values of well-planned programmes. Both values are important and both can be implicit in the same programme.

5. We believe in free and frank treatment of controversial issues over the air. It is part and parcel of the democratic tradition that public issues be faced openly when they arise and that representative opinion be heard. This can only be done, in our opinion, if the national broadcasting system is maintained and strengthened, with continuing safeguards of its independence against either political or commercial interference.

6. We know from experience over the last five years that people in their own homes, clubs and neighbourhoods can actually participate, through the medium of well-constructed forum programmes, in the study of national and international affairs. They can do this in an organized way. They can thus develop responsible attitudes and awareness as citizens and they thereby raise the whole level of community life and of national morale. As an instrument for overcoming inertia, for changing public indifference into purposeful citizenship, for reducing the distance between the electorate and the administration, national radio has tremendous possibilities. Radio's full international potentialities for transcending barriers of language, custom and the suspicions which feed on ignorance and lack of information have still to be realized, though an excellent start in this direction has already been made through the international service of the CBC.

Gentlemen, we regard ourselves and those for whom we speak as shareholders in the Canadian Broadcasting Corporation and we regard the corporation as the trustee of the public interest in radio. We think we have been getting our money's worth from it. Indeed, we would not be at all averse to a modest increase in the present licence fee. We do not, of course, regard the CBC as above criticism, but we have always found it responsive to well-founded criticism and scrupulously conscientious in trying to adhere to its own high standards. We would endorse as eminently sound the present policy of working in co-operation with national organizations engaged in the study and promotion of health, recreation, welfare, citizenship and adult education.

Naturally, we think there is still room for improvement in radio in Canada. That is bound to be the case. We ought to report, for instance, that some of our members would like the CBC to reduce the number or improve the quality of soap operas and daytime serials now on the air. We agree with a recent writer in the magazine *Fortune* that "something ought to be done about this excessively shabby art." The term "art" was that of the writer. He perhaps was a little optimistic in applying the term "art" to this particular type of program. But we subscribe even more wholeheartedly to the next sentence—and this point of view informs our whole presentation to this Committee—that "not much is likely to be done very quickly unless the people insist that the air belongs to

the people and ought to be used for their benefit". We are proud that the CBC belongs to the people of Canada and we respectfully urge upon you, Mr. Chairman, and the honourable members of this committee, the central importance of upholding in your report to parliament both the regulative and operating functions of the corporation in the interest of the whole people of Canada.

Before concluding, Mr. Chairman and gentlemen, I should like to give one homely example of what I mean by what I have said here to date, of one particular programme that has been of particular interest to us and with which I am personally most familiar. I refer to the Farm Radio Forum, which is one of the programmes sponsored by the C.A.A.E. I have tried to refer to its work in the province of Quebec from which I come.

From its small beginning in 1938, when a few weak and isolated listening groups in the eastern townships of Quebec organized to listen to a new broadcast, we find today 98 active groups in that province, holding last season 1,245 meetings, with total attendance of 21,049, meeting in small groups averaging about 16 members. These small groups have organized themselves into a provincial federation called the Quebec Council of Farm Forums, with a central executive and a full time secretary.

No longer are they groups of mere listeners, and no longer is the broadcast their sole interest in meeting together, although it still represents an essential element in the programme and, indeed, the only possible means of holding together these scattered groups and of giving them unity and cohesion.

The existing organization has proved an invaluable medium for assembling, forwarding and funnelling through to the people concerned, practical answers to the many problems of rural people—technical, organizational and economic. Many examples could be given of the constructive projects undertaken by these groups for the benefit of rural people, including everything from the beautification of school grounds to the promotion of health or hospitalization services, the organization of co-operatives, the raising of money for relief purposes, and various other plans of a cultural, educational or technical character.

On June 22 last, there gathered together for their annual convention, some 500 people from all parts of rural Quebec. I may say that some of these people left their homes at 3 o'clock in the morning in order to get there on time, and they were all there on time, coming from distances as much as 500 miles apart. No one who took part in these proceedings could doubt that he was witnessing the workings of a very vital movement. Nor could he fail to observe the fact that these people appreciated the opportunity of being associated in an organized effort, wherein the problems and trends of thought in each of the provinces are interpreted to those in other areas. There was evident an appreciation of the fact that over 1,200 registered groups in other provinces, with an uncounted number of unregistered groups and individuals, were associated with them in a common enterprise. No one could escape the conviction that this movement, maintained in continuous existence only by national radio, afforded a splendid example of constructive citizenship.

Another side of the same picture took place in Kingston earlier in the month, when Farm Forum secretaries from every province in Canada met under the auspices of the C.A.A.E. to plan the future. Here again, the evidence of the vitality of the programme was convincingly displayed by the eagerness and efficiency shown by these secretaries in applying their individual experiences to the common problem.

This whole programme, therefore, existing as it does by virtue of our national broadcasting system, affords a fine example of voluntary groups of citizens co-operating with municipal, provincial and national bodies in one great joint effort for the common good.

Therefore, we come before you not in any way to criticize, much less to condemn, what has been done, but to testify to the invaluable service now being

performed by national radio, and to state with all the emphasis at our command that we desire to preserve the values inherent in the present system and to reiterate our continuing conviction that this can only be achieved by maintaining it in essentially its present form.

I have with me a resolution passed on May 23rd at our convention which I believe is available to all your members.

Mr. FLEMING: Can we hear the resolution read?

The CHAIRMAN: The members would like to hear that resolution read.

The WITNESS: In conclusion I will read the resolution.

> The C.A.A.E. affirms its unqualified support of the basic principles and policies governing the control and operation of broadcasting in Canada as incorporated in the *Radio Broadcasting Act* and as enunciated by successive parliamentary committees. We believe that it is essential in the public interest that the publicly owned national broadcasting system (CBC) be maintained and strengthened and that its independence from political interference and the intrusion of special interests continue to be safeguarded.
>
> In the interests of improving the service of the CBC to the Canadian people, we recommend that provision be made for additional high power regional transmitters to serve those parts of the country not now adequately covered by the national broadcasting system.
>
> We register our warm appreciation for the splendid service now being rendered by the CBC in the field of public education and information. In this connection we endorse as eminently sound the policy of working in co-operation with national organizations in the field of adult education.
>
> We are convinced that it is not necessary to choose between the educational and entertainment values of well-planned programmes. Both values are important and both can be implicit in the same programme.
>
> We commend the CBC for recognizing and acting on the democratic principle of free discussion, and urge the continuance of a courageous policy in the handing of controversial issues of current concern. Consideration might well be given to making more time available for a variety of programmes interpreting the thought and cultural contributions of all parts and groups in the country.

By Mr. Hackett:

Q. I should like to ask a few questions of the witness. The group to which he has referred as gathering at Ste. Annes on the 23rd of May was made up largely of English speaking people from the province of Quebec, was it not?—A. That is correct. The reason for that, of course, is obvious since the programme is given over the air in English.

Q. Who drafted the resolution that you have just read, because I am curious to know to what extent the population at large is familiar with the workings of the different committees that have investigated radio?—A. Who drafted this particular resolution?

Q. The resolution you have just read.—A. That resolution came up at the annual meeting of the C.A.A.E., and was drafted by the committee on resolutions of that organization.

Q. Who are the committee on resolutions?—A. I might ask Mr. Estall to answer that.

Mr. BEAUDOIN: That is the private affair of the association.

The WITNESS: We have no objection at all to answering it.

The CHAIRMAN: The question is quite in order.

The WITNESS: We have no objection whatever. There is Mr. Estall and myself and who else?

Mr. ESTALL: I think Mr. Ralph Staples.

By Mr. Hackett:

Q. Mr. Staples does what?—A. He is secretary of the national committee of the Farm Radio Forum.

Q. Is the resolution or your address today to be interpreted as desiring or aiming at the elimination of privately-owned stations?—A. I can only call your attention to the paragraph in which we say:

> We should like to commend those private stations in Canada which carry on their business with a lively sense of their public responsibility,

and so on, and express the opinion that:

> privately operated stations fulfil a useful and necessary function in the total pattern of radio broadcasting in Canada and indeed it appears likely to us that new technical developments, as for instance in the field of frequency modulation, will increase the opportunities for public service open to private stations.

Far from it. Many of our sub-organizations and branches have had excellent service for certain of the private broadcasting stations, and the last thing we would want to do would be to eliminate them.

By Mr. Ross (St. Paul's):

Q. Would you like to see the private stations improved?—A. Yes.

By Mr. Hackett:

Q. And increased in number?—A. We have no mandate to ask for any increase in number. I am speaking to this resolution.

Q. You have a mandate to express your views, and the question is whether you and the group for whom you are speaking would consider it beneficial that the number of private stations should be increased?—A. I might say that matter has not been considered and did not come up at our meeting.

Q. Well, inasmuch as you have expressed the hope, as I understood it, that the work of the CBC should be increased and extended I am naturally curious to know if it was at the expense of the private stations or whether you wish the private stations to be increased in number and in the field of their operations as well as the CBC?—A. We had no suggestions to make of doing anything at the expense of the private broadcasting stations, but what we had particularly in mind when we passed that resolution was the needs of the people in remote areas like Gaspe, for example, who now are not served, and where it might be more difficult for private stations depending on advertising to carry on a profitable programme.

Q. Should the committee understand that the gathering at Ste. Annes on the 23rd of May favoured an increase in the cost of radio licences?—A. No. I am speaking now to the resolution that was passed at the Canadian Association for Adult Education meeting. I believe that the meeting at Ste. Annes, to which you referred, passed a resolution, and there was no mention made in that of the cost of the licence so naturally I could not speak on that. I am not speaking at all on behalf of them but on behalf of the C.A.A.E.

By Mr. Ross (St. Paul's):

Q. You said here in your brief that you thought it would be alright to increase radio licence fees?—A. I said that on behalf of the C.A.A.E. Mr. Hackett asked me if the people at Ste. Annes had made such a resolution. They did not.

By Mr. Knight:

Q. Following up Mr. Hackett's questions I presume you base your praise of private stations on the fact they perform a service to the public?—A. Yes, sir.

By Mr. Hansell:

Q. Do you think that private stations would perform the same useful functions to the public if they did not have the same coverage?

The CHAIRMAN: Would you say that again? I am not sure it was very easy to hear. Your voice is not very loud.

By Mr. Hansell:

Q. I should like to ask if you think private stations could perform the same useful functions that you think they perform if their coverage was decreased?—A. I think they do their best work in local areas where there are no other outlets, and where we have observed it in such areas. Some of these local stations exist in places where they can do a special service in that local area. I think that is the way we have had our best co-operation from them.

Mr. HANSELL: I will make this observation, Mr. Chairman, that the general claim of the corporation to increased coverage is to reach those areas that are not served which seems to me to be contrary to the position taken now.

The CHAIRMAN: You think that is different to the position taken by Dr. Brittain?

Mr. HANSELL: I think so. I think you will find his evidence indicates that.

The CHAIRMAN: Are there any other questions?

By Mr. Beaudoin:

Q. I should like to know if your association is a national organization?—A. Yes, sir.

Q. Where is the head office?—A. Toronto.

Q. Would you mind giving us the names of your main officers?—A. Dr. E. A. Corbett is the national secretary. He is here.

Q. Who is the president?—A. I happen to be president this year.

Q. Do you have any French speaking members?—A. We have some French speaking members, yes. May I ask Dr. Corbett to answer that?

Dr. CORBETT: The organization has a national council representing all provinces, and also representing different interests, and on the national council itself there are twelve French Canadian members, and on our national executive, the executive body of the council, there are six.

Mr. BEAUDOIN: Could you give us their names?

Dr. CORBETT: Dr. B. O. Filteau, Dr. Victor Dore, Eugene Bussiere, Madame Casgrain. I can give you a list if you like, but those are some.

Mr. BEAUDOIN: That is satisfactory. Can you give us an idea of the strength of the membership?

The WITNESS: As I recollect we not only have membership of our own in the C.A.A.E. but we have a number of associated bodies. I think there are 27 of such bodies.

Dr. CORBETT: There are 42 voluntary organizations.

Mr. BEAUDOIN: Is the U.C.C. in Quebec affiliated with your organization?

Dr. CORBETT: No.

The WITNESS: I might say there is the Quebec Association for Adult Education which is affiliated.

Mr. HACKETT: What is that?

The WITNESS: In a number of provinces there are branches of the Canadian Association for Adult Education, and Quebec has such a branch.

By Mr. Hackett:

Q. What we are trying to get at is what proportion, if any, of the French speaking people of Quebec form a part of this Canadian Association for Adult Education?—A. I am speaking now from memory but on the council I recollect there are some four English speaking members and sixteen French speaking members.

Q. I am not speaking of the set-up. That is window dressing. I am speaking of the number of people who are interested and active in the effort.—A. Perhaps that would be best illustrated by the kind of people who are officers. Dr. Corbett spoke of Mr. Filteau.

Q. I am aware of that.—A. But how many members there are I could not tell you.

By Mr. Beaudoin:

Q. If I may go on, on page 2 of your statement you say:—

> It appears likely to us that new technical developments, as for instance in the field of frequency modulation, will increase the opportunities for public service open to private stations.

Would you comment a little more on that? Why does it appear likely to you that a new field of activity will be open to the stations?—A. May I ask Mr. Martyn Estall, our assistant secretary, to answer that? The question was to comment on the statement:—

> It appears likely to us that new technical developments will increase the opportunities for public service open to private stations.

Mr. ESTALL: I would not be prepared to get into any technical discussion of the virtues of frequency modulation, but the intention of that phrase was to suggest that it was our understanding that frequency modulation would very probably open the way to better local service. That is our understanding, that stations operating on F.M. would likely operate better in a local way, and it was that we had in mind. I do not know whether that answers the question.

Mr. BEAUDOIN: In your answer to one of Mr. Hackett's questions you said that the people of Gaspe, for instance, were not served. That is what you have in mind when you are talking of the service given to remote areas?

The WITNESS: Places of that sort.

Mr. BEAUDOIN: I think radio station CHNC, which is affiliated with the CBC, is giving fairly good service to the Gaspe peninsula. That gives full coverage as far as the French element is concerned, does it not?

The WITNESS: Of course, I was thinking of this particular programme, the Farm Radio Forum. We cannot organize down there. There is a fair number of English speaking people there.

By Mr. Beaudoin:

Q. You know that on the French network of the CBC there is a very good French farm broadcast, "Le Révail Rural?"—A. Yes, I do.

Q. And "Le Choc des Idées?"—A. Yes.

Q. And it is still going on?—A. Yes. I might say that the name "Gaspe" sprang into my mind because we have had a number of letters from people down there stating that they cannot hear our broadcasts and that therefore they cannot organize.

Q. I have another question. You spoke of co-operation with the provincial and municipal authorities. What sort of connection do you have with them as

far as co-operation is concerned? Are there officials of the provincial government of Quebec or any other province who take an active part in deliberations of your organization?—A. Yes, there are quite a number of them. In the Farm Radio Forum, for example, we get some very excellent co-operation from the local agronoms. That was the sort of thing I had in mind. They are agricultural specialtists in the various counties.

By Mr. Hackett:

Q. That is as individuals and not as agents of the province, is it not?—A. I am quite unable to say as to that. All we know is they come and help us. Of course, they cannot do so without the permission and approval of their deputy minister.

By Mr. Beaudoin:

Q. Do you have, for instance, visits from Mr. Morin at your meetings?—A. Yes. Mr. Jules Simard is the provincial deputy minister. I might explain that we conducted a course in radio listening and in the organization of farm forums for some five days. Agronoms came in and brought four or five of their farmers with them. There they studied the question and carried on a discussion according to the listening group technique. That was an extremely valuable type of co-operation.

Q. You say you conducted a course in radio listening?—A. Yes.

Q. Under the supervision of the CBC?—A. No.

Q. Just on your own?—A. Yes.

Q. Would you comment on that course? What kind of a course is it?—A. I might say that is a personal matter. It is in connection with the Adult Education Division of McGill University and is a part of the co-operation of the university with the local community. When these programmes started we thought it would be more effectively carried on if the people understood the technique of conducting listening groups. We conducted a very simple type of course, a very simple type of organization. I got in touch with the deputy minister. We asked him if he could release his agronoms for a few days and if they could bring with them some of their farmers among whom they worked, and they did. They came in by car and brought these chaps with them. They stayed there for a week and we had an intensive week's programme of radio listening. Does that explain your question?

Q. Can you tell us why you are not at all averse to a modest increase in the present licence fee?—A. One reason I am not averse is that we read in the paper that the CBC had a deficit this year. Rather than have this sort of thing cease we felt we were willing to dig down and pay a little more. I think that was an earnest of our real interest in it. When a person is willing to spend their money it shows they are really interested.

By Mr. Fleming:

Q. In the first place I understand that the Canadian Association for Adult Education has worked for some time very closely with the CBC in planning educational programmes?—A. Correct.

Q. And conducting educational programmes?—A. Correct.

Q. If we take your statement page by page it may facilitate following it. On page 1 in the third line of the last paragraph you say:—

> We hereby reaffirm our unqualified support of the basic principles and policies governing the control and operation of broadcasting in Canada, as incorporated in the *Canadian Broadcasting Act* and as enunciated by successive parliamentary committees.

I should like you to state your conception of those basic principles and policies which you are endorsing?—A. I wonder if that would not be answered on page 2 by those six points.

Q. Is that your answer?—A. That is my attempt at answering.

Q. I would point out that on page 2 you purport to give six reasons saying as to why you are convinced that articles 21 and 22 of the Act should remain in force?—A. Yes.

Q. I was asking for your conception of the principles and policies, not reasons for the moment, but your conception of those principles. In your view what are those basic principles you are endorsing?—A. The main basic principle is that radio should remain a part of the public domain, that it should be operated by the Canadian Broadcasting Corporation as it is now, and that under a system of national radio we would be able to have programs of that kind that do not require sponsorship and that people may have to take a considerable financial loss on, and that sort of thing.

Q. I take it you are substantially satisfied with the way that the system is working at the present time?—A. That is so. Our experience has been so satisfactory we naturally would be reluctant to see any change in it. Our type of co-operation has been so satisfactory.

Q. I take it so far as the network is concerned you are reasonably satisfied with the way that is working out, too?—A. We do not see how you could have a national program link reaching the rural people of Canada in any other way.

Q. We have a problem here in relation to the reaching out by the CBC to take in three private stations' wave lengths, as you probably know. I take it that your answer is that you are reasonably satisfied with the way that the system is working out at the present time under CBC direction and control and general CBC operation on its present scale and private operation of certain stations?—A. Quite so.

Q. In the last sentence on page 1 you have this to say:—

> We believe that franchises granted for radio broadcasting on the authority of parliament should be subject to and actually receive careful periodic review by parliament, and that all such franchises should carry with them an explicit obligation to provide radio programmes in the public interest.

May I ask you has there been any failure to your knowledge, or to the knowledge of your association, on the part of those holding such franchises to provide radio programmes in the public interest?—A. I would not like to say that, no.

Q. Again one can generalize and say that you are satisfied with the way that is working out at the present time?—A. We came here to support the present system. We have no mandate to attack any other broadcasting station or any other method. In general we are satisfied with the way the CBC is working out, and we have gratitude for certain private stations who have co-operated with us. That is really as far as I would like to go.

Q. Let me take your last answer and link it with the statement I have just read at the bottom of page 1 and the one on page 2 where you say:

> We should like to commend those private stations in Canada which carry on their business with a lively sense of their public responsibility.

Are you singling out some stations which do carry out their duties with a lively sense of their public responsibility and some that do not?—A. We do not know them all, sir. We have co-operated with those who are willing to co-operate with us, and we have had certain private stations who have co-operated with us. We are speaking of them, not of any other stations, because in many cases we have had no contact with those stations. We do not konw whether if we asked them to, they would refuse. We have co-operated with certain of them.

Q. Are there any stations that you have asked for co-operation from and that have refused to co-operate in a reasonable way with you? I am speaking of private stations.

The CHAIRMAN: I was just thinking, Mr. Fleming; I do not know whether you will consider it quite fair to the witness to ask him to make a classification of the sheep and the goats.

Mr. FLEMING: I think he has done it, Mr. Chairman.

The WITNESS: No.

Mr. FLEMING: I want to clarify that. Perhaps it could be easily done.

The CHAIRMAN: I do not think he did that. He said that they have had co-operation from some people and that he would like to speak a word in their favour; thats as far as he went. I do not say you are out of order, but I did not know whether you wanted to press it so far as trying to require this witness to classify people in the community.

Mr. FLEMING: I should like this witness to say if he has approached any particular private stations which have refused co-operation.

The WITNESS: No. I personally have not encountered any such experience and I certainly have no intention of classifying people as sheep or goats or anything like that at all. I did want to pay tribute to those people who have co-operated with us. We naturally asked for co-operation in places where our other services were not available.

By Mr. Fleming:

Q. I can appreciate what you say. I mean, you are not speaking in relation to private stations whith which you had no contact, naturally.—A. No.

Q. I wondered if there was some implication in your statement that there were some private stations that had been asked for co-operation and had not given it?—A. I should like to make it quite clear that there is no such implication whatever.

Q. Dealing with these reasons appearing on page 2, in No. 3 you say, "We believe such a system in necessary in order to prevent undue commercialization of radio in Canada." Do I take it that you mean commercialization of programmes? —A. What I meant was that if we were largely dependent on commercial sponsors, we would not be able to have the programmes that I have spoken of as being sponsored by our organization. That is really what we had in mind.

Q. The kind of programme—A. Such as the Farm Radio Forum.

Q. Such as you have assisted the CBC to put on?—A. Yes.

Q. In No. 5 you say, "We believe in free and frank treatment of controversial issues over the air." And further down in the same one you say, "This can only be done, in our opinion, if the national broadcasting system is maintained and strengthened, with continuing safeguards of its independence against either political or commercial interference." Ars you satisfied, Dean Brittain, that the safeguards are ample now?—A. Oh, yes. I am satisfied.

Q. Are you satisfied, that there is a free and frank treatment of controversial issues over the air?—A. Now, up to a point there is. I certainly would not like to say that there always is. But we have had quite a number of examples in the Citizens' Forum where we have had free and frank discussion of some very controversial subjects.

Q. Oh, yes.—A. That is what I had in mind.

Q. You and I are probably on common ground. The Citizens' Forum has covered quite a number and range of questions.—A. Yes.

Q. But you are not undertaking to pass any opinion on the discussion of political issues over the air, I take it?—A. Oh, no.

Q. Or of the treatment of political opinions?—A. Oh, no, not at all. We were thinking of our educational programme.

Q. I wanted to be quite clear on that. Then on page 3, we come to this question of what you call a modest increase in the present licence fee, and you have indicated your view in that respect. What do you mean by a "modest increase"?—A. It is $2.50 now. If you want to make it $3, all right.

Q. Do not say if I want to do that, because I do not want to.—A. I do not think you would find very much objection among our members to raising it to the extent of, we will say, 50 cents.

By Mr. Hansell:

Q. Do you think there would be objection in the country?—A. There is always objection in the country if you ask for more money for anything. But as educationists we would be willing, from our modest means, to pay a little more.

By the Chairman:

Q. Just a minute there. When you said "in the country" you did not intend to refer to agriculturists particularly, did you?—A. No, Mr. Hansell, I meant in Canada.

The CHAIRMAN: Oh, yes. You did not mean country people as against urban people.

Mr. HANSELL: No.

The CHAIRMAN: I did not want to get either of you under a cloud.

By Mr. Fleming:

Q. I have just a couple of questions in connection with the resolution of May 23rd, 1940, adopted by the Canadian Association for Adult Education, resolutions similar to those appearing in the statement read to us here. I draw to your attention the last paragraph in which we find this, "and urge the continuance of a courageous policy in the handling of controversial issues of current concern." May I take it you have reference to such matters as are discussed in the Citizens' Forum?—A. Exactly.

Q. And you are not in any way referring to matters of political controversy? —A. We are referring to the kind of thing that comes up in the Citizens' Forum.

Q. But you are not referring to matters of political controversy?—A. Of course I meant nothing like political controversy.

Q. I mean, not party politics.—A. No, not party politics; most decidedly not.

Q. In the second paragraph of that resolution there is a recommendation "that provision be made for additional high power regional transmitters to serve those parts of the country not now adequately covered by the national broadcasting system." I take it that the view of the association was that if additional high power transmitters are to be set up, they ought to be set up in areas that are not now adequately served?—A. They would serve areas that are not now adequately served.

Q. Right; that these high power transmitters should not be set up in areas that are already adequately served.—A. Yes.

By Mr. Hansell:

Q. Mr. Chairman, there are just one or two questions I should like to ask. I will preface my first one by suggesting to the witness something which he perhaps already knows, namely that there is a body of public opinion in Canada that thinks that there should be a neutral regulating body in the matter of broadcasting, that the corporation should not be a corporation in the field of radio and a regulating body at the same time. My question is this. Your brief has been a plea for the continuation of radio in Canada as it is presently constituted. My question is how would the work of that organization be weakened if there was a neutral regulating body?—A. Really, sir, I could not say yes or

no to that because I do not know. We read the B.B.C. report, the summary of the White Paper which has recently come out and the F.C.C. report and the reasons they gave seem to us to be convincing. That is perhaps all I could answer on that point.

Q. Your brief has been a plea for the continuation of radio as presently constituted.—A. Yes.

Q. May I make this observation, Mr. Chairman. I am going to be perfectly frank, and I trust I will not be considered too harsh. When I understood that the Canadian Association for Adult Education were to present a brief to us, I expected that we would hear a brief on the work and the objectives of this association in its relation to broadcasting in Canada. Frankly I have been disappointed. Instead I claim that we have listened to a plea for the strengthening and continuation of the Canadian Broadcasting Corporation as presently constituted, and also as constituted as a regulatory body. I do not think you can get anything else out of that brief. I am going to suggest that I think in the questioning of the witness, Mr. Chairman, you did come to his assistance, which I think was right; but it did show I believe that, when we begin to discuss the operation of radio, we are in another field altogether. What I am driving at is this, that if an organization whose business is not radio comes to the committee and presents a brief which is a plea for the continuation of radio as it exists at the present time, then they must be prepared to answer questions on radio itself.—A. May I make one observation, Mr. Chairman, in response to that. I appreciate very much what the member said. We would have been most happy to come before you to give you an account of the work and objectives of the Canadian Association for Adult Education, but I assumed that everybody here was informed on that matter, and what I was doing was coming here to support the kind of co-operation that we had from the CBC in connection with these two main programmes which again I assumed that everyone is familiar with. I did not think the members of this committee wanted a dissertation on the work and objectives of the C.A.A.E.

By Mr. Beaudoin:

Q. Does your association make from time to time a critical analysis of educational programmes which are broadcast either by the CBC or over privately owned stations in Canada?—A. We have not made any general critical study. We have made a very critical study of our own programmes and sent out extensive questionnaires from time to time on those particular programmes with which we are associated.

Mr. HANSELL: Mr. Chairman, in this connection I should like to read a telegram that I received the other day from a farm forum in my constituency known as the Willow Creek Farm Forum. I know this part of the country. I travel it all the time. I have travelled it by car. I have travelled it on horseback. I have walked miles. This telegram says in short, "We support the CBC in its present form." Anyone—individual, group or organization—has a right to send a telegram to me making this request. But I am suggesting to you, Mr. Chairman, that this Willow Creek Farm Forum does not know beans about radio.

The CHAIRMAN: Was it your intention to file that telegram, Mr. Hansell?

Mr. HANSELL: No, but I will file it if you want it.

The CHAIRMAN: I thought probably you would.

Mr. HANSELL: Sure. I suppose all members have received a letter from the assistant secretary from the Quebec Council of Farm Forums. Did you all receive that?

Some Hon. MEMBERS: Yes.

Mr. HANSELL: I think for the purpose of the record we might read it.

The CHAIRMAN: Just before you do that, Mr. Hansell, may I say this. As you say, there has been quite a number of these come in. I guess I have probably received more than the others, and that would be natural. I realize that all statements of opinion should be placed before the committee and it was my opinion to ask the steering committee when that might be done. I thought it might all be done at one time. Some are for and some are against.

Mr. HANSELL: Yes.

The CHAIRMAN: But I should draw to your attention now that we are not in a position at the moment for argument. We are rather in a position for questioning. Observations that are in the nature of argument will come later when the committee is considering all the various representations that have been before it.

Mr. HANSELL: That is all right, Mr. Chairman.

The CHAIRMAN: You agree with that?

Mr. HANSELL: Yes, I agree with that. I would ask this, though. When that is done, may we have our discussions recorded?

The CHAIRMAN: That is entirely up to the committee.

Mr. HANSELL: In previous years, very often we have met and formulated a report without having a record kept.

The CHAIRMAN: Oh, yes. I just record my personal view, but I think it would be best to have things recorded.

Some Hon. MEMBERS: Hear, hear.

The CHAIRMAN: But of course that is in your hands, not mine.

Mr. HANSELL: I am quite prepared to leave this until later.

The CHAIRMAN: I felt sure you would be.

Mr. HANSELL: I might be able to make a better job of it then.

The CHAIRMAN: I am sure you will make a good job of it whenever you take it up.

Mr. HACKETT: Mr. Chairman, may I make an observation?

The CHAIRMAN: Yes, Mr. Hackett.

Mr. HACKETT: I am not a member of the steering committee, but I must tell the committee of my utter amazement when I received a letter from Mr. Joseph Galway, Assistant Secretary of the Quebec Council of Farm Forums, with the resolution attached. The resolution declares information to be possessed by that group which it could not possess. I will ask Dean Brittain to listen to the first paragraph of that resolution:—

> The C.A.A.E. affirms its unqualified support of the basic principles and policies governing the control and operation of broadcasting in Canada as incorporated in the Radio Broadcasting Act and as enunciated by successive parliamentary committees. We believe that it is essential in the public interest that the publicly owned national broadcasting system (CBC) be maintained and strengthened and that its independence from political interference and the intrusion of special interests continue to be safeguarded.

I put it to Dean Brittain, eliminating the last two lines, that the group of people who purport to have passed that resolution had no information concerning the policies governing the control and operation of broadcasting in Canada. They could not have. I submit that in the circumstances that resolution cannot express the wish of the people who were gathered on the 23rd of May last.

The WITNESS: But you are reading the wrong resolution. That resolution you are reading was not one passed by the Quebec Council of Farm Forums at all and it never was sent to you by Mr. Galway.

An Hon. MEMBER: It makes a difference.

By Mr. Hackett:

Q. This is a resolution that is passed by the Canadian Association for Adult Education on May 23rd?—A. You stated it was one sent to you by Mr. Galway.

Q. Yes. I have not got that one here.—A. You are not reading the resolution presented by Mr. Galway. You are reading the resolution passed at the annual meeting of the Canadian Association for Adult Education.

Q. I am sorry. We will take the one that came from the Quebec Council of Farm Forums.

By the Chairman:

Q. You did not read that?—A. No. It is from the Quebec Council of Farm Forums.

By Mr. Hackett:

Q. It reads:—

> The Quebec Council of Farm Forums in annual meeting assembled believes it to be in the public interest that the publicly-owned national broadcasting system be maintained and strengthened and that its independence from political and other interference be safeguarded. We believe that the basic principles and policies governing the control and operation of broadcasting in Canada as incorporated in the Radio Broadcasting Act and as enunciated by successive parliamentary committees are essentially sound.

I draw to your attention that while I inadvertently read from a resolution which was passed by the Canadian Association for Adult Education, I have now read the resolution which was passed at Macdonald College, if I mistake not, at a meeting which was held of the Quebec Council of Farm Forums on the 22nd of June, and that in substance passed the same resolution. I ask you if you think that those farmers who were present at that meeting could have any knowledge of the policies that control the operation of broadcasting in Canada as incorporated in the Radio Broadcasting Act and as enunciated by successive parliamentary committees?

The CHAIRMAN: Do you want an answer to that, Mr. Hackett?

Mr. HACKETT: If you please.

The WITNESS: I will answer it in this way. I may say that I am not a member of the Quebec Council of Farm Forums. I do not know what information they may or may not have. But I do happen to know, as a matter of personal knowledge, that the secretary, Mr. Galway, is also a member of the C.A.A.E. and was familiar with the discussions that took place at Kingston and that he doubtless had a hand in drafting the resolution. Mr. Hackett might also be surprised to know there are actually some farmers in the province of Quebec that do know something about radio broadcasting.

Some Hon. MEMBERS: Hear, hear.

The CHAIRMAN: Mr. Hackett, have you noted there that the resolution of the C.A.A.E. and the other resolution which you read last, are just about a month apart?

Mr. HACKETT: Oh, yes.

The CHAIRMAN: So you will realize it is quite simple for the one organization to have a resolution of the other, and they probably went over it and agreed. I felt sure you had noticed that, but I wanted to make sure.

Mr. HACKETT: No, I had not noticed that. They are a month apart.

The CHAIRMAN: It would appear that there is a connection between them.

Mr. HACKETT: Yes. I have sat on this committee and I know that the members here are still somewhat uncertain as to exactly what the policies of the CBC are. When one finds an omnibus approval by people of the whole policy, wholesale and detailed, who have met for a short time for purposes other than studying radio, one is inclined to ask just how deeply all these questions were studied by the people who are supposed to have passed the resolution. I do not think they knew a thing about radio.

Mr. BEAUDOIN: Mr. Chairman, I think Mr. Hackett should make some distinction. We do not know much about the future policies of the CBC, but we certainly know the past policies. I presume that these people were passing a resolution on their knowledge of the past policies.

The CHAIRMAN: There has been a good deal of rumour in the air. Is that not so?

The WITNESS: Quite.

The CHAIRMAN: They might have been going on that. Probably people should not act on rumour, but they do.

Mr. HANSELL: With regard to the rumour that has been in the air, it may have been pretty well all on the one side.

The CHAIRMAN: Yes, that is usually the way; until one rumour catches up with the other one, the first one lives.

Mr. HANSELL: I agree with Mr. Hackett; this radio business is a hard thing to understand. I am not going to disagree with Dr. Brittain when he says there are a good many farmers who know something about radio.

Mr. HACKETT: And something about many things.

Mr. HANSELL: Yes, something about many things. I have sat on this committee for a good many sessions and I am only beginning to understand the fringe of it. I know that the Women's Farm Forum out in some rural part of my country knows nothing about the details and regulations involved in radio in Canada. Yet I get a telegram from them. I would not want to be harsh, but it would almost appear that this forum, or some similar organizations, may be turning out plugs for the CBC.

Mr. HACKETT: May I ask one final question?

The CHAIRMAN: Any question, whether or not it is final.

Mr. HACKETT: This will be final.

By Mr. Hackett:

Q. Dean Brittain, I interpret your statement and the two resolutions of the 23rd of May and the 22nd of June as favouring an increase of coverage by the CBC at the expense of the privately owned stations. Will you tell me if you think I have placed an unfair interpretation on your statement and those two resolutions?—A. Quite an unfair interpretation. I certainly gave no indication of doing anything at the expense of anyone. We did not come here, as I said, to attack or be against anything but to be in favour of the organization which has served the educational interests we have in mind.

By Mr. Fleming:

Q. May I ask if this resolution that was passed on may 23 has been circulated among the members of the C.A.A.E?—A. Was it circulated? It was passed at the annual meeting. Can you answer the question, Dr. Corbett?

Dr. CORBETT: It was circulated to all members of the council, executive and affiliated bodies.

The WITNESS: All members of the council, executive and affiliated bodies.

By Mr. Hansell:

Q. Which, of course, may explain the reason I got the telegram.—A. Quite.

Q. And these organizations simply follow out what are almost tantamount to instructions, not knowing all the implications?—A. I am not quite sure that is entirely fair because I think if anybody had been present at the meeting I was present at they would realize these people had a very strong feeling of gratitude and appreciation for the programme they had received and for the opportunity they had of co-operating with other people like themselves and with similar interests in the programme they were carrying on.

Q. I am not saying that regarding the programme. They certainly need the programme but that is not the question. The question is do they know all that is involved in the very intricate business of radio in Canada? They want the present system of radio to continue exactly as it is.

By Mr. Fleming:

Q. Dean Brittain, was this resolution of May 23 adopted with the knowledge that this parliamentary committee on the CBC was sitting?—A. Oh, very definitely.

Q. It was adopted with definite reference to the work of this committee and the task assigned to the committee?—A. Quite so, sir.

Q. And was the circulation of the resolution among the members and the farm forums also with reference to the sitting of this committee?—A. Quite so. I think that was the realistic picture.

Q. I am not saying it should not be so. I simply want to bring out the fact.

By Mr. Ross (St. Paul's):

Q. I should like to ask a question. On page 2 we have this statement:—

> But we are equally convinced that articles 21 and 22 of the *Canadian Broadcasting Act*, governing the operation of networks and the overall control of programme facilities, should remain in force. Our reasons for affirming this may be set forth very briefly.

Can you give me any other reasons other than those you have given there why you want to reaffirm articles 21 and 22?—A. No, I think they are incorporated in there. Those are rather highly condensed and I think they contain the gist of our views.

Q. You say:—

> We should like to commend those private stations in Canada which carry on their business with a lively sense of their public responsibility for unholding high standards of efficiency and taste and for contributing to the welfare of the local community and the unity of this nation.

A. Yes, I think they do.

Q. Do you think we would get more satisfaction if they were allowed to have chains?—A. I think since we say so that obviously we prefer the present system and we think that it safeguards these values better than the other would.

Q. I should like to know why you would prefer it?—A. Well, it obviously follows when a person is satisfied with the service they get.

Q. I should like to know why you do not want to have chains?

The CHAIRMAN: What is that question?

Mr. Ross (*St. Paul's*): I want to know why you do not want private stations to have chains. Why do you not want them to have chains?

The CHAIRMAN: I do not think the witness said he did not want them to have chains.

By Mr. Ross (St. Paul's):

Q. Why do you not want the private stations to have chains? You say you want articles 21 and 22 retained in the Broadcasting Act. I am asking you the question why do you not want private stations to have chains?—A. Would you answer that, Mr. Estall?

Mr. ESTALL: Mr. Chairman, I think one answer to that would be—and the main answer—the one that has already been given, that our constituency is well satisfied with the service they are now getting, and there is no particular reason why they should want to change to something else when what they are getting is satisfactory. I think there might be some anticipation in the minds of some of the constituency that if instead of the present system they got something else then the service they would get might be less satisfactory, particularly in relation to the sustaining programmes which they enjoy at the present time.

Mr. Ross (*St. Paul's*): Why would the service be less satisfactory if they had chains?

Mr. ESTALL: I think that is covered.

The CHAIRMAN: Mr. Ross, you mean networks?

Mr. Ross (*St. Paul's*): Yes, networks.

The CHAIRMAN: I am going to suggest that you use the word "networks". The other term sounds like "change".

Mr. Ross (*St. Paul's*): In the Broadcasting Act it is chains or networks. If they have read this they will understand what a chain is.

The CHAIRMAN: I was pointing out to you your words do not come clearly up here. That is all. Excuse me.

Mr. Ross (*St. Paul's*): I did not get the answer.

The CHAIRMAN: Start over again.

Mr. Ross (*St. Paul's*): I still want to know why you do not want private stations to have networks. You have made a broad sweeping statement here in your resolution and also in this brief that has been presented. This does not give me the answer. The six reasons you have here do not give me the answer at all. I should like to know why you do not want private stations to have networks of their own.

Mr. ESTALL: I think that the reasons are set out in the six points that are covered. Our anticipation is—we would be delighted to find that it may be wrong—that were the system to be changed so that there were commercial networks in Canada it would be more difficult to get in some areas of Canada, particularly some rural areas, sustaining programmes that we now enjoy at a time that it is convenient to listen to them, and that perhaps they would be crowded out by other programmes that would be commercially sponsored.

Mr. Ross (*St. Paul's*): Would it not be possible for you to get better sustaining programmes over a network than over local stations?

Mr. ESTALL: Sustaining programmes such as Citizens' Forum and Farm Radio Forum, to which we referred specifically, are at the present time carried over a network.

Mr. Ross *(St. Paul's)*: They were carried over the CBC?

Mr. ESTALL: Yes.

Mr. Ross *(St. Paul's)*: That does not answer my question as to why you do not want the private stations to have networks. I do not see any valid reason you have given unless you have some other reason.

Mr. HANSELL: Is not the picture generally this, that people who listen to the farm broadcasts are satisfied with the broadcasts and do not want any changes that would deprive them of those broadcasts? Is that not the general picture?

Mr. ESTALL: I think they feel free to criticize the broadcasts as they get them now, but what they are chiefly concerned about is that they should continue to get such broadcasts and, if possible, to get better ones than they are getting now.

Mr. HANSELL: If they could get better ones through some other method they would be more satisfied?

Mr. ESTALL: I think it would have to be shown that was so.

By Mr. Ross (St. Paul's):

Q. I have one more question. This brief is presented by the Canadian Association for Adult Education; am I right?—A. Right.

Q. And you give broadcasts in connection with education. You say here:—

> We believe in free and frank treatment of controversal issues over the air.

Mr. Fleming asked you something about that. This is an educational programme?—A. Purely.

Q. As far as citizenship is concerned?—A. Yes.

Q. There are certain things that are educational as far as policies and so on of the various governments are concerned. Do you think that the various policies and so on as given by premiers of provinces, for instance, are educational? Do you believe they are of an educational nature?—A. I think that is dubious in some cases.

Q. Certainly it is dubious in some cases, but is it educational?—A. It is conceivably so, yes.

Q. I am going to ask you a very important question. Do you think that when the Prime Minister of Canada speaks over the radio that is an educational programme more than anything else?—A. Of course, surely, but sometimes it is—

Q. Sometimes it is dubious? Is that right?

Mr. HANSELL: At least we can say this, that it does not tell the farmer how to raise any better wheat. I cannot figure how the farm broadcast would have very much to do with the regulations governing broadcasting.

The CHAIRMAN: Gentlemen, I want to draw your attention to this. I heard the gun go for 12 o'clock and we rise at 1. We have another delegation before us this morning. By these words I am not suggesting that any member should not ask questions that ought to be asked, but you will bear in mind we have people from the city of Toronto in whom many of us are very keenly interested. They ought to be heard. Mr. Fleming from Toronto will now ask a question.

Mr. FLEMING: Perhaps the final one.

By Mr. Fleming:

Q. This relates to a question I asked earlier, and also a question that was asked a few minutes ago in regard to chains or networks of private stations. I take it that Dean Brittain is not making any comments whatever or expressing any opinion on the wisdom or otherwise of CBC regulations dealing with the refusal to permit broadcasts by political figures or political broadcasts over chains or networks of private stations?—A. We have made no pronouncement on that. We are mainly concerned with the preservation of the values that are inherent in the system we have now.

Q. Quite. When you say in your statement you have read this morning that you are convinced that articles 21 and 22 of the Canadian Broadcasting Act should remain in force I take it you are not to be understood as suggesting that you are making any comment whatever on CBC regulations in relation to political broadcasts over chains or networks of private stations?—A. Oh no, we did not have that in mind.

The CHAIRMAN: Shall we call the next witnesses? I understand there are the representative of the Association of Canadian Radio Artists, Mr. Earle Grey is assisted by Mrs. Jean Tweed. If it is your pleasure I will call on him now.

Earle Grey, President, Association of Canadian Radio Artists, called.

The CHAIRMAN: Mr. Earle Grey is the President of the Association of Canadian Radio Artists. I do not know whether there are two submissions to be made but, at any rate, he will commence. Mr. Grey will do that now. I will say to him as to the other witnesses that have been here that he may either stand or remain seated as he sees fit.

The WITNESS: Mr. Chairman and gentlemen: I shall stand because the door is fairly close and I come from Toronto. There is only one submission which perhaps you will be relieved to know is very short, in view of the clock.

The CHAIRMAN: You can take all the time you wish.

The WITNESS: Thank you, sir. Without any more ado I shall read it to you.

This brief is submitted by the Association of Canadian Radio Artists, representing all actors, announcers, singers and a large majority of professional radio writers in the Toronto area, which is responsible for 70 per cent of the English radio programmes originating in Canada.

It is presented to the Special Committee on Radio Broadcasting to indicate how Canadian radio artists, whose work is the mainstay of Canadian radio programmes, feel towards the CBC, both as to its general policies and the manner in which they appear to be carried out.

As practical working artists in the field of radio we consider it to be our duty to express an opinion on the conduct of an industry from which we draw our livelihood. But we must be doubly vocal as we are deeply concerned with the cultural as well as the commercial aspect of radio.

Therefore, it is our feeling that it is not only desirable but essential that Canadian radio should be both publicly and privately owned.

It is in the nature of privately owned commercial radio, whose principal function is selling, to make its appeal to the largest possible audience at all times. That it is desirable to satisfy the majority of the population is obvious.

We do, however, feel that the proper function of a publicity owned broadcasting system such as the CBC is to serve the whole public and not only the majority. We therefore consider that the CBC, while sharing the burden of catering for the majority, has a particular function of its own in giving minority tastes and opinions their appropriate representation on the radio.

This function we consider to be especially valuable because it is only thus that Canadian arts and letters can be suitably advanced. In the absence nowadays of any elaborate system of private patronage it is clear that some system of public patronage of Canadian culture is necessary if Canada, with her relatively small population, is to be able to compete culturally with other countries.

In our opinion the CBC is at present the most suitable body to exercise this indispensable function of public patronage of the fine arts. By so doing the Corporation justifies the fact of its public ownership by close attention to minority interests, and in particular, the interests of the intelligent minority. This catholicity of taste and of interests is essential if we are to avoid a rubber stamp society. It is only in this way that freedom of expression and of thought can be encouraged without any regard to extraneous pressure, financial or political.

We might add that in our opinion we have generally found the CBC to act as a public patron as far as its limited funds permit it, and also generally to act as an outlet for unbiased and disinterested reporting, commentary and criticism.

The CBC's behaviour towards the various kinds of radio artists may be roughly summarized as follows:—

Actors:

By far the largest part of work done by Canadian radio actors is on CBC stations; and a large part of this work is CBC origination. The CBC repeatedly, as far as its limited funds permit, has given actors the chance of developing artistically and of increasing their own reputation and that of Canada by being afforded an opportunity to perform mature and worth while roles in plays of standard repertory as well as in new works.

Singers:

As with the actors, much of the work of Canadian singers is due to the CBC. The CBC has also taken pains, money permitting, to encourage performances of great music of all kinds, and to allow Canadian singers to be heard in public performance.

Announcers:

Most announcing work on all radio stations, public or private, is done by staff announcers. CBC announcers, of course, benefit by the cultural programmes presented by the Corporation. Free-lance announcers are usually engaged by advertising agencies, not by radio stations.

Writers:

By far the greatest outlet for Canadian radio writing, particularly creative work, is provided by CBC programmes. The CBC's impartial and liberal standards have so far enabled Canadian radio to achieve extraordinary international recognition. This we find to be particularly true as far as writing is concerned. In the absence of a national theatre, the CBC remains the sole Canadian outlet for serious plays.

Summary:

It appears to us that the CBC does as a rule carry out the functions we think appropriate to it in a conscientious, efficient and fearless manner. As practical working artists we are deeply aware of the cultural work it does and would welcome a development and expansion of such work. We believe this would follow if more funds were available, the lack of which tends to prevent Canadian cultural radio, and hence Canadian national culture, from taking its real place in world society.

Mr. HACKETT: May questions be asked?

The CHAIRMAN: Certainly.

By Mr. Hansell:

Q. Is there another brief to be presented?—A. No, there is only one brief as far as we are concerned.

The CHAIRMAN: You may be assisted by Miss Tweed in answering any questions.

By Mr. Hackett:

Q. Mr. Grey, what percentage of the talent to whom you have referred as actors, singers, announcers and writers in Canada are associated with the CBC as distinct from stations privately operated?—A. There is no distinction. They work for both public and private stations. There is no clear cut division.

Q. Did I understand you to say that the CBC was the sole Canadian outlet for serious dramatic work?—A. That is true.

Q. So in so far as dramatic work is concerned—I will use the term "artists" to comprise actors, singers, announcers, and writers—so far as artists are concerned, their field is restricted to service with the CBC?—A. In so far as what we describe as serious work, cultural work, is concerned.

Q. How far is that true of music?—A. Do you mean vocal or instrumental? We are only concerned with vocal music.

Q. I was thinking of music in its highest experssion, symphonies, for instance, opera, some of which comes to us from American cities, and all concert and band music.—A. That is outside our field except in so far as singers are concerned. We have nothing whatsoever to do with instrumentalists or with outside concerts. We are dealing entirely with singers on the radio. A great deal of our work, as I have stated, particularly the better class work, the more serious work, does come from the CBC. The CBC, as you are probably aware, have commissioned two operas which were written, and the music to which was composed on commission from the CBC. It was a great cultural gesture towards Canadian music and opera in general.

Q. What class of artists find an outlet for their talent with the privately owned stations? I am going to suggest to you that it is almost entirely restricted to the announcers?—A. Oh no. The actor can appear and does appear both on public and private stations. The point we are making is that so far as culture is concerned, the better class of work, we support the CBC's policy. We are not attacking the private stations by any means.

Q. I am aware of that, but I am trying to get it clear on the record that, in fact, the retaining of the services of artists by private stations is restricted almost exclusively to the announcers?—A. Oh, no. There is a great deal of what we, for purposes of definition, call commercial work. Perhaps the best example of that is the famous soap operas. They employ actors, and in some of the smaller sort of programmes they employ singers, musicales.

Q. Are you in a position to state, taking the Canadian field as a whole, what proportion of artistic talent finds expression over the CBC as compared with privately owned stations?—A. No, I could not answer that because it may vary according to the number of programmes from year to year, but the larger proportion of the work is certainly done on the CBC.

Q. Is it fair to say, to use a loose term, that all the worthwhile work in drama and music is done over the CBC?

Mrs. TWEED: I think perhaps since I am one of those who dabble in the shabby art of soap selling from time to time.

Mr. HACKETT: Will you speak a little louder?

Mrs. TWEED: Yes. I would say that the work done by actors on commercial programmes could not be called less worth while in the sense that programmes may be called interesting to the listener. When we speak of worth while we mean more or less experimental radio which the commercial outlets cannot afford to go into for the simple reason they cannot afford to experiment too far because they still have to sell their product. When they are selling their sponsor's product they cannot take the chance of having an experiment possibly not go through, and consequently the CBC is in a better position to be able to do more progressive work in either the dramatic or singing field.

Mr. FLEMING: That is because they do not have to sell their product?

Mrs. TWEED: No, they are not tied down to quite the same extent that a commercial person is.

Mr. FLEMING: They can afford to be more independent of the listening public?

Mrs. TWEED: I would not say that, but they do not have to sell, as we have said in our report, to the majority all the time. They can consider minority interests.

Mr. HACKETT: And the field of the CBC is necessarily a larger field than that of any private station in view of the regulations which preclude private hitching up or connections?

Mrs. TWEED: Private commercial programmes use the CBC network continually. They are mostly network shows I am speaking of.

The WITNESS: Any sponsor can buy time on the CBC.

By Mr. Hackett:

Q. I am trying to find out what proportion of the artists in Canada devote their talent to expression over privately owned stations as compared with CBC stations?—A. I do not think you can really put that in any proportion because it would fluctuate. The artist just accepts an engagement when it comes to him. There are not two bodies of artists, one working for the CBC and another for the commercially owned stations. They are intermixed, absolutely inextricably intermixed.

Q. They are intermixed, but is it not true that most of the commissions of the artists come from the CBC and not from the privately owned stations?—A. No, I would not say it is absolutely true, sir. Let us get it clear in our minds. When you speak of the privately owned station do you mean the isolated station?

Q. I mean a station that is privately owned and that has a restricted field because it may not have hookups and connections which the CBC has.—A. The isolated station practically employs no Canadian talent because it imports from somewhere else records which are just pushes on.

Q. What I want to know is if the policy of the CBC were such that artists had a field of activity in the privately owned stations would it not be an encouragement to those artists? Would it not give a broader field of outlet to Canadian talent?—A. It might. On the other hand it might not because I think finance would step in. It is more costly to employ artists than to put on records.

By Mr. Beaudoin:

Q. Is your association affiliated with the American Federation of Radio Artists?—A. Indirectly, yes, in the sense that we are affiliated with the A.F. of L. with which the American body is affiliated, but we are not directly affiliated.

Q. Is the Radio Artists Association of Montreal affiliated with yours?—A. Yes.

Mrs. TWEED: One of them is.

The WITNESS: There are a number, of course. I should make it clear there is a French speaking actors association or radio association in Montreal. I cannot remember the exact title. Then there is an English speaking artists association in Montreal who are affiliated with us and have the same title and the same conditions virtually as we have, just slightly altered for local conditions. That is all.

Q. Your association has established fixed fees for quarter hour broadcasts and half hour broadcasts, and so on?—A. We have succeeded by negotiation in establishing minimum terms and conditions of livelihood with all employers, including the CBC.

Q. As a rule would it be right to say that the sponsor, whether it is the CBC, a privately owned station or a commercial agency pays only the minimum fee?—A. No, it would not be correct to say that. They certainly do pay the minimum fee but they very often pay a good deal more, considerably more.

Q. Which of the three organizations I have just mentioned pay more than the minimum fee?—A. Generally speaking it varies. You might say that there are three or maybe four. There is the very well to do commercial agency which pays more, the CBC which definitely pays more on certain programs which demand greater exertions from their artists, and then there are the smaller commercial people and the ordinary CBC programs that do not pay more than the minimum.

Q. Do you conduct auditions for artists?—A. No.

Q. Under what conditions can a singer or actor become a member of your association?—A. He must first of all obtain an engagement from any employer. Then having obtained that engagement or offer of engagement he obtains from us a series of working permits, six in number. At the conclusion of those six engagements he is then eligible for application for membership which is never refused unless the man should be shown to be a very improper man for some other reason, which never has happened. That is devised for the purpose of screening the person who may occasionally get just one engagement and think he is a radio actor. He would join our association and be just a piece of dead wood. We consider it would be unfair to ask that man to pay dues, that he would never get commercial work because he was a bad artist.

Q. Do you not think it would be screening too much?—A. If you can get six shows in the highly competitive field of radio acting artistry you have got some sort of talent and you have a chance of making a go of it, and to our mind a worth while member.

The CHAIRMAN: All the time Mr. Beaudoin has been questioning Mr. Knight has been endeavouring to ask a question.

By Mr. Knight:

Q. There has been some discussion and comparison between the publicly owned CBC and the private stations in connection with this gentleman's particular business. I should like to ask what the private stations are doing in the way of service to their own communities which might be comparable to what the CBC is doing in providing drama, music, talks and discussions which might be of a cultural nature, taking into consideration, of course, the fact that the corporation spends a large part of its income in the maintenance of networks and supervision of regulations and so forth. For instance, how many private stations contribute to the support of local orchestras, choral group work, dramatic societies and things of that type? I suppose one could put it this way. To what extent do they give the young radio artist opportunities, to put it in the vernacular, of making the grade, getting into the business and becoming proven in the work? Then I would ask what kind of fees are paid to such people, writers, actors and musicians, by privately owned stations as compared to the CBC? Perhaps that will do for now. I have another question which I should like to ask.—A. To begin with I should make it clear that we are merely speaking for the Toronto area which, as stated in the brief, is responsible for about 70 per cent of the programs that go on the air. Offhand I do not remember an example of any commercial firm doing anything particularly except selling their product. To be honest I do not want to appear to be assaulting one of the main pillars of our income as artists, but certainly the spotlight is focused on selling the product, and I am afraid the question is what is the best play or song to sell with, not what is the best play or song.

Q. In other words, is it not true that commercial sponsors would not feel any responsibility towards their public at all in the matter of cultural development, and they are concerned chiefly, as you have said, with sales, so that you have something which will catch the ear of the population but that is not always the best criterion?—A. I would be inclined to go along with you, but I would not like

to make a pronouncement. It is not my position to make a pronouncement about that because it might very well be that a first class commercial concern might sponsor a Canadian opera tomorrow.

By Mr. Hackett:

Q. As is done in the United States?—A. As is done in the United States.

By Mr. Knight:

Q. May I conclude by remarking that I think this answer has brought out the question brought up by Mr. Hansell a little while ago, the fact that the commercial people cannot afford to give this time to cultural development in the same way that the CBC can and must if it is controlled by the wishes of the people in this country.—A. I should like to amplify. I have just been reminded that a big firm, Simpson's in Toronto, do sponsor the Toronto Symphony Orchestra. That is an example of where a commercial firm is doing a good artistic job from our point of view.

By Mr. Ross (St. Paul's):

Q. And the Singing Stars of Tomorrow?—A. Yes, you get a certain amount, and you may find a good Canadian singer. That is how you do find them.

Q. It is not a question of whether the private stations can or cannot do it. Is it not a question of audience? It is a question of the audience which they control. The audience for some of the finer cultural programmes is very much smaller than it is for other programmes?—A. That is so.

Q. It is a question of audience.—A. That is why the CBC is in a position to do this very valuable work.

By Mr. Hansell:

Q. I should like to ask Mr. Grey the same question that I asked Dr. Brittain. Should there be brought into existence a neutral body for the purpose of regulating broadcasting in Canada? Would that affect in any way or weaken the work of your organization?—A. Well as it is an entirely problematical question how can I answer it? It would depend entirely upon the setup of the neutral body, what its functions were and how it performed them. It conceivably might do magnificent work both for public and private stations. It might conceivably be the reverse. You would first have to tell me what its powers were and show me its personnel before I could express an opinion on something which, frankly, is outside our province.

The CHAIRMAN: I am afraid, Mr. Hansell, you will have to answer too many questions before you can get an answer to that one.

Mr. HANSELL: I will admit that the answer that has been given is very clever. That is not a reflection. I agree with Mr. Grey that he cannot give an adequate answer without knowing the functions that the neutral body would perform. I am assuming that the neutral body will merely decide on regulations and have nothing to do with the actual production of programmes. I think that is the assumption.

The CHAIRMAN: Are there any other questions?

By Mr. Hackett:

Q. I understood that you said earlier in your examination that very frequently the operator of a private station could not afford to engage artists and in consequence he put on records. Is that correct?—A. Not quite, sir. I said it costs more. I did not say they could not afford to do it, but as a commercial proposition it would cost more and therefore I submit, knowing human nature, that the tendency would be to put on records.

Q. There are restrictions concerning hookups which affect the privately operated stations, are there not?—A. I do not know. I cannot answer that.

Q. I think we can assume that there are.

The CHAIRMAN: There are.

Mr. HACKETT: Thank you, Mr. Chairman.

By Mr. Hackett:

Q. If there were hookups possible between these private stations would that not open up a broader field of endeavour for the people for whom you speak? I mean artists?—A. You mean if you had a network—I missed a portion of your question.

Q. If you had a network of private stations would it not create an audience of sufficient dimensions to permit private stations to retain the services of Canadian artists instead of putting on records?—A. The probabilities are it would certainly give them a bigger audience and therefore more available money. Whether they would make use of that availability is another matter. Also one has got to consider that the serious artists who make a living by broadcasting have to congregate in certain populous centres. If you had a small network of six stations in the depths of the country somewhere there would be no artists available. The only artists available would be local people who would be amateurs, who would not be able to earn enough money to make a livelihood, and therefore their quality would be very low. Therefore the network in question would probably not employ them because the recorded stuff would be so infinitely superior.

Q. At the present moment I am directing my question towards a broadened field of opportunity for Canadian talent. I ask you if privately operated stations were hooked up in such a way that their audience was increased and their revenue increased would it not necessarily afford an opportunity for artists which they do not have today?—A. Not necessarily. It might, but I think the probability would be that they would continue their present system of importing stuff and filling in their network in that way.

The CHAIRMAN: Mr. Hackett, Mrs. Tweed has indicated a desire to give a further answer.

Mrs. TWEED: I wondered if I could ask a question. When you speak of this network of private stations are you speaking of a network of private stations in place of the CBC network or as well as the CBC network?

Mr. HACKETT: As well as. I am dealing with the situation as it exists today. I understand there is the CBC operating certain stations. There are privately owned stations operated privately. The privately operated stations are restricted in their activities by being denied hookup privileges. My question is were this barrier broken down, were it made possible for privately operated stations to hook up and get audiences and revenues would it not afford a new field to Canadian talent?

Mrs. TWEED: I just wanted to make sure I understood the discussion.

The WITNESS: It might. I cannot go any farther honestly than that by saying at least the opportunity might be there, but whether it would be availed of is another matter, and in view of what has been the practice up to date it is questionable whether it would be availed of.

By Mr. Hackett:

Q. There is just one final question at the present time. The Canadian artist in so far as broadcasting is concerned is pretty well restricted to the CBC as an outlet whether it be on time which a private individual has leased from the CBC or whether it be a CBC programme?—A. Yes.

Q. I think we can take that as a fact.—A. Yes.

Q. That means that there is one employer. There is a monopoly in the employment of the Canadian artist. I am asking if it would not be better for the artistic gentry as a whole if there were some alternative so if perchance the CBC did not like the color of the hair of the lady who sang last night she might cross the way and sing for somebody else who might perceive other charms in her.

The CHAIRMAN: It is quite easy to change the color of the hair.

The WITNESS: I do not think you are correct in saying there is a monopoly. The CBC has not got a monopoly because when the CBC takes on a programme belonging to X company selling anything you like that X company has full control of the casting for that particular programme. The CBC has no control over that whatsoever. Therefore, in effect there is no monopoly exercised by public or private stations at the present moment.

By Mr. Fleming:

Q. May I ask one or two of these final questions? Mr. Grey has indicated that the members of his association look to private stations as well as to the CBC for an outlet for their talent?—A. That is so.

Q. He has also indicated most of the talent is concentrated in the larger centres and that the small local stations, the weak stations in terms of radio power, do not provide much of an outlet?—A. That is true.

Q. What is the view of your association as to the desirability of having the wave lengths of big metropolitan private stations assumed by the CBC and put on a CBC network?—A. That is something upon which I would not venture to make any pronouncement. That is a matter right outside our scope. We are artists. We are not concerned with the mechanical means of reproduction or any political controversy that may exist. We dare not be because, gentlemen, do not forget we draw our income from the two bodies. Therefore, if we throw our weight on one or the other side we are antagonizing 50 per cent of our income.

Q. If you tell me you dare not be I am quite satisfied to leave it at that. I can understand the reasons why you do not want to express an opinion on that point.

By Mr. Robinson:

Q. I should like to ask several questions arising out of some previous questioning by Mr. Hackett. You told him you could not draw a line between artists who work on the CBC and those who work on private stations?—A. Yes.

Q. But you do represent a large number of artists who derive a living from radio and I was wondering if you could give us any approximation of the percentage of the aggregate income of the artists whom you represent which they derive from the CBC and the percentage which they derive from private stations? —A. I am afraid I cannot answer that because, of course, we are all individualists and we do not know each others salaries. We know we cannot get less than so and so but how much over we do not know. If there is $100 spent we do not know how much of it is private and how much is public.

Q. I mean the artists whom you represent have an aggregate income for a certain year?—A. Yes.

Q. You do not know what percentage would emanate from the CBC and what from private stations?

Mrs. TWEED: It would vary according to the individual.

By Mr. Robinson:

Q. Yes, but in the aggregate have you any idea of that?—A. I am afraid not, not the slightest. We do not know how much either as to the aggregate or as to the proportion of that aggregate.

Q. Considering the CBC as distinct from the private stations which of the two would devote more funds to the encouragement of new talent and the auditioning of new talent, and so on?

Mrs. TWEED: It is about equal. They both carry on auditions. As far as auditioning new talent goes the agencies have a setup whereby they audition once a month or so often whoever wants to have an audition, and the CBC holds them a little more frequently than that, I believe. They hold regular auditions. As to who hires the most I would say that probably the CBC does because they put on so many more shows and they can thereby hire so many more people, so that as far as introducing new talent I think most of the new talent is started on sustainer on the CBC.

Mr. ROBINSON: That is following out your other evidence earlier that the commercial sponsor cannot take the chances which the CBC can.

Mrs. TWEED: Sometimes the small station in other cities will where they are depending on amateur talent, but I am speaking only of Toronto here.

Mr. ROBINSON: In Toronto you find that new types of cultural entertainment would be sponsored generally by the CBC before the private stations would get into that type of work?

Mrs. TWEED: I would rather think that on the whole, but you cannot generalize. To that extent the small station on its own sustaining programmes, although they have far less sustaining programme time than the CBC, will do experimental work when they are merely selling their station and not selling their product.

By Mr. Picard:

You spoke a moment ago about the opportunities offered to artists by the CBC. You also spoke about the opportunities given to artists by private stations. Do you contend that private stations do not encourage enough artists or do you contend that the balance is very much in favour of the CBC?—A. As far as quality is concerned.

Q. Would you admit that many of the programmes that are now on the CBC network have originated with the private stations before they came to the network, and that those talents were developed first by private stations throughout the country?—A. You mean artists or programmes?

Q. Artists and programmes. I mean radio artists. Many of them are heard now through the facilities of the CBC. Is it not a fact that their careers on radio started on the private stations in many more cases than on the CBC?—A. No, I do not think so.

Q. I just wanted to make it clear so that we would have your views.—A. I do not think so. I think unquestionably the private stations have sponsored a lot of new talent, but I do not think they have sponsored as much new talent as the CBC. Each has given its quota to the artistic field, but the small private stations away out in the wilds, so to speak, have virtually no opportunities for the artist. They may have a little announcing work and the ambitious young boy can begin to learn there, but when he has learned something he comes up to Montreal, Toronto, Winnipeg, or Vancouver and takes his chance there.

Q. By giving opportunities to these younger artists are the private stations not performing a valuable duty to the radio listeners throughout the country by bringing the attention of the public to these people and thus enabling them to go to the larger centres?—A. Well, yes, I suppose you must start somewhere, so to speak.

Q. The big artist is not a man who is born that way. He has got to grow and somebody has got to pay for it. I wondered if it was not true that many of the small and large private stations have done their share?—A. I think undoubtedly they have.

Mr. FLEMING: Are artists born or made?

The CHAIRMAN: I do not think that is within the compass of the brief.

The WITNESS: I should like to be able to answer that.

By Mr. Knight:

Q. The matter of quality has been mentioned here as opposed to quantity. Personally I am much more interested in the effect of the program on the public than I am, shall I say, in the radio artist improving himself, but I am wondering would it be an exaggeration to state than an increase of commercial programs might be a curse instead of a blessing if one may judge from the type of program that certain stations are offering at the present time? It is a question that I think is of great concern to parents particularly in this country.—A. If they maintain the soap opera, to use that appalling term, if they develop that certainly I would say that it would be bad from every point of view.

Q. Could it be any further developed?—A. I do not say because you develop commercial programs you necessarily must develop soap operas, but I will say that is what has happened.

By Mr. Hansell:

Q. Is there a similar organization to yours in the United States? I fancy the answer is "yes" to that?—A. Yes.

Q. There is no publicly owned radio in the United States?—A. No.

Q. Is their organization which is similar to yours functioning fairly successfully under their system?—A. Certainly they are making a very good livelihood, a far better livelihood than we up here in Canada.

By Mr. Picard:

Q. What do you consider in your opinion to be the reason why important commercial companies would give their programmes to CBC rather than to a powerful private station in any given centre?—A. Because the CBC gives them greater coverage.

Q. Because they have a network.

Mr. HACKETT: And the private stations have not.

Mr. HANSELL: We are drawing to a close and I feel this way. The two briefs that have been submitted this morning would almost lead us to believe that the CBC is fighting for its existence and that these briefs serve as a life line thrown out to save the CBC from sinking into oblivion.

Mr. KNIGHT: Do these gentlemen represent the CBC?

Mr. HANSELL: No. I am making an observation. According to the point of privilege Mr. Ross brought up—and I am not discussing that—it would appear there is an impression abroad that some of us are lined up on behalf of private radio and some on behalf of the CBC and that the CBC is fighting for its existence. There are some of us who are only concerned in giving Canada the best radio deal possible while at the same time protecting the Canadian public against radio monopolies.

Mr. PICARD: But we want to get both sides of the story.

Mr. HANSELL: Certainly.

Mr. FLEMING: We want to get all the facts. I think that is all that anybody on the committee is doing at the present time. There should not be any inferences drawn.

The CHAIRMAN: I think that everybody on the committee is not merely thoroughly virtuous but passionately so. It is about time to adjourn.

Mr. HANSELL: Mr. Chairman, I do not think you got Mr. Hackett's remark that you personally were helping us to put over the job.

The CHAIRMAN: Thank you very much.

Mr. FLEMING: Before we adjourn is there going to be a meeting of the committee this afternoon?

The CHAIRMAN: You will remember we took up at our last meeting the matter of a meeting this afternoon. I suppose 4 o'clock is the appropriate time. Notices have gone out to that effect. That is pursuant to the decision already made at our last meeting.

Mr. HACKETT: Where do we meet in Montreal?

The CHAIRMAN: Have you not a copy of the itinerary?

Mr. FLEMING: At the meeting this afternoon we will have the CBC officials?

The CHAIRMAN: We will go back to where we were at the close of the last meeting.

Mr. FLEMING: Mr. Browne will be here?

The CHAIRMAN: Yes.

The committee adjourned at 12.50 p.m. to meet again at 4 o'clock p.m.

The Committee resumed at 4 o'clock p.m.

The CHAIRMAN: Gentlemen, when we adjourned this morning it was understood that the questioning which had been going on would continue. At the time Mr. Browne was being questioned and some questions were also being directed to Mr. Dunton and Dr. Frigon, and perhaps Mr. Bushnell. At any rate, that is the position in which we find ourselves this afternoon.

Mr. FLEMING: Would it suit Mr. Browne's convenience if we finished his testimony?

The CHAIRMAN: I think Mr. Browne has said it is quite satisfactory if we do that, yes.

Mr. G. C. W. Browne, Acting Controller of Radio, Department of Transport, recalled.

By Mr. Ross (St. Paul's):

Q. I want to ask a couple of questions. How much money did you collect last year from radio licences?—A. Do you mean gross revenue?

Q. I mean gross revenue from receiver radio licences?—A. $4,260,379.14.

Q. How much net did you hand over to the broadcasting corporation?—A. $3,732,784.76.

Q. And it cost $527,000 to collect that amount?—A. Yes, if that is the total of the commissions and the cost of administration. I have not added those two together.

Q. Is there any other charge than the $527,000?—A. No, sir.

Q. Mr. Browne, I want to ask another question. You do not need to answer this unless you like. This came all from people who have radios?—A. Quite so.

Q. $2.50 from each person who had a radio?—A. Quite so.

Q. And a lot of other people who do not have radios but have the advantage of radios did not pay?—A. Of course, there are always some who attempt to evade the legal requirements.

Q. I do not mean that. I am not thinking about the ones who paid. There are a lot of listeners in Canada who do not have radios.—A. Who do not have radios?

Q. Who do not have radios and who listen. They have the advantage of radios and listen to them.—A. You mean they listen to other people's radios?

Q. Yes. Is that a fair tax?

The CHAIRMAN: That is not a proper question for this witness.

Mr. Ross (*St. Paul's*): He does not need to answer it.

By Mr. Ross (St. Paul's):

Q. It costs $527,000 to collect $4,260,000. Is there some way that it would be cheaper to collect that? Why does it cost $527,000 to collect that money?—A. Of course, that is broken down into several items.

Q. Break it down then.—A. There is salaries of staff; there is rental of machinery; there is the cost of the printing of licences.

Q. A little louder.—A. Salaries of staff, rental and servicing of the machinery.

Q. What machinery?—A. Those are the machines which record duplicates of the licences.

Q. What—A. The machines which record the name and addresses of the people who are licensed.

Q. Yes?—A. The cost of printing of the licences and other printing and stationery, and miscellaneous costs. I think you will find those broken down at the bottom of appendix 4 under the heading of Department of Transport Costs.

Q. How much is that?—A. For last year that is a total of $202,562.08.

Q. That is the cost of administering the collection of licences here in Ottawa, is it?—A. It is the cost throughout the dominion.

Q. That $202,000 is spent right here?—A. Most of it.

Q. And the other cost is commissions, is it?—A. The other cost is commissions.

Q. That is $325,033. I do not know whether I should ask you for your opinion as to whether that is a very extravagant way to collect $4,000,000. It seems to me that we ought to have some other basis or else we ought to be able to collect it more cheaply. Is there any reason why you should have the names and addresses of the people who have receiving sets outside of the fact that you want to try to get them to buy licences? Can you hear me?—A. Yes.

Q. Is there any other reason why you want to know the names and addresses of those people who have radio receiving sets outside of the fact you want to have it on record so you can collect the licence the next time?—A. We also wish to be able to check the names of the people who are sent in as possible delinquents if they are not, at the time of the visit of our inspectors, able to produce a licence. Many of our courts require a statement to that effect, that the records at Ottawa have been checked and that there is no record there of a licence in the name of the individual concerned.

Q. There is none of this money you collect that is used in connection with the inspection of interference?—A. No, that is covered by a vote of parliament.

Q. So that it costs us $527,595 to collect $4,000,000?

Mr. BEAUDOIN: Mr. Browne—

Mr. Ross (*St. Pauls*): Wait a second, if you do not mind.

Mr. BEAUDOIN: I thought you were through.

Mr. Ross (*St. Paul's*): No, I am not quite through. I do not want to ask him a question he cannot answer.

Mr. BEAUDOIN: I want to ask him a question he can answer.

The CHAIRMAN: Mr. Ross is still questioning.

By Mr. Ross (St. Paul's):

Q. Have I asked you all the questions that you need in connection with the collection of this money? In other words, there is nothing else; there is no other reason for this $202,000 which is for administration and the $325,000 which is commissions, $527,000. That takes in the whole thing. That is the cost to us of collecting that money as far as the country is concerned. Then, too, you do not collect money from people who do not have radios. You do not collect money from them because they do not pay. There is another question I should like to ask. Do you find that the general public resents the $2.50?—A. Not the general public, no we do not.

Q. The people who have licences?—A. No, we do not.

Q. They like to pay it?—A. We do find some people who object. There are always some people who will object.

Q. Can you find any cheaper way of collecting this money? That is nearly 20 per cent, is it not? The cost of collection is about 20 per cent?—A. In appendix 2 you will find the cost of collection in the two last columns stated in terms of percentage of revenue. Commissions amount to 6·93 and the cost of administration is 5·45 per cent. We are rather proud of that figure.

Q. I do not think that adds up to what you say here.

Mr. FLEMING: May I raise a point here?

The CHAIRMAN: I want to grasp the question.

Mr. FLEMING: Mine is not a question at this stage.

The CHAIRMAN: You want to clarify something?

Mr. FLEMING: Yes. I find in the minutes of proceedings and evidence, number 5, which has just been handed to us there has not been reproduced the very extensive appendices attached to the statement made by Mr. Browne to the committee at its meeting on June 27. The four pages of his brief have been written into the proceedings because they were read, but they are followed by about twelve pages or more of very valuable statistical tables which have not been reproduced in our proceedings. I think it was not the understanding of the committee that those should be omitted. In any event I think there would be a very serious gap in the record of the committee if those tables are not reproduced because there is a mass of information in them much of which relates to the point on which Mr. Ross has just been questioning Mr. Browne.

The CHAIRMAN: Do you know the answer to that, Mr. Clerk?

The CLERK: Mr. Chairman, either the reporter did not think he should put them in or if he did the printer did not print them.

The CHAIRMAN: It was understood at the time they would be printed. We were all agreed on that.

The WITNESS: I made a statement at the time. I said:—

> There are appended to this statement several reports consisting of statistical data on licensed receiving sets, prosecution of unlicensed receiving set owners, and other statistics on the issuance of licences and on revenue. I do not suppose it is necessary to read those.

The CHAIRMAN: It was understood they would appear as appendices.

Mr. FLEMING: Would you give your direction that those be reproduced in our proceedings because they are too valuable to be omitted.

The CHAIRMAN: Mr. Plouffe, you will see that is taken care of.

(*See today's evidence—Appendix A*).

Mr. Ross (*St. Paul's*): It costs us 13 per cent to collect $4,260,000. It does not cost us that much to collect money in connection with the consolidated revenue fund. Despite what Mr. Browne says I know there are a lot of people resent this business. Perhaps this is not a question that Mr. Browne can answer, the reason for having radio licences. That is not his department so I will have to leave that to somebody else. I do not think Mr. Browne can answer that question as to why we should have radio licences for radio receivers.

The CHAIRMAN: That is a government question, is it not?

Mr. Ross (*St. Paul's*): I do not think that is for Mr. Browne to answer.

The CHAIRMAN: All you have to do in regard to that is to persuade the government.

Mr. Ross (*St. Paul's*): It does not cost us 13 per cent to collect money by way of taxes for the consolidated revenue fund.

The CHAIRMAN: No.

Mr. Ross (*St. Paul's*): It does not cost us anything like that. Now then, I am coming to the point. Why waste $527,595?

Hon. Mr. McCANN: May I ask you a question? Can you suggest a better method?

Mr. Ross (*St. Paul's*): I am going to question the officials of the corporation before I answer that question.

Mr. HANSELL: Would the minister mind a suggestion?

Hon. Mr. McCANN: Not at all.

Mr. HANSELL: That you add an item to your income tax form, "Do you own a radio? If so, add $2.50 to your income tax". It would cost you nothing to collect it.

Hon. Mr. McCANN: That is a suggestion.

The CHAIRMAN: How about all those below $1,500?

Mr. BERTRAND: There would be quite a number who are not paying income tax but would have to take out a licence.

Mr. HANSELL: You have got me there, pal.

Hon. Mr. McCANN: There are 550,000 who will be free from income tax under the next budget. I suggest to you that probably 500,000 have a radio.

Mr. HANSELL: Mr. Bertrand reminded me of that.

By Mr. Beaudoin:

Q. Can you tell me out of the cost of collection how much money you have to spend to prosecute people who do not pay? I notice there are certain provinces which are quite high, for example, Ontario. Possibly if the licences were paid in due course it would cost less to collect the licences?—A. Of course, it should be remembered that the fines accruing from convictions accrue to the credit of the receiver general.

Q. We should not say that the CBC receives $2.50 per set as part of their revenue. If you deduct from the amount which is generally collected throughout the country the commissions that are paid in the amount of $300,000 and the cost of administration it is not fair to say that the CBC receives $2.50. As a matter of fact, it might receive about $2 per set. Is that not the fact?—A. That is right. They receive $2.50 less the cost of commissions and of administration.

Mr. KNIGHT: In Mr Browne's report on page 3 at the top it states that there was gross revenue of $4,000,000 and that there is deducted from that $231,000 for administration.

Mr. Ross (*St. Paul's*): $202,000.

Mr. KNIGHT: $231,818.48, to be exact.

Mr. Ross (*St. Paul's*): What page is that on?

Mr. KNIGHT: The top of page 3.

By Mr. Knight:

Q. It seems a high amount for administration, and my question would be did this whole figure of $231,818 go for the administration of licence fees? If not, to what does the balance go?—A. It covers private receiving licence fees only. It does not cover any other class of licence.

Q. There is no money in that returned to the government department?—A. No.

By Mr. Fleming:

Q. I have several questions. Beginning with appendix 2 with regard to this cost of collection which includes both commissions and administration I have been doing a little rough calculation, and it seems to indicate that your costs of collection have been pretty uniform. Beginning with the year 1938-1939 I have reckoned the total cost of collection in the years you have shown in appendix 2. I have only carried it to the first digit past the decimal. It is 11·8 per cent, 12 per cent, 11·9 per cent, 12·2 per cent, 12·4 per cent, 12·5 per cent, 12·2 per cent, and in this year 1945-46, 12·4 per cent. Those are fairly consistent figures. You have indicated in your opinion those costs of collection are not excessive. I should like to ask this question. Has thought ever been given to allowing the CBC to undertake the collecting of the fees?—A. No, the question has never come up as between the CBC and ourselves. In fact, I do not think that the CBC have the organization to handle it, and besides we, as the licensing authority, are responsible for the collection of all licence fees from stations of all classes.

Q. It would involve some reorganization and it might involve legislation, but I was wondering if any thought has been given to that matter as a possible means of reducing the cost of collection?—A. No, it has never come up to my knowledge.

Q. The next point is this. How are these collectors appointed throughout the country? First of all how many of them have you?—A. We have a house-to-house canvass organization.

Q. I am thinking of that particularly. How many of them are house-to-house canvassers?—A. Of course, they vary because we have in the large cities or constituencies, as the case may be, a supervisor of the canvass. Perhaps we have in some constituencies two or three supervisors. They in turn have under them the vendors. We have no direct contact with the vendor so I could not tell you how many actual vendors there are throughout the country.

Q. You do not keep any record of that?—A. No.

Q. Your department has nothing to do with engaging them?—A. No. we deal with the supervisors.

Q. He has a free hand to engage these door-to-door vendors?—A. Yes, he has, but is expected to engage returned men or veterans wherever available.

Q. He is paid 25 cents for every licence sold?—A. Of which he retains 5 cents himself.

Q. And the house-to-house canvasser gets 20 cents?—A. Yes. In some places the supervisor himself conducts the canvass and he retains the whole 25 cents if he does.

Q. You do not keep any records at all of those engaged in that house-to-house canvass?—A. Not the actual vendors.

Q. Mr. Beaudoin raised a point about prosecutions. Is there any attempt made on the part of your department to see that there is a systematic house-to-house canvass in all parts of the country?—A. Yes, there is. That check is maintained by our field offices of which there are about 20 or so throughout the dominion. Those are our permanent inspection offices.

Q. Your field offices check the supervisors in each constituency?—A. Yes.

By Mr. Beaudoin:

Q. Is that not the final stage of your collection? You have a group of men going from door to door?—A. Yes. Of course, there are other facilities through which licences may be obtained on demand such as the post offices and some banks.

Q. The point I want to make is that those who are prosecuted have received sufficient notice from advertising in the papers and the posted notices?—A. Yes.

Q. And the door-to-door canvass?—A. That is true although we do not advertise in the papers. We have no appropriation for that.

By Mr. Fleming:

Q. My next point arises from the final sentence on page 4 of your submission. It appears on page 141 of the proceedings of the last meeting. You say:—

> No action has been required of the department in regard to the implementation of recommendations of any of the special committees on radio broadcasting since 1942.

I understand that in those years there have been three committees sitting, in 1942, 1943 and 1944. To what extent did they make any recommendations that called, had they been adopted, for action on the part of the department as distinct from the CBC?—A. I believe we examined those reports and could not find anything therein which required action or implementation by the department. That is why I have made this statement.

Q. I thought your statement was a little ambiguous there. As I understand it your statement now is that none of these reports contained recommendations for action or required implementation on the part of the department? Is that correct?—A. Well, since the last committee met.

Q. I am taking these years, 1942, 1943 and 1944.—A. This is a misprint here. That should read 1944. I am sorry.

Q. That is very different. Are you including the report for the year 1944 there?—A. Yes.

Q. We had better have that corrected on page 141.—A. I meant to draw attention to that.

Q. That may be an important point.

The CHAIRMAN: It can only be corrected in the manner it is now being corrected. We cannot go back.

By Mr. Fleming:

Q. Mr. Brown, do I understand your statement to mean this, that the report of the 1944 committee did not contain any recommendations requiring implementation on the part of the department?—A. That is right.

Q. All the recommendations had to do with steps to be taken by the CBC board?—A. Yes, or by other than our own department as far as we are concerned.

By M. Beaudoin:

Q. Mr. Browne, I want to get some clarification as to the results affecting Canada of the Havana conference. There was a lot of discussion at the last meeting as to the domestic policy of Canada with regard to channels, and so on. Were you present at the last Havana conference?—A. I was not present at the Havana conference of 1937, but I was present at the Washington conference last February and March, which extended the life of the Havana treaty by a modus vivendi gareement.

Q. My understanding is that at that conference a pattern was established not only for Canada but for the entire North American Continent.—A. Yes. The treaty is applicable equally to all countries which signed it, that is, the countries of the North American Continent.

Q. The point that I would like to get at is, I would like to have a further explanation as to why Canada has to take class IA channels and that without delay. Do you feel qualified to give me that information, or is there someone else here who was present at that conference who could explain to us this pattern of the North American Continent which was set at the Havana conference and its effect on Canadian broadcasting?—A. The treaty provides the same stipulations for all countries in regard to the occupancy of channels, within what period they shall be occupied:—

(*b*) Each such channel shall be used in a manner conforming to the best engineering practice with due regard to the service to be rendered by the dominant stations operating thereon, as set forth elsewhere in this agreement. If, for one year within the term of this agreement, a country fails to make any use of a clear channel assigned to it, the channel shall be considered open for use by the other countries, parties to this agreement, pursuant to such arrangement as may be agreed upon by their respective administrations and without any necessity for revision of this agreement

Q. That is a general undertaking?—A. Yes, between the countries signatory to the agreement.

(*d*) If within the period of this agreement the country to which a clear channel has been assigned shall have made use of the channel but not in the manner above prescribed or not to the extent required by the provisions of this agreement, such country shall be considered as having relinquished that portion of the rights which it has not used and at the expiration of this agreement the other countries party hereto shall have the right, if they see fit, to withdraw the unused privileges from such country and to reassign them to any or all of the other interested countries.

Q. When you have changed the wave lengths of a radio station in advance, like CFRB in this statement of yours, you change the wave length of more privately owned stations. For instance New Carlisle is changed from 960 to 610, then CJRM, Regina, and CJOC, Lethbridge, and so on. Are you changing the wave lengths under the same authority that you are now talking of changing CFRB Toronto on? Mr. Chairman, I think the other officials of the CBC have that picture.

The CHAIRMAN: The understanding is that the questions may be directed to any person, not necessarily Mr. Browne. If Dr. Frigon can answer the question that is quite the same thing. Would you care to answer that question, Dr. Frigon? Have you the answer handy?

The WITNESS: They were not notified of the terms of the treaty because the treaty had at that time not come into effect, but they were notified by letter to change, that the channels were required for CBC stations which at that time were projected for high power at Montreal and in the west.

By Mr. Hansell:

Q. Is that the answer to the present reallocation of wave lengths on these three particular stations?—A. Would you mind repeating that?

Q. Your answer to Mr. Beaudoin's question relating to changes in frequencies presently being used—is that applicable to the present changes in frequencies that are contemplated; and, I asked you, have the stations been notified of the changes that are in the offing?—A. I think I covered that in my statement on page 2.

Q. I think I recall that one. My next point is this. Do those frequencies that are expected to be assigned to the stations mean that you have to break into present frequencies already being used by other stations?—A. Yes.

Q. Well now, have those stations been ordered to vacate those channels?—A. In cases where that is required, yes.

Q. Has any date been fixed?—A. Some have not because, for example, in the case of CFRB we cannot yet say what the channel changes will be until we have been advised by the engineers for that station which of the four frequencies they propose to submit their engineering brief on.

Q. Could you tell us what those frequencies are?—A. You mean the four alternative frequencies? You will find them on the bottom of page 3 of my statement—648, 800, 1010 or 1550.

Q. One other question. Have any alternative frequencies been offered these stations who have to vacate their frequency by reason of this change? I am not talking about the three stations at all, but those who are now occupying those channels.—A. No, we have not made any such suggestions yet. We did not think it necessary to do so until we know which ones we have to advise.

Q. So that there is a possibility of some station being left out on a limb, not knowing what frequency they are going to be given?—A. I think that happened in only one case.

By Mr. Beaudoin:

Q. In which case?—A. That would be CKTB, St. Catharines.

Q. And that would be if CFRB took what wave length?—A. 1550.

Q. Is that the best one that CFRB can take?—A. We are not in a position to give an opinion on that, as I said at the last meeting, without examining the brief.

By Mr. Hansell:

Q. Do I understand that the Lethbridge station will have to change its frequency?—A. Yes, that is true.

Q. Have they been offered any alternative?—A. Yes, 1220 has been suggested for Lethbridge.

Q. Is there anyone on that wave length at the present time?—A. At least they themselves have confirmed that that would be satisfactory to them.

Q. Is there any station on that at the present time?—A. Not in western Canada.

By Mr. Ross (St. Paul's):

Q. Might I ask a question? Mr. Browne shows in his return here a number of classifications which have been assigned to Canada, and there is a point which comes up in connection with that with respect to which I would like to get an answer. We have a classification of stations. First we have those with clear channels, the class I A stations—690, 740, 860, 990, 1010 and 1580. Now, my question is this: are those allocated to any particular place?—A. I do not believe they are allocated to any particular city, but they are to specific areas such as provinces. For instance, 690 is allocated to Quebec.

Q. To the province of Quebec?—A. That does not mean Quebec City, it just says Quebec—that means to the province.

Q. And 740?—A. To Ontario.

Q. 740 is allocated to Ontario?—A. Yes.

Q. And 860?—A. Ontario.

Q. And 990?—A. Manitoba.

Q. 1010?—A. Alberta.

Q. 1580?—A. Quebec.

Q. Where is 1580, Chicoutimi?—A. Chicoutimi at the present time.

Q. And all of these channels are allocated to various parts of the country, is that it?—A. That is true.

Q. What date the revision of the Havana agreement?—A. I cannot recollect the exact date of the signing—I am told it was the 25th February of this year.

Q. Of this year?—A. Yes.

Q. 1946; for how long?—A. Three years.

By Mr. Fleming:

Q. That last document you spoke of in which you refer to area as a modus vivendi, is that lengthy?—A. Not very. I just have one copy with me.

Q. Would it shorten up our proceedings if you could table that? It might be of interest to the members.—A. This is a document published by the Department of External Affairs in their Treaty Series 1946, No. 8, Interim agreement between Canada and other powers to regulate the use of the standard broadcast band in the North American region, signed at Washington, February 25, 1946, effective as from March 29, 1946.

Q. Mr. Browne isn't it a fact that when, I think you call it, the call signal is transfered to another wave length there is a certain disturbance caused to the listening public which has been accustomed to the old wave length?—A. I do not know that there is any disturbance. Some stations prefer to start off with a new call sign, especially if they have taken over from other ownership.

Q. That is not what I mean. I am talking about the ordinary case of taking away a wave length that has been held by a station over a long period of time, particularly so in the case of a large station with a big metropolitan coverage; there is bound to be a good deal of disturbance on the air?—A. I understand what you mean now, in the case of one station with a given call sign changing from one frequency to another?

Q. Yes.—A. I do not think there is any great disruption, because people look for certain programmes from certain stations. Perhaps the CBC officials could answer that question better than I.

Q. Well, if in your opinion that is something the CBC officials should answer I will ask them.—A. All right, sir.

Q. Then, the next thing is this; was any opportunity given to the present licencees of the three stations we have been discussing to build the power of their station beyond ten kilowatts?—A. No.

Q. Have they never asked for an opportunity to increase the strength of their stations?—A. I would have to check our records on that, but I believe possibly some stations have applied for higher power at some time or other.

Q. Would you mind looking into that and bring that information back at a later date? I am speaking particularly of the three stations we have been discussing, CFRB, CKY and CFCV.—A. I think I can say right now that one if not two of the stations have applied, but not in connection with this present change of frequencies. I think the applications of those that have been made have been of long standing.

Q. You can't say about that?—A. Not recently.

Q. If you will look that up, please.—A. Yes.

The Acting Chairman: Are we through with questioning Mr. Browne? Who else would you like to ask questions.

Mr. Hackett: Is Mr. Browne coming back? It is unfortunate that his depositions were not made available to the members of the committee before he appeared.

The Acting Chairman: I think, Mr. Hackett, the brief was submitted to the members of the committee before this sitting.

Mr. HACKETT: I know, but I have not had an opportunity to framing the questions that I wanted to ask. I am going to suggest to the committee through the temporary chairman that possibly Mr. Browne could be recalled at some time later after we have had an opportunity of looking at this submission.

Mr. FLEMING: There is some further information we know Mr. Browne is to bring back. We could probably just leave his testimony open and then he can deal with any further questions that may develop dealing with frequencies. I do not think we need spend further time with him this afternoon.

The ACTING CHAIRMAN: Who else do you want to question now, Mr. Dunton or Dr. Frigon?

Some hon. MEMBERS: Probably both.

By Mr. Ross (St. Paul's):

Q. Might I ask Mr. Browne one further question before he leaves? My question is about station CKCB, that is an I-B station presently located in the Niagara district; I should like to ask if that station could be moved from St. Catharines where it is located at the present time to Toronto?—A. That would involve departmental policy.

Q. I don't mean departmental policy, I mean is it possible under the Havana agreement to move that station?—A. On its present channel it is a class 2 station.

Q. It is a class 1-B station.—A. That station itself is a class 2 station on that channel.

Q. What is that?—A. I say it is at present a class 2 station on a clear channel.

Q. It is a 1-B station.—A. No sir, it is a class 2 station.

Q. I have it in the return here—clear channel 1-B station.—A. To which return are you referring?

Q. In the return I got from your department.—A. I see.

Q. It is a clear channel class 1-B station, and I want to know why that cannot be transferred from St. Catharines to Toronto.—A. The proposal is, as you know, to have CFRB take over frequency 1550—

Q. I am not talking about CFRB taking over any other channel; I am asking you why CKTB which is a clear channel class 1-B station cannot be transferred to Toronto.—A. I just wanted to make a full statement which will cover your point. If CFRB should take 1550, CKCB would in that event be allotted 1010 which is not now being used in Toronto; therefore, in so far as the treaty requirements are concerned it can be transferred to Toronto.

Q. So far as the treaty is concerned that 1-B station can be transferred to Toronto. I think it would be of interest if we knew in what parts of Canada these various stations are located. Much of that information is given in the return which I have here before me. I think it would be of interest to members and helpful to them if the information contained in this return, which is sessional paper 130B, was printed as an appendix to our proceedings.

The ACTING CHAIRMAN: Could that be done, Mr. Browne, to accommodate the committee?

The WITNESS: It could be done.

Mr. Ross (*St. Paul's*): It is not very lengthy.

By Mr. Fulton:

Q. There are some additional details in connection with the operation of the stations which I would like to get; perhaps Mr. Browne could give them to me. They are in connection with the figures given in page 141 of our Minutes of Proceedings. I notice there that the CBC charge themselves with

licence fees. I presume that would be on their own broadcasting stations.—A. There are no licence fees for licences issued to the corporation stations.

Q. Then perhaps you could explain that—licences were issued to private commercial broadcasting stations for the current fiscal year 1945-46, as follows: Canadian Broadcasting Corporation station licences. This includes sixteen short wave licences and fourteen "repeater" licences; a total of 41. I take that to mean licences covering CBC stations.—A. That is right, but in the case of the short wave station at Sackville there may be a dozen licences, it depends on the number of frequencies. There is a licence issued to cover each frequency used.

Q. That is satisfactory. In other words, you do not charge your own people, you just issue them licences.—A. There is no money charged. We simply issue licences without fee.

The ACTING CHAIRMAN: Thank you very much, Mr. Browne. Now, gentlemen, if you will permit me; before I took this chair I asked certain questions and in order to maintain some sort of continuity I would like to hear from Mr. Dunton or Dr. Frigon something about the Havana conference. I would like to have some clarification as to the pattern which was planned there.

Mr. DUNTON: Dr. Frigon was there throughout the period of the conference.

Mr. HACKETT: Before Dr. Frigon or Mr. Dunton start, I would like to draw to the attention of this committee the request that I made at the close of the hearing on the 27th of June relative to excerpts from the agreement being made a part of the proceedings of that day; and on the last page I again reminded the chairman of that request which he said he would consider.

The ACTING CHAIRMAN: I think when Mr. Maybank comes back he will give you an answer as to what he has done so far. If I remember correctly you asked him to look over the treaty and see what parts could be printed in our proceedings.

Mr. HACKETT: What parts were relevant.

The ACTING CHAIRMAN: Yes, something like that. He will give you his answer when he comes back.

The question that I raised was regarding the Havana conference, some clarification as to the pattern which was established there for the North American continent and its effect on Canada.

Dr. FRIGON: In Havana in 1937 the representatives of Mexico, Cuba, Canada and Newfoundland got together and decided that a new allocation plan of frequencies to be used by broadcasting stations should be adopted to replace the obsolete system which was not operating. They decided then that the basis of the allocation of frequencies would be the protection of each station broadcasting within a certain territory so that when a man received a permit to broadcast he would know exactly what he would get, what area he would serve, in what manner, and what interference he would have to expect from other stations.

On that basis there was a complete pattern of frequency allocation adopted for the North American continent. The frequencies were divided in different groups each giving the definition of the type of stations which could be used on those frequencies. The best frequencies—that is those which would cover the largest area—were classified as 1A. On those frequencies stations must operate at 50 kilowatts or more. The second class of channels, class 1B, are occupied by stations which must operate at a minimum of 10 kilowatts up to a maximum of 50 kilowatts. Then there were class 2 and class 3 stations with much limited power, and therefore limited territory they could serve.

That was 1937. It took some time to have these different countries ratify the agreement. That was done on the 29th of March, 1941.

Mr. HACKETT: Was the 29th of March, 1941, the date on which Canada ratified it?

Dr. FRIGON: No, Canada ratified before that, but Mexico ratified as of that date.

Mr. HACKETT: Ratification was complete?

Dr. FRIGON: That is right. Therefore, on that date each country involved had to get busy and reallocate the frequencies within that territory to fit into the Havana plan. That required some changes in the United States. Stations were requested to move from one frequency to another. Powers were allocated to a certain extent, and we did the same in Canada. From that date on everybody on the North American continent knew how allocations could be made and what would be the technical conditions. For instance, the St. Catharines station was given a frequency in such a way that it would not interfere with another station operating on the same frequency somewhere else. Once that was done you could not very well move St. Catharines operating on that frequency to another point unless you could make sure that no other stations already operating would be interfered with. To explain that point when you ask if the St. Catharines station could be moved to Toronto the answer is "yes, on two conditions", one of the conditions being to remain as it is, a class 2 station operating at a certain power and therefore not interfering with other stations in the United States, or a 50 kilowatt station as it is proposed now in Toronto with proper protection given to other stations operating on that channel by designing an aerial which would protect its signal in such a way as to protect other stations. At present the station operating on 860 in Toronto and which was requested to move to another frequency has been told that apparently there are four frequencies which may be investigated. If they find another frequency it is so much the better for them, but they were told, "Here are the frequencies which are possibilities. If you choose one of those it is all right with the licensing authority. If you have another frequency you can suggest the same would apply." It is up to the station moving to prove by a technical brief that they can use in the Toronto area a frequency with a certain power on it in such a way that it will not interfere with other stations within the pattern of the Havana agreement.

Mr. HACKETT: Does seniority determine the right?

Dr. FRIGON: No, because a station which gets a permit to operate on a frequency can look forward to being protected whenever it operates on the maximum permitted under the Havana agreement. For instance, a station operating at 1 kilowatt, which under the Havana agreement could operate at 5 kilowatts but just gets a permit for 1 kilowatt, is certain that whenever it goes to 5 kilowatts it will be all right, and the other stations somewhere else on the North American continent operating on the same freqency have to organize in such a way that they will not interfere with that station whenever it goes to 5 kilowatts. It is all a predetermined pattern under certain technical conditions which are written in the agreement and very clearly understood by all broadcasters.

Mr. FLEMING: Dr. Frigon, the assignment of wave lengths was on a national basis, was it not? The distribution was among countries?

Mr. FRIGON: On a continental basis.

Mr. FLEMING: On a continental basis, but having taken the wave lengths on a continental basis the assignment was to the countries on the continent. The distribution of wave lengths was among countries; was it not?

Dr. FRIGON: Well, I will say "Yes" and "No". It is a true fact that frequencies have to fit wherever they belong and because of that, of course, they are assigned by countries, but Canada and the United States do use the same frequencies.

Mr. FLEMING: Quite, but frequencies were assigned to countries and Canada, for instance, got six wave lengths of the class 1A frequency?

Dr. FRIGON: Right.

Mr. FLEMING: Those six wave lengths were assigned to Canada to be disposed of within Canada as the national authority of this country might direct.

Dr. FRIGON: Correct.

Mr. FLEMING: So that it was not necessary in order to comply with the Havana treaty that they be operated by the CBC as long as they were occupied in Canada?

Dr. FRIGON: That is right, but as was said before when these frequencies were obtained in Havana for Canada the argument which made other countries agree to that allocation or assignment was that these frequencies were needed for the national system across the country. When you are dealing with Cuba or the United States and you say that you want a frequency which they also want at such a place and they agree to it it is not a part of the legal side of the procedure but in the general discussion you say, "We want a frequency at such a point because we have plans to use it there".

Mr. FLEMING: You say that was an element used by the Canadian representatives in the negotiations, but it is not a term of the Havana treaty as such?

Dr. FRIGON: That is right.

Mr. FLEMING: Was it not also a factor in the discussions that you had some private stations to which these wave lengths were to be assigned at once, that required wave lengths of that frequency?

Dr. FRIGON: No.

Mr. FLEMING: You say it was not?

Dr. FRIGON: No, but the argument was this. As Mr. Browne has just told you if a country which was assigned a frequency within a certain area did not use the frequency within a certain limited time—

Mr. HACKETT: It was forfeited?

Dr. FRIGON: Other countries have the right to take for granted that the country does not need the frequency and they could re-assign it to other stations. That is why Canada had to place stations on those frequencies as soon as they were available. Otherwise other countries would have the right to appropriate them. One other agreement in Havana was this. Canada was given the special privilege of waiting three years before full power would be used for these stations. In Washington this year the Havana agreement was prolonged for a maximum of three years. In September, 1947, the countries will meet again with a view to deciding on a new agreement. By that time if Canada has not made use of these frequencies there is no doubt at all that other countries will say, "Well, you did not need the frequencies because even six years after the 29th of March, 1941, you are not using these frequencies to the full power, and therefore we are degrading class 1A channels to class 1B or class 2 or class 3". That is why it is important that these stations should go up before the countries meet again to design a new agreement.

In September, 1947, if the countries agree they can there and then, or as soon as they want afterwards, sign a new agreement, but that new agreement must not be delayed after the 29th of April, 1949.

Mr. BEAUDOIN: Is there a chance you might lose some of the frequencies which you already have even if you have taken full advantage of them?

Dr. FRIGON: Anything may happen in September, 1947, because some countries are not satisfied and they want a complete revision of the whole Havana agreement.

Mr. HACKETT: Dr. Frigon, I asked this question the other day and I did not get an answer that I fully understood. I understand that it is the policy of your corporation to deny any private stations the right to take up the three or four big units that have to be taken up before the expiry of the agreement in 1947 or 1948? Is that correct?

Dr. FRIGON: I should like to put it this way, that the CBC requires those three frequencies to do its job. Does that answer the question?

Mr. HACKETT: In other words, it is the policy of the CBC to occupy those channels itself and to deny them to private enterprise? Is that correct?

Dr. FRIGON: That is our request to the government.

Mr. DUNTON: Perhaps I could add to that. It has been laid down as the policy of the board ever since the corporation was set up in 1936 that only the national system should own the high powered stations. That principle has been reiterated by every parliamentary committee before and since that. Therefore, in carrying out the policy of putting stations on these further class 1A channels the corporation is following out its own policy stated over the years and the recommendation of the parliamentary committees stated over the years.

Mr. ROSS (*St. Paul's*): Is it not a fact that parliamentary committees suggested to the government that private stations should be encouraged to go up to their full power under the Havana agreement?

Mr. DUNTON: I think that was in connection with the raising of the ceiling from 1 kilowatt to 5 kilowatts, which was done.

Mr. ROSS (*St. Paul's*): Up to the minimum power under the Havana agreement?

Mr. DUNTON: I do not think it went any further than that.

Mr. ROSS (*St. Paul's*): I think it went that far.

Mr. DUNTON: I think the 1942 committee specifically pointed that out. I think it said that any increase in power to take full advantage of the Havana treaty should be made by the corporation, and every committee has reiterated that all high power stations should be owned by the corporation.

Mr. ROSS (*St. Paul's*): I do not know about every committee. I remember very distinctly that one committee, as a matter of fact, suggested that private stations should be encouraged to go up to their minimum power under the Havana agreement.

The CHAIRMAN: You mean maximum power?

Mr. ROSS (*St. Paul's*): Their minimum power under the Havana agreement. I should like to ask Dr. Frigon a question. I have a return here which is very interesting. The number and classification of channels assigned to Canada under the Havana agreement have not been readjusted or altered. Is that so?

Dr. FRIGON: That is so except for very minor changes which we agreed to in Washington this year.

Mr. ROSS (*St. Paul's*): Dr. Frigon said, in talking about these stations, something about class 2 stations, and so on, but I see here that class 2 stations are 250 watts to 50 kilowatts. Is that right? That is the return. I am interested in knowing whether that is correct.

Dr. FRIGON: Yes, but in doing so the station has to accept interference from higher class channels. It does not mean it would get the same coverage or the same area as a class 1B or a class 1A station. The power of the station, as you know, is not the only factor which gives you coverage. Interference from other stations is just as important.

Mr. Ross (*St. Paul's*): I have one further question. Take class 1A stations. They do not have to worry about interference at all, do they? They do not have to worry about interfering with anybody else?

Dr. Frigon: Not inside the border of the country.

Mr. Ross (*St. Paul's*): I understood it was as far as the continent was concerned, class 1A station?

Dr. Frigon: Protected to the border.

Mr. Ross (*St. Paul's*): Protected to our border?

Dr. Frigon: To our Canadian border with the United States.

Mr. Ross (*St. Paul's*): Now then, how far are class 1B stations protected? We do not have to worry about class 1A stations in the United States?

Dr. Frigon: That is right.

Mr. Ross: (*St. Paul's*): What about class 1B?

Dr. Frigon: Class 1B are protected as to certain signal contours.

Mr. Ross (*St. Paul's*): We have to protect the United States?

Dr. Frigon: Yes, and they have to protect us.

Mr. Nixon: The committee might be interested in hearing the answers to these questions.

Mr. Ross (*St. Paul's*): That is all right, I am sorry, I got ahead of myself a little bit.

Dr. Frigon: Which is the one I am supposed to answer now?

Mr. Ross (*St. Paul's*): I do not know. I will ask you about class 1B stations again.

Dr. Frigon: Class 1B stations do not enjoy the same protection as class 1A stations. They have a wide coverage, and other stations must protect them but to a point which is not as far distant, I would say, as a class 1A channel. In other words, a class 1A channel operating in Canada is not intefered with in Canada under certain definitions of engineering practice. There are some frequencies which are protected only to a certain degree of longitude, but generally speaking a class 1A channel gets full coverage within its own country.

Mr. Ross (*St. Paul's*): We do not have to protect the United States, in other words?

Dr. Frigon: No.

Mr. Ross (*St. Paul's*): Under the class 1B do we have to protect the United States?

Dr. Frigon: We have to protect the United States.

Mr. Ross (*St. Paul's*): And as to all others down the line we have to protect them?

Dr. Frigon: That is right, and they have to protect us.

Mr. Ross (*St. Paul's*): And ourselves as well. All right.

Mr. Knight: Mr. Chairman, I must say I cannot feel a tremendous amount of sympathy for these stations which are going to lose their wave lengths. It would appear to me that these gentlemen who are in support of these stations would be prepared to sacrifice Canadian interests—and I mean the interests of the nation as a whole—to protecting their own private interests. That, of course, is something typical of private enterprise in any case.

Mr. Fleming: Are we on discussion or question? I have been waiting a long time to ask some questions. If we are going to have speeches I think we had all better have a crack at it.

Mr. Fulton: I think Mr. Knight might explain what he means. It is quite interesting.

The CHAIRMAN: Gentlemen, just a moment.

Mr. ROSS (*St. Paul's*): We got shut off on that this morning.

The CHAIRMAN: This morning I had to call Mr. Ross to order for making a speech at the time of questioning, although I did not do it until his speech was half made. I think he will agree as to that. I think the committee was in agreement at that time with that ruling. If so I hope that nobody else will break the rule of order. This is the time for questioning, as Mr. Fleming says, unless, of course, it is necessary to introduce a question by a short statement, but the word "short" should have its usual meaning.

Mr. FLEMING: Short and to the point.

Mr. KNIGHT: I should say my introduction is now complete. I should like to look at the other side of the picture. I should like to ask, for instance, as to the set of regulations that these stations have to adhere to whether any infraction of those regulations might endanger renewal of the licence. I should like to know about that.

Mr. DUNTON: Yes, Mr. Chairman. The board at the end of each year makes recommendations regarding the renewal of licences for the following year, and naturally if there was a serious infraction of a licence we would take that into account in any recommendation made about renewal or non-renewal of the licence.

Mr. KNIGHT: Has the board at the present time a list of such infractions perpetrated, if I may use that word, by various stations, and particularly in regard to the three stations mentioned?

Mr. DUNTON: Yes, a list is kept. I should like to explain that the corporation is not anxious to build up a list of infractions or of offences committed, and the regulations division of the corporation does not operate in that way. Actually most infractions are first drawn to the attention of the station informally and discussed with them. Then if correction is made there is no formal entry and so actually in most cases, as I say, there is no registered complaint against the station for infraction or continued violation. I should like to emphasize that most stations are not anxious to keep on breaking the regulations, and therefore when a matter is brought to their attention they make the change and come into line.

If a station continued to violate a regulation, especially after it was brought to their attention, or after formal notification had been given of the provision of the Act, then I think the board would certainly take that into very serious consideration when making a recommendation about the renewal of the licence.

Mr. KNIGHT: To get down to cases, have any of the three stations named as likely to lose their wave lengths been threatened with such suspension of their licence?

Mr. DUNTON: Actually several years ago before the last parliamentary committee the board recommended that the licences of several stations be issued for only three months because they had been violating the regulations and were continuing to do so, with the idea that if in those three months they did not come back into the orbit of regulations their licences would lapse. That measure turned out to be salutary.

Mr. FLEMING: Were they among the three stations whose wave-lengths are now under consideration?

Mr. DUNTON: I am not certain but I think at least one was.

Mr. FLEMING: We had better have that because that has been the big C.C.F. point all the way. I think we ought to clear that up right now.

Mr. FULTON: Could you also give us the exact year when this took place?

Mr. DUNTON: It was several years previous to the last parliamentary committee. I think we have it here.

The CHAIRMAN: Would you go on with something else while that is being looked up.

Mr. GAUTHIER: On page 12 of your brief in the section having to do with subsidiary hookups you say:—

> To assist some of the private stations, the corporation reduced the charge for connecting stations, effective January 1, 1946. Therefore, one station in Montreal and another in Quebec can now hookup for a half hour program at the cost of $19.90 for the wire line service.

Can you tell me what price was charged before 1946 to those two stations, and what stations are they?

Dr. FRIGON: I have not got the figures here. We have reduced what we call the loop charge, the connecting of the station to the network, from $2.50 to $1.50, so that the reduction in comparison to the $19.90 is not very heavy. The charge is smaller than it was before.

Mr. GAUTHIER: Can you tell me the price that people like the C.N.R. and C.P.R. charge the CBC per occasion or per month for a hookup on their lines?

Dr. FRIGON: You mean the same line? I have not got that here, but I could have it ready for you.

Mr. GAUTHIER: At the next sitting?

Dr. FRIGON: Yes.

Mr. Ross *(St. Paul's)*: How much do you charge a private station for a hookup over and above what the C.P.R., C.N.R., or the Bell charge you? How much more do you charge the private station for a hookup.

Dr. FRIGON: I do not think that can be answered that way unless you want us to prepare a general statement on the whole thing. When you get on to the matter of rates you cannot compare the connection between two points. You have to take the whole rate structure into consideration. We buy lines at the rate of sixteen hours per day all the year round and we sell them at the rate of half an hour or so for so many times per week, so the rates are not comparable at all. It is just like hiring a taxicab by the day or by the run. You cannot compare the rates.

Mr. Ross *(St. Paul's)*: Private stations cannot buy lines outside of you?

Dr. FRIGON: No.

Mr. FLEMING: What is the maximum power that it is the policy of the CBC to allow to private stations in Canada?

Dr. FRIGON: Five kilowatts.

Mr. FLEMING: What are you going to do with regard to a station like CFRB that now has 10 kilowatts?

Dr. FRIGON: Ever since November, 1936, the corporation has agreed that stations operating then above 5 kilowatts should continue to operate at the same power.

Mr. FLEMING: How many of those are there?

Dr. FRIGON: Three.

Mr. FLEMING: All those are 10 kilowatts?

Dr. FRIGON: One is 15.

Mr. DUNTON: I should like to point out those stations have had a very special privilege above other private stations. They were in that field with that power at the time the corporation was set up and the corporation has not wanted to disturb that and still has no intention of disturbing that particular advantage those three stations have.

Mr. FLEMING: Then we may take it with the exception of those three, because of their established position, 5 kilowatts is the maximum strength that the CBC policy intends to allow to any private station?

Mr. DUNTON: Yes.

Mr. FLEMING: I asked Mr. Browne earlier today if any of these private stations had made application to build up to the allowable strength under the Havana treaty of the wave length they were on? Have either Mr. Dunton or Dr. Frigon knowledge of that matter? Mr. Browne did not have all the information.

Mr. DUNTON: I know that at least CFRB did at one time. We could easily look that up. I think that there are at least one or perhaps two others in the past.

Mr. FLEMING: Indicated their desire to build up to 50,000 watts?

Mr. DUNTON: Yes.

Mr. BEAUDOIN: The changes of frequencies which were required of the privately owned stations in 1941 and from time to time ever since—that is for CHNC, CJRL and CJOC, and so on—were made in accordance with the Havana conference?

Dr. FRIGON: Yes, sir. If I may be permitted I would like to make a general remark here. Of course, nobody likes a change in frequency. As a matter of fact in our own case once we are operating on a frequency and have a station set up on it the switching of frequencies from one station to another is not desired because of the requirements of service, that is to say in cities and outside in Canada, and stations are changed as little as possible so as not to disturb a set-up. I just explained a while ago, we have an agreement about changes. Stations are required to move from one location to another because of changing power, and there are some instances in which such a change is not very welcome by stations, including the CBC. These things are necessary and they are done.

Mr. ROSS (*St. Paul's*): Therefore, would I be right in assuming that CFRB in fact have some justification for not changing their wave length?

Dr. FRIGON: It happens also that when you are changing wave lengths you are allocated a frequency which is not as efficient so to speak, a frequency which has serious interference from other stations in Canada and the States, and has the effect of reducing your potential coverage at certain times of the day or year. But in other cases you increase your coverage by reason of the allocation of a better frequency with less interference and better operating stations. When a man loses something, of course, he protests. There are many other cases where conditions are improved by a change of frequency but, of course, we do not hear about them.

Mr. ROSS (*St. Paul's*): What is the maximum power at which your stations may operate?

Dr. FRIGON: Fifty kilowatts.

Mr. ROSS (*St. Paul's*): Why do you need another high-powered station in Toronto?

Mr. DUNTON: I think we are getting again into the whole matter of policy.

Mr. FLEMING: I think it would be well to clarify that point. When this wave length of CFRB is taken over and the CBC builds up to her strength under the Havana agreement there will be two 50,000 watt CBC stations located in Toronto?

Dr. FRIGON: That is right.

The CHAIRMAN: Mr. Ross, that question has been asked before and the answer held over until the whole policy picture is laid before the committee.

Mr. Ross (*St. Paul's*): I think that is one thing we ought to know.

The Chairman: Yes. There seems to be no disagreement about that, that we ought to know, and at the same time about the fact that we will know; for we have decided that we will have the thing called policy laid down all at one time.

Mr. Ross (*St. Paul's*): We have one station here capable of going to 50 kilowatts. The one at St. Catharines can be moved to Toronto without disturbance to CFRB. I do not see why they cannot use that station there, give that 1-B station another wave length because CFRB is very popular so far as Toronto and the surrounding area is concerned and it gets good coverage with only 10 kilowatts, better than some of the others do. That is the reason why I asked why these two things cannot be done.

The Chairman: It will all emerge I have no doubt. We will just have to have faith that it will emerge somewhere.

Mr. Fulton: Mention was made of three stations which are operating at more than normal wattage. Do these three stations pay any more for their licences than other stations?

Dr. Frigon: They do, yes; because the licence fee is based on power, the large area covered and the population served.

Mr. Fulton: My other question relates to the one asked Mr. Browne. He may present it the next time he appears.

The Chairman: Has he gone?

Mr. Fulton: No. he is here.

The Chairman: Then the question may be put.

Mr. Fulton: The material to which I refer will be found on pages 140 and 141 of our minutes of proceedings. It says on page 140:—

> In addition to the moneys from private receiving station licences, an amount of $40,500 being the fees accruing from the issue of private commercial broadcasting station licences, will also be turned over to the CBC, making a total of $3,773,284.76. It is gratifying to note that this figure is only $10,167.86 less than the amount turned over to the CBC for the fiscal year 1944-45, notwithstanding the decrease in sets in use which has grown appreciably during the past two years.

And then, on page 141 it gives a breakdown of the number of licences. Could Mr. Browne give us a further breakdown showing the amount received from each station? Perhaps not right now, but could he have a table prepared?

Mr. Browne: You mean the licence fee for each broadcasting station for which we collect?

Mr. Fulton: Yes.

Mr. Browne: We can furnish that.

Mr. Fulton: Thank you.

The Chairman: I would like to make a statement arising out of the question asked by Mr. Hackett the other day. Mr. Hackett was looking at the Havana treaty or agreement, and after doing so he requested that I look at it and see whether I might be able to make suggestions as to certain parts that could be printed. Well, I have gone over it and the whole agreement would not be such a difficut job to print were it not for a couple of charts that are in it. On the other hand there are a number of pages here which consist merely of sets of figures in columns spread across the page, and they have not speaking generally any direct relation to Canada, so I should not think there would be any advantage in printing that sort of thing. Now, the department for its own use has made an abstract of this treaty. They have made an abstract with a view to under-

standing the treaty in so far as it relates to Canada; and so far as I am concerned I cannot see that there will be any advantage in the printing of any more than that abstract. So if you think, and if Mr. Hackett would think that sufficient, there is a very good abstract of the agreement and it is just about four foolscap pages.

Mr. HACKETT: When you say abstract, do you mean somebody has changed the thing completely, or he has taken portions of the treaty verbatim and given us what he considers are the relative portions thereof?

The CHAIRMAN: Well, this abstract in part is a verbatim quotation, and also in part it is a statement of the effect of the treaty. If I may illustrate, the document begins; the agreement provides for 59 clear channels for class 1-A stations. Well, obviously that is not a quotation from the agreement. Later on I think there are places here where direct quotations of sections are made. It certainly varies quite often and no doubt most commonly I would think the substance matter varies from the language of the treaty itself.

Mr. Ross (*St. Paul's*): I think some time ago in one of the radio committees we had charts with treaties printed and given to us.

The CHAIRMAN: The printing of this whole document is quite a little job. Some parts of it would not seem to me to be of any value at all, and there is one part of it which would be quite difficult to reproduce.

Mr. HACKETT: Mr. Chairman, I would be prepared to accept the document with elimination of those parts which are entirely technical and which consist largely of figures, but I fear that it might be misleading if we accept an epitome of the agreement. Some people in the best of faith might read a passage in one way and somebody else might read it in another. If that were not the case your profession and mine would not thrive.

Hon. Mr. MCCANN: Might I ask you this? Would it be agreeable if the agreement were tabled with the clerk and was available to any member who wanted to read it? We have followed that suggestion on former occasions.

Mr. HACKETT: I think that is an excellent suggestion, Dr. McCann; but I think there are a few pages which would be most useful for every member to have in his possession, and I would be willing to accept Mr. Maybank's determination as to what those pages would be. The original document being made available any time anyone wants it to go further than that.

The CHAIRMAN: I do not think, Dr. McCann, that the document could be filed with the clerk indefinitely. As I understand it Mr. Browne told me that it is the only thing they have and I do not think they could let it go for too long a time.

Mr. HACKETT: There should be some reprints of it made.

Mr. BROWNE: It is not actually the only copy in activity. We have another one which is a quite recent pattern.

The CHAIRMAN: It would not be an awfully big job, of course, to print all that is in typewriting, and if it would be acceptable to get along without these charts—because I think that raises a little more difficulty—that is about the way I would edit it for printing.

Mr. HACKETT: I will be glad to leave it to you to have it printed in any way you choose, and the original document could be made available as suggested by the minister.

The CHAIRMAN: Is that agreeable to all concerned?

Some Hon. MEMBERS: Yes.

Mr. FLEMING: Mr. Dunton, I was just looking up certain questions and answers which appeared in certain early reports of the proceedings of the Radio

Committee, and I was going to ask you if it was a fair inference to assume that there have been no serious infractions of regulations? The Licences were renewed?

Mr. DUNTON: The question of licence renewals was for only a limited period in 1941. As to infractions I am afraid we have not a complete list here. Just one station was included in the particular connection at that time.

Mr. FLEMING: I suppose there is no reason why we should know which one?

Mr. DUNTON: No, it was CFRB.

Mr. FLEMING: And, were there any other infractions?

Mr. DUNTON: That was in 1941. I do not think it would affect the position of that station now.

Mr. FLEMING: Have you any information at the moment as to what that alleged infraction was?

Mr. DUNTON: My memory of it is that they were fairly general and applied to quite a number of different infractions.

Mr. FLEMING: I take it that over the past five years you have not had complaints about infractions on the part of these three stations?

Mr. DUNTON: Oh no, you cannot take that. We have, certainly. But as I have indicated we do not try to pile up a score against any station. There are a number of things taken up informally with stations. In other cases infractions are actually registered, not very serious stuff, but at the end of the year it has mounted up. They were just what you might term occasional infractions. There certainly have been other infractions by the stations mentioned, but nothing serious enough to warrant non-renewal or suspension of licence.

Mr. FLEMING: I take it that in matters affecting administration by the CBC there are a lot of difficult matters and plenty of technical infractions occurring all the time, and as you have indicated you try to work these out in a friendly way.

Mr. DUNTON: Exactly.

Mr. FLEMING: Since 1941 you have never had a case that has reached the point where you felt you had to consider disciplinary action? Would that be a fair statement?

Mr. DUNTON: No, I think there were other private stations outside of those three. It was found in connection with those that there were cases where some action was necessary. It was not a question of non-renewal of licence. Very sharp action was taken against some stations and they pulled up afterwards. But, as I say, there is nothing sufficiently serious to warrant consideration of non-renewal of licences or suspension of the station on the basis of reports submitted to the board.

Mr. FLEMING: But so far as the three are concerned nothing has occurred warranting disciplinary action since that case in 1941?

Mr. DUNTON: Nothing serious enough to warrant non-renewal, or only partial renewal of licence.

Mr. KNIGHT: If we might revert to where we were before, I would like to put another question. Are the Toronto stations responsible to the public for the presentation of the points of view to both sides of controversial issues? For instance, take such matters as labour unions, chambers of commerce and women's organizations?

Mr. DUNTON: Mr. Chairman, there is no definite regulation which calls for them to provide free time for any purpose, so far as I can recall. However, we do think it is part of the obligation of a station, part of its obligation to the public it serves in return for having a licence to provide a certain measure of time for public discussion of popular issues.

Mr. KNIGHT: In other words, they can sell all of their time if they so desire to commercial programmes?

Mr. DUNTON: Yes. As has been stated here in this committee we consider not only the regulations but the general performance of the station in the carrying out of its trust to the public. The corporation at the present time is considering making a recommendation along these lines; I mean, a station is selling all of its time and doing no public service, we think its licence should be looked into.

Mr. KNIGHT: In other words, that is the justification for its existence?

Mr. DUNTON: That is it.

Mr. KNIGHT: And let us take for instance the case of persons in Alberta belonging to the credit union who wish to arrange to have matters concerning the credit union discussed in the province of Quebec; how could we expect to have them discussed if we have no national organization where as you say the private station is under very little obligation to discuss matters except such matters as come to it in the form of sustaining programmes?

Mr. DUNTON: I do not know how you could except to have them discussed.

Mr. KNIGHT: Can you tell us how many private stations in Canada do take time for discussion of such matters; for instance, such matters as the labour management disputes?

Mr. DUNTON: We have not made any real survey of that, Mr. Chairman. As I indicated to this committee we try to look more at the performance of the stations. We haven't any definite facts on that.

Mr. ROSS (*St. Paul's*): The question of the credit union being heard at Quebec would only be possible over private stations, it is not possible on a hook-up.

Mr. KNIGHT: I might as well complete my line of questioning. I have two more. Are there any censorship regulations laid down by the stations preventing free expression of opinion?

Mr. DUNTON: I do not know.

Mr. KNIGHT: Either sustaining or otherwise?

Mr. DUNTON: I do not know whether some of the stations have policies against some things or not. We probably would only have knowledge in a particular case, say when somebody thought they should be allowed time on a station because an opponent had been talking, or something like that. I do not know anything about the restrictive policies of stations.

Mr. KNIGHT: Are there any of these stations selling time for what we might call opinion broadcasts?

Mr. DUNTON: Oh, I think definitely yes.

Mr. KNIGHT: Does CBC refuse to sell time on a request say of the Steel Company of Canada for a sponsored network programme presenting their point of view in the matter of wage increase—I am referring to the dispute between the men and the company?

Mr. DUNTON: I do not know of it having come up. If it did come up we would refuse it because that would be paid sponsored opinion on the network, which is not allowed. That is a matter of policy which has been approved.

Mr. KNIGHT: I presume there are certain types of programmes which are sustaining as opposed to sponsored?

Mr. DUNTON: Yes, but on the other hand people may just want to pay to have their opinions on the air. They are able to do that through the private stations; they are not on CBC or network time.

Mr. KNIGHT: Would you consider the granting of time to owners in the case of union disputes if the other people, the workers, in that particular organization did not have the same opportunity to buy time?

Mr. DUNTON: Under our policy I think very definitely if a station sells time to one side of a controversy they should certainly sell time to the other side.

Mr. KNIGHT: CHAB in Montreal in recent weeks—

Mr. DUNTON: You mean CJAD?

Mr. KNIGHT: That is a Montreal station?

Mr. DUNTON: Yes.

Mr. KNIGHT: In the recent case do you know how many scripts they issued and who paid for them?

Mr. DUNTON: No, I do not. In so far as scripts are concerned, we would not know.

Mr. KNIGHT: And you do not know whether the stations offer time to the unions in which to reply?

Mr. DUNTON: No, we do not.

Mr. FLEMING: There is one question I should have asked to wind up that matter of infractions. Have these old infractions in 1941, or any other technical infractions on the part of any of these three stations whose wave length it is proposed to take over, had anything to do with the decision of the CBC to take over these particular wave lengths?

Mr. DUNTON: No.

Mr. FLEMING: That decision has arisen entirely, I take it, out of CBC policy in the light of serving the country?

Mr. DUNTON: The policy of the CBC, plus recommendations from parliamentary committees over a great number of years, and under the policy of the government as stated some years ago.

Mr. BEAUDOIN: Dr. Frigon, to conclude the examination on the Havana conference, from your remarks should one conclude that at Havana you finally obtained the minimum of wave lengths and high power frequencies which are necessary to enable the CBC to fulfill its aim of establishing a national broadcasting system in Canada?

Dr. FRIGON: Yes, and we were ourselves the ones who called that conference. We requested the government of Canada to initiate the calling of the conference in Havana because at the time we had frequencies which were heavily interfered with by Mexico, and some of the best frequencies used in Canada were almost useless at night. Some of our own stations were interfered with, both in Montreal and Toronto, to the extent that they were practically useless. We initiated the conference and at the conference we obtained what we thought were the minimum requirements for Canada; and it was quite a feat, because all the countries are hungry for these channels. We obtained what we thought was our minimum requirement and that was in fact asking a lot from the other countries.

Mr. BEAUDOIN: Now that you have obtained this minimum through your valuable efforts you are not building 50 kilowatt stations just for the fun of it, it is part of the establishment of a complete national broadcasting system?

Dr. FRIGON: It is part of a plan which was thoroughly studied and approved by our Board in 1936. It is the same plan which continues.

The CHAIRMAN: I will break in at this stage as it is just about time for adjournment, and we need to discuss something about our meeting which will be held one week from to-day. Before I go into that, Mr. Ross has had the sessional paper No. 130B again brought to my attention, and it is his view, and I think it is the view of others that it should be printed as an appendix. Do you so move, Mr. Ross?

Mr. Ross (*St. Paul's*): I think Dr. Frigon would probably approve its being included. I think it would give the members some interesting information about the whole thing we have been discussing. I would move that it be included.

The CHAIRMAN: You have heard the motion gentlemen, is it your pleasure that this be included as an appendix?

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: You will remember that we arranged that at the meeting to take place one week from to-day that there would be two delegations—CFRB and CAB. As to which of these will come first, this committee did not have any opinion. The gentlemen representing these respective interests have conferred and decided amongst themselves as to the convenient way. We will commence the meeting a week from to-day by hearing them. You will remember we arranged that should it be necessary to conclude their presentation and questioning of them we would sit on Friday following the meeting one week from to-day. That is, we would take those two days hand running. So I think the questioning which is now going on will now come to an end. I think that is disposed of.

Mr. Ross (*St. Paul's*): I must again protest in connection with this matter. I think it is very unfair to have these people here before we know what the future policy of the CBC is going to be. All I can do is protest. As I said, I think it would be better if we could know what CBC policy is going to be before these men come on.

Mr. FLEMING: Has there been any intimation from either CKY or CFCM that they want to appear?

The CHAIRMAN: Not that I know of at the moment.

The Committee adjourned at 5.45 o'clock p.m. to meet again on Thursday next, July 11, 1946, at 10.30 o'clock a.m.

APPENDIX A

Appendices I to VII, etc. which were appended to Mr. Browne's statement made on Thursday, June 27, 1946.

APPENDIX I

PROSECUTIONS

UNLICENSED RECEIVING SET OWNERS

May 15, 1946.

Convictions by Province:

—	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46*
B.C.	396	256	459	351	453	503	359	353
Alta.	381	252	183	225	301	445	293	460
Sask.	703	588	478	471	420	460	490	339
Man.	217	89	53	132	130	131	115	254
Ont.	1,999	1,304	2,527	2,709	1,977	3,449	3,411	4,253
P.Q.	632	427	470	952	1,532	2,298	1,850	1,760
N.S.	375	172	203	327	327	572	747	792
N.B.	207	69	295	153	269	239	385	319
P.E.I.	97	53	135	183	54	348	193	219
Y/N. W. T.					2			
Total	5,007	3,210	4,803	5,503	5,465	8,445	7,843	8,749

*Not final.

APPENDIX II

ISSUE

RADIO RECEIVING LICENCES

May 15, 1946

Fiscal Year	Number		Gross Revenue	Cost of Collection Percentage of Revenue	
	Licences Paid	Issued Free		Commissions	Administration
			$ cts.		
1938–39	1,218,945	4,557	3,002,059 25	6·79	5·01
1939–40	1,339,295	5,862	3,268,366 68	7·07	4·90
1940–41	1,447,919	6,798	3,532,019 59	7·16	4·76
1941–42	1,616,491	6,998	3,929,199 14	7·12	5·03
1942–43	1,721,415	7,465	4,187,667 81	7·09	5·33
1943–44	1,763,004	7,896	4,288,882 23	7·13	5·37
1944–45	1,750,725	8,375	4,267,325 37	7·13	5·09
1945–46	1,745,916	8,435	4,260,379 14	6·93	5·45

APPENDIX III

PRIVATE RECEIVING STATION LICENCES

ISSUES AND REVENUE

BY PROVINCE

Licence Issues by Provinces:

—	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46
B. C.	106,169	113,945	125,714	138,191	149,481	157,060	162,655	165,281
Alta.	88,357	104,283	108,649	122,489	126,525	128,950	130,209	121,295
Sask.	63,625	98,707	109,713	122,304	127,529	128,754	129,298	126,002
Man.	79,295	89,704	94,357	104,384	108,435	110,249	106,144	107,343
Ont.	497,858	520,503	558,780	604,981	637,116	647,167	627,348	607,968
Que.	295,920	318,387	346,328	400,902	436,288	455,053	456,825	479,852
N. S.	51,622	55,796	62,496	71,776	81,524	79,887	82,694	80,759
N.B.	35,050	37,729	41,758	48,728	52,745	52,698	53,240	55,043
P.E.I.	5,209	5,694	6,337	8,962	8,516	10,583	10,228	10,346
Y/N.W.T.	397	409	585	772	721	499	459	462
	1,223,502	1,345,157	1,454,717	1,623,489	1,728,880	1,770,900	1,759,100	1,754,351
	11%+	10%+	8%+	12%+	7%+	2·4%+	1·3%−	0·3%−

Licences:

\+ Increase
− Decrease

May 15, 1946.

APPENDIX III

PRIVATE RECEIVING STATION LICENCES

ISSUES AND REVENUE

BY PROVINCE

Cont'd

Revenue by Provinces:

	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
B.C.	244,836 02	259,748 73	287,249 12	315,511 53	341,543 23	358,474 79	372,408 11	378,743 95
Alta.	192,109 51	222,694 79	231,728 67	260,221 37	269,538 25	274,138 50	278,014 47	261,010 25
Sask.	136,119 35	203,757 15	224,924 29	249,978 82	261,335 57	264,056 15	267,069 84	260,777 46
Man.	176,654 30	197,311 41	207,268 31	228,218 22	237,611 05	241,191 17	233,781 02	234,732 12
Ont.	1,150,884 43	1,194,049 72	1,281,235 63	1,385,776 80	1,460,396 78	1,482,491 23	1,436,984 10	1,396,386 83
Que.	687,783 90	735,520 59	797,892 24	921,029 66	1,001,362 45	1,044,229 66	1,047,982 75	1,106,823 69
N.S.	118,020 06	125,762 92	140,346 18	160,235 58	182,283 92	178,472 21	185,603 52	181,150 30
N.B.	79,737 50	85,364 36	94,015 64	108,607 24	117,608 35	117,402 84	119,492 70	122,858 15
P.E.I.	11,224 32	12,075 29	13,335 21	18,568 46	17,585 78	21,520 66	21,008 74	21,257 53
Y/NWT.	796 86	783 47	1,131 04	1,510 76	1,412 93	935 67	855 97	862 96
	2,798,166 25	3,037,168 43	3,279,126 34	3,649,658 44	3,890,678 31	3,982,912 88	3,963,201 22	3,964,603 24
+Inc. −Dec. Revenue...	**39%+	9%+	8%+	11%+	7%+	2·4%+	0·5%−	No appreciable change

**Licence fee increased on April 1, 1938, from $2.00 to $2.50 for electric sets (licence for battery sets remained at $2.00). At the same time, Radio Regulations were amended to require that set owners obtain licences for each set including sets installed in motor vehicles. On April 1, 1940, the Regulations were again amended to permit the operation of any number of sets owned and operated by the Licensee and installed in his residence.

May 15, 1946.

APPENDIX IV

PRIVATE RECEIVING STATION LICENCE

REVENUE AND COSTS

Net Revenue After Deduction of Collection Costs:

—	Receiving Licence Fees	Commercial Broadcasting Licence Fees	Total Revenue	Total Cost of Administration	Net Revenue
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
1938-39	2,798,166 25	4,300 00	2,802,466 25	150,280 10	2,652,186 15
1939-40	3,037,168 43	30,700 00	3,067,868 43	160,155 46	2,907,712 97
1940-41	3,279,126 34	28,200 00	3,307,326 34	168,174 24	3,139,152 10
1941-42	3,649,658 44	33,150 00	3,682,808 44	197,476 52	3,485,331 92
1942-43	3,890,678 81	34,350 00	3,925,028 31	223,338 07	3,701,690 24
1943-44	3,982,912 38	35,150 00	4,018,062 88	230,176 37	3,787,886 51
1944-45	3,963,201 22	37,600 00	4,000,801 22	217,348 60	3,783,452 62
1945-46	3,364,603 24	40,500 00	4,005,103 24	231,818 48	3,773,284 76

—	Dept. of Transport Costs	Other Costs*	Total
	$ cts.	$ cts.	$ cts.
1938-39	124,063 91	26,216 19	150,280 10
1939-40	135,229 32	24,926,14	160,155 46
1940-41	142,972 43	25,201 81	168,174 24
1941-42	168,065 12	29,411 40	197,476 52
1942-43	189,895 38	33,442 69	223,338 07
1943-44	199,770 05	30,406 32	230,176 37
1944-45	188,211 92	29,136 68	217,348 60
1945-46	202,562 08	29,256 40	231,818 48

*This includes all costs additional to direct Department of Transport costs and involves salaries of staff of Treasury Branch engaged on liccence work, and rentals of space occupied by licensing organization.

Department of Transport Costs:

	Salaries of Staff	Rental and Servicing of Powers Machinery	Cost of Printing of Licences	Printing and Stationery*	Miscellaneous**	Total
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
1938-39	89,136 06	5,993 00	6,822 09	11,490,00	10,622 75	124,063 91
1939-40	96,581 70	6,314 00	5,816 33	16,805 74	9,711 55	135,229 32
1940-41	100,012 80	7,743 00	6,276 62	19,590 49	9,349 52	142,972 43
1941-42	125,007 39	10,440 00	6,732 72	15,515 50	10,369 51	168,065 12
1942-43	147,831 80	10,700 00	6,569 56	14,822 35	9,971 67	189,895 38
1943-44	153,809 84	10,662 00	6,698 79	18,203 95	10,395 47	199,770 05
1944-45	152,597 65	10,712 00	6,337,44	8,648 75	9,916 08	188,211 92
1945-46	156,791 35	10,737 00	6,511 40	17,338 55	11,183 78	202,562 08

*Printing and Stationery includes printing of notice cards and all other printed forms other than the actual licences, and the purchase of all stationery including record cards used in connection with the Powers Machines. Also, included under this heading is purchase and repair of ordinary office machinery such as typewriters and adding machines.

**Miscellaneous includes delivery charges such as postage, express, etc., money order fees covering remittances from postmasters, telephones and telegrams, bonding of employees and unforeseen incidentals.

May 15th, 1946.

APPENDIX V

MECHANIZATION—RIDEAU BUILDING

Powers Key Punching Machinery:

Machines	Rental
Key Punches 8 at $18.50	$ 148 00
Interpreter 1 at	60 00
Sorters 3 at $43.50	130 50
Tabulators 2 at $275.00	550 00
Total Rental per Month	888 50
Total Rental per Annum	$10,662 00

Punchers do 1,450 complete names and addresses per day (7½ hours)
Tabulator speed 50 per minute (complete)
Interpreter " 50 " (")
Sorters " 50 " (complete sortation to 8 places)

APPENDIX VI

ISSUERS

PRIVATE RECEIVING STATION LICENCES

Commission Paid to Issuers:

Year	Total Commission Paid	Average Commission per licence
	$ cts.	cents
1938–39	203,893 00	16·6
1939–40	231,198 00	17·18
1940–41	252,893 25	17·4
1941–42	279,540 70	17·22
1942–43	296,989 50	17·18
1943–44	305,969 35	17·28
1944–45	304,124 15	17·29
1945–46	295,775 90	16·99

Class of Issuers and Rate of Commission:

Class of Issuers	Number of Issuers	Rate of Commission
		cents
House-to-House Canvass	223	25 (Supervisor 5. Vendor 20c.)
Staff Post Offices	248	5
Accounting	6,660	15
Radio Dealers	1,187	15
Banks	666	15
R.C.M. Police	35	25
*Miscellaneous	45	None
	9,064	

Percentage of Licences Issued by Various Classes of Issuers:

—	House-to House Canvass	Post Offices	Radio Dealers	Banks	Misc. (*)	Free
1938–39	36·14	42·11	16·8	3·4	1·15	0·4
1939–40	41·5	40·0	14·0	3·0	1·1	0·4
1940–41	42·7	40·3	12·7	2·9	0·9	0·5
1941–42	40·7	42·8	12·2	1·0	1·0	0·4
1942–43	41·0	43·5	11·4	2·8	0·9	0·4
1943–44	42·5	43·1	10·4	2·6	0·9	0·5
1944–45	43·0	43·4	9·7	2·5	0·9	0·5
1945–46	40·1	46·6	9·4	2·7	0·7	0·5

*Include Radio Inspectors, Marine Agents and Ottawa Licence Section.

APPENDIX VII

PRIVATE RECEIVING STATION LICENCES

Issued Without Fee:

—	Blind Persons	Hospitals and Charitable Institutions	Schools and Educational Purposes	Crystal Sets	Active Service Forces	Government	Total
1938–39	3,926	281	350	.....	.....	.....	4,557
1939–40	4,699	315	780	68	.....	.....	5,862
1940–41	5,388	169	776	236	227	2	6,798
1941–42	5,630	72	762	112	392	30	6,998
1942–43	5,973	80	1,042	94	242	34	7,465
1943–44	6,013	57	1,326	42	442	16	7,896
1944–45	6,081	69	1,788	32	381	24	8,375
1945–46	6,406	46	1,661	28	272	22	8,435

Sets in Automobiles:

—	1938–39	1939–40	1940–41	1941–42	1942–43	1943–44	1944–45	1945–46
B.C.	1,130	1,863	2,436	3,136	2,887	2,676	2,779	2,673
Alta.	2,675	4,279	5,077	5,917	5,337	5,022	5,294	4,957
Sask.	1,425	2,907	4,206	5,545	5,434	5,765	6,576	6,840
Man.	1,565	3,038	3,943	4,434	4,284	3,507	3,240	3,718
Ont.	15,655	14,975	19,075	22,617	20,141	17,066	15,439	14,728
Que.	4,397	5,817	7,458	15,959	16,388	15,082	14,357	14,710
N.S.	1,125	1,631	2,081	2,701	2,343	2,248	2,232	2,020
N.B.	804	918	1,208	1,514	1,288	1,191	1,350	1,339
P.E.I.	68	150	148	184	141	214	210	177
Y/N.W.T.	.....	.....	.....	1	1	.....	.....	.....
	28,844	35,578	45,632	62,008	58,244	52,771	51,477	51,162

NOTE: Prior to 1938–39 separate licences were not required for radio sets in automobiles.

15th May, 1946.

FINAL

DEPARTMENT OF TRANSPORT

RADIO DIVISION

ISSUE OF RECEIVING STATION LICENCES IN DOMINION OF CANADA

Final statement showing issue for Fiscal Year 1944–45 and Fiscal Year 1945–46.

—	1944–45 Fiscal year	1945–46 Fiscal year	—	1944–45 Fiscal year	1945–46 Fiscal year
Prince Edward Island	10,228	10,346	Manitoba	106,144	107,343
Nova Scotia	82,694	80,759	Saskatchewan	129,298	126,002
New Brunswick	53,240	55,043	Alberta	130,209	121,295
Quebec	456,825	479,852	British Columbia	162,655	165,281
Ontario	627,348	607,968	Yukon and N.W.T.	459	462
				1,759,100	1,754,351

BY PRINCIPAL TOWNS AND CITIES UNDER PROVINCES

—	1944–45 Fiscal year	1945–46 Fiscal year
Province of Prince Edward Island		
Charlottetown	2,386	2,455
Summerside	992	946
Miscellaneous	6,850	6,945
Province of Nova Scotia		
Amherst	2,236	2,232
*Antigonish	385	364
Bridgetown	516	517
Bridgewater	864	824
Dartmouth	2,702	2,673
Digby	594	688
*Dominion	330	310
*Glace Bay	2,725	2,735
*Halifax	14,809	14,725
Inverness	246	217
Kentville	1,252	1,234
Liverpool	552	487
Lunenburg	813	800
New Glasgow	2,296	2,091
*New Waterford	1,281	1,280
*North Sydney	882	1,223
*Parrsboro	403	452
*Pictou	1,037	982
*Reserve and Reserve Mines	267	353
*Springhill	1,491	1,377
Stellarton	979	893
*Sydney	4,797	4,705
*Sydney Mines	1,001	1,137
Trenton	478	394
*Truro	2,693	2,564
Westville	801	756
Windsor	724	677
Wolfville	620	736
*Yarmouth	1,786	1,489
Miscellaneous	33,134	31,844
Province of New Brunswick		
*Bathurst	1,012	1,090
Campbellton	1,130	1,162
*Chatham	556	570
*Dalhousie	717	722
Devon (N. & S.)	508	527
*Edmundston	1,144	1,305
Fredericton	2,656	2,666
Moncton	5,399	5,609
*Newcastle	514	533
*Saint John	13,318	13,192
St. Stephen	965	1,013
Sackville	835	816
*Shediac	413	499
*Sussex	815	777
*Woodstock	1,041	1,125
Miscellaneous	22,217	23,437
Province of Quebec		
Acton Vale	303	353
*Almaville	627	629
Amos	291	413
Arthabaska	213	406
Arvida	1,574	1,428
*Asbestos	995	1,117
Aylmer	545	575
Bagotville	559	533
Baie St. Paul	371	380
*Beauceville Est	390	411
Beauharnois	727	769
Beauport	844	812
*Belœil and Station	419	495
*Berthierville	749	729
Black Lake	346	361
Brownsburg	615	545
Buckingham	734	818
Cabano	289	312
Cap de la Madeleine	1,911	1,968
*Chambly	662	685
Charlesbourg and Ouest	313	330
*Charny	519	501
*Chateauguay	509	521
*Chicoutimi	3,286	3,120
Coaticook	1,008	1,204
Cowansville	717	646
Danville	473	484
Dolbeau	295	305
Donnacona	487	484
Dorval	244	389
Drummondville	2,203	2,400
East Angus	592	648
Farnham	949	907
Gatineau, Pt. and Mills	918	950
Giffard	285	360
Granby	2,205	2,522
*Grande Baie	358	366
Grand'mere	1,230	1,177
*Hull	5,001	5,521
Huntingdon	583	830
Iberville	922	977
Joliette	2,050	2,160
Jonquiere	2,452	2,560
*Kenogami	1,324	1,164
Lachine	3,353	3,821
*Lachute	1,050	950
*La Malbaie	344	403
Laprairie	359	473
La Sarre	183	265
La Tuque	765	704
Laval des Rapides	152	311
Lennoxville	608	686
L'Epiphanie	339	341
*Levis	3,479	3,698
Longueuil	1,514	1,437
*Loretteville	493	493
Louiseville	743	869
Magog	1,508	1,479
Malartic	375	552
Maniwaki	407	354
Marieville	548	615
Masson	194	205
Matane	849	873
Megantic (Lac)	686	818
Mont Joli	517	679
Mont Laurier	224	216
Montmagny	1,209	1,165
*Montmorency	861	976
*Montreal	207,887	219,311
Nicolet	319	510
Noranda	793	958
Plessisville	741	761
Pointe Claire	479	562
Port Alfred	482	485
*Price	323	362
*Quebec	28,114	28,529
Richmond	746	695
Rimouski	1,477	1,536
*Riviere du Loup	1,283	1,336
Roberval	459	415
Rouyn	1,103	1,295
Ste. Agathe des Monts	543	543
Ste. Anne de Beaupre	267	512
Ste. Anne de Bellevue	616	633
*Ste. Anne de la Pocatiere	425	467
*St. Eustache	634	831
*St. Georges de Beauce	791	909

—	1944–45 Fiscal year	1945–46 Fiscal year
PROVINCE OF QUEBEC *(Continued)*		
*St. Hyacinthe	4,371	4,181
St. Jean	3,475	3,420
St. Jerome	2,031	2,359
St. Joseph D'Alma	704	846
St. Joseph de Sorel	823	649
St. Lambert	1,963	1,994
St. Laurent	1,422	1,273
St. Louis de Courville	274	308
St. Marc des Carrieres	234	243
St. Martin (Laval)	242	315
St. Raymond	403	484
St. Romuald d'Etchemin	327	506
*Ste. Rose (Laval)	534	632
Ste. Therese	1,147	994
St. Tite	453	426
St. Vincent de Paul	479	486
Sayabec	224	269
Shawinigan Falls	4,125	4,059
Sherbrooke	7,436	7,934
Sorel	2,164	2,260
Terrebonne	486	755
Thetford Mines	2,512	2,398
Three Rivers	6,970	7,348
Timiskaming Station	202	198
Trois Pistoles	325	393
Val D'or	583	749
*Valleyfield	3,469	3,550
Victoriaville	1,536	1,793
Ville St. Joseph	1,152	1,202
Ville St. Pierre	716	860
Waterloo	784	775
*Windsor	540	590
Miscellaneous	94,390	98,305
PROVINCE OF ONTARIO		
Acton	553	536
Alexandria	407	410
Almonte	631	606
Amherstburg	607	621
Ansonville	302	293
Arnprior	971	1,015
Aurora	618	581
Aylmer	857	734
Barrie	1,450	1,375
Beamsville	624	543
Belleville	3,410	3,289
Blenheim	935	957
Blind River	192	288
*Bowmanville	840	855
Bracebridge	545	543
Brampton	1,436	1,466
*Brantford	8,921	8,535
Brighton	382	423
Brockville	2,654	2,697
Burlington	907	770
Caledonia	455	446
Campbellford	571	688
Carleton Place	990	1,053
Chatham	4,633	4,978
Chesley	523	515
Chesterville	512	433
Clinton	629	684
*Cobalt	339	393
Cobourg	1,129	1,242
Cochrane	485	463
Collingwood	1,217	1,178
Coniston	347	336
Copper Cliff	548	588
*Cornwall	4,621	4,600
Delhi	629	621
Dresden	553	576
Dundas	1,392	1,216
*Dunville	1,058	943
Durham	494	425
*Eastview	1,418	1,496
Elmira	597	593
Essex	647	506
Exeter	545	548
Fergus	867	862
*Fort Erie	1,705	1,502
Fort Frances	1,131	1,326
Fort William	6,585	6,867
Galt	3,613	3,602
Gananoque	798	853
Georgetown	648	595
Geraldton	646	597
Goderich	1,201	1,158
*Gravenhurst	408	403
*Grimsby	875	963
Guelph	4,224	3,706
Hagersville	619	545
Haileybury	322	339
*Hamilton	33,787	33,618
Hanover	955	950
Hawkesbury	881	844
Hespeler	723	690
Humberstone	470	432
Huntsville	532	579
*Ingersoll	1,450	1,408
Iroquois	462	447
Kapuskasing	512	519
Kemptville	558	459
Kenora	1,612	1,599
Kincardine	730	769
*Kingston	7,645	7,759
Kingsville	784	728
Kirkland Lake	2,000	1,986
Kitchener	9,183	9,099
Leamington	1,775	1,698
Lindsay	1,666	1,515
Listowel	891	872
*London	19,938	19,726
Long Branch	941	1,109
Mattawa	237	216
Meaford	609	624
Merritton	761	751
Midland	1,161	1,148
*Milton West	668	606
Mitchell	662	693
Morrisburg	509	499
Napanee	1,031	1,113
New Liskeard	704	553
Newmarket	1,212	1,292
*Niagara Falls	6,126	5,015
Niagara-on-the-Lake	462	409
*North Bay	3,350	3,314
*Norwich	524	476
Oakville	1,092	1,113
Orangeville	470	540
Orillia	2,283	2,217
*Oshawa	6,170	5,600
*Ottawa	38,273	38,637
*Owen Sound	2,647	2,622
*Paris	1,466	1,362
*Parry Sound	983	897
Pembroke	2,267	2,296
Penetanguishene	467	394
Perth	1,204	1,332
Peterboro	7,634	7,270
Petrolia	722	770
Picton	1,038	1,042
*Port Arthur	5,180	4,726
Port Colborne	1,301	1,437
Port Credit	912	827
Port Dover	494	357
Port Elgin	462	475

—	1944–45 Fiscal year	1945–46 Fiscal year
PROVINCE OF ONTARIO *(Continued)*		
PORT HOPE	1,500	1,557
Port Perry	553	567
Portsmouth	208	219
*Prescott	938	886
PRESTON	1,391	1,272
RENFREW	1,445	1,514
Ridgetown	560	526
Riverside	748	866
Rockland and East	279	267
ST. CATHARINES	8,381	8,475
St. Mary's	1,191	1,173
*ST. THOMAS	4,940	4,488
SARNIA	5,113	4,955
*SAULT STE. MARIE	5,694	6,152
*Scarboro	631	1,161
Schumacher	665	639
Seaforth	578	652
SIMCOE	2,043	1,776
Sioux Lookout	440	445
SMITH'S FALLS	1,779	1,725
*SOUTH PORCUPINE	1,169	1,195
STRATFORD	3,401	3,461
Strathroy	746	830
Sturgeon Falls	454	485
*SUDBURY	6,284	5,602
Tavistock	401	385
Tecumseh	473	604
*THOROLD	1,109	1,011
Tilbury	557	614
Tillsonburg	1,210	1,205
TIMMINS	3,967	3,750
*TORONTO	163,598	157,706
TRENTON	1,280	1,367
Uxbridge	418	424
Walkerton	814	825
Wallaceburg	1,228	1,312
Waterford	700	637
WATERLOO	2,378	2,476
*WELLAND	3,392	2,969
WESTON	1,753	1,660
*WHITBY	885	866
Wiarton	413	402
*Winchester	609	546
*WINDSOR	20,860	20,875
Wingham	593	646
WOODSTOCK	2,961	2,817
Miscellaneous	110,826	102,718
PROVINCE OF MANITOBA		
BRANDON	3,771	3,807
Carman	518	568
Dauphin	1,432	1,297
FLIN FLON	1,075	1,417
Grandview	378	298
Minnedosa	522	548
Morden	393	433
Neepawa	688	655
PORTAGE LA PRAIRIE	1,662	2,023
Selkirk	839	843
Souris	444	399
Swan River	404	408
The Pas	402	446
TRANSCONA	1,159	1,173
Virden	468	444
*WINNIPEG	58,697	61,835
Miscellaneous	33,292	30,749

—	1944–45 Fiscal year	1945–46 Fiscal year
PROVINCE OF SASKATCHEWAN		
Biggar	712	697
Estevan	736	720
Humboldt	507	495
Kamsack	535	502
*Lloydminster	652	609
Maple Creek	488	450
Melfort	699	726
Melville	994	945
MOOSE JAW	5,806	6,057
Nipawin	740	713
N. Battleford	1,644	1,479
*PRINCE ALBERT	3,934	3,165
*REGINA	12,884	13,942
Rosetown	638	628
*SASKATOON	11,477	12,048
Shaunavon	556	551
SWIFT CURRENT	1,445	1,411
Tisdale	502	534
WEYBURN	1,058	1,045
Wilkie	457	439
YORKTON	1,268	1,280
Miscellaneous	81,566	77,566
PROVINCE OF ALBERTA		
Banff	439	451
Blairmore	419	469
*CALGARY	22,148	22,154
Camrose	922	901
Claresholm	525	556
Coleman	604	644
Drumheller	1,132	948
*EDMONTON	24,986	26,154
Hanna	541	525
High River	476	514
Innisfail	545	533
Lacombe	806	786
Leduc	506	453
LETHBRIDGE	4,023	4,042
Macleod	498	447
MEDICINE HAT	2,823	2,726
Olds	521	511
Ponoka	865	838
Raymond	442	407
Red Deer	1,369	1,318
Stettler	507	467
Tofield	392	387
Vegreville	589	606
Vermilion	597	582
Wetaskiwin	1,141	1,049
Miscellaneous	62,393	52,827
PROVINCE OF BRITISH COLUMBIA		
Abbotsford	526	515
Alberni	608	611
Chilliwack	1,789	1,698
Cloverdale	548	717
*Courtenay	577	677
Cranbrook	857	885
Cumberland	583	544
*Duncan	1,172	1,146
Fernie	669	686
*KAMLOOPS	1,699	1,893
*KELOWNA	2,018	2,044

—	1944–45 Fiscal year	1945–46 Fiscal year	—	1944–45 Fiscal year	1945–46 Fiscal year
PROVINCE OF BRITISH COLUMBIA *(Continued)*			Prince George	596	617
			PRINCE RUPERT	1,754	1,556
Kimberley	1,010	1,011	*Revelstoke	656	615
Ladysmith	684	684	Rossland	860	865
*Mission City	608	654	Salmon Arm	538	536
*NANAIMO	2,384	2,585	Sardis	598	537
*NELSON	2,176	2,172	*Steveston	271	431
*NEW WESTMINSTER	10,201	11,224	*TRAIL	2,892	2,766
Oliver	457	471	*VANCOUVER	72,595	75,587
PENTICTON	1,542	1,658	*VERNON	1,995	2,065
Port Alberni	1,222	1,205	*VICTORIA	19,644	19,679
*Powell River	915	1,106	Miscellaneous	28,011	25,841

*Suburbs and surrounding small towns and villages included in each case, particulars of which are shown on attached sheets.

Upper case type indicates a population of 5,000 or over, lower case type approximately 1,900 or over.

Of the above Grand Totals, the following were issued free of fee:

	1944–45	1945–46
Blind	6,081	6,406
Charitable Institutions	69	46
Schools	1,788	1,661
Crystal Sets	32	28
Government	24	22
C.A.S.F.	381	272

Appendix B

RADIO DIVISION

DEPARTMENT OF TRANSPORT

International Section

HAVANA, December 13, 1937.

NORTH AMERICAN REGIONAL BROADCASTING AGREEMENT

Signed in Havana, on December 13, 1937

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III. Notification and effect thereof.
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HABANA, December 10, 1937.

NORTH AMERICAN REGIONAL BROADCASTING AGREEMENT

Concluded among the following Governments:—

Canada
Cuba
Dominican Republic
Haiti
Mexico
United States of America

The undersigned, plenipotentiaries of the Governments listed above, having met in conference at Habana, Cuba, have, in common agreement and subject to ratification, concluded the following Agreement.

I

Purpose and Scope of this Agreement

1. Purpose of Agreement. The purpose of this Agreement is to regulate and establish principles covering the use of the standard broadcast band in the North American Region so that each country may make the most effective use thereof with the minimum technical interference between broadcast stations.

2. North American Region. The North American Region (hereinafter referred to as "Region") for the purpose of this Agreement shall be deemed to include and to consist of the following countries: Canada, Cuba, Dominican Republic, Haiti, Mexico, Newfoundland, and the United States of America.

3. Standard broadcast band. The standard broadcast band shall be deemed to be the band of frequencies extending from 550 to 1600 kc, both inclusive, both 550 kc and 1600 kc being the carrier frequencies of broadcasting channels as hereinafter defined. The Governments agree, subject to the provisions of Article 7 of the General Radio Regulations annexed to the International Telecommunications Convention, Madrid, 1932, that this band of frequencies shall be allocated exclusively to broadcasting in the Region.

4. Sovereign right to use channels. The sovereign right of all countries, parties to this Agreement, to the use of every channel in the standard broadcast band is recognized. The Governments recognize, however, that until technical developments reach a state permitting the elimination of radio interference of international character, a regional arrangement between them is necessary in order to promote standardization and to minimize interference.

5. Regional character of Agreement. The Governments recognize that this Agreement, and each provision thereof, is a regional arrangement within the meaning of, and authorized by the International Telecommunications Convention and the General Radio Regulations annexed thereto.

II

Technical

A. *Definitions*

1. Broadcast station. A station the emissions of which are primarily intended to be received by the general public.

2. Broadcast channels—550 to 1600 kc. A broadcast channel is a band of frequencies ten (10) kc in width, with the carrier frequency at the centre. Channels shall be designated by their assigned carrier frequencies. Carrier frequencies assigned to broadcast stations shall begin at 550 kc and be in successive steps of 10 kc. No intermediate frequency shall be assigned as the carrier frequency of any broadcast station.

3. Service Areas.

(*a*) Primary service area. The primary service area of a broadcast station is the area in which the ground wave is not subject to objectionable interference or objectionable fading.

(*b*) Secondary service area. The secondary service area of a broadcast station is the area served by the sky wave and not subject to objectionable interference. The signal is subject to intermittent variations in intensity.

4. Dominant stations. A "dominant" station is a Class I station, as hereinafter defined, operating on a clear channel.

5. Secondary station. A "secondary" station is any station except a Class I station operating on a clear channel.

6. Objectionable interference. Objectionable interference is the degree of interference produced when, at a specified boundary or field intensity contour with respect to the desired station, the field intensity of an undesired station (or the root-mean-square value of field intensities of two or more stations on the same frequency) exceeds for ten (10) percent or more of the time the values hereinafter set forth in this Agreement.

7. Power. The power of a radio transmitter is the power supplied to the antenna. The power in the antenna if a modulated-wave transmitter shall be expressed in two numbers, one indicating the power of the carrier frequency supplied to the antenna, and the other the actual maximum percentage of modulation.

8. Spurious radiation. A spurious radiation from a transmitter is any radiation outside the frequency band of emission normal for the type of transmission employed, including any harmonic modulation products, key clicks, parasitic oscillations and other transient effects.

9. English, French and Spanish equivalents. It is agreed that, as used in this Agreement, the French and Spanish words below set forth are respectively, the equivalent of, and mean the same as, the English terms opposite which they appear:—

English	French	Spanish
Clear channel	Frequence libre	Canal despejado
Objectionable interference	Brouillage nuisible	Interferencia objetable

B. Classes of Channels and Allocation Thereof

1. Three classes: The 106 channels in the standard broadcast band are divided into three principal classes; clear, regional and local.

2. Clear channel: A clear channel is one on which the dominant station or stations render service over wide areas and which are cleared of objectionable interference, within their primary service areas and over all or a substantial portion of their secondary service areas.

3. Regional channel: A regional channel is one on which several stations may operate with powers not in excess of 5 kw. The primary service area of a station operating on any such channel may be limited, as a consequence of interference, to a given field intensity contour.

4. Local channel: A local channel is one on which several stations may operate with powers not in excess of 250 watts. The primary service area of a station operating on any such channel may be limited, as a consequence of interference, to a given field intensity contour.

5. Number of channels of each class: The number of channels of each class shall be as follows:—

Clear channels	59
Regional channels	41
Local channels	6
	106

6. Allocation of specific channels to each class: The channels are allocated to the several classes as follows:—

Clear Channels. The following channels are designated as clear channels: 640, 650, 660, 670, 680, 690, 700, 710, 720, 730, 740, 750, 760, 770, 780, 800, 810, 820, 830, 840, 850, 860, 870, 880, 890, 900, 940, 990, 1000, 1010, 1020 1030, 1040, 1050, 1060, 1070, 1080, 1090, 1100, 1110, 1120, 1130 1140, 1160, 1170, 1180, 1190, 1200, 1210, 1220, 1500, 1510, 1520, 1530, 1540, 1550, 1560, 1570 and 1580.

Regional channels. The following channels are designated as regional channels. 550, 560, 570, 580, 590, 600, 610, 620, 630, 790, 910, 920, 930, 950. 960, 970, 980, 1150, 1250, 1260, 1270, 1280, 1290, 1300, 1310, 1320, 1330, 1350, 1360, 1370, 1380, 1390, 1410, 1420, 1430, 1440, 1460, 1470, 1480, 1590, 1600.

Local channels. The following channels are designated as local channels: 1230, 1240, 1340, 1400, 1450, and 1490 kc.

7. Use of regional and local channels by countries. All countries may use all regional and local channels, subject to the power limitations and standards for prevention of objectionable interference set forth in this Agreement.

8. Priority of use of clear channels by countries.

(*a*) The clear channels are assigned for priority of use by Class I and II stations in the several countries in accordance with the table set forth in Appendix I.

(*b*) Each such channel shall be used in a manner conforming to the best engineering practice with due regard to the service to be rendered by the dominant stations operating thereon, as set forth elsewhere in this Agreement. If for one year within the term of this Agreement, a country fails to make any use of a clear channel assigned to it, the channel shall be considered open for use by the other countries, parties to this Agreement, pursuant to such arrangement as may be agreed upon by their respective administrations and without any necessity for revision of this Agreement.

(*c*) No country to which a clear channel has been thus assigned shall permit or agree to permit, any other country to use such channel in a manner not in conformity with this Agreement without first giving sixty days advance notice of its intention so to do to all other countries, parties to this Agreement. If during this period of sixty days any other country shall present objections to such proposed use of the channel, the country to which the clear channel has been assigned shall not permit, or agree to permit, such proposed use until the difference presented by the objection has been amicably resolved.

(*d*) If within the period of this Agreement the country to which a clear channel has been assigned shall have made use of the channel but not in the manner above prescribed or not to the extent required by the provisions of this Agreement, such country shall be considered as having relinquished that portion of the rights which it has not used and at the expiration of this Agreement the other countries party thereto shall have the right, if they see fit, to withdraw the unused privileges from such country and to reassign them to any or all of the other interested countries.

C. *Classes of Stations and Use of the Several Classes of Channels.*

1. Classes of stations. Broadcast stations are divided into four principal classes, to be designated Class I, Class II, Class III, and Class IV, respectively.

2. Definitions of classes. The four classes of Broadcast stations are defined as follows:

Class I: A dominant station operating on a clear channel and designed to render primary and secondary service over an extended area and at relatively long distances. Class I stations are subdivided into two classes:

Class I-A: A Class I station which operates with power of 50 kw or more and which has its primary service area, within the limits of the country in which the station is located, free from objectionable interference from other stations on the same and adjacent channels, and its secondary service area, within the same limits, free from objectionable interference from stations on the same channel, in accordance with the engineering standards hereinafter set forth.

Class I-B: A Class I station which operates with power of not less than 10 kw or more than 50 kw and which has its primary service area free from objectionable interference from other stations on the same and adjacent channels and its secondary service area free from objectionable interference from stations on the same channel, in accordance with the engineering standards hereinafter set forth.

(*a*) When two Class I-B stations on the same channel are separated by a distance of 2800 miles or more, neither station shall be required to install a directional antenna.

(*b*) When two Class I-B stations on the same channel are separated by a distance of more than 1800 miles and less than 2800 miles, it will, in the absence of proof to the contrary, be assumed that each station is free of objectionable interference caused by the other and neither shall be required to install directional antennas or take other precautions to avoid such interference. In case the existence of objectionable interference is proved, the governments concerned will consult with each other regarding the desirability and practicality of installation of directional antennas or the taking of other precautions to eliminate the interference and will determine by special arrangement the measures, if any, to be taken.

(*c*) When two Class I-B stations on the same channel are separated by a distance less than 1800 miles, it will, in the absence of proof to the contrary, be assumed that the installation of directional antennas or the taking of other precautions to avoid interference is necessary, and the governments concerned will consult with each other and will take such measures as may be agreed upon between them to the end that the objectionable interference may be reduced or eliminated.

Class II: A "secondary" station which operates on a clear channel and is designed to render service over a primary service area which, depending on geographical location and power used, may be relatively large, but which is limited by and subject to such interference as may be received from Class I stations. A station of this class shall operate with power of not less than 0.25 kw or more than 50 kw. Whenever necessary a Class II station shall use a directional antenna or other means to avoid interference, in accordance with the engineering standards hereinafter set forth, with Class I stations and with other Class II stations.

Class III: A station which operates on a regional channel and is designed to render service primarily to a metropolitan district and the rural area contained therein and contiguous thereto. Class III stations are subdivided into two classes:

Class III-A: A Class III station which operates with power not less than one kilowatt or more than five kilowatts and the service area of which is subject to interference in accordance with the engineering standards hereinafter set forth.

Class III-B: A Class III station which operates with a power not less than 0·5 kw or more than 1 kw night and 5 kw daytime and the service area of which is subject to interference in accord with the engineering standards hereinafter set forth.

Class IV: A station using a local channel and designed to render service primarily to a city or town and the suburban and rural areas contiguous thereto. The power of a station of this class shall not be less than 0·1 kw or more than 0·25 kw and its service area is subject to interference in accord with the engineering standards hereinafter set forth.

3. Change of class. If a station or stations in Class III-B located in any country can, through the use of directional antennas or otherwise, so reduce the interference caused or received by such station or stations to the field contour to which interference to stations in Class III-A is allowed, such station or stations shall automatically be classified and included in Class III-A and shall thereafter be so recognized and treated by the Administrations of all countries within the Region.

4. Use of Clear Channels.

(*a*) In principle and subject only to the exception hereinafter set forth, Class I stations shall be assigned only to clear channels.

(*b*) Class II stations may be assigned to clear channels only on condition that objectionable interference will not be caused to any Class I Stations. Where any country has priority of use of a clear channel for any Class I-A station, no other country shall assign any Class II station to that channel for night time operation (from sunset to sunrise at the location of the Class II station) unless such Class II station is located not less than 650 miles from the nearest border of the country in which the Class I-A station is located; provided, however, that where an assignment for a Class II station is specifically stated in Appendix I, such assignment shall be deemed as authorized under the limitations therein set forth.

5. Use of regional channels.

(*a*) In general only Class III-A and Class III-B stations shall be assigned to regional channels.

(*b*) On condition that interference be not caused to any Class III-A or Class III-B station, and subject to such interference as may be received from Class III-A or Class III-B stations, Class IV stations may be assigned to regional channels.

(*c*) Because of their geographical location with respect to the North American continent, special consideration will be given to the use by Cuba, the Dominican Republic, Haiti and Newfoundland of stations of Classes I and II assigned to certain regional channels under certain conditions, with respect to power and precautions to avoid objectionable interference as set forth in Appendix VII.

6. Use of local channels. Only Class IV stations shall be assigned to local channels.

D. *Service and Interference*

1. Satisfactory signal. It is recognized that, in the absence of interference from other stations and in regions where the natural electrical noise level is not abnormally high, a signal of 100 microvolts per meter constitutes a useable signal in rural and sparsely settled areas but that, because of the higher electrical noise levels in more thickly populated communities, greater field intensities

(ranging as high as 25 millivolts or more in cities) are necessary to render satisfactory service. It is further recognized that it is not possible to accord protection to stations from objectionable interference over the entire areas over which their signals are or may be above the electrical noise level, particularly at night, and that it is necessary to specify boundaries or contours at or within which stations are protected from objectionable interference from other stations.

2. Areas protected from objectionable interference. The boundaries or contours at and within which the several classes of stations shall be protected from objectionable interference are as set forth in Appendix II. No station, however, need be protected from objectionable interference at any point outside the boundaries of the country in which such station is located.

With respect to the root-mean-square values of interfering field intensities referred to herein, it shall be understood to apply in determining the interference between existing stations and no station thereafter assigned the channel shall increase the root-mean-square value of the interfering field intensity above the maxima specified in the attached tables.

3. Objectionable interference on the same channel. Objectionable interference shall be deemed to exist to a station when, at the boundary or field intensity contour specified in Appendix II with respect to the class to which the station belongs, the field intensity of an interfering station (or the root-mean-square value of the field intensities of two or more interfering stations) operating on the same channel, exceeds for ten (10) per cent or more of the time the value of the permissible interfering signal set forth opposite such class in Appendix II.

4. Interference to dominant clear channel stations. A station shall be considered as not capable of causing objectionable interference to a Class I clear channel station on the same frequency when it is separated from the dominant clear channel station by a difference of 70 degrees or more of longitude.

5. Objectionable interference on adjacent channels. It is recognized, in principle, that objectionable interference may be caused to a desired station when, at or within the specified contours of a desired station, the field intensity of the ground wave of an undesired station operating on an adjacent channel (or the root-mean-square value of the field intensities of two or more such undesired stations operating on the same adjacent channel) exceeds a value determined by the following ratio:

Separation between channels	Minimum permissible ratio of desired to undesired signals
10 kc	1 to 0·5
20 kc	1 to 10
30 kc	1 to 50

For convenient reference, the maximum permissible values of interfering signals on such adjacent channels at specified contours are set forth in Appendix III, Table I.

6. Application of standards to existing stations.

(*a*) For the purpose of estimating objectionable interference, all stations (other than those of Class II) shall be assumed to use the maximum power permitted to their respective classes. In this connection, the power of Class I-A stations shall be considered to be 50 kw or the actual power, if higher.

(*b*) After this agreement has been placed in operation a station thereafter assigned a channel already assigned to other stations shall not be considered as preventing existing stations from increasing their power to the

maximum allowed their class, even though such power increase may limit the newly assigned station to a field intensity contour of higher value than that permitted its class.

7. Frequency stability.

The operating frequency of each broadcast station shall be maintained to within 50 cycles of the assigned frequency until January 1, 1939, and thereafter the frequency of each new station or each station where a new transmitter is installed shall be maintained within 20 cycles of the assigned frequency, and after January 1, 1942, the frequency of all stations shall be maintained within 20 cycles of the assigned frequency.

8. Spurious radiation. The governments shall endeavor to reduce and, if possible, eliminate spurious radiations from broadcast stations. Such radiations shall be reduced in all cases until they are not of sufficient intensity to cause interference outside the frequency band required for the type of emission employed. With respect to type A-3 emissions (radio-telephony) the transmitter shall not be modulated in excess of its modulation capability to the extent that interfering spurious radiations occur, and, with respect to amplitude modulation, the operating percentage of modulation should not be less than seventy-five (75) per cent on peaks of frequent recurrence. Means should be employed to insure that the transmitter is not modulated in excess of its modulation capability.

E. *Determination of Presence of Objectionable Interference*

1. Antenna performance. For the purpose of calculating the presence and the degree of objectionable interference, stations of the several classes shall be assumed to produce effective field, corrected for absorption, for one kilowatt of input power to the antenna, as follows:—

Class of station	At One Mile	At One Kilometer
I	225 mv/m	362 mv/m
II and III	175 mv/m	282 mv/m
IV	150 mv/m	241 mv/m

In case a directional antenna is employed, the interfering signal of a broadcasting station will vary in different directions. To determine the interference in any direction, in the absence of actual interference measurements, the horizontal and vertical field intensity patterns of the directional antenna must be calculated and by comparing the appropriate vectors in the horizontal or vertical pattern with that of a nondirectional with the same effective field, the interfering signal toward any other station can be expressed in terms of kilowatts. This rating in kilowatts shall be applied in the use of mileage separation tables or in computing distances from the propagation curves and tables.

2. Power. The power of a station shall, for the purposes of notifications required by this Agreement, be determined in one of the following manners:—

(*a*) By taking the product of the square of the antenna current and the antenna resistance (antenna input power).

(*b*) By determination of the station's effective field intensity, corrected for absorption, by making sufficient field intensity measurements on at least eight radials as nearly equally spaced as practicable and by relating the field intensity thus determined to the effective field intensity of a station having the antenna efficiency stipulated above for its class.

3. Methods of determining the presence of objectionable interference—General. The existence or absence of objectionable interference from stations on the same or adjacent channels shall be determined by one of the following methods:—

(*a*) By actual measurements obtained in the method hereinafter prescribed: or, with the mutual consent of the countries concerned:

(*b*) By reference to the propagation curves in Appendices IV and V, or

(*c*) By reference to the distance tables set forth in Appendix VI.

4. Actual Proof of existence or absence of objectionable interference. The existence or absence of objectionable interference may be proved by field intensity measurements or recordings made with suitable apparatus, duly calibrated, by Government engineers or other engineers as may be mutually acceptable to the Governments concerned. Such field intensity measurements shall be made in the manner and for the periods of time mutually agreed upon by the governments concerned.

The contracting Governments agree to facilitate the making of the measurements by requiring the stations involved to remain silent or operate in the manner deemed necessary, and at such times as not to interrupt regular schedules.

5. Proof based on propagation curves and distance tables.

(*a*) Sky wave curves. In computing the distance to the 50 per cent sky wave field intensity contour of a Class I station of a given power, and also in computing the 10 per cent sky wave field intensity of an alleged interfering station, of any class and given power, at a specified distance, use may be made of the appropriate graphs set forth in Appendix V, entitled "Average Sky Wave Field Intensity Corresponding to the Second Hour after Sunset in the Recording Station, 100 Millivolt per Meter at One Mile (161 at one kilometer)".

(*b*) Ground wave curves. The distance to any specified ground wave field intensity contour may be determined from appropriate ground wave curves plotted for the frequency under consideration and the conductivity and dielectric constant of the earth between the station and desired contour. The frequency and the conductivity of the earth must be considered in every case and where the distance is great due allowance must be made for loss due to curvature of the earth. A family of curves is necessary for this purpose. A graph for a conductivity of 10-13 is set forth in Appendix IV, entitled "Ground Wave Field intensity vs. Distance for One Kilowatt Radiated From Short Antenna". Three frequencies in the standard broadcast band are given. For other frequencies and soil conditions (conductivity and dielectric constant) other curves are required. A conductivity of 10-13 is considered average and is used throughout in determining the ground wave value for computing the mileage separation tables.

(*c*) Distance tables. Table I shows the required day separation in miles between broadcast stations on the same channel. Table II gives the required distance in miles from the boundary of a country in which a Class I-A station is located for the daytime operation of a Class II station on the same channel in another country. Table III gives the required separation in miles between broadcast stations on adjacent channels during both daytime and nightime. Table IV gives the required night separation in miles between broadcast stations operating on the same channels. The assumed conditions of operation are given in Appendix VI.

The tables are based upon the use of nondirectional antennas but, in case a directional antenna is employed at a particular station, it will be necessary to consider the radiation distribution of the directional antenna involved and to modify the mileage separation accordingly. The night separation tables for

stations on the same frequency are computed from the sky wave curve given in Appendix V. These curves are based on extensive measurements of the sky wave produced by broadcasting stations and shall be considered as accurate in all cases unless proof to the contrary is available as set out in Section E 4. The mileage separation tables for the same channel during daytime and for adjacent channels day and night are computed from the ground wave curve in Appendix IV. Tables apply only in case the frequency is 1000 kc and the assumed soil conductivity and dielectric constant prevail. Since these values vary in every case the tables for daytime and adjacent channel separation cannot be used except as a general guide. In any case under consideration an estimate of the mileage separation required may be made from the operating frequency and known or assumed soil conditions. To determine the interference accurately, measurements must be made in accordance with Section E 4 on the frequency under consideration or on another frequency and from the curves the values may be determined for the desired frequency.

F. *Miscellaneous*

1. Engineering standards. The engineering standards set forth in this Agreement are subject to revision when justified by technical advances in the art, with the mutual consent of the governments parties to this Agreement.

ATTACHMENTS

Appendix I—Priority of use of clear channels for Class I and II stations.
Appendix II—Protected service and interference.
Appendix III—Adjacent channel interference.
Appendix IV—Ground wave graphs.
Appendix V—Sky wave graphs.
Appendix VI—Mileage separation tables.
Appendix VII—Engineering requirements for use of regional channels by Class II stations.

III

NOTIFICATION AND EFFECT THEREOF

1. Initial notification

Each Government shall, as soon as possible after ratification of this Agreement, and in any event not later than 180 days prior to the effective date thereof, transmit to the other Governments

(*a*) A complete list of all broadcast stations actually in operation in its country in the standard broadcast band both as of the date of the signing of this Agreement and as of the date of transmitting said list, showing with respect to each station its call signal, location, frequency, power, and antenna characteristics, together with all changes authorized to be made with respect to said stations on or before the effective date of this Agreement, and the classification claimed for each such station.

(*b*) A complete list of all changes authorized to be made with respect to said stations after the effective date of this Agreement, the dates on or before which such changes are to be consummated, and the classification claimed for each such station under this Agreement when the proposed change has been consummated.

(*c*) A complete list of all new broadcast stations authorized but not yet in operation, showing with respect to each such station its call signal,

location, frequency, power and antenna characteristics, the date on or before which each such station shall commence operation, and the classification claimed for it under this Agreement.

(*d*) The Governments agree that prior to the effective date of this Agreement, they will, so far as possible, resolve all conflicts that may arise between them as a result of the foregoing initial listings, and that, notwithstanding some such conflicts may remain unresolved, they will cooperate to the end that there be no delay in putting the provisions of this Agreement into full force and effect on that date.

(*e*) In resolving conflicts in the use of clear channels, and in the listing of Class I and Class II stations, the provisions of this Agreement and particularly of Appendix I shall be controlling. In resolving conflicts in the use of regional and local channels, and in the listing of Class III and Class IV stations, priority of use shall be recognized in each country with respect to stations which at the time of signing of this Agreement are in actual operation, which in substance conform to the definitions of said classes as set forth in this Agreement, and with respect to which no substantial change is made or proposed; a change of frequency in order to conform to the designation of channels in this Agreement shall not be deemed a substantial change.

2. Subsequent notifications. After the effective date of this Agreement and throughout the period during which it shall remain in effect, each Government shall promptly notify the other Governments by registered letter of all further changes in existing broadcast stations and of all further new broadcast stations, together with similar information with regard to each such change or new station, and the proposed date on which each such change is to go into effect and on which each such new station is to actually commence operation.

3. Effect of notification. Each Government may, within 30 days of receiving notification of any proposed change in the assignment of an existing station or of the authorization of a new station in another country, notify the Government of the latter country of any objection it may have thereto under the terms of this Agreement.

4. Conflict between notifications. To be valid, notifications of changes in the assignments of existing stations, or of authorizations of new stations must be such that the assignments proposed therein are in accordance with this Agreement and are such as not to involve objectionable interference to exisitng stations in other countries, assigned and operating in accordance with this Agreement. As between two or more notifications of changes or authorizations of new stations proceeding from different countries, after the effective date of this Agreement, priority in the date of mailing of notification shall govern.

5. Cessation of effect. (*a*) A notification of a proposed change in the assignment of an existing station or of an authorization of a new station shall cease to have any force or effect if, within one year of the date thereof such change shall not have been actually consummated or such new stations shall not have actually commenced continuous operation.

(*b*) In special cases in which circumstances beyond the control of the Administration concerned have prevented the completion of the change or the construction of the new station, the term of the original notification may be extended for a period of six months.

6. Bern Bureau. The foregoing notifications shall be made independently of and in addition to those which, under current practice, are sent to the Bureau of the International Telecommunications Union.

IV

Arbitration

In case of disagreement between two or more contracting Governments concerning the execution of this Agreement the dispute, if it is not settled through diplomatic channels, shall be submitted to arbitration at the request of one of the Governments in disagreement. Unless the parties in disagreement agree to adopt a procedure already established by treaties concluded between them for the settlement of international disputes, the procedure shall be that provided for in Article 15 of the International Telecommunications Convention of Madrid, 1932.

V

Ratification, Execution and Denunciation

1. Ratification. To be valid this Agreement must be ratified by Canada, Cuba, Mexico and the United States of America.

If and when three of said four countries shall have ratified and the fourth shall, through unavoidable circumstances, have been unable to ratify but shall have signified to those countries that have ratified its readiness, pending ratification and as an administrative measure, to put the provisions of this Agreement (including the contents of Appendix I) into effect in whole or in part, then such country, together with those countries which shall have ratified, may, by administrative agreement between them, fix a definite date on which they shall give effect to such provisions, which date shall preferably be one year from the date of such administrative agreement.

The ratification must be deposited, as soon as possible, through diplomatic channels, in the archives of the Government of Cuba. This same Government shall, through diplomatic channels, notify the other signatory Governments of the ratifications as soon as they are received.

2. Effect of ratification. This Agreement shall be valid only as between such countries as shall have ratified it.

3. Execution. The contracting Governments undertake to apply the provisions of this Agreement, and to take the steps necessary to enforce said provisions upon the private operating agencies recognized or authorized by them to establish and operate broadcast stations within their respective countries.

4. Denunciation. Each contracting Government shall have the right to denounce this Agreement by a notification addressed, through diplomatic channels, to the Government of Cuba, and announced by that Government, through diplomatic channels, to all the other contracting Governments. This denunciation shall take effect at the expiration of the period of one year from the date on which the notification was received by the Government of Cuba. This effect shall apply only to the author of the denunciation. This Agreement shall remain in force for the other contracting Governments but only as between such Governments.

VI

Effective Date and Term of the Agreement

1. Except for the provisions of Section 1 of Part III, Section 1 of Part V, and paragraph 3 of Table VI of Appendix I annexed hereto (which provisions shall go into effect immediately upon this Agreement becoming valid), this Agreement shall become effective one year after the date it shall have been ratified by the fourth of those Governments whose ratification is requisite to

the validity of this Agreement. The Governments will cooperate to the end that, wherever possible, the provisions of this Agreement shall be carried out in advance of said effective date.

2. This Agreement shall remain in effect for a period of five years after said effective date.

VII

Adherence

This Agreement shall be open to adherence in the name of Newfoundland.

In witness whereof the respective plenipotentiaries have signed the Agreement in triplicate, one copy in English, one in Spanish, and one copy of French, each of which shall remain deposited in the archives of the Government of Cuba and a copy of each of which shall be forwarded to each Government.

Done at Havana, Cuba, December 13, 1937

C.I.R./DOC. 56

APPENDIX I

Under the provisions of Section II of this Agreement each country may use all the 106 channels when technical conditions with respect to interference to established stations are such as to render such use practicable. However, priority of use on specified clear channels is recognized for the following number of Class I and II stations in each country.

Table I

Canada	14
Cuba	9%
Dominican Republic	1
Haiti	1
Mexico	15
Newfoundland	2%
United States	63

Per Cent—See Table V for special arrangements provided for Cuba and Newfoundland.

These stations and the conditions of their operation are as specified in Tables II, III, IV, V, VI, VII and VII following herewith.

Table II

Class I-A Stations

(Canada, Cuba, and Mexico)

Frequency	Location of Stations
690	Quebec, Canada
730	Mexico, D.F.
740	Ontario, Canada
800	Sonora, Mexico
860	Ontario, Canada
900	Mexico, D.F.
990	Manitoba, Canada
1010	Alberta, Canada
1050	Nuevo Leon, Mexico
1220	Yucatan, Mexico
1540	Santa Clara, Cuba
1570	Nuevo Leon, Mexico
1580	Quebec, Canada

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TABLE III

Class I–B Stations

Frequency	Location of Stations	Power Limitation (kw)	Requirements as to directional antennas
810	New York, U.S.A.	—	None.
810	California, U.S.A.	—	To be determined.
940	Quebec, Canada	5 kw min. permissible.	Determine from operatiom.
940	Mexico, D.F.	—	" " "
1000	Jalisco, Mexico	20	To be determined.
1000	Washington, U.S.A.	—	"
1000	Illinois, U.S.A.	—	"
1010	Habana, Cuba	—	Determine from operation.
1060	Mexico, D.F.	—	To be determined.
1060	Pennsylvania, U.S.A.	—	"
1070	Maritime Provinces, Canada	—	None.
1070	California, U.S.A.	—	None.
1080	Connecticut, U.S.A.	—	To be determined.
1080	Texas, U.S.A.	—	"
1090	Baja, Calif., Mexico	—	"
1090	Maryland, U.S.A.	—	"
1090	Arkansas, U.S.A.	—	"
1110	North Carolina, U.S.A.	—	"
1110	Nebraska, U.S.A.	—	"
1130	British Columbia, Canada	5 kw min. permissible.	None.
1130	New York-New Jersey, U.S.A.	—	"
1140	Chihuahua, Mexico	—	To be determined.
1140	Virginia, U.S.A.	—	"
1170	Oregon, U.S.A.	—	"
1170	Oklahoma, U.S.A.	—	"
1170	West Virginia, U.S.A.	—	"
1190	Sinaloa, Mexico	—	"
1190	Indiana, U.S.A.	—	"
1550	Ontario, Canada	—	Determine from operation.
1550	Vera Cruz, Mexico	20	" " "
1560	Habana, Cuba	—	

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TABLE IV

Class II Stations

Frequency	Location of Stations	Power Limitation (kw)	Requirements as to directional antennas
640	Newfoundland	—	None.
690	Kansas—Oklahoma, U.S.A.	—	To be determined. (1)
740	Calif., U.S.A.	—	" (2)
800	Ontario	5	"
810	Tamaulipas (Tampico), Mexico	50	"
900	Quebec, Canada	5	"
990	Tennessee, U.S.A.	—	"
1000	Oriente, Cuba	10	" (3)
1050	New York, U.S.A.	—	"
1060	Alberta, Canada	10	"
1070	Alabama, U.S.A.	—	"
1080	Manitoba, Canada	15	"
1080	Haiti	10	"
1110	Mexico, D.F.	20	"
1130	Louisiana, U.S.A.	—	"
1170	Dominican Republic	10	"
1190	Habana, Cuba	15	"

(1) Permissible to increase field intensity above 25 uv/m (10% sky wave) west of Minnesota on Canadian border. (2) Same as (1) except west of North Dakota. (3) Same as (1) except east of Minnesota. Also 650 miles from border requirement waived.

TABLE V

CLASS II STATION(1) ON REGIONAL CHANNEL

(Cuba and Newfoundland)

Frequency	Location of Stations	Maximum Power in kw.
560	Newfoundland	10
570	Santa Clara, Cuba	15
590	Habana, Cuba	15
630	Habana, Cuba	15
1270	Habana, Cuba	10

(1) These stations shall use directional antennas to prevent objectionable interference to the Class III stations on the channel in accordance with Appendix VII.

TABLE VI

Special Conditions Affecting the United States

The 24 Class I and II stations in the United States which use clear channels with other countries party to this agreement are given in Tables I, II and IV.

The remaining 39 Class I and II stations of the United States will be assigned the following clear channels:—

640	650	660	670	680	700	710	720	750
760	770	780	820	830	840	850	870	880
890	1020	1030	1040	1100	1120	1160	1180	
1200	1210	1500	1510	1520	1530			

It is recognized that the United States must make extensive adjustments in the assignments of its existing stations in order to make possible the carrying out of this Agreement, that these adjustments will require approximately a year, and that it is not possible for the United States at this time to specify on which of he said 32 channels it will have priority of use for Class I-A stations, Class I-B stations and Class II stations respectively, nor the locations of such stations, power and other information with respect thereto. The United States may assign Class I-A stations to at least 25 of the said channels. The United States agrees that ninety days before the effective date of this Agreement it will communicate this information to each of the other countries parties to this Agreement, and such information, when communicated, shall be considered part of this Agreement as if fully set forth herein.

Nothing stated in this Agreement shall be construed to preclude the United States of America from asserting, and enjoying recognition of, priority of use with reference to certain other Class II stations (not included in the 63 stations mentioned in Table I) which are now in actual operation in the band 640-1190 kcs and which are known under the Regulations of the Federal Communications Commission as "limited time stations" and "daytime stations" (having hours of operation limited to sunset taken either at their respective locations or at the locations of the respective dominant stations on clear channels and in some cases including hours not actually used by said dominant stations) which stations may, so far as permitted by the terms of this Agreement and the engineering standards herein set forth, be given assignments substantially equivalent to those they now enjoy.

TABLE VII

Special Conditions regarding the use of 1010 kc by Cuba and Canada

With regard to the use of the clear channel of 1010 kc by a Class I-A station in Canada, and by a Class I-B station in Cuba, both countries mutually agree that the interfering signal shall not exceed for 10 per cent of the time or more the value of 50 microvolts per meter at the following points of measurement: in Cuba at any point east of the province of Camaguey, and in Canada at any point west of the province of Manitoba.

TABLE VIII

Special Conditions affecting Canada

Nothing stated in this Agreement shall be construed to preclude Canada from asserting priority of use with reference to certain Class III and IV stations now in operation in Canada on existing clear and regional channels which through this Agreement will become of a class of channel which may not permit their use by Class III and IV stations.

APPENDIX II

TABLE I

PROTECTED SERVICE CONTOURS AND PERMISSIBLE INTERFERENCE SIGNALS FOR BROADCAST STATIONS

Class of station	Class of channel used.	Permissible Power	Boundary or signal intensity contour of area protected from objectionable interference[1]		Permissible interfering signal[2]	
			Day	Night	Day	Night[3]
I A	Clear	50 kw. or more	Boundary of country in which station is located.		5 uv/m	25 uv/m[4]
I B	Clear	10 kw. to 50 kw.	100 uv/m	500 uv/m (50% sky wave)	5 uv/m	25 uv/m
II	Clear[4]	0.25 kw. to 50 kw.	500 uv/m	2500 uv/m[5] (ground wave)	25 uv/m[5]	125 uv/m[5]
III A	Regional	1 kw. to 5 kw.	500 uv/m	2500 uv/m (ground wave)	25 uv/m	125 uv/m
III B	Regional	0·5 kw. to 1 kw. night and 5 kw. day.	500 uv/m	4000 uv/m (ground wave)	25 uv/m	200 uv/m
IV	Local	0·1 kw. to 0·25 kw.	500 uv/m	4000 uv/m (ground wave)	25 uv/m	200 uv/m

[1] In accordance with other provisions in this Agreement this freedom of interference does not apply outside the boundaries of the country in which the station is located.

[2] From other stations on same channel only. For adjacent channels see Appendix III, Table I.

[3] Sky wave field intensity exceeded for 10% of the time.

[4] No Class II station shall be assigned to the same channel as a Class I-A station for night-time operation (from sunset to sunrise) less than 650 miles of the nearest border of the country in which the Class I-A station is located.

[5] These values are with respect to interference from all stations except Class I, which stations may cause interference to a field intensity contour of higher value. However, it is recommended that Class II stations be so located that the interference received from Class I stations will not exceed these values. If the Class II stations are limited by Class I stations to higher values, then such values shall be the standard established with respect to interference from all other classes of stations.

APPENDIX III

TABLE I

Adjacent Channel Interferences

Channel separation between desired and undesired stations	*Maximum ground wave field intensity of undesired station*
10 kc	0.25 mv/m
20 kc	5.0 mv/m
30 kc	25.0 mv/m

The undesired ground wave signal shall be measured at or within the 0.5 mv/m ground wave contour of the desired station. These values apply to all classes of stations both day and night and are based on ground waves only. No adjacent channel interference is considered on the basis of an interfering sky wave.

(Here follows two charts which are not being printed).

APPENDIX VI

Mileage Separation Tables

The required separations between broadcasting stations as tabulated below are based upon the following conditions:—

1. The use of nondirectional antennas.
2. Antenna efficiencies (in mv/m at one mile for one kilowatt).
   Class I—225 mv/m
   Class II and III—175 mv/m
   Class IV—150 mv/m
3. Frequency, 1,000 kc.
4. Soil conductivity, $s=10^{-13}$.
5. Soil dielectric constant, e=15.
6. Groundwave transmission as shown on chart in Appendix IV.
7. Skywave transmission as shown on chart in Appendix V.
8. Protection to service areas as shown in Appendix II, Table I.
9. Ratio of desired to undesired signal:

Channel separation	*Ratio of Desired to Undesired*
Same frequency	20:1
10 kc	2:1
20 kc	1:10
30 kc	1:50

TABLE I

Required Day Separation in Miles Between Broadcast Stations on the same Channel

Class and Power	Class IV 100w	250w	0.25kw	0.5kw	Classes II and III 1kw	5kw	10kw	25kw	50kw
Class IV									
100w	143	165	172	192	213	265	285	310	335
250w	165	173	180	200	221	273	293	318	343
Classes II and III									
0.25kw	172	180	183	203	224	276	296	321	346
0.5kw	192	200	203	210	231	283	303	328	353
1kw	213	221	224	231	239	291	311	336	361
5kw	265	273	276	283	291	313	333	358	383
10kw	285	293	296	303	311	333	345	370	395
25kw	310	318	321	328	336	358	370	389	414
50kw	335	343	346	353	361	383	395	414	430
Class I									
10kw	390	415	418	446	467	520	540	565	587
25kw	417	442	446	473	494	547	567	592	614
50kw	437	462	465	493	514	567	587	612	634
100kw	462	487	490	518	539	592	612	637	659
250kw	486	511	514	542	563	616	636	661	683
500kw	513	538	541	569	590	643	663	688	710

Class and Power	Class I 10kw	25kw	50kw	100kw	250kw	500kw
Class IV						
100w	390	417	437	462	486	513
250w	415	442	462	487	511	538
Classes II and III						
0.25kw	418	446	465	490	514	541
0.5kw	446	473	493	518	542	569
1kw	467	494	514	539	563	590
5kw	520	547	567	592	616	643
10kw	540	567	587	612	636	663
25kw	565	592	612	637	661	688
50kw	587	614	634	639	683	710
Class I						
10kw	556	585	605	628	655	682
25kw	585	612	632	657	682	709
50kw	605	632	652	677	702	729
100kw	628	657	677	697	727	754
250kw	655	682	702	727	751	778
500kw	682	709	729	754	778	805

TABLE II

Required Distance in Miles from the Boundary of a Country in which a Class I-A Station is Located for Daytime operation of a Class II on the same channel.

CLASS II

Power of Station	0.25kw	0.25kw	1kw	5kw	10kw	25kw	50kw
Miles from Boundary	237	261	282	235	355	380	402

TABLE III

Required Day and Night Separation in Miles between Broadcast Stations on Adjacent Channels

Class and Power	Class IV 0.1kc 10kc	20kc	30kc	0.25kw 10kc	20kc	30kc	Class II 0.25kw 10kc	20kc	30kc
Class IV									
0.1kw	73	37	32	82	45	40	86	47	42
0.25kw	82	45	40	90	48	41	94	50	43
Classes II and III									
0.25kw	86	47	42	94	50	43	96	51	43
0.5kw	94	55	50	102	58	51	104	59	51
1kw	105	63	58	113	66	59	115	67	59
5kw	133	84	79	141	87	80	143	88	80
10kw	149	98	93	157	101	94	159	102	94
25kw	172	115	110	180	118	111	182	119	111
50kw	190	131	126	198	134	127	200	135	127
Class I									
10kw	162	107	102	170	110	103	172	111	103
25kw	183	126	121	191	129	122	193	130	122
50kw	203	144	139	211	147	140	213	148	140
500kw	277	211	206	285	214	207	287	215	207

TABLE III (*Cont'd*)

Required Day and Night Separation in Miles between Broadcast Stations on Adjacent Channels

Classes II and III

Class and Power	0.5kw			1kw			5kw			10kw		
	10kc	20kc	30kc	10kc	20kc	30kc	10kc	20kc	30kc	10kc	20kc	30kc
Class IV												
0.1kw.....	94	55	50	105	63	58	133	84	79	149	98	93
0.25kw.....	102	58	51	113	66	59	141	87	80	157	101	94
Classes II and III												
0.25kw.....	104	59	51	115	67	59	143	88	80	159	102	94
0.5kw.....	112	62	52	123	70	60	151	91	81	167	105	95
1kw.....	123	70	60	131	73	62	159	94	83	175	108	97
5kw.....	151	91	81	159	94	83	180	104	87	196	118	101
10kw.....	167	105	95	175	108	97	196	118	101	210	123	104
25kw.....	190	122	112	198	125	114	219	135	118	233	140	121
50kw.....	208	138	128	216	141	130	237	151	134	251	156	137
Class I												
10kw.....	180	114	104	188	117	106	209	127	110	223	132	113
25kw.....	201	133	123	209	136	125	230	146	129	244	151	132
50kw.....	221	151	141	229	154	143	250	164	147	264	169	150
500kw.....	295	218	208	303	221	210	324	231	214	338	236	217

Class and Power	Class II					
	10kc	25kw 20kc	30kc	10kc	50kw 20kc	30kc
Class IV						
0.1kw.....	172	115	110	190	131	126
0.25kw.....	180	118	111	198	134	127
Classes II and III						
0.25kw.....	182	119	111	200	135	127
0.5kw.....	190	122	112	208	138	128
1kw.....	198	125	114	216	141	130
5kw.....	219	135	118	237	151	134
10kw.....	233	140	121	251	156	137
25kw.....	250	149	125	268	165	141
50kw.....	268	165	141	284	172	145
Class I						
10kw.....	242	145	123	260	261	139
25kw.....	261	160	136	279	168	144
50kw.....	281	178	154	297	185	158
500kw.....	355	245	221	371	252	225

Class I

Class and Power	10kw			25kw			50kw			500kw		
	10kc	20kc	30kc	10kc	20kc	30kc	10kc	20kc	30kc	10kc	20kc	30kc
Class IV												
0.1kw.....	162	107	102	183	126	121	203	144	139	277	211	206
0.25kw.....	170	110	103	191	129	122	211	147	140	285	214	207
Classes II and III												
0.25kw.....	172	111	103	193	130	122	213	148	140	287	215	207
0.5kw.....	180	114	104	201	133	123	221	151	141	295	218	208
1kw.....	188	117	106	209	136	125	229	154	143	303	221	210
5kw.....	209	127	110	230	146	129	250	164	147	324	231	214
10kw.....	223	132	113	244	151	132	264	169	150	338	326	217
25kw.....	242	145	123	261	160	136	281	178	154	355	245	221
50kw.....	260	161	139	279	163	144	297	185	158	371	252	225
Class I												
10kw.....	232	137	115	253	156	134	273	174	152	347	241	219
25kw.....	253	156	134	272	163	139	292	181	157	366	248	224
50kw.....	273	174	152	292	181	157	310	190	161	384	257	227
500kw.....	347	241	219	366	248	224	384	257	227	451	291	247

TABLE IV

Required Night Separation in Miles Between Broadcast Stations on the Same Channels

The following tables indicate the mileage protection each class must give all other classes.

Class I-A Not required to protect Class II stations on same channel at night.

TABLE IV A

Class I-B Must protect other Class I-B stations as shown below.

Class I-B	10kw	25kw	50kw
10kw	2665	3010	3280
25kw	3010	3243	3500
50kw	3280	3500	3660

TABLE IV B

Class II—Must protect other classes as shown below

CLASS II STATIONS

Class II	.25kw	.5kw	1kw	5kw	10kw	25kw	50kw
.25kw	451	602	732	1018	1136	1271	1529
.5kw	602	606	736	1022	1140	1275	1533
1.kw	732	736	739	1025	1143	1280	1535
5.kw	1018	1022	1025	1039	1157	1292	1547
10.kw	1136	1140	1143	1157	1162	1298	1553
25.kw	1271	1275	1280	1292	1298	1310	1560
.50kw	1529	1533	1535	1547	1553	1560	1570

CLASS I-B STATIONS

	10kw	25kw	50kw	Class I-A Stations Distance from nearest Border of Country in which Class I-A Station is located.
.25kw	1378	1610	1760	1038
.5kw	1508	1735	1890	1180
1.kw	1658	1885	2040	1335
5.kw	2165	2395	2550	1830
10.kw	2450	2680	2830	2122
25.kw	2880	3120	3260	2575
.50kw	3090	3330	3480	2730

*TABLE IV C

CLASS III-A Must protect other classes as shown below

	Class III-A		Class III-B	
Class III-A	1kw	5kw	5kw	1kw
1kw	739	1025	550	553
5kw	1025	1039	847	851

TABLE IV D

Class III B (*)—Must protect other classes as shown below

	Class III A		Class III B	
Class III B	1kw	5kw	0.5kw	1kw
0.5kw	735	1020	383	550
1kw	739	1025	550	553

TABLE IV E

Class IV—Must protect other classes as shown below

	Class III A		Class III B	Class IV
Class IV	1kw	5kw	0.5kw	10kw
0.1kw	300	300	Daytime Separation determines	Daytime separation determines
0.25kw	395	407		

*See Appendix VII for protection Class III stations should give Class II stations on regional channels.

TABLE IV F

Distance Class II stations must be from Class IA and IB stations to obtain recommended protection to Class II station (2.5 mv/m ground wave contour)

	Class IA and IV Stations			
Class II (a)	10kw	25kw	50kw	500kw
0.25kw	1248	1462	1520	2767
0.5kw	1252	1470	1523	2771
1kw	1256	1473	1528	2775
5kw	1270	1484	1541	2789
10kw	1275	1490	1546	2793
25kw	1285	1498	1743	2803
50kw	1293	1510	1750	2812

NOTE (a): Must use directional antenna to protect dominant stations or stations with these separations.

TABLE IV G

Distance Class IV Stations must be from Class III-A and III-B station to obtain recommended protection to Class IV Station (4.0 mv/m ground wave contour)

Class IV	Class III-A or III-B		
Power	0.5	1.0	5.0
0.10	377	547	847
0.25	381	551	851

APPENDIX VII

Engineering Requirements for the Use of Regional Channels by Class II station under the Provisions of Section C 5 c

A Class II station assigned to a regional channel in accordance with Section C 5 c shall use a directional antenna or other means to limit the interfering signal within the protected service area of any class III station on the channel to the value set forth in Appendix II, Table I. The interfering signal in case of projected operation shall be determined from the characteristics of the antenna and appropriate curve in Appendix V. In case of actual operation the interfering signal shall be determined by the Method described in Section E 4.

Class III stations, operating on a channel to which a Class II station is assigned, should limit the interference to the Class II station in conformity with the provisions of Appendix II, Table I.

APPENDIX C 1

SESSIONAL PAPER No. 130B

Tabled in the House on Monday, April 29, 1946
By the Honourable C. D. HOWE

Mr. Ross (*St. Paul's*)—Orders of the Day, No. 26, of April 29, 1946, Page 3
Subject—Channels assigned to Canada under The Havana Agreements

Question

1. Have the number and classification of channels assigned to Canada under the Havana agreements been readjusted or altered? If so, under what agreements, and what channels are now assigned to Canada?
2. What is the frequency of each?
3. What is the minimum and maximum power of each channel?
4. How many of them are now occupied?
5. What stations occupy them?

6. What power are they using?
7. What channels are exempted from the use of minimum power?
8. What stations since 1939 have applied for an increase of power; what power was applied for, and what power increase was granted?
9. Has application been made since 1939 for the use of unoccupied channels?
10. If so, what power was applied for?
11. What is the minimum power of the unoccupied channels?
12. What stations have applied for permits to experiment or otherwise in frequency modulation, television, facsimile?
13. Have any permits been granted?

Answer

The information called for by this Inquiry is given in the Statement hereto attached.

Approved by

(Sgd.) C. P. EDWARDS,
Deputy Minister.
Dept. of Transport,
Radio Division.

ANSWER:—

1. The number and classification of channels assigned to Canada under the Havana Agreements have not been readjusted or altered.

2. Clear channels for Class 1-A stations (6) 690, 740, 860, 990, 1010 and 1580 Kilocycles. Clear channels for Class 1-B stations (4) 940, 1070, 1130, and 1550 Kilocycles. Clear Channels for Class II station (4) 800, 730*, 1060, and 1080 Kilocycles. Regional channels for Class III station (40), 550, 560, 570, 580, 590, 600, 610, 620, 630, 790, 910, 920, 930, 960, 970, 980, 950, 1150, 1250, 1260, 1270, 1280, 1290, 1300, 1310, 1320, 1330, 1350, 1360, 1370, 1380, 1390, 1410, 1420, 1430, 1440, 1460, 1470, 1480, 1590, and 1600 Kilocycles. Local channels for Class IV stations (6) 1230, 1240, 1340, 1400, 1450, and 1490 Kilocycles.

3. The 6 Clear channels for Class I-A stations have a minimum power requirement of 50 kilowatts, the maximum is unlimited. The minimum power for a Class I-B stations, under the Agreement, is 10 kilowatts, the maximum 50 kilowatts, the minimum for a Class II station is 250 watts, the maximum 50 kilowatts the minimum for a Class III station is 500 watts, the maximum 5 kilowatts. The minimum for a Class IV station is 100 watts, the maximum 250 watts.

4. Clear channels, 14. Regional channels, 24. Occupancy of the remaining 17 Regional channels is subject to and limited by engineering considerations of mutual interference. Local channels, 6.

*This channel was replaced by 730 kc. in a subsequent agreement. I was formerly 900.

*This channel was replaced by 730 kc. in a subsequent agreement. It was formerly 900.

Frequency	Call Letters	Licensee and Location	Power
		Clear Channels for Class I-A stations	
690	CBF	Canadian Broadcasting Corp., Montreal, Que	50Kw.
740	CBL	Canadian Broadcasting Corp., Toronto, Ont	50Kw.
860	CFRB	Rogers Radio Broadcasting Co. Ltd., Toronto, Ont	10Kw.
990	CKY	Manitoba Telephone System, Winnipeg, Man	15Kw.
1010	CFCN	The Voice of the Prairies, Calgary, Alta	10Kw.
1580	CBJ	Canadian Broadcasting Corp., Chicoutimi, Que	1Kw.
		Clear Channels for Class I-B Stations	
940	CBM	Canadian Broadcasting Corp., Montreal, Que	5Kw.
1070	CBA	Canadian Broadcasting Corp., Sackville, N.B	50Kw.
1130	CBR	Canadian Broadcasting Corp., Vancouver, B.C	5Kw.
1550	CKTB	Niagara District Broadcasting Co. Ltd., St. Catherine, Ont	1Kw.
		Clear Channels for Class II Stations	
730	CKAC	La Presse Publishing Co. Ltd., Montreal, Que	5Kw.
800	CKLW	Western Ont. Broadcasting Co., Windsor, Ont	5Kw.
	CHAB	C.N.A.B. Ltd., Moose Jaw, Sask	1Kw.
	CHRC	C.H.R.C. Ltd., Quebec, Que	1Kw.
	CJAD	C.J.A.D. Ltd., Montreal, Que	1Kw.
940*	CJGX	Yorkton Broadcasting Co. Ltd., Yorkton, Sask	1Kw.
1050	CHUM	York Broadcasters, Ltd. ,Toronto, Ont	1Kw.
	CHGP**	Northern Broadcasting Corp., Grande Prairie, Man	1Kw.
1060	CJ&C	H. R. Carson, Ltd., Lethbridge, Alta	1 Kw.
		Regional Channels	
550	CFNB	James S. Neill & Sons, Ltd., Fredericton, N.B	1 Kw.
560	CJKL	Northern Broadcasting & Pub. Ltd., Kirkland Lake, Ont	1 Kw.
580	CKUA	University of Alberta, Edmonton, Alta	1 Kw.
	CKPR	Dougall Motor Car Co., Port Arthur, Ont	1 Kw.
	CKEY	Toronto Broadcasting Co., Toronto, Ont	(1 Kw-N 5 Kw-D)
	CJFX	Atlantic Broadcasters, Ltd., Antigonish, N.S	1 Kw.
600	CJOR	C.J.O.R. Ltd., Vancouver, B.C	1 Kw.
	CFQC	A. A. Murphy & Sons, Ltd., Saskatoon, Sask	1 Kw.
	CFCH	H. H. Thomson, North Bay, Ont	100w.
	CFCF	Canadian Marconi, Montreal, P.Q	500w.
610	CJAT	Kootenay Broadcasting Co. Ltd., Trail, B.C	1 Kw.
	CHNS	Gaspesian Radio Broadcasting Co., New Carlisle, Que	1 Kw.
620	CKCK	Leader-Post Ltd., Regina, Sask	1 Kw.
630	CFCY	Island Radio Broadcasting Co., Charlottetown, P.E.I	(1 Kw-N 5 Kw-D)
	CFCO	John Beardall, Chatham, Ont	100 w.
	CKOV	Okanagan Broadcasters Ltd., Kelowna, B.C	1 Kw.
	CKRC	Transcanada Communications Limited, Winnipeg, Man	1 Kw.
790	CKSO	W. E. Mason, Sudbury, Ont	1 Kw.
910	CBO	Canadian Broadcasting Corp., Ottawa, Ont	1 Kw.
	CFJC	Kamloops Sentinel Ltd., Kamloops, B.C	1 Kw.
920	CKNX	W. T. Cruickshank, Wingham, Ont	1 Kw.
930	CJCA	Southam Co., Ltd., Edmonton, Alta	1 Kw.
950	CKNB	Restigouche Broadcasting Co., Campbellton, N.B	1 Kw.
960	CFAC	Southam Co. Ltd., Calgary, Alta	1 Kw.
	CKWS	Allied Broadcasting Corp., Kingston, Ont	1 Kw.
	CHNS	Maritime Broadcasting Co. Ltd., Halifax, N.S	1 Kw.
980	CKRM	Transcanada Communications Limited, Regina, Sask	1 Kw.
	CBV	Canadian Broadcasting Corp., Quebec, P.Q	1 Kw.
	CKWX	Western Broadcasting Co. Ltd., Vancouver, B.C	1 Kw.
1150	CKX	Manitoba Telephone System, Brandon, Man	1 Kw.
	CKOC	Wentworth Radio Broadcasting Company, Hamilton, Ont	(500 W-N 1 Kw-D)
	CHSJ	New Brunswick Broadcasting Co., Saint John, N.B	1 Kw.
1260	CFRN	G. R. A. Rice, Edmonton, Alta	1 Kw.
1270	CJCB	Eastern Broadcasters Ltd., Sydney, N.S	1 Kw.
1310	CKCO	Dr. G. M. Geldert, Ottawa, Ont	1 Kw.
1320	CJCH	Chronicle Co. Ltd., Halifax, N.S	100w.
1380	CKPC	Telephone City Broadcast Ltd., Brantford, Ont	100w.
1410	CKMO	Sprott-Shaw Radio Co., Vancouver, B.C	100w.
1430	CHEX	Peterborough Broadcasting Co. Ltd., Peterborough, Ont	1 Kw.
1470	CKGB	R. H. Thomson, Timmins, Ont	1 Kw.
1480	CHGS	R. T. Holman, Ltd., Summerside, P.E.I	100w.

*Change frequency from 1460. **Change frequency from 1350.

Frequency	Call Letters	Licensee and Location	Power
		Local Channels	
1230	CFPA	R. H. Parker, Port Arthur, Ont.	250w.
	CJCJ	Albertan Publishing Co. Ltd., Calgary, Alta.	100w.
	CFAR	Arctic Radio Corp., Flin Flon, Man.	250w.
	CHGB	G. Thomas Desjardins, St. Anne, Que.	250w.
	CKVD	Radio Rouyn-Abitibi Ltée., Val d'Or, Que.	250w.
	CKNW	William Rea, Jr., New Westminster, B.C.	250w.
	CKSF	The Standard Freeholder Ltd., Cornwall, Ont.	250w.
	CKPG	Frank H. Elphicke, Prince George, B.C.	250w.
1240	CFPR	North West Broadcast and Service Co. Ltd., Prince Rupert, B.C.	50w.
	CKLN	News Publishing Co. Ltd., Nelson, B.C.	250w.
	CJCS	Frank M. Squires, Stratford, Ont.	50w.
	CKCH	Cie de Radiodiff. CKCH de Hull, Ltee., Hull, P.Q.	250w.
	CHLT	La Tribune, Ltee., Sherbrooke, P.Q.	250w.
	CJEM	Edmundston Radio Ltd., Edmundston, N.B.	250w.
	CJAV	H. E. Warren, Port Alberni, B.C.	250w.
	CBH	Canadian Broadcasting Cor., Halifax, N.S.	100w.
1340	CHAD	Radio Rouyn-Abitibi Ltd., Amos, Que.	250w.
	CHOV	D. A. Jones, Pembroke, Ont.	250w.
	CKCV	C.K.C.V. Ltd., Quebec, P.Q.	250w.
	CJLS	Laurie L. Smith, Yarmouth, N.S.	100w.
	CHWK	Chilliwack Broadcasting Co. Limited, Chilliwack, B.C.	250w.
	CKFI	John M. Reid, Fort Frances, Ont.	250w.
	CJOB	J. O. Blick & E. B. Olser, Winnipeg, Man.	250w.
1400	CKRN	Radio Rouyn-Abitibi Ltee., Rouyn, Que.	250w.
	CKCW	Moncton Brdcstg Co. Ltd., Moncton, N.B.	250w.
	CFOS	H. Fleming, Owen Sound, Ont.	250w.
	CJSO	Radio Richelieu Ltee., Sorel, Que.	100w.
1450	CFOR	Gordon E. Smith, Orillia, Ont.	250w.
	CHLN	Le Nouvelliste Ltee, Three Rivers, Ont.	100w.
	CFJM	Eastern Ontario Brdcstg. Co. Limited, Brockville, Ont.	100w.
	CFAB	Avard M. Bishop, Windsor, N.S.	100w.
1490	CKCR	Wm. C. Mitchell & G. Liddle, Kitchener, Ont.	100w.
	CFRC	Queen's University, Kingston, Ont.	250w.
	CHLP	La Patrie Publishing Co. Ltd., Montreal, P.Q.	250w.
	CJIC	J. G. Hyland, Sault Ste. Marie, Ont.	250w.

7. 940 and 1130 kc.

Call Letters	Licensee and Location	Power applied for	Power Granted
CFRC	Queen's University, Kingston, Ont.	250w.	250w.
CKRN	Radio Rouyn-Abitibi Ltee., Rouyn, P.Q.	250w.	250w.
CFGP	Northern Brdcstg. Corp., Grande Prairie, Alta.	1 Kw.	1 Kw.
CHSJ	N.B. Brdcstg. Co., Saint John, N.B.	1 Kw.	1 Kw.
CBJ	Canadian Broadcasting Corp, Chicoutimi, P.Q.	1 Kw.	1 Kw.
CFOS	H. Fleming, Owen Sound, Ont.	250w.	250w.
CKUA	University of Alberta, Edmonton, Alta.	1 Kw.	1 Kw.
CJIC	J. G. Hyland, Sault Ste. Marie, Ont.	250w.	250w.
CKCO	Dr. G. M. Geldert, Ottawa, Ont.	1 Kw.	1 Kw.
CHGB	G. Thomas Desjardins, Ste. Anne, Que.	1 Kw.	1 Kw.
CKLN	News Publishing Co. Ltd., Nelson, B.C.	250w.	250w.
CFAR	Arctic Radio Corporation, Flin Flon, Man.	250w.	250w.
CKCH	Cie de Radiodiff, CKCH de Hull Ltee, Hull, Que.	250w.	250w.
CKVD	Radio Rouyn-Abitibi Ltee. Val d'Or, Que.	250w.	250w.
CKCA	Kenora Broadcasting Co. Kenora, Ont.	1 Kw.	1 Kw.
CJCS	Frank M. Squires, Stratford, Ont.	250w.	250w.
CHPS	Gordon E. Smith, Orillia, Ont.	1 Kw.	1 Kw.
CKPC	Telephone City Brdcst. Ltd., Brantford, Ont.	1 Kw.	1 Kw.
CHLT	La Tribune, Ltd., Sherbrooke, Que.	1 Kw.	1 Kw.
CJBC	Canadian Broadcasting Corp., Toronto, Ont.	5 Kw.	5 Kw.
CKCV	C.K.C.V. Ltd., Quebec, Que.	250w.	250w.
CFRN	G.R.A. Rice, Edmonton, Alta.	10 Kw.	1 Kw.
CHAB	C.H.A.B. Ltd., Moose Jaw, Sask.	10 Kw.	5 Kw.
CHML	Kenneth B. Soble, Hamilton, Ont.	10 Kw.	5 Kw.
CKTB	Niagara District Broadcasting Co. Ltd., St. Catharines, Ont.	10 Kw.	5 Kw.
CJVI	Island Broadcasting Co. Ltd., Victoria, B.C.	5 Kw.	5 Kw.
CKWX	Western Broadcasting Co. Ltd., Vancouver, B.C.	5 Kw.	5 Kw.
CJAT	Kootenay Broadcasting Co. Ltd., Trail, B.C.	5 Kw.	5 Kw.

Call Letters	Licensee and Location	Power applied for	Power Granted
CKOV	Okanagan Broadcasters Ltd., Kelowna, B.C.	5 Kw.	5 Kw.
CJCA	The Southam Co. Ltd., Edmonton, Alta.	5 Kw.	5 Kw.
CFAC	Southam Co. Ltd., Calgary, Alta.	5 Kw.	5 Kw.
CJOC	H. R. Carson, Ltd., Lethbridge, Alta.	5 Kw.	5 Kw.
CFQC	A. A. Murphy & Sons, Saskatoon, Sask.	5 Kw.	5 Kw.
CKBI	Central Broadcasting System, Prince Albert, Sask.	5 Kw.	5 Kw.
CKRM	Transcanada Communications Ltd., Regina, Sask.	5 Kw.	5 Kw.
CKCK	Leader Post Ltd., Regina, Sask.	5 Kw.	5 Kw.
CKRC	Transcanada Communications Ltd., Winnipeg, Man.	5 Kw.	5 Kw.
CKPR	Dougall Motor Car Co., Port Arthur, Ont.	5 Kw.	5 Kw
CFCH	R. H. Thomson, North Bay, Ont.	5 Kw.	5 Kw.
CJKL	Northern Broadcasting & Pub. Kirkland Lake, Ont.	5 Kw.	5 Kw.
CKGB	R. N. Thomson, Timmins, Ont.	5 Kw.	5 Kw.
CKWS	Allied Broadcasting Corp., Kingston, Ont.	5 Kw.	5 Kw.
CHEX	Peterborough Broadcasting Co., Peterborough, Ont.	5 Kw.	5 Kw.
CKEY	Toronto Broadcasting Co., Toronto, Ont.	5 Kw.	5 Kw.
CKOC	Wentworth Radio Broadcasting Co., Hamilton, Ont.	5 Kw.	5 Kw.
CHRC	C.H.R.C. Ltd., Quebec, P.Q.	5 Kw.	5 Kw.
CJBR	Central Public Service Corp., Rimouski, P.Q.	5 Kw.	5 Kw.
CHNC	Gaspesian Radio Broadcasting Co., New Carlisle, Que.	5 Kw.	5 Kw.
CFCY	The Island Radio Broadcast Co., Charlottetown, P.E.I.	5 Kw.	5 Kw.
CKCW	Moncton Broadcasting Co. Ltd, Moncton, N.B.	5 Kw.	5 Kw.
CKNB	Restigouche Broadcasting Co., Campbellton, N.B.	5 Kw.	5 Kw.
CHSJ	New Brunswick Broadcasting Co. Ltd., Saint John, N.B.	5 Kw.	5 Kw.
CFNB	James S. Neill & Sons, Fredericton, N.B.	5 Kw.	5 Kw.
CJFX	Atlantic Broadcasters, Ltd., Antigonish, N.S.	5 Kw.	5 Kw.
CJCB	Eastern Broadcasters, Ltd., Sydney, N.S.	5 Kw.	5 Kw.
CJLS	Laurie L. Smith, Yarmouth, N.S.	5 Kw.	5 Kw.
CJOR	C.J.O.R. Ltd., Vancouver, B.C.	5 Kw.	5 Kw.
CJGX	Yorkton Broadcasting Ltd., Yorkton, Sask.	5 Kw.	5 Kw.
CFRL	The London Free Press Printing, London, Ont.	5 Kw.	5 Kw.
CFCO	John Beardall, Chatham, Ont.	500w.	1 Kw.
CKNX	W. T. Cruikshank, Wingham, Ont.	5 Kw.	5 Kw.
CKCR	Wm. C. Mitchell & C. Liddle, Kitchener, Ont.	5 Kw.	5 Kw.
CKMO	B.C. Broadcasting System, Vancouver, B.C.	1 Kw.	1 Kw.
CFCF	Canadian Marconi Co., Montreal, Que.	5 Kw.	5 Kw.
CHGS	R. T. Holman, Ltd., Summerside, P.E.I.	250w.	250 w.
CHNS	The Maritime Broadcasting Co., Halifax, N.S.	5 Kw.	5 Kw.
CKSO	W. E. Mason, Sudbury, Ont.	5 Kw.	5 Kw.
CFBR	J. C. Whitby, Brockville, Ont.	250w.	250w.
CJCH	Chronicle Co. Ltd., Halifax, N.S.	5 Kw.	5 Kw.
CHLN	Le Nouvelliste Ltée., Three Rivers, Que.	1 Kw.	1 Kw.
CHLP	La Patrie Publishing Co. Ltd., Montreal, P.Q.	1 Kw.	1 Kw.
CJSO	Radio Richelieu Ltd., Sorel, Que.	250w.	250w.
CHWK	Chilliwack Broadcasting Co., Chilliwack, B.C.	250w.	250w.
CFAB	Avard M. Bishop, Windsor, N.S.	250w.	250w.
CJIC	J. G. Hyland, Sault Ste. Marie, Ont.	1 Kw.	(not approved)
CJCJ	The Albertan Publishing Co., Calgary, Alta.	1 Kw.	"
CKNW	Wm. Rea, Jr., New Westminster, B.C.	1 Kw.	"
CFRB	Rogers Radio Broadcasting Co., Toronto, Ont.	50 Kw.	"
CKAC	La Presse Publishing Co. Ltd., Montreal, P.Q.	50 Kw.	"
CFCN	The Voice of the Prairies, Calgary, Alta.	50 Kw.	"
CKY	Manitoba Telephone System, Winnipeg, Man.	50 Kw.	"
CFJC	Kamloops Sentinel Ltd., Kamloops, B.C.	5 Kw.	(deferred)
CKX	Manitoba Telephone System, Brandon, Man.	5 Kw.	"
CJCS	Frank M. Squires, Stratford, Ont.	1 Kw.	"
CKCH	La Cie de Radiodiffusion. CKCH de Hull Ltée., Hull, P.Q.	1 Kw.	"

10.—No applications.
11.—250 watts.
12.—

Frequency modulation	Licensee	Location
CJOC	Lethbridge Broadcasting Ltd	Lethbridge, Alta.
CHSJ	New Brunswick Broadcasting Co	Saint John, N.B.
CKCK	Leader Post Ltd	Regina, Sask.
CFPL	London Free Press Printing Co	London, Ont.
CKEY	Toronto Broadcasting Co	Toronto, Ont.
CKRM	Transcanada Communications Ltd	Regina, Sask.
CKRC	Transcanada Communications Ltd	Middlechurch, Man.
CHML	Kenneth D. Soble	Hamilton, Ont.
CKSO	W. E. Mason	Sudbury, Ont.
CHAB	C. H. A. B. Ltd	Moose Jaw, Sask.
CFCH	R. H. Thompson	North Bay, Ont.
CKRN	Radio Rouyn-Abitibi, Ltée	Rouyn, Que.
CJKL	Northern Broadcasting & Pub. Co	Kirkland Lake, Ont.
CKVD	Radio Rouyn-Abitibi Ltée	Val d'Or, Que.
CFCY	Island Radio Broadcasting Co. Ltd	Charlottetown, P.E.I.
CJIC	J. G. Hyland	Sault Ste. Marie, Ont.
CKOV	Okanagan Broadcasters, Ltd	Kelowna, B.C.
CHRC	C. H. R. C. Ltd	Quebec, Que.
CKTB	Niagara District Broadcasting Co. Limited	St. Catharines, Ont.
CFCO	John Beardall	Chatham, Ont.
CKWX	Western Broadcasting Co. Ltd	Vancouver, B.C.
CFQC	A. A. Murphy & Sons, Ltd	Saskatoon, Sask.
CFRC	Queen's University	Kingston, Ont.
CFAC	The Southam Co. Ltd	Calgary, Alta.
CJAT	Kootenay Broadcasting Co. Ltd	Trail, B.C.
CJCS	Frank M. Squires	Stratford, Ont.
CKOC	Wentworth Radio Broadcasting Co. Limited	Hamilton, Ont.
CFCN	The Voice of the Prairies, Ltd	Calgary, Alta.
CHGB	G. Thomas Desjardins	Ste. Anne, Que.
CFJM	Eastern Broadcasting Co. Ltd	Brockville, Ont.
CJVI	Island Broadcasting Co. Ltd	Victoria, B.C.
CJCJ	The Albertan Publishing Co. Ltd	Calgary, Alta.
CFOS	H. Fleming	Owne Sound, Ont.
CHWK	Chilliwack Broadcasting Co. Ltd	Chilliwack, B.C.
CKNB	Restigouche Broadcasting Co. Ltd	Campbellton, N.B.
CHNC	The Gaspesian Radio Broadcasting Co	New Carlisle, Que.
CHNS	Maritime Broadcasting Co. Ltd	Halifax, N.S.
CKY	Manitoba Telephone System	Winnipeg, Man.
CJAD	C. J. A. D. Limited	Montreal, Que.
CKNW	William Rea Jr	New Westminster, B.C.
CKPR	Dougall Motor Car Ltd	Port Arthur, Ont.
CHUM	York Broadcasting System Ltd	Toronto, Ont.
CKBI	Central Broadcasting System, Ltd	Prince Albert, Sask.
CFRB	Rogers Radio Broadcasting Co. Ltd	Toronto, Ont.
CJOR	C. J. O. R. Ltd	Vancouver, B.C.
CFOR	Gordon Smith	Orillia, Ont.
CFAR	Arctic Radio Corporation	Flin Flon, Man.
CKPC	The Telephone City Broadcasting Ltd	Brantford, Ont.
CKAC	La Presse Publishing Co. Ltd	Montreal, Que.
CHLP	La Patrie Publishing Co. Ltd	Montreal, Que.
CKMO	B.C. Broadcasting Co. Ltd	Vancouver, B.C.
CJCA	The Southam Co. Ltd	Edmonton, Alta.
CHAD	The Radio Rouyn-Abitibi, Ltd	Amos, Que.
CKLN	News Publishing Co. Ltd	Nelson, B.C.
CFRN	G. R. A. Rice	Edmonton, Alta.
CKWS	Allied Broadcasting Corporation	Kingston, Ont.
CHEX	Peterborough Broadcasting Co. Ltd	Peterborough, Ont.
CKGB	R. H. Thomson	Timmins, Ont.
CJRL	Kenora Broadcasting Co. Ltd	Kenora, Ont.
CHLT	La Tribune, Ltée	Sherbrooke, Que.
CJBR	Central Public Service Corp. Ltd	Rimouski, Que.
CFNB	James S. Neill & Sons, Ltd	Fredericton, N.B.
CJGH	Chronicle Co. Ltd	Halifax, N.S.
CKCH	La Cie de Radiodiffusion	Hull, Que.

Television—

Frequency modulation	Licensee	Location
CKCK	Leader Post, Ltd	Regina, Sask.
CKRM	Transcanada Communications, Ltd	Regina, Sask.
CFAC	The Southam Co. Ltd	Calgary, Alta.
CJAT	Kootenay Broadcasting Co. Ltd	Trail, B.C.
CJOC	Lethbridge Broadcasting Co. Ltd	Lethbridge, Alta.
CJCS	Frank M. Squires	Stratford, Ont.
CJCA	The Southam Co. Ltd	Edmonton, Alta.
CKWX	Western Broadcasting Co. Ltd	Vancouver, B.C.
CJVI	Island Broadcasting Co. Ltd	Victoria, B.C.
CJCJ	The Albertan Publishing Co. Ltd	Calgary, Alta.
CKAC	La Press Publishing Co. Ltd	Montreal, Que.
CFRN	G. R. A. Rice	Edmonton, Alta.
CKEY	Toronto Broadcasting Co. Ltd	Toronto, Ont.
CHAB	C. H. A. B. Ltd	Moose Jaw, Sask.
CKNW	William Rea Jr	New Westminster, B.C.
CKCH	La Cie de Radiodiffusion du Hull Ltée	Hull, Que.
CHSJ	New Brunswick Broadcasting Co	Saint John, N.B.
CKRC	Transcanada Communications, Ltd	Middlechurch, Man.

Facsimile

CFCF	Canadian Marconi Co	Montreal, Que.
CKPR	Dougall Motor Car Co. Ltd	Fort William, Ont.
CFCH	R. H. Thomson	North Bay, Ont.
CJKL	Northern Broadcasting & Pub. Co	Kirkland Lake, Ont.
CKCK	Leader Post Ltd	Regina, Sask.
CKRM	Transcanada Communications, Ltd	Regina, Sask.
CFAC	The Southam Co. Ltd	Calgary, Alta.
CJAT	Kootenay Boradcasting Co. Ltd	Trail, B.C.
CJOC	Lethbridge Broadcasting Ltd	Lethbridge, Alta.
CJCS	Frank M. Squires	Stratford, Ont.
CKWX	Western Broadcasting Co. Ltd	Vancouver, B.C.
CJCA	The Southam Co. Ltd	Edmonton, Alta.
CJVI	Island Broadcasting Co. Ltd	Victoria, B.C.
CJCJ	The Albertan Publishing Co. Ltd	Calgary, Alta.
CHNS	The Maritime Broadcasting Co	Halifax, N.S.
CJCH	Chronicle Co. Ltd	Halifax, N.S.
CKNW	William Rea Jr	New Westminster, B.C.
CKRC	Transcanada Communications, Ltd	Winnipeg, Man.
CHSJ	New Brunswick Broadcasting Co. Ltd	Saint John, N.B

13.—No Licences have been granted to broadcasting stations.

SESSION 1946

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 7

THURSDAY, JULY 11, 1946

FRIDAY, JULY 12, 1946

WITNESSES:

Mr. Harry Sedgwick, Mr. F. C. Colborne and Mr. Frank H. Elphicke of the Canadian Association of Broadcasters of Toronto, Calgary and Vancouver.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

MEETING IN MONTREAL

FRIDAY, July 5, 1946.

The Special Committee on Radio Broadcasting entrained for Montreal at 7.45 a.m. (S.T.) and met in the office of Dr. Augustin Frigon, CBC General Manager, in the Keefer Building.

Members present: Messrs. Maybank, *Chairman,* Beaudoin, *vice-chairman,* Bertrand *(Prescott)*, Bowerman, Fleming, Hansell, Knight, Laurendeau, Maloney, Nixon and Robinson *(Simcoe East)*, and the Clerk of the Committee.

Messrs. Campbell, Hodgson, Gauthier *(Nipissing),* and Eudes also were present.

In attendance: Dr. Augustin Frigon, A. Davidson Dunton, Donald Manson, E. L. Bushnell and J. R. Radford of the CBC, the chiefs of the various administrative and other services, and Miss Louise Simard, secretary to the General Manager.

A tour of the Keefer Building was made under the direction of the Chief Engineer, G. W. Olive, assisted by Messrs. M. L. Poole, H. Audet, M. J. Werry, E. C. Stewart, W. S. Richardson and P. Field, where a film on frequency modulation was enjoyed by the visiting members.

The Committee visited the studios at King's Hall where they were received by Messrs. J. R. Samson, John de B. Payne, Dr. Leopold Houle and Dr. Jean Saint-George.

Dr. Jean Beaudet, just returned from Prague, gave a brief piano recital demonstrating the difference in reception on a radio set equipped with A.M. or F.M., equipment.

In the afternoon the Committee visited CBF transmitter at Verchères.

In the course of the dinner at Le Cercle Universitaire, at which Mr. Howard B. Chase assisted the Chairman, Mr. Ralph Maybank thanked Dr. Augustin Frigon for having afforded the Committee a visit to the CBC in Montreal, and complimented all the members of the staff who had made this tour an agreeable one.

The following were distributed:—

1. Notes on the Montreal Studios.
2. CBF—Verchères.
3. An outline of CBC International Service.

The Committee adjourned at 9.20 p.m. to meet again on Thursday, July 11, at 10.30 o'clock.

ANTONIO PLOUFFE,
Clerk of the Committee.

APPENDIX A

NOTES ON THE MONTREAL STUDIOS

The Montreal Studios, which you are visiting this afternoon, is staffed and equipped for the development and airing of all types of radio programmes. (In this respect it does not differ from any other such organization the Corporation maintains at its various operational points across Canada.)

This is the headquarters of the French network and the home stations CBF and CBM. CBF with a power of 50,000 watts, is the key station of the French network. CBM (transmitter Marieville, Quebec), with a power of 5,000 watts, is the CBC's English outlet in the Montreal area. (There are four privately-owned stations operating in Montreal, CKAC (French), of *La Presse;* CHLP (French), of *La Patrie;* CFCF (English) of the Canadian Marconi Company; and CJAD (English) of the CJAD Broadcasting Company.

Space

The Corporation leases 28,500 square feet in the King's Hall Building. Studio facilities occupy 9,000 square feet.

Studios

The 9,000 square feet provide nine broadcasting studios. Three studios are used for talks and recorded programmes only; and two of these are the standby studios for Stations CBF and CBM. (Transcribed and recorded programmes, spot announcements and station identifications are broadcast from the standby studios.) The other six studios, all varying in sizes, are used in the production of dramatic and musical programmes. Studio "H-8"—the largest —is equipped with a Hammond Electric Organ and a Novachord; and may be used for a concert orchestra of forty men.

In the period from February 17 to March 16 of this year, the seven broadcast-studios (figure for standby studios are omitted) were in use for 1,509 hours.

Live Broadcasts Time.....	246 hours 15 minutes
Rehearsal Time	1,141 hours 30 minutes
Auditions	50 hours 00 minutes
Miscellaneous Use	71 hours 15 minutes
Total	1,509 hours 00 minutes

Departments

Commercial: (Department Head, Omer Renaud). This department is concerned primarily with the sale of time on the French network and the CBC owned station in the province of Quebec. It also serves as a link between the commrcial department in Toronto and the advertising agencies in Montreal. An interesting fact is that the personnel of this department handles most of the production assignments on commercial shows and is responsible for the translation of a good many commercial announcements.

Engineering: (Chief operator, E. D. Roberts). The personnel of this department handles the technical phase in the airing of a programme, specifically they are responsible for the delivery of the programmes to the transmitters of the two local stations and to the wire-line companies for distribution on the networks. The department is divided into the following groups:—

(*a*) Master Control, the nerve-centre of an operational point through which all in-coming and out-going programmes must pass.

(*b*) Studio Group, the personnel of this department man the controls in all studios (except the standby-studios) and the technical equipment on all remote (outside) broadcasts.

(*c*) Recording, this department cuts all transcriptions.

(*d*) Maintenance Group, which is charged with maintaining all equipment in good operating condition.

The Chief Operator also has under his supervision the following:—

(*a*) Stores.

(*b*) Janitors.

(*d*) Vehicles.

Personnel and Administration: (J. R. Samson, manager) is responsible for all administrative services; and the assignment to various departments of all stenographic and clerical personnel.

Programme: (J. M. Beaudet). The Programme Department is the largest unit in the studio organization. The activities of this department require the services of approximately 350 artists, musicians and speakers each week. The weekly payroll varies between 5,000 and 7,000 dollars.

In Montreal, programmes are produced for distribution on the French network, the Trans-Canada and Dominion networks; and in some cases for dual distribution on an English and the French network.

The organization of the department, insofar as its French-Language work is concerned, is similar to that of the National Programme Office in Toronto. The division is as follows:—

Causeries (Talks & Public Affairs—Marcel Ouimet)
Music (Dr. J. J. Gagnier)
Nouvelles (News—Dr. Jean St. Georges)
Radio-College (School Broadcasts—Aurèle Séguin)
Réveil Rural (Farm Broadcast Department—Armand Bérubé)
Special Events Section (Roger Baulu)

Miscellaneous Units

(Programme Department)

Music Library: (Miss Thérèse Rochette), all music required by conductors of orchestras for broadcasts over the CBC is supplied by the Music Librarians whose files contain hundreds of musical works of all types. The Music Library may supply a symphony orchestra or a small ensemble with orchestrations and special arrangements.

Recording Library: All recorded programmes are prepared by the Music Librarian (Miss Marie Bourbeau) and her staff. Each week they are responsible for 151 programmes varying in type from the symphonic works of the classical masters to the latest tunes of Tin-Pan Alley. The selection is made from some 10,000 recordings manufactured in Canada, Great Britain, the United States and European countries. The Record Library has in its cabinets some 8,000 transcriptions of CBC programmes.

Programme Clearance: (Miss C. B. Salviati). In studio lingo, programme clearance is called "Traffic". It is responsible for the preparation of all studio logs, the reservation of studios, the hiring of halls and the ordering of all special line facilities.

PERSONNEL

Administration		
Personnel	3	
Steno Pool	6	
Teletype and Telephone	7	
Printing and Central Registry	12	
	28	
Assigned to various Depts.		
Cashier	3	
Programme	15	
Traffic	6	
Engineering	3	
Commercial	7	
P. & I.	3	
	37	65
Treasurer		1
Programme—		
Director	1	
Supervisors	5	
Administrative Officer	1	
Producers	27	
Announcers	17	
Night Manager	1	
Programme—Con.		
Music Library	6	
Programme Assistants	2	
News	12	
	72	72
Engineers—		
Regional	2	
Chief Operator	1	
Master Control	4	
Studios	9	
Maintenance	4	
Booth	3	
Recording	2	
General	7	
Sound Effects	7	
Janitors	7	
Stores	3	
	49	
Commercial	3	3
Permanent		190
Casual Employees	12	
Total		202

J. C. SAMSON.

APPENDIX B

CBF—VERCHERES

The CBF Verchères Transmitter and its sister station, CBL at Hornby, are identical as to physical characteristics and plant installation and power output. These two stations were completed in December, 1937, just one year after the CBC came into existence in November, 1936. Prior to their coming into operation, the total power of all Canadian stations was only 78.2 Kw., and the potential listening audience at that time was only about 50 per cent of the population. When the new transmitters at Verchères and Hornby commenced operations, the total power of Canadian stations was increased by over 100 per cent, and the day and night coverage of the Corporation's network was increased to approximately 80 per cent of the total population in Canada. To-day there are four 50 Kw. stations owned by the Corporation of which the Verchères Transmitter is typical. These high-powered transmitters are located with reference to major centres of population that they are intended to serve so as to provide reliable or primary service to the greatest number of listeners.

At Verchères and Hornby the building design requirements called for sufficient space to house a 50 Kw. transmitter with provision for a short-wave station

to be installed at a later date. A 7·5 Kw. short-wave transmitter has now been installed at Verchères and this is used to extend the French network coverage into areas not reached economically by any other means. A 200 watt short-wave transmitter is also used for the same purpose.

Building Construction

The building at Verchères is of monolithic reinforced concrete, the reinforcing being all welded and tied to the grounding system for the transmitter. The walls and ceilings are insulated, the walls with 2 inches of rock wool and a half inch of fibre board. The transmitter control room is supplied with daylight through a glass brick wall taking in the entire side of the room. Heating is supplied by what is known as a split system, i.e., the heat is supplied to the various rooms by means of radiators and also by ventilating ducts. Heat to the air ducts is drawn off from the transmitter when it is in operation. This amounts to a saving of approximately 1,000 gallons of oil per year. Cooling is supplied by means of a refrigerating unit.

Electrical Installation

The electrical installation includes almost all phases of electrical and communication engineering. The power supply requires several hundred kilowatts and service must be completely dependable. Since broadcasting is a public service, it is essential that continuity of service be maintained and at Verchères provision has been made for power services to be installed in duplicate.

Antenna System

At CBF and CBL advantage has been taken of the most modern practice known regarding antenna design and a single tower, 585 feet high, is used at Verchères. This tower is itself the antenna which is insulated from the ground at the base. Associated with the tower is a tremendous network of wires in the ground just a few inches under the surface. Actually there are more than 19 miles of copper wire in the ground surrounding the antenna at Verchères and arranged in such a way as to form the spokes of a wheel, the centre of which is at the antenna. One hundred and twenty of these spokes are each 600 feet long and other shorter ones radiate out from the tower base. This ground system is very necessary in producing the greatest possible radiation from the antenna system. These ground wires are buried automatically by a special tractor-driven plough which digs a furrow, inserts the wire and closes the furrow all in one operation.

To provide adequate marking for aviation, service lights are placed at one hundred foot levels arranged on opposite sides of the tower so they may be visible from all directions.

Two other antenna systems have also been provided for the short-wave transmitters and one of these antennae is directed towards the Western provinces of Canada.

Control

The broadcast transmitter, both for the medium-wave and short-wave service, is a very involved network of electric circuits and requires power at several different voltages. The control circuits which start the different portions of the transmitter in proper sequence and isolate various parts of the apparatus against damage, all focus at the operator's control console which is mounted on a desk in the main operating room facing the transmitter panels. From this point the operator on duty has full control of all parts of the apparatus and is continually advised regarding its operation. The control circuits are very complex and have the effect of greatly simplifying the operation of the equipment.

100 Kw. Tubes

The large tubes in the transmitter have a rating of 100 Kw. each and are the largest tubes to-day in radio broadcasting in North America. They are water-cooled and absolutely pure distilled water must be maintained for this use. Otherwise current will leak through the water system and the transmitter could not operate efficiently. The heat is removed from the water by means of an air blast through a special cooling system. As already indicated, the warm air thus produced is used in heating the building during the winter months.

Studio Connection

The programmes for both the medium wave 50 Kw. transmitter CBF, which operates on a frequency of 690 Kc., and for the short-wave transmitter which operates under different call letters according to the frequencies being employed, i.e., CBFX, 9630 Kc., CBFW, 6090 Kc., CBFY, 11,705 Kc. and CBFZ, 15,190 Kc. are supplied to the transmitters from the studios in Montreal over special copper wires. At Verchères apparatus is provided for continually checking the quality of the incoming programme as it is received from the studios and as it is sent out from the transmitters to the listeners.

G. W. OLIVE.

Montreal, July 4, 1946.

APPENDIX C

CBC INTERNATIONAL SERVICE POLICY INTERPRETATION, RULINGS AND DIRECTIVES

EXTRACTS FROM THE CBC DESK REFERENCE MANUAL JULY 1, 1946

INTERNATIONAL SERVICE

Establishment

The capital cost for the purchase of two 50 kw. short-wave transmitters, directional antennae, associated apparatus, installation cost, purchase of lands and premises, and related construction at Sackville, N.B. was authorized by P.C. 8168 dated September 18, 1942, as a charge to the War Appropriation. This Order in Council also authorized payment of annual operating and maintenance costs, and programme costs, as a charge to the War Appropriation for the duration of the war, and thereafter to such appropriation as may be provided annually by Parliament.

In practice, the cost of operating and maintaining the International Service is appropriated annually by Parliament, and the service as operated by the CBC regular service was commenced February 25, 1945.

A committee was appointed with representatives of the CBC, Department of External Affairs and other interested Government bodies to advise on general development and programme activities. The following are the members of this committee:—

Dr. Augustin Frigon, General Manager CBC—Chairman
Norman Robertson, Under-Secretary of State for External Affairs
A. D. Dunton, Chairman CBC
Donald Manson, Assistant General Manager, CBC
A. D. P. Heeney, Clerk of the Privy Council
B. C. Butler, Department of Trade and Commerce
G. C. Andrews, Canadian Information Service
E. L. Bushnell, Director General of Programmes, CBC
Peter Aylen, Supervisor International Service CBC—Secretary
G. Glazebrook, External Affairs
F. H. Soward, External Affairs

Organization

The organization of the International Service consists of:

General Supervisor
Assistant General Supervisor
Policy Editor
Senior Engineer
Manager of Personnel and Administrative Services
Editor-in-Charge
Press and Information Representative

and Supervisors of the following Sections:

United Kingdom and Commonwealth
French
European, Foreign Languages
Latin American

Functions

The function of the International Service of the Canadian Broadcasting Corporation is to project Canada for listeners in the area of the international world communication in order that Canada may take her place and be understood among other peoples. It is the function of the Service to develop abroad an intelligent appreciation of Canadian resources, activities, thought and general culture. This function imposes responsibilities which may be stated more specifically as follows:—

(1) To seek after and maintain the highest possible standards of technical skill in the arrangement and presentation of all types of programmes at appropriate levels for all types of listeners.

(2) To meet the expressed and growing demands of peoples throughout the world for news, commentary and information concerning all aspects of Canadian life. This includes education, industrial and manufacturing activity, scientific, artistic, social and political affairs.

(3) To develop exchange programmes with other countries in order to increase mutual understanding and knowledge, and to enrich cultural relations.

(4) To maintain liasion with Government Departments, and recognized organizations and institutions, to provide a constant flow of authentic information on Canadian progress and development as source material for broadcasting purposes.

(5) To stimulate creative ability in writing and in production.

(6) To supervise all expenditures of the International Service, except for engineering construction, and to prepare estimates and budgets.

International Service

Rulings, Directives, and Policy Interpretations

The International Service of the Canadian Broadcasting Corporation, as the voice of Canada abroad, is responsible for broadcasting programmes which entertain and interest the listener wherever he may be. This involves a thorough knowledge of Canadian life in all its aspects, a sound working knowledge of the countries to which the Canadian voice is beamed, and in every phase of the work, judgment and taste in the handling and presentation of material.

The broad categories under which the activities of the International Service at present divide themselves may be considered as follows: Entertainment, News, Interpretation and Commentary, Information.

1. Entertainment

In a proper and inclusive sense of the word all broadcasting of whatever sort should be entertainment. Whether it be news, variety, music, talk or drama, by virtue of its content and manner of presentation, it should, at its appropriate level, possess vitality and be pleasing to the listener. This should hold equally for a jazz band or a talk on turnips.

In entertainment the principles on which the International Service works are the principles of all good broadcasting. The listener is assumed to be important and reasonable, intelligent if not formally educated. He is assumed to be alert and critical at his particular level. All programming then, at whatever level, should aim at the best in content and ideas and at the maximum of technical excellence in arrangement and presentation. Significance of material, clarity in design, respect for the listener and honesty in dealing with him, are fundamentals. When these fundamentals are assumed and are demonstrated in practice, all radio presentation, for its appropriate listener, is entertainment in a true sense.

2. News

The news service of the CBC International Service is based on source material furnished by recognized News Agencies, and releases from Government departments and established outlets.

Source copy is appraised for objective news value. In building news bulletins stories must be accurate and faithful to source, and presented in clear terms without intrusion of personal or group views. Criteria for coverage of news are:

(*a*) Universal importance of items,
(*b*) Bearing on Canada's role in international events or developments,
(*c*) Significance as Canadian material,
(*d*) The need for showing awareness of events and developments concerning countries to which our transmissions are beamed.

Domestic news is handled without bias or undue emphasis. On controversial subjects, when both phases are not available simultaneously, the delayed one is presented as it becomes available in order to keep the report in balance.

When condensing important statements by government officials or other well-known nationals for short-wave transmission, distortion through selection is avoided and the endeavour made to retain the full meaning intended in the original statement.

Rumours, speculations, and views as such have no place in the bulletins, unless they have news value because of the source from which they emanate. When a story containing any of these elements is released it must be firmly pegged to source.

In covering the domestic scene, news of national importance is emphasized. Government action in connection with important matters, Dominion or Provincial, repatriation of our service personnel, rehabilitation, trade, shipping, the educational and cultural life of our country, are all considered important. The purpose is to furnish an image of the far-flung and diversified life of Canada while at the same time serving to satisfy the specialized interest of the countries to which the broadcasts are beamed.

3. *Interpretation and commentary*

By implication, all programme material, as selected, organized and presented, is an interpretation of the mind and life of the country of origin. Thus the International Service of Canada is charged continuously with the task and responsibility of interpreting Canada abroad. Whether it be in the pronunciation, or accent, of an announcer or in a release from the Department of Trade and Commerce or in the manipulation of materials in a variety show this principle

holds. The life of Canada, in its compexity, variety and totality, is the available source material for the International Service. The interpretation of that life is the constant responsibility of the Service.

This responsibility takes two forms:—

1. In the general care and supervision exercised over all programmes of whatever sort.
2. In the particular matter of commentary as such released in talks by individuals who are chosen for their special knowledge, presumed authority in their own sphere, and sincerity of approach to their material.

In this second area the problems are numerous and specifie. The fundamental principles may be stated briefly: self-indulgent bias and mere partisanship must be avoided and honestly and adequacy in presenting all relevant viewpoints sought after. Specialized commentary, if these principles are safeguarded, can reflect the life of a democratic people in ways which are self respecting and at the same time contributory to the kind of intellectual activity for which international broadcasting should stand.

4. *Information*

The International Service operates as a channel of information through the spoken word. There are at least two aspects of this function:

(*a*) Factual material concerning all phases of Canadian life is gathered, organized, and presented as a contribution towards mutual understanding among peoples. This material goes out in English, French, Dutch, Czech., German, Danish, Spanish, Portuguese and other languages. It is a major function of the International Service to maintain the flow of this material and to safeguard its adequacy and integrity as basic information.

(*b*) The International Service also operates as a channel through which all international organizations operating in Canada and on this continent, may be reported upon to the world in general and to the countries of the nationals concerned. FAO, PICAO, ILO, UNRRA and UNO have all thus been reported upon. If the world becomes increasingly one community and international bodies and agencies continue to meet on this continent, this phase of the work of the International Service will continue to be increasingly important.

S. W. GRIFFITHS.

MINUTES OF PROCEEDINGS

THURSDAY, July 11, 1946.

The Special Committee on Radio Broadcasting met at 10.30 o'clock a.m. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Gauthier (*Portneuf*), Hansell, Knight, Laurendeau, Maloney, Maybank, McCulloch, Mullins, Nixon, Picard, Robinson (*Simcoe East*), Ross (*Hamilton East*), Ross (*St. Paul's*), Smith (*Calgary West*).

In attendance: Mr. Harry Sedgwick, Chairman of the Board of Directors, Toronto: Officials of the Canadian Association of Broadcasters, Officials of the Canadian Broadcasting Corporation, and of the Radio Division, Department of Transport listed in the proceedings of the meetings of July 4.

Mr. Fleming referred at the opening of the meeting to an agreement signed at Washington on February 25, 1946, and mentioned by Mr. G. C. W. Browne of the Department of Transport when he appeared on July 4.

Mr. Browne was recalled, filed the said document, and it was ordered printed. (*See appendix D to this day's evidence*).

Mr. Harry Sedgwick, Chairman of the Board of Directors, Canadian Association of Broadcasters, came forward and introduced Mr. F. C. Colborne.

Mr. F. C. Colborne was then called. He read a brief on behalf of the Canadian Association of Broadcasters. He was assisted by Mr. Arthur Evans, Secretary of the Association. In the course of his statement, the witness filed with the clerk certain exhibits identified forthwith as:—

1. Radio Station CKAC—Montreal—Contribution to Talent.
2. Retirement Plan for Employees—All-Canada Radio Facilities Ltd.
3. A list of Talent developed by CKAC—Montreal.
4. Sectional and Service Programmes—Radio Station CFCN and others.

5A. Programmes—British Columbia Member Stations—Programme Committee. (Copies distributed).

5B. Programmes—CKRC—Winnipeg, March 24-30, 1946.

6. Programme Schedule—Radio Station CJCA—Edmonton (March 24-30, 1946).
7. Original letters from certain private stations (to be returned).

8A. Annual Report (1946)—Commercial Radio Research Committee, (Copies distributed).

8B. Release of the National Opinion Research Centre, University of Denver, Col., U.S.A. (Copies distributed).

9. Programme Promotion Report—CKCK, Regina, Sask., CJCA, Edmonton, Alta., and CKRC, Winnipeg, Man.
10. Public Service accomplishments: 7 stations starting with CJVI and ending with CKOC—Hamilton.
11. Report of Public Service Activities, etc., CKGB, Timmins, Ont., CHEX, Peterborough, Ont., CKRN, CKVD and CHAD of Northern Quebec, and CKEY, Toronto, Ont.
12. Public Service of Station CKLW, Windsor and district.
13. Letters of appreciation, etc., of private stations.
14. Edition of "Radio Vision" of July 6, 1946.
15. Photostats—Letters of appreciation.

(*The above list was checked by the Secretary of C.A.B.*).

The witness stated that Exhibit No. 7 was original letters from private stations and requested permission that they be returned.

On motion of Mr. Coldwell, it was resolved that Exhibit No. 7 be returned to the witness at the conclusion of the Committee's deliberations.

Before adjournment, the Chairman made reference to an editorial in The Ottawa *Journal*, relative to the proceedings of the Committee.

At 12.45, on motion of Mr. Fleming, the Committee adjourned until 4.00 o'clock p.m., this day.

AFTERNOON SESSION

The Committee resumed at 4 o'clock.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Gauthier (*Portneuf*), Hansell, Knight, Laurendeau, Maloney, Maybank, McCann, Nixon, Picard, Pinard, Robinson (*Simcoe East*), Ross (*Hamilton East*), Ross (*St. Paul's*), Smith (*Calgary West*).

In attendance: Same as listed at the morning sitting.

It was agreed to defer examination until completion of the brief presented by CAB.

Mr. Frank H. Elphicke, manager of CKWX, Vancouver, was called. He read Section 11 of the brief of the Canadian Association of Broadcasters, dealing with future policy. An appendix appearing at the end of this brief was taken as read.

A discussion followed as to future procedure, and on motion of Mr. Smith, it was resolved to conclude with CAB on Friday.

Mr. Coldwell made a correction to a quotation he made and which appeared on page 103 of the printed evidence.

A further discussion took place with respect to an editorial of The Ottawa *Journal* which was read by the Chairman.

Messrs. Sedgwick, Colborne and Elphicke were jointly examined and retired.

Mr. Sedgwick filed a copy of a list of members of the Canadian Association of Broadcasters. He was asked to bring forward a list of the non-members.

A copy of a CAB pamphlet, dated February 17, 1943, and entitled "Code of Ethics" was tabled and it was ordered printed. (See Appendix E to this day's evidence).

The Committee adjourned at 6.05 p.m. until Friday, June 12, at 10.30 o'clock a.m.

FRIDAY, July 12, 1946.

The Special Committee on Radio Broadcasting met at 11 o'clock. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Gauthier (*Portneuf*), Hansell, Knight, Maloney, Maybank, McCulloch, Picard, Robinson (*Simcoe East*), Ross (*St. Paul's*) and Smith (*Calgary West*).

In attendance: Same as those listed and mentioned by Mr. Sedgwick at the morning sitting of Thursday, July 11. (*See evidence*).

The Committee resumed its examination of Messrs. F. C. Colborne, Frank H. Elphicke and Harry Sedgwick. In supplying answers, they were assisted by Messrs. Phil Lalonde, Keith Rogers, of Charlottetown, Ken Soble of Hamilton and Guy Herbert of Toronto.

At one o'clock, the Committee adjourned until 4 this day.

AFTERNOON SESSION

The Committee resumed at 4 o'clock.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Hansell, Knight, Maybank, McCann, Ross (*St. Paul's*), Smith (*Calgary West*).

In attendance: Listed at the morning sitting of Thursday, July 11.

Before proceeding with the interrogation of witnesses, the Chairman referred to the following documents distributed to the members in Montreal, and on motion of Mr. Fleming;—

Ordered,—That they be printed. (*See appendices A, B and C to the minutes of proceedings of the meeting held in Montreal*).

Mr. F. C. Colborne filed with the Clerk, as requested, a list of non-members of the CAB and of newspapers affiliated stations.

Mr. Frank H. Elphicke was recalled and made some corrections relating to commercial statistics of the CAB brief.

In supplying answers, he was assisted by Messrs. Sedgwick, Colborne, Rogers, Soble, Lalonde and G. R. A. Rice of Edmonton.

Dr. Augustin Frigon was recalled and made a statement respecting depreciation of CBC equipment, etc. He was assisted by Mr. Harry Bramah, Treasurer of the CBC.

In reply to Mr. Hansell regarding a breakdown of quarter hours, Mr. Colborne undertook to later file a statement.

The examination of the witnesses being concluded, the witnesses retired.

On motion of Mr. Beaudoin, the Committee adjourned at 6 o'clock until Thursday, July 18, at 10.30 o'clock.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,
July 11, 1946.

The Special Committee on Radio Broadcasting met this day at 10.30 o'clock a.m. The Chairman, Mr. R. Maybank, presided:

The CHAIRMAN: Let us come to order, gentlemen. As you know, we arranged that to-day we would hear from either CFRB or CAB. I said to you that these two bodies were settling among themselves which would come first. At that time I already knew, in the sense that I was told; but I had forgotten just what the arrangement was. I thought that CAB was to come on ahead of CFRB because the personnel they desired to have present had to come from some distance. That is the fact, that between them they have arranged that CAB will precede CFRB.

Mr. Sedgwick, who holds the chief titular office, I believe, of chairman of the board of directors of CAB—he will correct me if I am wrong in misquoting him in any way; I do not mean to do so—Mr. Sedgwick is present and he suggested to me that it would be well if he could introduce the various personnel of CAB who are here and who may come before us as witnesses, or, on the other hand, may not. At any rate, they are here for that purpose. If that is agreeable to you, and if there is no other preliminary matter to be taken up, I would now call upon Mr. Sedgwick.

Mr. FLEMING: Mr. Chairman, there is one matter. On page 214 of the proceedings of the last meeting, in connection with a question I asked of Mr. Browne, I said, would it shorten up our proceedings if you tabled that. He was speaking about the *modus vivendi* agreement that was signed last February, extending the Havana agreement. He answered:—

> A. This is a document published by the Department of External Affairs in their Treaty Series 1946, No. 8, Interim agreement between Canada and other powers to regulate the use of the standard broadcast band in the North American region, signed at Washington, February 25, 1946, effective as from March 29, 1946.

I made inquiries at the distribution office but they have not any record of that document. I wonder if something could be done either to make the document available, or have it printed as an appendix to the proceedings of this committee.

The CHAIRMAN: Yes. He has the document with him. It was a short document and we were getting the agreement printed, the Havana agreement. That was going in. As a matter of fact, it is in, I think, although I have not had a chance to check. I think it is in to-day, in what we have received of the last meeting. The document you speak of constitutes a part of that agreement because it is a reviver. It seems to me that the easiest thing to do, if you are all agreed, would be to ask Mr. Browne to surrender the document to us long enough to get it printed in our minutes. I do not think Mr. Browne is present to-day. Yes, he is. Is there any objection to that course of action, Mr. Browne?

Mr. BROWNE: No sir. I have a copy of the document with me which I will hand to Mr. Plouffe.

The CHAIRMAN: I shall ask Mr. Browne to file it now, so that we may include it in the appendix to to-day's meeting. Let us have that in due course, Mr. Browne.

Is there any other preliminary matter? Well then, I shall now call on Mr. Sedgwick, in accordance with what I already said to you.

Mr. SEDGWICK: Mr. Chairman and gentlemen, at a meeting of the Canadian Association of Broadcasters—of which I am the chairman of the board—in May last, our members elected a committee to prepare a brief for presentation before your committee; and the members of that committee are here to-day in the persons of:

Mr. Guy Herbert of Toronto;
Mr. Frank H. Elphicke of Vancouver;
Mr. Clifford Sifton of Winnipeg;
Mr. Fred C. Colborne of Calgary;
Mr. Narcisse Thivierge of Quebec, P.Q.;
Arthur Evans, secretary of the C.A.B.

The brief is in two parts. The first part deals with the history of our business, and our record, as we see it. The second part contains some constructive suggestions, we believe. Mr. Colborne of Calgary will present the first half of the brief.

Attending as well are: Colonel Keith Rogers, from Charlottetown, president of the Maritime Association of Broadcasters, Mr. Jack Beardall, Chatham, Ont., Mr. G. R. A. Rice, Edmonton, Alta., president of the Western Association of Broadcasters; Mr. Phil. Lalonde of CKAC Montreal, Mr. A. Gauthier of Sherbrooke, and Mr. Henry Dawson, the chief engineer of the Canadian Association of Broadcasters. All of the members of our committee and our directors are here and available to you, sir; and when the briefs are presented, these people will be available to answer any questions you may wish to put to them.

Mr. F. C. Colborne, Assistant Manager, Station CJCJ, Calgary, Alberta, called:

The CHAIRMAN: The policy has been, sir, that if a witness felt more at ease seated, he should be seated; and you may take your choice like everybody else.

The WITNESS: Thank you very much, Mr. Chairman.

The CHAIRMAN: There is no problem to-day about the members having a view.

Mr. FLEMING: May we remove our coats?

The CHAIRMAN: You may do anything you like.

Mr. FLEMING: And the witness may do the same.

The CHAIRMAN: Certainly.

Mr. SMITH: While the fellows are being searched, take your coats off.

The WITNESS: Mr. Chairman, while the copies of the brief are being distributed, I might say there are two points I would like to refer to at this time: first of all, you will notice that this brief is, perhaps, the most lengthy brief of any you have received to date. I would like to point out in that regard that the brief, as you will find as we proceed through it, is a condensation of a terrific amount of material on the past record of private broadcasters in Canada.

If I may be permitted, I would like to remind the committee that our brief really takes the place of four briefs; in other words, you have received four briefs from the Canadian Broadcasting Corporation; and if those four briefs were put together, they would make a vastly greater amount of material than is contained in this present brief. Our brief is really in two parts. The second part will be distributed at the conclusion of the first part, if we are to carry on. It deals with the future policy of radio in Canada.

Now I would just like to determine at this time if the procedure which has been carried out in the past, that is, that of reserving questions and answers until the end of the complete presentation, is to be carried out to-day or, is it your pleasure to have questioning take place during the presentation of the first and second parts of the brief?

The CHAIRMAN: That cannot very well be decided definitely in advance, because it is a matter which is in the hands of the committee. The committee is a body that draws its power from itself and makes its own rules as it goes along.

Mr. COLDWELL: May not Mr. Colborne present the first part of his brief without being asked questions?

The CHAIRMAN: Yes. Questioning during the presentation of the brief is not to be expected unless it be for a matter of clarification; but whether there would be questioning after the presentation of the first part of the brief depends on how the spirit moves the various members who are present.

By Mr. Fleming:

Q. Upon what basis has the brief been divided into two parts?— A. Originally it was our understanding that the Canadian Association of Broadcasters would appear to give an account of its past record after the CBC had done the same thing; and then the CBC would present its future policy, following which we would present our representations upon such policy. But the foregoing procedure was changed after we had prepared the brief; so we just left it in that form.

The first paragraph of the brief just deals with an introduction of myself.

> My name is Frederick C. Colborne and I am Assistant Manager of Broadcasting Station CJCJ in Calgary, Alberta. I was first employed in radio at the age of thirteen and have been continuously employed in radio broadcasting since 1936, with the exception of the years between 1940 and 1945. During those years, like so many of my confreres in the radio business and in all other walks of Canadian life, I was serving with the armed forces of Canada and at this time I represent the air force branch of the forces in the Alberta legislature. During my absence many developments occurred in this, as in every other business. That is why, although I have been selected to present this submission on behalf of the Canadian Association of Broadcasters, I am supported by some of my older colleagues.
>
> I think it might be well if I made it clear first and briefly what the Canadian Association of Broadcasters is, and what points we intend to cover in this presentation.
>
> The Canadian Association of Broadcasters is a purely voluntary trade association of the independent broadcasting stations of Canada. Its membership at the moment totals 81 such stations, located in every part of the nation. It is not a company in any sense of the word. The broad purpose of the association is to encourage increasing responsibility amongst its member broadcasters and to improve the standard of their service.

As we see it, this committee faces two fundamental problems:—

(*a*) gathering facts

(*b*) seeking out inherent defects that might exist in the Canadian radio system.

The purpose of this presentation, therefore, is to assist the committee in so far as we can in its compilation of facts, and in its examination of the validity of criticisms that have been levelled against radio broadcasting.

Perhaps the general tenor of such criticisms has not been more clearly or forcibly expressed than in two recent publications. One of these is the FCC Blue Book on "Public Service Responsibilities of Licensed Broadcasters", with which committee members have been provided. The other is the book "Radio's Second Chance" written by C. A. Seipmann who helped in the preparation of the FCC Blue Book. It is significant that both publications are American.

From examination of these two documents, and from study of previous sittings of this committee, we have been able to formulate a pattern that would seem to indicate the major questions that exist in your minds.

We shall, therefore, present our report in terms of these questions, summarized from the sources mentioned, as follows:—

(*a*) Are the community stations lax in developing adequate creative personnel?

(*b*) Are community stations properly developing local performing talent?

(*c*) Are community stations permitting too little listener control—too much sponsor control of programme content?

(*d*) Are community stations paying sufficient attention to "sectional" programming (minority audiences)? Do they give sufficient attention to non-commercial programmes or to free programmes? Are sustainers, or public service shows, offered at inconvenient hours and jostled about in favour of commercials?

(*e*) Do community stations perform sufficient local creative programming?

(*f*) Are community stations excessively commercial and are their profits too high?

(*g*) Do community stations pay enough attention to public service programming? Do they provide sufficient opportunity for discussion of public and controversial issues?

These questions may have caused anxiety in the minds of committee members—this in spite of the fact that they are raised largely in another country and of another radio system.

Significantly, this committee sits at a time when the symptoms of a developing Canadian consciousness are becoming more pronounced and definite. We know that Canadian radio has a vital part to play in stimulating Canadian unity, in providing information and encouragement to hasten this developing consciousness of the Canadian spirit, and in assisting to create that distinctively Canadian culture and outlook so essential to a full Canadian development.

We shall, therefore, examine these questions insofar as they may be valid in relation to our own Canadian pattern of radio, as follows:—

(1) *Development of Adequate Creative Personnel*

We shall show how we get our staffs, the aggressive and scientific methods used to develop their abilities;—that large numbers of them are thus aided to network status or further advancement.

(2) *Development of Local Talent*

We shall give specific details of precisely what the Canadian community stations are doing to find, develop and advance Canadian talent. Committee members will find the existence of a healthy situation.

(3) *Control of Programme Content*

We shall show here the relation of both the sponsor and the listener to what is offered on the air, and to each other. We shall demonstrate that the Canadian public is, in this field as in many others, not at all unaware of its rights or unwilling to exercise them.

(4) *Programming for Minority Audiences, Programming of Sustainers and Scheduling*

We shall give examples of the diversity of entertainment and information offered, in an attempt to cater to all legitimate listener tastes and needs. We shall show how creative ideas are pooled between stations for the benefit of all community broadcasters and of listeners. We shall give specific examples of the creative effort devoted to the production of sustainers and free programmes, and specific examples of the excellent times at which they are usually offered. Committee members will see conclusive evidence of a responsible and mature approach to meeting community needs.

(5) *Local Creative Programming*

We shall outline the real situation regarding the community stations' dependence on networks and transcriptions. We shall give specific examples of outstanding local creative programming in communities throughout the nation.

(6) *Excessive Commercialism and Profits*

We shall outline the real situation regarding community station profits. We shall give a statement of the true situation as to ratio of commercial to sustaining time. Committee members will find that this situation is, in general, not out of line.

(7) *Public Service*

We shall give typical examples of conscientious and constructive public service efforts, showing that the community stations of Canada provide information, education and the opportunity for controversial discussion in full measure.

(8) *Veterans' Rehabilitation*

Finally, we shall give some facts regarding the place of the veteran in Canadian community radio. We believe committee members, after examining the details, will find that community radio's record in this respect is excellent.

B. *Statement of our Policy*

We emphasize our belief that, regardless of patterns accepted as suitable for other nations, there should be in Canada

(1) a nationally owned radio system controlling its own radio stations throughout the country and whatever networks it may deem desirable to fulfill its expressed obligations, and

(2) a system of independently owned community stations throughout the country.

These community stations should exist as a competitive and protective force, to provide stimulation to the national system and to protect the democratic elements of freedom of speech and individuality of programming—and to serve those purely local needs which the national system obviously cannot undertake in the complete fulfilment of its national purpose.

Some confusion may eexist in relation to the term "community". In the Canadian scene, a community consists of a centre with its surrounding satellite communities and its adjacent rural territory. The term "community" embraces all three, since the needs and desires of each are inextricably linked. That definition of "community" is, we believe, essential to the proper functioning of radio in Canada. Montreal and its environs, with over a million people, is—no less than Trail or Chicoutimi—a single community.

The importance of the community pattern has nowhere been more clearly emphasized than in the able report recently presented to this Committee by Canadian Broadcasting Corporation's Director General of Programmes, Mr. E. L. Bushnell. The Committee will recall that Mr. Bushnell referred to the diversity of cultures that make up Canada, and expressed the opinion (with which we are in complete accord) that our nation is thereby enriched.

As a statement of policy in relation to our own operations, we accept as generally fair the statement of the Federal Communications Commission of the United States:—

> Broadcasting stations are licensed to serve the public and not for the purpose of furthering the private or selfish interests of individuals or groups of individuals. The standard of public interest, convenience, and necessity means nothing if it does not mean this . . . The emphasis should be on the receiving of service and the standard of public interest, convenience, or necessity should be construed accordingly . . . The entire listening public within the service area of a station, or group of stations in one community, is entitled to service from that station or stations . . . In a sense, a broadcasting station may be regarded as a sort of mouthpiece on the air for the community it serves, over which its public events of general interest, its political campaigns, its election results, its athletic contests, its orchestras and artists, and discussion of its public issues may be broadcast. If . . . the station performs its duty in furnishing a well rounded programme, the rights of the community have been achieved.

Mr. A. Davidson Dunton, Chairman of CBC's Board of Governors, echoed this thought in his presentation to this committee when he said:—

> The public has a right to expect comprehensive service from stations using these frequencies—frequencies which are public property. Each station should provide different forms of entertainment and information which the public, or different sections of it, want, and allow the expression of different points of view. A broadcasting licence is more than a permission to make money by using a frequency. It also brings obligations of using that frequency in the interest of the public to which it belongs.

With this viewpoint we are in complete accord.

In our reporting, we are in a very different position from the officials and officers of Canadian Broadcasting Corporation. They are part of one single tightly knit company, with all that that implies in the way of company compilation of data and reporting to superiors. The Canadian Association of Broadcasters is a voluntary trade association of 81 separate stations, each one a separate operation. We do not possess the advantages enjoyed by officials of a single corporation in relation to the operation thereof.

Therefore, to illustrate each particular point, we shall concentrate on citing random examples as voluntarily reported to us. The information itself was

obtained in response to a questionnaire sent out by the office of the Canadian Association of Broadcasters—and, if the committee desires, a much greater volume of supporting data can be assembled.

While this material does refer to specific instances, they are also typical instances. They come from many parts of the country and all sections of it. Members of this committee will doubtless be fully aware of the work being done by their own community stations under the various headings we have already outlined and which we will follow hereafter. Taking the two together, that is, our following outline and your present knowledge of your own community stations' operations, will, we believe, enhance your appreciation of the significant and valuable contribution to Canadian life that is being made by the community stations.

Development of Creative Personnel

It is an obvious fact that the community stations have no pool of experienced help upon which to draw. They must locate and train their own. For geographical and distributive reasons, this has always been a problem in Canada and, as committee members will understand, it was intensified during the war. We take pride in the fact that the nationally owned system owes much of its present staff to the original training efforts and endeavours of the community stations. This alone is a significant and worthwhile contribution that we have made.

As a station located in a small centre trains its personnel and such personnel develops in experience and stature, there is a natural tendency for them to move to larger centres and ultimately to the national system. As the Canadian Broadcasting Corporation has itself pointed out, this goes one step further, and such personnel are quite often attracted even to the American networks for the same reasons that led them in the first instance to move from smaller centres to CBC.

Naturally, any station regrets losing the services of experienced creative personnel. Our member stations recognize not only the inevitability, but the necessity from the viewpoint of the individuals themselves, and at their own sacrifice they have done much to encourage a trend not particularly helpful to the stations. As one community station manager put it, "We train them too well to keep them in a small town."

To train their own personnel, many community stations have organized specific class training within their own ranks.

For example—CKNB, Campbellton, N.B., maintains at its own expense a weekly programme clinic for training producers, writers, and administrative personnel.

Frequently, too, the community stations pay for the means whereby personnel can develop from the experience of topnotchers.

Another example—CFPL, London, Ontario. The head of the dramatic department of this station has been sent to Toronto and New York for training. Its production manager has also spent much time with topnotch producers and musical directors.

Logically, also, the community stations must always keep an eye on the future; thus, many of them train and develop high school students as potential broadcasting personnel.

One more example—CJVI, Victoria, B.C. This station has a working plan whereby the local high school students take over the complete operation of the broadcasting station every Saturday morning. The students themselves conceive, write, announce, act, and produce the whole morning run—training and developing themselves in the actual atmosphere of a broadcasting station.

Cooperatively, as a training venture, a group of community stations in western Canada (Victoria's CJVI, Vancouver's CKWX, Trail's CJAT, Lethbridge's CJOC, Calgary's CFAC, Edmonton's CJCA, Regina's CKCK, Winnipeg's

CKRC, Hamilton's CKOC, and Regina's CKRM) operate a continuing clearing house of programmes and production ideas, and other factors relating to broadcast operation. Presently they are voluntarily interchanging the best ideas developed at each station at the rate of 300 per year—and the distribution is not confined only to the ten stations which conceived the ideas, but is extended to include also nine other community stations, making a total of nineteen so far benefiting from this interchange.

In similar fashion, these stations have also developed a monthly interchange of the best of their local commercial sales messages. The effort here is specifically designed to make such messages effectively compact and in good taste, so as to be completely acceptable to the most critical listening ear. Actual result is the setting of a standard for individual station writers to shoot at.

Class training of writers in actual developing of sales messages is another sphere of personnel development by these western stations. For several years, they have cooperatively employed a travelling writing instructor who conducts a continuing series of oral lessons. Basis for this instruction is the group's own Commercial Writer's Handbook, a manual which contains the combined ideas of the continent's best sales and advertising brains, plus observations of people outside the field who have made an extensive study of the broadcast sales messages from the viewpoint of the listener.

Training and developing announcers has been another field of active endeavour by these stations. Cooperatively, they have maintained a travelling voice coach—a graduate of Emerson University, who has for the past four years given personalized instruction to announcers in voice production and diction. Also they have engaged cooperatively a travelling newsman who gives individual instruction to newsroom personnel in effective news presentation—and who, incidentally, covered the European war scene as a special correspondent for these stations. This man has a background of many years' experience with Canadian Press, holding an executive post with that organization prior to taking his present position. Thus, there does exist a full realization of the importance of developing personnel to their best advantage and that of the stations and the community at large.

Moreover, there exists an even greater realization amongst these stations of their responsibility for adjusting employees to their jobs in a way that meets the needs of both employer and employee. It is essential that maximum value be obtained from people's abilities and talents by both the station and the community. At the same time, it is important that the individual be encouraged to apply himself to the field he likes best, where he can give the broadest scope to his creative urges, conditioned by his temperament and abilities.

In this direction, these ten stations have gone a long way cooperatively—devising a systematic and sound method of placing "round pegs in round holes" at the very start. This system has progressed through the various stages of a detailed job analysis (to determine what qualities are required in each job), through extensive research amongst business and industry and practising psychologists (to locate suitable psychological testing yardsticks), to the development of a technique of personnel measurement and appraisal for each job in a broadcasting station. As a whole, this systematic scheme of personnel selection has the double value of enabling a station manager to place his personnel properly in the first instance, as well as offering a sound measure of employment-counselling to applicants for positions. This particular plan is unique to the community broadcasting industry, which is thus giving leadership in a most important field.

As an integral part of personnel training and development, virtually all stations hold periodic meetings of programme personnel. Significant amongst these are the annual programme managers' conferences, undertaken by the same ten stations, which are a continuing practice in the development of executive and creative personnel.

All these various training and development methods have unquestionably been of benefit to the community stations, to the community at large, and ultimately, to the national system. Perhaps the effectiveness of the training is best demonstrated by the large number of community station trained personnel who have gone on to serve the national system or larger broadcasting interests abroad. May I give a few examples:—

Six of CBC's engineers began their careers at CHRC in Quebec City—Messrs. Charles Frenette, Rene Frenette, Oscar Marcoux, Charles Denoncourt, Bert Pickford, and Leon Baldwin.

This same station contributed to CBC's announcing staff Roland Lelievre, Miville Coutoire and Raymond Laplante. Script writers Herve de St. Georges and Felix Leclerc.

CKAC in Montreal developed the man who is believed to be the first news commentator in America, Mr. Claude Bourgeois. First heard in 1936, he has had many of his commentaries published. Another news commentator developed by this station is Lucien Parizeau, who was recently awarded the "Radio Monde" plaque as Quebec's best commentator. A well known instantaneous translator on the air whose early experience was gained at CKAC is Mr. L. R. Beaudoin, K.C., Member of the House of Commons and of this committee. Also, Mr. Robert Jouglet began his training there and now does considerable work for the National Film Board. Michel Normandin, who began with that station, has been selected to do the French National Hockey League broadcasts for CBC.

This station has also contributed a number of writers to the broader field. Most of these got their first writing training and experience at CKAC and all of them got their radio training there. These include, amongst others, Henri Letondal (now with Metro-Goldwyn-Meyer), Louis Morrisette (now with CBC), Laurent Jodoin (now with CBC), and Pierre Ranger (now with CIS).

It also developed its present chief of production, Mr. Bernard Goulet, writer of "Histoire d'Amour" and winner of the Canadan Drama Award, and Ovila Legare, one of Quebec's best known writers, now featured as the main character in what is probably French Canada's top comedy, "Nazare et Barnabe".

Paul l'Anglais, head of Radio Program Producers, was given his first opportunity at CKAC many years ago. Felix Bertrand, previously one of its producers, is now Chapel Master and Organist at the Montreal Cathedral; Roger Daveluy, trained as an announcer there, is now Assistant Programme Director on the CBC French Network.

The station also developed CBC announcers Roger Baulu, Marcel Pare, Alain Gravel. Other of its announcers now occupy executive positions in the United States, in the armed forces radio, and elsewhere throughout the world. CKAC has contributed sound effects men and engineers to CBC and American stations; its facilities have been made available to the students of McGill University, Radio Workship Divisions, for many years. Quite a few new English speaking artists have been discovered through this channel. Many of them are now heard regularly on various English language stations throughout Canada. We include as an appendix to this report a brief statement of some of CKAC's contributions of this kind, together with a special article taken from the Montreal *Standard* of June 1, 1946.

I might point out, gentlemen, in some places in the brief where we say "we include as an appendix," we really mean "as an exhibit".

Similar examples could be drawn from every major station, but we do not wish to take up the committee's time with what is an almost endless list. Virtually all CBC's creative personnel and much of its administrative personnel even in the very highest brackets, were trained by community stations. We do not begrudge CBC the value of their services; we realize that ultimately men of

ability and character want to get into the "big time" and thus turn to the wealthy and powerful CBC. We merely mention these facts to show that in Canada the charge that community broadcasting stations do not develop and train creative personnel is unfounded.

At this point it may be worthwhile mentioning that, while radio is not in the top field of employment creation, it nonetheless does contribute substantially to the creation of employment—as the table immediately following will show. The committee has already learned from Dr. Frigon's statement that CBC employs a total of 887 people, exclusive of its international service. We find that the community stations employ a total of not less than 3,100 persons as follows:—

Executive, office and sales	1,100
Announcers, writers, operators, librarians, news men	1,500
Technical	500

In itself, this total may not be substantial when compared with that of other industries. In appraising it, however, we do suggest that two points be kept in mind:—

(1) that community radio in this country is, in relation to the total economy, small business, and

(2) that creative personnel of this type is remunerated at a somewhat higher rate than is the case in many fields.

For the protection and well being of their employees, some stations have plans that are adequate, even generous, covering medical insurance, retirement pensions and similar protective schemes. As an example, there is full coverage in all these fields given by the ten co-operating stations mentioned previously. A glance at the chart of this plan shows this typical example: A male employee, age 25, might be employed as of November 1, 1944, at a salary of $125 per month. At age 35, his earnings might be increased to (say) $175; at age 45, to (say) $225, remaining there until retirement at age 60. By means of a very moderate payment, a man on that basis would receive a pension of $95.63 a month from age 60.

This particular plan involves generous contributions from each of the stations involved, including back payment in full by the companies for employees on their payrolls before November 1, 1944, back to the date of their employment —which in many cases would be ten or eleven years. This retroactive provision cost the ten stations involved a total of $65,000. An outline of the plan is included as an exhibit for the information of committee members.

Similar plans have been developed by CFRB, Toronto; CKLW, Windsor, and others.

It will be obvious to you that the community stations in Canada are making continuing and active efforts to recruit the proper people in the first place, and then to train, develop and take care of them conscientiously. Logically, there are instances where more progress can be made—but the community broadcasters as a whole are making concrete progress in the right direction.

By the Chairman:

Q. I should like to ask a question there solely for purposes of clarification. You have drawn attention to the fact that in your brief the word "appendix" is used and that you should more properly use the word "exhibit". Do you mean by the word "exhibit"—and you have used it already once or twice—you have one sheet to lay before the committee at which anyone may look, or is there a copy for everybody of the various exhibits?—A. The reason I used the word "exhibit" was to indicate there was only one copy. There are three or four

appendices which we are going to submit and of which each member will have a copy. They will be distributed at that time. In this case there was just one copy of this pension plan.

Q. The consequence is when you use the word "exhibit" you mean you are filing a document with the committee, and when you use the word "appendix" it is something that will be given to each member of the committee later on? —A. That is correct.

By Mr. Fleming:

Q. Whereabouts are the appendices? They do not appear to be in this volume?—A. They will be distributed.

The CHAIRMAN: He has avoided the use of the word each time so far, and that is the distinction. Thank you.

The WITNESS:

Development of Local Talent

In six specific channels, the community stations of Canada are applying intensive effort to development and training of community talent. They are utilizing effective methods of bringing such talent to light, and of aiding it to occupy more remunerative fields after training and experience. These methods may be summarized as follows:—

Maintaining a schedule of continuing auditions.
Broadcasting local musical clubs.
Organizing and managing of musical groups and individual performers.
Developing amateur hours.
Maintaining drama clubs.
Offering scholarships to juvenile shows specifically.

Following are some random examples of the community stations' efforts in this regard:

CKCK in Regina runs an annual series of half-hour musical scholarship audition broadcasts from a local auditorium. Last year, forty-five young performers, selected carefully by a preliminary audition from an original eighty-five applicants, competed for six cash scholarships. Five awards of $75 and one of $200 were provided by the station for continuation of the winners' musical education. This project draws high acclaim from local music teachers.

Typically, too, Victoria's CJVI auditions all comers. All candidates are given the benefit of trained advice; those worthy of development get necessary guidance, eventually making their debut on CJVI's well-known "Stars of Tomorrow" programme. All such artists are paid by the station for all air appearances.

The Victoria Symphony Orchestra presents five concerts per season, and CJVI records the final rehearsal of each. Then it plays back the records to the entire orchestra, comparing them with earlier records, and with those of world-renowned orchestras, for purposes of development and improvement. All costs are paid by the station.

Three outstanding student musicians from Victoria are presently training in Toronto, England and Boston. Each of these artists records a monthly recital, which is shipped to CJVI, and broadcast for the benefit of the people back home. CJVI pays all costs.

In Winnipeg, the musical club technique is followed by CKRC which broadcasts a continuing Saturday morning feature called "The Junior Musical Club". Almost all Winnipeg's better-known musicians have, at some time or another,

been members of this club. Its purpose is to foster skill in performance and appreciation in listening, and the programme is entirely under the direction of club members, assisted by the station's staff.

The famous Canadian poetess, Mona Gould, made her radio debut from CFOS in Owen Sound, Ontario. This station, too, follows the organizing technique, providing a weekly-quarter-hour in which local music teachers present recitals by their students.

The organizing technique is also followed by CKNB in Campbellton, N.B. This station developed the "Sleepytime Story-Teller" to the point where CBC selected it for maritime network presentation two seasons ago. CKNB also developed Hank Snow, now a Blue Bird recording artist, well known in the United States.

Every radio listener in central Ontario will be familiar with the results secured by CFRB in Toronto, from a combination of all techniques.

The following list shows the names of artists, familiar to every Canadian, who owe either their start or much of their development to their employment by community stations.

I might say that these lists are by no means complete. Just a number of the outstanding ones have been listed.

Noted Canadian Radio Artists originating in Community Radio

Mart Kenney, Bert Pearl, Kathleen Stokes, Alexander Chuhaldin, Foster Hewitt, Blain Mathe, Samuel Hershenhoren, Maurice Bodington, Claire Wallace, Jimmy Shields, Wishart Campbell, Jack Reid, Ernest Dainty, Roland Todd, Bob Farnon, Bert Niosi, Horace Lapp, Rupert Caplan, Elwood Glover, Frank Peddy, Joseph Victor Laderoute, Geoffrey Waddington, Tommy Tweed, John Collingwood Reid, Georgina Day, Grace Webster.

Canadian Artists who have gone to the States who originated in Community Radio

Court Benson, Grace Matthews (Benson), Alan Young, Percy Faith, Todd Russell, Judith Evelyn, Anne Jameson, Pat Joudry, Jack Fuller, Joseph Victor Laderoute, Johns Sturgess, Dorothy Ault, Beverley Whitney, Marion McGuire.

Prominent Figures in Troop Entertaining who originated in Community Radio

Lt. Col Victor George, Sgt. Jimmy Shields, Lt. Col. Rai Purdy, Sgt. Frank Shuster, Sgt. Johnny Wayne, Maj. Dick Fonger, DFC, Frank Rockwood, Don Haskett, F/L Wishart Campbell, Ray Harrison, Lloyd Edwards, Les Foster, W/C Norman Gilchrist, Geoffrey Barker, Edgar Goodaire, Carl Tapscott, Don Parrish, Frank Fusco, Mildred Maure, Louis Scherman.

Calgary's CFCN also maintains a continuous search for talent, and has developed many competent performers through a special programme for the past eight years. From this station came the start to fame for names like Jean Riminocy, Jack Reid, Woodhouse and Hawkins and Wilf Carter.

Quebec City's CHRC utilizes all techniques and combinations. CHRC holds two audition sessions per week for all talent. In the course of 1945, there were 350 contestants. In this weekly programme the station seeks new talent, offering a thirteen-week engagement to winners. CHRC also has a full one-hour show with an eleven-piece orchestra to produce new singers.

Montreal's CKAC claims credit for the development of some 60 per cent of the talent now heard from CBC French language stations in Montreal. The list of names is too long and impressive to reproduce here, and is detailed in our exhibit for your inspection.

That station's program "La Boursiers" consists of thirty evening weekly half-hour programmes, inviting new talent. The programme offers $1,000 in

cash prizes and pays the professional fee to each contestant. Some of the non-winners in addition are given work on either sustaining or commercial programmes. Several such awards have since become network performers. Awards are also given for dramatic art and for writing. The writer's prize this year was won by Corporal Noel Croteau, still overseas.

Similar success stories come from CKAC's "Une Premier Audition", from its "Les Amis des Arts", from its "Le Theatre Experimentale", and from three or four other programmes of the same type. All have uncovered talent, which has since become successful, either on that station or in the wider fields.

Charlottetown's CFCY developed Don Messer and his Islanders, now a CBC popular sustainer.

Vancouver's CJOR discovered and developed Alan Young; gave Mart Kenney his first radio job; gave radio starts to Jeff Davis, Gerry Wilmot, Hugh Bartlett, Bernard Braden and John Drainie, all well-known now to network listeners.

CJOR has developed sustaining programmes for the dominion network, although it is not paid for originating such shows, nor is any staff member paid. To accommodate these originations, CJOR built an adequate new theatre studio.

All veterans who apply for auditions at CJOR are given a recording of their own audition, to assist their search for employment.

Edmonton's CJCA aggressively employs all techniques, and appropriates $1,000 a month regularly for the development of local talent. Perhaps the outstanding effort there is the CJCA drama group. Under expert coaching by staff members, local aspirants are trained in writing, producing, acting and announcing. They have been broadcasting continuously for the last eighteen months, with a minimum of one programme per week.

Several local artists developed by CJCA have been accepted by the network, and, all told, the station has a regular list of sixteen in its local talent shows weekly.

CJOC in Lethbridge developed the "Alberta Ranch Boys", since heard on the Columbia network, and gives special attention to church choirs and school broadcasts.

Even the smallest stations make an effort within their means. For example, in connection with the Fraser Valley Music Teachers' Association, the local high school authorities, and organized musical bodies, Chilliwack's CHWK holds regular auditions of various types. Opportunity is given to talented discoveries to appear on regular station schedules.

Similarly, Saskatoon's CFQC specializes in the scholarship technique, providing scholarship awards for certain types of talent and offering programmes to winners.

Already, this list has become rather impressive. Obviously, it would be impossible to list here the endeavours of even half the community stations of Canada in this regard. We have merely selected a few examples because they are neither greater nor less than the average, but typical.

Whatever criticism about talent development may be valid in other countries, the community stations of Canada are aggressively seeking out, giving definite encouragement to, and developing the talent in their individual communities, without cost to the community and without subsidy.

Programme Control

A line of thinking difficult for Canadian station operators to follow is that the sponsor is afforded too much voice in control of programmes, or the listener too little. The reverse, if anything, is true.

The experience of the Canadian station operator is that the listener is quite active in his likes and dislikes, and no station could dare afford to ignore the expressed opinion of its listeners. Even if this opinion were not expressed

by letters or telephone calls, it would register silently in the continuing listener surveys made by independent survey organizations. These surveys show the relative popularity of programmes, and where a programme was constantly slipping in listener acceptance, the station would be forced to take firm action.

In relation to the community stations of Canada, the facts, in addition, are these. Every station has an accepted standard of programme value and good taste, which is an integral part of its operating technique, expressed in self-imposed regulations about programme content. Naturally, the independent stations cannot control the content of network broadcasts, but in local broadcasts they continually consult with and encourage expression of opinion by their listeners.

In all of Canada, we know of no case of a sponsor refusing to heed a station's recommendations where programme content was in dispute. The record shows that no sponsor has ever been permitted to dictate the station's policy in relation to commercial copy, which is subject to station editing for good taste and acceptability. There is no instance on record of a sponsor interfering in any way with the broadcast of news.

Moreover, all staff members of a station constantly have their ears to the ground for listener reaction amongst their own friends and associates, and in the final analysis the entire station audience is a widespread "listener council". And, as mentioned, the organizing of regional programme clinics by the independent stations themselves is evidence of active programme consciousness.

We quote a few examples which will serve to point up the community stations' conscientious efforts in this regard:—

Montreal's CKAC maintains a staff doctor on a salary basis for the purpose of checking all patent medicine, food or beverage copy, or anything of a medical nature. Such copy is, of course, by regulation subject to approval by the Department of National Health and Welfare in Ottawa, but this station maintains its own doctor for added listener protection. In addition, the station consults regularly through an established channel, with the Archbishop's office in Montreal, to protect the listeners' interest to the utmost.

Montreal's CFCF recently cancelled $25,000 worth of business because it was of a nature unacceptable to the station's programme standards. Virtually all stations can quote instances where they have turned down business for the same reason.

Even a station in a smaller community—CJOC in Lethbridge, Alberta—receives an average of 25,000 letters a year from listeners, which indicates the check upon station programming policy from the public.

Virtually all stations have a special research department. The results of their service by letter, phone call and personal contact moulds the outline of programmes.

London's CFPL invited the farmers in the district to build their own programme through their local Federation of Agriculture, which was done.

In Kamloops B.C., CFJC has set up an advisory board on commercial programmes from amongst the local Council of Women, and holds regular discussion meetings with that board. Similar policies are followed by Moncton, Hamilton and others.

Many stations have request programmes, typified by that of Orillia's CFOR. The station phones, prior to a certain broadcast, a telephone number picked at random, asks that the owner of it come to the studio and choose the music for a quarter-hour programme. The suggestions are followed, and, as a result, CFOR has an exceptionally good idea of the musical tastes of the average listeners.

Radio Rouyn-Abitibi, which operates the three stations at Rouyn, Amos and Val d'Or, advertises actively for specific listener opinion—using its own and press facilities.

It is the experience of station operators that listeners are much quicker in complaining about programmes they dislike than in mentioning programmes that please them. This acts as an additional safeguard.

Again, for reasons of brevity, we have taken only a few selected examples. Obviously, it would be impossible here to quote the experience of each of our member stations. Should any member of the committee wish to consult with any manager of any station in Canada for further information on this point, he would find ready reception, and complete and frank co-operation. We do, in fact, strongly invite such consultation. In the ultimate analysis, the community station must permit the listener to be boss, even for the most selfish reasons. Unless the listener is pleased, the station will not survive.

Sectional Programming and Production of Sustainers

Since they are so closely interlocked, we may save time by taking together the question of programming for "sectional" audiences, the time given to non-commercial programmes, the hours of the day allocated to sustainers, and the amount of production devoted to public service programmes.

In these respects, the record of the community stations in Canada is such that we feel confident in saying the criticisms are completely untrue and non-applicable. There is no community station in Canada that has not its full quota of locally originated programmes for, at least, agriculture, religious bodies, children, educational interest, and some other specific city and rural minority audiences.

Naturally, the proportionate development varies between stations. This is inevitable, as the specific function of a community station is to serve the needs and reflect the character of its own community.

Now, as Committee members will realize, such programmes are simply not conjured up out of thin air. Each such programme requires individual research, writing, engineering, organization, production and supervision. Even if this were done on the absolute minimum scale, it would make an impressive effort in the course of each year. Just as an example, we have taken the work done on 20,885 gratis public service announcements and 3,937 free time broadcasts of an educational and informative nature by the ten co-operating stations in Western Canada mentioned earlier in this brief. We find that production of these involved an additional 5,809 hours of behind-the-scenes effort, broken down as:—

Administrative organizing	1,500 hours
Research and writing	2,118 hours
Production and supervision	1,009 hours
Special engineering	1,182 hours
Total Behind-the-Scenes Effort	5,809 hours

The examples available on programming for "sectional" and minority audiences, and of the stations' intensive effort in the production of them, are so numerous that even to quote one per cent would take far more time than is at our disposal. However, we may give a few examples which also will aid in outlining some of the problems involved.

For instance, a station in a competitive situation must consider the programme policy of its competitors. Thus if CBC broadcasts its farm service programme from 12.30 to 1.00 p.m., it would be senseless for a competitive station to schedule a local farm broadcast at the same time or in the same period of the day. They must programme for that section of the listening audience who do not wish to hear a farm programme. They must offer an alternative.

This illustrates the main precept that if one station or network in the area is aiming at the mass audience with Charlie McCarthy, a policy of sound logic dictates that the other station or stations must appeal to the minority audience to get listeners. The reverse is also true. (This factor is extremely important, because the inevitability of it tends to protect all types of listening tastes.)

In programming for younger audiences, CJKL in Kirkland Lake has had "The Good Deed Club" running now for twelve years, with a membership of 12,000. It also has the "Books Bring Adventure" show, designed to stimulate children's interest in reading better books.

Conscious of the local need for sectional programming, Victoria's CJVI devoted 5¾ hours weekly to religious broadcasting; 2¼ hours weekly to children's programmes; three quarter hours weekly to child training programmes. The manager of CJVI has been particularly interested in child training programmes, and this emphasizes another point—that the community stations, because of their local nature, are able to specialize heavily in certain types of public service programming, guided by the needs of their particular localities. This Victoria station's parent-teacher forum has functioned for three years, broadcast at 5.00 p.m. Wednesdays—at time which, incidentally, is commercially valuable and could easily be sold.

A typical example of how community stations develop sustaining programmes that reflect the character and colour of the community is "Tales Told Under the Old Town Clock", a very popular feature on CHNS, Halifax. This has been broadcast now more than four years in the same time, and sponsorship has several times been flatly refused. This programme is an institution in the Maritimes. This same station carries school broadcasts and morning devotional periods every morning on a sustaining basis. All occupy readily saleable time, for which commercial offers have been refused. CHNS was the station which first brought Dr. H. L. Stewart to the microphone, as indeed, it first brought to the microphone practically every artist now used by CBC from their Halifax studios.

As a further example, we have attached to our appendix a breakdown showing the types of sectional and service sustainers carried and the time devoted to them by Calgary's CFCN. The sheet attached to it gives an account of programmes of public service nature broadcast without commercial sponsorship in a typical week. Even a casual examination of this record is impressive.

CHSJ in Saint John, N.B., features a special children's programme (sustaining) every week from the city schools. Like many other stations, it does not accept payment for religious broadcasts, but gives regular weekly periods to all local faiths. Like virtually every community station in the country, it carries special farm newscasts, farm data reports, and detailed weather reports directed to farmers on a sustaining basis. Each year, the New Brunswick Music Festival is broadcast as a community service. Many times commercial programmes have been cancelled to accommodate this feature. In 1946, every school choir which participated received a recording of its performance without charge from CHSJ. More than 200 individual artists were heard over CHSJ microphones during the week of the Festival.

This might be a good place to explain the various programme clinics now developed by community stations on a regional basis. These clinics exist in the Maritimes, in Britsh Columbia, in the West and in each of the two central provinces. They are a meeting of minds of the executives and programme directors of the stations in each area concerned. The participants trade ideas and propose methods to improve station service.

At a typical meeting of the Maritime Programme Clinic, plans were laid for further development of children's programmes. This clinic also appointed a committee to discuss with CBC the possibliity of getting a complete Maritime network of the independent stations for a series in which each such station would

originate a programme of local talent. In many smaller centres, there is not enough live talent for a whole series of broadcasts. Hence the suggestion. This same Clinic discussed educational programmes, and felt that programmes prepared for classroom listening were being adequately handled by CBC, and that the efforts of the independent stations should, therefore, be concentrated on programmes of an informative nature. Plans for executing this idea are now in preparation. Indicating the amount of thought and effort devoted to this, I am filing with this brief a copy of the report recently presented by the British Columbia Programme Clinic of the Canadian Association of Broadcasters.

To save time, we are making available to the committee several typical programme schedules, such as those of Winnipeg's CKRC, Sydney's CJCB, and Edmonton's CFRN—schedules which will demonstrate the diversity of their programme fare.

No more striking example can be given of the general untruth of the charge that sustainers are offered in inconvenient hours and are jostled about in favour of commercials than the times given by the stations to the "Report from Parliament Hill" broadcasts, with which many committee members will be familiar. We quote typical times:—

CJAD Montreal	Wednesdays	9.30 p.m.
CKCW Moncton	Sundays	6.45 p.m.
CFCY Charlottetown	Thursdays	9.00 p.m.
CJFX Antigonish	Fridays	8.00 p.m.
CJLS Yarmouth	Tuesdays	8.15 p.m.
CFNB Fredericton	Fridays	8.15 p.m.
CJBR Rimouski	Fridays	8.45 p.m.
CKAC Montreal	Mondays	7.45 p.m.
CFCO Chatham	Sundays	12.30 p.m.
CHOV Pembroke	Sundays	5.30 p.m.
CFAR Flin Flon	Sundays	1.45 p.m. and 7.15 p.m.
CKRC Winnipeg	Mondays and Fridays	10.15 p.m.
CKCK Regina	Fridays	9.45 p.m.
CFGP Grande Prairie	Sundays	7.15 p.m.
CKWX Vancouver	Tuesdays	9.45 p.m.
CKNW New Westminster	Mondays	8.15 p.m.

You will see that all these times are commercially valuable.

There are many other times used for these programmes which are just as excellent and in many cases they have remained unchanged for the past two years—apart from the exigencies of daylight saving and pre-emption by network broadcast, factors over which the station management has no control.

Fredericton's CFNB has organized all service clubs, other groups, the civic authorities, school board, and Art Club into one group committee for organizing service broadcasts. Two quarter hour periods a week, 8.15 to 8.30 p.m., Tuesday and Thursday, were set aside for a programme known as "Your Community" for the presentation of talks, forums, and dramatic programmes, arranged in full cooperation between the station and this broadcasting committee. These programme periods are never interfered with.

CFNB also has opened its facilities to the President of the University of New Brunswick for forum programmes under his chairmanship. It has likewise contributed long hours of rehearsal and instruction to the dramatic society, and has a fifteen-minute daily school-opening broadcast for the schools of its community. This particular programme features martial music for the children to march from the school yard into the classroom, a short report on current events, and an illustrated period of music appreciation. Conceived and entirely handled

by the station, this programme has received commendation from the New Brunswick educational authorities. In addition, CFNB presents a half-hour programme Saturday mornings at 10.30, featuring children from the primary schools.

London's CFPL has given the period 12.15 to 12.30 noon five days a week to the Federation of Agriculture. The programme is handled by that organization's field man. CFPL pays a considerable portion of his salary, without which help that Federation could not employ him. The idea was conceived by the station.

CFPL also presents a morning devotions period six days a week at 9.30, Sunday church services from 11.00 to 12.30 and a special children's religious programme at 11.00 each Saturday morning. All these programmes are purely sustaining and fully produced by the station.

Quebec City's CHRC has a three-a-week sustainer called "Tante Claire", a children's programme completely sustaining. For farmers, CHRC has a sustainer of fifteen minutes daily. This session is conducted by the Provincial Ministry of Agriculture. Also, during the Quebec Provincial Exhibition, CHRC installs at its own expense remote lines at the fair grounds to broadcast from there the "Farm Hour", and also carries three programmes a day on interviews with delegates.

Each year, CHRC broadcasts without charge ten one-half hour shows and one full hour show in connection with the Feast of Ste. Anne de Beaupre. The station likewise broadcasts a novena preparatory to Christmas and another preparatory to the Feast of the Sacred Heart of Jesus. Incidentally, in a district where the population is 99 per cent French and Roman Catholic, CHRC broadcasts religious ceremonies from the Anglican cathedral, and last year carried a sermon by the Rev. J. Green, an Anglican clergyman from London, England.

In the matter of programme timing, Lethbridge's CJOC has this to say:—

> The only programmes offered our listeners at inconvenient times are network. Daylight saving time in eastern Canada made this even worse. The opera series from CBC (and it is sponsored) reaches here at 12.00 noon on Saturday, the National News Summary at 7.00 p.m. This is called a summary of the day's news at a time when there are still three or four hours of the day left.
>
> CJOC for years broadcast a "supper hour" newscast at 5.45 p.m., because network commercials deprived this station of its supper hour period. A few weeks ago, an order for the programme "Rhythm and Romance" (5.45-6.00 p.m.) came from CBC's Commercial Department. This meant moving the time of a news service of long standing. The increase of time for the Breakfast Club (CBC commercial) at the beginning of June necessitated moving CJOC's local programme of religious music each morning at 9.15 which had been a station feature for eight years.

It is admitted that in order to carry on a network, local sustaining and commercial programmes must give way to network commitments, but the matter is raised to show that it is not always the station's fault when sustaining programmes are moved to what seems to be an inferior time.

Edmonton's CJCA does its best to follow a broad policy of not moving sustainers for commercials. It points out, however, that in the radio industry there is a constant shift of programmes to a large extent occasioned by CBC sustaining or commercial programmes, necessitating changes in local programming. During the recent change to daylight saving time, CJCA re-scheduled all its commercial programmes in such a manner that it could select the best sustainers, both network and local, for its listeners—then fitted in the commercial shows to balance off the schedule. Sponsors were then told what time was

available for their purposes. CJCA keeps a regular breakdown summary of programme types and patterns (following the headings suggested by CBC), so that it may maintain an overall balance of programme preference.

It is worth mentioning here the purely personal services rendered by community stations in outlying districts. You will hear at their microphones the voice of a farmer assuring Aunt Mary and the children that mother and the new arrival are both in good shape and will be home soon. You may hear a mother telling her husband and children that young Johnny is now recovering from his appendectomy, and asking one of them to meet her at the station with the car or wagon tomorrow afternoon. Service of this type is incredibly worthwhile, to an extent only realized by those who have lived in the remoter areas of Canada. This type of service is rendered by the community stations of such areas day in and day out.

Calgary's CJCJ provides radio time for the Junior Chamber of Commerce to conduct a series of discussions on town planning, transportation and related civic matters. During elections, CJCJ has always conducted an open forum on which all candidates are offered free time.

For rural listeners, Regina's CKRM carries the "Farm Service Hour". This features farm material, crop reports, and offers time at no charge to farmers wishing to trade, buy or sell articles (subject to government and CBC regulations). CKRM presents also a weekly amateur show from the small towns around Regina and a farm talent show on Saturdays on a purely sustaining basis.

Fact of the matter is that all programmes, whether commercial or not, must be properly programmed to obtain and sustain listeners. To quote one station, "We cannot afford to skimp production on sustainers, if for no other reason than that this would affect the ratings of commercials that follow." Tribute to the manner in which so many sustainers are programmed and produced is the fact that many of them do ultimately attract the eye of sponsors, whether or not they are open for sale.

Incidentally, the building of audience for a station is a specialized technique and involves many factors. In itself, the question of what may be the most suitable time is not altogether an easy one to decide. It has been the experience of operators that where a programme is really desired by listeners, almost no time is inconvenient.

Here are some more examples of sectional programming which illustrate a conscientious approach to doing a comprehensive programming job.

Chilliwack's CHWK runs a programme called "The Youth Counsellor" presented in co-operation with the Chilliwack and District Youth Counsellor plan, and another "For the Veteran" featuring the local Veterans' Advisor and the Chairman of the Rehabilitation Committee of the Canadian Legion.

Regina's CKRM shows these sustaining programmes in one morning: "Sing Song", "Those Were The Days" (a humourous show), "Good Morning Neighbour" (an informal personality live talent programme for housewives), and "What Do You Know" (a sustaining quiz programme for city and country audiences).

CFRB in Toronto shows these carefully produced sustainers designed for minority groups:—

> *Children.*—Hi-Variety (one hour Saturday afternoons devoted to teen-agers—produced, written and presented by high school students—with student audience comprising various Ontario high schools). Prizes presented by station.

Farmers.—The original farm broadcast in this area was presented over CFRB at noon hour; is still a regular feature. Early morning newscasts directed to farmers.

Farm service reports following 8.00 a.m. news daily.

Special broadcasts for farmers presented when special need arises.

Gardening.—John S. Hall—outstanding Canadian expert—in weekly talks—strongly endorsed by horticultural societies of the province.

"The Old Dirt Dobber"—leading American horticulturist, heard each week over CFRB and rebroadcast at later time for those unable to hear it earlier. (This at request of listeners and horticultural societies).

Religion.—CFRB donates one hour each Sunday morning and one hour each Sunday evening at regular church hours—free of any cost whatsoever, including line charges, to four of the leading religious denominations. At 10.00 a.m. each Sunday morning a 15 minute "Call to Worship" is presented—inviting listeners to attend their church.

"Choir Practice", an early Sunday musical feature, is presented weekly—in the mood of Sunday listening.

"By the Fireside", a Sunday evening old songs and hymns programme is very popular.

"Victorious Living", a daily five-minute reminder of religious thought, is presented at 1.40 p.m.

Church leaders are heard frequently on CFRB on special occasions, or when they request time for special talks.

Montreal's CKAC has in a sample week these special programmes for children:—

"Madeleine et Pierre"—five quarter hours weekly.
"Frere Jacques"—one quarter hour weekly.
"Club Juvenile"—one half hour weekly.
"Le Vieux Loup de Mer"—one quarter hour three times a week.

Also special broadcasts of juvenile choirs, the recent juvenile "Mayor of the Town" project, juvenile sport events and similar programmes.

CKAC has always carried the following programmes and never displaced them once in favour of commercial programmes:

The "New York Philharmonic" (for 13 years)
The "Philadelphia Orchestra"
"Columbia Concert Orchestra"
"Invitation to Music"
"Curtis School of Music".

The "Catholic Hour", and locally-originated talks on education and politics, have been given an assigned time and allowed to remain in the periods allocated them.

We have included as an exhibit a breakdown of the programme schedules of Edmonton's CJCA to show an average weekly presentation by a representative community station in Canada.

Altogether, we feel that the preceding panoramic picture shows a responsible and mature approach on the part of the community broadcasters to affording diversified entertainment, and meeting the informative and educational needs of every section of the community.

The CHAIRMAN: We will continue with Mr. Colborne.

The WITNESS: Mr. Coldwell, I believe you asked a question.

Mr. COLDWELL: I just noticed that you had a number of community services mentioned but I did not notice anything about labour.

The WITNESS: I think we will be able to give you some material later on. I have not got any right at the moment, but at the end of our presentation.

Mr. COLDWELL: Any time.

The WITNESS:

Local Creative Programming

We believe the preceding data will show up the fallacy of the suggestion that the community stations (in Canada, at least) rely too much on networks and transcriptions. We believe it has been demonstrated conclusively that they do a great deal of constructive local programming.

As has been pointed out in Mr. A. Davidson Dunton's presentation, not all stations are on the network regularly. A great many stations receive network service only irregularly or casually.

Victoria's CJVI, for instance, carries 18·2 per cent network programmes in an average week; 7·2 per cent completely transcribed programmes in the same period. Balance must be programmed locally.

Calgary's CFCN is perhaps an instance rather typical of a station which conscientiously programmes with a constructive purpose. This station reports that it is required by CBC to carry a minimum of 14 half-hours weekly of their night-time sustainers. In addition to this minimum requirement, it is requested to carry a good many others, and does, in fact, carry about 32 hours weekly. Thus, it is not a question of the community station specifically relying on network programmes but rather, in many cases, of either.

(*a*) yielding to pressure from CBC to carry these, or

(*b*) seeing the value of certain non-required CBC programmes, and carrying them in the public interest.

It may be true, of course, that in many localities, stations do make extensive use of transcriptions. In remoter areas, that is essential because of the lack of sufficient live talent of a diversified nature to come anywhere near filling a full day's operation.

The following statement will indicate to a degree the objective efforts of community stations generally in a creative approach to programming:—

> Prince Albert's CKBI develops local sustainers with what talent is available, such as, for instance, a valuable and interesting series on wild life by Judge McKim of Melfort.
>
> Hamilton's CKOC carries what network programmes it feels make a definite contribution to the public interest.
>
> New Westminster's CKNW produces all its programmes, itself, for 18 hours daily.
>
> Toronto's CFRB takes only the outstanding sustaining features from the Columbia network. Many other Columbia features are not broadcast, because locally-produced shows have proven to be a more acceptable listener feature. CFRB recently originated such well-known and outstanding programmes as "Ontario Panorama", "Voice of John Citizen", "Home on the Range", and "Hi-Variety". This latter feature is still sustaining, offers for sponsorship having been declined.
>
> Owen Sound's CFOS carries a half-hour weekly programme for the County Women's Institute. Sixty-four branches participate in this, and representatives from many districts air their views. Assistance is given in the preparation of these broadcasts by staff members. The time for this series was selected by the Director of Institutes, and has never been changed. This station also has a special weekly half-hour devoted to local and district talent exclusively, and regularly broadcasts the city band on a weekly half-hour basis. It also carries a series of actuality

broadcasts from local points of interest, shows which require an average of six hours each to produce.

This whole matter, of course, is one of those curiously anomalous situations in which the independent broadcaster frequently finds himself. If he takes networks, he is criticized for relying too much upon them. If he does not take any more networks than he is forced to by the regulations, he is criticized for not releasing a sufficient quantity of network sustaining programmes.

Of course, it should be perfectly natural for network productions to have an appeal for the community station. It should be able to count upon these as being of top calibre, considering all the facilities that are available for their creation and development. The fact that community stations do not see fit to carry certain of them should be a point of some significance in itself. The fact that independent broadcasters do at times see fit to undertake the time and trouble involved in replacing an easy-to-get network programme with a locally-produced show (in many cases a sustainer too!) could be regarded as an indication of conscientious endeavour. At least they are trying. (And this Committee may not feel inclined to underestimate even the community broadcasters' judgment of what is a good programme for their own localities.)

Transcribed shows also are frequently of the highest calibre. Stations could be criticiezd quite legitimately for refusing to spend the money to bring them to their listeners.

Regina's CKRM reports that about 24 per cent of its broadcast time is network, and about 2 per cent is supplied by completely transcribed programmes. Amongst others, CKRM lists the following creatively-prepared programmes on which there is no recorded or transcribed music:—

(the music is "live" or transcribed purely for backgrounds)
"Good Morning, Neighbours"—sustaining—5 per week.
"What Do You Know"—sustaining—5 per week.
"Personality Portraits"—sustaining—5 per week.
"Let's Have an Argument"—sustaining—one per week.
"Saddle Pals"—sustaining—one per week.
"Concerts in Miniature"—commercial—one per week.
"Amateur Shows"—sustaining—one per week.
"Bill Reads a Book"—sustaining—one per week.
"News Commentaries"—sustaining—one per week.
"We Call for Safety"—sustaining—6 per week.
News Reports, local—59 per week.
Church broadcasts—7 per week.
Music by Students—one per week.

CKRM maintains a permanent line from the Hotel Saskatchewan from which many nationally known figures have spoken into their microphones. It also has created the ideas for, and produced, these outstanding and purely local shows:—

A series of programmes from the local Youth Centre.
A series of Senior Hockey broadcasts from four cities in Saskatchewan and Alberta to CBC permitted network of two stations.
The return of the S.S.R. to Weyburn, Saskatchewan.
The return of the Regina Rifles Regiment.
The Weyburn Rodeo.
The opening of the Regina Flying Club.
Baseball broadcasts.
Travellers' Day Exhibition Parades.
The races, during Exhibition Week.
Christmas carols from local schools.

The first broadcast of the opening of Saskatchewan's first CCF government from the floor of the House.

The opening of Saskatchewan's first boot factory.

CHNS Halifax lists amongst others these locally-created and produced programmes, that incorporate variety and interest and are informative and entertaining:—

"Book Review".

"Tales Told Under the Old Town Clock".

"Woodsongs at Twilight"—featuring a soloist and 9-piece orchestra.

"I. Q. Tournament"—the inter-school quiz for Halifax and Dartmouth Grade 9 students.

"Halifax To-morrow"—a round table discussion under the direction of Dr. A. E. Kerr, President of Dalhousie University, and promoted by the Junior Board of Trade.

"Rehabilitation Round Table Discussion".

"Reid's Hawaiian Serenaders".

"Name It and Take It"—a quiz feature.

"Editorially Speaking"—comment from the editorials of weekly Provincial newspapers.

Dr. H. L. Stewart's half-hour "Review of the Week's News".

Special actuality broadcasts, such as the arrival of H.M.C.S. *Warrior;* the arrival of the Governor General; interviews with troops disembarking at this port, etc.

Through the War years a half-hour weekly band programme was produced and presented in the interest of recruiting for the three services.

Reference has already been made to the aggressive development of local creative programming by Edmonton's CJCA. Particular attention has been paid in this case to the local needs of a community which, in many respects, is in a peculiar position. Committee members might be interested some time in securing from this station full details of its drama clubs, the training given its staff and producers, its "Hello the North" programme, and its "Welcome American" show, a very unusual, purely local production conceived during what is referred to as the American Invasion of Edmonton. The efforts of this station, too, have been such as to attract the attention of the networks.

Vancouver's CKWX broadcasts 35 hours of live programmes in a 121-hour week of broadcasting, and this is exclusive of some programmes which use transcribed music only as a part of background programme content. CKWX is a supplementary station of the Mutual Broadcasting System. Programmes from this network are available throughout the broadcasting day, yet CKWX actually broadcasts an average 9 hours of Mutual network programmes in a 121-hour week, and most of this 9 hours is non-commercial.

There is no time here to make the reference we should like to make to the local programmes developed by local stations at no cost to the organizations concerned for such worthy undertakings as the Red Cross, the victory loans, all service clubs, all churches, the I.O.D.E., and other women's organizations, chambers of commerce and labour unions, the Department of National Defence and certain other departments of government, for local departments of health and school boards, for the Boy Scouts, the Girl Guides, the V.O.N., the Canadian Tuberculosis Association, and hundreds of other organizations of regional and local nature.

Typical is the list from CKGB in Timmins, Ontario. This station has given free programme and announcement service to the Boy Scouts, Christmas Seals, the Timmins Welfare Federation, Canadian Institute for the Blind, St. Mary's Hospital, Child Welfare, the Game Protective Association, the Girl Guides, the St. John Ambulance Brigade, the V.O.N., the Timmins Public Health Depart-

ment, the Kinsmen Club of Timmins, other service clubs, churches and religious groups, the Daughters of England and similar organizations. This is true of every community station in Canada.

In performing these services, it obviously has been necessary for the community stations to develop their own local creative programming.

At this point I should like to submit as an exhibit from approximately 33 stations letters of appreciation from all these organizations mentioned. With regard to this particular exhibit I would ask that when the committee is through with them they may be returned to us. They are originals and they are essential to the records of the individual stations concerned.

By Mr. Fleming:

Q. May I ask how many letters and over how long a period?—A. In most cases these are over a one-year period. I think there is one station there which has the records for two years and I included them both. They are included separately.

By Mr. Coldwell:

Q. How many stations are covered?—A. I think there are 33 here. As I pointed out before, being a purely voluntary organization, we asked for them and these stations responded.

By Mr. Fleming:

Q. How many letters? Has any count been made of the number of letters? —A. No, we did not make a count of the letters.

By Mr. Hansell:

Q. That would not be a complete list?—A. By no means complete.

Mr. COLDWELL: 33 stations.

The WITNESS: From 33 stations.

By Mr. Hansell:

Q. But not necessarily all?—A. Not necessarily all.

The CHAIRMAN: In view of the remarks that Mr. Colborne has made about the desire to have that exhibit back that has to be covered by a motion as to whether an exhibit will be received by the committee on the understanding that it will be passed back. Of course, I quite understand that the committee would desire to pass it back, but it seems to me that right now would be the appropriate time to move that this be received as an exhibit on those terms.

Mr. COLDWELL: I will move that.

Mr. FLEMING: When is it desired back, at the end of today's meeting or at the end of the committee's deliberations?

The WITNESS: At the end of the committee's deliberations would be fine. I might point out it is purely because we advised the stations when we asked for the letters that we would assure them that they would get them back. We gave them that promise.

The CHAIRMAN: Everybody would think that is very natural, but we have got to go through that formality. Mr. Coldwell moves that this exhibit be received upon the understanding that the clerk will return it to the Canadian Association of Broadcasters at the conclusion, or a reasonable time thereafter, of the committee's deliberations. You have heard the motion. All those in favour? Opposed, if any? Carried.

The WITNESS:

Profits and Commercialism

Much confusion can be avoided in this field if we in Canada confine ourselves exclusively to the Canadian broadcasting systems. CBC has already pointed out that it is a four or five million dollar business; BBC is a thirty-six million a year proposition; the American networks are at least in the forty or fifty million dollar class. The same ratio exists between individual American and Canadian stations—for the very same, very obvious reasons. In the very nature of things, CBC cannot be as prosperous as the American networks, nor can its profit ratio to gross revenue be as high. In the very nature of things, no Canadian community station can be as prosperous as the average American individual station, nor enjoy as high a percentage of net to gross. One single station in New York city can offer a listening potential nearly as great as the combined facilities of CBC and every individual broadcasting station in our country—and its facilities are valuable accordingly.

May we also submit there should be a distinct line drawn between profits as such, and the profit motive as an economic force. Argument about the latter is for another place and plane. In relation to the former, we submit the question of profit is probably important only as compared to service rendered. Crown companies sometimes make a profit on their operations; they are in the main expected to try to do that. Provided that proper service is rendered, making of profit within the framework of any economic system to-day existing in the Western world is considered acceptable and desirable.

The community broadcasters might well point out: (a) much more attention is paid by many to the question of radio profits than to those of any other business, most of them more profitable; (*b*) more attention to radio profits than to radio service. We do not propose to deal with this line of argument.

Rather, we propose to summarize the general position briefly. Some specific instances are already available to the Committee; we can make others available if it is so desired. Generally, the position is this:

A. In the early years of radio, many, if not most, Canadian community stations struggled along at a loss, or just breaking even. Station operators supplied money to keep their broadcast venture going from other enterprises, firmly convinced they were rendering a community service in so doing, and that ultimately their faith would be rewarded to their own benefit and that of the community. Indeed, one of the original reasons that brought the Aird Commission into being was the admission that the community stations were not making enough money at that time to permit extension of their operations. At least in large part, it was the fear that such a situation would lead to domination of Canadian radio by American interests that led to the recommendations of the Aird Report. In the last few years, radio has without doubt benefited from the general upsurge in business. However, with most stations, the normal year on which their excess profits tax was estimated was nothing particularly exciting. In any event, the tax structure since 1940 in Canada is of itself an effective answer to charges of excessive profits.

Even to-day, it must be remembered that stations are competing for business with newspapers, magazines, billboards, other radio stations and all other advertising media. To do this effectively, their rate tables must be adjusted to provide a reasonably attractive offer for whatever national advertisers they can secure—and to permit the local advertiser to get on the air at all.

B. Radio is a risk business—distinctly a risk business.

The station operator is licensed for a period of one year. He has no guarantee that his existence will be continued beyond that twelve-month period, but to operate during it he must make a heavy capital outlay for equipment and heavy outlays for staff and talent. As Dr. Frigon has rightly pointed out, costs of both are now steeply rising—at a rate faster than either revenue or revenue potential.

Moreover, radio is a rapidly changing art. Developments of a technical nature are occurring all the time. These make all existing equipment obsolete within a very short time, require heavy investment on the part of the broadcasters if they are to stay in business. In increasing their power output to five thousand watts the community broadcasters as a group will this year be spending or committing themselves for nearly two million dollars in new equipment. This will strip many (perhaps most) stations completely of their reserves. In this connection, broadcasters are in an invidious position. If they do not keep up with changes and advance in equipment, their service suffers and they are criticized. If they do keep up with equipment changes, it is charged they must be making too much money, because "they can afford fine equipment". Radio's critics blow hot and cold on the same issues.

Nor is there, in any phase of the entertainment or advertising businesses, any guarantee of adequate revenue. If only one or two of the larger users of radio advertising decided to discontinue the use of the medium, it would probably mean the difference between profit and loss for most stations. In radio, moreover, your cost increases as revenue drops. As good commercial programmes go off the air, the station must fill the time with sustaining programmes. These cost money for talent, writing and production but bring in no revenue. The fact that radio is a risk business, where an operation can change from a profitable one to an unprofitable one in a few weeks, makes it absolutely necessary that station operators be given some latitude as to profits.

C. Radio is, after all, a source of news and entertainment, of education and information. It should be, therefore, permitted and encouraged to make money so as to develop those beneficial services and to remain free of subsidization from any source whatever. Committee members will recall that experiments in subsidization of news, from either government or private sources, have in other countries had most unfortunate effects—some of them truly corrupting.

D. The statement that the American percentage of profits is applicable to the Canadian field cannot, we are sure, be supported. We invite a comparison of rate cards used by any Canadian station and those used by an American counterpart of similar power, to show the vast difference caused by the greater population and heavier concentration of it in the United States, and the consequently greater buying power that exists there. We also believe that a fair analysis shows, and we have tried to give one, that Canadian stations do devote a reasonable percentage of their income to the development of talent, to the training of personnel, and to public service work generally.

All these facts should be sufficient to dispel the illusion that every community station is a "gold mine", and that tremendous profits are being made by the broadcasters out of the operation of a public facility.

The community broadcasting stations do not draw upon the public purse, but indeed, contribute to it through municipal, provincial and Federal taxation.

The financial positions of some of the larger stations have been asked for by this Committee and will, we believe, be presented in due course. The position of various other stations is indicated in various business publications, and others have expressed their willingness to indicate their financial position to this Committee. We can quote specific positions should the Committee so desire.

It is difficult to say what the ideal ratio between commercial and sustaining broadcasts should be; particularly in view of the fact that the community stations have no control over network commercials. Many stations do have a voluntary regulation of the quantity of spot announcements in any given period.

It is fair to say that it is the listening value of the programme which really counts, not its revenue-bearing capacity. Certainly a good programme which has previously been sustaining does not lose any of its value by becoming commercial.

Recently, the Canadian Association of Broadcasters member stations co-operated in a joint survey amongst radio listeners to determine listener reaction to the principle of having commercials on the air, as well as their attitude toward various types of commercials. Results of this constitute an overall endorsement of commercial broadcasting as such. Reports have been made available to the stations, and will enable them to improve their service in this respect. We ask to file a copy of the report, and copy of a survey made by the University of Denver, which shows that listeners actually *prefer* commercial programmes.

There is a copy of this exhibit for each of the members.

It must be emphasized that commercial content of itself does not necessarily destroy the value of a programme. The Metropolitan Opera, for instance, is a commercial programme, but those who like opera apparently listen to it and enjoy it no less than if it carried no commercials.

Some criticism has from time to time been directed at what is generally known as the "spot announcement". As already pointed out, many stations, if not indeed most of them today, have an effective policy of voluntary self-regulation in this connection. However, we should like to make this additional important factor clear.

The community station must, in all justice, make available its facilities for the local merchant, the local advertiser, the people of its own community. Most such can afford only local time. Many of them can afford only spot announcements, not programmes. They are entitled just as much as is big business to representation. We agree with the contention that such network shows as "Fibber McGee and Molly" are excellent examples of commercial programming, and have high listener acceptance. It might be fair to point out that this, like so many other network shows, is paid for by a huge concern, and many of these are foreign concerns.

The spot announcement, which is often the little business man's only chance at radio, should not, when well and fairly written and delivered, be criticized by those who wish to protect the interests of small business—and particularly Canadian business.

There is a side of the story that some critics of radio seem to have forgotten.

In the first place, it is the commercial announcement and the commercial programme, which fundamentally make it possible for both CBC and the community stations to provide their various services to the public. If those services are worthwhile, the commercial content of programmes is justified.

Advertising on the air is a service in itself to many people, particularly those in smaller and remoter communities. We do not propose to open up the whole field of advertising here, although it is curious and perhaps not without significance that some of those who criticize radio advertising apparently realize the necessity of advertising as such. In the long run, most people's choice is assisted by advertising messages. Allowing for the possibility of commercial pride, people are enabled to judge the merits of various products through all forms of advertising and to make their choice. Indeed, were it not for advertising, most people would scarcely know where to start making the choice, nor would they know that certain goods and services were available at all.

There is also the well-known point that advertising helps to create that degree of demand and, therefore, of mass sale that makes possible mass production. This, as Committee members know, reduces the cost per unit of production and the consumer is thereby benefited.

Many departments of government, many trade associations, are working to-day to stimulate employment and keep up the general level of buying power. These worthy objectives demand use of all effective mechanisms, including advertising. Radio advertising, like all forms of advertising, is one of those devices which, when properly used, aids full operating speed in the national economy. Only a full speed in the national economy makes possible the volume of taxes which support worthwhile social security enterprises. The networks are designed for the larger segments of our economy; we serve the thousands of small business men in our various communities.

Incidentally, this point answers the argument sometimes advanced that commercial broadcasting does actually involve a cost to the listener. Radio advertising plays its part in helping to reduce the unit cost of merchandise. At the same time, radio advertising is helping to sell goods, with all that implies in the way of creating employment and stimulating the flow of currency, and generally it does its share in keeping up the standards of living in the community. That this is important we believe no one on this Committee will deny. We believe it to be more than justification for the commercial content of programmes. The revenue derived from commercial programmes is essential to a community operator for the maintenance of his equipment, staff, talent, services and other charges—indeed, it is his *only* revenue. Radio advertising is part of the general business machine of the community. Moreover, advertising assumes many forms. We feel, for instance, that it would be just as unsound to suggest that advertising be limited only to those very large corporations which can afford network time as it would be to suggest that political advertising at election times be confined to one party or to the ten wealthiest candidates.

It is possible that adverse listener reaction to advertising content has been magnified by those whose ears are unduly sensitive, or whose ideals are too high for this imperfect world. Stations do get occasional complaints from listeners on specific subjects. We invite you to visit any station and note how few of those complaints relate to advertising content or commercial programming. For instance, Calgary's CFAC, which reports receiving over 100,000 letters a year, received in the last four years not one complaint about advertising content of programmes.

Public Service

Again in the interests of brevity, we may take together the two criticisms that revolve around public service and the development of discussion concerning public and controversial issues.

Nowhere have the community stations of Canada a broader, more significant, or more worthwhile record than in both these fields. The range of types is so extreme as to defy classification. Perhaps we can take an example which comes in both categories—a project called "Report from Parliament Hill", with which most members of the Committee will be familiar.

As you know, the operation of "Report from Parliament Hill" involves provision of free time for members of Parliament to report regularly to their constituents, and a complete staff and facilities are maintained in this city for that purpose, supported entirely by the joint efforts of the participating stations. Besides broadcasting the feature itself, many of the stations are aggressively calling listener-attention to the programme. For instance, London's CFPL had a feature story written around the programme for its local paper, when the series recommenced last fall. The station regularly inserts ads in the local paper, calling attention to the time, date and the name of the speaker. Air publicity also is given in the form of special announcements.

Winnipeg's CKRC has promoted the series aggressively, as has Edmonton's CJCA, Regina's CKCK and Moncton's CKCW, amongst so many others. Stations

follow a pattern which involves the use of their own facilities plus newspaper ads, envelope over-prints, blotters, and letters to listener groups. Many stations have made every attempt to organize groups like labour unions, the Canadian Legion, women's clubs, and so on, into regular listening forums to "Report from Parliament Hill". A partial report on such activities of three typical stations is being made available to the members of this Committee, and we sincerely trust you will find time to give these very worthwhile efforts some study.

That is an exhibit. There is only one copy.

In its coverage of public issues, Vancouver CKWX is the first broadcasting station to be granted a seat in any legislative press gallery in Canada. The station keeps a representative there to broadcast accurate up-to-the-minute reports from the Legislature during sessions.

CKWX also carries the most popular programme of its type in British Columbia, called "Public Opinion", an open forum type of presentation. It also carries the commentaries of such experienced observers as Elmore Philpott and the Honourable H. H. Stevens, on a sustaining basis (and indeed developed the former to the point where he ultimately became network talent). CKWX devotes a half-hour period each week to special labour news and commentaries.

CKTB in St. Catharines runs two sustaining programmes on topical subjects: "Interview for To-day", and "What's Your Opinion?" The first of these brings to their microphones every day citizens from all walks of life who are interviewed on a variety of subjects of general interest. In the latter, questions are asked daily, and from answers received, several of the best are selected for broadcast the next day.

In order to help veterans get established in their new business, Vancouver's CKMO provides any veterans or group of veterans, recommended by the Department of Veterans Affairs, with one month's advertising free of charge . To date, they have forty such groups who have been put on the air, and are treated just the same as any commercial sponsor. Their copy is written for them, and presented at selected times.

Cornwall's CKSF records interviews with Cornwall's British war brides, and recordings are sent, without charge, to the girls' parents in Britain. Schools in Cornwall, Maxville and Alexandria have already accepted offers by CKSF of special school programme broadcasts.

Victory loan service in itself has been a major accomplishment of Canada's community broadcasters. For example, for each of the major victory loans, Moncton's CKCW organized two rallies in a local auditorium. More than three thousand citizens saw such shows, after pledging bond purchase. Other elaborate stunts of this type were arranged and executed by CKCW, all of them entailing considerable expense in cost of lines, staff, transportation and time. In addition, commercial time frequently had to be cleared out of the way, meaning specific loss of revenue.

When CKCW heard that the Canadian Legion was trying to get Christmas gifts for soldiers in hospital—they got the idea just five days before Christmas—CKCW set up a studio in a downtown store window and broadcast from there each day. Listeners were invited to place their gifts in the window, and 600 presents were thus collected before Christmas, including a brand new radio from the owner of the store. This programme was also carried on the public address systems which CKCW had set up around town to carry Christmas carols.

CKCW's "Jobs for Joe" is a special programme conducted by a former RCAF counsellor now on the station staff. This man takes the official files of Selective Service, selects what he considers the most deserving cases, describes their qualifications and background. Then he fits these into a job, giving reasons why the man should succeed. Almost 75 per cent of the men so mentioned are now employed, as a direct result of the programme. More

and more the local employers are trying to "employ a veteran in every business". The programme has taken such a hold that even government departments are coming to CKCW rather than to Selective Service for additional help.

Also in the field of public service, CKCW organized a civic improvement league to work *with* the city council (not against it) and try to determine what the people want and the best ways of going about making Moncton a better city. This project involves, in addition, one broadcast programme a week, called "Public Opinion". During this programme, a subject is chosen, and people are asked to send in their opinion concerning it. The programme has become so vital in the life of the community that, as a result of expression of opinion, the City Council has more than once reversed its decision.

Typically, CKCW's record of public service is so outstanding that it has become an established feature of community existence. During the early days of the war, CKCW, like all the community stations, was struggling hard to continue operation with seriously depleted staff. For a while, it looked as if the station might have to close, and when that became known, the service clubs and other leading citizens of Moncton offered to serve voluntarily in their free time, to keep the station open, so much did they value its services.

To keep Hamiltonians currently informed, Hamilton's CHML broadcasts regularly the proceedings of the city council. To permit this, special broadcast equipment had to be designed and virtually endless experiment undertaken. Results, however, have been good.

During the war, CHML invited the parents of boys serving overseas to record special Christmas greetings. Many hundreds took advantage of the opportunity and thus thousands of messages were shipped overseas, the radio station paying all costs involved.

In 1942, CHML organized a cigarette fund through the overseas tobacco league. Using its own medium entirely, the station built the fund to a total of $7,700. Over a period of three years, more than three million cigarettes were shipped to men overseas. (Incidentally, this type of programme was carried throughout most of the war years by nearly all the community stations in Canada).

While the Hamilton Tigers were in pursuit of the Allan Cup, local interest was naturally high. CHML sent its sports editor with an appropriate staff to follow the team throughout the ten games in the Dominion senior hockey playoffs. This journey of more than five thousand miles involved a cost of over $1,800, and many commercial programmes were cancelled in order to make the hockey broadcasts possible.

Hamilton's CHML also operates a series of public discussion forums on controversial issues—in the main, of a local nature. At the moment, this means that they revolve mainly around economic and labour-capital problems. This forum type of broadcast is a very popular one with many stations.

In the spring of last year, the member stations of the Canadian Association of Broadcasters sent three men down to the United Nations organizing conference at San Francisco. Daily news reports were carried by all stations from these correspondents, as well as recorded weekly commentaries by them and recorded interviews with virtually all members of the Canadian delegation at San Francisco. This project was designed to assist the Canadian public in securing information about the then newly-planned United Nations Organization, Canada's position in relation to it, the viewpoint of Canadian political leaders, and to stimulate public interest in the success of the United Nations Organization.

Altogether, the public service accomplishments of the majority of Canadian community broadcasting stations are so vast and impressive that we could not begin to cover them here, partly because of lack of time, and partly because the necessary condensation would do the stations a tremendous injustice. We, there-

fore, ask permission to file brief but significant reports made by a few of the stations themselves. We do ask that the members of the Committee make an effort to inspect at least some of these, as the record is both informative and impressive. These documents include:—

Promoting Canadian Unity, CJVI, Victoria.
Victory Loan, CJOC, Lethbridge.
War Savings, CFAC, Calgary.
True Canadianism, CJCA, Edmonton.
Milk for Britain, CKRM, Regina.
Army Recruiting, CKRC, Winnipeg.
Religious Policy, CKOC, Hamilton.

We also ask to include reports on public service activity by CKGB, Timmins; CHEX, Peterborough; CKRN, CKVD and CHAD in Northern Quebec; and CKEY, Toronto. We would also like to include the report by CKLW, Windsor, which station received the "Variety" award in 1943 and 1944 for "outstanding contributions to radio in North America", and the "Billboard" award for public service by radio, and the following:—

Copies of letters commenting on public service work of CFJM, Brockville.

Photostat of report of public service activities of CHEF, Granby.

Photostats of letters commenting on public service work of CFCO, Chatham.

A summary of public service activities for one year by CKRC, Winnipeg; CJCA, Edmonton; CKCK, Regina; CKOC, Hamilton; CFAC, Calgary; CKRM, Regina; CJVI, Victoria; CJAT, Trail; CJOC, Lethbridge; CKWX, Vancouver.

The fact of the matter is that Canada's community stations are making a truly magnificent effort to inform public opinion, to stimulate its interest in public affairs, and to serve their communities well. We are convinced that even a casual survey of the documents we have filed will lead you or any other impartial observers to the conclusion that the effort in this direction is far and away above what might be expected or what is generally credited.

Furthermore, no record of any type can show some of the finest public service work done by community stations. Some members will recall the disastrous snow storm that hit Toronto and district two winters ago. The community stations in Toronto, Hamilton and Brantford in one day broadcast a total of something over 4,000 announcements. Each one was a vital service in itself, urgently vital. These announcements are not available in booklet form. Some of them were not even written out. They do not show on the logs of the stations. The stations had no time to keep their logs and watch regulations that day. They were too busy saving lives.

At one time or another, this has been true of a dozen or more community stations throughout Canada, as, for instance, the service performed by Edmonton's CJCA when, on a forty below morning, some three years ago, the gas line into the city broke. (The city is chiefly heated by that fuel). In every such emergency, community stations have responded magnificently to the need of the community and have admittedly saved property and lives. The work and organization behind such efforts can never be properly appreciated by a critical glance at a few announcements, or an entry on a log, if, indeed, there was time to make either. It would only be a community station (not a nationally operated one) that could possibly do full and effective service in such community emergencies.

This is the obverse side of the perhaps unthinking statement that community stations carry only 47 per cent of CBC sustaining cultural and educational

shows. The stations need some time to broadcast the tremendously heavy load of cultural, public discussion, and educational public service programmes originated by themselves for the local needs of their local communities.

There is one other exhibit I should like to put in at this time. It is a copy of Radio Vision which has an account of CKLW's work during the tornado in Windsor.

By Mr. Beaudoin:

Q. Have you anything concerning the work done by CKAC during the two Montreal tramway strikes?—A. No. There are so many examples we could not put them all in or we would never be through.

Veterans' Rehabilitation

During the war, few businesses had such a high enlistment rate as did radio. Radio's technical men were keenly sought by the armed forces, others of our staffs were sought by public relations departments.

So many employees of community radio stations served in the forces with distinction that it would be invidious to single out any of them for mention here. Sufficient to say that we in the industry are very proud of their record.

To-day, the community radio stations of Canada are making what I, as a veteran myself, consider to be a sincere and creditable attempt to open up every conceivable employment opportunity for veterans of this war—despite the fact that heavy enlistments automatically impose heavy problems of re-establishment.

One station I know of is employing a Canadian war veteran who is very seriously crippled. Other stations have made special provision to employ veterans with handicaps. Winnipeg's CJOB has a staff made up almost entirely of veterans of the second World War, there being something over thirty such veterans employed.

My own station, CJCJ, has a staff of about seventy-five per cent of war veterans, and we have a record of which we are rather proud in assisting Calgary veterans in hospitals and in securing employment for returned men. Although I do not have the exact figures, I believe it accurate to say that there is no community station in Canada to-day which has not got a high percentage of war veterans on its staff. I do know that the percentage of the total across Canada is satisfactorily high, and extends into the executive brackets as well. For instance, the manager of the new Granby station himself is a veteran, the owner and manager of the Orillia station is a veteran, and so on. CJOB is another.

I have figures from 70 community stations of Canada which show:

(*a*) A total of 492 veterans of this war on their staffs.

(*b*) A total of 53 veterans who will be placed on the payroll of these stations upon their demobilization.

Impressive at these figures are, they do not tell the whole story. So many stations have gone the whole way in making adjustments to permit the continued employment of handicapped veterans. And no industry has a prouder record of service to men in uniform and veterans in a hundred different ways.

It might be well to point out that the community broadcasting stations have done tremendously valuable service in carrying detailed accounts of veterans' rehabilitation provisions, in entertaining veterans in hospitals, and in special programmes designed to aid veterans in securing homes. Programmes for these purposes are carried without cost to anyone other than the station.

So worthwhile have these programmes been, and so effective, that two stations have earned public commendation. Saskatoon's CFQC was congratulated directly by the Department of Veterans Affairs, and Calgary's CFAC

received mention for its home-finding efforts on the floor of the House of Commons. Other stations have been praised by provincial and municipal authorities. Of course, what is really important to the station—to all community stations—is the expressed gratitude they have received from the veterans themselves, and the knowledge that they have been able to help.

We offer another instance of such service—outlined in a statement by Mr. Eric Palin of the Electronics School in Toronto:

Assistance given to the Training and Re-establishment Institute, Toronto, by the Canadian Association of Broadcasters

The school of broadcasting, which is a section of the school of electronics, is operated by an advisory council. Mr. Dawson, chief engineer of the Canadian Association of Broadcasters, is a member of this council and is taking a very active part. This council is responsible for the type of training of veterans that is given in this school and the Canadian Association of Broadcasters has made a major contribution in this regard.

Publicity

One of the most difficult features of finding employment for our graduates was the fact that we are unknown in the broadcasting field by and large. Through the efforts of the engineering staff of the Canadian Association of Broadcasters. a careful survey was made of the possibilities of future employment for broadcast technicians. This was, I believe, the first attempt that has ever been made on such a project. It was very successful and gave us an idea of how many people should be trained to fill the needs of the broadcasters.

Along with this, arrangements were made through Mr. Dawson for the supervisor of the school of electronics to attend the Canadian Association of Broadcasters convention in Quebec City. This made it possible for the school to acquaint all of the broadcasters with the facilities and the type of training that we have at the school, and also in some cases, to find actual employment for some of our veteran graduates and certainly possible future employment for many more.

Placement of Graduates

Certainly through the efforts of the Canadian Association of Broadcasters, we have successfully placed a number of our boys who are making a name for themselves in the various stations in which they are now working. The stations now employing our boys are as follows:

CJKL, Kirkland Lake; CKRN, Rouyn; CKSO, Sudbury; CKWS, Kingston,; CHML, Hamilton, CFBQ, Belleville.

Deals are practically now closed with CFPL, London; CFOS, Owen Sound; CKTB, St. Catharines; CJBR, Rimouski.

If I might interject at this time, in conversation with Mr. Palin I find out that since its inception his school has graduated seventeen students who have been placed in radio broadcasting. Sixteen of them were taken by private radio stations.

We are also receiving quite a number of queries from Eastern and Western provinces.

It would be wise to say at this point that in many cases up to the present time the demand has exceeded the supply and this is due in no small measure to the sincere efforts of the engineering staff of the Canadian Association of Broadcasters.

Conclusion

Community stations are small business, and like little people everywhere, they carry on with their assigned tasks from day to day with little in the way

of notice from a busy world-at-large. Community service is apt to be precisely that—valuable to the community, perhaps not passed by *there* without notice, but certainly not the type of thing that reaches headlines.

We have covered some of the services rendered by the community stations in the public interest. There is no time to mention thousands of local service spots given every month to find some youngster's lost dog, or some mother's lost child, to assist the police force, the fire department or educational authorities. It is not merely a question of giving time. All these matters involve expense and staff organization.

There is not time, either, to mention the purely local commendation and recognition given the community stations across Canada. We are not a single organization, and cannot, therefore, easily compile such a list. But from trade magazines and from cultural organizations within their own communities, independent stations across Canada and members of their staffs have been signally honoured for creative performance and public service on hundreds of occasions. Almost every community broadcasting station of Canada has been honoured at one time or another by a recognized American trade source, for some outstanding contribution to public service.

But even more encouraging to those who devote their lives to the operation of the community station is the letter from the local listener. Committee members here would be amazed at the number of grateful letters received from listeners by community stations. We ask you, just as an example, to look at some of these which we have had copied for you and present herewith. Every broadcasting station in Canada has hundreds, and many of them thousands, of letters in their files expressing grateful tribute from individuals and organizations within the community.

Every station operator, every member of the staff of every station in Canada, would welcome a visit from this Committee, or any member of it, at any time. All of us would like to show you how we operate, how we discharge our admitted responsibilities, our own individual adaptations in handling community needs—the chance to show you the letters from listeners and organizations that demonstrate the value of our work.

You would be met at any of the community stations of Canada with sincere friendliness, and complete and frank co-operation.

We submit that we have clearly proved the value and worth of the community stations in Canada, operating within the broad framework of the Canadian system of radio. We have endeavoured to show:—

1. The community stations of Canada are discovering, developing and rewarding local talent and creative personnel.
2. The community stations of Canada are sensitive to the voice of the listener.
3. The community stations of Canada are developing, producing and featuring worthwhile sustaining and public service programmes.
4. The community stations afford programme diversification, and give special attention to the needs of minority groups.
5. The community stations provide adequate local creative programming.
6. The community stations provide full information on public issues and give full opportunity for presentation of all sides of controversial issues.
7. The community stations are actively and constructively engaged in public service.

It is not possible in a statement of this type to fully demonstrate the true extent and effectiveness of the work our Canadian community stations do. We spoke, for instance, of Hamilton's CHML recording messages and sending them to the men overseas. No cold, blunt statement can show the amount of work and time and planning and money necessary to arrange for people to come to studios at a time convenient to them, helping them write messages, setting up special equipment, getting packing material and arranging for these shipments. This

station, like several others, had its own war correspondent overseas. When a message was sent back about some local man from a war front, the station undertook to notify his next-of-kin before broadcasting the news report or message. That involved on many occasions long distance calls to two or three points before the next-of-kin was finally tracked down. But it shows on the station log simply as "newscast"!!!

It should be emphasized too that our examples have been selected at random, but we believe that they are typical. Where we say, for instance, that a certain station broadcast such and such, we do not for a moment mean that it is the only one to do this. Many others do; we have merely selected a specific instance. Of course, the approach taken by each community station varies, which is exactly the reason the community stations are so important. They can reflect the ever-changing needs and desires, the colour and culture and character of their individual communities.

CBC is essential to Canada and to the independent stations. Not one whit less is the community station essential to CBC and to the communities that make up Canada.

The CHAIRMAN: Gentlemen, it is about twenty minutes to one. I think you will agree it is rather too early for one o'clock adjournment. The question arises whether there will be some questioning based upon this brief or whether there will be a reserving of questions until the conclusion of the second brief.

By Mr. Coldwell:

Q. Is the second brief as long as this one?—A. The second brief is just seventeen pages.

Mr. COLDWELL: I think we should reserve questioning until after we have both briefs and get the whole picture.

The CHAIRMAN: We have been following the other course with what we have had so far.

Mr. COLDWELL: This is a single brief, though, is it not?

The WITNESS: Yes; for what it is worth we would prefer to be questioned on the whole presentation, the first and second portions of this brief. What we call the next brief is actually marked with the heading "Part II". It is actually the second half.

Mr. BEAUDOIN: Why not start the reading of it now?

Mr. COLDWELL: He has been reading for over two hours.

The WITNESS: I was not going to do the second part.

The CHAIRMAN: I do not think you would want to break a document in the middle of it.

Mr. SMITH: It is a quarter to one.

The CHAIRMAN: If you were going to do a little questioning at this stage that would be different, but I should not think you would want the next witness to break his case at one o'clock.

Mr. BERTRAND: Adjourn to 4 o'clock.

Mr. SMITH: We meet at 4.

Mr. FLEMING: I move we adjourn to 4 o'clock.

The CHAIRMAN: Just before you do that I should like to give notice to representatives of the C.A.B. of some questions that I, as chairman, wish to ask them. They have reference to an editorial in the Ottawa *Journal* criticizing the procedure of the committee, and particularly with relation to dealing with the private broadcasters, and the handling, if I may put it that way, of the private broadcasters. The general tenor of that editorial is that they have not been treated very fairly. I now draw that editorial to your attention so that you will have the opportunity of discovering it and reading it. If there is anything in

the editorial I think it would be well for this committee to have your complaints, and if there is nothing in the editorial I think it would be well that the Ottawa *Journal* might learn that its editorial was an ill-founded criticism.

Mr. Ross (*Hamilton East*): Have you got it?

The CHAIRMAN: I have read the editorial. I would have asked the questions at this time if in the first place this had been the appropriate time to ask them and in the second place if I had been able in the last ten minutes to discover the editorial, but on both those counts this would not appear to be the moment to ask you the questions I desire to ask based on that editorial. There will be an opportunity for the representatives of the C.A.B. to see that first and to disclose whether or not it represents their views as well as it represents the view of the Ottawa *Journal*.

Mr. FLEMING: I offer one observation on that. I have not seen the editorial, and I do not know what the point of it is, but if it has reference to anything arising out of my motion of a couple of meetings ago that the CBC should present it policy for the future before the private stations are called upon to make their similar presentation then I think if Mr. Colborne or those associated with him are called upon to make comments we had better know whether that whole question is to be opened up.

The CHAIRMAN: The hypothesis upon which your statement is made is an incorrect hypothesis. Shall we adjourn?

Mr. FLEMING: What was the date?

The CHAIRMAN: Within the last four or five days. We will adjourn until 4 o'clock.

The committee adjourned at 12.45 o'clock p.m. to meet again at 4 o'clock p.m.

AFTERNOON SESSION

The committee resumed at 4 o'clock p.m.

The CHAIRMAN: It was agreed this morning as we closed that we would proceed with part II of the brief of the Canadian Association of Broadcasters. It will not be Mr. Colborne who will present it. I understand Mr. Elphicke of Vancouver will present it.

Mr. COLBORNE: May I thank the members of the committee for their courteous hearing this morning.

Frank H. Elphicke, Manager of Radio Station CKWX, Vancouver, called.

The WITNESS: Mr. Chairman and gentlemen of the committee: May I first introduce myself as Frank H. Elphicke, manager of CKWX, Vancouver, British Columbia. I have been in the broadcasting business some fourteen or fifteen years starting with CFAC in Calgary, going from there to Edmonton, then to Winnipeg, and back to Vancouver. During my time I have managed four different stations, and I hope I have a thorough knowledge of the business of which I am going to speak. In addition to that I think I should also mention that I am a partner with my brother in a small new station started recently in Prince George, British Columbia, namely CKPG.

Following the plan of procedure we understand has been outlined by this committee, we turn now from the present to the future; from what Canadian radio is doing—to where Canadian radio is going.

The Canadian Association of Broadcasters, representing 81 independent radio stations, is vitally interested in the future of Canadian radio. We can speak as a group of Canadian citizens whose experience in all fields of radio goes back to the beginning of broadcasting in this country and is now more complete in many ways than that of any other group. That experience, we feel certain, can be of special value in assisting this Committee visualize the needs of radio's future in Canada. We also speak as Canadians sincerely concerned with the future development of the nation in which we are vitally interested, and in whose progress we hope to play a part to the best of our ability.

This is an era of rapid change—social, economic, and technical. There is a general awareness to-day that all of us are consciously or unconsciously building a new world. Our experience leads to the conclusion that radio's future in Canada must be considered in the light of this rapid change. The terms of reference under which radio operates are embodied in an Act now ten years old, based on recommendations made prior to that. Since then, there have been many momentous developments. The pace of change has been accelerated; and nowhere more than in radio. We believe it necessary, therefore, to consider to what extent the present terms of reference are valid for the future. By terms of reference, we mean the Radio Act, the Broadcasting Act and regulations made under it, the recommendations that led up to it, and the policies recommended by previous special committees.

First of all, we believe that the fundamental principles governing Canadian broadcasting are sound. We support wholeheartedly regulation of broad casting by a public body and the dual system comprised of a nationally owned organization operating in conjunction with the independent stations. It is our belief that any adjustments made within this present framework must be made to serve first one interest only—the interest of the public. We are also convinced that any future policies should be governed by what actions and regulations will best enable the two systems—government and independent—to advance between them the progress and development of Canadian radio as a whole.

First of all, let us examine the needs and responsibilities of the national system. It might be wise here to emphasize that the independent stations of Canada were an important part of the nationally owned system through the period of its growing pains and that they still form the vast majority of CBC outlets.

To what extent, therefore, do plans and policies, present terms of reference, permit the national system to develop in the directions best suited to the public interest and to the general advancement of Canadian broadcasting?

The national system is faced with tremendous new developments with which it must keep abreast if Canadian broadcasting is not to lag behind that of other countries. Many of these new developments are most expensive, requiring heavy outlays for research, equipment, talent and staff. Moreover, some are of far reaching social and political significance. The age of television, frequency modulation, and facsimile is upon us. Revolutionary in nature, these new forms of radio broadcasting are already operating on this continent. Lest there be any doubt of that, let us quote as one example from Page 409 of the "Broadcasting Year Book for 1946":—

> With Finch facsimile equipment, illustrated printed matter, such as newspaper or magazines, can be sent by radio to homes. Stations are now being licensed to render this service. Home recorders and recording paper will be moderately priced. Broadcasts will include all news and features such as cartoons, market reports, photographs, and maps, besides illustrated and printed advertisements. In one hour, the equivalent of more than twenty pages of tabloid size can be transmitted and received.

On Page 516 of the same publication, Committee members may find outlined the conditions under which American authorities will license operations of facsimile broadcasting stations. There are already such stations operating in the United States. The New York Times, amongst other organizations, is experimenting with facsimile broadcasts.

The distribution of newspapers by facsimile broadcasting is a development of tremendous and urgent significance. It emphasizes the necessity for sober and far-sighted study of the present terms of reference under which radio broadcasting is carried on in Canada. Unaware of the imminence and potentialities of the development of this division of broadcasting, those who framed the Broadcasting Act could not have realized that, in its present form, it now opens up the distinct possibility that CBC will be possessed of regulatory power in the press field. Under the present terms of reference, responsibility for facsimile is placed, along with all divisions of broadcasting, in the hands of the CBC.

Television and frequency modulation broadcasting units are also appearing in the United States. To date, only the most limited experiments are being made in these fields in Canada by the governing body. We do not believe this is due to lack of desire or enthusiasm on the part of CBC personnel. We believe, rather, it may be due to the fact that terms of reference now existing in Canada make it difficult for the CBC (or anyone else) to direct the necessary funds and energy into channels where expensive research and experiment is essential to national progress in radio broadcasting. The fact of the matter remains that young Canadians are not to-day being trained as technicians, artists, producers in the new divisions of broadcasting already attaining a flourishing development abroad. It would be a serious loss to our country if more young Canadians are forced abroad to seek experience and employment.

To us of the Canadian Association of Broadcasters, it seems that we are now confronted with two serious questions. Do present terms of reference give CBC the necessary opportunity to pay adequate attention to the new divisions of broadcasting, the development of talent and creative personnel, to make maximum use of the dual system of broadcasting or are those terms of reference channelling CBC's activities in directions which are of questionable value?

In following its interpretation of present terms of reference, the CBC now proposes to spend large sums of money on new AM transmitters in areas already adequately served by present means of radio transmission. CBC itself points out that its present facilities offer radio coverage to 94 per cent or better of the Canadian population. Erection of the new fifty kilowatt transmitters in the proposed areas will not add one listener to that percentage, nor in any way provide present listeners with a better service. We submit that examination of the wisdom of the expenditure takes on further urgency in the fact of CBC's reported deficit, which, despite substantial increases in revenue during the past six years, will amount to more than a quarter of a million dollars for the present year.

Hon. Mr. McCann: Where do you get those figures?

The Chairman: We agreed, Mr. Minister, to leave questions until the end of the brief, if you do not mind.

Hon. Mr. McCann: I submit at this time your figures are entirely inaccurate.

The Chairman: The situation is that the committee came to the arrangement that we would wait until the brief had been read before asking questions.

The Witness:

To finance successfully the cost of constructing the three new stations, the operations of the Dominion Network (apparently a source of deficit) and to carry out a minimum of research and experiment in new fields of broadcasting,

CBC will require a further increase in revenue. No figures have been published but those with experience in the radio field realize the undeniable fact that financing these operations will necessitate an income of many millions of dollars annually in the very near future and increasing amounts shortly thereafter. Such income can be raised only by means of CBC:

(1) embarking upon an aggressive drive to increase its volume of network and "spot" advertising revenues.
(2) obtaining outright government subsidy, with attendant increased taxation.
(3) entering the publications field (as it appears empowered to do), and as the BBC has already done to its handsome profit.
(4) obtaining an increase in the present radio licence fee, as has recently been found necessary in Britain.

What would be the result if CBC has to resort to any or all of these methods of increasing its revenue? It is a moot point whether or not a government subsidy would be in the national interest, either from the viewpoint of the treasury or from the viewpoint of its influence on public confidence in CBC.

To add to its advertising revenues, CBC would, without question, have to compete seriously with all established media.

In regard to licence fees, it was the original thought that CBC's operations would be financed almost entirely by revenue obtained from listeners. Commercial revenue would have been limited if, indeed, there was any at all. There is the possibility that by operating strictly within the framework of present terms of reference, the national system might be required to vacate the advertising field or to curtail considerably its advertising revenues, and certainly this would require a very substantial increase in the licence fee.

We quote from a statement given by W. L. Brockington, K.C. to this Committee on Friday, March 28th, 1938, when Mr. Brockington was Chairman of the Board of Governors of the CBC:

> 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 CBC 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 CBC certainly as part of our ultimate policy.

Thus, there seem to be two alternatives—no commercial revenue with substantially increased radio license fees to replace it; or considerable increase in advertising revenues which, in spite of their size, might still not be sufficient.

There are two more serious problems. First of all, it is imperative that CBC aviod complete domination by commercial interests. The directions in which CBC is expanding seem to us to invite the risk of such domination. CBC may be forced to increase its commercial advertising revenue to the extent that

(*a*) an increasing number of American network commercials must be brought into the country, to the unquestionable detriment of Canadian talent.
(*b*) less and less network time will be available for public service programming and the development of sustainers reflecting a distinctive Canadian culture.

(c) the larger advertisers who can afford network time will have an increasing advantage.

We do not believe that any of these developmenst can be considered as in the national interest.

The second aspect is this: Use of national network facilities is confined to firms who have coast-to-coast distribution of their goods—in most cases the largest companies on the continent. Recent CBC activities indicate that it has recognized already that it must increase its advertising revenue to support the difficult position into which it has been manoeuvred by present terms of reference, already outmoded by the rapid pace of radio development. CBC has published a rate card for what is called "spot" advertising—that is, time periods of five minutes or more, bought on an individual CBC-owned station or group of stations rather than on a network. This intention of entering the local field was declared by CBC about the time that its Board Chairman was saying to this Committee, "I should like to re-emphasize that we are in the national broadcasting field, not in the local field." (Page 124, 12th line from the bottom of minutes dated June 20, 1946).

In CBC's new rate card for local (spot) business, regional discounts now in existence are bolstered by an offer of 20 per cent discount to any advertiser buying ten of the CBC owned stations. This arrangement favours the large firms, to the disadvantage of the medium and smaller-sized ones. Let us quote a possible example: A large business with an outlet in Toronto and outlets or mail order business in even four or five of the nine locations where CBC owned stations exist. Such a firm can profitably buy ten CBC stations, get the 20 per cent discount, and thus secure time on the Toronto station 20 per cent more cheaply than its dozens of competitors doing business only in the Toronto Trading Area. Such a practice offers definite advantages to the larger, wealthier firms; and distinct handicap to the smaller firms, particularly the one-city operations. We thus have the picture of large corporations getting cheap radio time on a nationally-owned system, subsidized through licence fees by the people of Canada, to the detriment of smaller firms.

There is still another reason for examining carefully radio's present terms of reference. We refer now to the employment and development of Canadian personnel and talent, the cultivation of a distinctive Canadian culture, by the national system. We believe it important here that the picture should be clearly understood, not obscured by a vague generalization. As stated in a report given this Committee by CBC: "In the course of the year, CBC broadcasts over 55,000 separate programmes. Of all these programmes, 80 per cent are sustaining and 20 per cent commercial. Of the sustaining programmes, 85 per cent are produced by CBC; 2·6 per cent by various private stations. 8·8 per cent come to us from the United States, and 3·3 per cent from BBC. Of commercial programmes, 61 per cent are produced in Canada, and 38 per cent in the United States. 85 per cent of all programme time is devoted to programmes of Canadian origination."

This generalization would not always match with what a listener actually heard. For instance, take CBC programme order for the Mountain Division of the Trans-Canada Network week of April 1 to April 7. Examination of similar orders for other weeks would illustrate the dangers of being too general.

First of all, the statement that 85 per cent of all programme time is devoted to programmes of Canadian origination. For the indicated periods, we find that listeners to the Mountain Division of the Trans-Canada Network would hear 11·64 per cent of commercial network programmes American in origin, and only 8·79 per cent of Canadian origin.

By Mr. Fleming:

Q. May I interrupt? One of the periods apparently has been struck out. That word "periods" in the fourth line from the bottom of the page I take it should be in the singular? A. Where is that?

Q. In the fourth line from the bottom of the page you say "periods". I take it that should be in the singular?—A. "For the indicated periods".

Q. That should be "period", in the singular?—A. It could be "period", if you take the whole week as the period.

Q. You are only dealing with the one example now.

Mr. BEAUDOIN: Did you read it as "'western division" or "mountain division"?—A. "Mountain". It is changed to "mountain".

By Mr. Ross (Hamilton East):

Q. You also mentioned 55,000 instead of 5,500?—A. Correct. That was an error in this brief. I should point out there are one or two errors in this brief. It is 55,000. That is our error there. I should point out in all fairness that there are one or two errors but bearing in mind that our committee works from coast to coast and we can only get them together at the last moment I do not think that a few changes are out of the way.

The CHAIRMAN: There is no objection. It is only that the members are desirous of being clear about the presentation. There is neither criticism given nor intended.

The WITNESS: Thank you, Mr. Chairman. With reference to the statement concerning sustaining programmes (85 per cent produced by CBC), the listener to the mountain division of Trans-Canada network, for the indicated period, would hear 17·65 per cent live Canadian music and 20·2 per cent phonograph records, produced mostly in the United States, and can scarcely be called Canadian because they were also used in Canada.

Using the same parallel, we find for the indicated period that on the Ontario division of the national network, 65·9 per cent of commercial network programmes were American and 34·09 per cent Canadian.

The next two paragraphs have been deleted the same way as those lines in the second from the last paragraph on page 6 because we felt that the period from May 19 to May 25 was not really a fair period, it being a little late in the commercial season. I come now to the fourth paragraph.

But it does not follow that the comparatively meagre amount of talent Canadian in origin was actually heard. There is a difference between "coverage" in the engineering sense, and listener response. A station may have "coverage" of a certain area in which there are fifty thousand radio homes: But only those radio homes where the sets are turned on, and to a specific programme, actually hear that programme. American programmes are excellent—the Canadian listener should hear them. But perhaps they should be balanced against a percentage of Canadian originated programmes that will give full opportunity for the expression of Canadian culture.

In view of all these important considerations the rapidity of technical developments, the difficulties of finance and the questions of commercialism and talent, we believe it necessary to carefully analyze the present terms of reference. They should be re-appraised, we believe, on the basis of the degree to which they permit the national system to serve most efficiently the public interest and allow Canadian broadcasting to continue progressing at a rate equal to that of broadcasting in other nations.

Obviously, no complete answer can be arrived at without intensive long-term study, a policy which clearly militates against hasty or rash action now. We do suggest that, as a minimum, certain considerations might be taken into account:

(1) Perhaps it would be well, for instance, to let independent radio stations utilize their experience in actively aiding the early experiment, research and training in the fields of television and frequency modulation.

(2) Perhaps it might be well to leave whatever expansion may be necessary on present day facilities to the independent stations, letting CBC concentrate its funds and energies on newer developments, at the same time vigorously promoting the fullest possible use of Canadian talent.

We come now to the second integral part of the present Canadian radio system—the independent stations. We believe we have demonstrated that the independent stations serve a necessary and vitally useful function. We believe that the independent stations, too, merit examination of their problems in the light of present day conditions and whether or not the present terms of reference in Canadian radio are in harmony with these conditions.

Like CBC, the independent stations do require a certain amount of revenue to operate effectively in the community interest. Under the Act, CBC has complete power to control and operate all networks. This is the sharpest difference between the Canadian system and the American, where individual stations have the right to negotiate for network affiliation with competing networks. The Canadian situation means that independent stations in this country have virtually no control over revenues received from network programmes. Network programmes—and the most popular of these are produced in the United States—are indispensable in competitive operation because of the extent to which they build audience. The station, therefore, is anxious to secure network programmes and is willing to accept the terms of a network monopoly, even when this may not be financially favourable or even fair. For instance, on the Trans-Canada Network, the seven CBC owned stations receive their full card rate for network business. Of the 17 independent stations on the network, only one receives even half of its card rate. Here we can cite as examples the following figures and stations. These are revenues received by the indicated stations through CBC from the network Procter and Gamble business:

You will notice, gentlemen, they are based on the quarter-hour 260 times rate, the 260 times rate being the maximum frequency discount allowed.

Mr. COLDWELL: A lot more than they are worth.

Hon. Mr. MCCANN: What is the guiding factor?

The CHAIRMAN: Just a moment, gentlemen, do not ask questions now. We have settled that. That applies to you, Mr. Coldwell, too.

Mr. COLDWELL: All right.

The CHAIRMAN: We arrived at a decision and we will hold to it.

The WITNESS:

(Quarter hour 260 time rate)

CFNB Fredericton	—(Net to station after all discounts off)	$2.87
CKGB Timmins ..	—(Net to station after all discounts off)	2.55
CJOC Lethbridge..	—(Net to station after all discounts off)	1.91
CKOC Hamilton..	—(Net to station after all discounts off)	5.10

This compares as follows with revenues received by these stations for a single spot announcement:

CFNB Fredericton	$3.68
CKGB Timmins	3.25
CJOC Lethbridge	2.17
CKOC Hamilton	5.62

The reason for such low payments to independent stations for commercial network programmes is probably the necessity for CBC to make a heavy profit on sale of lines used for commercial networks. When CBC sells a network programme to an advertiser, the cost of the network is made up of two things: (*a*) station time; (*b*) line charges. The lower the station time charges, the more can be charged for lines. CBC reports that in 1944-45 it received from commercial advertisers $804,674 in line charges. Actual cost of these lines to CBC was $162,191.14. This means the profit derived from commercial advertisers for that year was $642,482, or a profit of approximately 400 per cent on lines. This points up the fact too, that it is the use of independent station facilities by network advertisers which substantially contributes to CBC revenues.

When CBC built two fifty kilowatt stations, CBA in the Maritimes and CBK in Saskatchewan, assurance was given that those stations were being built to serve listeners in outlying points and would not be used to compete commercially with independent stations in those territories. They were to accept network business only, and on the basis of a $30 per hour charge for each station. About a year ago, CBC increased the rate on CBA to $150 per hour and the rate of CBK to $200 per hour. In order to do this and still satisfy the advertiser, three adjacent independent stations in the Maritimes were removed from the network and four in the Province of Saskatchewan. Now CBC has indicated its intention of going into the spot business, offering a special 20 per cent discount to the advertiser using ten of their stations. This is comparable to a position where Canadian National Railways offered to carry freight for 20 per cent less than Canadian Pacific Railways and made up the difference from public subsidy. This the CBC obtains at the rate of approximately $4,000,000 per year in licence fees, a source of revenue not available for other advertising media.

It should be emphasized that items appearing as payments to independent stations are not actual money paid by CBC to such stations. This is actually payment by the advertiser to the independent stations for use of their facilities at a rate set by CBC. But payment is made through CBC, instead of direct. The independent stations have commercial departments to handle local and network business and in the case of supplementary stations, practically all of the network sales work is done by the sales force of the station itself.

In 1939, when CBC did only $750,000 worth of commercial business, the cost of their commercial department was approximately $108,000. In handling $3,447,000 in network business in 1944-45, the cost of CBC's commercial department had risen only to $109,000. Fact of the matter is that when a network commercial department is set up, it can handle a virtually unlimited amount of commercial business without expansion, as these figures indicate. Certainly, expansion of the departmeint is in no way near being in ratio to the expansion in the amount of business.

A network is in the fortunate position of being able to bring in commercial programmes developed and paid for in the United States merely by pushing in a plug. Its cost of securing business is not as high as that of local stations and, since CBC has a network monopoly in Canada, a rock bottom minimum of selling effort is required. If a large advertiser desires network time (and most do) he must come to CBC to get it. A monopoly can—and usually does—wait for its customers to come to it, as they must to take advantage of its services. Independent stations, like all competitive operations, must go out and sell.

It is true that affiliated stations to CBC networks protest when dropped from the network. We have pointed out the necessity of network programmes for building audience and the protest does not necessarily indicate complete satisfaction with the arrangement but a position where half a loaf is better than no bread at all.

The independent stations, too, face the worrisome problems posed by development of new technical operations. It has been suggested by CBC, for instance, that the independent stations may be asked to give up their AM licences and be confined exclusively to frequency modulation broadcasting. This would have the effect of drastically reducing the coverage area of their signals, thus leaving rural audiences completely dependent upon the high-powered CBC stations. In view of the excellent farm service programmes developed by so many of the independent stations, we seriously question whether this development would be in the national interest. Farm areas belong to the communities where they sell their products or where they do their trading, and they have many problems of a community nature that can be more effectively served by community stations, and rural listeners are, we submit, equally entitled to a free choice of programmes.

It is without any shadow of doubt true that wave lengths upon which the independent stations operate must be considered as public or community property. It is certainly open to doubt whether this fact should completely rob well operated stations of any security of tenure. Railways, bus lines, trucks, mines and the newsprint industry operate by virtue of their use of public facilities. For matter of that, it is doubtful whether in the final analysis farmers and all those whose business is concerned with land do not operate by virtue of using public facilities. None of these is subject to the same twelve-months' insecurity, the possibility of their particular part of public property being shifted to their detriment, or to regulation by their competitors.

Not everyone may appreciate a specific programme broadcast on a given station's wave length. In spite of this, however, the wave length has not been physically impaired or injured, and is always good for use. A mine or timber lot may be exhausted. This does not happen to a wave length. We believe it reasonable that some consideration should be given to the proposition that where a station can prove it is operating in the public interest and serves its community, it is entitled to some reasonable security of tenure.

We believe we have demonstrated that the Canadian radio system is fundamentally sound and, another important point, it does not bring the interests of CBC into conflict with those of the independent stations or any other segment of Canadian life in any fashion that is not susceptible to being mutually resolved. Where any such conflict of interests occurs, in so far as we are concerned these are obviously susceptible to adjustment without in any way impairing the broad fundamental outline and structure of the Canadian radio system.

We believe, for instance, that a system of continuing consultations, even on matters of programming and traffic arrangements between CBC and the independent stations, would work toward the ultimate good of both branches of the industry, to the general good of the community, and would increase the value of the relationship between the two branches of the industry that is already ordinarily cordial at most points.

There is room in a democracy for legitimate difference of opinion on important subjects. We believe that opportunity should be afforded for the free expression of such differences, each side refraining from gratuitous imputing of motives and realizing that sincerity or concern for the public welfare is not the monopoly of any one viewpoint or any one party to a case. In this respect, the independent broadcasters find themselves unwittingly placed in a most unfortunate position. No matter how well they operate, no matter how well CBC operates, no matter how fair the CBC in making regulations or how much goodwill in observing them on both sides, differences of opinion on certain points are bound to arise. Ordinarily, it is a question of two parties getting together, trading views, and arriving at an agreement at least reasonably satisfactory to both parties. When, however, the independent operators express dissatisfaction or surprise, even on many minor points, they are exposed to the charge of

attacking CBC, or indeed, to the charge of attacking the principle of a nationally-owned system. We have good reason to believe such charges have been made in all good faith, in spite of their total inaccuracy. And perhaps the possibility arises again because of terms of reference laid down at a time when the picture was so much different from that of to-day. When the independent stations wish to make representations or protest, or to express opinion, or request permission concerning ordinary moves, our only avenue is into the Board of Governors of CBC. The case is thus heard by the senior officers of the very body that made the regulation, or is interpreting it, or which has interests affected by a request. The independent broadcasters are required to state their case to the Board of Governors, in the presence of senior officials of CBC. Then we retire, and in camera the Board of Governors hears the officials of CBC. No opportunity is given for rebuttal, or even to correct misapprehensions that may have arisen. Committee members will know, better than most, how often a word or a phrase has been misinterpreted, or a key word in a phrase missed. But no opportunity is provided us to correct, to enlarge, to explain. The decision only is then announced, and there is no responsibility upon the Board of Governors to give a reason for its decision, or to explain the reasoning that led up to it.

Where this results, unwittingly, in an injustice to an independent operator, we realize no one is particularly interested but ourselves. There are, however, points of general public interest sometimes involved.

Under the present terms of reference pertaining to Canadian radio, CBC is in the unique position of holding legislative, executive, judical, and police powers all in its own hands. That situation, it must be realized, pertains not only to its competitors but in some degree to the listener as well—in that CBC can and does decide what he may hear and when in making its regulations. With the development of television and facsimile, that factor will be considerably broadened.

We submit that no government with any claims to being democratic combines in one body the legislative, executive, judical and police powers. It may not have been intended originally to grant such a surprising combination of power—certainly it has not, so far as we know, ever been done in relation to any similar public body. The wheat board does not grow grain; the Air Transport Board does not fly planes nor operate an airline company; nor does TCA make or enforce regulations binding upon any aerial operation other than its own. CBC writes the regulations—more frequently than not with no prior consultation with those most directly affected. It then polices and enforces; its interprets those regulations, it issues specific directives under authority of its own regulations, and has the power to punish what it considers a breach of them, even if the party concerned is convinced that he has not contravened. He has no way of securing adjudication of his innocence or guilt. Yet CBC holds also these wide powers over its own stations and operations. Whether they are as strictly interpreted in the case of those stations or not is beside the point. If CBC decides an independent station has contravened regulations, it may suspend its license. It may do so even if the independent station feels honestly that there has been no contravention, or that the regulation was one CBC is not empowered to write under the Act, or that difference of opinion about interpretation of the regulation may exist. The independent station has no appeal. Should a CBC station also unwittingly contravene a regulation, it is not likely its license would be suspended or threatened with suspension.

We make it clear that this is not an attack upon the CBC, nor upon the principle of a nationally owned system. It is true that officers and officials of

CBC have usually endeavoured to be fair and just, even generous, in using their powers. But it is entirely possible that in the day when the terms of reference making possible such powers were laid down, their full import was not envisaged. Certainly, it could not then have been realized that new technical developments might have made possible an extension of those powers into other fields. We cannot see that it is logical to argue in favour of such concentration of power on the basis of the public interest or the common good.

We have not made in this brief, intensely concentrated presentation any specific suggestions or recommendations. We should have preferred to have had opportunity for full, free, frank discussion with CBC prior to this time, looking toward joint recommendations from both branches of the radio industry to this committee—recommendations we all believed to be in the best interests of Canada, and those implementation would permit both branches of the radio industry to serve well and truly in their appointed places. It is our hope that a system of continuing consultation between the independent stations and CBC will come about. Pending such a time, we have endeavoured to bring our experience in our chosen field to bear upon the problems confronting the Canadian radio industry in this era of rapid change, and to suggest the possibilities, the avenues of approach, that might well be explored.

The Canadian Association of Broadcasters, representing eighty-one independent stations endeavouring to serve their individual communities to the best of their ability, would like, with the committee's permission, to make one recommendation. We believe, and recommend, that the public interest would be served by the creation of a Radio Board of Appeal—an independent tribunal holding open meetings to which both branches of the radio industry possess free access in the customary judical manner.

We do not suggest that this Board of Appeal should take over any of the powers or functions of the CBC in so far as the original exercise of those powers is concerned. Our proposal is that if any station or interest considers that any regulation as passed by the CBC is unfair, or, if objection is taken to the interpretation by the CBC of any regulation, or if objection is taken to any regulation, directive or ruling issued by the CBC, or to any of the practices of the corporation, then the station or person interested would have the right to carry the matter to the proposed Radio Board of Appeal, and that body should be given the power to consider the matter, not merely in a narrow legal way, but from the broad standpoint of the public interest and the private interests involved, and should have the power to construe, or to rescind or amend, any regulation, directive or ruling. The hearing before this proposed body should be public; all interests would have a right to be present or represented, and it would hear and determine matters in controversy in an open and judicial way. Subject to the over-riding authority of the Department of Transport, we feel that such a body should also have jurisdiction to hear matters involving power increases, frequency allocations or changes, applications for new licences, whether for AM, FM, facsimile or television broadcasting.

We realize that this is not the time to set up new bodies, with all consequent expense to the public purse. There is without doubt some tribunal now existing which could fulfill the purpose. Perhaps the Board of Transport Commissioners would be ideal, for reasons that will recommend themselves at once to this committee.

We believe such a procedure would permit greater flexibility, prevent the possibility of rigidity within specified terms of reference that would work

hardship upon the national system or the independent stations. Changes will continue to take place, they will continue to be rapid. Obviously, we cannot expect the Broadcasting Act to be re-written every year—yet specific terms in any such Act might in their effect unwittingly prove harmful to one branch or the other of Canadian radio, or both, and thus upon the community. It would seem that such a tribunal could be empowered to act without re-writing the Broadcasting Act, but merely by a simple clause of amendment to it. The ensuing greater flexibility would, we are convinced, be beneficial in the broadest sence of the word. It would give time for the national system and the independent stations to catch up with all the technical developments of wartime, to chart their future in a mutually agreeable and co-operative atmosphere, to envisage what roads might be taken by each branch of the industry toward the goal of effectively and efficiently serving Canada.

The CHAIRMAN: We will take the two appendices as read. They have been identified in the brief as being a part of it.

Appendix "A"

WHAT A SASKATCHEWAN RESIDENT WOULD HEAR IF HE HAD A RADIO TUNED TO THE "MOUNTAIN" DIVISION OF THE CBC TRANSCANADA NETWORK FROM:

9.00 a.m. to 12.00 p.m. ..... Sunday.
7.00 a.m. to 12.00 p.m. ..... Monday through Friday.
8.00 a.m. to 12.00 p.m. ..... Saturday.

for the period of April 1st to April 7th.

Total number of hours, 116 hours; less non-broadcast periods (prog. resume, etc.) hours, 2.15 hours.

Total of programmes broadcast, 113·45 hours.

CBC Produced		
News, 12 hours, 8 minutes	10·66%	
Live Music, 20 hours, 25 min.	17·65%	
Drama, 5 hours, 45 minutes	5·05%	
Talks, 6 hours, 58 minutes	6·12%	
Religion, 3 hours, 15 minutes	2·85%	
Farm, 3 hours	2·63%	
Education, 30 minutes	·45%	
Phonograph records, 22 hrs. 59 min. ...	20·20%	
		65·61%
Canadian Commercials		
Canadian Commercials, 10 hours	8·79%	8·79%
U.S. Produced		
Commercial, 13 hours, 15 min.	11·64%	
Sustaining, 10 hours, 15 min.	9·01%	
		20·65%
BBC Produced		
News, etc., 5 hours, 15 min.	4·63%	
		4·63%
		99·68%

BREAKDOWN OF CBC NATIONAL PROGRAMME ORDER WEEK MAY 19-25

Number of programme listings, 1127; total number of hours programmed, 343 hours, 21 minutes.

American Origination		
Sustaining, 26 hours, 5 min.	7·59%	
Commercial, 35 hours, 30 minutes	10·33%	
	———	17·92%
BBC Origination		
Sustaining, 6 hours	1·74%	1·74%
Canadian Origination		
Commercial (Eng.) 12 hrs., 45 min. ..	3·22%	
Commercial (Fr.) 20 hrs. 15 min.	5·89%	
	———	9·11%
Sustaining:		
News, 41 hrs. 32 min.	12·09%	
Talks, 18 hrs. 50 min.	5·38%	
Live Talent (music, drama, quiz) 70 hrs. 50 min.	20·63%	
Farm and Stock, 17 hrs. 5 min.	5·26%	
School Brdcsts., 2 hrs. 30 min.	·72%	
Religious, 6 hrs. 30 min.	1·40%	
Phonograph Recs., 84 hrs. 50 min.	24·7%	
	———	70·18%
		98·95%

Mr. COLDWELL: Mr. Chairman, just before we proceed, I would like to make a correction to something I said some time ago at page 103 of the record. I quoted from a Report from Parliament Hill. It was drawn to my attention this morning that I had omitted the last sentence in the quotation, which I do not think makes any actual difference, to my mind; but if I may, just to make the record straight, I will put the whole in. The part I quoted reads as follows:

> We do not insist upon prior submission of scripts but are willing to talk these over with members in advance to avoid misunderstanding. The stations themselves, however, must be granted the right to reject any talk which is obviously a purely political discussion.

Then I left out:

> Rather than a report from Parliament Hill.

The CHAIRMAN: I think, Mr. Sedgwick, I should ask you now, you introduced the delegation and you are chairman, whether you have any views as to the manner of the questioning proceedings. What we have done so far has been to ask questions of more than one person where numbers were split in that way. For instance, we address questions first to Mr. Dunton, and then he might turn them over to Dr. Frigon, or perhaps it might be Mr. Bushnell or others. We can perhaps proceed with Mr. Colborne, and if he is not able to answer any question which is asked it may be directed to someone else. How do you desire to handle the questions?

Mr. SEDGWICK: If you have no objection to directing them to Mr. Colborne; if he can answer, well and good; otherwise they can be referred to any other members who are here and who may be better prepared to supply the answers.

(Discussion as to procedure continued off the record.)

The CHAIRMAN: We will proceed now to ask any questions that anybody may desire to ask on either of these two briefs that have been presented. In view of the fact I gave notice this morning that I desire to ask a question respecting an editorial which deals with the treatment of the private broadcasters by this committee—at least, that is the way I interpret the editorial—I should like to ask a few questions with reference to it. I understand Mr. Sedgwick has read the editorial in question. It is one in the *Journal* of this city on July 8. It is headed "The Radio Committee at Work", and reads:—

> The radio committee of the Commons has followed this session its usual procedure. Its first meeting was held May 28, and as is the practice all its early sessions were given up to Canadian Broadcasting Corporation Officials, to their briefs and their cross-examination. Not yet have any critics of CBC been given a hearing.
>
> This means that members of the committee, in the early and perhaps more impressionable stages of their work, are immersed and soaked in CBC propaganda. The committee is turned into a forum for a long series of formal reports from CBC executives on plans and policies and for a general defence of the corporation.
>
> By the time this stage is over the summer is getting on, the committee is hot and tired, the members' thoughts are turning homeward, and the shortcomings of CBC seem less important than in earlier and cooler months. That is the atmosphere in which critics of the system have their innings, and certainly the committee's procedure puts them at every possible disadvantage.
>
> It seems to us this process should be reversed if what the committee wants is an intelligent discussion of radio problems. Those who have suggestions to make or criticism to offer should be heard first, CBC executives should come last, and there should be fewer prepared briefs. Having heard critics of the system the members obviously would be in a far better position to judge of CBC presentations and to examine its representatives.

What I desire to ask Mr. Sedgwick is this. Is there any complaint at all on the part of the Canadian Association of Broadcasters as to the timing of their being called before this committee?

Mr. SEDGWICK: We have made none. I can say that we secured a copy of that editorial at lunch time. It was news to most of us. We had not heard of it before with the exception of one of our members who noticed it yesterday. We made no complaints. The order of our hearing is something that we requested up to the point only of the presenting of the second part of our brief which we originally requested should be following what the CBC might suggest as to their future policies. As you will recall that was decided by the committee and we carried out your instructions in that regard. That editorial is not inspired by us.

The CHAIRMAN: I am not suggesting it is inspired.

Mr. SEDGWICK: It is the *Journal*'s own opinion, and I think you gentlemen can answer for yourselves as to whether you are hot and tired. We have made no such charge.

The CHAIRMAN: I was only asking you as to whether you are satisfied with the time at which you were called.

Mr. SEDGWICK: Yes.

The CHAIRMAN: As a matter of fact, the date of your being called was worked out with you and to your satisfaction; is that not right?

Mr. SEDGWICK: That is correct.

The CHAIRMAN: Did you not also say a week or two back that you would not be ready until a certain date and you requested that you should not be called until, indeed, you have been called. Is that not so?

Mr. SEDGWICK: That is correct.

The CHAIRMAN: You may, of course, have some other complaints which they have not expressed.

Mr. SEDGWICK: That is correct.

The CHAIRMAN: But, at any rate, any complaints of the private broadcasters are not as indicated in this editorial?

Mr. SEDGWICK: That is so. We have not expressed ourselves that way.

The CHAIRMAN: I suppose we would both be willing to agree that the editor of the Ottawa *Journal* is not clairvoyant.

Mr. SEDGWICK: I think that is true.

Mr. SMITH: I think he is largely right. I was not here when the procedure was decided, but I think he has got something to say, and if you are opening the question I think it is wrong to have the CBC submissions divided in two and the private broadcasters switched into the middle.

The CHAIRMAN: That is a different point altogether.

Mr. SMITH: I do not think so.

The CHAIRMAN: It is not on this editorial.

Mr. FLEMING: I have one observation I should like to make just to complete the picture of the editorial. I indicated my view on this at an earlier meeting. I think that this committee should have been called earlier, and while Mr. Sedgwick has indicated he is not objecting to the order in which he has been called, having regard to the date on which the committee first began to sit, I think it would have been better all round if the committee had been called at an earlier date in the session.

The CHAIRMAN: It is a matter of record already that the C.A.B. would have been desirous of presenting their case after the full case of the CBC had been dealt with. That is quite right, but that is a matter of record already. That is not the point being dealt with here.

Mr. FLEMING: They are dealing with the hot and tired point.

Mr. HANSELL: The editorial itself—

The CHAIRMAN: The minister has been trying to get the ear of the chairman: He cannot get my eye by reason of the place where he is sitting.

Hon. Mr. MCCANN: I would like to make one or two observations with reference to the editorial. It is one with which one can take issue if you know something of the background of radio committees over the past ten or twelve years. I have been a member of the committee on a number of occasions, and this is not the first time that this matter has come up or has been considered. It was decided many years ago that the best scheme to follow would be for the CBC to make their presentations first for a number of reasons, among them being that there were a number of members on the committee who were entirely unacquainted with the radio industry in any of its aspects, and that it might be well, in order to give them an intelligent understanding of the background, that the briefs of the broadcasting corporation and the statement of the minister might be among the first presentations.

With reference to the objection which Mr. Fleming has made as to not calling the committee I shall say advisedly that the committee was set up before Easter and that we waited and waited and waited for the members to be named from the Progressive-Conservative party. As soon as they were named the committee was set up and started to function.

Mr. FLEMING: It is unfortunate we have a difference in regard to a matter of that kind. My information was contrary to that given by the minister, but we have been over that once before. I simply made my statement. With regard to that editorial, if provision had been made for establishing the committee and it had been appointed earlier and had launched proceedings earlier we would not be at the hot and tired stage referred to in the editorial.

Hon. Mr. MCCANN: All we could do was ask them to submit names.

Mr. HANSELL: What I was going to say was that the editorial is merely an expression of editorial opinion which editors have a right to do, and we could use the same procedure in taking time to discuss any editorial on radio and it would not get us anywhere. I do not think the editorial is a criticism. It is simply an expression of opinion of what should be done.

The CHAIRMAN: There is not any question about the editor having the right to write this editorial. It is only that I desired to know whether there were any grounds of complaint such as are there expressed in view of the fact that the arrangements for the gentlemen to be heard were made by me. That is all I wanted.

Mr. HANSELL: But the editorial does not express any complaints at all.

The CHAIRMAN: It speaks for itself. However, I am sure you are ready to proceed to some other point. Is there anybody has a question he would like to ask of anybody?

Mr. ROSS (*St. Paul's*): I should like to point out that this committee was named on the fourteenth of May and no meeting took place for two weeks after that, May 28.

The CHAIRMAN: That is right. Is there any person who desires to ask a question?

Mr. FLEMING: I will take the last point first. It is the recommendation in the second brief submitted by the C.A.B. at the bottom of page 13, the establishment of an independent tribunal holding open meetings to which both branches of the radio industry possess free access in the customary judicial manner. I should like to ask several questions about that. Has that proposal or recommendation been advanced in previous years by the C.A.B. or is that a new recommendation?

Mr. ELPHICKE: To my knowledge it has not been advanced before. I am correct in that, Mr. Sedgwick, am I not?

Mr. COLDWELL: We have heard that before.

Mr. ELPHICKE: It has not been advanced officially.

Mr. SEDGWICK: It was not advanced in those same terms.

Mr. COLDWELL: But very similar to those terms.

The CHAIRMAN: Is it not a fact this is the first year the Canadian Association of Broadcasters, as an association, has been agreeable to that proposal, and that you came to that agreement a short time ago in Quebec, and consequently this would be the first time you would advance it officially? Am I right?

Mr. SEDGWICK: That is not so. It was advanced some eight years ago, I think, at the time Mr. Brockington was chairman. Then it was as a result of the association getting together and deciding they would make that kind of recommendation, but it did not go so far nor was it as specific as the one that is being advanced today. The suggestion was that an independent and over-riding tribunal might be the final court of appeal in matters on which we disagreed.

Mr. COLDWELL: Can we not go through this brief section by section?

The CHAIRMAN: I think it would be best if we had some order. I think it is always well to let a few preliminaries go but I think you will all agree that there ought to be some orderly examination.

Mr. FLEMING: I should like to follow this through and ask other questions. I started on this one. It seems to be the climax of this second brief.

The CHAIRMAN: There is a difference between your method and Mr. Coldwell's. You desire to start at the climax and he wants to go up the slope.

Mr. FLEMING: Perhaps it will take him longer to get there.

Mr. BEAUDOIN: I think we should start at the beginning section by section.

Mr. COLDWELL: You are starting at the end.

Mr. FLEMING: I should like to make this observation. I do not think that the committee ought to feel itself confined, in its approach to its examination of the gentlemen who are before us, to the briefs or to the order in which the briefs are set up. I do not think so at all.

The CHAIRMAN: Oh no.

Mr. FLEMING: Let me say that again, the order in which the briefs are submitted to us or the order in which the items in the briefs are dealt with.

The CHAIRMAN: Of course, every member only has the view that questions should be put in the manner that will best conduce to bringing out all the facts, but I do not think that any person desires that any other person should be in any way confined or cabined or cribbed.

Mr. FLEMING: What does that add up to?

The CHAIRMAN: It adds up to this, that some believe we should start at the beginning and try to follow along that line. If there is not any serious disagreement with that and it is left to me that is the way I would rule, but I do not want to be taking an arbitrary stand on anything.

Mr. COLDWELL: Mr. Fleming wishes to raise a matter which is of great importance, and in order to assess the proposal of the C.A.B. I think we have got to understand some of the relationships which exist now. For example, on page 5 of the brief submitted by Mr. Colborne you have this statement:—

> (1) A nationally owned radio system controlling its own radio stations throughout the country and whatever networks it may deem desirable to fulfil its expressed obligations, and (2) a system of independently owned community stations throughout the country.

The request that is made is that there should be some independent body to arbitrate between, as it were, the nationally owned and community stations. Before I come to that I should like to know just what is the definition of "an independently owned community station." I should like to have that defined by the C.A.B. Does that mean it is one of a group of stations that will be operated by one individual, say eight or six or two or just one? Does it mean a station that has coverage within the community or one that spreads out over a wide area which is served by other community stations? I should like to get that clear in my mind as to what the C.A.B.'s conception is of an independently owned community station. I am not clear in my mind as to what the C.A.B.'s conception really is.

Mr. ELPHICKE: I would say that an independently owned station—if I may answer that question—represents all those things that you have mentioned. It is a privately operated station. It can be serving a small community; it can be serving a large community. Its service is adapted to the community in which it is attempting to serve. If it is a fairly high power station and has a big rural population then naturally its service is planned to cover that vast territory. I am thinking now of stations in Alberta. In my own particular city our confines are much more limited because of the mountainous region. We only go sixty or

seventy miles but I would say definitely that community stations are stations in the big communities or small communities. We have low power stations in our cities and relatively high power stations. I would say it refers to those stations.

Mr. COLDWELL: You have groups of stations?

Mr. ELPHICKE: Yes, sir.

Mr. COLDWELL: Operated by one group of people?

Mr. ELPHICKE: Yes, but they are all privately operated, and I think in those groups of stations they practically all operate under their own autonomy to the best of my knowledge.

The CHAIRMAN: I do not want to be arbitrary but if it is left to me I am going to make not a ruling exactly but a suggestion that you take the first brief and start turning over the pages and go along as matters suggest themselves to you on looking over those pages. Then when that is finished we will come to the second brief and do the same thing without any hard and fast rule that a person cannot go ahead a few pages or back up a few pages. I do not think you will find anything on which you desire to ask any questions until you come to about page 5. Would somebody please start that way?

Mr. BEAUDOIN: As a preliminary question may I ask how many members you have in your organization?

Mr. COLBORNE: 81 radio stations.

Mr. BEAUDOIN: How many are affiliated with the CBC?

Mr. ELPHICKE: Mr. Evans can get that figure. Approximately 50.

Mr. BEAUDOIN: I heard Mr. Sedgwick say a minute ago that he was not aware of the length of the second brief which you presented. In reply to a question which was put previously or in the discussion I heard either the first witness or the second witness mention that your committee was put together at the last minute in order to make up this brief. Whether that is correct or not is immaterial but the question I want to ask is if these two briefs have been submitted to your member stations for approval before you have given them to us here?

Mr. ELPHICKE: Mr. Sedwick had better answer that question.

Mr. COLBORNE: The committee that was appointed to prepare them was appointed at the convention of the Canadian Association of Broadcasters with the approval of all members present who nominated and voted for these men, and these men have gone ahead and prepared a brief which has the approval of the committee set up. It has not been submitted to the 81 stations, if that is what you mean.

Mr. BERTRAND: To how many was it submitted? To how many members was in submitted?

Mr. ELPHICKE: If I may interject, it has been submitted to the actual committee which worked on it plus the members of the board of directors of the Canadian Association of Broadcasters.

Mr. BERTRAND: In other words, the Canadian Association of Broadcasters gave the whole responsibility to a committee of how many?

Mr. ELPHICKE: Five on the committee, and eleven on the board of directors.

Mr. BERTRAND: Was that submitted to the eleven?

Mr. ELPHICKE: Yes, every member of the board has seen this.

Mr. BERTRAND: Both briefs?

Mr. ELPHICKE: Yes.

Mr. HANSELL: Mr. Colborne, I understand that you are the assistant manager of CJCJ?

Mr. COLBORNE: That is correct.

Mr. HANSELL: Is CJCJ an affiliated station on any of the Canadian networks?

Mr. COLBORNE: It is not, sir.

Mr. BEAUDOIN: Ars you sure that your affiliated and non-affiliated member stations completely approve of the two briefs you have presented to us?

Mr. COLBORNE: I feel certain they do.

Mr. HANSELL: There were no instructions given or request that you submit the briefs to the individual stations?

Mr. COLBORNE: No.

Mr. HANSELL: In other words, they had confidence in their committee.

Mr. COLBORNE: They had, yes.

Mr. PICARD: You would not expect representatives of other stations to come here and say that what is being presented here does not represent their views?

Mr. COLBORNE: I feel certain it represents their views.

Mr. ELPHICKE: If I may add, I think every station in Canada has been canvassed for the information that has gone into the brief.

Mr. BEAUDOIN: I know you sent out a questionnaire but the brief was made up afterwards.

Mr. ELPHICKE: Yes, certainly.

Mr. BEAUDOIN: After the brief was finalized you did not send out copies to your members for their approval?

Mr. ELPHICKE: No.

Mr. COLDWELL: How was the CAB established? Do you have members' fees?

Mr. ELPHICKE: Yes, sir.

Mr. COLDWELL: Do all stations pay the same fees?

Mr. ELPHICKE: It varies according to their rate card. Our secretary can correct me if I am wrong in my statement but the fee that a station pays is twice its peak half-hourly rate. There are questions of small stations and new stations starting in business where special fees are granted them to start off.

Mr. COLDWELL: What would be the range of fees?

Mr. ELPHICKE: I have not the rate cards. Possibly Mr. Sedgwick can answer that.

Mr. SEDGWICK: From $5 a month up to $250 a month.

Mr. COLDWELL: I was asking to see how the fees of the CAB compare with the licence fees charged by the Department of Transport. That is what I reallly had in mind.

Mr. PICARD: Are there any independent stations which are not members of your association and if so what are they ?

Mr. ELPHICKE: I believe there are about eleven. I am not certain of the figure.

The CHAIRMAN: About eleven stations in Canada which are private broadcasters' stations and are not members of the CAB. That is to say, we have about 91 private stations in Canada. Is that correct?

Mr. EVANS: That is about right.

Mr. PINARD: Would you give the most important ones not affiliated with your association?

Mr. BEAUDOIN: Can you name a few stations out of the 11 which are not affiliated?

Mr. COLBORNE: Can you name some of the stations which are not affiliated?

Mr. SEDGWICK: There is the station in Ottawa, CKCO, the station in Sudbury, the station in Yarmouth, Nova Scotia, and I believe one station in Vancouver.

Mr. ELPHICKE: All stations in Vancouver are members.

Mr. PINARD: What about the province of Quebec?

Mr. SEDGWICK: In the province of Quebec Mr. Thivierge tells me that all stations are members. Would you like us to file a list of all stations?

The CHAIRMAN: A list of member stations?

Mr. SEDGWICK: Of our member stations.

(List filed with clerk.)

Mr. HANSELL: Is admittance to membership conditional at all? Do you lay down certain conditions whereby a station can become a member of your organization?

Mr. ELPHICKE: Any privately operated station is admissible to the association. There is a code of ethics that we ask them to respect.

Mr. HANSELL: Have any been refused?

Mr. ELPHICKE: To my knowledge, not one. You have been chairman since it started, Mr. Sedgwick?

Mr. SEDGWICK: I have never heard of one.

Mr. BEAUDOIN: Have any been rejected?

Mr. ELPHICKE: Not to my knowledge.

Mr. BEAUDOIN: To your knowledge how many stations are affiliated with the CBC among the eleven who are not members?

Mr. COLBORNE: Those figures can be obtained for you if you wish.

Mr. PINARD: There might be a list filed of the stations which are not in the association in view of the fact that we have got a list of all the others.

Mr. COLBORNE: Any other privately owned station in Canada is not affiliated.

The CHAIRMAN: Will you be able to file that statement, Mr. Colborne?

Mr. COLBORNE: Yes. It means taking the total list of stations and substracting the ones which are members.

Mr. KNIGHT: Somebody mentioned a code of ethics. Has that been printed or documented?

Mr. ELPHICKE: There is a printed code of ethics. We will be glad to supply copies.

Mr. COLBORNE: We have copies.

Mr. KNIGHT: I presume there is something in that code of ethics in regard to service to the public?

Mr. ELPHICKE: Very definitely.

Mr. FLEMING: It could be read into the record. Is it very long?

Mr. SEDGWICK: I might say that the code of ethics is framed in large size and is to be found hanging in the entrance hall of every one of our member stations across Canada. Answering the question as to public service there is in addition a standing committee on public service of the Canadian Association of Broadcasters which takes a great deal of time both at our annual meetings and periods in between.

Mr. BOWERMAN: Were all these 81 affiliated stations represented by delegates at this convention?

Mr. ELPHICKE: Either by delegates or by proxies. Am I corect in that?

Mr. SEDGWICK: I think every station was represented.

Mr. ELPHICKE: There were several who were not there personally but they were represented by proxy.

Mr. FLEMING: I suggest that a copy of the code of ethics be put on the record. There are only nine clauses. It is not a lengthy document.

The CHAIRMAN: If it is agreeable we will put the code of ethics that has been referred to as an appendix to this day's proceedings.

Mr. FLEMING: It was adopted on February 17, 1943. Have there been any amendments?

Mr. ELPHICKE: No, it is still up to date.

Mr. COLDWELL: What do you do if a radio station is not carrying out the code of ethics or fulfilling the functions which you believe to be the right functions of a community station? I mean to say, I agree with you that there is a place for a community station, and that such a station has certain functions to carry out; if a station does not carry out those functions, as you outlined this morning Mr. Colborne, what do you do as an association?

Mr. COLBORNE: You mean, the functions shown here in A to G?

Mr. COLDWELL: Yes.

Mr. COLBORNE: I do not know of a case where stations have not complied with them.

Mr. COLDWELL: I do.

Mr. COLBORNE: I mean cases that have been brought to our attention. Perhaps the past record of the association would indicate something on that.

Mr. SEDGWICK: We haven't any policy as to discipline. We try to persuade our members at all of our meetings to live up to the obligations which we believe are theirs. Frankly, as I say, we have no disciplinary policy.

Mr. ELPHICKE: May I answer that. A statement made in my capacity as a director of the Canadian Association of Broadcasters: in the various regions if you find somebody stepping out of line you get in touch with them and talk to them like a Dutch uncle. Another thing that happens, as I mentioned in my brief, is that we have programme clinic meetings in various regions. We had a programme clinic meeting in British Columbia last fall and one of the stations which one or two of the boys thought was a little out of line on something so we men went to the mat with them about it. Nobody withheld any punches, they were told frankly what we thought, and that brought the station pretty much into line with respect to what we considered good policy.

Mr. SMITH: I understand there are eleven stations who are not members of the CAB.

Mr. COLBORNE: That is approximately the figure.

Mr. SMITH: And were there any stations that were not invited to join the association?

Mr. ELPHICKE: As director, I cannot think of any one good reason for a station not joining. Every station in Canada has been invited.

Mr. SEDGWICK: There are a variety of reasons. The most common of these reasons is that they are new in the business and are not financially able to afford the expense. There is necessarily some expense attached to membership. For that reason the annual meeting of the Canadian Association of Broadcasters in times past had attempted to get unanimous membership, even going to the point of making special arrangements which were hard pressed. Some have come in, others have not. And some stations have not joined up because they do not see eye to eye with us in lots of the things we do.

Mr. FLEMING: Mr. Sedgwick will have to speak a little louder if he wants what he says to be on the record. I can't hear what he is saying.

Mr. ROBINSON: He better come around here to the front.

Mr. BEAUDOIN: In the list of your members have they donated their application for membership or their entry in your association?

Mr. SEDGWICK: I do not think so, sir.

Mr. SMITH: I suppose, Mr. Sedgwick, some stations would not join your association for the same reason that I am not a Mason, I do not want to be one. I suppose some do not want to belong to your organization because they do not approve of your policies.

Mr. SEDGWICK: That is true. Some people think we spend too much time on public service. Others think we do not spend enough time on it. Some think we should devote more time to selling. We have always felt that we are not a selling organization. We devote a good deal of our time and attention to improvement of broadcast standards. We have told them frankly that we are not there for selling. And we have been compared unfavourably by some stations, particularly those having newspaper connections because we do not do a sufficiently good job of selling.

Hon. Mr. MCCANN: How many stations have given up membership in your organization since it has been established?

Mr. SEDGWICK: I can only think of two, Sudbury and Ottawa.

Hon. Mr. MCCANN: They were formerly members and gave up their membership?

Mr. SEDGWICK: Yes.

Hon. Mr. MCCANN: What was your membership strength for last year?

Mr. SEDGWICK: Our membership last year was 81 stations; at least that is the figure as I recall it from the report released some four or five years ago.

Mr. FLEMING: Has there been any change in membership during the last couple of years?

Mr. SEDGWICK: I do not think so.

Mr. ELPHICKE: We should be able to give you that in some detail. I think the figure given by Mr. Sedgwick, 81, is practically correct. I do not think these 81 have always been with us, that is a figure which is necessarily fluctuating, it goes up and down.

The CHAIRMAN: May I make a suggestion that unless there is some serious doubt in the minds of members that these gentlemen are not fairly representative of the Association of the Broadcasters, that we should get a little further on in the brief? I think these gentlemen do, no doubt, represent the private broadcasters.

Mr. HANSELL: All right, then, Mr. Chairman, I would like to refer to page 5, I do not think I have any questions on pages 3 or 4, but I would like to refer to the second paragraph where reference is made to the importance of private stations as community stations, and to the fact that they maintain the democratic element of freedom of speech. Would you care to amplify that? Then I have another question.

The CHAIRMAN: You are referring to Mr. Colborne's brief, page 5?

Mr. HANSELL: Yes, it was the first brief presented.

The CHAIRMAN: Oh yes, you are right.

Mr. SEDGWICK: I think, sir, the further statements in the brief more or less amplify that, at least as I read it. We do make it our business to take valuable time on these stations for the discussion of public issues. We make time available, for the members of any political party to obtain space on privately owned stations which they cannot obtain on the CBC, and which they are not permitted to obtain on networks.

Mr. COLDWELL: Do you make it available free or do they have to pay for it?

Mr. SEDGWICK: Both ways, mainly free.

Mr. COLDWELL: Can you give us any idea of the percentage of time allotted for free discussion of public affairs?

Mr. SEDGWICK: I think, sir, it would vary with every station. It is more or less left to the individual stations to arrange the time in that regard adequately to service the interest of the community. Every station has to work out its own time on the air which it gives to vital subjects in the public mind. Of course, more time is given to that sort of thing in times of local or national stress, such as a municipal, provincial or federal election than would be given to it less at other times when there is less popular interest, shall I say when there is not so much controversy in the public eye. For instance, right at the moment we have this labour-management situation and more time is being devoted to that particular subject. I do not think you could state in terms of percentage the amount of free time private stations give.

Mr. COLDWELL: Well then, may I put it this way: after one side of the question has been given do you then invite the other side to give its views?

Mr. SEDGWICK: That is our general practice, sir.

Mr. COLDWELL: Is that always done? For instance on station CFRB you have news commentators.

Mr. SEDGWICK: That is right.

Mr. COLDWELL: And those commentators have been giving pretty much one side of the question, the radio question for instance; have you considered giving somebody else a chance to express the other side of that issue?

Mr. SEDGWICK: I do not think we have been giving you one side of the question, Mr. Coldwell, any more than the newspapers have. We could each look at the other and say, that is not all there is to be said.

Mr. ELPHICKE: If I might give a case in point, Mr. Chairman, in Vancouver we have Mr. Philpot—

Mr. COLDWELL: And he is pretty good.

Mr. ELPHICKE: As I say, we have Mr. Philpot, we have Mr. Stevens and our own editor.

Mr. COLDWELL: And he is pretty good.

Mr. COLBORNE: Again, that is a point for the use of private radio; many discussions that would never be aired at all can be aired. I am thinking now of these which have particular community interest. On CBC you only hear discussion of national issues, but our facilities are available to all features of an organization, to carry out purely local functions that would not get aired otherwise if it were not for private stations.

Mr. ELPHICKE: I think I am correct in saying that the CBC does not sell time for the broadcasting of opinions.

The CHAIRMAN: The point there is this, if you sell time for opinion broadcasts, do you sell time to the person who has the opposite opinion so that he may broadcast his views also?

Mr. ELPHICKE: Definitely.

Mr. COLDWELL: But what if the other fellow hasn't got the money?

Mr. ELPHICKE: If a man came to me and said quite frankly that he didn't have the money, and could show me that he was telling the truth, I would give him the time without charge.

Mr. HANSELL: But that would be left to the individual station to deal with?

Mr. ELPHICKE: Yes, sir.

Mr. COLBORNE: I think you would be very much in the same position as where a newspaper runs a long ad. on a certain subject by somebody who intended to pay for it, and then another person would come along who would want to make a reply in similar form but would not be in a position to do so.

The CHAIRMAN: That would not result in a free ad.

Mr. COLBORNE: No, sir. And may I add in my experience, that private stations keep strictly neutral in the matter of disputes; and if someone came to them and asked for an opportunity to reply, even though he might be in a position to pay for the time, I am certain that almost every station would find some way of making the time available to him.

Mr. HANSELL: I have this further question; as far as private stations are concerned, in relation to free speech, they only have jurisdiction over those expressions of opinion on their individual stations?

Mr. ELPHICKE: That is so.

Mr. HANSELL: Now, the difference between CBC and private stations would be this; that when the CBC puts a commentator on the network that commentator speaks to the whole nation; when the private station puts a commentator on the network he can speak only to a limited audience.

Mr. SEDGWICK: We cannot put him on network, sir.

Mr. HANSELL: No, your private stations have a strictly limited audience, and with the present system of regulations it is impossible for private stations to put commentators on a national network?

Mr. SEDGWICK: Yes, definitely.

Mr. HANSELL: In other words, what the CBC can do in fifteen minutes with one commentator, the private stations would have to do by putting a commentator on 81 or 91 separate stations?

Mr. SEDGWICK: Yes.

Mr. PICARD: That could be altered if the set-up were changed and private stations had a network similar to what is possible in the United States where they allow chains of stations on which one hears commentators like Quentin Reynolds, and others, who are all very well known, and in that way they could broadcast to very considerable numbers. That could just as easily be done for private stations in Canada.

Mr. ELPHICKE: Yes, Mr. Chairman.

Mr. KNIGHT: I think this has some bearing on this matter of freedom of speech. Mr. Sedgwick mentioned somewhere the connection between radio and newspapers, and that they had a direct influence on each other, and Mr. Colborne in his brief said something to the opposite effect. I would like to ask Mr. Colborne a question about how many owners of radio stations in Canada own their own newspapers, and controversially, how many newspapers in Canada also own radio stations?

Mr. COLBORNE: I haven't got the material with me to-day.

Mr. KNIGHT: Could you find out?

Mr. COLBORNE: Yes.

Mr. SEDGWICK: I will give you a good guess, there are about twenty-five.

Mr. KNIGHT: And I was going to ask you in addition to that, you have many cases where you have multiple ownership of stations, have you not?

Mr. SEDGWICK: I would say that there are two, at the outside three.

Mr. KNIGHT: I would like to have an expression of opinion. I address my remarks to Mr. Colborne, but if Mr. Sedgwick can give me the answer it will be all right. In your opinion is multiple ownership of stations a healthy thing from the standpoint of this thing, freedom of speech, which you have just mentioned?

Mr. SEDGWICK: I think, sir, that is a subject which would have to be elaborated. It depends on how far it goes. Multiple ownership does in most cases increase operating efficiency.

Mr. KNIGHT: Does it increase freedom of speech.

Mr. SEDGWICK: Put it the other way, I do not think it damages freedom of speech. I know of no instance where anything of that kind has resulted from what one terms the ownership of multiple stations.

Mr. KNIGHT: Let's change the question again and get back to the other situation; does simultaneous ownership of newspapers and radio work out all right, is it a healthy thing, not only from the point of view of freedom of speech but from the welfare of the community?

Mr. SEDGWICK: That again gets into the matter of the mode of operation; I mean, the community is completely tied up—I think that has been discussed in this committee before, and I do not think I am entirely free to express an opinion on that. I work for a station which is owned by a newspaper. I think it is a matter of how the station is operating and how a newspaper is operating. Radio definitely has never spoken with that sort of voice, I mean editorially. That is one thing we have asked our station to do, stay away from editorial comment in radio. Newspapers do, but we do not.

Mr. KNIGHT: I think you have mentioned the fact in a number of cases newspapers and radios are owned by the same person or corporation, can you name some of them?

Mr. COLBORNE: My own station owns an Alberta newspaper. The station operates strictly independent of the newspaper in every respect.

Mr. KNIGHT: Are there any in Regina?

Mr. SEDGWICK: I believe there are, I think this newspaper owns the station in Regina, and I believe the same applies to the Southam papers who operate stations in certain places in Canada—Saskatoon, Calgary and Edmonton, I believe.

Mr. KNIGHT: You are still not prepared to commit yourself on the statement as to whether or not such an arrangement interferes with freedom of speech?

Mr. SEDGWICK: I can say this, that I know of no evidence to that effect.

Mr. COLDWELL: Would you consider it a danger to democracy?

Mr. SEDGWICK: I do not think that I should be asked a question like that.

Mr. COLDWELL: But did not Mr. Elphicke express an opinion regarding the ownership of periodicals and so on by radio stations in the CBC? I think that was a criticism; and comes up again in connection with facsimile broadcasting. As to dual ownership, in Saskatchewan and Manitoba we have these stations. We have the menace of the *Free Press* which I think operates two radio stations in Winnipeg.

Mr. SEDGWICK: Two.

Mr. COLDWELL: One is short-wave and the other long.

The CHAIRMAN: I think that is right.

Mr. ELPHICKE: There is a short-wave station there, yes.

Mr. COLDWELL: Yes, in Winnipeg we have one short-wave station. There are two radio stations at Regina. Then there is the Saskatoon *Star Phœnix*, the Saskatchewan *Farmer*, the *Free Press-Prairie Farmer*—all operating stations, these vehicles for the domination of views and opinion, all being owned by one group. I do not think that is a healthy thing. I do want to say this, however, that I think the radio stations in Regina that are owned by these institutions have been pretty fair. I am not complaining at the moment. I think there is a real danger, and I do not know what this committee should do. The House of Commons a year or so ago ordered the divorce of air transportation from railway transportation.

The CHAIRMAN: They haven't departed from that yet.

Mr. COLDWELL: I know, but I was thinking whether or not we should divorce similarly newspaper and radio stations.

Mr. FLEMING: May I ask Mr. Sedgwick a question along that line?

The CHAIRMAN: I think Mr. Coldwell was coming to a question.

Mr. COLDWELL: I am going to ask Mr. Elphicke if he agrees with that?

Mr. ELPHICKE: I am glad you asked me that question because after ten years' experience in operating radio stations for newspapers, namely, the Calgary *Herald*, the Edmonton *Journal*, and the Winnipeg *Free Press;* I can say in all honesty and sincerity that I was never once interfered with, I was given complete and absolute control and they told me that commercially I had to stand on my own feet. I was never once interfered with in any way at all.

Mr. COLDWELL: That may be so with that group. I think it probably is correct, but is there any danger inherent in that situation?

Mr. ELPHICKE: I suppose if you get them operated by unscrupulous people, yes. You get an undesirable result with anything operated by unscrupulous people.

Mr. COLDWELL: Yes; is it not correct that in the early days of radio the press became a little bit jittery lest this rapidly growing and expanding new medium of public contact might endanger their position in the community?

Mr. SEDGWICK: Very vigorously so.

Mr. COLDWELL: And is not that largely the reason why the newspapers took out radio licences, to protect themselves, and also to be able to put their opinions on the air through the stations?

Mr. SEDGWICK: I think that is in part true, largely true.

Mr. COLDWELL: Would you say that radio had turned out to be the threat it was thought it would be? Judging by the policy of the stations themselves it would not seem to me to be a very great danger.

Mr. SEDGWICK: I would say this, that this policy is not something which has been discussed or decided by us, because by the very provisions of the Act the purchase, transfer or sale of radio licences is decided as a matter of government policy. I do not think we should be asked to express an opinion here directly on that.

The CHAIRMAN: But, Mr. Sedwick, I do not think you intended to say that, did you? Because you are coming back next Thursday to express opinions on government policy.

Mr. SEDGWICK: That is in respect to radio. You are talking about the newspapers.

Mr. KNIGHT: I was going to ask a question about the dual position of radio stations, if you thought it a good thing for people with money enough to buy up a group of stations. Would that not interfere with freedom of speech in a community?

The CHAIRMAN: I wonder if you would agree to this, Mr. Knight, that it is rather hard to decide what questions should be asked and what should not. General philosophic questions, politico-philosophic questions are one thing, and factual questions are another. If you were to confine your questioning to the factual experience the gentlemen before us have had I suggest it would be more appropriate. Would you not think that was fair?

Mr. KNIGHT: I think it would be fair. I think my questions are based on those principles, as I see them.

The CHAIRMAN: Well, yes.

Mr. KNIGHT: The effect of this dual ownership on the community.

The CHAIRMAN: In other words you say, the witness has opened his mouth and now he is for it.

Mr. KNIGHT: Yes.

The CHAIRMAN: You may be right about that. But do you not think you should take into consideration the function of the committee and the fact that those are the sort of things that we have to decide no matter what the witness thinks? I do not want to shut it off. I do not know that I have any right to shut it off.

Mr. ELPHICKE: Mr. Chairman, I speak from the experience of ten years or more.

Mr. COLDWELL: The trouble is that we do not know what may happen in the future, the liberal minded owners may die and be replaced by others of a different sort.

Mr. ELPHICKE: That sort of thing can happen in so many places; people do die.

Mr. SEDGWICK: Of course, the situation is different when you consider the CBC because it is not in a position to give the same type of community service. Their service is on a national scale. They serve Canada as a whole.

The CHAIRMAN: By that you mean public service rather than community service.

Mr. KNIGHT: Take the question of freedom of speech, is it not possible that the CBC might counteract the thing I was just talking about, the lack of freedom of speech, because by the amalgamation of these various stations you would at least have one agency through which you could get the other side of the picture.

Mr. SEDGWICK: I have neither seen nor heard anything that has led me to conclude that there is any lack of freedom of speech. If there is, we have not found it.

Mr. KNIGHT: Apparently I cannot get an answer as to whether there is any danger to freedom of speech through the multiple ownership of stations or through dual ownership.

Mr. SEDGWICK: I thought I said there was never any evidence of any lack of freedom of speech on privately owned stations. I think the reverse would be true. You counteract the fact that the CBC speaks with one voice—

The CHAIRMAN: Or, the opposite.

Mr. SEDGWICK: It works both ways, sir, that is why we say it is a healthy situation to have.

Mr. HANSELL: Yes, and that position is one which does not exist with the CBC in the national field.

Mr. ELPHICKE: No.

Mr. HANSELL: Because private stations cannot put opinion broadcasts on network.

Mr. COLBORNE: Quite true.

Mr. COLDWELL: Isn't that a protection to freedom of speech, because privately owned stations which sell time naturally invite the group with the longest purse, and they would be at an advantage over the group with the small purse or no purse at all.

Mr. ELPHICKE: The situation there is that the individual station is given a free hand. I am not certain but a private network would do the same thing.

Mr. HANSELL: Some of them have given free time.

Mr. COLBORNE: A very large majority of them, to my knowledge.

Mr. HANSELL: Would it not be for complete protection if all forms of public opinion could get on a network?

Mr. COLBORNE: Yes, I agree with you on that.

The CHAIRMAN: Might I ask you a question about unions? I saw, I think it was on page 9, I think it was at the bottom of page 9 and carried over on to page 10, where you give a general story about employer-employee relations, saying that they are very satisfactory and in a healthy condition. I am looking now at a sentence, I think it is at the end of page 9 and carries over to page 10, where you are dealing with the matter of employer-employee relations. What I wanted to ask you is the extent to which, if at all you have trade unionism among your employees on the private stations.

Mr. COLBORNE: Perhaps Mr. Sedgwick could answer that. I am not sufficiently conversant with procedure at other stations.

Mr. SEDGWICK: There is a union in the larger cities of Canada, in such places as Toronto and Montreal. Most of the employees on the station, particularly musicians and artists are paid on the basis of union rates. In small communities a great number of them have no local union. Some of the stations employ both union people and non-union people. There is no pattern set; it depends on every community, how they operate. I think it is generally fair to say that in all the larger communities, including Quebec, Montreal, Ottawa, Toronto, Hamilton, Winnipeg, Calgary, Edmonton, Vancouver and so on, they are unionized. In the larger centres such as Toronto and Montreal artists other than musicians such as writers, announcers and actors are generally unionized, and in some of the stations I believe the engineers are also unionized.

Mr. FLEMING: Mr. Sedgwick said a moment ago that competition was healthy. I ask if the private stations regard the CBC as in any respect a competitor?

Mr. SEDGWICK: Oh yes.

Mr. FLEMING: Does it go beyond competition in programmes in any sense?

Mr. SEDGWICK: The CBC competes along two lines. They compete with us for listener audience which, of course, is our circulation and they compete with us for total revenue.

Mr. COLDWELL: I should like to follow that question on trade unionism with another question either tomorrow or next week.

The CHAIRMAN: Anyone who asks any more questions is out of order. It is 6 o'clock.

The committee adjourned at 6.05 p.m. to meet again on Friday, July 12, 1946, at 10.30 o'clock a.m.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

July 12, 1946.

The Special Committee on Radio Broadcasting met this day at 11.00 o'clock a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: Gentlemen, in order to perhaps make time the suggestion has been made that I should take a section of the first report and ask whether there are any questions on it, and pass on to the next section, and in that way perhaps direct the inquiry so that there will be less delay. If it is agreeable that is the way I will start this morning. We will deal with what is called section B of the first brief under the heading of "Statement of our Policy". It commences on page 5 of the first brief. We had already been questioning upon that. Are there any further questions?

Mr. COLDWELL: Arising out of the discussion we had on freedom of speech yesterday at 6 o'clock—

The CHAIRMAN: Pardon?

Mr. COLDWELL: Arising out of the question of freedom of speech on the air yesterday at 6 o'clock I was just going to ask a question. Part of the policy of the organization, as I understand it, is to give both sides of the question. Of course, I do not think either of the witnesses can answer the question but I want to raise it now. During the seamen's strike, for example, the operators had quite a number of broadcasts. My information is that the seamen were not given the same privilege even when they offered to buy time on the air. It seems to me that is a violation of the ethics of the CAB, and it is a matter that I think should interest the CBC as well. I think copies of the scripts should be obtained and the matter checked up. I believe that the station was CKAC, but I am not sure of that.

Mr. FLEMING: Where is that?

Mr. COLDWELL: A Montreal station, during the seamen's strike.

The CHAIRMAN: Mr. Colborne, Mr. Elphicke, Mr. Sedgwick, are you able to give any answer?

Mr. BERTRAND: Do you mean to say that the station permitted one party to broadcast and refused the other party?

Mr. COLDWELL: That is my information.

Mr. FLEMING: Were they refused or did they not provide the opportunity?

Mr. COLDWELL: Did not provide the opportunity, and I understand that they were refused time.

The CHAIRMAN: Are you able to give any answer to that, gentlemen?

Mr. SEDGWICK: Never heard of it.

The CHAIRMAN: Is there any person connected with that radio station present who can give an answer?

Mr. ELPHICKE: Mr. Phil Lalonde.

Mr. LALONDE: I am the manager of that station in Montreal. To my knowledge I do not know of any request by the seamen's union for time on my station.

Mr. COLDWELL: It may be one of the other stations there. I said I was not sure.

Mr. Ken SOBLE: I should like to say that the seamen's union inquired about time from us in Hamilton. They were offered time and did nothing about it.

Mr. ELPHICKE: May I add to that statement also that while we did not have the seamen's strike in Vancouver unfortunately we have experienced a lot of strikes there, and I can assure this committee that every side of the strikes in Vancouver has been represented, and on all stations. I merely want to bring that point out, all sides were certainly given an opportunity.

Mr. FLEMING: Was that on a commercial basis?

Mr. ELPHICKE: They are all commercial, both sides.

The CHAIRMAN: Are there any other questions along that line at the moment, or any questions between pages 5 and 13?

Mr. COLDWELL: Just a minute.

Mr. FLEMING: Is there anything to add to the definition of "community" on page 5. In the second long paragraph about the middle of the page we have this:—

> In the Canadian scene, a community consists of a centre with its surrounding satellite communities and its adjacent rural territory. The term "community" embraces all three, since the needs and desires of each are inextricably linked. That definition of "community" is, we believe, essential to the proper functioning of radio in Canada.

I take it that the size of the community is bound to vary with the nature of the metropolitan area, with the interests of the people in the area, and also with the power of the station?

Mr. ELPHICKE: Definitely with the power of the station. May I give you an example of that. Let me take Calgary where you have a 10,000 watt station, a 1,000 watt station, and a 100 watt station. The 10,000 watt station covers a very large portion of Alberta and serves that farming community. It very definitely goes out of its way to serve it, and it considers the whole area as its community. The 1,000 watt station has not got quite as wide coverage, and therefore it is not quite so all-embracing. The 100 watt station naturally directs its efforts more to the city than it would to the surrounding country territory. You are perfectly correct in saying that a community station is bounded by the territory it serves and the power of the station concerned. In the majority of communities the power does vary. You will find various power stations serving that community.

Mr. FLEMING: It would be fair to say that a community is served by a station which can reach it with the power it possesses as long as it is providing programmes that meet the needs and desires of its listeners?

Mr. ELPHICKE: If it is not presenting those programmes it will not have the listeners.

Mr. COLDWELL: I may as well ask this question now. Section 31 A(d) of the regulations under the Radio Act reads this way:

> The minister may require periodic or other returns to be made by the licensee of the revenues, profits and expenditures of the station and any other information required by the minister for the purposes of this regulation, and to ensure that such station is operated in the national interest and for the benefit of the community in which it is located.

Does the minister require that in any instances that you know of?

Mr. ELPHICKE: I have not heard of any instance. I cannot recall any but I only speak for those stations in western Canada. Do you know any Mr. Sedgwick?

Mr. SEDGWICK: I do not know of any.

Mr. COLDWELL: CFRB has never been requested?

Mr. SEDGWICK: No, not that I know of.

Mr. COLDWELL: Or your station?

Mr. ELPHICKE: No.

Mr. BERTRAND: On page 6 of the brief presented by Mr. Colborne you will notice in the second last paragraph there is this statement:

> "With this viewpoint we are in complete accord."

Then a little below that there is the statement:

> The Canadian Association of Broadcasters is a voluntary trade association of 81 separate stations, each one a separate operation. We do not possess the advantages enjoyed by officials of a single corporation in relation to the operation thereof.

I wonder if Mr. Colborne would mind making a further explanation of exactly what he means by that?

The CHAIRMAN: What was the last sentence?

Mr. BERTRAND: We do not possess the advantages enjoyed by officials of a single corporation in relation to the operation thereof.

Mr. COLBORNE: The answer to that is that as an association it is a purely voluntary organization, and consequently we do not have complete control over the radio stations which are members of the association the same as the CBC would have complete control over its radio stations.

Mr. BERTRAND: Am I to infer that there would be a possibility for the CAB to have such an organization or is it just left for the people to use their own judgment?

Mr. COLBORNE: I am not sure I understand the question.

Mr. BERTRAND: The question is this. Do you think that the CAB could arrange to give the service that is being given by the CBC through their 81 separate stations with each one as a separate operation?

Mr. COLBORNE: Give service in which way?

Mr. BERTRAND: To the general public, and the coverage.

The CHAIRMAN: Operating as 81 separate entities is it possible to duplicate CBC service?

Mr. COLBORNE: No, not at all.

Mr. FLEMING: You do not profess to do that?

Mr. COLBORNE: No.

Mr. ELPHICKE: We have no network facilities. That is why we could not do it.

Mr. COLDWELL: But you have multiple ownership.

The CHAIRMAN: Are there any other questions along that line? If not I will direct your attention to page 14 where it deals with the development of local talent. That section runs as far as page 18 where a new subject is commenced. Are there any questions on this story about the development of local talent?

Mr. COLDWELL: We had an outline yesterday as to some of the stations which was very creditable. Do you think that applies to all stations connected with the CAB?

Mr. COLBORNE: The development of local talent, yes, I think it does.

Mr. COLDWELL: You think this applies to all stations?

Mr. COLBORNE: Some stations more than others because they are larger than others. For instance, CJCJ is a 100-watt station in a small city and has not the scope and field that a station of 10,000 watts would have in service to its listeners.

Mr. FLEMING: How does that work out in a metropolitan area? We will say Toronto where you have got both the CBC and large private stations side by side.

Mr. COLBORNE: How does it work out?

Mr. FLEMING: How does the development of local talent work out in a metropolitan area like Toronto?

Mr. COLBORNE: I think probably Mr. Sedgwick would be better qualified to answer that because he is in that particular position.

Mr. SEDGWICK: Toronto and Montreal are considered headquarters areas for radio in Canada. In addition to such talent as may appear from your local field, that is the city of Toronto and the area of towns and cities surrounding it, we also get a natural drift of the talent from all over Canada into Toronto and Montreal. I think that would be admitted. More radio originates over the private stations and the CBC in Toronto than in any other locality in Canada other than Montreal, so that if you look at the list of our artists used both by CFRB and the CBC in Toronto you will find that they come from all over the country. It is just the same as in the United States where they make for New York and Los Angeles.

Mr. FLEMING: Perhaps the impression left by the brief was that the tendency was for the small community station to develop local talent which drifts to the CBC. I take it that Mr. Sedgwick is saying that in many cases the local talent drifts towards the metropolitan centres and into the large community stations there, too?

Mr. SEDGWICK: That is true. It is also a fact that a great deal of the talent that we employ, as well as the CBC, is not on a weekly salary basis. They are employed on a programme basis. They are engaged as artists. There are as many artists and musicians work for me as work for the CBC and they are the same people. If I have an orchestra of 15 people it is a certainty that every one of those 15 is probably working that same night on the CBC station.

Mr. FLEMING: Are the rates of remuneration of artists the same on the private stations as on the CBC stations in the metropolitan areas?

Mr. SEDGWICK: Yes, we are governed by a union scale.

Mr. BEAUDOIN: When you speak of developing artists and other personnel is it not a fact, and an inevitable condition of the industry, that artists and people wanting to work in a radio station start, for instance, in Sudbury and inevitably come to Toronto either to CFRB or to the CBC, but they do not necessarily go from private stations to publicly owned stations?

Mr. SEDGWICK: I think that is true. A chap who seems to be doing well in Sudbury will want to make more money in the larger field. Sometimes we seek him out if a story reaches us that there is somebody with more than ordinary ability in a small station. That has happened on my station, and I am sure it has happened on the CBC. Sometimes they come in and want to move into Toronto, or sometimes they are people who have gone from the larger area up to a small town to get experience. The top-notch artists tend to drift to the metropolitan areas and look for bigger jobs. Then we suffer, of course, by the top men we use and develop seeking the larger field in the United States, with the result that a great number of artists both from the CBC and the private stations have broken into the larger field. They are people like Alan Young, Percy Faith, Anne Jamieson, Jimmy Shields. Some of them are still working in New York and I suppose they get ten or twelve times the salary in New York they could ever get in Canada under the most favourable circum-

stances. Naturally that is where they go if they can get that kind of money. I do not think it is entirely money because it is recognized if you can break into the network field of radio in the United States you have reached the top.

Mr. COLDWELL: Is there a scale of remuneration for personnel developed in the local stations? Have you a rate card as a group of broadcasters for the remuneration of people who are engaged on community stations?

Mr. SEDGWICK: No, where talent is engaged even the local unions have completely varying rates all throughout Canada.

Mr. COLDWELL: I am not thinking of unions. It is not necessary that a person belong to a union before they can get on the air?

Mr. SEDGWICK: It is if he is going to play an instrument or act or announce on our station. For instance, on any station in Toronto you could not employ a musician who is not a member of a union.

Mr. COLDWELL: But that does not apply to the small community stations throughout the country?

Mr. SEDGWICK: It does not where there is no union.

Mr. COLDWELL: Do unions operate universally in all stations?

Mr. SEDGWICK: Not in all stations. They have not any locals in some of the small communities.

Mr. COLDWELL: Do you know how many stations are under union rules out of the 81?

Mr. SEDGWICK: Oh, I would say out of our 81 there would probably be two-thirds. Would that be a fair guess?

Mr. ELPHICKE: Two-thirds; all of the major stations. If I may add to Mr. Coldwell's question, in some of the smaller centres where there is a union which is not very strong and the stations are using some artists who are not members of the union the general procedure, as far as I have been able to find out, is that the station will pay the known union rates to them the same as they would pay to union members. That is when it is instrumentalists. As far as a rate card on singers and actors there is no rate card on that. It all depends on the size of the show, the type of job that has to be done and so forth.

Mr. BEAUDOIN: On that station where they let students take over on Saturday morning that is free of charge, is it not?

Mr. ELPHICKE: Yes.

Mr. BEAUDOIN: You do not pay them anything? That is merely to train the students? In other words, during all of that morning you have whatever they can offer as far as talent is concerned for nothing?

Mr. ELPHICKE: Yes, but you have to do an awful lot of work with them.

Mr. BEAUDOIN: It is to your mutual advantage?

Mr. ELPHICKE: Yes, it is mutual for this reason, that they hope to train and develop some youngsters who will eventually go into the business of broadcasting, but there is an awful lot of work in turning your station over to a bunch of young people to handle.

The CHAIRMAN: I suppose it is pretty good business from the viewpoint of enlisting greater interest among the listening public?

Mr. ELPHICKE: Very definitely, sir.

Mr. BEAUDOIN: It increases good will.

Mr. COLDWELL: Neither the CBC nor the private stations carry out the rule which is universal on the BBC that everyone who appears on a program shall

be paid? I know I had quite an interesting experience myself when I was over there to find that I was presented on one occasion with 12 guineas and on another occasion with 3 guineas for broadcasting to Canada.

Mr. SMITH: Your union must have come down in price.

Mr. COLDWELL: That was for 3 minutes; a guinea a minute.

Mr. ELPHICKE: That does not exist in this country, but you are putting ideas into our heads.

Mr. COLDWELL: I am very glad to know that.

Mr. SEDGWICK: I think it is true that there are some stations that pay. I know that in our station we do not use performers on the air that we do not pay, and that goes for high school students. We pay them. We do not use any performers that we do not pay. I do not think we would classify you as a performer, Mr. Coldwell.

Mr. COLDWELL: Thank you. I wonder whether that is a compliment or otherwise.

The CHAIRMAN: Is there any other question on that section or shall we move on to what is called program control on page 18?

Mr. FLEMING: I have a question on page 19, the second paragraph. There it says:

> Montreal's CFCF recently cancelled $25,000 worth of business because it was of a nature unacceptable to the station's program standards.

If there is no reason why the question should not be answered, I would be interested in knowing just what the reason was there.

Mr. COLBORNE: That is a question which could not be answered at this time, but I think it might be possible to find out just what this instance was and why the station refused the business.

The CHAIRMAN: There is no representative of CFCF here?

Mr. ELPHICKE: No.

Mr. FLEMING: Have any of the stations that are represented here turned down business for any reason other than that they did not think that it was proper to broadcast a certain type of entertainment that was offered? Is it a matter of trying to avoid offending the moral sensibilities of the people or are there any other reasons that are taken into account?

Mr. ELPHICKE: Mr. Chairman, while I have no specific cases with me, I think I can say that there are quite a few stations in Canada that have turned down business on various occasions for moral reasons, or that some announcements may be distasteful. I have heard quite a few stations complain about certain announcement campaigns, and I have heard of an announcement campign being turned down by certain stations because they thought it was distasteful to their audience. I have heard of stations turning down quite a lot of business, such as drugs. I have no actual case with me, but I have heard of many instances.

The CHAIRMAN: Mr. Colborne, this was your brief. Who wrote the paragraph: "Montreal's CFCF recently cancelled $25,000 worth of business..." and so on?

Mr. COLBORNE: It is our brief.

The CHAIRMAN: Who wrote that? Who is responsible for that getting into your brief?

Mr. COLBORNE: That was evidence that was sent to us in answer to our questionnaire. CFCF actually sent us that statement.

The CHAIRMAN: Where is that evidence?

Mr. COLBORNE: We have it in Toronto.

The CHAIRMAN: You have not any recollection of the document? I presume it was in the nature of written information?

Mr. COLBORNE: That is correct.

The CHAIRMAN: You have not any recollection of what was stated in that written information?

Mr. COLBORNE: As far as I can recollect, that is the statement that we received in answer to our questionnaire just as it appears in our brief. In other words, I think what you are getting at is that there was no explanation of what the actual case was.

The CHAIRMAN: That is right.

Mr. COLBORNE: No, there was not.

The CHAIRMAN: The extent of the information you had, then, was merely that CFCF asserted it had turned down $25,000 worth of business because it was of a nature unacceptable to the programme standards of the station?

Mr. COLBORNE: That is correct.

The CHAIRMAN: And they having made that statement, you wrote it into your brief?

Mr. COLBORNE: That is correct.

The CHAIRMAN: As officers of the association, you do not actually take any responsibility for that statement. You pass the responsibility back to that station?

Mr. COLBORNE: That is correct.

The CHAIRMAN: I see. I am not doubting it at all. I am just striving to see how this brief got built up. That is all.

Mr. SEDGWICK: I think it would be a fair statement to say that every station turns down a very considerable amount of business. One of the reasons why in recent years we have adopted a code of ethics, passed it on to the stations, and expressly asked them to frame it and put it in their lobby and in their office, was so we can use that code to give an explanation for turning down business that is not desirable. I know I have turned down hundreds of thousands of dollars worth of business, in the years I have been in the business operating the station, because it was not suitable and did not comply with what I thought was our code of ethics. That happens every day. It does not happen in every station every day, but it is bound to happen every day in radio. I fancy the same thing would be true of newspapers, that they would turn down business that they did not think was up to their standards.

Mr. BEAUDOIN: During the last 5 years, for instance, Mr. Sedgwick, did you have enough free time to sell that you could refuse so many thousands of dollars worth of business.

Mr. SEDGWICK: I did not catch all of the question.

Mr. BEAUDOIN: During the last 5 years was not your time pretty much all sold out, your saleable time?

Mr. SEDGWICK: Nobody ever is sold out. Some hours may be. The most important ones may be.

Mr. BEAUDOIN: The big hours.

Mr. SEDGWICK: That is right.

Mr. BEAUDOIN: There are certain periods which are almost never sold commercially.

Mr. SEDGWICK: That is right.

Mr BEAUDOIN: But there are other periods—

Mr. SEDGWICK: That always can be sold.

Mr. BEAUDOIN: —that are always sought by sponsors.

Mr. SEDGWICK: That is correct.

Mr. BEAUDOIN: I am talking about those periods.

Mr. SEDGWICK: Those periods, generally speaking, are sold on all stations in good times and bad.

Mr. BEAUDOIN: Especially in the last 5 years.

Mr. SEDGWICK: Yes. That is so.

Mr. BEAUDOIN: Very heavily. In other words, when you refuse business it may be also because you have no time to offer?

Mr. SEDGWICK: Well, that is not the question we are dealing with here.

Mr. BEAUDOIN: You are still in the position to select the best programmes.

Mr. SEDGWICK: The more time you sell to people, the more cagey you become in taking what you can get.

Mr. FLEMING: Following that up, I want to get this quite clear. Have the stations turned down these large amounts of revenue for reasons other than that they could not accommodate them on the air?

Mr. COLDWELL: Yes; that is what is stated there.

Mr. SEDGWICK: Yes, very definitely.

The CHAIRMAN: Mr. Guy Herbert will enlarge on that.

Mr. GUY HERBERT: Mr. Chairman, my company happened to be sales representatives for CFCF in this $25,000 worth of business. I can answer that very definitely. CFCF decided that there was too much commercial content in the programmes that were offered to them and that it was not in the interests of the public to hear the programmes which they thought had too much commercial content in them and were not good listening, and they turned down the business because they did not think it was good business for them to take it.

Mr. BEAUDOIN: You thought the listener would not be pleased?

Mr. HEBERT: That is right. There was far too much commercial content in it. It contravened the regulations of so much commercial content, and they definitely turned down $25,000 worth of business because they thought it was not good listening and not good broadcasting for them to take it.

Mr. BEAUDOIN: That is in accordance with your theory set out in your brief on page 20 as follows: "In the ultimate analysis, the community station must permit the listener to be boss, even for most selfish reasons. Unless the listener is pleased, the station will not survive."

Mr. HERBERT: I think so, Mr. Beaudoin, plus the fact that it was not in accord with the code of ethics which we have filed with you. It was just not good broadcasting for them to take it and they were not the only ones to turn it down. CJCA in Edmonton also turned down the same business because they did not think it was good business and because there was far too much commercial advertising in the programmes they were offered.

The CHAIRMAN: Mr. Herbert, does not that equally come down to this, that it was turned down by reason of the commercial policy of the station?

Mr. HERBERT: Yes.

The CHAIRMAN: Is not that right?

Mr. HERBERT: Plus the fact that the programmes were not—I mean, they just did not make good listening.

The CHAIRMAN: That is what I mean. It would cause too many knobs to be turned to the left.

Mr. HERBERT: That is right, sir.

The CHAIRMAN: And therefore it was injurious to the station. It was not turned down because of any supposed injury to the listening public but rather because the station knew that there would not be any listening public after the first five minutes. Is not that correct?

Mr. HERBERT: Well, except for this, Mr. Chairman, that we like to put on things that we think are ethical; and this particular broadcast we did not think fitted into that category.

The CHAIRMAN: I must say that as far as I am concerned, as I hear the explanation of this, there seems to me to be a remarkable mixing up of ethics and commercialism; I mean, commercialism from the viewpoint of receipts of money. It does not seem to me to be very clearly defined. As I hear you explain it now, it looks like a very natural refusal because it would be injurious commercially to the station if it were to put out that kind of unbalanced programme. That is quite an understandable motive, and if a man does not carry on his business with such motives I should think he would go broke. But I would not call that ethics. I might be quite wrong, but that is not my understanding of ethics.

Mr. KNIGHT: Mr. Chairman, would some of the items of this particular code of ethics perhaps correspond roughly to the regulations imposed by the CBC, a breach of which might cause loss of licence to a particular station?

The CHAIRMAN: I guess that is so.

Mr. HERBERT: This particular piece of business is, I think, running on roughly 30 stations in Canada. CFCF in Montreal, CJCA in Edmonton and CKOC in Hamilton are three stations that, in spite of the fact that it meant a lot of revenue to them, thought it was not good broadcasting for the listener and therefore gave up the commercial revenue that was involved.

Mr. HANSELL: Do I understand that that same business is carried by about 30 stations?

Mr. HERBERT: I think about 30 stations.

Mr. COLDWELL: What programme is that, may we ask?

Mr. HERBERT: Do you want that?

Mr. COLDWELL: I think we should have it.

Mr. SMITH: I doubt that. We do not want to take some commercial concern in here and advertise it.

Mr. COLDWELL: The only thing is that we have the C.A.B. here telling us about high ethical policy and so on; and I think we should know if stations are following the code of ethics or what commercial programme it is that is turned down by some because they do not think it is quite ethical.

Mr. HERBERT: I should like to answer that in this way—

The CHAIRMAN: Before you answer that, Mr. Herbert, may I make this comment to Mr. Coldwell. Unless there is some compelling reason, it seems to me that in this privileged place we should not single out commercial stations. We are sitting here in a place where the ABC company cannot answer.

Mr. COLDWELL: I will not press the question, but I will just put it this way to Mr. Herbert. According to you, Mr. Herbert, there are 30 stations out of 81 who are not living up to the proper code of ethics?

Mr. HEBBERT: Well, that is their own judgment. Some of them think this business is all right, Mr. Coldwell.

Mr. COLDWELL: That is just it.

Mr. HERBERT: These three stations do not. It happens to be a patent medicine business and they just did not think it was good business for the listener or for them to put it on the air.

The CHAIRMAN: As far as I am concerned, Mr. Herbert, your answers are quite satisfactory. I was only endeavouring to see the manner in which the line could be drawn between ethics and ordinary good commercial policy. I am not in any way inimical towards CFCF or anybody else. I know it is quite an incidental thing; only it seemed to me that the brief was making a point for the broadcasters that they sometimes did things to their own disadvantage for good moral reasons. I have no doubt they do that but this does not appear to be one of those cases. That is all.

Mr. HERBERT: I think, Mr. Chairman, the point we attempted to make was that we are not always looking for the dollar.

The CHAIRMAN: I think that is what you were seeking to do, only I do not think you made it in that paragraph.

Mr. HERBERT: Thank you.

The CHAIRMAN: Is there any other question?

Mr. HANSELL: Just along the same line, does it follow therefore that, because the station has refused $25,000 worth of business, they have actually lost $25,000 on that account?

The CHAIRMAN: Well, the station might have filled up the time. I suppose the time was filled up by something else. Was it, Mr. Herbert? I suppose that might have been so.

Mr. HERBERT: The time asked for was in mid afternoon and was not filled by any other programmes.

The CHAIRMAN: I see.

Mr. HERBERT: The station just did not think it was in the interests of the listener and themselves to put these particular programmes on the air. That was their only idea. As Mr. Coldwell has pointed out, there are 30 stations carrying this business. There are 3 stations in Canada that just did not like the business and did not want to take any part of it.

The CHAIRMAN: It was lost, apparently.

Mr. HANSELL: There was a loss of $25,000 in that case because you did not sell the time?

Mr. HERBERT: I would answer that by saying that I think they would have had $25,000 extra revenue had they taken it, because it was in mid afternoon and they did not sell the time. The time is sustaining at the moment and they could have picked up $25,000; but they did not.

The CHAIRMAN: It might have been based on the bible adage, that if you put bread on the waters it will come back to you as cake.

Mr. HANSELL: There is just one other question in that connection which I should like to ask. How long a period of time would this contract involve? If you lose $25,000 in a couple of months, that is big. But if you lose it over a longer period, it is not so big.

Mr. HERBERT: It was a 1-year contract. $25,000 was the amount of money involved in a 1-year contract.

Mr. FLEMING: The brief lays stress on the development of talent. We had a good deal in the CBC brief about the attempt, within limits, to improve the appreciation of the listening public of good programmes, the education of the listening public—trying to keep a balance, of course, of actual listener interest. What do the community stations say they are doing in that respect?

Mr. ELPHICKE: I think, Mr. Chairman, the community stations are doing quite a worth while job. I have not got any figures except certain institutions

quoted here. Again I come back to Victoria, where they put on their own local symphony orchestra. I know in Winnipeg they have done a lot of concert work with concert groups. I know some of the stations that were itemized here are working very closely with music teachers and people of that class and with music schools. I know in ours in Vancouver we work very closely with the B.C. Institute of Music and Drama. I know we gave a scholarship and we have one of their graduates on the air and pay him. I think, generally speaking, that the community stations are playing their part in that sort of work. In addition, quite a number of the community stations are, of course, members of the CBC network and they carry quite a number of programmes released by the CBC, because without these by CBC stations a lot of these programmes could not be released. They get that as well as their own local programmes.

Mr. FLEMING: You say there is a policy of consciously trying to educate the listening public?

Mr. ELPHICKE: Very definitely, sir. And to develop talent, too.

Mr. BEAUDOIN: But you will admit that talent is hard to get?

Mr. ELPHICKE: Yes. I mean, you have to work.

Mr. BEAUDOIN: And you need talent to run your station?

Mr. ELPHICKE: Definitely.

Mr. BEAUDOIN: So if you do not go to all sorts of effort to get talent, either through scholarships or other means, you do not get the talent that you need to run your own station?

Mr. ELPHICKE: Then you have to resort to records of better artists and classical records.

Mr. BEAUDOIN: There is one last observation, if I may; don't you think you are putting too much emphasis on this idea that the listener is boss?

Mr. ELPHICKE: I think that is the question, sir. I personally feel that the listener is boss. I am speaking purely personally, but our job is to serve the listener. If we serve the listener and serve him well, we are going to succeed. I am one of the people who believe very honestly and very sincerely that as we serve so shall we prosper; and I think quite frankly that we have got to consider the listener our boss. I agree with you, that we should try to improve the listeners' idea of programmes, but I think we must consider him boss.

Mr. BEAUDOIN: The reason I framed my question the way I did was because Mr. Sedgwick when he appeared before the committee in 1936 made reference to it when he said that the stations he represented were interested in educational programmes only to the extent to which the public could absorb such programmes.

Mr. ELPHICKE: Mr. Sedgwick is right here, I think he might reply to that.

Mr. SEDGWICK: A broadcast is not a broadcast until someone listens to it. Anything you put out that is not listened to is not a broadcast. It takes two to make a contract. Any time you put anything on your stations that impels people to turn their dials, you fail. We have no backlog of money, with which to support that kind of programme indefinitely.

The CHAIRMAN: The Association of Radio Artists who were here a few days ago put it this way, I think; they said, if I interpreted their remarks correctly, that the private stations must play to the majority, but that the CBC's position is that it can turn to the minorities and give them service. Is that rather a fair indication of the difference between the two?

Mr. SEDGWICK: I would think so, sir, because the minority are paying the same licence fee as the majority, if they own radio sets, and it seems to me they are entitled to what service they want to listen to. After all, the CBC are paid to provide that service.

The CHAIRMAN: You must look always to getting the majority listeners?

Mr. SEDGWICK: Within reason, yes.

Mr. FLEMING: I think by that you mean the majority in the local community?

The CHAIRMAN: Of course.

Mr. FLEMING: And it will vary in the different communities?

The CHAIRMAN: Yes.

Mr. COLDWELL: Does not that statement rather confirm the CBC policy of two national chains giving out the programmes on the air at the same time; would not that be a fair comment?

Mr. SEDGWICK: I would not think so, sir. No.

Mr. COLDWELL: You do not?

Mr. SEDGWICK: Do you mean that you could use one national chain on a commercial broadcast and the other on a sustaining programme at the same time, that you could require two national chains to supply a public service?

Mr. COLDWELL: The argument is that the CBC can minister to a minority at certain times when a majority might be listening to other programmes on the other chain, and the other stations in the air may be using a commercial programme at the same time at which there may be an alternative on the air which may not be an alternative CBC programme.

Mr. SEDGWICK: Listener preference would seem to indicate that they are very much against that, because all the better radio programmes in Canada are commercial programmes.

Mr. FLEMING: The CBC say that with one network they can minister to the minorities. I do not suppose listener preference would alter that very much.

Mr. SEDGWICK: I have figures here if you are interested in knowing something about listener interest.

The CHAIRMAN: What is the name of that?

Mr. BEAUDOIN: He has in his hand the Elliott-Hayes report.

The CHAIRMAN: Before you go on with the figures, Mr. Sedgwick, I have written a question down here while Mr. Coldwell was speaking, and it is this: Is it a matter of general agreement among broadcasters that these surveys which are made by organizations of listening public are reliable? Is that a matter of pretty general agreement among broadcasters?

Mr. SEDGWICK: I think so, sir. They are accepted by both ourselves and CBC, the advertisers, and the agencies who buy this service. I do not think there is a single station in Canada that does not buy it.

The CHAIRMAN: Is there just the one of these surveys, the one that has just been mentioned?

Mr. SEDGWICK: This is the one which issue a continuing study.

The CHAIRMAN: Is it a Canadian service?

Mr. SEDGWICK: Yes, it is a Canadian service entirely, and it has adopted survey methods developed by the Hooper organization in the United States, who also make radio advertising surveys there.

The CHAIRMAN: It has pretty good standing with all broadcasters?

Mr. SEDGWICK: Let me tell you this, I believe it gives you definite indications as to the extent of listener interest in your programmes. I do not think any survey organization attempts to tell you that by putting a programme on the air in a certain district at a certain time you are going to get a certain volume of listener audience. The survey, however, does give you a remarkably adequate and continuous study. It is like reading a gas meter. If you make a mistake this month you can read it correctly next month and then even things up. There

are all kinds of mistakes made in these listener surveys from time to time, but we believe the continuous study producers give the results we are looking for. It is the basis for guidance used both by the CBC and ourselves.

Mr. BEAUDOIN: May I put it this way, is it the only method which so far has been found of making surveys?

Mr. SEDGWICK: Well, in the United States they have two methods. There is the Hooper rating, which we call the co-incidental study of radio listener habits; that is the survey being made while the programme is on, which is what might be referred to as a system of primary surveys. Then there is the Crossley basis of personal call service. It is sometimes referred to as a recall system under which you contact the listeners the following day and try to find out if they are able to recall what they were interested in the night before, and in that way you fix the degree of interest which a programme has secured. Then, by matching one survey against the other you find that they will pretty well even out and you have a pretty accurate indication of listener interest. Of course, the figures secured under the recall check are somewhat more than those under the co-incidental survey, but each show regular trends; and, as I say, you match the one against the other and in that way get a more adequate picture of the results. Then there is another one in Canada called Canadian Facts Limited. It does not provide a continuous study. I may say that I have used it myself to a great extent to check results, to make specific surveys on specific subjects in certain areas which might not be covered regularly by the continuous study. For example, it is limited in its use in cities like Montreal and Toronto because it does not cover the rural area around the city beyond the five cent telephone call limit. We use it in the city of Toronto. When we go into the country districts we employ the check organization, Canadian Facts Limited. They give us the facts in other areas. We also employ the dual method of telephone survey and personal call. When you are conducting a survey the lines are run up and down showing peaks and valleys particularly at the start, and then as your survey carries on and reaches a certain point those peaks and valleys begin to level out where your averages begin to show results. There is a certain point at which the law of averages comes into play. When the survey progresses to that point we are beginning to get some place and we have some idea of what our listening audience is.

Mr. FLEMING: What time of the day do you find you have the best listening audience at your stations?

Mr. SEDGWICK: Let me tell you this. This is the finished report for May, and the figures are slightly high. It indicates the percentage of stations in use in the area. Between the hours of six o'clock and ten o'clock, which is the time of the survey, in the evening, and I think this survey covers a period of a matter of two weeks during the month of May. They report every fifteen minutes the percentage of listeners and I notice the low for the week appears to be starting at six o'clock when there is 29·8 sets apparently tuned in; and the high of the week appears to be Wednesday at 9.45 p.m. when there were 52·3 per cent of sets tuned in. The average for the week works out at 41·8 over the whole period of fifteen minute checks from six o'clock until ten o'clock in the evening.

Mr. FLEMING: Those are the times that most people listen in.

Mr. SEDGWICK: That is right. I also notice here figures made by periodical study by this organization during June and July of early and late listening habits, that is probably starting at five o'clock in the morning and bringing it up to nine o'clock in the morning, and then studying the period from ten o'clock at night until two o'clock the next morning. Some of our member stations carry on a twenty-four hour service throughout the day. Some stations work twenty-two hours a day and the average I think would be something like eighteen hours. However, as I say, this is a study of listener habits throughout the whole cycle of

twenty-four hours. Of course, you will appreciate that in some of the industrial centres like Windsor, we have factories operating three eight hour shifts and that is one of the reasons why the stations operate on a twenty-four hour schedule, although we know that the amount of listener interest in the majority of centres during the night time is strictly limited. I might say it is so limited that I think it has no commercial value so far as they are concerned. The listening audience is very small, they are the kind of people who work on shifts, and they will sleep during the day and work at night—it depends on what shifts they are on, you know what I mean. However, we do try to cater to them.

Mr. KNIGHT: Before we get away from the question of minorities I would like to ask Mr. Sedgwick this; I believe he stated that the public must be catered to, that the public are the judge; I would like to ask him if he considers that the improvement of public taste is any of his responsibility? I remember having asked a newspaper editor that same question once. He told me that so far as he was concerned his business was to give the public what the public wanted, irrespective of the content of his paper. I would like to get an opinion from Mr. Sedgwick on that particular statement.

Mr. SEDGWICK: I think, sir, it is definitely our duty to try to improve public taste. I think it is also our duty to cater to an audience at certain times, and certainly a percentage of our time. For example, for fourteen years certain, it may be sixteen years, I have been carrying every Sunday afternoon the New York Philharmonic Symphony Orchestra. That is a readily saleable time. The New York Philharmonic normally does not get a high listener rating. I do not think any symphony does. We have never sold that time nor have we ever interfered with the carrying of that programme for the reason that there is an enthusiastic audience, small no doubt but it is enthusiastic, which likes to hear the New York Philharmonic Symphony Orchestra on Sunday afternoon. I think the CBC finds the same thing.

Mr. BEAUDOIN: At what time is that programme on the air?

Mr. SEDGWICK: From three to five.

Mr. BEAUDOIN: How much would it cost if it were sponsored?

Mr. SEDGWICK: It is already sponsored in the United States now so we have to make cuts in carrying it on the air in Canada. We have to cut in certain commentator material to take care of the sponsored advertising when we are putting that programme on Sunday afternoon.

Mr. FLEMING: You carry that as a sustaining programme on your station, don't you?

Mr. SEDGWICK: That is correct. I thought I could give you the survey figure of the listening audience, but I find I haven't got it here. I know it is not high, as I think anybody in the radio business knows.

Mr. BEAUDOIN: And for how many years did you say you had been carrying that programme?

Mr. SEDGWICK: At least fourteen, and I think it is sixteen years.

Mr. LALONDE: I think we started taking care of that programme in 1933, but I believe it has been available since 1930.

Mr. SEDGWICK: Yes, that would mean that we had been carrying it for at least thirteen years.

Mr. BEAUDOIN: And you consider the hours between three and five on Sunday afternoon a good saleable time?

Mr. SEDGWICK: Topnotch, it is a time when you have a very high listening audience.

Mr. COLDWELL: I was going to ask Mr. Sedgwick if this (displaying a radio magazine) is the official organ of the Canadian organization?

Mr. SEDGWICK: That is just a paper put out. We have no official organ.

Mr. COLDWELL: I looked through its pages and I thought it was an expression of what C.A.B. are doing.

Mr. ROSS (*St. Paul's*): Is your Sunday night church broadcast a sustaining programme?

Mr. SEDGWICK: Yes.

Mr. FLEMING: And the Sunday morning service is too, I presume?

Mr. SEDGWICK: All our religious programmes are gratis. You are referring I suppose to the station I represent?

Mr. ROSS (*St. Paul's*): Yes.

Mr. SEDGWICK: Quoting from the surveys here CBL, that is my opposition in Toronto—part of it—carry on Sunday night at seven o'clock a programme called "Let's go to the Opera". The percentage of sets in use at that hour is 44 per cent, and the percentage of those listeners tuned in to "Let's go to the Opera" is 10.6—that is CBL. On CFRB we take care of the church service for one hour between seven and eight the percentage of sets tuned in to my station at that hour is 11.6. We find it is not a very high rating, but unfortunately during this particular survey which was made in the month of May we were competing with the programme of Jack Benny which is a rather popular programme as indicated by surveys conducted in the Toronto area, which showed that Jack Benny had 43.2 per cent of listeners tuned in to his programme. However, an interesting sidelight on that survey is that most of the sets were tuned in to WBM, Buffalo, with the result that CBO and ourselves took quite a licking at that particular time for that particular reason.

Mr. FLEMING: Could the witness answer the question I asked about competition with the CBC, and as between private stations? I would like to know to what extent, having regard to the station distribution in communities, I think it was five stations in one community under discussion, they considered those stations were in competition with each other? To what extent does competition exist among community stations?

Mr. SEDGWICK: A local station competing with another privately owned local station?

Mr. FLEMING: Yes.

Mr. SEDGWICK: It is just as keen as any other line of business. You compete for two things. You compete for audience first because without that you do not get revenue. Then, having been able to prove you have found an audience you go to the advertising agency and try to persuade them there is something they can afford to buy time on because you have the audience. Unless you have the audience you are wasting your time going to an agency and trying to tell them it is worthwhile buying time because you cannot show them you have listeners if you start off lacking that audience.

Mr. FLEMING: Then competition depends on having the same market and that means covering the same area on your private station?

Mr. SEDGWICK: Not necessarily. On the larger stations in any community the majority of their revenue comes in from what we call the national spot advertisers. That is the advertiser who is distributing his goods on a regional or national basis, who is not confined to the trading area of the city or town or village but has outlets for distribution throughout the area you cover. The great majority of the revenue of the larger station covering a broad community comes from the national spot advertiser whereas the great majority of the revenue of local stations of low power—and I think Mr. Colborne can bear me out on this—serving the more concentrated community would be derived from the local advertiser. I mean the merchant, the butcher, the baker, the candlestick

maker, who is confined to that area. I know in the Toronto district the local advertiser is not interested in buying my station particularly because he feels it would cost him too much to buy a lot of coverage he is not able to capitalize on whereas the national spot advertiser would not probably be so interested in buying the small station because he feels he requires wider coverage because he has wider distribution. That is the way the radio business has developed over the years, and it seems to be pretty satisfactory to most everybody.

Mr. COLBORNE: I think perhaps an example may clarify that in your mind. The man who repairs shoes in Calgary has no interest in talking to the people in Lethbridge about it or to the people in Edmonton because the people in Edmonton and Lethbridge are not going to send shoes to him in Calgary to be repaired. Therefore he uses the small station which covers Calgary and a very small area around Calgary where people possibly will bring shoes to his store.

Mr. BEAUDOIN: That is the 100-watt station?

Mr. COLBORNE: Yes.

The CHAIRMAN: That brings us to this, that out of the 92 stations, if we will for a moment forget about the CBC, most of them are monopolies?

Mr. SMITH: Most of them are what?

The CHAIRMAN: Monopolies.

Mr. COLBORNE: You mean the individual station?

The CHAIRMAN: And excluding the CBC. If it were not for the CBC most of the 92 stations would be a monopoly.

Mr. COLBORNE: Not at all.

Mr. FLEMING: That is the very opposite from what the witness has said.

Mr. COLBORNE: I should think you might be able to charge that in an area where there is only one private radio station—

The CHAIRMAN: Just stop there for a moment. Are there not a large number of places where there is just one private station? That is why I put the question in the form I did.

Mr. COLBORNE: Yes, there are several. I do not know just what the areas are. There are certain places where there is only one community radio station which is of a small nature, but most of those areas are also covered by stations from other centres.

The CHAIRMAN: But relating back to your story about the small shoemaker he probably would not go to Regina, let us say, to advertise to put his stuff over in Calgary?

Mr. COLBORNE: That is correct, but taking Calgary as an example, in Calgary there are three radio stations. As was pointed out previously there is a 10,000 watt station, a 1,000 watt station and a 100 watt station. The man who sells a product which is universally distributed—I will not mention the product because that is mentioning advertising again but you can think of examples yourself—would naturally use the station which is going to give him the greatest coverage. Certainly the man who repairs shoes is quite free to go to the 10,000 watt station and advertise there.

The CHAIRMAN: Like he would if he went to the Montreal *Gazette*.

Mr. COLBORNE: He could go quite logically to any station which is heard in the area which he is serving.

Mr. COLDWELL: CFCN in Calgary is a 10,000 watt station and is heard throughout Alberta. The local storekeeper in Lethbridge would advertise over the local Lethbridge station?

Mr. COLBORNE: Yes.

Mr. COLDWELL: What is happening is that the large station in the city is attracting business from the small business man in Lethbridge. You have the Hudson's Bay company or one of the other big companies advertising in Calgary over a very wide area. In that way it is not serving the local community but it is actually taking business from the local community to the larger city. Is that not the same thing with CFRB in Toronto going to Oshawa and the surrounding territory?

Mr. COLBORNE: Being heard in those areas?

Mr. COLDWELL: Yes.

Mr. COLBORNE: That may possibly be true although I think most advertisers follow the process of buying time wherever the listeners are, and it is generally conceded that most listeners in an area listen to their community station. In other words, a very small percentage of the people in Lethbridge would listen to the Calgary station. They listen to their own station. That is generally true.

Mr. COLDWELL: That is shown by the listener surveys?

Mr. COLBORNE: I think you will find that is shown by the listener surveys.

Mr. SEDGWICK: I think your idea is not quite right because, as a matter of fact, the great majority of goods that would be advertised on station CFCN are sold in the stores of Lethbridge just as freely as they are sold in the stores of Calgary. I think you should also bear in mind, too, when you talk about the Calgary station that station is not in Calgary. CFRB is certainly not in Toronto. Our studios are there but our transmitter is out of town. CKAC is 40 miles out of Montreal. We are a long way from Toronto. The high power licence we were granted 20 years ago insisted that we move a certain distance out of the community because we were designed to service a broader area. As a matter of fact, the lower power stations in Toronto put a much greater signal strength into Toronto than those higher power stations serving the community.

Mr. COLDWELL: I have heard it suggested that in normal times the big stores in the cities advertise attractive specials to bring the people into the cities to pick up those specials, and the small business communities around suffer on that account. I had that in mind when I asked the question.

Mr. SMITH: There is a question along that line. Coming back to your use of the word "monopoly" in small communities that is true of the weekly newspaper. It is true of the hardware store.

The CHAIRMAN: Sure.

Mr. SMITH: And the beer hall and nearly everything that goes into life there, but coming back to the larger stations and the smaller stations and coming back to people going into the large stores like Eaton's and Hudson's Bay, they serve the very communities we are talking about. That is just a natural condition of business.

Mr. HANSELL: There is another side of the picture. We must not assume that the shoemaker on the 100 watt station is going to have the entire city of Calgary as his audience.

Mr. COLBORNE: Not at all.

Mr. HANSELL: The possibility is he will have a very small fraction of the people because the other two stations which are there cover the same area, and the possibility is they might be a little stronger or might be putting on network programmes. The result is that the shoemaker would have a very small portion of the audience. So that while you may say you are serving the local community and giving local community service you are actually in competition with the larger power stations that are also competing for the same audience.

Mr. COLBORNE: That is quite true.

Mr. HANSELL: I am not complaining about that but the impression might be that the local station and the shoemaker on that small station have the entire city as an audience.

Mr. COLBORNE: Not at all.

Mr. HANSELL: He does not have it.

Mr. BEAUDOIN: I thought I heard Mr. Colborne say a moment ago that people in certain cities listen to their own station.

Mr. COLBORNE: Generally speaking.

Mr. BEAUDOIN: If they do so how could they have only a small fraction of the audience as Mr. Hansell says? You agreed to that, too.

Mr. COLBORNE: Mr. Hansell is speaking of a situation where there are three radio stations in the one city. You can say they listen to their own station, and by that I mean they listen to a Calgary station.

Mr. BEAUDOIN: He was also talking of a situation not very far from a certain city in which there is one station, and the other station covers the same territory as the one station in the city. You say that listeners do not listen to those stations, that they listen to the station in their own city. Then they certainly do not get a small fraction of the audience. The shoemaker gets all the audience?

Mr. COLBORNE: I said as a broad general premise that people listen to their community station. Naturally there are people who listen to programmes rather than to the station. If they have a choice of stations they listen to the programme they like to listen to.

Mr. HANSELL: It all boils down to audience again. Let me give you another case and get your observation on this. Suppose the CBC should establish these other powerful stations. In other words, suppose the CBC should have very high power stations in every province, and by reason of those high power stations can reach all of Canada. Suppose their next step is to say, "Well now we really do not have any need for the private stations for our networks any more because we can cover Canada." The private stations will serve their own communities, and there is a place for you, but would it not follow that your audience would perhaps be almost completely gone by reason of the high power stations with networks, national commercials, and so on? You are serving the local need but you have not got an audience to serve.

Mr. COLBORNE: That is quite true. It would put us in a position of disadvantage in competing for listeners.

Mr. HANSELL: So the idea that you serve your community can only be looked upon in its relationship to whether your competitors are also serving the community.

Mr. BERTRAND: There is still a place for the small merchant; there is still a place for the local man, and there is still a place to fight for the struggle to live for any one human being. There must be.

Mr. HANSELL: That is so.

Mr. BERTRAND: You are not driving away the whole of the audience. You are only losing them at times but getting them back if you keep after them. I am a local merchant in a country place and I am not going to lose my business in spite of the big fellows.

The CHAIRMAN: I feel sure that we would like to get on with the balance of this brief. Would you be willing if I turned the page now? We come now to page 21 and begin with what is called sectional programming and production of sustainers. Is there anything suggested by way of comment?

Mr. FLEMING: You are up to page 28.

The CHAIRMAN: I had the place marked. Local creative programming is dealt with on page 30. There is not any break on page 28.

Mr. COLDWELL: Before we leave page 21 do all the stations give the public announcements that are mentioned here free? I have in mind that I asked the same question about certain stations which I think the CBC will probably take note of, but is it correct to say that they all give these public service announcements free? What do you mean by "free"? Do they pay for any announcements that are interspersed in programmes that are paid programmes?

Mr. SEDGWICK: Those that we refer to are not in sponsored time that is paid for by advertisers nor are they charged for by us. They are the free ones that are given by the station gratis.

Mr. COLDWELL: That is to say, they do not include those that are interjected in sponsored programmes?

Mr. SEDGWICK: That is true. Our usual procedure in connection with that type of operation is that in the event of a national drive of any kind such as national war finance or Red Cross the station conducts its own campaign by the method we have pointed out in our report, and adds further to the strength of the campaign by going to various sponsors and advertisers, particularly those that give us a good audience rating where we can reach a large number of people, and persuading them that during the period of that campaign they should also give up their advertising time and let that be used for the benefit of the campaign. But that is not particularly a contribution by us.

Mr. COLDWELL: That was what I wanted to get clear.

Mr. BEAUDOIN: What page are we on now?

Mr. COLDWELL: Pages 21 to 29.

The CHAIRMAN: On page 30 there is a heading, local creative programming.

Mr. FLEMING: At the bottom of page 32 reference is made to the fact that CKRM broadcast the opening of Saskatchewan's first C.C.F. government from the floor of the House. That was not carried on the CBC.

Mr. COLDWELL: No.

The CHAIRMAN: I presume you have made that statement with approval, Mr. Fleming.

Mr. FLEMING: No; it is only an enquiry without prejudice, Mr. Chairman.

The CHAIRMAN: Quite neutral, eh?

Mr. COLDWELL: The Saskatchewan Legislature broadcast certain periods a day of the sittings and they broadcast every day. I believe that is paid for though by the province. Is that right?

Mr. ELPHICKE: That is my understanding of it, yes.

Mr. COLDWELL: And it is quite popular, I believe.

Mr. ELPHICKE: I have not seen any audience figures on it; but I imagine that as it is a novelty, it would certainly be popular to start off with.

Mr. COLDWELL: It certainly is popular.

Mr. FLEMING: Mr. Coldwell is referring to the broadcasts, not the government.

Mr. COLDWELL: Well, judging by the recent by-election I should say both.

Mr. FLEMING: They are still electing C.C.F. candidates in three-cornered fights.

The CHAIRMAN: Is there anything else under this heading?

Mr. FLEMING: Those broadcasts of the Saskatchewan Legislature are made over a private station, are they?

Mr. COLDWELL: That is right.

Mr. FLEMING: It would not be possible for the listener to hear those if we did not have the private stations?

Mr. COLDWELL: That is right. I do not think anyone is objecting to the community station, which is performing a very good service. I know I am not.

Mr. FLEMING: Has CKRM sufficient strength to reach all the people of the province?

Mr. COLDWELL: No.

The CHAIRMAN: What is the answer to that, gentlemen?

Mr. ELPHICKE: No. It cannot cover the entire province but it covers a goodly part of the southern province.

Mr. COLDWELL: And the central part.

Mr. ELPHICKE: The southern and central parts.

Mr. FLEMING: Is there any suggestion that its strength ought to be increased so that it could cover more of the people of Saskatchewan?

Mr. ELPHICKE: Its strength is going up to 5,000 watts. Work is proceeding on that right now.

The CHAIRMAN: On page 35 appears a section called "Profits and Commercialism." I myself have a question here on the first page, Mr. Colborne. The brief says:

> "The community broadcasters might well point out: (*a*) much more attention is paid by many to the question of radio profits than to those of any other business, most of them more profitable."

Is it correct that profits in radio are below those of other industries, generally?

Mr. COLBORNE: I think that is generally true. It has been so, when you take into consideration the overall picture since the beginning of radio stations up to the present time. As we point out in the brief, the last few years have been much better financially for the radio stations than the years prior to the war.

The CHAIRMAN: Is it correct to take, say, a 5-year period and say that the radio business is a less profitable business than most other profit-making businesses?

Mr. SEDGWICK: Oh, I should think it would be impossible to answer that question, surely.

The CHAIRMAN: I do not know whether it would be impossible. I do not think it would. You can get surveys of industries. It may be impossible, but it is in the brief, you see. It is in the brief that this industry is not one of those in the high profit category. Obviously you did not make that statement just because you wished it were so. You must have had something to go on.

Mr. SEDGWICK: Yes. But I think you cannot compare it with industry generally like that.

The CHAIRMAN: But that is what you say.

Mr. SEDGWICK: No. I do not read it quite in that way.

The CHAIRMAN: May I read to you what you have said? You have said, "Much more attention is paid by many to the question of radio profits"—

Mr. HANSELL: What page is that?

The CHAIRMAN: That is at page 35, near the bottom. The brief says, "Much more attention is paid by many to the question of radio profits than to those of any other business, most of them more profitable." It is not my statement. I am dealing with your statement.

Mr. SEDGWICK: Yes; but just trying to compare it with industry I would say this to you, that radio is a small business, when we make that statement; in the overall commercial picture it is not a major thing in the economy. Neither is the revenue or profit made. In other words, you could not compare the revenue

of radio to the revenue of the railway companies, nor could you compare it to the revenue of the telephone organization or the revenue of the newspaper industry, for example. It is a very small business in the overall economy, and that is what the reference is there, Mr. Chairman. But I do not think we can get down to compare specific industries as against ours, whether we made more or less profits. How do you compare it? Do you compare it on gross business, or the size of the community served, or what? There are so many factors that would go to make up the picture that I think it would be very confusing if you tried to be specific with any particular industry.

The CHAIRMAN: What is the meaning of the phrase on page 35, "most of them more profitable"?

Mr. SEDGWICK: We are talking about industries that are much larger. For instance, as I have said, take the railroad industry. Those are very large concerns compared to the importance in the picture, from the profit standpoint, of radio.

The CHAIRMAN: Is it your suggestion that the railways, for example, are more profitable or less profitable, or that they simply cannot be compared?

Mr. SEDGWICK: I think they just cannot be compared.

The CHAIRMAN: Then what industry can be compared that has given rise to this expression "most of them more profitable"?

Mr. SEDGWICK: I should say the advertising industry.

The CHAIRMAN: The advertising industry?

Mr. SEDGWICK: That is the business we are in.

The CHAIRMAN: The advertising business is one which you had in mind when that phrase was written into the brief?

Mr. SEDGWICK: I think so.

The CHAIRMAN: Were there any others?

Mr. SEDGWICK: Not that I know of specifically, no.

The CHAIRMAN: Then this whole statement comes down to this, that more attention is paid by many people to the question of radio profits than to those made in other businesses which are more profitable, for instance the advertising business.

Mr. SMITH: Or the beer business, for example.

The CHAIRMAN: Well, that is what I want to get.

Mr. SEDGWICK: What we are trying to say is that, becuase of the fact that we have been in the public eye to a considerable extent and because of the fact that we are competing with, running alongside of and supporting a public body like the CBC, attention is more attracted to what we do than to all sorts of other businesses who carry on without being under everlasting scrutiny and criticism, which we believe to be unfair. That is what that statement had reference to.

The CHAIRMAN: I got that general idea out of it but when I noticed that you were remarking that this business does not make profits to the extent that other businesses do, I just wanted some illustration of that. I guess if you had left out that phrase there probably would not have been any questioning at all. I am not disputing the statement. I do not know. But I wanted to see if any comparison had been made. It is true that comparisons can be made, because institutions like the Bank of Canada do it. You find it in such papers as the Cleveland Trust Bulletin. There are quite a number of surveys of business.

Mr. COLDWELL: If the Minister of Transport would carry out regulation 31A (*d*) requiring the broadcasting stations to place before him their statements of profit and loss, then we would be in a position to judge this particular paragraph accurately.

Mr. SMITH: That is quite true. But if you asked for that in the House of Commons it would be refused on the ground of privilege.

Mr. COLDWELL: Well, that is possible. But the CBC would have that information available to them. We could ask the CBC for it. We could get that here in the committee.

Mr. SMITH: Quite right.

The CHAIRMAN: I wanted to ask a question along that line for clarification. I am not criticizing the thing in any way.

Mr. COLDWELL: Would some of the private stations be willing to place before the committee a statement of their profits?

Mr. COLBORNE: Most definitely.

The CHAIRMAN: I think it is in the brief that they would be prepared to do that.

Mr. COLDWELL: Would CFRB?

Mr. COLBORNE: I think CJCJ would be quite willing.

Mr. SMITH: I do not know what they would be willing to do; but, Mr. Chairman, I do not think we should advertise the innermost secrets of any broadcasting station which is in competition with any other station.

Mr. COLDWELL: We do that with the CBC.

Mr. SMITH: If we are going to do that with all the stations, and if that is the kind of thing you want, let it be general. We have a means. As Mr. Coldwell has so well said, the minister can get that information. Frankly, I do not know why it has not been done.

Mr. COLDWELL: No, I do not know either. It is in the Act itself.

The CHAIRMAN: The position here with reference to disclosure of finances is that the delegation before us has made an offer in that respect without ever being questioned at all. It is here in the brief some place, I believe, Mr. Colborne.

Mr. COLBORNE: Some stations have indicated that they would be quite willing to place their financial position before the committee. We cannot insist upon it as an association, as we pointed out, but they have voluntarily offered that.

The CHAIRMAN: This committee cannot insist on it and I do not think would insist on it.

Mr. ELPHICKE: I was one of the stations that volunteered that information and I am still prepared to give the information except that I would, if possible—I do not know if it is possible—ask that the information I table be kept in camera so it is not broadcast in my competition and in my own area. I would be more than willing to submit my statement.

The CHAIRMAN: But you would not want it to be put on the record.

Mr. ELPHICKE: No.

Mr. HANSELL: The impression has gone out previous to this committee, or on previous occasions, that the private broadcasting business is a considerably profitable business, a pretty good business to be in. It does not make any difference to me whether it is or whether it is not. I am not one of those who are against fair profits. But for the sake of argument, suppose it is a profitable business. Is not the thing that we have to arrive at whether or not it is profitable at the expense of the people of Canada? That has not been established. In fact, I think, if anything, the other side has been more established, namely that the people in Canada will get their goods cheaper because of the larger volume of sales by reason of radio. That is the important thing I think we have to keep

in mind. Suppose we did see their balance sheets and say, "Well, now, gentlemen, you made too much money." How is the taxpayer affected? It does not come out of the people, does it?

Mr. COLDWELL: Yes.

Mr. HANSELL: Does it? That is the point you have got to prove and I do not think that can be proved.

The CHAIRMAN: Mr. Hansell and gentlemen, and particularly you gentlemen who are replying to questions, do not make an assumption that because a question is asked there is also some opinion being expressed. For illustration, if I were to ask you for the financial statement of some organization, do not conclude that I am in any way an enemy of that organization or that I am going to try to enquire into its business with a view to its making less profit. I am like Mr. Hansell; I am one of those who believe in the profit motive. I am not one of those like Mr. Coldwell and Mr. Knight, who are rather opposed to that idea. I do not think any of us are saying that because a question is asked there is an argument there.

Mr. COLDWELL: Mr. Chairman, I may say that I think under the present system a person who renders service is entitled to a fair remuneration, call it profit or what you like. What I took exception to in Mr. Hansell's remark was this. I saw the other day that one soap company spent $22,000,000 in one year on advertising.

Mr. FLEMING: In this country?

Mr. COLDWELL: No, in the United States.

Mr. SEDGWICK: All over the world.

Mr. COLDWELL: According to the record I had, this was in the United States but we will say it is all over the world.

Mr. SEDGWICK: I think it is.

Mr. COLDWELL: $22,000,000 has to come from somebody. It comes out of the people who buy the soap.

Mr. SMITH: Yes.

Mr. COLBORNE: It goes to the people who buy.

Mr. SMITH: If they got the volume by advertising, it would not cost the people anything.

Mr. HANSELL: If they did not spend $22,000,000, would they have got the soap any cheaper?

Mr. SMITH: Well, Mr. Chairman, we are on a slippery subject.

Mr. COLDWELL: I cannot answer that question, but the consumer has to pay the cost of advertising. There is no question about that.

The CHAIRMAN: Sure.

Mr. FLEMING: Mr. Chairman, I have a couple of questions in regard to this.

The CHAIRMAN: Before we pass from this question of related balance sheets, could we name some station whose financial statement we might decide to have? Mr. Coldwell has indicated some, but if they are not able to supply them that is all right. I do not think anybody would take umbrage in case an organization says, no we do not wish to disclose our position. There is also another way of checking into this, and that is to take the logs which the CBC have and make an estimate.

Mr. COLDWELL: That has been asked for.

The CHAIRMAN: I am afraid that is what it will boil down to, because I do not think the Department of Transport has so far found it necessary to ask for that which it is entitled to ask for. Are there any stations on the list from which statements are required?

Mr. SMITH: Mr. Chairman, I do not think this committee should ask anybody to produce their financial statement here. I do not think it is fair. I was reading an account the other day of what happened in caucus, and if anything is supposed to be in camera, it is that.

The CHAIRMAN: Not our caucus?

Mr. SMITH: Yes, everything that was said.

The CHAIRMAN: I wonder if it was right.

Mr. SMITH: It was a pip, there was no doubt about that. I don't think we should ask them to do that. We should go to the minister and get it. That is the law. Let's follow the law, at least in this committee. The minister can get the information, and I am sure he will give it to Mr. Coldwell or myself, perhaps privately, or produce it in the House.

Mr. COLDWELL: We have asked already for an estimate on some of these stations from CBC, and if they are inaccurate then the stations objecting can produce their figures.

The CHAIRMAN: That is the system so far as I am concerned. There are no questions there. You had something, Mr. Fleming?

Mr. FLEMING: Yes, in regard to this matter of private stations. I would like to ask about a limitation on the annual licence, has it any effect in holding back or restraining the holding back of profits into the business so as to get better results? In the second place, having regard to what is referred to in this brief, as to the changing picture for radio, is it anticipated during the next few years that private stations will make as high a profit as they have in more recent years?

Mr. SEDGWICK: You cannot put your finger on any holding back of money that ought to go into further development because of the unstable condition of our licences on a year to year basis. I think it is automatically true that where the management is operating without knowledge of how long it is going to be either in business or in the same place of business, it is only natural that it would be a little more cautious in what it does with this reserve. I do not think you can put your finger on a specific point. As to the estimated peak of business, one man's guess is as good as another's The trend of radio advertising at this particular moment is that it is becoming more competitive. We have possibly had more than our share during the war years for a variety of reasons; the large amount of money being passed around, under normal conditions more would be spent on newspapers, but with newspapers and publications being somewhat restricted in the amount of paper available for their use we might pick out a benefit. That situation has now been relieved somewhat and we do know that the situation is becoming far more competitive. Another factor is that during the war years a number of these big advertisers were tied up with war work and did not have anything to sell; true, a good many of them did put on programme just to keep their name before the public as an institution, but now we find that the trend is moving toward definite sales effort in order to get back into civilian production and move merchandise. As I say, the situation has already established itself as being much more competitive than it was, and we think that conditions will definitely increase, or intensify, and will result in keeping us all on our toes.

Mr. SMITH: Is it not a fact that Proctor & Gamble in the United States have cut their appropriation for radio by 50 per cent?

Mr. SEDGWICK: They have made a quite substantial cut recently. All these companies do that, they move up and down. They usually select one medium and try it out for a year, and usually after a year or two they adopt new tactics and would try another medium probably for a year or so. That is common to business. I do not think there is anything unusual about it.

Mr. PICARD: I was reading that formerly they used to appropriate 75 per cent of their advertising to radio and 25 per cent to publications. I am given to understand that that trend is showing a decided change.

Mr. COLDWELL: I think that is to some extent due to the fact that surveys show that the listening public has rather fallen away from the soap programmes.

Mr. SEDGWICK: That is not so, sir; that is the peculiar part of it; there has not been so much adverse criticism of these daytime serial programmes.

The CHAIRMAN: What is that expression?

Mr. SEDGWICK: They are referred to as daytime serial programmes.

Mr. COLDWELL: Oh yes, perhaps I was expressing more of a hope than a fact.

The CHAIRMAN: I would like to ask you a question which arises from page 36, and there is a paragraph there which begins, "moreover, radio is a rapidly changing art", and the burden of the next few sentences is that obsolescence in this industry is a very rapidly moving process. I have been wondering what your position is with respect to depreciation as allowed in income tax. Do you know what that is?

Mr. SEDGWICK: Yes. We have varied rates, depending on the type of equipment involved, up to 15 per cent on articles that do become obsolete but not worn out; such as microphones, turntables, and things of that kind, which become obsolete very quickly. I may tell you, Mr. Chairman, that the Canadian Association are in fact preparing a presentation to the taxing authorities seeking a higher rate of depreciation on new A.M. equipment being purchased, because there is a general feeling in our industry that A.M. may terminate quite rapidly, particularly in view of the strides being made in the development of F.M. with the result that much of the equipment we will now have to purchase may have to be done away with long before its useful life has expired, and will have to be written off in the very near future instead of being spread over a number of years. Ever since radio broadcasting began to be developed in Canada it has been subject to very rapid deterioration. The type of station and equipment which we built ten years ago is quite inadequate for service to-day.

The CHAIRMAN: I suppose the depreciation rate on towers would not be quite as great as it would be on some other types of equipment.

Mr. SEDGWICK: Practically every tower built ten years ago is obsolete to-day.

The CHAIRMAN: What rate do the income tax authorities allow you for depreciation on towers?

Mr. SEDGWICK: I think it is 10 per cent.

The CHAIRMAN: What is the highest rate at present allowed to you?

Mr. SEDGWICK: At the present time, 15 per cent.

The CHAIRMAN: That is a year, isn't it?

Mr. FLEMING: That would be seven years.

The CHAIRMAN: I see. Of course, it does not make any difference what depreciation is allowed on anything if the operator does not make a sufficient profit to enable him to set aside reserves to take care of depreciation.

Mr. SEDGWICK: That is quite right.

The CHAIRMAN: Is it a fact that over the radio industry generally they have been making their depreciation, whatever the percentage is?

Mr. SEDGWICK: Oh, I think so.

The CHAIRMAN: There are no private stations so far as you know that are seeing their equipment depreciating fast, and they not getting the necessary amount of money coming in to take care of that?

Mr. SEDGWICK: Not any of which I have knowledge. That situation was true of practically all stations a few years ago. As you may perhaps know there was no profit in radio for quite a number of years, and that is the reason for the high mortality and surrender of most licences in the early days. That situation has improved, and I think I am safe in saying that has not been the situation over the last six or seven years.

Mr. BEAUDOIN: What is the percentage of time sold to advertisers, for instance on your station?

Mr. SEDGWICK: I did not come prepared to give you that information to-day. I shall be able to tell you that next week.

Mr. BEAUDOIN: Could you give it to us approximately? Would it be 40 per cent?

Mr. SEDGWICK: I would rather not guess at it. I shall certainly be able to tell you that next week.

Mr. BEAUDOIN: Is anyone here in a position to tell us the approximate time which is sold to spoinsors on private stations?

Mr. ELPHICKE: Speaking for my own station, over a monthly period I think it would be approximately 60 per cent. I haven't the figures with me, but I think it would be pretty nearly 60 per cent.

Mr. BEAUDOIN: Would you say that would apply generally to stations which you represent?

Mr. ELPHICKE: No, I could not say that, because I am really not conversant with the other stations, particularly those in the east. I think it applies pretty generally in the far west, yes.

Mr. BEAUDOIN: The far west. And by the far west I take it you mean Alberta and British Columbia?

Mr. ELPHICKE: I would say Alberta and British Columbia.

Mr. BEAUDOIN: Would you have any statement to make on that Mr. Colborne?

Mr. COLBORNE: I would rather not make any statement on percentage without having the exact figures. I do not think our station is as high as that.

Mr. BEAUDOIN: Would it be higher than 40 per cent?

Mr. COLBORNE: It perhaps may be around 40 per cent, but I would rather not say without having the actual figures.

Mr. COLDWELL: Does that include the CBC advertising as well as your own?

Mr. ELPHICKE: I have no CBC advertising.

Mr. BEAUDOIN: I understand the representatives of other stations are here, maybe we ought to get that information from those who are here.

Mr. SEDGWICK: I think I can give you figures for all. Here is an analysis of program loss for the week of May 12.

Mr. BEAUDOIN: That is station CFRB?

Mr. SEDGWICK: Yes. I notice the overall summary, a total of 126 hours shows 69 hours, or 54·76 per cent of the total was commercial, and 57 hours, or 45·24 per cent of the total was sustaining. I intend to deal with this more fully next week, if you want it then.

The CHAIRMAN: Give us some of it to-day.

Mr. FLEMING: Leave the details until next week.

Mr. BEAUDOIN: My question was more general. I think, for instance, that those here who represent stations might be able to give us the information while they are here. I would like to know, generally speaking, the percentage of time that is sold to sponsors for advertising by privately owned stations.

Mr. SEDGWICK: That is about what it is, I would say; that is about the percentage, 54·76, commercial, as against 45·24 sustaining. That is the breakdown.

Mr. BEAUDOIN: We have had the percentage as far as your station is concerned, and for the far west stations in a statement from Mr. Colborne; but I would like to have some idea of the percentage of stations in the east, that is, the Quebec portion.

Mr. LALONDE: I would say, approximately, that if you consider the busy season, and the fact that the slower season is in the summer, and arrive at an aggregate for the year, I would say, at a guess, without any figures, it is around fifty-fifty.

Mr. BEAUDOIN: You mean 50 per cent commecial and 50 per cent sustaining?

Mr. LALONDE: Yes.

Mr. BEAUDOIN: I read in the evidence of 1936, given by Mr. Sedgwick at page 659, that the average station never expects to sell—at least they consider it to be very good business if they can sell the sponsors or advertisers at least 35 per cent of the time. So I gather that private stations are enjoying very good business.

Mr. LALONDE: That would be true.

Mr. ROGERS: I represent radio station CFCY at Charlottetown, and we figure that we should strive to sell 60 per cent of our white space, just as a newspaper strives to do. A newspaper considers that by selling 60 per cent of its white space it will break even and make a little profit. We have never attained that goal, but we do run to 40 to 50 per cent over the year, on an average. We usually get about 40 per cent.

Mr. COLDWELL: What is the best month in the year?

Mr. ROGERS: Usually it is March or April, months in the spring.

Mr. ELPHICKE: I suggest that Mr. Lalonde's figure is pretty accurate. The figure which I quoted was for April of this year.

Mr. COLDWELL: Mr. Sedgwick gave us a figure for May. May would be a summer month, would it not?

Mr. SEDGWICK: No, May is a very good month because in May you get the tag end of the winter business as well as the beginning of the summer business; the two overlap.

Mr. PICARD: We spoke a moment ago about the amount of money coming in from soap companies and other advertising. Is it possible for us to have an idea how that money is split between the CBC and the private stations? How much of it goes to the CBC and how much of it to the private stations, generally?

Mr. SEDGWICK: The percentage of CBC revenue coming from daytime serial broadcasts is, I think, very high. They handle it largely on a network basis. But those stations which are not affiliated with the network handle a great deal of soap company business on the national spot basis, by means of recordings.

Mr. COLDWELL: Do your stations pay any of the line charges on those programmes?

Mr. SEDGWICK: No, the advertiser pays those charges.

Mr. COLDWELL: I think we have had an analysis of that here.

Mr. SEDGWICK: Figures on that have been quoted here; but when the sum of $22,000,000 is spoken of, that money is not all spent in Canada. Lord Leverhulme has said that half of his money spent for advertising is wasted, but he does not know which half.

Mr. COLDWELL: Well, he had better find out.

Mr. PICARD: Is the amount about evenly divided between the CBC and private stations? My point is that I am trying to find out what portion of the amount goes to the CBC and what portion goes to the privae stations.

Mr. SEDGWICK: I do not think that I could answer that question, but Mr. Duncan or Mr. Weir would know the answer much better than we do.

The CHAIRMAN: The CBC figures show that private stations have six or seven times as much of this sort of advertising revenue as do the CBC.

Mr. SEDGWICK: You mean revenue from soap companies?

Mr. PICARD: No, revenue from advertising generally.

The CHAIRMAN: Is there any dispute with that, Mr. Sedgwick, that six or seven times more goes to the private stations than goes to the CBC?

Mr. SEDGWICK: I would say so.

Mr. HANSELL: That doesn't mean for a single programme, but rather for the aggregate?

Mr. SEDGWICK: Yes.

Mr. SOBLE: I think the figure can be arrived at from a study of the figures of the CBC and from a study of our statement. The CBC estimate is 20 per cent.

The CHAIRMAN: So you would disagree with that statement of CBC, Mr. Soble?

Mr. SOBLE: Taking their figures, and accepting our estimates as being accurate, they say that 20 per cent of their network is commercial, whereas we say 40 to 50 per cent of ours is commercial. Therefore the ratio is two to one-half, not six to seven.

The CHAIRMAN: Then you are in disagreement with the CBC statement.

Mr. SOBLE: Yes, sir.

Mr. BEAUDOIN: You are not agreeing among yourselves.

Mr. ELPHICKE: There is no basis on which the CBC can make such a statement. We have come to the conclusion that since the revenues of radio stations have not been made public, therefore nobody knows how much revenue there is. How can they say what percentage is whose. It is impossible for one station to say what another station is doing. I know you can go to a small station and you will find that they have not 35 per cent. I could quote you some examples, but they are not good business. Nevertheless they do get by.

Mr. BEAUDOIN: I was relying on Mr. Sedgwick's statement.

Mr. ELPHICKE: But that statement is ten years old.

The CHAIRMAN: Mr. Soble made a statement which threw us pretty far out of line on this matter. Mr. Soble made a remark 40 per cent of your revenue was from advertising.

Mr. SOBLE: I said that the statement made here this morning was 40 to 50 per cent.

The CHAIRMAN: Whose statement was it?

Mr. SOBLE: Mr. Lalonde's statement.

The CHAIRMAN: And somebody else made a statement of 40 per cent for his station.

Mr. SOBLE: Mr. Rogers' was 40 per cent commercial.

The CHAIRMAN: You said a little while ago that some stations had a certain percentage as if this statement were representative of CBC stations; it was 20 per cent, if I remember correctly; based on that, this CBC statement that their advertising revenue was exceeded by private stations in the ratio of six or seven to one, based on those estimates, then the statement would not be correct.

Mr. SOBLE: We were talking about commercial time on the air, not about revenue.

The CHAIRMAN: Excuse me, we were talking about revenue.

Mr. SOBLE: It is hard to get a base. I do not think the actual figure can be arrived at unless you take some base. I think when the figure was spoken of, that 40 to 50 per cent of their time was commercial, it meant the percentage of their station time divided between commercial advertising and sustaining programmes.

The CHAIRMAN: That is what I wanted to get clear, because gentlemen were asking questions about the ratio and the sharing of those revenues. It was you who then arose to introduce the question of 40 to 50 per cent of time. That is where the confusion arose. I want to make that clear.

Mr. SMITH: The questions addressed to Mr. Elphicke concerned commercial time of stations and nothing else.

The CHAIRMAN: It may be so, but there came about a confusion. That is all I want to make clear. It would appear, from your statements, that private stations get six to seven times as much of the advertising revenue as the CBC gets. Is that right?

Mr. SEDGWICK: I would not quarrel with that statement, but I think it should be coupled with the fact that there are ninety-one stations as against ten.

The CHAIRMAN: Oh, yes, of course.

Mr. SEDGWICK: Their over-all coverage would not compare to that of the CBC.

The CHAIRMAN: All right, gentlemen, do you want to pass on to page 47 which deals with the subject of religious policy.

Mr. COLDWELL: What about page 43, public service.

The CHAIRMAN: I thought you had dealt with that matter and passed on.

Mr. COLDWELL: I was about to ask if all the private broadcasting stations carry the forums such as the "Citizens' Forum", which has a wider appeal than the "Farm Forum." Do all the CAB stations carry those forums?

Mr. ELPHICKE: No, sir, only those stations which are associated with the network.

Mr. COLDWELL: So you do not regard the "Citizens' Forum" as a public service to the community.

Mr. ELPHICKE: Yes, we do; but we consider that our job is purely local. We try to do our own local job. I am speaking as a station not associated with the CBC.

Mr. COLDWELL: You have a forum of your own in Vancouver?

Mr. ELPHICKE: Yes, in fact we have two.

Mr. COLDWELL: But a lot of stations have not.

Mr. ELPHICKE: That is true. Any station which is a member of the CBC network, such as the Trans-Canada network, carries the "Citizens' Forum".

Mr. COLDWELL: How many stations do, as you are doing in Vancouver, organizing their own forums?

Mr. ELPHICKE: I think more and more of them are doing so all the time; they are getting more conscious of their public responsibility.

Mr. KNIGHT: Yours is one of the best stations, I take it, from the point of view of being conscious of its public responsibility.

Mr. ELPHICKE: You are very generous, sir.

Mr. KNIGHT: That is what I have heard.

Mr. SEDGWICK: The "Citizens' Forum" is carried on the Trans-Canada network which is said to reach 94 per cent of the population of Canada. So, by adding a lot more stations you would just be duplicating the present coverage.

The CHAIRMAN: Is there anything else under that section?

Mr. COLDWELL: It is one o'clock, Mr. Chairman.

The CHAIRMAN: I did not know. We will adjourn until 4 o'clock this afternoon. I have no idea of time, you know.

The committee adjourned at 1.00 p.m. to meet again at 4.00 p.m. today.

AFTERNOON SESSION

The committee resumed at 4 o'clock p.m,

The CHAIRMAN: Before taking up the hearing at exactly the place where it was left off before lunch I wanted to ask you about these few papers that are here. At the meeting in Montreal on Friday there were some documents distributed at various places. Some will not have had the advantage of the receipt of those. I should like to suggest to you that they probably might be printed as an appendix to the proceedings of Friday last.

Mr. FLEMING: I so move, Mr. Chairman.

The CHAIRMAN: It is moved by Mr. Fleming. You have heard the motion. All those in favour? Opposed, if any?

Carried.

I have a marker in my book here which indicates that we were at the point marked "religious policy" on page 47.

Mr. COLBORNE: Before you proceed I have the information that was asked for yesterday by the committee. That is as to newspaper affiliated stations and the non-members of the Canadian Association of Broadcasters. Our estimates were not quite accurate. There are 15 stations that are not members and there are 21 instead of 25 stations affiliated with newspapers.

Mr. COLDWELL: Is CKWS a member?

Mr. COLBORNE: Affiliated with a newspaper?

Mr. COLDWELL: No, a member of the C.A.B.?

Mr. COLBORNE: CKWS, Kingston, yes it is.

Mr. HANSELL: Perhaps you could put those stations on the record now.

The CHAIRMAN: Will you file the list so that it may go on the record?

Mr. COLBORNE: Yes.

The CHAIRMAN: We are at page 47. Is there anything there? Page 49, veterans rehabilitation. Page 52, "conclusion". That is summarized in seven items on page 53.

Mr. COLDWELL: I wonder if we could get a clear definition on the record from one of the gentlemen appearing as to what a community station is?

The CHAIRMAN: Mr. Coldwell, we have tried that several times and each time it comes back to the statement which is made in the original defining two or three paragraphs. Would you desire them to try again?

Mr. COLDWELL: Yes.

Mr. SEDGWICK: I think it is a station that is not owned by the CBC.

Mr. COLDWELL: That is not a definition. I do not think that is a definition at all. I think that is just a statement of fact that it is not owned by the CBC. I should like to know just what a community station is.

The CHAIRMAN: Although would it not be correct to say in this brief that is the definition of a community station which has been accepted by those who are presenting the brief, that whenever they use the words "community station" they mean just what Mr. Sedgwick said.

Mr. COLDWELL: Possibly.

The CHAIRMAN: And we are therefore to read this part of the brief and the second part of the brief understanding that is what they do mean.

Mr. COLDWELL: That is what they mean?

Mr. COLBORNE: We defined what we mean by "community", and a community station is a station that serves a community as outlined in our brief.

Mr. COLDWELL: You have defined what you mean by "community"?

The CHAIRMAN: Yes. That is what I meant a little while ago. On page 5 there is a paragraph or two amplifying the expression "community".

Mr. ROGERS: I wonder if I might interject with respect to that. I operate a community station in Charlottetown, P.E.I. I should not like it to be felt that Charlottetown is the only community that the station serves. A community station may not only serve the community immediately around it but it may serve a multitude of commodities. For instance, in my immediate area there are probably 15 fairly large communities that have no broadcasting station at all. I endeavour to the best of my ability through CFCY to serve all those communities in their victory loan campaigns, their social welfare organizations, their V.O.N. organization, and so on. I serve those communities which are perhaps 50 or 75 miles away from our headquarters. In the wider sense a community station may not only embrace its own immediate community, but may embrace all those which are not served by other radio stations as community stations through the service of the one station.

Mr. COLDWELL: That is a pretty good definition. It is designed to serve the community, not necessarily in one centre but in the surrounding country which is not served by other stations particularly. In the service rendered by a community station there is a good deal of free service. I asked the question this morning if those figures regarding free service were inclusive of any that were paid for and the answer was "no". I asked a moment ago if CKWS, Kingston, was a member of the C.A.B. I wonder how much free service that station is giving, whether it is giving free service to community chests, and so on, or whether that is paid for. Probably none of you can answer that question, but I should like to get that answer before we rise, and the same thing with one or two other stations I mentioned. We have had an outline of the work of a number of stations, but I notice that we have rung the changes on such stations as the Victoria station, which has been constantly mentioned, the Vancouver station, your station, CFRB, and so on, but the doubt that has arisen in my mind is as to whether those stations are representative of the service that is being given free to the various communities.

Mr. SMITH: Let us bring the owner here.

Mr. COLDWELL: That is the thing that arises in my mind. It has been in there all the time, as a matter of fact. As a result of this committee it may be that if they are not rendering that service the fact we are anxious to find out if that service is being rendered may cause these people to render service they are not rendering now. That is the purpose of the questioning, as a matter of fact.

Mr. SEDGWICK: May I say that much of the material we presented that was written down was compiled from information which we asked for by sending out a questionnaire when we knew we were going to appear before the committee. The reason why there has been extra emphasis on such stations as mentioned by you is because the directors of our association who are present

are more familiar with those particular operations than with some of the others that you bring up that we are not close to. That explains Vancouver and Victoria where Mr. Elphicke has operated as manager of both of them at different times.

Mr. COLDWELL: The purpose of my question is to try to get the thing uniform across the country.

Mr. SEDGWICK: Thank you for helping us to establish our code of ethics.

Mr. BERTRAND: It is probably fair to mention what has been brought forward in the brief has been the response that you had from the several stations that answered, but do not necessarily recognize themselves as much of it as some of the other stations of the same association, the C.A.B.

The CHAIRMAN: Are there any other questions on the last part of this brief, page 53. We will take up part II of the brief. Mr. Elphicke desires to make a correction in that brief. Will you do that now?

Mr. ELPHICKE: Mr. Chairman, I now desire to make two corrections. The first correction is on page 9 of that brief in the first paragraph where we discuss CBC line fees and the profits therefrom. We are wrong apparently in our figure. I am indebted to Mr. Dunton, the chairman of the Canadian Broadcasting Corporation, for pointing this out to me. I would very much like to put this correction on the record. It is somewhat difficult to try and figure the exact line fees. However, from my method of figuring it works out something like this. The total cost of all lines to CBC according to their last published statement, contained on page 62 of the evidence before this committee, was $929,818.54. According to the evidence contained on page 121 of this report it was stated that only 20 per cent of network time was commercial and 80 per cent sustaining. Therefore on that basis we feel it fair to assume that the cost of lines should be apportioned on the same basis, which would mean that the cost of lines to CBC for commercial business was approximately 20 per cent of that $929,818.54 which would be $185,000. Gross billings for commercial lines, as shown on page 116, are $804,000 less agency commissions of $162,000 leaving net billings of $642,000, less the cost of lines that we previously arrived at of $185,000 which, according to my method of figuring, would be an apparent profit of $457,000 instead of the figure I gave you yesterday.

I should like to get that correction on the record and again say thanks to Mr. Dunton for drawing the matter to my attention. The other correction I should like to make is at the bottom of page 9 where we say:—

In 1939 when CBC did only $750,000 worth of commercial business—

and for this correction may I say I am indebted to Mr. Brahma, treasurer of the Canadian Broadcasting Corporation. Apparently there we gave the wrong impression. I can assure you we did not mean to give a wrong impression. In that $750,000 we were quoting a net figure whereas at the start of the paragraph on page 10 where we refer to the business done in 1944-45 as being $3,447,000 we were quoting a gross figure. Naturally it is unfair to quote a net figure and then a gross figure in another place. I should like to correct that figure on page 9 and make it $1,602,000 instead of $750,000. I am indebted to both these gentlemen for drawing these matters to my attention.

Mr. COLDWELL: Do you accept the first figure as correct, $457,000?

Mr. DUNTON: I could not without a good deal of checking with the general manager. I think the general manager has explained before it is impossible to break down the cost of commercial lines to us.

The CHAIRMAN: Following that the thought that arises in my mind from that is—and the figures for the moment do not matter as I am only asking for clarification of an idea—am I to gather that by reason of the fact that the CBC gets a certain amount of money for commercial business that the division

of their receipts to the private people when you handle this same commercial business is not as it should be? If I may put it this way, they pay you on a basis only of 40 per cent giving you a share of that which they get for 40 per cent of their business and require you at the same time to take up all their sustaining time without payment. Is that somewhat in the nature of the complaint?

Mr. ELPHICKE: I think I can best answer the question in this way. It is not so much a complaint as it is bringing up a point. We have heard it mentioned before that it is a very profitable business to the stations. We merely wanted to emphasize exactly what the situation was. In our own opinion it is a profitable business to the Canadian Broadcasting Corporation because I think we brought out in the brief—I cannot find the exact spot,—that of the 17 stations that are affiliated with the Trans-Canada network only one receives even half of its rate card. It is not really a contentious point, but we wanted to emphasize the fact that it is not all honey.

The CHAIRMAN: I do not know that you needed to emphasize that. I do not think anybody ever thought that it was, but I am wondering if there is any feeling of complaint that you do not get from the CBC a large enough share of its receipts for the service which you render jointly with it?

Mr. ELPHICKE: If there is any complaint I have never heard of it. I do not think there is any complaint about that. There might be the odd complaint in the odd case where a station feels that it is not getting 50 per cent of its card rate and an arbitrary card rate has been set for it. There might be a complaint there but generally speaking I do not think so. It has been put in there to emphasize a point.

The CHAIRMAN: The thought that has occurred to me is that in return for granting a private person, or a private company the right to use the air channel, it seems to me there are two things expected of it: one, to pay a fee, and the other to join in the giving of service. Those two things are required. They are the exaction of the owner of the airwaves, that owner being the government representing the people of Canada.

Mr. ELPHICKE: That is right.

Mr. BERTRAND: Do the CBC stations individually think they are paying too much to the CBC for their lines?

The CHAIRMAN: No.

Mr. ELPHICKE: That is a different problem altogether. You mean in the rates on the lines?

Mr. BERTRAND: Yes.

Mr. ELPHICKE: I should like to call upon Mr. Soble and Mr. Sedgwick to answer that question. They are two gentlemen who have worked on this committee and who, I think, have possibly had more experience with it in eastern Canada than I have had in the west.

Mr. SOBLE: I should like to explain why that item was put into this brief.

The CHAIRMAN: Which item is that?

Mr. SOBLE: The item under discussion as to the 17 stations not getting 50 per cent of their rate card. The actual reason that was put in was the fact that when the CBC sells one of their own stations, always the advertiser is required to pay the card rate, the published card rate of that station. We have, by practice, accepted the custom of 50 per cent as being a fair division, a fair percentage of our card rate for our services on the network. However, by virtue of the fact that over a period of years stations have increased their facilities, they have sometimes increased their rates, on account of increasing their facilities. The CBC has on occasion not permitted that increased rate.

Therefore an advertiser can buy through the CBC a radio station at a smaller card rate than the published rate of the station, whereas in all cases they pay the full card rate for a CBC station.

Mr. BERTRAND: Could you explain why there is the differential?

Mr. SOBLE: Well, it is arbitrary. That is one of our complaints. The commercial department of the CBC does in effect set our card rate when they sell us. They may or may not agree with our card rate but they themselves tell us just what our card rate will be on their network. Usually what happens is that they do accept our card rate, but if our card rate goes up they can and do, on occasion, refuse to accept our published rate and any changes therein.

Mr. BERTRAND: That is one complaint of the CAB against the CBC?

Mr. SOBLE: Yes.

Mr. BEAUDOIN: Mr. Soble, is your station affiliated with the CBC network?

Mr. SOBLE: We are a supplementary station. We are not affiliated with the CBC.

Mr. BEAUDOIN: Did you enter upon a contract and agreement with the CBC?

Mr. SOBLE: I have no contract or agreement with the CBC.

Mr. BEAUDOIN: Well, there must be some sort of arrangement.

Mr. SOBLE: We enter on a per-occasion contract. If an advertiser requests our services on the dominion network, we are supplementary; it is an individual contract for that occasion. We have no overall contract. We are not required to take certain programmes or anything like that.

Mr. BERTRAND: But when you enter into these individual contracts, is it not understood that the CBC may not accept the exact amount of your card rate?

Mr. SOBLE: That is going to be an interesting question. I expect to increase my rate because I have gone up from 1,000 to 5,000 watts. I understand that the commercial department—

Mr. BEAUDOIN: You are not complaining about that, having gone up to 5,000 watts?

Mr. SOBLE: No, I am delighted. I am not complaining about that. I asked for it and I got it. The question will arise as to whether, if I increase my card rate and present that to the commercial department of the CBC, they may or may not accept that increase on network business. They may refuse to accept it.

Mr. BEAUDOIN: That is a matter that still has to be dealt with?

Mr. SOBLE: In my particular case. Yes.

Mr. BEAUDOIN: I am talking about the past.

Mr. SOBLE: Yes. There are 17 stations which are not getting 50 per cent, and that is the original arrangement—50 per cent of their card rates.

Mr. BEAUDOIN: Are you forced to become eventually a supplementary station every now and then?

Mr. SOBLE: I am sorry, but these gentlemen were talking and I did not catch that.

Mr. BEAUDOIN: Are you obliged to become a supplementary station every now and then?

Mr. SOBLE: I am not obliged to.

Mr. BEAUDOIN: When you go into these individual contracts you accept the conditions which the CBC offers?

Mr. SOBLE: Yes.

Mr. BEAUDOIN: Voluntarily?

Mr. SOBLE: True. You must understand that when I got up to speak I was not speaking for myself. I was speaking for the association of which the 17 stations are members.

Mr. BEAUDOIN: The same applies to all the stations represented by the association?

Mr. SOBLE: No.

Mr. BEAUDOIN: They are not forced to accept these individual contracts?

Mr. SOBLE: Do you not think we brought that out very clearly in our brief, that half a loaf is better than no loaf at all? There is no one, I think, in the association who says we do not need network commercial programmes. I do not think any of us has said that. We agree that we must have them, and we must take them on the terms that they are given to us.

Mr. HANSELL: I wonder, Mr. Soble, if you could clarify that by giving us a break-down of one programme. For instance, here on page 8, if I have read this correctly, there is something I should like explained. Take the rates that are given by these stations at the bottom of the page. Take the first one, for instance, although it does not make any difference which one you take. It is on page 8. Take CFNB, Fredericton. I understand that when that station broadcasts a quarter hour of network, all they get for that broadcast in the final reckoning is $2.87. Is that right?

Mr. SOBLE: That is right, sir, for that period that is under discussion.

Mr. HANSELL: All right. Perhaps you cannot give the exact figure, but what would be the approximate amount that a commercial sponsor would pay for that 15 minutes?

Mr. SOBLE: First you must take into consideration that this rate is arrived at on an hourly basis. The business under discussion, I believe, is Proctor and Gamble. They buy an hour of time and divide it into four different segments. In doing that they get the advantage of the hourly rate divided into four. If any other national advertiser bought a quarter hour, he would have to pay more; but that is entirely fair. If there were a Canadian advertiser large enough to buy that much time, he would get the same benefit out of that. The objection that we are voicing is that $2.87 is not the percentage of the published rate card that anybody else would pay if they were not buying through the CBC. In other words, if this were a transcribed programme sold to the same advertiser, he could not buy that amount of time under the same conditions for that price.

Mr. HANSELL: Yes, I understand that. But I want to get, if I can, the possible figure of what the advertiser would pay for that quarter hour that the Fredericton station gets $2.87 for.

Mr. SOBLE: I can get that for you, but I will have to have the station's rate card. I can work it out very quickly, but I cannot remember it from memory.

Mr. HANSELL: Well, you will get that. There is just this observation. CJOC is the Lethbridge station. That is not in my own constituency but it is in my own territory. I visit it quite often.

Mr. SMITH: You are in its community.

Mr. HANSELL: Yes, I am in its community. They evidently broadcast a quarter hour for $1.91. Maybe I am thinking wrongly, but you cannot tell me that they can broadcast, with all their machinery, equipment and staff to pay for, for $1.91 for a quarter of an hour. That adds up to only $7.64 an hour. They might get more for the hour.

Mr. SOBLE: If you are suggesting that the radio station in question, for this programme does not get the cost of their operation for the period, I will agree with you

Mr. HANSELL: That is what I mean.

Mr. SOBLE: Then you are right.

Mr. HANSELL: Then they are operating at times at a loss; that is, at certain periods.

Mr. SOBLE: You understand why they do this. They want those programmes in order to get the audience that goes with those programmes.

Mr. HANSELL: Exactly. And the reason they want to be on the network is not necessarily because it is a paying proposition but rather because the networks are the ones that provide the audience.

Mr. SOBLE: That is right. We can sell time close to these programmes to other advertisers at regular rates. If we do not have those programmes, we do not have the audience and we cannot sell to these other advertisers.

Mr. COLDWELL: That is the offsetting feature.

Mr. SOBLE: Yes. That is why they operate and accept those programmes.

Mr. COLDWELL: Let me be clear. The supplementary stations do not have to join these networks in order to get those?

Mr. SOBLE: They do not have to. If you are a supplementary station, you have the right to refuse any programme. But we supplementary stations also want audience.

Mr. COLDWELL: Yes.

Mr. BERTRAND: It is a question of liberty to each station to accept or refuse?

Mr. SOBLE: Definitely.

Mr. SMITH: But the reason for all this is that network broadcasting in Canada is a monopoly of the CBC. You cannot get it anywhere else?

The CHAIRMAN: Yes, that is right.

Mr. BEAUDOIN: With regard to this matter of network, is it permitted by the CBC for two stations to hook up every now and then?

Mr. SOBLE: That has been very contentious. I understand myself that on occasion they have been permitted to; on other occasions they have been refused.

Mr. BEAUDOIN: I understand that you private stations are not permitted to hook up from coast to coast on a national basis; but on a provincial basis, for instance, or on a regional basis, they often ask the CBC for permission to hook up and do obtain that permission. Is that not so?

Mr. SOBLE: I believe that Mr. Sedgwick could answer that perhaps better than I can.

Mr. BEAUDOIN: Would you comment on that, Mr. Sedgwick?

Mr. SEDGWICK: Yes. The big difference, as far as it affects us, is that if two or more privately-owned stations seek permission to hook up for the purpose of distributing a programme we are only permitted to buy lines from the CBC. We cannot make our own deal with the Bell Telephone Company or the railroad companies. We can only buy lines on a per occasion basis which is in fact a very much more costly basis.

Mr. BEAUDOIN: I am not dealing with the question of lines. I may come to that later. But you do obtain permission, whenever you seek it, to form a regional or provincial hook-up?

Mr. SEDGWICK: It is not just that easy. It may or may not happen.

Mr. BEAUDOIN: Did that not happen to your station, to broadcast for a certain length of time; let us say it was a 36 week contract, for a certain programme on two stations?

Mr. SEDGWICK: Well, we have to apply for permission and I do not know that you always get it.

Mr. BEAUDOIN: You mean you obtained it in the past?

Mr. SEDGWICK: Yes. I think everyone has obtained it and I think everybody has had refusals. I do not think it has been completely clearly defined.

Mr. BEAUDOIN: Would you say you had been refused more often than you had obtained permission?

Mr. SEDGWICK: No, I would not say that.

Mr. BEAUDOIN: You have obtained permission more often?

Mr. SEDGWICK: Theoretically it is almost impossible to handle those kinds of deals because of the tremendously increased cost, the price of buying a regional network, for instance, from the CBC is so much lower than it would be in buying a group of other stations where we have to sell at a higher cost instead of a reduced cost that they give. There is practically very little of that business now being handled at all. Theoretically, I guess you could do it, but actually in practice it is not so.

Mr. BEAUDOIN: Because of the additional cost of lines?

Mr. SEDGWICK: That is right.

Mr. BEAUDOIN: Would you obtain some lines cheaper elsewhere than from the CBC?

Mr. SEDGWICK: Well, we are not permitted to get quotations elsewhere, so we do not really know at this particular juncture. We can't get quotations on lines, for example, except for a remote control station, because the telephone company will not give me a line from Toronto to Hamilton for a series of programmes. I have to go to the CBC to make application for the purchase of lines, and there again the cost depends on the nature of the service.

Mr. BEAUDOIN: And, of course, that varies with the length of time these lines are used I supposed.

Mr. SEDGWICK: I do not know the actual cost. It varies of course with the length of time involved. For instance, if you are going to use the line for fifteen minutes it would cost you more, proportionately, than it would be if you were going to use it for a two hour programme. I mean by that, it is cheaper by the minute. However, Mr. Lalonde is here and I think probably he can tell you something about the actual cost.

Mr. LALONDE: I can give you as an example the cost of the line between Montreal and Quebec which distance according to the railway company standards which are used by the CBC is 169 miles. Their rate is 8 cents for a quarter hour, 10 cents for a half hour—that is per mile—and 12 cents per hour. That is the rate which is charged to us by the corporation. Now, I understand if we were to try to purchase lines for that same purpose between Montreal and Quebec from, let us say, the Bell Telephone Company, we would have to pay on a programme basis a little lower than that. I have a quotation from the Bell Telephone Company on line costs between Montreal and Quebec. They figure the distance at 144 miles, whereas the railways figure it at 169 miles; and the yearly figure on the basis of four hours per day amounts to roughly $10,000 from the Bell Telephone, including loops, while the CBC figure if I remember correctly is around $30,000.

Mr. BEAUDOIN: How much do they charge for loops?

Mr. LALONDE: In both cases the loops are included.

Mr. BEAUDOIN: They cost the same?

Mr. LALONDE: No, it is not proportionately the same because the CBC have a much higher loop rate than the Bell Telephone. They are not worked out in the same way. Where the Bell Telephone charge a loop rental per month, the CBC charge a loop rental for each occasion, which makes quite a difference.

I think on the figure as to the loop charge, the Bell Telephone Company figure, on the basis of four hours a day, working out in half hours, would work out at approximately ten cents per loop.

Mr. BEAUDOIN: You have to obtain permission to hook up with other stations through the CBC?

Mr. LALONDE: I do not think we have ever been turned down to my knowledge by the CBC on commercial programmes. There may have been a few instances, one in particular, where we have been turned down on recorded programmes.

Mr. BEAUDOIN: Do you use hook-ups with stations in Quebec?

Mr. LALONDE: Oh, yes.

Mr. BEAUDOIN: The two stations CKAC and CHRC hook-up together on a national network so far as Quebec is concerned?

Mr. LALONDE: Yes.

Mr. COLDWELL: Would the CBC enter into a contract with the private station giving you a four hour service a day? Would not that violate policy and even the Radio Act? I mean that it would appear to me that you are comparing a hook-up, a quotation which is on an annual basis for four hours a day—it would seem to me it would make a very considerable difference.

Mr. LALONDE: I have made a comparison per day and per hour.

Mr. COLDWELL: I mean the main figure.

Mr. LALONDE: Both are on four hours.

Mr. COLDWELL: The CBC would not sell you time on that basis, four hours per day per year?

Mr. LALONDE: I am not prepared to answer that.

The CHAIRMAN: I have a question which I should like to ask you if I may at this point; in fact I have a series of three questions; but before doing so I should like to direct Mr. Elphicke's attention to a quotation on page 4 of the brief at the bottom. It states, "we quote from a statement given by W. L. Brockington, K.C. to this committee on Friday, March 28, 1938."

Mr. SMITH: May we correct that and call it "L. W."—call him by his proper name? His name is "Leonard W." not "W. L.".

The CHAIRMAN: I had not noticed that, I was just reading from the brief. It is the quotation I wanted to refer to, and apparently there is no such date as Friday, March 28, because Tuesday was March 29. I have been endeavouring to locate this quotation in the record of the 28th and could not locate it, so perhaps some checking up can be done there. There is a date here, Tuesday, March 29, on the minutes of proceedings and Mr. Brockington was present on that day; and there is a date, Friday, March 25, when Mr. Brockington was present. I rather think that is the one which is meant but I just could not discover the material quoted here. Perhaps at some stage that could be located in the record and the page number given which will permit checking that point.

Mr. ELPHICKE: An error very definitely, sir, and I apologise to the committee for it.

The CHAIRMAN: Oh, that cannot be helped.

Mr. COLDWELL: Is that all on page 4? I think there were some other things arising out of page 4.

The CHAIRMAN: What I just referred to will be found at the bottom of page 4, and continuing at the top of page 5. Then I want to deal with these supplementary stations. As I understand it, these supplementary stations sometimes completely turn down programmes from the CBC; perhaps sometimes they

do not. I should like to know whether there is any record of refusals, to show why they do not take them, because that would seem to have bearing upon whether they are well treated or not very well treated.

Mr. ELPHICKE: Not being one or the other, Mr. Chairman, I would not be able to give you a definite answer to that question. I think you would be able to get the information more easily from CBC officials. If I were to guess, I would say they are not refused very often.

The CHAIRMAN: The supplementaries generally take—

Mr. ELPHICKE: I would think so.

The CHAIRMAN: —programmes offered to them by CBC?

Mr. ELPHICKE: That is purely my opinion sir; as I say, I am not one of them.

The CHAIRMAN: Because if they do it would appear they are probably not very harshly treated, if they are always ready to take it. And now, on these regional hook-ups, Mr. Sedgwick indicated that it is not always easy to get them. Is it not a fact that they are generally allowed, unless there is some interference with another network?

Mr. SEDGWICK: I think, generally speaking, one can get supplementary hook-ups. Our station hasn't got them, but the principal difficulty is in being able to sell them once you get the hook-ups.

The CHAIRMAN: The other question I have is this: Dr. McCann when he was present broke in with a question, and at that time questioning was not in order, so his question was never really asked and has never been dealt with. He was dealing with this. You, Mr. Elphicke, reading at the bottom of page three, were saying: "We submit that examination of the wisdom of the expenditure takes on further urgency in the fact that CBC's reported deficit, which, despite substantial increases in revenue during the past six years, will amount to more than a quarter of a million dollars for the present year."; and Dr. McCann broke in to ask where you got your figures. Evidently he was in opposition to the view you were expressing, that there was the deficit.

Mr. ELPHICKE: Well, Mr. Chairman, the figures as given showed a deficit of $35,000 for the year's operation without any depreciation whatsoever. In previous years there had been shown depreciation amounting to, I think it was, $220,000, and when you add that to the $35,000 deficit indicated that gives the figure we put in. I submit, sir, that according to the usual way in which business is operated you should include depreciation in every year, and that is why we put it in that way, that the deficit would amount to more than a quarter of a million dollars for the present year.

The CHAIRMAN: You have then assumed that they would continue to have a depreciation reserve set aside the same as they had had in other years.

Mr. ELPHICKE: Yes, sir.

The CHAIRMAN: And you figured from that that there would be a deficit of that size?

Mr. ELPHICKE: Yes sir.

The CHAIRMAN: What would be your reaction to the suggestion that depreciation had been so high in previous years that they had piled up a reserve already so large that they did not need any further depreciation?

Mr. ELPHICKE: I cannot have any reaction to that at all, Mr. Chairman, because I am really not conversant with the situation; but if such is the case, then obviously the need would not exist.

The CHAIRMAN: Correct. That it would seem, is the situation. What is the depreciation on CBC, Dr. Frigon; can you tell me? Has it been higher or lower than the 15 per cent which the tax people apparently allow as a maximum to private stations?

Dr. FRIGON: When we started to build our stations in 1937, we discussed the rate of depreciation to apply to equipment and decided that it should be written off over a term of seven years, but to be on the safe side we started by writing into our financial statement a 20 per cent depreciation per year for equipment and 5 per cent on buildings. That built up very quickly, so three years ago we changed the rate to 10 per cent on equipment and 2·5 per cent on buildings. Even at that we have reached the point where the depreciated value of the property is getting very low. Now, that has not very much significance because we have no reserve; it was only a book entry. We have borrowed money to build the stations and we have paid our debts, and it did not seem to be necessary for us to do both—pay off the money we had borrowed and also build up a reserve of depreciation against the equipment. You see, what we would do if we had to replace our plant would be to go out and borrow money, and then set aside a reserve out of which to pay off the cost of building the replacement units. We would borrow the money and go through the same procedure each year. Of course, the $35,000 is an estimated operating deficit. It is indicated that this year we expect to spend more than we will receive. Since the time that statement was prepared we have had two rather bad surprises. We have received a bill from overseas for services which we had not expected, and we have been notified by the Department of Transport that the cost of collecting licence fees this year will be higher. The result of that will be that the deficit will not be $35,000, but rather $78,000 this fiscal year, 1945-46. Now, as to the present worth of our plant and equipment, I do not know that I could tell you that exactly. I do not think it is very great—can you tell us, Mr. Bramah, what the depreciated value now is?

Mr. BRAMAH: It now stands at $988,000.

Dr. FRIGON: Yes, the present depreciated value is $988,000. The original value of the property was $3,184,000, approximately. The board thought this year that we had our depreciation down low enough. This was a lean year. Again I would point out that this has no financial significance because we did not build up a reserve; it is only a potential figure.

Mr. SMITH: Is this the first year that you have failed to take off depreciation?

Dr. FRIGON: Yes, sir. We cut it in half three years ago; but this year we have no such entry in the balance sheet.

Mr. SMITH: Because this is a lean year

Dr. FRIGON: Because this is a lean year. If we had kept the original rate, we would soon have had a plant which was valued at zero.

Mr. SMITH: That is not unusual in business, is it? The point is that this year, for the first time, you failed to write up your depreciation; so, if we had taken the history of other years, the figure which the witness has given would be quite conservative.

Dr. FRIGON: I gave the committee a comparison.

Mr. COLDWELL: You found that the old depreciation rate was quite sufficient on buildings and equipment, so you cut it to one-half.

The CHAIRMAN: That is, $988,000 would have been in a fund if it had been set up.

Dr. FRIGON: No; it would have been the difference between that and $3,184,000.

The CHAIRMAN: No; this reserve, had it been set up, would have amounted to what?

Dr. FRIGON: $2,195,000. That is the value of the depreciation.

The CHAIRMAN: I see. Those were the only questions I had.

Mr. COLDWELL: The statement in the brief that the CBC will require a further increase in revenue is not altogether warranted having regard to the statement we just heard.

Dr. FRIGON: In our case it does not mean anything because we proceeded by borrowing money with which to build; then we paid our debts. If we have to build again, we propose to borrow again. We never set up a reserve depreciation fund in fact, but we did set it up in the books.

Mr. Ross (*St. Paul's*): Have you used any money out of capital expenditure this year?

Dr. FRIGON: No, out of reserve. In the past we have used the reserve for paying debts and building our plant.

Mr. Ross (*St. Paul's*): But you have not used money out of current account.

Dr. FRIGON: We may have used some for capital expenditure in 1944 to 1945. Usually, every year, we use an amount of from $20,000 to $30,000 for minor capital expenditures out of revenue.

Mr. SMITH: What do you charge it against?

Dr. FRIGON: We charge it against capital account. We may buy a few microphones and other things to keep up our equipment, and we may, according to the nature of the equipment, charge it to capital, and use revenue money to pay for it.

Mr. Ross (*St. Paul's*): I take it that your deficit would be reduced by that amount of money.

Dr. FRIGON: Right.

Mr. Ross (*St. Paul's*): So you would still have about $40,000?

Dr. FRIGON: Yes, on that basis.

Mr. SMITH: No, it has all gone into capital.

Dr. FRIGON: Instead of using this revenue to buy equipment charged to capital, if we had used reserves, our deficit would have been that much less and our surplus would have been that much more.

Mr. COLDWELL: It says at page 4 of your brief that financing your operations will necessitate your embarking upon an aggressive drive to increase the volume of network "spot" advertising revenues. And it say, "entering the publications field (as it appears empowered to do), as the BBC has already done to its handsome profit." Does the C.A.B. publish any magazine, periodical, or paper?

Mr. ELPHICKE: No, sir, none whatsoever.

Mr. COLDWELL: The fear is expressed on page 5 of your brief that in view of the necessity of increasing advertising revenue the CBC would find itself completely dominated by commercial interests. Now, the private stations are almost entirely dependent upon commercial interests. Am I to understand that you believe that if radio is dependent upon commercial advertising, it is, therefore, entirely dominated by commercial interests. Would that be your conclusion?

Mr. ELPHICKE: Would you mind repeating your question again?

Mr. COLDWELL: You expressed the fear that if the CBC has to get important "spot" advertising and other forms of advertising that, in your own words, there might be a complete domination of the CBC by commercial interests. That is on page 5 of your brief. Now, since commercial or community stations

are almost entirely, if not wholly, dependent on commercial advertising, am I to understand that commercial advertisers and commercial interests dominate the private radio stations?

Mr. ELPHICKE: No, definitely not; but we do rely entirely on commercial advertising. The reason why we make that statement is that the CBC is charged with a public responsibility. The CBC receives approximately $4,000,000 a year in licence fees and, if in order to get more revenue they have to set out and take more commercial business, then their chances of doing their job of carrying out public responsibility are certainly going to be cut down.

Mr. COLDWELL: Is it not safe to assume from your argument that there is a danger of local stations being entirely dominated by commercial interests?

Mr. ELPHICKE: In our statement here we say that the CBC is charged with that public responsibility for the $4,000,000 a year tax money. We admit that they do more to cater to minority groups than any commercial station can do, but if they become dominated by commercial advertising they cannot do that catering.

Mr. COLDWELL: Are you not obligated to provide community service?

Mr. ELPHICKE: Definitely, very definitely.

Mr. COLDWELL: You make the statement that if the CBC obtains more commercial revenue it is in danger of being dominated by commercial interests. Now, is it not a logical conclusion that the same thing may apply to the private stations?

Mr. ELPHICKE: No. It says this: first of all, it is imperative that the CBC avoid complete domination by commercial interests.

Mr. COLDWELL: That is right.

Mr. ELPHICKE: We say that we are not completely dominated.

Mr. COLDWELL: Then why should you say that the CBC is in danger of so being?

Mr. ELPHICKE: Because we believe that the CBC is charged with doing more than we are charged with doing.

Mr. COLDWELL: But you are doing some of it?

Mr. ELPHICKE: Yes, but we believe that the CBC is charged with doing more than we are.

Mr. SOBLE: In the first place, the type of business that a commercial radio station does is vastly different from the type of business done by the CBC, which deals, almost exclusively, with very large firms which purchase very large blocks of time. Now, the average private radio station—if I may call my own station an average station—probably deals with 200 to 300 different business establishments. They are our clients. But the CBC does not have anywhere near as many separate individual accounts. If the occasion demanded it could afford to dispense with an advertiser because he would be only a very small portion of our business.

Take a very large firm which buys an hour right across the Dominion of Canada, that firm is a very important client to the Canadian Broadcasting Corporation. If the CBC's budget is going to be built up on the basis that they are going to have certain large commercial advertisers, and if the CBC spends money on their programme department, and depends on paying for same by getting this type of business, you can see how dependent they become on that business or on that hour. Across the border, such a commercial, takes up five hours a week with tremendous line charges and tremendous time charges. But the private radio station is not in that position. We do not build up on any one account. The CBC has very few advertisers to depend on. We have a large group of advertisers, while the CBC has relatively a small group. Many of those

advertisers use the same advertising agency; therefore you sometimes find you can get a very large amount of billing into the hands of any one advertising agency. Does that clear up your point why the advertiser would not be in a position to dominate the private stations where he might be in such a position to dominate the network.

Mr. COLDWELL: It is important to a degree; but it seems to me in many local communities there are large stores which, as advertising clients, might dominate—large stores or something of that sort. I do not want to be personal, but I know of an occasion years ago when I had the thing brought home to me. We were having difficulty about our radio time. One of our large business firms said that we should be kept off the air. Incidentally, the station did not keep me off the air; but it is a matter of degree, you see. I think it applies in a smaller way to the smaller stations just as it does to the larger ones. Speaking for myself, quite frankly, I would like to see advertising kept off the CBC altogether, and off the air altogether.

Mr. SOBLE: Private stations can retrench if they lose business far faster than can the CBC.

Mr. COLDWELL: Why?

Mr. SOBLE: Because, when the CBC sets up a budget it is pretty well fixed, being a large corporation, I think it can be taken for granted that a smaller firm can move faster, either in going up or going down.

The CHAIRMAN: At any rate, it seems down to this that CAB is in fear that the Canadian Broadcasting Corporation will be unduly dominated by the advertiser if it goes in for more advertising, or, at any rate, for much more advertising. That is your considered view?

Mr. SOBLE: Yes.

Mr. ELPHICKE: We suggest that they should avoid doing so.

The CHAIRMAN: I know. I have followed it a little, but it is your considered view that they are in danger of domination or of partial domination by advertisers if they go in for large scale advertising programmes.

Mr. ELPHICKE: Yes.

Mr. Ross (*St. Paul's*): To the detriment of their other broadcasts. Their general broadcasting would suffer.

Mr. ELPHICKE: Yes, in respect to the minority broadcasts.

The CHAIRMAN: I would like to point out to you with reference to that quotation that instead of Mr. Sedgwick bringing a quotation over to me, there is still an error. We are endeavouring to discover the error. You did not make a quotation from Friday, March 28, 1938. You made your quotation from a quotation, so, if there is any error, you are probably not to be blamed.

Mr. SMITH: I think I put that same one on the record earlier.

The CHAIRMAN: From 1938?

Mr. SMITH: Yes.

The CHAIRMAN: Is that the quotation? I thought it was Dr. McCann's quotation.

Mr. SEDGWICK: Is was Mr. Smith who read something into the record.

The CHAIRMAN: Dr. McCann tells me that the statement with reference to $500,000 used by Mr. Brockington was qualified at either this or at some other stage by indicating clearly that that was for the present, that that was the view held at that moment; but there was nothing in the way of an indication that it would continue to be so for any length of time.

Mr. SMITH: I read it all, but I did not find what Dr. McCann found in it, not a word.

The CHAIRMAN: It may have been in the latter part of the remarks read some few moments ago; it has no significance with what I was saying to you that he was declaring the situation for the immediate future.

Mr. SEDGWICK: I think his qualification was he hoped that would be the maximum and that he was looking forward to the day when there would be none at all.

The CHAIRMAN: I must say I do not know, but the record is there for us and we can all make certain in that respect.

Mr. BEAUDOIN: Can we move to page 8?

The CHAIRMAN: Yes.

Mr. BEAUDOIN: I should like these gentlemen to comment on this network business. You now have 50 stations which are affiliated with the CBC. When you talk of a network what sort of a network do you mean, a separate network altogether from the one which is already existing? You already have 50 of your stations affiliated with the CBC.

Mr. SOBLE: Where is that reference?

Mr. BEAUDOIN: On page 8. You say:

> Under the Act, CBC has complete power to control and operate all networks.

Then it goes on on pages 8 and 9 with this line business, and so on. What sort of a network are you advocating there?

Mr. SOBLE: Do you take it from here we are advocating another national network?

Mr. BEAUDOIN: You are complaining about the cost of lines when it comes to competition, the cost whenever you hook up two stations, and so on.

Mr. SOBLE: I fail to read where we advocate another network here.

Mr. BEAUDOIN: That is what I gathered.

Mr. SOBLE: I do not think we meant that.

Mr. BEAUDOIN: You are not advocating a separate network?

Mr. SOBLE: No, sir.

Mr. COLDWELL: You are not advocating another network?

Mr. SOBLE: No.

The CHAIRMAN: I had the idea you desired a greater measure of freedom in the establishment of privately owned and controlled networks to the same extent that a community station today is a privately owned and controlled station. Is that a misconception on my part?

Mr. SEDGWICK: I think we would like greater freedom, as you say, to organize regional networks, or such networks as we could organize, to sell. There is a reason for that as I see the radio picture. The interests of the listener are always better served the more and better programmes you can get. When the advertiser, who is the source of our revenue, can devote his efforts to programmes over a number of stations it automatically means he spends more money on the programme itself, but for the market he is covering it means he is spending less money per market than if he tried to originate a programme in each separate market. That is the reason network advertising in the United States has grown to such proportions, and where they produce generally speaking such excellent programmes with which we find it difficult to compete. That is why the CBC bring them here because they are the ones which get the audience. The private station has always been handicapped in its ability to produce bigger and better programmes because of the fact it is pretty well confined to the distribution of that programme in one market only whereas if it were able to spread that programme production across a number of groups of markets

the tendency would be to produce better programmes and spend more money on them. You could persuade both the station to spend more money and the advertiser to whom you sell them to spend more money on them. I think it is more to the interests of the listener to encourage the production of better programmes by permitting wider distribution of programmes over a larger group of stations.

The CHAIRMAN: By that you do not mean the regional hookups we were speaking about a few minutes ago; you do not mean occasion networks. You mean the establishment of a regular permanent private network?

Mr. SEDGWICK: Well, it is not quite that. It makes no difference to us whether you call it a regional hookup or a permanent network. As far as we are concerned the difference is purely in the cost. The only network a private station can set up is based on the per occasion basis. In other words, we buy lines at a very much higher rate per hour mile than we would if we could buy them, for instance, at the rate the CBC buy and sell them at.

The CHAIRMAN: The regional hookups of which we were speaking a while ago are per-occasion hookups?

Mr. SEDGWICK: They are all as far as we are concerned. We do not care what you call them. The same thing is true.

The CHAIRMAN: It is the per-occasion hookup that you find is not enough. You want rather to have permanent hookups?

Mr. SEDGWICK: That is right.

The CHAIRMAN: What about the size of these private networks that you would desire to see?

Mr. SEDGWICK: We have not gone into the size particularly. Prior to the establishment of the Canadian Radio Commission the private stations used to set up networks across the country but since that time our efforts have been largely confined to smaller regions.

The CHAIRMAN: If you were asking this committee to recommend that parliament grant to private interests permanent hookups would it not seem to you desirable that this committee should be able to envisage how large a hookup it is?

Mr. SEDGWICK: I think that is so. I think as far as our present thinking is concerned regional would be as far as it would go at the moment.

The CHAIRMAN: What is regional?

Mr. SEDGWICK: Well, probably within a province, or in some areas like in the maritimes.

The CHAIRMAN: The more thickly populated section is as far as you would desire to go at the moment?

Mr. SEDGWICK: Generally speaking, yes.

The CHAIRMAN: And you would desire to go further later on perhaps if it appeared that it would be profitable to do so?

Mr. SEDGWICK: That is probably true, yes.

The CHAIRMAN: Mr. Sedgwick; does that not bring us smack up against this, that the programmes which you would be offering would not go to the sparsely settled parts? They would not get any service from you. Secondly, if your programmes were as good as you say and made good by reason of giving you a regional hookup you would deprive CBC, which serves the sparsely settled districts, of a market, and consequently the cost of operating for the CBC would be all the greater and the taxpayer would have to put up more money? Either that or the person who is in the sparsely settled district would get no service as was the case at one time before, and has been the motive of radio direction in most of the years since we have had radio?

Mr. SEDGWICK: I do not think that is the position entirely. The CBC at the present time are not serving the sparsely settled districts by any facilities of their own. The sparsely settled districts that are being served today are being served where they are being served by privately owned radio stations.

The CHAIRMAN: We understand that.

Mr. SEDGWICK: The picture that was envisaged back in 1928 does not seem to have materialized. In other words, in the development of the art and the business private enterprise went out and served these areas, and CBC ownership and operation of stations is now largely concentrated in the populated areas.

Mr. Ross (*St. Paul's*): Do you think if you had better line facilities you could give better service not only to the general public but to those places which are sparsely settled as well?

Mr. SEDGWICK: We have always thought so. We made a recommendation some years ago to the Board of Governors and Mr. Brockington, that we be permitted to set up a separate network to compete with the CBC. The only thing we asked for that network was the right to buy lines on the same favourable terms they were buying them.

The CHAIRMAN: But you would not do so unless it paid?

Mr. SEDGWICK: We are willing to take that chance. We thought we could make it pay. I think events have proven since that a network can be profitable. It was thought back in 1928 that nobody but the government could ever service those areas. The Aird report contemplated a high power station in each province, as you will recall, with a few odd ones to cover the spots where they did not get in. That was the theory of serving the public of Ontario. The point we are trying to make is that the CBC seems to have got somewhat away from that and they are now concentrated with the high power facilities in the major commercial markets where bigger money can be made, and the private stations have come into the sparsely settled areas and we are providing bang-up service for those areas, places as far north even as Grande Prairie where until recently there was not even a line there.

Mr. BEAUDOIN: These stations in the remote areas are now affiliated with CBC?

Mr. SEDGWICK: That is so, but all the investment and operation is that of the private station.

Mr. BEAUDOIN: Was that not the understanding as to the question of networks back in 1936, for instance? To refresh your memory I will read from the evidence, page 667. You were there before the committee. You said:

> As I explained the set-up of networks, I do not think anybody really understood just what the network was. I know dozens of people tell me about these great monopolies owning all these stations, but I know that neither the NBC nor the Columbia system own their stations. They own key stations where they originate programmes.

You have the CBC owning key stations, and there are 50 privately owned stations affiliated with the main network.

Mr. SEDGWICK: That is correct.

Mr. BEAUDOIN: With how many stations does CFRB have to be hooked up to cover the Ontario market?

Mr. SEDGWICK: It is a case of selling with us. We are not in a position the same as the CBC is. When you buy a network from the CBC you buy all stations whether you want them or not. The stations are sold on "must" basis and you buy them. The advertiser may say, "I would like to drop station ABCD" but he buys it; because if he buys the network it is a "must". It is up to him, if

he wants to add more stations as supplementary; if the manager or owner of a supplementary station can persuade the advertiser that he can offer him something in addition, the advertiser can purchase that supplementary station.

Mr. BEAUDOIN: Here is the situation I have in mind. A national advertiser in Quebec may be satisfied with the coverage given to him by CHAC and CHRC.

Mr. SEDGWICK: That is correct.

Mr. BEAUDOIN: As compared with CBF, Montreal.

Mr. SEDGWICK: I understand.

Mr. BEAUDOIN: What is the parallel situation in Ontario?

Mr. SEDGWICK: There is no entirely parallel situation in Ontario, because our population is a little differently divided. In Quebec there are two main centres of population, Montreal and Quebec. In Ontario it is quite different. Within 38 miles of Toronto, we have Hamilton with a large population of 175,000. It may be that an advertiser with Toronto, Hamilton and Windsor lines may want to add in London and Chatham in that network, or he may want to add in some other station in northern Ontario. Each one is a separate and individual operation.

Mr. BEAUDOIN: If you tie up Toronto, Hamilton and Windsor you have fairly good coverage?

Mr. SEDGWICK: Yes, that is right.

Mr. BEAUDOIN: You have coverage of most of Ontario.

Mr. SEDGWICK: Of central and western Ontario.

Mr. BEAUDOIN: Whenever a sponsor wants that, you seek permission from the CBC; and as you said before, most of the time you obtain that permission?

Mr. SEDGWICK: Yes. Theoretically that is true. Actually, because of the high cost of it, the competition, it is not. In other words, you could buy the Ontario regional network, from the CBC, which covers a number of stations, in some cases cheaper than you could buy a few selected stations, based on the increased line toll you have to charge.

Mr. COLDWELL: Who pays for the lines at the present time? Is it the station or the sponsor?

Mr. SEDGWICK: If it is a sponsored programme, it is the sponsor; the CBC or the private set-up.

Mr. COLDWELL: The sponsor pays for the lines?

Mr. SEDGWICK: Yes.

Mr. COLDWELL: Not the private station.

The CHAIRMAN: Gentlemen, I wish to introduce a statement here, if you do not mind. I wish to draw to your attention that there is quite a major change suggested in this brief relating to an independent body, and it is 5.30 now.

Mr. BEAUDOIN: I think that this matter of competition should be carefully considered.

The CHAIRMAN: I am not suggesting that anybody should stop. I am merely saying that it is 5.30 now.

Mr. BEAUDOIN: I should be quite willing to move on to that question, because I always ask myself why this type of body had not been considered before, although I am awaiting more explanation as to that particular question. I should like to follow up what we were talking about a minute ago by this supplementary question. What you want now would be not to have to seek permission from the CBC to form an occasional network?

Mr. SEDGWICK: Well, that would be—

Mr. BEAUDOIN: That would help.

Mr. SEDGWICK: That would be ideal, of course.

Mr. BEAUDOIN: You would like to have permission to buy your lines from the individual company without having to go to the CBC to get your lines?

Mr. SEDGWICK: That is so. I am not as familiar with the situation in western Canada as I am possibly in the east. In western Canada I understand there are line facilities that can be purchased at pretty reasonable figures, but stations are not permitted, as I understand it, under the present rules and regulations of the CBC to make those deals with the Alberta, Manitoba or Saskatchewan telephone companies because of the existing regulations which, in fairness to the CBC, I think they feel were imposed upon them by the action of various parliamentary committees.

Mr. BEAUDOIN: This matter of forming occasional networks apparently is only a matter which concerns Quebec and Ontario?

Mr. SEDGWICK: Oh, no.

Mr. BEAUDOIN: I mean, mostly.

Mr. SEDGWICK: Oh, no sir. Pardon me. I think it is much more a vital problem in the west than it is in either Quebec or Ontario; and certainly more a problem than in Ontario.

Mr. BEAUDOIN: Is it confined to any one province?

Mr. SEDGWICK: No, it is not confined to any one province. Mr. Rice, who is president of the western association can probably discuss it with more facility than I could.

Mr. BEAUDOIN: In the west you can form an occasional network in the prairie provinces?

Mr. SEDGWICK: May I let the western people speak on that?

Mr. G. R. A. RICE: What was the question?

Mr. BEAUDOIN: That matter of forming occasional networks was mostly a matter of concern to the west.

Mr. RICE: No. I think it concerns most of Canada. As far as the west is concerned, there are programme problems the same as in Quebec or Ontario. We could, by employing a regional network between Calgary and Edmonton, put on better programmes by cutting talent costs between the stations so joined up.

Mr. HANSELL: In a previous parliamentary committee, the spokesman for the C.A.B., Mr. Joseph Sedgwick, recommended, perhaps in a moderate way, that the private stations be permitted to manage their own national networks. Are you still of that mind?

Mr. SEDGWICK: We more or less gave that idea up. We have been batting away at that since 1936, to my certain knowledge, and we are trying to start down at the bottom again and see where we go from there on. We have had lots of suggestions in the past along somewhat similar lines. We at one time suggested, and I think it was somewhat seriously considered by a previous committee, that the ideal situation for Canada may be something comparable to the Australian situation. In Australia, as you gentlemen probably know, there are two sets of operations. There is the A.B.C., the Australian Broadcasting Corporation, which operates 28 stations in Australia on a purely sustaining public service basis, supported by the licence fee; and there are a group of other stations which are privately owned and they operate completely independently of the A.B.C. They are not subject to any rules and regulations by the A.B.C. but they are self-regulating in their affairs and a very fine set of regulations they have set up for themselves, which they tell me are good.

They operate purely commercially on commercial revenue, and they have found that system to be very satisfactory, I think, on both sides, or so I am told. We had at a recent meeting of our association a chap by the name of Mr. Alfred Paddison, president of the Federation of Commercially Operated Radio Stations of Australia. He talked to me at quite some length. That was the suggestion we made previously, that such might be the ideal set-up for a country like Canada to go into.

Mr. COLDWELL: Is there not a move to change that now?

Mr. SEDGWICK: I did not get the question.

Mr. COLDWELL: Is there not a move in Australia to change that now?

Mr. SEDGWICK: No, not at all, as I gathered it.

Mr. COLDWELL: I gathered that there was.

Mr. SEDGWICK: I posed that question to Mr. Paddison and he said absolutely no.

The CHAIRMAN: What about the maintenance of the public system? How is it paid for? Is it paid for by fees?

Mr. SEDGWICK: By fees.

The CHAIRMAN: Do you know what the fee is?

Mr. SEDGWICK: £1.

The CHAIRMAN: Is it £1?

Mr. SEDGWICK: Yes; that is the licence fee.

The CHAIRMAN: That would be about $3.60?

Mr. SEDGWICK: Depending where the pound is today, Mr. Chairman.

The CHAIRMAN: It has been that way for a long time; around $3.60.

Mr. COLDWELL: Yes, but it just depends on what the pound will buy in a country; that is what counts.

Mr. HANSELL: Arranging the important organization of a network would perhaps involve some considerable expense and time, and perhaps you would not be prepared to go ahead with a thing like that at the present moment. But visualizing the possibility that the private stations had their own national network, do you think that the Canadian people would be given a better radio deal?

Mr. SEDGWICK: Well, we think so, sir. Of course, it has always got to be a matter of opinions. But in any network operation—and I think this is a statement to which we could all subscribe—the large listener audiences are generally speaking, although this is not 100 per cent true, attracted to any station by the major United States network shows. Then there are, of course, some very good shows of Canadian origin that do a good business. Most of them are commercial and they are commercial quite naturally. It is no criticism of the CBC that they are. They are commercial quite naturally because, when a show starts to command audiences, a sponsor comes along and wants to buy it because that is what the sponsor wants. He wants to reach the listener with his message, so he buys that show. The result of the development of radio here, the way it has gone today—and I do not think it was ever foreseen—is that the major shows across the country today being piped out on the networks are the commercially operated shows. We at one time thought that to be the duty of the privately-owned stations and that the CBC should confine itself on the whole or mostly to the matter of public service supported by the licensee.

Mr. HANSELL: I have one more question there, and it is this. If there were two networks—and there are today—and if there were one organized and managed by the corporation and another one by the private stations, then competition between the two networks would be more keen, would it not?

Mr. SEDGWICK: Absolutely.

Mr. COLDWELL: Then it is to-day?

Mr. SEDGWICK: Absolutely. As a matter of fact, in the United States there was some years ago two networks operated by one organization, the National Broadcasting Company; they operated what were known as the red and blue networks. Then about four or five years ago the FBC insisted that NBC dispose of its blue network and the blue network has now become the American Broadcasting Company, and the reason they did that was that they did not consider it a healthy thing to have two networks operated by the same owners, that it was much better for the interest of all concerned to have competitive networks, each operating under independent ownership management rather than to have two networks operating under one organization.

Mr. COLDWELL: And has your organization machinery now with which to go ahead with anything of that nature?

Mr. SEDGWICK: No, we haven't the machinery. We would not likely set up machinery for such a purpose unless we thought there was some prospect of our being able to do something about it.

Mr. COLDWELL: No, of course not.

Mr. SEDGWICK: There was a suggestion of that sort put forward in 1936 or 1938, but, as you will recall, that arrangement fell through and we never organized or operated a network. We have not suggested, nor would we suggest, that ownership of a network be in any group; rather, we have suggested that every station be given an opportunity to participate in it in every way. Each member station on such a network would, of course, have to obligate itself to give frely both of its sustaining and public programmes.

Mr. BEAUDOIN: That is comparable to the situation which was contemplated then, a sort of independent, affiliated network.

Mr. SEDGWICK: We did not have as many stations in those days as we have to-day.

Mr. BEAUDOIN: And you would have a better chance of succeeding now.

Mr. SEDGWICK: We did not succeed then, so I cannot say what our chances would be now.

Mr. COLDWELL: You do not pay any fee to belong to the CBC network, do you?

Mr. SEDGWICK: No.

Mr. COLDWELL: In the United States the stations affiliated with the broadcasting chain do pay fees, do they not?

Mr. SEDGWICK: No, I would not say that they do. The broadcasting stations in the United States affiliated with the network, I think, get a considerably better deal than the broadcasting stations here.

Mr. COLDWELL: My understanding was that they paid fees to belong to a network.

Mr. SEDGWICK: Well, all I can say to that is that there are all sorts of deals. The average arrangement when a station makes a deal to join a network is that the network usually takes some portion of the time of the station each week, and the average station will have to pay—if you call it that—a fee, that is true; usually it is for two or two and a half hours a week. They make that much less money, and you can call that a fee, if you like. Otherwise, any money they take in is divided on a basis of fifty-fifty between the station and the network, and I do not think there is any case where the network sells at less than the local card rates, which, as I said earlier this afternoon, is not the practice with CBC. Lines are all provided by the network, and the station times are not charged separately to the advertiser as they are in Canada where

the advertiser on the network buys a package. As to sustaining programmes, sustaining programmes on the network are freely available to every outlet, and the member stations can either take them or leave them, as they prefer. If they are in an area where they feel it is to their advantage to take such programmes they can; if they don't want to take them they don't have to; which is different from the arrangement which we have with the CBC here where you have to take their sustaining programmes whether you want to or not. There is greater freedom for refusal there.

Mr. COLDWELL: You say the network stations over there are not required to take sustaining programmes?

Mr. SEDGWICK: No. If they think those programmes are not such as would be appreciated by their audience they do not have to take them. Whatever the arrangement there is there is this about it that it is arrived at through a process of free negotiation by the parties contracting; they get it all down on paper and I presume they are satisfied with it.

Mr. BEAUDOIN: Do you wish to talk now about this Board you are requesting? I would like to point out to you that the remark I made a moment ago was not intended as any reflection on this matter of combinations, but I had given it very careful consideration. Have you examples of unfairness, for instance?

Mr. SEDGWICK: Well, Mr. Beaudoin, I don't want to go digging back into a lot of things that bothered us. I think you gentlemen all realize that it was only natural when we were in the position of being controlled, regulated, directed, and ultimately placed in a position of losing our licence through suspension that we naturally felt that we had many things that we considered grievances. After all, when you are operating in a democracy you do not feel that is right. We naturally feel that it is right to feel free to do just what you want to do. We don't want to go all over these things again and mull them over here.

The CHAIRMAN: But, Mr. Sedgwick, what you are asking is really a very considerable change. It seems on the surface to have much in its favour in theory; but when one is going to make a change which seems to be favoured by theory it is necessary also to get a considerable amount of factual material to support the theory. I do not see how you can ask for consideration of such a fundamental change without giving much by way of example in support of what you are asking. I was going to ask the same questions Mr. Beaudoin did. Without such supporting material you might just as well let the matter drop. You haven't given us very much yet.

Mr. KNIGHT: I suggest to you, Mr. Chairman, that the statement on page 12, might surely be taken as material supporting the request for the setting up of such a board.

The CHAIRMAN: I was aware of that, but that is all in the nature of a general statement which I thought they might like to have supported. I have in mind, for instance, the statement made further back dealing with the depreciation deficit, and so forth; well, that was supported by further explanation.

Mr. SMITH: May I respectfully disagree with you on a fundamental matter, Mr. Chairman?

The CHAIRMAN: You may disagree with me on anything.

Mr. SMITH: I submit, with respect, that where you have two people in competition, one of them holding complete power over the other, the thing is fundamentally bad. You do not need to go further than that for the fact is the thing itself is fundamentally bad.

The CHAIRMAN: That is quite all right, Mr. Smith. The witness is entitled to leave it right there. When I said that, that was just my view, that it would

be well to support this statement with any factual material there may be. That is all. The witness is quite entitled to leave the matter right there, and say, as you say, that it is fundamentally bad and therefore we want it changed. He is quite entitled to do that.

Mr. SMITH: I would not think anyone would want very much more than that. It affects another man's business and it is the sort of thing that should not be permitted in this country.

The CHAIRMAN: That sort of statement might turn out to be the sort of statement which would be made by many of us on this committee when we come to discuss this; only, I thought the opportunity should be given the witness to make his case as strong as he can. That is all. There is no compulsion to answer.

Mr. SEDGWICK: We have been discussing for the last half hour the question of lines. It seems to me we would all benefit if there were competition with respect to the use of these lines and that we should have someone to whom we could refer, who would be competent to say how much we should pay. Surely, a matter of that kind is the appropriate subject to be dealt with by such a board as we have recommended.

Mr. ROGERS: That is something on which I would like to speak, with your permission, Mr. Chairman. I happen to be president of the Maritime Association of Broadcasters which provides radio service for a million people in eastern Canada. I say eastern Canada, because I think sometimes people think that eastern Canada stops at Montreal, or somewhere around there. I also happen to be president of the Maritime Board of Trade this year. And I can assure you that from the standpoint of Maritime business the restrictions now applied to radio advertising impose upon the merchants and manufacturers of the Maritimes a serious handicap, with the result that they have not been able to buy radio network time to cover the Maritimes. On a comparative basis they could buy it freely from the purveyors of these services such as the Maritime Telephone and Telegraph, and the Canadian National Railways. The present policy is a disadvantage to the Maritime businessmen, and I think it is also a disadvantage to the people of the Maritime provinces. One effect of it is that they never get a chance to hear more than a very small quantum of their own musical talent in the Maritimes, because most of the network programmes in the Maritimes, come out of other centres. The natural result of that is that the widespread Maritime musical talent does not get a chance to express itself in the way that it really would if we were permitted to organize a commercial network which would cover the Maritime provinces only. We could put on a commercial programme that would pay the operating costs and have something left from the commercial programmes with which to develop sustaining programmes. As it is they are obliged to take sustaining programmes which include practically no Maritime talent, and in that way we are also at a disadvantage. We are ready to go on the market with all the necessary facilities to operate our station.

Mr. BEAUDOIN: And you think if you had a Board such as is recommended here you could refer matters of that kind to them?

Mr. ROGERS: We think so, yes. At least we would not have your arbitrary board.

The CHAIRMAN: Any such board would be bound by legislation, of course. For example, the Board of Transport Commissioners cannot raise certain rates nor can it affect certain tariffs, and that sort of thing. Even though there were such a board, it might be that would not determine the question you are raising about regional or other networks.

Mr. SMITH: My idea of a board is this: that we should have such a board and we should turn to the parallel of the Board of Transport Commissioners. They have their Railway Act which is their gospel, within which they move and have their being. I think if we could set up a board here or use the board which is already set up, the same one, that would not be a bad idea. They would have laws by which they were guided, the two Acts which we have, and the present regulations of the CBC, all those regulations. That would be the law, but, there would also be the right of appeal against any regulation. You have got your body of the law and I would accept everything that the CBC has got now and say, "There is the body of the law;" and I would say to the individual broadcasters, "If you do not like that regulation or that ruling, go and make an appeal and put the onus upon them to show that they are entitled to it." I think the CBC is a splendid organization and I am trying to offer something which will be constructive. I am perfectly certain this would remove from the present board of governors, and particularly from the chairman of the board, more headaches than he has ever had in all his business career.

Mr. COLDWELL: It might be that a neutral board of this description would be more careful in granting privileges to private stations than the CBC, because the CBC is very sensitive of the fact that it is itself a competing body.

Hon. Dr. MCCANN: It is not an ordinary board of appeal dealing just with facts and law. It seems to me quite clear that according to the outline recommending what its functions should be—I suppose they are only made in the way of suggestions—but the suggestion is to have an independent tribunal which would hold meetings to which both branches of the industry would have free access; then they go on to say: to interpret questions not merely in the narrow legal way, but from the broad standpoint of public interest and private interest which are involved. Such a tribunal should have the power to construe, to rescind or amend any regulation, directive, or ruling. That would be giving to them legislative power which I do not think would be wise. I am not criticising what you said, Mr. Smith, but I am rather trying to interpret what was said by C.A.B. I do not think you would suggest that they should have legislative powers?

Mr. SMITH: Oh, no, no.

The CHAIRMAN: I was wondering about this. If you set up a court of appeal, you will have the same decisions as the CBC; suppose you are not satisfied with them, assuming that it is a decision related to an occasion; by the time you have gone anywhere, the occasion has passed.

Mr. SMITH: Quite true; but it might mean an amendment of regulations.

The CHAIRMAN: You mean that you might get a recommendation from this board for an amendment?

Mr. SMITH: I think the board itself should be able to deal with the regulations.

The CHAIRMAN: I see, legislative powers to that extent. I suppose a regulation is a legislation, is it not?

Mr. SMITH: I am not sufficiently able, in our business, Mr. Chairman, to say so; but I do not think so.

The CHAIRMAN: At any rate, it has the force of law.

Mr. SMITH: Do not leave Mr. Dunton and these men in a position where the operator of a private station may come to them and say: I have a grievance and the board will consider the matter and perhaps say "no". I would not want to have to come away in such a case and say, "Well, my competitor did it." Furthermore, with this board, you will have public hearings and the evidence will be taken down which is the whole source of the success of our reports.

The CHAIRMAN: I make this statement for your comment: that: the matter of granting licences would be a function of such a board, and again, in

the matter of occasional hook-ups; but in the matter of hook-ups it could hardly function because there would not be time enough. The question of permanent hook-ups, I think, should be dealt with in legislation. I wonder how large a field there would be for such a court, and could it function with any efficacy at all.

Mr. ELPHICKE: Such a board could function in the matter of regulations. There are annoying occasions which come up which must be as annoying to the CBC as they are equally annoying to us, such as: no mention of price, limited transcriptions in the evenings, and regulations forcing us to put on talent in the evenings. There are many regulations that come up that are annoying to us as it stands. If we are annoyed by these particular regulations, we go to the CBC. We have always had, I think, each of us, a very favourable hearing when we went to discuss the matter with them. At the same time, it is a pretty hard job for us to get them changed. But if there were a separate board, I think we would have a much better chance. Before such a board as that the CBC would come and state its case, and we would come and state our case.

Hon. Dr. MCCANN: I think there is room and sufficient scope within the framework of the present set-up of the CBC to have a better type of management than there is. I believe that even with the present set-up we could have an operating division of the CBC and I believe we should have a broadcasting division which could act as an arbitrator between the operating division and the private interests under the present set-up of the corporation. I think I am fair in saying this: according to the Act the CBC is a representative body; it includes representation from all parts of the country and it is proposed to give representation to different lines of activity. Such men are connected with us as university representatives, labour men, and representatives of different professions, all of whom know something about broadcasting. I think I am safe in saying to you that the board is entirely a non-political body. I could not tell you the politics of any of the men on the board.

Mr. SMITH: I agree with you.

Hon. Dr. MCCANN: If you set up within the corporation itself an operating division, a department which would operate all lines which are owned by the state, and against that you provide an operating division, and then have a board which would be the present Canadian Broadcasting Board who would act in the position as suggested in the recommendation—

Mr. SMITH: But that is what you have got now.

Hon. Dr. MCCANN: It is hardly that; you have your operators and there is not any great division between your governing body and your operating body.

Mr. HANSELL: There would not be any great effect.

Mr. BEAUDOIN: I think the matter deserves careful study. It is now 6 o'clock, Mr. Chairman, so I move me adjourn.

Mr. HANSELL: Mr. Soble was to give me a breakdown of quarter-hour broadcasts.

Mr. SOBLE: I will have to file that later.

The CHAIRMAN: Gentlemen, the steering committee will get together as Mr. Smith recommended some time earlier, and line up proceedings for the next meeting. We will meet on Thursday, July 18, at 10.30 o'clock a.m. We are through now with C.A.B. and I think, on behalf of the committee, I should thank you, gentlemen, for coming here and for the manner in which you have presented your case. I am sure the committee would desire me to say so.

Mr. ELPHICKE: Thank you, sir, we were very glad to be here.

The CHAIRMAN: The meeting is now adjourned.

The committee adjourned at 6.00 p.m. to meet again on Thursday, July 18, at 10.30 o'clock a.m.

APPENDIX D

CANADA

TREATY SERIES, 1946

No. 8

INTERIM AGREEMENT BETWEEN CANADA AND OTHER POWERS TO REGULATE THE USE OF THE STANDARD BROADCAST BAND IN THE NORTH AMERICAN REGION

Signed at Washington, February 25, 1946

Effective as from March 29, 1946

(Ottawa, 1946)

SUMMARY

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INTERIM AGREEMENT BETWEEN CANADA AND OTHER POWERS TO REGULATE THE USE OF THE STANDARD BROADCAST BAND IN THE NORTH AMERICAN REGION

Signed at Washington, February 25, 1946.

The undersigned, duly authorized representatives of the Governments of Canada, Cuba, the Dominican Republic, His Majesty's Government in the United Kingdom in respect of the Bahama Islands, His Majesty's Government in the United Kingdom and the Government of Newfoundland in respect of Newfoundland, the United Mexican States, and the Government of the United States of America, meeting in Washington, D.C., at the Second North American Regional Broadcasting Conference from February 4 to 25, 1946, for the purpose of considering the problems incident to the expiration on March 28, 1946, of the North American Regional Broadcasting Agreement, signed in Habana, Cuba, on December 13, 1937, as well as improvements in the use of the standard broadcast band in the North American Region, agree:

ARTICLE I

To continue, during the interim period described in Article XVII, hereof, the application within their respective jurisdictions of all the provisions of the North American Regional Broadcasting Agreement signed at Habana December 13, 1937, subject to the modifications and additions hereinafter stipulated.

ARTICLE II

Parts V and VI of the North American Regional Broadcasting Agreement, Habana, 1937, are hereby expressly made inapplicable to this Interim Agreement.

ARTICLE III

Cuba agrees to relinquish to the United States of America the use of the clear channel 1540 kc with Class I-A privileges in exchange for the use of the frequency 640 kc in the manner stipulated in Annex I hereof.

ARTICLE IV

Cuba shall have the right to use the additional broadcasting facilities detailed in Annex 1 hereof with the power, and under the conditions of operation and limitations specified therein. The so-called 650-mile rule contained in Part II, C, Section 4, paragraph B, of the North American Regional Broadcasting Agreement, Habana, 1937, shall not be applicable to Cuba in connection with the use of these frequencies in Annex 1 hereof.

ARTICLE V

Cuba shall have the right to operate Special Class II stations on the regional frequencies described in Annex 2, with the power and under the conditions of operation and limitations specified therein.

ARTICLE VI

The Government of the Bahama Islands will cease all operations on the frequency of 640 kc not later than August 1, 1946. On or before June 1, 1946, the Government of the Bahama Islands shall notify directly the Government of Cuba the exact date on which it will cease using the said frequency.

ARTICLE VII

The United States of America agrees to the assignment of the frequency 1540 kc with Class I-A protection in accordance with the North American Regional Broadcasting Agreement, Habana, 1937, to the Government of the Bahama Islands subject to the terms of this Agreement.

The United States of America further agrees to collaborate with the Government of the Bahama Islands, after tests have been conducted on 1540 kc or other frequencies which may be suggested by the United States, with a view to determining whether the 1540 frequency or some other frequency should be substituted in the Bahama Islands for 640 kc.

ARTICLE VIII

The Governments parties to this Agreement shall co-operate to minimize interference to their respective services. Recognizing that propagation over sea water is superior to over-land propagation and that the present standards do not adequately take into account conditions of this nature, the Governments parties to this Agreement agree to co-operate with a view to minimizing interference in the event that sky wave signals intensities exceed the values stipulated in this instrument.

ARTICLE IX

Except as herein specifically provided, nothing contained in this Interim Agreement shall limit or restrict the use of any clear channel assigned under the North American Regional Broadcasting Agreement, Habana, 1937, for use by Class I-A stations in the country in which such stations may be located.

ARTICLE X

The Governments parties hereto undertake to apply the provisions of this Interim Agreement and to take the steps necessary to enforce said provisions upon the operating agencies recognized or authorized by them to establish and operate broadcast stations within their respective countries.

ARTICLE XI

Notifications of a complete list of all broadcasting stations in the standard broadcast band actually in operation in each country having been made and accepted without objection on the part of any Government pursuant to Part III of the North American Regional Broadcasting Agreement, Habana, 1937, and of changes similarly made and accepted during the life of said Agreement, the signatories and adherents hereto will continue to recognize these notifications, including the specific changes and modifications, contained in this instrument.

ARTICLE XII

A permanent North American Regional Broadcasting Engineering Committee composed of four experts, one each from Canada, Cuba, Mexico, and the United States, shall be established for the purpose of determining facts and making recommendations thereon which will enable Governments to comply with the technical provisions of this Agreement to their mutual satisfaction . The organization, duties, and procedures of the committee shall be governed by Annex 3.

ARTICLE XIII

In order to conclude a new North American Regional Broadcasting Agreement at the earliest possible date, the signatory Governments will

A. Commence immediately the necessary studies for the conclusion of such an Agreement.

B. Exchange views following their respective studies. For this purpose each Government shall, on or before October 1, 1946, submit to the Inter-American Radio Office, twelve copies of its conclusions together with supporting data.

C. Hold a meeting of their technicians in Habana, Cuba, on or about January 2, 1947, preparatory to the Third North American Regional Broadcasting Conference, who shall examine the technical aspects of the documents communicated by the interested Governments. A joint report of their findings, views and recommendations shall be circulated to the Governments by the Inter-American Radio Office not later than March 1, 1947.

D. Communicate to the other Governments through the Inter-American radio Office, before June 1, 1947, after consideration of this joint report, their proposals for the Third North American Regional Broadcasting Conference.

ARTICLE XIV

The preparation and circulation of the agenda for the Third North American Regional Broadcasting Conference not later than August 1, 1947, shall be the responsibility of the Inter-American Radio Office.

ARTICLE XV

The Government of Canada shall be in charge of the organization and convocation of the Third North American Regional Broadcasting Conference, which shall be held in Canada on or about September 15, 1947.

ARTICLE XVI

This Interim Agreement shall be considered in connection with the provisions of the North American Regional Broadcasting Agreement, Habana, 1937, but in case of conflict the terms of this Interim Agreement shall prevail.

ARTICLE XVII

This Interim Agreement shall be in force for a period of three years commencing March 29, 1946, unless before its expiration there shall be signed and ratified a new North American Regional Broadcasting Agreement.

ARTICLE XVIII

This Interim Agreement shall remain open for signature by the Government of the Republic of Haiti, a signatory to the North American Regional Broadcasting Agreement, Habana, 1937.

In witness whereof the respective respresentatives have signed this Interim Agreement in duplicate, one in English and one in Spanish, each of which shall remain deposited in the archives of the Government of Cuba and a certified copy of each of which shall be forwarded to each Government.

Done at Washington, this 25th day of February, 1946.

ANNEX I

USE BY CUBA OF CLEAR CHANNELS

Cuba may operate Class II unlimited time stations on the following clear channels assigned to Class I–A stations in other countries, subject to the conditions of operation, power and limitations hereinafter specified:

Frequency (kc)	Location	Maximum Power at Night	Type of Antenna	Limitation to Specified Contour or Maximum Radiation (mv/m unattenuated field at one mile) in Direction Indicated
640 (U.S.)	Province of Habana	25 kw	Directional	225—Los Angeles, California. See* 392—U.S. Class II Stations. 500—St. John's, Newfoundland. The interfering signal at this station's 0·477 mv/m 50% sky wave contour shall not exceed 0·025 mv/m 10% of the time.
670 (U.S.)	Province of Oriente	1 kw	Directional	45—Chicago, Illinois. See*.
690 (Canada)	Province of Habana	25 kw	Directional	Signal at Canadian Border shall not exceed 0·039 mv/m 10% of the time. Maximum limitation 2·5 mv/m to XEN.
730 (Mexico)	Province of Oriente	10 kw	Directional	175—Cabo Catoche, Quintana Roo. See**. Maximum limitation to CKAC, Montreal, Quebec 2·5 mv/m ground wave contour.
740 (Canada)	Province of Habana	10 kw	Directional	Signal at Canadian Border shall not exceed 0·050 mv/m 10% of the time. Maximum limitation to KTRH at Houston, Texas 2·25 ground wave contour.
800 (Mexico)	Province of Oriente	250 kw	Non-Directional	75—Cabo Catoche, Quintana Roo. See ***. Maximum limitation of 2·5 mv/m ground wave contour of CHRC, Quebec, Quebec; CJAD, Montreal, Quebec; CKLW, Windsor, Ontario; CHAB, Moose Jaw, Saskatchewan.
830 (U.S.)	Province of Habana	1 kw	Directional	42—Minneapolis, Minnesota. See*.
850 (U.S.)	Province of Oriente	2 kw	Non-Directional	200—Denver, Colorado. See*.
860 (Canada)	Province of Habana	15 kw	Directional	Signal at Canadian Border shall not exceed 0·030 mv/m 10% of the time.
890 (U.S.)	Province of Camaguey	1 kw	Directional	35—Chicago Illinois. See*.

* The interfering signal shall not exceed 0·025 mv/m 10% of the time at night at the present 0·4 mv/m 50% contour of the respective U.S. Class 1–A stations.

** In any case, in order to prevent objectionable interference, the station at Holguin must reduce radiation so as not to exceed 10% of the time, one-twentieth of the signal of XEX at any point in Mexico.

*** In any case, in order to prevent objectionable interference, the station at Oriente must reduce radiation so as not to exceed 10% of the time, one-twentieth of the signal of XELO at any point in Mexico.

ANNEX 2

Use by Cuba of Special Class II Stations on Regional Channels

In addition to others specified in Table V, Appendix I of the North American Regional Broadcasting Agreement, Cuba may operate Special Class II stations on the following Regional Channels, subject to the conditions of operation, power and limitations hereinafter specified:

Frequency (kc)	Location	Maximum Power at Night	Type of Antenna	Maximum Limitations to Class III Stations to the Contour Indicated Below
590	Province of Habana	25 kw	Directional	Uniontown, Pennsylvania (WMBS) 1·6 mv/m Austin, Texas (KTBC) 3·0 mv/m Kalamazoo, Michigan (WKZO) 1·12 mv/m Omaha, Nebraska (WOW) 1·0 mv/m Boston, Massachusetts (WEEI) 1·0 mv/m Mexico, D.F. (XEPH) 1·83 mv/m
600	Province of Oriente	10 kw	Directional	Winston Salem, North Carolina (WSJS) 1·7 mv/m Memphis, Tennessee (WREC) 0·9 mv/m Baltimore, Maryland (WCAO) 1·0 mv/m Bridegport, Connecticut (WICC) 1·0 mv/m Merida, Yucatan (XEZ) 1·8 mv/m
630	Province of Santa Clara	25 kw	Directional	Washington, D.C. (WMAL) 1·0 mv/m St. Louis, Missouri (KXOK) 1·04 mv/m Providence, Rhode Island (WPRO) 1·0 mv/m Monterrey, Nuevo Leon (XEFB) 2·5 mv/m
790	Province of Habana	2 kw	Non-Directional	Memphis, Tennessee (WMC) 1·6 mv/m Norfolk, Virginia (WTAR) 1·4 mv/m Mexico, D.F. (XERC) 1·0 mv/m
910*	Province of Habana	10 kw	Directional	Richmond, Virginia (WRNL) 2·35 mv/m Johnson City, Tennessee (WJHL) 3·48 mv/m Meridian, Mississippi (WCOC) 5·60 mv/m
920	Province of Camaguey	10 kw	Directional	Providence, Rhode Island (WJAR) 1·0 mv/m Fairmont, West Virginia (WMMN) 1·1 mv/m Atlanta, Georgia (WGST) 2·4 mv/m Little Rock, Arkansas (KARK) 1·0 mv/m Hermosillo, Sonora (XEBH) 1·0 mv/m
950	Province of Habana	2 kw	Non-Directional	Houston, Texas (KPRC) 1·7 mv/m Spartanburg, South Carolina (WSPA) 2·5 mv/m
		10 kw	Directional	Ciudad Trujillo, D.R. (HIX) 2·4 mv/m
960	Province of Camaguey	2 kw	Non-Directional	Roanoke, Virginia (WDBJ) 1·2 mv/m Birmingham, Alabama (WBRC) 1·6 mv/m Nuevo Laredo, Tamaulipas (XEFE) 1·0 mv/m
		10 kw	Directional	Veracruz, Veracruz (XEU) 1·0 mv/m

*Cuba agrees to make every effort to reduce as much as possible the interference to the three above U.S. Class III stations using this Regional Channel.

ANNEX 3

North American Regional Broadcasting Engineering Committee

A. The members of this Committee shall be appointed by their respective Governments under such circumstances and for such periods as each may decide. The first meeting of the Committee shall be convened before June 1, 1946 by the member appointed by the United States of America for the purpose of electing a chairman, and of adopting rules of practice and procedure to be followed in the performance of the functions hereinafter set forth. These rules shall include detailed requirements as to the methods of measurements, and other matters of importance to the Committee. The rules will be distributed to all interested Governments.

B. This Committee shall, whenever a request is made by any signatory or adherent to this Agreement, perform the following duties:—

1. Inspect new installations or changes in existing facilities prior to regular operation to insure that adequate provision is made to prevent radiation toward other countries in excess of the acceptable maximum.

2. Investigate whenever observed interference indicates the possibility of maladjustments of radio transmitting equipment, and recommend adjustments or modification to insure that the specified radiation in pertinent directions is not exceeded.

3. Investigate whenever observed interference indicates the possibility of other maladjustments of transmitting equipment resulting in objectionable interference from causes such as excessive frequency deviation, excessive modulation, spurious emissions, or other causes and to recommend all necessary adjustments or modifications to eliminate such interference.

C. Upon receipt of a notification for construction of a new station or changes in facilities of an existing station in another country, any Government receiving such notice may request that prior to regular operation there shall be an inspection by the North American Regional Broadcasting Engineering Committee. As construction nears completion, but prior to operation, the Government of the country in which the station is located shall notify the Government of the country requesting the inspection that the installation is ready for inspection. The representatives of these Governments on the Engineering Committee will then make immediate arrangements for inspection of the facilities.

D. When any Government signatory or adhering to this Agreement has reason to believe that interference in excess of that permitted by this Agreement is being caused to any station located in that country as a result of the operation of a station located in another country signatory or adhering to this Agreement, such Government shall notify its representative on the North American Regional Broadcasting Engineering Committee and the Government of the country in which the alleged interfering station is located that it has reason to believe that excessive interference is being caused and shall state the general character of such interference. On receipt of the notice, the Government to which it is addressed will refer the same to its committee member. Within ten days the interested committee members shall meet at the location of the alleged interfering station and make such measurements as appear necessary to determine material facts upon the issues raised in the complaint.

E. In the event the Government requesting an inspection or investigation or the Government of a country in which an inspection or investigation is requested does not have a representative on the North American Regional

Broadcasting Engineering Committee, such Government shall designate a committee representative to serve for the particular case. In any case where neither Government is represented on the standing committee, both shall designate committee representatives for that purpose.

F. In making field intensity measurements or inspections, committee members shall be governed by the standards of good engineering practice accepted by the Committee.

G. Each committee member shall be individually provided by his Government with appropriate items of radio measuring equipment or apparatus properly calibrated in accordance with mutually acceptable standards.

H. Where examination shows that the construction referred to in Paragraph "C" hereof is in accordance with the notification, and that provisions have been made for protection in accordance with the notification, the Committee will so report to the Government of the country in which the station is located and at the same time communicate a copy of such report to the Government or Governments requesting the examination. Where the examination indicates that the construction is not in accordance with the notification, or that provisions have not been made for protection in accordance with the notification, the Committee shall make such report to the Governments together with recommendations as to changes of construction, modification, or adjustments of circuits necessary to comply fully with the notification.

I. Where measurements are made following a complaint by a signatory or adhering Government, the results of such measurements with recommendations of the Committee members shall be communicated forthwith to the interested Governments.

J. Upon receipt of a report that inspection of facilities shows that adequate provisions have not been made to prevent radiations in excess of the accepted maximum with recommendations as to measures necessary for correction, the Government of the country in which the facilities are located shall take steps to see that the necessary corrections or adjustments are made prior to operation of the facilities.

K. Upon receipt of a report indicating that interference investigated is, in fact, excessive, the Government of the country in which the interfering station is located shall immediately take steps providing for the elimination of such interference. If the interference found by the Committee cannot be eliminated within ten days by adjustments of equipment, the power of the offending station shall be reduced as much as is necessary to eliminate such interference.

L. Where the committee members of the interested Governments do not agree as to their report or recommendations relating to inspection of new or changed facilities, or upon the investigation of an interference complaint, each committee member shall make a complete report covering all material facts with respect to the matters under consideration and such recommendations as he may believe proper, transmitting the same immediately to the interested Governments. Copies of both reports shall be referred to the full committee. The full committee shall review the case and make such additional investigations as it may deem necessary and then report its findings and recommendations to the Governments of the stations concerned in the matter. Upon receipt of such recommendations, the Government of the country in which the facilities concerned are located shall take such steps as is necessary to comply with the recommendations of the committee. If the interference found by the committee cannot be eliminated within ten days by adjustments of equipment, the power of the offending station shall be reduced as much as is necessary to eliminate such interference.

APPENDIX E

CODE OF ETHICS

ADOPTED BY THE CANADIAN ASSOCIATION OF BROADCASTERS
FEBRUARY 17, 1943

Preamble

Realizing their responsibility is first to the radio listeners of Canada for the dissemination of information and news, the supplying of entertainment varied to meet the various tastes of listeners and the necessity for ethical business standards in dealing with advertisers and advertising agencies, the clauses of this Code are recognized and adhered to by the member stations of the Canadian Association of Broadcasters.

Clause 1—The Listening Public

Recognizing the varied tastes in entertainment of the listening public and realizing, under the present structure of the broadcasting industry, the impossibility of various broadcasting stations devoting their programming exclusively to satisfying the likes and desires of any one group of listeners, it shall be the responsibility of member stations to so programme the broadcast day that, as far as possible, all groups of listeners shall have some part of the programming devoted to their special likes and desires in proportion to the relation of the numbers of each group to all other groups. It shall be the responsibility of the member stations to meet such requirements through the best programmes that available talent and ingenuity can devise.

Clause 2—Community

It shall be the responsibility of each member station to serve to the utmost of its ability the interests of its particular community and to identify itself with all worthwhile community activities.

Clause 3—Religion

Recognizing the purpose of the religious broadcast to be that of promoting the spiritual harmony and understanding of mankind and that of administering broadly to the varied religious needs of the community, it shall be the responsibility of each member station to ensure that its religious broadcasts, which reach men of all creeds and races simultaneously, shall not be used to convey attacks upon another race or religion.

Clause 4—Education

While recognizing that all radio programmes possess some educational value, member stations will do all in their power to make specific educational efforts as entertaining as possible. To that end, they will continue to use their time and facilities and to co-operate with appropriate educational groups.

Clause 5—Children's Programmes

Recognizing that programmes designed specifically for children reach impressionable minds and influence social attitudes and aptitudes, it shall be the responsibility of member stations to provide the closest possible supervision in the selection and control of material, characterizations, and plot. Nothing in

the foregoing shall mean that the vigour and vitality common to a child's imagination and love of adventure should be removed. It does mean that programmes should be based upon sound social concepts and presented with a superior degree of craftsmanship; that these programmes should reflect respect for parents, adult authority, law and order, clean living, high morals, fair play, and honourable behaviour. Such programmes must not contain sequences involving horror or torture or use of the supernatural or superstitions, or any other material which might reasonably be regarded as likely to over-stimulate the child listener or be prejudiced to sound character development. No advertising appeal which would encourage activities of a dangerous social nature will be permitted.

Clause 6--News

It shall be the responsibility of member stations to ensure that news shall be presented with fairness and accuracy and the member station shall satisfy itself that the arrangements made for obtaining news insures this result. It shall also ensure that news broadcasts are not editorial.

This means that news shall not be selected for the purpose of furthering or hindering either side of any controversial public issue, nor shall it be coloured by the opinions or desires of the station management, the editor or others engaged in its preparation or the person actually delivering it over the air.

The fundamental purpose of news dissemination in a democracy is to enable people to know what is happening and to understand events so that they may form their own conclusions and, therefore, nothing in the foregoing shall be understood as preventing news broadcasters from analysing and elucidating news so long as such analysis and elucidation is free of bias.

News commentators as well as all other newscasters shall be governed by these provisions.

Clause 7—Controversial Public Issues

Recognizing in a democracy the necessity of presenting all sides of a public issue to their listeners, it shall be the responsibility of member stations to treat fairly all subjects of a controversial nature. Time shall be allotted with due regard to all the other elements of balanced programme schedules, and to the degree of public interest in the questions presented.

Clause 8—Advertising Appeals

Recognizing the service that commercial sponsors render to listeners in making known to them the goods and services available in their communities and realizing that the story of such goods and services goes into the intimacy of the listener's home, it shall be the responsibility of member stations and their sales representatives to work with advertisers and agencies in improving the technique of telling the advertising story so that such stories shall be in good taste, shall be simple, truthful, and believable, and shall not offend what is generally accepted as the standard of morality.

Nothing in the foregoing shall prevent the dramatization of the use, value, or attractiveness of products and services.

While the Food and Drugs Act protects the listener from false and exaggerated claims for drugs, proprietories, and foods, it shall be the responsibility of member stations and sales representatives to work with the advertisers of these products and the advertising agencies to ensure that their value and use is told in words that are not offensive to the average listener.

Recognizing also that advertising appeals or commentaries by any advertiser that cast reflection upon the operation of a competitor or other industry or business are destructive of public confidence, it shall be the responsibility of member stations, so far as it lies within their power, to prevent such advertising appeals or commentaries being broadcast over their stations.

Clause 9—Fair Business Practices

Recognizing the importance of the service which broadcasting renders to the citizens of Canada and the importance of building the broadcasting industry on a sound basis of fair dealing, it shall be the responsibility of member stations

To deal fairly with advertisers and all others desiring to use their facilities and, within the time limits imposed by broadcasting, to make their facilities equally available to all who may desire them without favouritism or bias.

To maintain free enterprise and fair competition within broadcasting and as between broadcasting and other entertainment or advertising forms and to oppose all harmful monopolies, public or private.

To set and maintain high business standards.

To uphold and adhere at all times to their published rates and to refrain from any covert or secret bonusing or rebating to advertisers, agencies, or other users of the broadcasting medium.

SESSION 1946

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 8

THURSDAY, JULY 18, 1946.

FRIDAY, JULY 19, 1946.

WITNESSES:

Mr. Harry Sedgwick, President of Rogers Broadcasting Co. Ltd. and Colonel B. de F. Bayly, Consultant Engineer, Toronto.
Mr. G. C. W. Browne, Acting Controller of Radio, Department of Transport.
Mr. Ralph Staples, President of The Co-operative Union of Canada.
Mr. Charles E. Phillips, Secretary-Treasurer of Canada and Newfoundland Education Association, Toronto.

OTTAWA
EDMOND CLOUTIER, B.A., L.Ph., C.M.G.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

MINUTES OF PROCEEDINGS

THURSDAY, July 18, 1946.

The Special Committee on Radio Broadcasting met at 10.30 o'clock a.m., Mr. Maybank, the Chairman, presiding.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Hansell, Knight, Laurendeau, Maloney, Maybank, McCulloch, Mullins, Nixon, Pinard, Robinson (*Simcoe East*), Ross (*Hamilton East*), Ross (*St. Paul's*), Smith (*Calgary West*).

In attendance: Officials of The Canadian Broadcasting Corporation; Messrs. Browne and Caton of the Radio Division, Department of Transport; Mr. Guy Herbert, Toronto; Mr. Joseph Sedgwick, K.C., legal counsel of CAB; Mr. Harry Sedgwick, Manager of CFRB; Mr. J. E. Rogers of the Rogers Radio Broadcasting Company; and Col. B. de F. Bayly, consultant engineer.

The Chairman made a verbal report of the last meeting of the Agenda Committee, and read a telegram addressed to Mr. McCulloch, a member of the Committee. He also referred to communications received by himself and the Clerk. It was agreed that these should be placed before the Committee at an appropriate time.

Certain publications of the CBC International Service were distributed as follows:—

1. Policy, interpretations, rulings, etc.
   (*Printed as Appendix C to minutes of July 5*)
2. Reports from overseas listeners.
3. Canada's Voice to the World (E.F.)
4. Topics for week ending July 6.
5. Canada's Loudest Voice.
6. A first Album of Canada's music.
7. CBC Staff Magazine (Vol. 1, No. 5, March, 1945).
8. Canada New Voice by Gerald Noxon.
9. Broadcasts from Canada.
10. Canada Calling by Earle Birney.
11. Voice to the World.
12. CBC Report Card.

Mr. Fleming made corrections to the evidence of July 12. (*See this day's evidence*).

As agreed at the last meeting, Mr. Harry Sedgwick, President of Rogers Broadcasting Co. Ltd. was called. He began by referring to corrections in the evidence of July 12. (*See this day's evidence*).

For the information of the members, Mr. Sedgwick filed with the Clerk a statement forwarded by Mr. Elphicke from Vancouver, being the auditor's statement of income and expenditure to December 31, 1945, of the Western Broadcasting Company, Ltd., with a covering letter from Price, Waterhouse & Co.

Mr. Sedgwick also tabled copies of a statement comparing rates for station time. It was decided to print this table. (*See Appendix A. to this day's evidence*). Copies of quotations from statements previously referred to from the special committees of the House for 1938, 1940, 1942, 1943, 1944 and 1946, of Messrs. Brockington, G. Murray, Dr. J. S. Thomson and Dr. A. Frigon, were distributed.

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Mr. Sedgwick then proceeded to read a statement on station CFRB. He tabled copies of a statement showing the mortality of early radio stations since 1922 and it was agreed that this statement be printed. (*See Appendix B to this day's evidence*). The witness commented on the appendices of his brief and was questioned.

The chairman having to absent himself, Mr. McCulloch presided momentarily.

Col. de B. Bayly was called and examined on the technical aspects of the brief. He tabled a map showing an envisaged coverage for CFRB, if broadcasting on 1010 k.c.

Messrs. Sedgwick and Bayly were retired and the Committee adjourned at 1.00 o'clock p.m. until 4.00 o'clock p.m. this day.

AFTERNOON SESSION

At 4.00 o'clock, the Committee resumed its examination of Messrs. Bayly and Sedgwick.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Hansell, Knight, Laurendeau, Maloney, Maybank, McCann, McCulloch, Mullins, Robinson (*Simcoe East*), Ross (*St. Paul's*).

In attendance: Same as listed at the morning sitting and Mr. A. B. Macdonald, general secretary of the Co-operative Union of Canada.

Mr. Sedgwick was recalled and concluded his comments on the appendices of his brief and was questioned.

Mr. Joseph Sedgwick, K.C., counsel for the CAB, was called, and examined on the minutes of the CBC Board of Governors of November 27, etc., 1945, found on page 148 of the printed evidence.

Mr. Robinson paid tribute to the late Ted Rogers for his contribution to radio.

Mr. G. C. W. Browne, acting controller of radio, was recalled and questioned respecting endorsation of radio licences and Regulation 15 of the Radio Broadcasting Act.

At 6.10 o'clock, the Committee adjourned until Friday at 10.30 o'clock a.m.

FRIDAY, July 19, 1946.

The Special Committee on Radio Broadcasting met at 10.30 a.m. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Hackett, Hansell, Knight, Maybank, McCulloch, Nixon, Robinson (*Simcoe East*), and Smith, (*Calgary West*).

In attendance: Same as listed at the morning sitting of July 18; and Dr. Jean-Marie Beaudet of Montreal, Ralph Staples and A. B. Macdonald of the Cooperative Union of Canada; Mr. Charles E. Phillips of the Canada and Newfoundland Adult Education Association of Toronto.

The Committee resumed and concluded its examination of Mr. Harry Sedgwick.

Mr. G. C. W. Browne was recalled and supplied answers pertaining to a memorandum of the Minister and to matters relevant to regulations. He quoted departmental correspondence and was retired.

Mr. Beaudoin, vice-chairman, occupied the chair in the momentary absence of the chairman.

Mr. Sedgwick was recalled and read a letter addressed to him by the Department of Transport and quoted the endorsation of CFRB licence for 1942. The witness retired.

Mr. Maybank resumed the chair.

Mr. Ralph Staples, president of the Cooperative Union of Canada, was called. He read a brief, was examined and retired.

Before adjournment, Mr. Hansell raised a question of privilege, and at 1.10 the Committee adjourned until 4.00 p.m. this day.

AFTERNOON SESSION

The Committee resumed at 4.00 o'clock p.m.

Mr. Ralph Maybank, Chairman, opened the meeting which was subsequently presided by Mr. Beaudoin, vice-chairman.

Present: Messrs. Beaudoin, Bowerman, Coldwell, Hackett, Hansell, Knight, Maybank, McCann, McCulloch, Nixon, Robinson (*Simcoe East*).

Mr. Charles E. Phillips, Secretary-Treasurer of the Canada and Newfoundland Education Association was called.

The witness read a brief with particular reference to educational broadcasts. Mr. John C. Walsh, assistant superintendent of elementary education for Ontario and R. L. Lambert, CBC supervisor of School Broadcasts assisted Mr. Phillips in supplying answers.

The Committee agreed to include in the record appendices to Mr. Phillips' written statement.

Mr. Phillips tabled for reference the following booklets:

1. Radio-College for 1945-46.
2. School Broadcasts for 1945-46.
3. School Radio Broadcasts (Department of Education of Ontario in cooperation with CBC—October-April, 1945-46).
4. Manitoba School Broadcasts—January to May 1946.
5. Maritime School Broadcasts (Teachers' Manual—October-December, 1945).
6. British Columbia School Broadcasts—(Teachers' Bulletin, January-April, 1946).
7. Saskatchewan School Broadcasts for October, November and December of 1945.

A question of Mr. Knight relating to the proportion of expenses of CBC educational broadcasts was referred to the Canadian Broadcasting Corporation.

At 6.15, the Committee adjourned until Thursday, July 25, at 10.30 o'clock.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,
July 18, 1946.

The Special Committee on Radio Broadcasting met this day at 10.30 o'clock a.m. The Chairman, Mr. R. Maybank, presided:

The CHAIRMAN: I see a quorum, gentlemen, may we come to order. This morning, as you know, we are to hear representatives from station CFRB. There are a few preliminary matters, however, to be taken care of before that. Mr. McCulloch has received the following wire which has kind words in it, I think for you. It is addressed to Mr. Henry B. McCulloch, M.P., and reads as follows:—

HENRY B. MCCULLOCH, M.P.,
Ottawa, Ont.

We would like to convey to your committee sincere appreciation our directors and membership for services rendered fishermen by fishermen's daily broadcast as provided by Canadian Broadcasting Corporation especially mentioning weather reports market information and special features pertaining to the industry urge continuation and expansion of this program.

(Sgd.) J. H. MACKICHAN,
Manager United Maritime Fishermen.

That brings me to say that one of the things which the steering committee has in front of it is a large number of communications which have all been listed. Some of them are constructive criticisms; and I do not think any of them are of the opposite kind of criticism, although there might be one or two. Some of them make definite suggestions and some do not. There are quite a large number of them and they should be brought before the committee. The steering committee gave consideration to the matter and saw some of them. The steering committee thinks that the best way of presenting these communications, —because there are so many of them that they probably could not all be read and placed upon the record verbatum—would be to read, at an appropriate time, some of the representative ones, and list the others. Then consideration was given to the clearing up of such business as we could then see in front of us. It was assumed that most of to-day would be taken up by CFRB, and certainly that the morning would be. We felt that probably the whole day would not be taken up by them, but probably a great part of it would be. Then starting out with that idea, the committee was aware that there were some few people who desired to come and submit what we understood to be short briefs. There is the Co-operative Union and the Canada-Newfoundland Association. I am not sure that I have given quite the correct title to the Co-operative Union. There is the Radio World, a Montreal organization, CFCN of Calgary and Mr. Beaudry, M.P. We were trying to work out a method for bringing them in at the most convenient time. It was the idea of the steering committee that we would try to clear up the various matters which were then in front of the steering committee by the end of next week. This would mean that the CBC would be making its final statement next week, commencing probably on Thursday and carrying on into Friday, or perhaps starting on Friday instead of on Thursday, depending on how things go. We decided to ask the Co-operative Union to be ready to go on on Thursday of this week, that is to-day, following CFRB in case there should be time left to do that. That organization is right

here in Ottawa. Then it was understood that in case we had time, Mr. Beaudet of CFRB should stand by. You will remember that Mr. Bushnell in speaking about broadcasting, said that Mr. Beaudet was in charge of the French network broadcasting and he at that time was in Europe.

Mr. DUNTON: He will not be here to-day, but he will be here to-morrow.

The CHAIRMAN: He would not be here to-day in any event, I am informed, but he would be here to-morrow. So that his standing by, as I have remarked, would not be to fill in to-day but to-morrow. Then these various communications to which I have referred could be laid before the committee in the manner I have suggested. But I should also say that they continue to come in, and whatever is laid before the committee at the present time would probably be supplemented by others. The Canada-Newfoundland Association has been requested to be present on Friday. In this connection it is requested that Mr. Lambert of the CBC be present at that time. That has been understood right along.

There was another matter that I should mention. A gentleman of the press gallery desired to take a picture of the committee and the steering committee directed that he be permitted to do so; but I may say to the members of the steering committee that he has since changed his mind. I do not know whether or not he came in and looked at the committee, and then decided not to. CFCM requested to attend next week. Mr. Beaudry, MP, also could attend next week; and arrangements with respect to both of them were left in the hands of the chairman. It was also decided to ask this committee early in the morning whether it would be desirable to try to work in an additional day next week beside Thursday and Friday; and finally, in reference to all these, it was decided to leave in the hands of the chairman any variations in that arrangement that might turn out to be necessary. So, following upon that we wrote to Mr. Beaudry and said we thought we could take him on Thursday of next week but almost certainly on Friday; and I spoke to Mr. Porter with reference to CFCM. I told Mr. Porter that the committee might decide on a day next week sooner than Thursday and that he would be desired next week, and if that decision were made he mgiht be required for that extra day; that is, early in the week. He said to me that it would not be possible to appear before Thursday because he has to bring people here from Calgary; so I settle with him that he should appear on Thursday unless that at the time it should appear equally convenient for him to be here on Friday.

I believe those are all the things that have to be reported from the steering committee.

Mr. COLDWELL: With regard to the extra day next week?

The CHAIRMAN: That is a point that has to be decided, and there has been something happen since then that may make it quite impossible.

Mr. COLDWELL: If the budget debate is over the House may be sitting in the morning, I believe. That may make it difficult for us to get the extra day.

The CHAIRMAN: As stated by the Prime Minister, he said that morning sittings would not commence until after the budget debate, which is not quite the same as saying they would commence when it is over. There might be a little delay then. We should clear that up one way or the other now, about the extra meeting next week; move we or move we do not.

Mr. COLDWELL: If the budget debate is over and the House is not going to sit in the morning I believe it would be a good thing to take an extra day.

The CHAIRMAN: You also have new committee set up.

Mr. COLDWELL: And you are on that, aren't you?

The CHAIRMAN: I am on that and so is Mr. Smith; and that is the reason he is not here at the present moment. I believe he is attending a meeting of the steering committee of that committee.

Mr. Ross (*Simcoe East*): I am on that one too.

The CHAIRMAN: I might say that when I saw that committee set up I felt much less optimistic about an extra day next week than I did at the time our steering committee was reviewing it.

Mr. FLEMING: I think the only extra day possible next week is Monday.

Mr. Ross (*Simcoe East*): That is going to be a big day in the Industrial Relations committee too.

Mr. FLEMING: Tuesday is so filled up with other committees though.

The CHAIRMAN: I am afraid we will have to hold to the pattern of Thursday and Friday and not try to get an extra day next week.

Mr. Ross (*Simcoe East*): Could we have an evening meeting?

The CHAIRMAN: There is one trouble about that, and that is I think the new committee will also grab some evenings, and it is because of the uncertainty as to what that committee will do and the fact of its importance and the number of our people on it, that I am a little bit leery about trying to make any decision.

Mr. COLDWELL: Could we not leave that to the chairman?

The CHAIRMAN: You can leave that question with the chairman, and I can assure you that he will not make any decision without consulting the steering committee.

Mr. FLEMING: Mr. Chairman, I suggest we leave it, that if we find next week we can work in an evening session and that will enable us to finish our hearings then we can arrange it.

The CHAIRMAN: Would you be willing to leave that in the hands of the chairman? I will not make any decision without checking up with the steering committee.

Agreed.

I mentioned a few minutes ago that Radio World were asking for an opportunity and they were told to appear, that they could appear I think it was Friday. They have replied that they could not do so and they wondered if they might have some other time. It is my belief that every opportunity ought to be given to everybody who has something to say, and while their first communication indicated that they did not care very much whether they came at the present time or not till I thought it was desirable to hold out every opportunity and I asked the clerk if he would wire, and Mr. Plouffe did wire, and he said:—

> If your presentation short committee will hear you Thursday July 25 stop Advise if unable stop Cannot promise for next session.

Naturally we cannot make any commitment in that regard. So that is the situation respecting them, gentlemen.

May I also say that certain CBC publications are available for distribution. There is a list of them here and I think probably if I just file this list it will take care of the whole thing and become part of the record.

As far as I know those are all the preliminary comments that have to be attended to to-day. Has anybody else any preliminary matters to be taken up?

Mr. FLEMING: I would like to mention a couple of corrections in the Minutes of Proceedings and Evidence of the meeting of July 12, page 354, an error in a question I asked. I am quoted here as saying:—

> I would like to ask about a limitation on the annual licence, has it any effect in holding back or restraining the holding back of profits into the business so as to get better results?

What I said was,

> ploughing back of profits into the business.

It is rather different. Then there is a matter on page 363 and page 364 which does not arise out of any question of mine, but I think there is a mistake there, confusion between the CBC and CAB. It appears in the first place at page 363 in the 33rd and 34th lines. Mr. Bertrand is asking:—

> Do the CBC stations individually think they are paying too much to the CBC for their lines?

I think that obviously should be:—

> Do the CAB stations individually think they are paying too much to the CBC for their lines?

Then the same error appears on the following page at the very top. It now reads:—

> Therefore an advertiser can buy through the CBC a radio station at a smaller card rate than the published rate of the station, whereas in all cases they pay the full card rate for a CBC station.

Again I think in the first place "CBC" should be "CAB".

The CHAIRMAN: Yes, that would appear to be so.

Mr. HANSELL: That is correct as it is.

Mr. COLDWELL: I think that is correct.

Mr. FLEMING: I do not follow that because Mr. Bertrand goes on to ask:—

> Could you explain why there is the differential?

Mr. BERTRAND: And if the CAB had complaints against the CBC on their charges.

The CHAIRMAN: This is a statement of Mr. Soble, is it not?

Mr. FLEMING: Yes.

The CHAIRMAN: One comment I am able to make is that he looked over this before it was printed and placed his O.K. upon that. I missed some of what you were saying, and I thought the way you presented it you were right, but Mr. Dunton has just commented to me that is correct. That is what was intended, so in view of the fact Mr. Soble read it over I think probably your correction is not apt.

Mr. FLEMING: The correction is necessary on page 363 though.

The CHAIRMAN: Yes, you and Mr. Bertrand were in agreement there.

Mr. BERTRAND: My question should have been:

> "Do the CAB stations individually think they are paying too much to the CBC for their lines?"

The CHAIRMAN: Obviously that was an error. Is there any other preliminary matter? Then, gentlemen, as you know we have allotted our time this morning for representations by CFRB. I do not know how that is to be handled, whether Mr. Harry Sedgwick will do it by himself or will it be Mr. Joseph Sedgwick?

Mr. HARRY SEDGWICK: It will be I.

Harry Sedgwick, President, Rogers Radio Broadcasting Co. Ltd., called.

The CHAIRMAN: The floor is yours. You have been here at our meetings, and you will remember that the attitude of the committee has been that if a witness feels he can do better sitting down or standing up it is strictly up to the witness to do as he sees fit.

The WITNESS: Before I start my presentation I should like to ask that a correction be made on page 326 in last week's meeting where in the third para-

graph I am quoted as saying that I work for a station which is owned by a newspaper. I said: "I work for a station which is not owned by a newspaper." I do not want to be on record as saying that I work for a station owned by a newspaper.

By Mr. Hansell:

Q. Whereabouts is that?—A. Page 326.

The CHAIRMAN: That is what you said and the "not" was left out.

The WITNESS: Then there were two or three things you asked the CAB to provide which we did not have before us at the last meeting. I am now in a position to provide them. This came to me this morning air mail from Vancouver. It is Mr. Elphicke's auditor's statement of his operations since he has operated the station in 1941, the last five years. I only have two copies which I should like to file with you.

The CHAIRMAN: May I interrupt you there? Gentlemen, with reference to that statement of Mr. Elphicke's it is something which is available for members, but you will recall that Mr. Elphicke indicated that in filing any papers of that sort he desired confidentiality, so that naturally it would not become a part of our record.

Mr. FLEMING: Should it even be filed then?

The CHAIRMAN: Well—

Mr. COLDWELL: It should be placed in the keeping of the clerk.

Mr. FLEMING: Without being filed, because if it is on file it is subject to inspection.

The CHAIRMAN: It is not to be filed and become a public document. It is only available for members of this committee. Mr. Plouffe, you can handle it in that way. XYZ Radio Company could not send in here and ask to see that.

Mr. COLDWELL: That is fair.

The WITNESS: I know Mr. Elphicke said he had no objection to filing it, and as he has now gone back west this came to me air mail to-day, and my instructions were to present it.

The CHAIRMAN: I only feel that it is our responsibility to make sure he is protected.

The WITNESS: There were some other tag ends. You will recall we had not before us a breakdown of the network rate of CFNB in Fredericton, N.B. I have here a single sheet. It is a breakdown of how that network rate is arrived at starting with the figure of the hourly programme rate and breaking it down to the amount that the station gets for a 15-minute programme, which I think members asked to see.

The CHAIRMAN: Apparently there are many copies.

The WITNESS: There are enough for everybody here.

The CHAIRMAN: That document will be distributed as we go along.

The WITNESS: Then we quoted from a quote, as a matter of fact, in our brief by Mr. Brockington. There was some question as to whether we were correct in our quotation so we went back to the original minutes of March 25, 1938, page 32. Here are enough copies of the original quota together with other quotes dealing with the commercial policy of the CBC which I should also like to file. Those are the tag ends of last week's efforts.

The CHAIRMAN: Thank you.

The WITNESS: If I may I should like to present the brief for CFRB.

Mr. HANSELL: Before you do that I was particularly interested in the breakdown of the network rate. Will that be distributed?

The CHAIRMAN: It is being distributed.

Mr. HANSELL: Will it be put on the record?

The CHAIRMAN: I do not see any objection to that. It is a one page proposition, too. Would it be your pleasure that in addition to distribution this should become a part of and be incorporated in the record. If there is no objection we will call that a decision right now.

(See Appendix A)

Mr. FLEMING: What about the last filing of extracts from Mr. Brockington's evidence? Should that be a part of the record? Could we see it?

The CHAIRMAN: It is not a short thing like the other. I would suggest to you that there is a reason for that not becoming a part of the record although it might be offered to us for distribution. It deals with a quotation upon which questions were asked and it appeared that there was some misunderstanding about the quotation. So far so good. If it was a mere correction of the quotation it could quite properly become a part of the record, but there are additional quotes. It is apparently, as you might say, additional argumentative material, if you might put it that way. That did not become a subject for questioning as all the rest of the brief did. Therefore I should think it would not be appropriate to have it as a part of the record because it is not a part of the record, do you see?

Mr. FLEMING: Just looking over it I see that it consists of extracts from proceedings of the corresponding committee in other years. I take it those are relevant and perhaps have more than ordinary interest. If you feel there is some special reason why they should not be made a part of the record I would offer the suggestion that we have a note on the record of the reference to the year and page of the proceedings of the various extracts here so that it will then be available for reference for the future.

The CHAIRMAN: Would this take care of it, that Mr. Sedgwick file this quotation and in addition draw attention to such and such other quotations, printing the first one which is to clear up any possible misunderstanding, and then not the other ones to which he at the same time drew attention.

Mr. FLEMING: I would think we ought to have at least that in view of the difficulty there has been in getting copies of the proceedings of some of these committees of other years. Personally I cannot see any great objection to putting the whole thing on the record.

The CHAIRMAN: You must understand from the way I have been speaking I am not endeavouring for the moment to rule against it. It did seem to me that it hardly was appropriate for it to become a part of our record, but I do not want you to understand that I am sort of taking an arbitrary stand and ruling against it. If the committee really thinks that it ought to be on the record I certainly would be the last one to object.

Mr. FLEMING: It consists entirely of extracts from evidence taken by the committee on the CBC at earlier sessions of the House.

The CHAIRMAN: The point is clear to you all. What would be your desire?

Mr. FLEMING: I would move that we print it.

Mr. SMITH: Why can you not simply have Mr. Sedgwick refer to the proceedings of 1936, page so and so?

The CHAIRMAN: That was my suggestion, but Mr. Fleming thinks that is hardly ample.

Mr. COLDWELL: I think that is enough.

Mr. SMITH: I do not even know what it is, but if we have a note of it we can find it.

The CHAIRMAN: Mr. Fleming, it would appear that most others think that way, unless you want to make a motion on it.

Mr. FLEMING: Oh no, we are going to have a reference to the year and page. I will not press my point.

The CHAIRMAN: Very good. It is always well if we can get unanimity on any point as we go along.

Mr. FLEMING: I believe we are in harmony.

The CHAIRMAN: The most harmonious crowd I have ever seen, I am sure that we are ready to hear Mr. Sedgwick, are we not?

Mr. NIXON: Would it not be better if he sat around next to you and faced this way?

The CHAIRMAN: How is that? They want the light of your countenance.

The WITNESS: Possibly if I stood up they would see more of it.

The CHAIRMAN: You have complete freedom.

The WITNESS: Mr. Chairman, I am the president of Rogers Radio Broadcasting Company Limited, that company being a wholly-owned subsidiary of Standard Radio Limited, being in fact the only asset of that company. The relations between the two companies—the reason for there being two companies—I shall deal with later in this brief.

I have been in the broadcasting business since 1931—always with my present company, except for some three years between 1942 and 1945 which I spent in New York as director of the Canadian Wartime Information Board there—an honorary position which the Prime Minister asked me to accept and which took almost all my time during those years. Prior to 1931 I was for over ten years in the motion picture business. Thus, in one way or another I have had some twenty-five years' experience in the entertainment field.

COMPANY'S HISTORY

As to my company, its history may have some interest for this committee and may have some bearing on the arguments that I propose to present. Mr. Ted Rogers, a young Canadian electrical engineer, who from his schoolboy days had been an enthusiastic amateur radio operator, invented and constructed a practical radio vacuum tube for use in radio receiving sets, which made possible the operation of such sets directly from the electrical house current. Prior to this all radio receiving sets had operated on batteries. In the spring of 1925 Standard Radio Manufacturing Company, Limited was incorporated and financed by the late Mr. Albert Rogers, the father of Mr. Ted Rogers and Mr. J. Elsworth Rogers, and that company manufactured radio receiving sets known as "Rogers Batteryless Radio Sets." These sets were the first radio receiving sets operating directly from the electrical current anywhere in the world and were first offered to the public in August of 1925. It was not until nearly two years later that other radio manufacturers produced comparable sets. The call letters of our station, "CFRB," were so chosen because the letters "RB" stand for "Rogers Batteryless." At the time of the formation of the company, the Rogers brothers were both in their twenties. Mr. Ted Rogers died in 1939; his brother, J. Elsworth Rogers, who served in the armed forces in both wars, was recently discharged from the R.C.A.F., and is now, as he has been since the death of Mr. Ted Rogers, president of the parent company, and is actually engaged with CFRB as director in charge of engineering.

I mentioned above that I would explain the reason for the existence of the two companies, Standard Radio Limited, the holding company, and Rogers Radio Broadcasting Company, Limited, the operating company. The name of Standard Radio Manufacturing Corporation, Limited, was changed in 1928 to Rogers Majestic Corporation, Limited, and an issue of shares was made to the public.

It had two principal activities, firstly the manufacture of radio receiving sets and parts, and other electrical devices, and secondly the operation of broadcasting station CFRB. In 1941 the company disposed of its manufacturing interests entirely and since that time has had no interest other than the broadcasting operation. Rogers Majestic Corporation Limited had for some years operated its broadcasting activities by means of a subsidiary, Rogers Radio Broadcasting Company, Limited, and as the shares of Rogers Majestic were in the hands of the public it was a logical arrangement to change the name of Rogers Majestic Corporation, Limited to Standard Radio Limited, and distribute amongst the shareholders the monies received from the sale of the manufacturing business, leaving the shareholders with their stock in Standard Radio Limited, which still carries on as a parent company of Rogers Radio Broadcasting Company, Limited.

Mr. SMITH: I think if you went a little slower we could follow you better and you will make it easier for yourself.

The CHAIRMAN: You must remember you have lots of time. You have complete freedom and all the time there is.

The WITNESS: Thank you, sir.

The present manufacturers of Rogers Majestic receiving sets, etc., are in no way connected with the broadcasting station; there is no interlocking of directorates, and so far as I am aware no common stock holding. I say so far as I am aware, because Standard Radio has some 1,200 shareholders, scattered all over Canada—and of course I am not personally acquainted with all of them. The stock of Standard Radio is listed on the Toronto Stock Exchange, and no single individual shareholder holds more than 10% of its stock. It is in the true sense a publicly-owned company, and I, in appearing here, do so on behalf of all the shareholders of the company, some at least of whom were directly responsible for the establishment of the broadcasting business in this country and of the related radio set manufacturing business.

To go back a little—I have said that the Rogers Company was formed in 1925—originally to make and sell radio receivers. When the company tried to sell sets they found, however, that by no means everybody even in the Toronto district could regularly hear any radio station, so they set up broadcasting facilities, late in 1926, to serve among others the buyers and prospective buyers of their sets. At the time broadcasting licences were going begging. The government, not anxious to spend the public money in experiments, was glad to have private interests take the risk, and one heard nothing then about the frequencies belonging to the people of Canada as such. Anybody could have a broadcasting licence that wanted one and by no means everybody was willing to take the risks involved, or to put up with the continuing deficits which the operation of a station involved. It must be borne in mind that government radio did not enter the field until private radio, with its own money and by its own wit, had made the experiments, had paved the way and had, in fact, shown that the thing would work. To-day—when broadcasting seems to the ill-informed a lush pasture, I find some periodicals describing private radio interests as "exploiters of the public domain." When we started in this business, many people thought us fools to invest time and money in so visionary an enterprise, and it is easy now for those who never lifted a finger or invested a dollar to help create this modern miracle, to indulge in cheap sniping at those who did work and risk, and who made it succeed.

Look at the list of the persons and companies that had broadcasting licences in the early and middle twenties, and ask where are so many of them now and why did they drop out? They gave up their licences because they wouldn't spend the money needed to stay in the business—they lacked courage, hope and faith. I do trust that people are not to be penalized because, in the hard days,

they had those virtues. I say in passing, that in the days of struggle my Company had no Government subsidy and it has never to this day had a single dollar of public money. On the contrary, as I shall show, we have contributed hundreds of thousands of dollars to the public purse. Sober thought on these facts may lead one to think that we are entitled to praise rather than abuse; to some small measure of credit for what we have done.

At this juncture I would like to show you a list of the radio station licences that were issued in Canada between 1922 and 1926 with a notation as to how many of them have since dropped out of the field. For example, I believe the first station licence was issued in 1922 to the Winnipeg *Free Press* and it closed down the next year. In 1922 there was a long list of station licences issued, most of which have since been closed. There are three of them still in operation that were issued in 1922 out of about 20 that were issued. In 1923, 12 licences were issued and only two of them survived, CKY, Winnipeg and CFQC, Saskatoon. In 1924, 13 licences were issued and there are now only 3 surviving. In 1925, 9 licences were issued, and among those there are 3 surviving. In 1926, 23 licences were issued and there are 7 surviving from that group. I should like to file that as a statement of what happened to licences issued in those early days.

The CHAIRMAN: There is a copy of that statement for everybody.

Mr. SMITH: That should be a part of the record.

The CHAIRMAN: I think so. If you agree that will be distributed and will become a part of the record of today's proceedings as an appendix. (Appendix B).

Some Hon. MEMBERS: Agreed.

The WITNESS: As to the broadcasting activities of my company we received our original licence in 1926, and opened our first transmitter on a power of 1,000 watts on April 1, 1927.

This is a departure from my brief. I have the original licence here for 1927. The licence sets forth my coverage which is 100 miles, according to the licence which I have before me here, for a station called 9-RB at 1,000 watts.

By Mr. Fleming:

Q. Were there any clauses in that licence saying it should be annual only in those days?—A. Yes, all licences have always been annual. It is given for one year, 1927-28, and it commences on the 1st of April, 1927, and terminates on the 31st of March, 1928.

On April 25, 1928, we had by then erected a new transmitter and increased our power to 5,000 watts, and operated on that power until we built transmitter No. 3, which commenced operations on Nov. 2, 1931, on a power of 10,000 watts and the wave length of 690 kc. We operated on that wave length at that same power continuously 16 hours a day until the 29th of March, 1941, when we changed to the wave length of 860 kc., the wave length on which we are presently operating. In the ten years intervening we built and operated a further transmitter, so that in all we have used four transmitters during the operations of this station in the 19 years we have been on the air. In 1931 the wave length of 690 kc. was a high-powered channel, and as every radio engineer will confirm, 690 is a far better frequency than 860. In 1941, when CFRB was moved to the frequency of 860 kc., with the same power, 10,000 watts, we suffered an immediate reduction in our coverage area. I believe that CFRB is probably the only station in the whole of North America still in operation that has since 1931 failed either to increase its power or to improve its position on the dial. On the contrary, we have now diminished coverage from that we enjoyed up to March, 1941.

It will be observed that CFRB was moved from 690 to 860 in 1941—when nearly every station in North America changed its frequency consequent upon

the implementing of the North American Radio Broadcasting Agreements (generally referred to as the Havana Agreement.) Let me say a word about that agreement. It is often argued that at Havana certain cleared channels were allotted to Canada—and that therefore such channels belong inevitably to the publicly-operated system. Nothing of the kind is true. All channels are allotted to countries, of course, but the agreement says nothing about how they shall be used in such countries—and as this Committee well knows in all other countries signatory to the agreement the channels are used by private interests. The truth is that the primary consideration at Havana was to protect broadcasting in all the signatory countries *as it was then constituted.* And it was the fact that CFRB had since 1931 occupied and used the frequency of 690 as a high-powered channel that enabled Canada to secure that frequency. That frequency, by the way, is now being operated by a station owned by the Canadian Broadcasting Corporation.

At that time there was one other station operating in Toronto on a high-powered channel, that station being CKGW, operating on a power of 5,000 watts on the frequency of 840 kc. In the period between 1931 and 1941 the Canadian Radio Commission acquired station CKGW and it has now become CBL, and as of the implementation of the Havana Agreement changed its frequency from 840 kc. to 740 kc., at the same time that CFRB was changed from 690 kc. to 860 kc. CFRB was left at its power of 10,000 watts and CBL has been increased since to 50,000 watts.

When CFRB was given the wave length of 860 instead of 690, we presumed that during the good conduct that would be our permanent position on the dial, and that we would be permitted, nay forced, to occupy the channel up to its minimum requirement of 50,000 watts. There was no hint to us in 1941 that the frequency was being reserved for CBC, or that the frequency was being assigned to us either temporarily or conditionally. In fact, under date of Feb. 4, 1941, we received the following message from the Radio Division of the Department of Transport, Ottawa:—

> GA4 15 63 NL—Ottawa Ont 4
>
> 1941 Feb 4 PM 7.50
>
> The Manager
> Radio Stn CFRB Rogers Radio Broadcasting Co. Tor.
>
> Pursuant to the final allocation made at Washington January thirtieth nineteen forty one under the provisions of the Havana Agreement the frequency of your station will be eight hundred sixty kilocycles and the changeover will take place at three a.m. Eastern Standard Time March twenty ninth next failure to effect change on above date will necessitate closing down station until change is made.
>
> (Sgd.) Radio Transport.

You will notice, gentlemen, that is pursuant to the final allocation.

Not until 1945 was anything said to us, or any notation made on our licence, to indicate the contrary. I shall be glad to produce to this Committee all our licences as issued since 1941; also, as some mention has been made of the correspondence between my company and CBC and the department on this question, I should be glad to produce that also; indeed I think it well that the Committee see the correspondence if they are to fully understand what has transpired. I have not by any means said all that could be said on this question of frequencies—but I hope that what has been said will encourage some curiosity on the part of members of the Committee—and to the extent of my power I shall be glad to satisfy such curiosity.

By Mr. Robinson:

Q. Are you going to file those licences now, Mr. Sedwick?—A. They are my only copies. They are the originals. They are all there for inspection. I have the quotations and the letters that came from the department. I shall refer to them later.

By Mr. Pinard:

Q. The licence is always issued annually?—A. Always has been issued annually.

By Mr. Fleming:

Q. Are you putting in the letters?—A. The correspondence is behind this brief, which is fairly short. It looks long but it is not very long. You will find the letters behind this brief.

Q. You are going to refer to those later?—A. That is right. Would you like me to refer to them now?

Mr. COLDWELL: Later.

The WITNESS:

Now, before I deal with the public service that CFRB does—and has always done—may I defer to questions that have been asked here and say something about our profits. There has never been any mystery about them. As I have said, the stock of our Company is listed on the exchange. Attached to this brief will be found a summery of my company's profit or loss during each of the years 1927 to 1945 inclusive. I have said that prior to 1941 Standard Radio had both manufacturing and broadcasting interests—and all the revenue of the company went into the consolidated revenue, and all outgo, including managerial and executive expense, and taxes, was paid thereout. Broadcasting was up until 1941 a department of an over all radio company, and I find it impossible to separate our broadcasting profits or losses from those of the manufacturing and distributing end of our business as it then was—so all I can give is the net result—the business being then one business, completely interlocked. Since 1941 we have had no interest but broadcasting, and the figures since that year show what we have made from that activity. It will be observed that we kept for our shareholders much less than we paid to the government in taxes; I am proud to be able to say to this Committee that during the war years we paid to the government some $575,000.00 in taxation, the amount retained barely covering our dividend of 40 cents per annum. We have been paying dividends on this company's stock at the rate of 40 cents per year since July 1, 1941.

Let me say just a word about our staff. CFRB is on the air at the present time 127 hours each week. We employ a full time staff of announcers, engineers, programme personnel and office workers. In addition, we employ over the course of a year hundreds of entertainers, artists and part time workers, a great number of whom also work on the other privately-owned and CBC-owned stations in this district. All of our artists and announcers are paid as a minimum the union scale of wages. Dr. Frigon has mentioned that the CBC employees are well paid. I think I can say without fear of contradiction that the employees of CFRB are equally well paid. We provided all of our employees with two weeks' holiday each year with pay, and have always, when we made profits, paid bonuses at Christmas time equal to two weeks' salary. During the war we paid salaries and bonuses as high as the wartime regulations permitted. We have in effect a liberal pension plan, to which the company contribute 50 per cent and the employees 50 per cent. We carry group insurance on all our employees, and we have never since I have been the managing director of the station deducted a penny of salary from any employee by reason of inability to attend

to his work due to ill health, no matter how long such disability continued. All of these things require money, and we try to earn it, but we have never starved or underpaid our employees in order that our shareholders may get larger dividends. I believe that our employees are as happy and contended and well paid as any company's in Canada, and we have had neither strikes nor threats of strikes since we commenced broadcasting.

Last year this station spent on sustaining programmes $82,840.00, in addition to which talent was used on this station and paid for by advertisers and agencies amounting to approximately $220,000.

Public Service

I would like to dwell for just a minute on the public service rendered by our station, and will say at the outset that ever since this station has been in business it has never neglected or refused to co-operate with every civic, provincial or Dominion project, welfare, charity, or educational, and we have given of our time freely through all the years to every one of these worthwhile projects. I am attaching to this brief copies of some thirty-odd letters out of the many hundreds we receive annually from organizations that we have served, and also a summary of our public service operation, in addition to which I am attaching separate reports covering public service activities, such as the Noon-hour Farm Broadcast, Report from Parliament Hill, Ontario Panorama, Hi-Variety, etc., and from that the members of the Committee will be able to judge whether or not this station has operated in the public interest. Regarding controversial subjects, we have always made time available for leaders of thought to express themselves, and over the years have operated such types of programmes as "Let's Disagree," in which both sides of controversial subjects were discussed but no decision reached, and a programme that has been currently running, entitled "John Citizen Wants to Know," in which controversial questions that are in the public mind are aired over our station by permitting the leaders of the various schools of thought to answer the same group of questions, have their interviews recorded and played together at the same time on the programme. This programme is not a delegate as such, but it does give an opportunity for leaders in such matters as labour management dispute, liquor question, etc., to air their views fully and freely.

On December 12th and 13th, 1944, Ontario experienced the worst snow storm in its history, and CFRB performed what I consider an unparalleled job of public service. At that time in Toronto and the area surrounding it papers were not being published, power and telephone lines were in many cases cut off, milk and bread were not being distributed, and traffic was completely held up. Our announcers and engineers in some cases ploughed for miles through several feet of snow to get to their jobs, and CFRB was on the air as usual, but we completely ignored our regular broadcasting schedule and devoted our time to keeping the public informed as to what they should or should not do. Mothers were advised where they could get emergency supplies of milk. Employees were advised whether or not they should attempt to get to work. Hourly changes of conditions of travel were reported. We co-operated with the churches, the service clubs, the day schools, the Bell Telephone Company, hospitals and funeral agencies, and the civic and provincial officials. During one broadcasting day of December 12th we made over 1,400 free announcements over this station. We carried the major features of the newspapers, who were unable to publish, and wherever necessary cancelled all of our commercial activities.

May I, without immodesty, say a word about my own public service activities, which are of course connected with my duties as President of CFRB. I have mentioned my work with the Canadian Wartime Information Board in New York, a job which I have no doubt I was asked to take because of my long

and friendly relations with theatrical, press and radio interests in the United States. I have served as Chairman of the Radio Committee of the Red Cross; in a similar position for the Salvation Army, the Canadian Legion War Services Fund, and during the war I was at various times while in Canada a Director on the Radio Committee of National War Finance in connection with the sale of war savings certificates and victory bonds; I have been consulted on countless occasions, and have almost invariably assisted, in connection with charitable drives and public service campaigns, and the time of CFRB and its staff has always been available for every good cause. These various chores were handed to me, not because my name is Harry Sedgwick, but because I was the President of a popular broadcasting station and because they sought the use of my facilities and my assistance in mobilizing the private radio industry throughout Canada in the interests of their various worthy causes.

What activity is there—in the public interest—that CBC can carry on using our frequency of 860 kc. that CFRB is not already doing? I have said before and I repeat here, that from the standpoint of public service, of service to the community in which we are, we do more than either of the CBC stations with which we compete.

At this juncture it might be of interest to you to compare our operations with those of CJBC, which is the CBC station on which I understand the CBC would like to move our wave length. In the first week of July, 1946, I have analysed the programmes of CFRB as opposed to CJBC, and here they are:—

CFRB	CJBC
Religious Broadcasts	
3 hours 25 min. (gratis)	½-hour recordings
2 Church Services	1 programme of religious music
Organ Music	
Choir Singing	
Hymns	
Daily "Victorious Living"	
Sustaining Public Service Broadcasts (not including spot announcements)	
5 hours	2 hours 15 min.
Columbia Symphony Orchestra	"Operation Crossroads"
Outdoor programmes—fishing, Hunting, etc.	Canadian Yarns
	Talk on Tokyo Radio
Report from Parliament Hill	High School News
Gardening	
Ontario Holiday	
Better Business Bureau	
Book Reviews	
Hi-Variety	
Sustaining News and News Commentaries	
6 hrs. 0 min.	4 hrs. 48 min.
American Network Commercials	
11 hrs. 45 min.	9 hrs. 30 min.
Canadian Commercials	
31 hrs. 20 min.	30 minutes
American Network Sustaining	
27 hrs. 40 min.	34 hours
Recorded Programmes	
47 hrs. 50 min.	46 hrs. 05 min.

CFRB is on the air 127 hrs. 05 min. of the week and CJBC 117 hrs. 36 min.

It might be also interesting to this committee to see what public reception our two stations have in the Toronto area. According to the Elliott-Haynes Research Organization survey of listener habits for June, 1946—in the daytime areas, that is, from 9 a.m. to 6 p.m., which is the time surveyed, CFRB is listened to by 19·9 per cent of all the radio sets tuned in in the Toronto area, as against 7·7 per cent listening to CJBC, and in the evening surveyed time, that is, from 6 p.m. to 10 p.m., 27·9 per cent of the sets tuned in in the Toronto area, as against 7·3 per cent listening to CJBC. Possibly you might think that the low rating that CJBC is receiving is because of the strength of its signal in the area that is being surveyed. I find, however, that on Friday, June 26, 1946, the signal strengths of CFRB and CJBC were measured by an R.C.A. field strength meter at ten scattered points throughout Toronto, with both transmitters operating under normal conditions, and the signal strength of CJBC was over 2½ times as great as that of CFRB.

As to our physical facilities, CFRB operates from the address of 37 Bloor Street West in Toronto, and there are located our four broadcasting studios, the largest of which seats approximately 275 people at capacity. We have as far as has been possible over the past years kept our equipment completely up to date, and have a very excellent record as regards time lost on the air due to equipment failing. We have on hand one of the largest libraries of music in Canada, which we continually add to, and which we have insured for $50,000 and would probably, in fact, cost much more than that to replace. We also maintain a modern, up to date and complete library of electrical transcriptions and gramophone records, and subscribe to four of the most popular library services. We have in our news room the news services of the Canadian Press and British United Press.

Our transmitter is located just south of Aurora, approximately 22 miles from Toronto, and is on a piece of property approximately 28 acres in extent, which property is company-owned, and our transmitter is housed in buildings which were erected some seven years ago.

We have also operated since Feb. 11, 1931, short wave station CFRX, on a frequency of 6070 kc., and since January 1, 1941, an experimental FM station, VE-9AK, on a frequency of 43·4 megacycles. Both the short wave and the FM operation of course are of no commercial value, but the short wave operation was started in order to try to provide an additional service into the Northern part of Ontario, which in those days was not served by any radio stations, and the experimental FM station was operated in order to procure as much information as we could for our engineers and operators as to the problems involved in FM operation.

It may be thought by this committee that the mere matter of switching frequencies is a simple and inexpensive matter. I would like to point out to you that for our station to move from its present wave length of 860 kc. to any one of the four frequencies that have been suggested to us would entail a cost of upwards of $300,000 at the very minimum. None of the frequencies suggested could be operated from our present location. That would mean that we would have to buy new land, and it has been suggested that we buy land in the vicinity of Niagara-on-the-Lake, where the annual line haul from studio to transmitter would be increased from approximately $2,000 per year to approximately $8,000 per year. We would have to purchase new property and would require approximately the same acreage as we now keep, if not more, because the question of directional antenna then arises. We would have to acquire new antennas, which are very costly, build new buildings, and purchase a new transmitter. All of this would merely end up by our having a reduced audience and with a competitive commercial station occupying the place of business which we at present occupy.

May I be permitted to speculate as to just what the CBC would do with the frequency of 860. I think it is obvious from figures I have produced to

you that their lack of audience in the Toronto area on CJBC is not due to any lack of signal strength, but must only be due to their programme policies. What the CBC, however, want from us is the programme on which we have in large part built our audience. Not very long ago the CBC made overtures to the Columbia Broadcasting System suggesting that they cancel their contract arrangement with station CFRB and contract instead with CBC. Such a move would be disastrous to us. We have had a contract with the Columbia Broadcasting System in operation continuously for 17 years. We supported this contract in the poor and unprofitable days when we were receiving an average of only one-half hour of revenue from the Columbia Broadcasting System in any week. Both Columbia and ourselves have advertised programmes which we got from them, and we have come to be looked on in the area which we serve as an affiliate of the Columbia Broadcasting System, where such programmes of the type of the New York Philharmonic Symphony Orchestra, the Prudential Hour, the Lux Radio Theatre, etc., are to be found. The loss of this Columbia contract to us would be an extremely serious business, and in addition would place an undue concentration of U.S. Network programmes in the hands of the CBC. They are already affiliated with the National Broadcasting Company and with the American Broadcasting Company, and programmes in large number from both of these networks are carried on both CJBC and CBL.

As to coverage, the frequency of 860 on a power of 50,000 watts will not reach one additional listener not already reached by station CBL with a power of 50,000 watts on a wave length of 740 kc. It would be difficult for us to complain if the CBC said they needed the wave length of 860 kc. in order to provide a service to listeners in some of the more distant parts of Canada where there is very little radio service, and according to the charts published by the CBC there are large areas of Canada where they have no radio penetration at all, but it is hard to figure out just why the CBC, already occupying one of the most desirable wave lengths on the spectrum, that of 740, with a power of 50,000 watts, should require another 50,000 watt station to duplicate their service, when they are apparently unable out of their present resources to even fill a substantial portion of the national network headed by CBL with other than programmes of gramophone records. It is also hard to understand why CBC should want two 50,000 watt transmitters operating in Toronto alone, while it only operates three 50,000 watt transmitters in all the rest of Canada, one at Sackville, N.B., one at Watrous, Sask., and one at Montreal.

In conclusion, I think that my presentation to the committee amply supports the following statements:

(1) That this station is a pioneer in the broadcasting field in Canada and has taken a major part in the development of the art.

(2) That we have since its inception rendered an all-out public service, and that from the facts that I have given and the reports and letters which I have appended to this brief I can support the contention that no station could have done more than we have done to fulfil our obligation to the listeners.

(3) That there has been no public demand from among the areas served by this station for its removal from its present wave length, nor, per contra, has there been any public demand that the CBC operate another high-powered station in this area reaching only the same listeners as are now served.

(4) That never at any time prior to 1945 was CFRB notified that it was merely holding its wave length on a temporary or conditional basis other than the conditions imposed on all licence holders under the Radio Telegraph Act.

(5) That within the area jointly served by CFRB and the two CBC-owned stations, CBL and CJBC, the listeners substantially prefer the operations of CFRB, as demonstrated by the various survey figures.

(6) That the CBC's interest in the wave length of 860 is not for the purpose of expanding its national network coverage into areas which it does not now adequately serve, but it is designed to take over for its station, CJBC, the audiences which CFRB has developed on the wave length of 860, and the Columbia Broadcasting System's programmes which have been associated with this station continuously by contract for some 17 years.

(7) That the listeners cannot be better served than they are at present by the manner in which CFRB has conducted its operations over the years, at no cost but at considerable profit to the public treasury.

That, gentlemen, is my submission.

The CHAIRMAN: And speaking my own opinion only, Mr. Sedgwick, that is a very fine statement. I have no doubt, however that others will agree with me in that.

Mr. FLEMING: Might I suggest that Mr. Sedgwick go through these appendices to his brief with us? Apparently we should look these over before we start our questioning.

The CHAIRMAN: Yes. Mr. Sedgwick would you turn your pages making comments that occur to you?

The WITNESS: Yes, sir. The financial statements speak for themselves. I do not particularly care to elaborate on them. There they are.

ROGERS MAJESTIC CORPORATION LIMITED

	Gross Income less Sales Tax	Net Profit or Loss	Taxes Paid
1927	$ 507,619 62	$ 33,050 70	$ .....
1928	1,094,748 63	240,632 50	.....
1929	2,048,189 01	190,278 78	22,037 84
1930	3,983,467 80	245,007 83	42,154 07
1931	3,179,327 72	190,999 64	15,014 05
1932	1,814,966 85	305,253 84-L	7,866 77
1933	1,129,011 02	459,157 93-L	418 77
1934	1,215,532 46	69,663 13-L	322 18
1935	2,677,544 77	2,830 99	826 39
1936	3,362,450 81	3,720 58	2,047 62
1937	3,378,086 43	129,651 00	29,815 96
1938	3,348,966 07	139,787 72	27,812 60
1939	2,908,237 18	164,483 32-L	2,168 23
1940	3,096,880 27	67,595 61	25,238 82
1941	2,236,144 18	37,517 15-L	2,321 72
	$36,081,172 82	$207,479 98	$178,045 02

"L" indicates "Loss".
Compiled by A. S. Mann on June 20, 1946.

RESUME OF OPERATING PROFITS — YEARS 1942-1946 INCLUSIVE

	Gross Income	Net Profit	Taxes Paid or Provided For
1942	$ 480,154 38	$106,156 15	$105,938 60
1943	478,921 63	86,848 11	108,300 00
1944	514,235 71	71,732 24	150,000 00
1945	542,177 47	69,787 04	149,000 00
1946	511,241 46	77,728 26	62,000 00
TOTAL	$2,526,730 59	$412,251 80	$575,238 60

Then we turn to page 22 where you will find the commencement of the correspondence between the CBC and CFRB. The first intimation we received of the change by way of official communication was in our renewal licence. The first official notice we had that there was to be a change of wavelength was contained in a letter of April 18, 1946, from the Deputy Minister of Transport. We had considerable correspondence with CBC prior to that and perhaps I had better give that in chronological sequence up to these letters of March and April. I may say that sometime early in last year I went down to see the

Board of Governors and there we made representations on behalf of CKY and CFCN (Calgary) and CFRB for the right to increase our stations' power from I think it was 10 kilowatts for CFCN, and to 50,000 for CFRB. We went down there to make representations and to ask the CBC to authorize us to increase our power up to the limit provided by the Havana Treaty. We had made many representations before. We had appeared before the Board of Governors of CBC on many occasions, and we had always contended that it was not in the interests of Canada that this power should be frozen, that every station had the right to use its channel up to the maximum provided by the Havana Conference. Through all our negotiations we had with CBC, and notwithstanding all the representations we had made and the requests we had made for an increase in our power, there was at no time one single mention of the fact that we were occupying these channels temporarily. It was not until some time after that that we received a renewal of our licence bearing this notation: I will read it to you. This was the notation on a licence which was received on May 15, 1945, and this was the first time that it had ever appeared. This is a copy of the licence issued to CFRB expiring the 3rd day of March, 1946, and it contains this notation:

> The frequency of 860 kilocycles per second being a clear channel is definitely reserved for the National System of Broadcasting; this station is authorized to use this frequency provisionally until such time as it may be required for the use of the Canadian Broadcasting Corporation.

That was the notation received on the licence and that is the first time that we ever had any suggestion that the CBC had any intention of taking over our frequency.

Mr. ROBINSON: Where does that appear?

The WITNESS: That is on the original licence issued to us.

Mr. ROBINSON: Is that on the licence?

The WITNESS: Yes, and that is the first time that statement ever appeared on any of our licences.

By Mr. Coldwell:

Q. Might I ask a question there, Mr. Sedgwick? At parliamentary committees in former years has it not been frequently stated that in good time the CBC would build additional stations across Canada and carry out the intentions of the Act, which are indicated quite clearly? It was contemplated that CBC would be the dominant radio corporation, and that the only coverage in Canada for private stations would be local communities, that private stations would continue to exist for that purpose. Was it not contemplated that the Havana channels would be used by the CBC? I recollect that in 1942 this matter came up, that the Havana channels, the clearest channels, would be taken over by the CBC.—A. That is right, sir; but never at any time was there any suggestion that either the CBC or anyone else should use these channels with the result of having two clear channels in operation by the one organization in any one given area and only three or four other high-powered stations for the rest of Canada. That is the real point in the case. That there never was any suggestion that they would be operating two 50,000 watt stations in the one area. They originally contemplated the use of seven high-powered stations, one in each of the provinces and one for the Maritimes, which make up the seven.

By Mr. Hansell:

Q. May I refer to the letter of November 6, 1945, which you received from the Canadian Broadcasting Corporation, the second paragraph of which reads in part as follows:

> As you are aware we have always had in mind the construction of a chain of highly powered stations across the country.

Would your contention be that as CBC already had a high-powered station in that area, your area, that your frequency is not necessary to build a chain?—A. I think so, sir, because they have published and advertised the fact that the Trans-Canada network of the CBC, which as you know includes a combination of publicly and privately owned radio stations used for network purposes and public services, gets a coverage of about 94 per cent, and that is about optimum.

Q. Then the purpose for which they require your frequency, I take it to be your contention, is for some object other than that of completing their chain?—A. I think so, sir. Yes.

Mr. KNIGHT: I think you gave the reason on page 19 of this report where you say:

> (6) That the CBC's interest in the wave length of 860 is not for the purpose of expanding its national network coverage into areas which it does not now adequately serve, but it is designed to take over for its station, CJBC, the audiences which CFRB has developed on the wave length of 860, and the Columbia Broadcasting System's programmes which have been associated with this station continuously by contract for some 17 years.

Now, I was wondering about that. I mean, I would like to have that clarified. Possibly I did not understand it, but it seems to me to mean that people are such creatures of habit that they would continue to tune in to a particular wavelength even though they do not like the program on it, just as though your station happened to be there and had not moved to some other point on the spectrum.

The WITNESS: To some extent, but you must remember that the radio receivers to-day have developed a very great deal from what they were a few years ago. A very large percentage of radios to-day are operated by push buttons, and it takes a service man and it costs you money to change the setting of your push buttons. With us 860 is our place of business. It is not so serious for us to move from our place of business, but when you move us from our place of business and at the same time take away from us those programmes with which we were doing business, then it becomes a different and more serious matter to us.

Mr. KNIGHT: People don't like the programmes on CJBC, that is the only conclusion to which we can come.

The WITNESS: I say they don't like them as well as they like my own.

Mr. KNIGHT: I see, and if they do like the programmes on CFRB then all they have to do is to have their push buttons changed over to the new place which you occupy on the spectrum. If, as you say, they prefer your programmes are they not going to be rather reluctant to tune in on other stations which happen to occupy a wavelength you formerly had. All they have to do is turn the dials over to the wavelength of the new station. Is my argument logical?

The WITNESS: No, it is not quite as simple as that. I will not probably even get a push button. My station will be off completely so far as audiences go, and so far as I am concerned; unless the individual is willing to engage an engineer to change the set-up of his push buttons.

The CHAIRMAN: I suppose it is something like as though you had a taxicab. And the taxicab operator likes to have his own telephone number, and particularly would not wish to switch to another number and have another taxicab company come in and take over his old number.

The WITNESS: That is very true, sir.

The CHAIRMAN: And, if the public did not follow you quickly you would have to rebuild all that you have already built up in the past.

The WITNESS: That is true.

The CHAIRMAN: Although if a new person, say the CBC came in on your wavelength with equally good programmes to those which you are now giving, the public would probably stay with the CBC station, if it gave equally good programmes?

The WITNESS: Yes.

The CHAIRMAN: But if they did not then the public that has gotten used to your good programmes would try to find out where you were, and after a while go back to you.

The WITNESS: I hope they will; but here we have them taking over our wavelength, and coupled with that the suggestion that they take over the Columbia programmes which we have been carrying for 17 years continuously. That makes a very serious difference. Moving my place of business is of itself not so serious, but when along with that they suggest taking from me the things with which I have been doing business, that becomes a very serious matter. In addition to that there is another factor to be considered, that under the proposed reallocation my station would be of necessity put to very considerable cost, I would have to spend a lot of money to get another place in which to do business. It is not as simple as it was a few years ago when all you had to do was to buy a new crystal costing you a mere $200 or so.

Mr. FLEMING: I was wondering, Mr. Chairman, would you not continue going through the appendices instead of taking questions now.

The CHAIRMAN: I was wondering that myself.

Mr. FLEMING: Would it not be better to go right through them before we start questions. We will get sidetracked if we do not.

The CHAIRMAN: Your thought then was that Mr. Sedgwick should turn the pages and make comments upon this material as he goes along?

Mr. FLEMING: Yes.

The CHAIRMAN: Let me point out this difficulty to you, Mr. Fleming, if you do that we might not be able to go back and amplify questions. It is not like a case where you have a written brief or statement, you have oral answers to questions which arise out of that which is here.

Mr. SMITH: Do we not take note of the questions as we go along?

The CHAIRMAN: Oh, yes; that is what I thought in the beginning, Mr. Smith. Except for purposes of clarification, we will hold back questions as Mr. Sedgwick turns the pages of these appendices to his brief.

The WITNESS: I was dealing with this question of our negotiations with CBC in the matter of the status of our station, and I was about to refer to the letter of November 6, 1945 from Doctor Frigon. That will be found on page 22 of the brief and it reads as follows:—

CANADIAN BROADCASTING CORPORATION

November 6, 1945.

Office of the
General Manager,
Ottawa.
DEAR Mr. SEDGWICK:

Our Board of Governors will meet on November 27, 28 and 29. The agenda includes the matter of the construction of 50 kw. transmitters on Class 1A channels.

As you are aware, we have always had in mind the construction of a chain of high powered stations across the country, required for the operation of our networks. As your station CFRB occupies a Class 1A channel in the Toronto area, you may wish to submit your views on the matter.

If you so desire, will you please be available in Ottawa during the three days mentioned above, so that you may be given the opportunity to appear before the Board at a time which will be decided upon at an early stage of the meeting. If inconvenient for you to be in Ottawa on those days, you may wish to send your brief giving your views and which will be submitted to the Board.

Yours sincerely,

(Sgd.) AUGUSTIN FRIGON,
General Manager.

Harry Sedgwick, Esq.,
Managing Director,
Radio Station CFRB,
37 Bloor St. West,
Toronto, 5, Ontario.

I would like to point out, gentlemen, that there is no suggestion in that letter that they intend to use the frequency 860 in Toronto, where they already have a 50 kilowatt station. We attended before the Board and presented by way of reply a very substantial argument or statement of our case, but we heard nothing further from either CBC or the Department of Transport; but we did summarize what we had tried to say to the Board in a letter dated December 3, addressed to Mr. Dunton. I think it was Mr. Dunton's first appearance presiding as chairman of the Board of Governors. I will read that letter:—

CFRB

ROGERS RADIO BROADCASTING COMPANY LIMITED

37 Bloor Street West,
Toronto, December 3, 1945.

Mr. A. DAVIDSON DUNTON,
Chairman, Board of Governors,
Canadian Broadcasting Corporation,
140 Wellington Street,
Ottawa, Ontario.

My dear Mr. Dunton:

While I do not think it necessary for me to go over all the matters that were advanced by our Counsel and myself at the meeting with your Board on Tuesday of last week, there are a few things that I do think should be made of record at this time.

(1) Radio Station CFRB, one of the pioneer stations of Canada, received its licence in July, 1926, and has been broadcasting continuously since then.

(2) From 1931 to 1941 CFRB broadcast on the frequency of 690 k.c., and power of 10,000 w. a clear channel.

(3) Following the ratification of the Havana Agreement in March, 1941, CFRB was instructed to change to the frequency of 860 k.c., a clear channel, with the same power, 10,000 w. The change from the lower frequency to the higher frequency resulted in a considerable loss of coverage to the station.

(4) When the frequency of 860 k.c., was assigned to CFRB, nothing was said about the assignment being either temporary or conditional and it was presumed by the officials of the company that the frequency of 860 k.c. had been secured for CFRB in the negotiations preceding the Havana agreement. CFRB had, for many years prior to 1941 and before the Canadian Broadcasting Corporation was in existence, occupied a clear channel, and in all countries signatory to the Havana Agreement the occupants of clear channels were protected in their position. Not until 1945 was it even hinted that the channel was one that was being held for the ultimate use of a Corporation station.

(5) From 1941 on CFRB repeatedly requested permission to increase its power to 50,000 w., being the minimum power which the channel of 860 k.c. calls for under the Havana Agreement. During the war it would have been difficult, and maybe impossible, to secure the equipment necessary to effect the increase, but I always urged that permission to increase the power should be given so that the increase could be made as soon as the equipment did become available. On April 7, 1945, Mr. J. Ellsworth Rogers; our Counsel Mr. Joseph Sedgwick, and myself appeared before the Board of Governors to urge that permission should be forthwith given to the station to increase its power, and following that meeting, on April 14, our Counsel forwarded to Dr. Frigon, in triplicate, a brief setting out in writing the arguments that we had made before the Board.

(6) CFRB is now, and always has been, ready, willing and anxious to make the considerable capital investment that will be involved in the increase of power from 10,000 w. to 50,000 w. on the 860 frequency. Thus the Canadian Broadcasting Corporation and the Government will be relieved of any obligation to make any capital expenditures in order to preserve for the Canadian public the full occupancy of this frequency, and there will be no need to expend public funds for that purpose.

I am setting out the above facts so that it will be quite clear that CFRB has done everything in its power to see that the full use of the 860 channel is preserved for Canada, and if for any reason the channel is lost to Canada, or the use thereof is diminished, the responsibility will not be that of my company.

During our discussion with your Board, Dr. Frigon said, and repeated many times, that there was no intention to hurt CFRB. I take this to mean that any solution reached will not involve any reduction in the present coverage area of the station. The best engineering advice that I can secure leads me to believe that the only way in which it is presently possible to preserve to the station the coverage area that it now has, is by permitting the station to remain on the frequency of 860 k.c. which it now occupies.

Yours very truly,

H. SEDGWICK, (Sgd.)
President.

The CHAIRMAN: Mr. Beaudoin is not present. Would you occupy the chair, Mr. McCulloch? I have to leave for a few minutes to attend to another matter.

Mr. Maybank retired and Mr. McCulloch assumed the chair as Acting Chairman.

The WITNESS: On page 25 you will see the reply we received from Mr. Dunton. It reads:—

CANADIAN BROADCASTING CORPORATION

OFFICE OF THE CHAIRMAN

OTTAWA, ONTARIO,
December 14, 1945.

DEAR Mr. SEDGWICK,—I am glad to have your letter of December 3 in which you mention various points regarding the position of station CFRB. These, together with the representations of yourself and your counsel at the Board Meeting last week, will be useful and will be kept very much in mind.

I know I can assure you that both the Board and the Management of the Canadian Broadcasting Corporation, while resolved to complete the long envisaged plan for necessary national plan of CBC stations, are determined to make every possible effort to ensure that station CFRB does not lose coverage. We are not in a position to guarantee that such a reduction will not take place; on the other hand, we shall do everything we can to find a solution obviating such a reduction.

Yours sincerely,

A. D. DUNTON, (Sgd.)

HARRY SEDGWICK, Esq.,
President, CFRB,
Rogers Radio Broadcasting Co. Ltd.,
37 Bloor St. W.,
Toronto, Ontario.

I heard nothing more until I received a letter dated April 18, 1946, addressed to Mr. S. Rogers, Secretary, Rogers Radio Broadcasting Co. Limited, reading as follows:—

DEPUTY MINISTER OF TRANSPORT
OTTAWA, CANADA

APRIL 18, 1946.

File: 6206-133

DEAR SIR,—I have to advise that a recommendation of the Board of Governors of the Canadian Broadcasting Corporation that the channel 860 kc. be made available to them for the use of a high power station of their system has been approved. I am accordingly directed to inform you that this channel will no longer be available to your station after June 1, 1947.

CFRB is given the option of four frequencies namely 640 kc., 800 kc., 1010 kc. or 1550 kc., all requiring directional antennas for use with 10 kw.

As the use of some of these frequencies will involve changes of frequency for other stations and in the case of 640 kc. negotiations with the United States, I would request that you make your choice known to the Department with the least possible delay.

Yours very truly,

C. P. EDWARDS, (Sgd.)
Deputy Minister.

Mr. S. ROGERS,
Secretary,
Rogers Radio Broadcasting Co., Ltd.,
37 Bloor Street W.,
Toronto, Ontario.

Following that we reply to Commander Edwards, the deputy minister, and we ask a number of questions. They are:

(1) Would it be possible to operate the transmitter from the present site at Aurora?

(2) If it would not be possible to operate at Aurora, where, in the opinion of your engineers, would the station secure the optimum value from each frequency?

(3) Is the power of 10 kw. a maximum possible power in each case, or could any of the frequencies (indicating them) go to higher power? If so, up to what maximum?

We received an answer to that in reply to the three questions in their order. That is on page 28. We received a reply from the deputy minister in answer to the first question reading:

1. Operation from the Aurora site is permissible provided that adequate coverage and protection can be rendered by the directional antenna which your consultants will design.

By Mr. Smith:

Q. What does that mean? I am not cross examining, but I am sure I do not understand what it means even though others may.—A. I have with me here Colonel Bayly, whom we have consulted as an engineer in this matter. Possibly Colonel Bayly can tell you because sometimes I do not even understand it myself.

Mr. BAYLY: I presume that will be deferred until later on?

Mr. PINARD: It would help if you could give us an idea now.

The CHAIRMAN: Would you mind coming around here so we can all hear you?

Mr. BAYLY: A directional antenna is one which does not radiate power from the station uniformly in all directions. You can so design it that you will transmit a great deal of the power in one direction. In the case of the station at Aurora you might wish to cover Toronto adequately and you would send all your power, or as much as you could, towards Toronto thereby enabling you to put a stronger signal into Toronto and obviously a weaker signal into other areas that were not so important. You have to bear in mind in the designing of them what areas you wish to cover, that is, in what areas you wish your signal to be greater, and you have to bear in mind the areas into which you may not put a signal because of the existence of other stations. If you, for instance, put Aurora on a certain frequency there may be another station in Montreal and you therefore could not send very much power east so as to interfere with the existing station in Montreal. Does that explain it sufficiently?

Mr. SMITH: Yes.

The WITNESS: In answer to question No. 2 the deputy minister says:

2. The departmental engineers are not in a position to answer this question as the answer would be dependent upon the directional antenna design proposed by your consultants for each frequency.

Then the answer to the next questions is:

> 3. The maximum permissible power, which may be used in Canada, on each of the four frequencies, 640, 800, 1010 and 1550 kc. is 50 kw. subject to the engineering standard of the North American Regional Broadcasting Agreement. The use of power in excess of 10 kw. by CFRB would necessitate a recommendation to that effect to the minister by the board of governors of the Canadian Broadcasting Corporation in accordance with the provisions of section 24 (1) of the Canadian Broadcasting Act, 1936.

Those were the questions we asked and those were the answers. In other words, on any of the four frequencies we were offered we are told we can, subject to the recommendation of the CBC, go to 50 kw. on any one of the four. There is other correspondence which I do not think it is necessary to read.

By Mr. Coldwell:

Q. In your last answer you said that subject to the recommendation of the Canadian Broadcasting Corporation you can go to 50,000 watts?—A. That is what the Department of Transport said.

Q. Is it not rather that you might go?—A. It says that the frequency will take that power. It says here:

> The maximum permissible power, which may be used in Canada on each of the four frequencies is 50 kw.—

50,000 watts—

> —subject to the engineering standards of the North American Regional Broadcasting Agreement.

As to those engineering standards I would again have to refer to Colonel Bayly.

Q. I was not thinking of that. I was thinking of the implication of the word "can" and the implication of the word "might". —A. Yes. It says, "may be used in Canada", the maximum power which may be used.

Q. As long as it is understood because there seems to have been some slight misunderstanding in the past as to what the intention was.—A. However, it does definitely say that the use of power in excess of 10,000 watts by CFRB would necessitate a recommendation to that effect by the CBC. Then we reply to Commander Edwards on page 29, and going on to page 30 there is a report on those frequencies that I received from Colonel Bayly. I think I should read it because it has a bearing on the situation.

> Following your letter of May 9, I have been investigating the possibilities of future operation on other frequencies by CFRB. I, however, cannot give any satisfactory answers until I have the following information. This information I presume must come from the CBC.
>
> 640 kc. This frequency is a clear channel at present occupied by KFI Los Angeles as a 1-A Station. Under part II section C-4 (*b*) of the Havana Agreement it is stated "—no other country shall assign any class II station—unless such class II station is located not less than 650 miles from the nearest border of the country in which the class 1-A station is located—." If agreement is to be sought with the United States authorities permitting operation on 640 within the 650 mile limitation, the treaty still provides for a limiting interfering signal at night on 25 microvolts per metre at the U.S. border. If this provision is also to be waived by agreement what interference will be permitted?

These are technical questions which frankly I do not know much about.

Mr. SMITH: I think you had better keep Colonel Bayly up there.

The WITNESS: Might we let Colonel Bayly handle this end of the buisness completely? If he can condense it down to language that ordinary human beings can understand I will be very pleased.

Mr. SMITH: We will tell you whether or not he can when he is through.

Mr. COLDWELL: Ordinary human beings are listening.

Mr. BAYLY: If I may interpret that letter which was not written, of course, for public presentation. It is really a technical letter asking for technical information but I can sum that paragraph up by saying that under the Havana Agreement first of all a 1-A station is assigned to a clear channel which means that normally it is not duplicated within that country, or if it is duplicated it is not duplicated in such a way that it might interfere with that station's operation. It has an absolutely clear transmission in its own right, and nobody else may interfere with it. Under the agreement other stations in other countries may be assigned to that channel provided they do not interfere with the operation of that station in its own country, and to make sure that nothing was done, perhaps on the borderline, a clause was put in that no such station in another country may be closer than 650 miles to the border of the country in which the original station exists. In this case KFI is a clear station in the United States, and therefore under the agreement no station in Canada may be placed closer than 650 miles to the Canadian border. Even if you are 650 miles from the border there is a further clause in the agreement limiting very drastically the amount of signal you may put in at the border. In other words, even if you are 1,000 miles away you are still limited and may not allow more than so much signal to go past the border. You may not increase your power or design directional antenna that place more signal past the border.

What I am asking here is first of all are they willing to negotiate with the United States to waive the 650 mile rule, and if they do are they then willing to negotiate the waiving of the drastic restriction that exists at the border, because being so close to the border in Toronto it would be almost impossible to meet that restriction. Then if they are willing to agree to the release of both of those restrictions what agreement will be reached? In other words, what signal will you be allowed to put out, because until you know that information it is impossible to design any such antenna or any such location. That is the gist of the paragraph dealing with 640 kc.

The next paragraph deals with 800 kc. I will read it to you and try to interpret it.

> 800 kc. If this frequency were made available and CKLW were removed, would CFRB be allowed to cause the same interference to other stations on this channel now caused by CKLW? If this is the case would CFRB be allowed to increase its power beyond 5 kw. meeting the above limitations by means of a directional array?

Let me interpret that. We have a station in Windsor at the present moment that has a great deal of priority. Under the terms of the Havana Agreement it is largely a case of first come first served. You establish a station in a certain area radiating a certain amount of power in certain directions. Other stations subsequently coming on to that channel must protect that station. They must not send a signal towards that station that interferes with its listeners, and they have to put up with the interference caused to them by the existing station. In other words, if I want to put a station on the Windsor frequency a thousand miles away I have to be very careful that I do not interfere with Windsor. I also have to be patient about the interference that Windsor may cause me and I have to put up with it. What I am saying is if they are given the Windsor

station frequency will they be permitted to cause as much interference to other stations as the Windsor station is now causing because putting a new station in under those conditions would be quite prohibitive to two stations, one in Montreal and one in Quebec.

In other words, the new station being closer to Montreal and Quebec it would be very difficult to design a directional antenna giving that protection that the new station would have to give them. They are there already, Montreal and Quebec. If we put a new station in Toronto it would be very difficult to protect them so that you do not interfere with them. However, if you can interfere with them as much as they are now being interfered with by Windsor, which is a private station, it would be possible to erect a station in Toronto. That is the gist of what I am asking there.

I am also asking to increase the power from 5 kw. to 10 kw. provided I meet those limitations and do not cause them more interference than they are now being caused by Windsor. You can do that by increasing the power but at the same time changing the direction in which you send out that power. You send it out in a different direction. I would not in effect be sending any more signal towards Montreal and Quebec than is now being sent by the Windsor station in spite of the fact I had a greater powered station closer to Montreal and Quebec.

Mr. FLEMING: The strength of CKLW is 5 kw.?

Mr. BAYLY: Yes.

Mr. FLEMING: Is CKLW getting off that frequency?

Mr. BAYLY: I was simply giving a stated case if that station removed from the frequency would it be available for CFRB? I have no knowledge whether or not it would. That was given to me as a stated case on which I asked those questions. Then I say:

> If CFRB were permitted this channel and CKLW were removed; unless the same interference caused by CKLW was permitted at least a 4 tower array would be needed and a very narrow field of coverage would be available.

In other words, to protect Montreal and Quebec would leave you an almost insoluble problem in trying to get a signal to cover all of your listeners. You would have to shoot it out towards the north pole where listeners are few and far between.

The next paragraph deals with 1010 kc.

> 1010 kc. (1-A clear channel Canada)
>
> If this frequency is made available to CFRB the following information is required:
>
> 1. What will be service radius of the 1-A station in the West and what interfering signal will be allowed?
>
> 2. Some arrangements have been made internationally to permit WINS N.Y. to go to 50 kw. on this frequency as this is well within the 650 mile limit. What protection have we promised them and what protection have they promised us?

Going back to try to interpret that let me explain that 1-A Canadian channel, 1010, was made a Canadian channel as of first right, and that 1-A channel has been filed in western Canada. It is understood it will be a clear western Canada channel. Therefore nothing that is done in the east may be allowed to interfere with the operation of that channel in the west. It is similar to the case I described a few moments ago of KFI, Los Angeles, only we own this frequency in Canada, However, if a class 2 station sharing that clear channel is set up in Ontario we have to be careful we do not interfere with the station out in the

west. We may not put more than so much signal, but what signal we may put there is a matter of control and interpretation. That is, are we allowed to interfere with the western Canada signal when they get 1,000 miles from that station? In other words, if you are a listener in Winnipeg 1,000 miles away from the station, we will say for the sake of argument, would I be allowed to interfere with the listener in Winnipeg or must I give so much protection that the Winnipeg listener can still listen to the Calgary station without interference from the east? In other words, how much interference and how far away?

Mr. COLDWELL: Is that a real problem?

Mr. BAYLY: Oh, that is a very real problem, indeed.

Mr. COLDWELL: A station in Toronto interfering with a station in the west?

Mr. BAYLY: A very real problem. It does not exist by day but it does exist by night.

Mr. COLDWELL: I have never been able to get a western station in eastern Canada.

Mr. BAYLY: You will never hear that clearly at night because all you would hear would be the interference caused by the station. You have the existing station on the channel so you cannot hear the western Canadian station, but you will hear a little noise in the background especially if you get far enough away from the station. In other words, if you listen to an Ottawa station 100 miles west of Ottawa you will probably hear in the background other stations or other noises. You very rarely realize what they are and think the radio needs to be repaired, but it is interference. That interference may be caused by stations up to 2,500 miles away.

Mr. PINARD: Why more at night than during the day?

Mr. BAYLY: It is hard to answer without getting technical, but let me put it this way. The signal goes up to a layer in the air at night which acts as a reflector. It acts like a mirror and sends it back down to the ground again. That is the principle, I may say, for all long distance communication work. On the broadcast frequencies that does not happen by day. It just happens at night.

Mr. COLDWELL: I have never been able to get a peep from western Canada, and I have got a Rogers Majestic radio set.

The CHAIRMAN: It is possible your set does need repairs.

Mr. BAYLY: If you are interested in this you want to listen on some station to which you are used to hearing and wait until they cut off at night which may be at 1 o'clock in the morning, or around that time. Then you will nearly always hear stations from further west that are still on the air coming in on that channel. You will be surprised sometimes how loud they are, but they are masked normally by the station you are listening to.

Mr. HANSELL: Generally speaking I get what Mr. Coldwell means. We in western Canada even with very good radios seem to be able to get stations from the south and sometimes from the north—there are no northern stations except Edmonton—but we can never get them from the east and west. We never get Winnipeg. Occasionally we will get Vancouver. We never can get them east and west but we can always get them north and south. I have wondered whether the reason for that is the directional antenna of the stations or whether it is atmospheric.

Mr. BAYLY: That is a difficult question. There are so many things come into such a question. There is quite a bit of opinion at the present moment that north and south transmission is slightly different from east and west transmission. I do not think that has a great bearing on what you are concerned with at the moment, but the reason you get the north and south stations there is

a combination of higher power south of you that you have east and west and usually different hours of broadcasting. In other words, at the time of night you hear a long distance from the United States usually the eastern stations have gone off the air. That is not always the case, but the main reason is because the larger stations are south of you. They are much higher powered stations than those to the east or west of you. By day time the listening conditions out in western Canada are rather peculiar in that it has the best ground conductivity of anywhere in the world. In other words, in the daytime a station has a longer radius in Saskatchewan than any other known place in the world, so your listening conditions out there are rather peculiar, anyway. A station that has a radius of several hundred miles in Saskatchewan may only have a radius of several dozen miles or even several miles in the maritimes, so it is awfully hard to get down to dollars and cents in discussing any answer because when you do it becomes very technical and difficult to answer a broad question of that nature. There are so many factors involved.

Mr. HANSELL: It does not matter. Were you through with the letter?

The CHAIRMAN: You were explaining No. 1.

Mr. BAYLY: Yes. Let me explain No. 2. Again the question of priority on the air comes in. There is an existing station on 1010 near Toronto at the present moment. After 1010 was set up in operation station WINS, New York, went on the air, which had to protect the present station on 1010, and which in turn had to put up with the interference that is caused by the existing Toronto station on 1010. However, if you change the ownership or radically change the station that you put on 1010 WINS is now first on the air. Then, would a deal be makable whereby WINS would be content to still retain the same interference it is getting from the present 1010 station or would we have to protect WINS as though we were a new station on the air? I may say I have since received a letter from the Department of Transport, which I do not think appears here, that we would have to protect WINS as though we were a new station.

Mr. FLEMING: Is the power of WINS 50,000?

Mr. BAYLY: Yes. They have a directional antenna which does not send much power in the direction of Toronto, very little power, but that brings up the matter of priority on the air which is very important. If you start changing stations around you will immediately lose some of the existing rights on the air. In other words, if the 1010 frequency is changed the listeners around Toronto are, in the future, going to suffer slightly because of priority on the air, and you lose what priority you have if you put a new station in. That is a matter that we must bear in mind in all these things. It affects the Canadian people as a whole.

The CHAIRMAN: You do not think that the CBC taking that over would exactly step into your shoes?

The WITNESS: Well, in this case we would be stepping into the CBC's shoes.

The CHAIRMAN: And vice versa you do not think so?

Mr. BAYLY: I have a ruling from the Department of Transport saying they do not think that would be the case. In other words, the United States authority would be very diffident about saying, "Well, you have changed the name of this station and changed the ownership but we will call it the same station." I do not think it is likely they would take that attitude. I think they would say, "No, this is a new station; you now must protect us. We were here first on this one." However, I am only a consulting engineer, a technician.

The next point has to do with 1550 kc.

> 1550 kc. This is a 1-B Canada and Mexico. Under the original treaty Mexico was limited to a 20-kw. station. Have there been any further discussions as to mutual protection and if so what are the limitations?

I merely wanted to know that to know whether there had been, as there often is in these cases, a situation where the other government says, "You scratch my back and I will scratch yours". In other words, where both are 1-B stations all countries have rights to the air and the Havana Agreement says that in general it will not be considered that these stations interfere with each other unless you can prove to the contrary. Frequently in these matters before stations are set up there is an agreement reached between the two countries to the effect that "We will say there is no interference from so much power from you and you will say there is no interference from so much power from us", saving future arguments. The answer I received on that one is that as yet there has been no agreement between the countries, and that while we would not necessarily have to erect a directional antenna we would have to design a directional antenna and site large enough to accommodate a directional antenna in case it was subsequently proved we were interfering with Mexico.

The CHAIRMAN: You would have to be prepared?

Mr. BAYLY: Prepared to protect them in the future if necessary. That, of course, I might explain in parenthesis, automatically makes it impossible to operate from Aurora because you cannot cover Toronto from Aurora without a signal sent south. That same signal would interfere with Mexico which is south. You would have to move south or southwesterly from Toronto so you could send your signal by a directional antenna in a northerly direction and cover Toronto without interfering with Mexico.

Mr. FLEMING: Is that the reason for the suggestion that CFRB go to Niagara-on-the-Lake?

Mr. BAYLY: That is one of the reasons, yes.

Mr. HANSELL: I can understand this when you visualize it in a picture, but my difficulty is in the matter of terminology. I do not want to take a lot of time but if you could answer this in a few words there are four terms you used that I have not been able to picture correctly. They are kilowatts, power, signal and kilocycles. Could you define each one of those and tell us the difference? We do not need to take half an hour on it.

Mr. BAYLY: Kilowatts, power and signal for practical purposes you can take as the same thing. In other words, kilowatts mean power. Kilowatts is the measure of power. By "signal" I mean how much power you are placing effectively at the receiving set. In other words, if you are in Toronto listening to a station what I mean by signal is how much power actually comes into your receiving set and therefore how well you are able to listen to it. You might say that is a layman's definition of signal. Kilocycles merely means frequency or, in other words, your telephone number or place on the dial.

The CHAIRMAN: That is 1,000 cycles in how long?

Mr. BAYLY: A thousand cycles in a second is a kilocycle.

The CHAIRMAN: A kilocycle is 1,000 cycles in one second?

Mr. BAYLY: 1,000 vibrations in one second.

Mr. PINARD: What is a megacycle?

Mr. BAYLY: That is a million.

Mr. HANSELL: Let us say a certain station is what is known as a 50-kilowatt station. That means it has 50 kilowatts of power?

Mr. BAYLY: That is correct.

Mr. HANSELL: Going out from it?

Mr. BAYLY: Going out from it.

Mr. HANSELL: Then is that power sometimes increased or decreased?

Mr. BAYLY: No, that radiates away from the station in a gradually dying-off curve just as if you drop a stone in the water you will notice that the waves are big near the stone and as they spread out from the stone they get less and less.

The reason is the same. The wave has had to spread over so much territory as it gets out.

Mr. HANSELL: But in actual broadcasting that is not increased for one-half hour and decreased for the next?

Mr. BAYLY: There is one special type of station you sometimes meet which is licensed for one power by day and another power by night.

Mr. SMITH: Salt Lake City.

Mr. HANSELL: So your signal is the amount of power that is coming in at the receiving end?

Mr. BAYLY: That is correct. I might explain to you one thing, that the ear being what is technically known as a non-linear device, which simply means to the layman the amount you hear is not proportionate to the amount of sound coming in at your ear, in order to make a sound ten times as loud to the ear, you probably need 100 times as much power actually coming into your ear. That is necessary because of the immense range of sounds that exist. The difference between a fly, shall we say, walking and a boiler factory is the fact that the boiler factory is millions or billions of times louder, and if your ear or linear devices accepted the sound proportionately to that boiler factory you would blow your eardrums up and the fly walking would not be heard, so that the ear is a device which narrows the range down and in order to make the ear think it is getting ten times as much sound you actually have to put 100 times as much energy into the sound. That to a certain extend carries over into broadcasting so that you must not be under the impression that a 50 kilowatt station is ten times as good as a 5 kilowatt station. For one thing it does not cover ten times the area, and within that area it certainly does not put in as much more signal as you would think it would. It would not give a signal ten times louder. It would give a signal probably three times louder but, in any event, it would not be apparent to your ear that the change from the 5 kilowatts to the 50 kilowatt station was ten times. You would probably think it was twice as good or something of that nature.

Mr. COLDWELL: Taking a station that has a certain rating of power is it possible by various devices to step up the signal or coverage of that station? We will say we have a station which is normally a 5,000 watt station. Is it possible to give that station a signal and coverage equivalent to a 7,000 watt station?

Mr. BAYLY: In certain directions. That is the property of directional antennaes you see, by concentrating signals in certain directions and ignoring other directions you have the effect of a 50 kilowatt station in one narrow beam.

Mr. COLDWELL: What would be the effect with respect to CFRB in that particular instance? From the surveys I have here the coverage would appear to be about the same as between CFRB and CBL. They apparently cover about the same area although one is 10,000 watts and the other 50,000 watts. They seem to have about the same coverage according to the surveys?

Mr. BAYLY: That, sir, is because there are two factors which come in. Technically we always deal with fixed amounts of power which are arbitrary. For technical purposes in engineering we set up arbitrary standards. Statistically they are quite good, they are based on a pretty fair average. These arbitrary values are what we always use, otherwise we would have a hodge podge of questions as to what area is covered by stations. We set up arbitrary standards by which to determine the coverage of these stations. Also, the personal factor comes in, if you like the programme you will put up with a lot of background noise which you would not put up with if the programme was not so well liked by yourself as a listener. The nearer you are to the station, to the source of the signal, the less the noise will be. The further you are away from the station the more noise you find because of the fact that the strength of the signal is dissipated directly in proportion to the distance of the listener from the station; and, as I

said, the further you are from the station the more noise you have to put up with.

Mr. COLDWELL: Would not the primary coverage of the two stations be equivalent?

Mr. BAYLY: From an engineering point of view, yes, but those surveys you have there are possibly listener surveys. I think likely they are statistical surveys of listeners. Yes, that is a listener survey.

Mr. COLDWELL: Yes.

Mr. BAYLY: And that depends entirely on the desire of people to listen to those programmes. In other words, you have a symphony which you very much want to hear you may be willing to put up with a little more background noise, than you would if you were listening to say "Lum and Abner"; if you got too much noise for your own liking you would simply turn them off.

Mr. COLDWELL: Then they would have about the same primary coverage, and so on.

Mr. BAYLY: If that is based on engineering data, CBL has a much greater coverage than CFRB because of the difference in power, 5 to 1. If it is based on a listening test, engineering throws up its hands and quits, it depends entirely on the desire of the listening public.

The WITNESS: I think that is a table of broadcast measurements, while this is a survey.

Mr. COLDWELL: That is right.

The WITNESS: National Spot is put out in cooperation with advertisers, advertising agencies and everyone interested in broadcasting, trying to get information, a yardstick by which the purchaser of radio time can measure public interest in any particular radio station, instead of trying to rate one station on the basis of an engineering rating and another by listener interest as indicated by telephone calls and so on. In several respects we are trying to set up something similar to the A. B. C. service for newspapers which determines the advertising value of the various papers, so that the purchaser can have a general standard for the whole industry. One way in which to get information for that purpose is through the use of return postcards which are sent out to listeners in the area. They usually ask three things: what stations do you listen to regularly, what stations do you listen to occasionally, and what stations do you not listen to at all. It has nothing to do with engineering standards at all.

Mr. COLDWELL: I notice that the coverage seems to be about the same for CBL and CFRB and I wondered how that was achieved.

The WITNESS: I think Colonel Bayly could probably explain that. Following programmes might be an important factor.

Mr. COLDWELL: Directional antennae would have something to do with it?

The WITNESS: We have no directional broadcasting, no.

Colonel BAYLY: No stations which we are now discussing are equipped with directional antennae.

The WITNESS: There is a difference in location which may account for it in some of the more populous parts of the country. Our station is situated in Aurora while CBL is at Hornsby. Their station is thirty miles from ours, and that probably has an effect on coverage. I presume that both stations were designed to reach clients in the more populous centres. But, take up in the Georgian Bay area, and up there you have not so many people and they do not get the same strength of signal.

Mr. FLEMING: That raises this question, what is the effect of an increase in kilocycles on the general quality of the station? Let us take a hypothetical case of a station with a frequency of 500; would that be regarded as more

desirable from an operator's point of view than one of the other frequencies, let us say 1000?

Colonel BAYLY: I would like to use another stated case on which I have been working. At 10 kilowatts, the present power of CFRB, on its frequency of 860, they get almost exactly the same coverage as 50 kilowatts would give you on 1550. In other words, low frequencies are very much more desirable. There is another thing which enters into that, it is not an engineering question, but engineers have to answer it; there is a certain amount of prestige on the dial in local stations that are mainly up over 1000 kilocycles. You probably have had the experience yourself in checking over stations, that you have to go through a lot of "hash" and "squeals" on a certain part of your dial so you just don't bother going through that unpleasant mess more than you have to, you stay out of it. As I say, that is not strictly engineering but we have to consider it. We do get a certain amount more "hash" in the high frequencies on the dials because there are more local stations and much more interference between 1000 and 1550 than there is either above or below those points.

Mr. FLEMING: So that if CFRB were to move on to 690 to 800 it would be a move not to its advantage?

Colonel BAYLY: That is correct.

Mr. FLEMING: And now, in the letter by the Deputy Minister, Mr. Edwards, to CFRB under date of April 18, 1946, he indicates an option of four frequencies —640 kilocycles, 800 kilocycles, 1010 kilocycles or 1550 kilocycles. One of those alternative frequencies is 640. How would you relate 640 kc. for instance with their present wavelength of 860? Would you say that the frequency 860 is desirable from an operative point fo view?

Colonel BAYLY: It would be very much better if there were not more interference on it.

Mr. FLEMING: In other words, they are not equal.

Colonel BAYLY: They are not equal because of the existence of interference. I may say that on the 21st of June that frequency became unusable because Rochester, U.S.A., was assigned that frequency for a 5 kilowatt station, and that made it impractical and unusable.

Mr. FLEMING: So we may as well take it that the 640 frequency is no longer available, and would not be desirable, as you say, because of interference. What about 860?

Colonel BAYLY: 860 is a clear channel receiving no interference, and you would be limited to the 6 milivolt perimeter on 800, which means in lay terms that you would only be able to listen to that station where it was putting in a very good signal. In other words, you would be able to listen to it twenty or thirty miles from the transmitter at night.

Mr. FLEMING: In other words, the comparison is not equal as between 800 and 860?

Colonel BAYLY: No. If they were both clear channels 800 would be better than 860, but they are not, and the other factors are important.

Mr. FLEMING: How about these other two, 1010 and 1550; they are not as desirable on that basis of the present 860?

Colonel BAYLY: That is correct.

Mr. FLEMING: Then, apart from the question of interference on 1010—

Colonel BAYLY: As I stated, 50 kilowatts on 1550 gives you, all things being equal, about the same coverage as 10 kilowatts on 860.

Mr. FLEMING: And there is the question of interference as well up around 1550?

Colonel BAYLY: Yes. That is the area that is known in radio language as the graveyard.

The CHAIRMAN: That was the explanation of that letter. Do you desire to pass on?

Mr. ROBINSON: There is one point I would like to get clear. You mentioned dropping a rock into water which would create waves which are perfect circles extending outwards. When you broadcast a radio signal, you do not, as I understand it, maintain a perfect circle, you can control the emanations?

Colonel BAYLY: If you use directional antennae. Very few use directional antennae, most of them use the perfect circle.

Mr. ROBINSON: In other words, most of the stations of Canada broadcast perfect circles and do not use directional antennae, but if you wished to use directional antennae you could control your emanations. To what extent could you control them, could you give us that?

Colonel BAYLY: You can make your maximum daytime transmission two or two and a half times greater in the area covered by the beam, and you could from a reasonable point of view reduce the rest of the area to perhaps ten or fifteen per cent of your normal signal strength. But, as I say, you could increase your maximum strength on the beam to one and a half or two and a half times normal.

Mr. ROBINSON: Can you see on a map, can you plot an outline of the people whom you could reach?

Colonel BAYLY: Yes. I have such a map plotted here, if you care to see one.

Mr. ROBINSON: You can do that?

Colonel BAYLY: Yes.

Mr. ROBINSON: Could you do that for say the whole continent, could you plot the coverage area for the whole of North America?

Colonel BAYLY: Oh yes, sir.

Mr. ROBINSON: And, as I understand it, there is a scheme for the whole continent, a pattern of stations?

Colonel BAYLY: Varying a great deal, I might say; they overlap over the whole area, but it is possible to plot areas of coverage and effective transmission. When you want to determine the practicability of occupying a new frequency you have to go over the map very carefully to figure out just how that particular frequency is going to fit in with other stations in or near the frequency. The stations plotted on the map give you a definite pattern, and what you do is look for holes in this pattern. I can pass this around the table, if you like. This is the prime coverage map of CFRB on 1010. In other words, suppose they went to 1010 with 10 kilowatts, this is the coverage they would have. The heavy black lines on this map indicate the field strength with relation to milivolt perimeters. You can take it for granted that the higher number indicates the 10 milivolt perimeter; then you have the 2½ milivolt perimeter and the ½ millivolt perimeter. In that way you can interpret your fundamental coverage.

Mr. FLEMING: I think you have a map which indicates a comparison between the area covered by CFRB plotted at its present frequency, and a comparison of that area with those that would be offered by the three or four frequencies proposed by Commander Edwards?

Colonel BAYLY: I have not actually drawn such a map, but a general indication of the effect coverage is given in these circles which you will see on the map which I have placed before the committee. The map before the committee does indicate the population in the area, and that after all is the important factor.

Mr. FLEMING: I for one would be very much interested in seeing that and in having your judgment as to the comparison of the areas that would be covered by these alternate frequencies and the populations which would be served in the different areas.

Colonel BAYLY: I have here a very short document about a page in length, which I could read. I have not prepared more copies of it because I did not know what you would be asking for.

The CHAIRMAN: This map that you handed out, sir, is one that can be left with the committee?

Colonel BAYLY: That can be left with the committee. That is just a sample of the sort of thing that can be done.

The CHAIRMAN: Yes.

Colonel BAYLY: A map of that type, frankly sir, is not informative to lay people.

The CHAIRMAN: It is not?

Colonel BAYLY: It is a little apt to be misinterpreted. It is very informative to an engineer dealing with local stations but from a practical point of view, I am not sure that such a map would be informative.

The CHAIRMAN: You are willing to lay it before the committee but you are not recommending it as an accurate source of information for laymen?

Colonel BAYLY: No, sir. Better still I think are the coverage figures and the population, and that again from my point of view is important. I would say, sir, that it is somewhat similar to the legal description of "a reasonable man."

The CHAIRMAN: And, as you have pointed out, there are other factors which come into the picture.

Colonel BAYLY: Yes. Now, Mr. Chairman, I have some figures I would like to read to you gentlemen. On the basis of the present operation on 860 kilocycles the coverage is 42,000 square miles and that means that it reaches a population of 1·7 million people, 1,700,000 people. On 800 kilocycles they would cover in round figures 20,000 square miles and have approximately the same population, 1·7 million; but at night time on 800 kilocycles they would cover 1,600 square miles and reach a population of 1·2 million, that is half a million less people.

Mr. FLEMING: That is on account of other interference?

Colonel BAYLY: Yes. On 1010 kilocycles they would cover 8,500 square miles with a population of 1,500,000; and, at night they would cover 1,800 square miles with a population of 1·2 million people; that is ·3 and ·6 of a million less than the present coverage. On 1550 kilocycles they would have a coverage of 47,000 square miles (at 50 kilowatts) and a population of 1·8 million; in other words, a little better both in area and in population; and at night, depending upon whether or not Mexico would give certain protection, they would have a coverage of 6,600 square miles and a population of 1·2 million, or 15,000 square miles with a population of 1·5 million—the night time figures are both lower than their present coverage even though they have gone up from 10 kilowatts to 50 kilowatts.

The CHAIRMAN: Do these figures relate to Canada or to Canada and the United States?

The WITNESS: Solely to Canada. Coverage figures are always given in relation to the country in which the station exists.

Mr. FLEMING: Have you any comparative figures for these frequencies based on the strength of 50 kilowatts?

Colonel BAYLY: No, I have only made it for 1500 on a basis of 50 kilowatts. The others I have prepared on a basis of 10 kilowatts, the present power of the station. I might explain that from an engineering standpoint it would

be difficult to put 50 kilowatts on either 800 or 1010. It could only be done through the use of directional antennae, and it would require perhaps six towers in the directional antennae for us to use 50 kilowatts on either of these two frequencies. That would be a very, very costly installation indeed.

Mr. FLEMING: Apart from those factors are you in a position to make any comment as to the relative area and population which would be served on these frequencies?

Colonel BAYLY: At 50 kilowatts?

Mr. FLEMING: Yes.

Colonel BAYLY: No. I am not prepared to answer that one offhand. That is not a part of the study.

Mr. ROBINSON: Colonel Bayly, I was kind of wishing that you would use one syllable words which we all could understand. I am still thinking about that series of questions which I asked you before. And may I continue in this way: Have you any large scale map of North America on which you could plot the principal areas covered by the clear channels allotted pursuant to the Havana agreement?

Colonel BAYLY: There is such a map in existence, turned out by the Department of Transport. And I might say that it is of very great service to those of us who follow the profession of consulting engineers. There is a map existing for every frequency in North America showing the net coverage with or without the use of directional antennae. If you are sufficiently experienced you can fill in in your mind's eye about what the coverage would be from that information.

Mr. ROBINSON: That would follow, I imagine, the principles set out in the Havana agreement?

Colonel BAYLY: Yes, it does.

Mr. ROBINSON: Do our 1A stations in Canada conform to that overall pattern?

Colonel BAYLY: They have to, yes.

Mr. ROBINSON: They must?

Colonel BAYLY: Yes.

Mr. ROBINSON: And similarly in the United States and Mexico, they would come under that pattern the same as we do, would they not?

Colonel BAYLY: We are all interlocked I may say very closely, and the difficulty in looking into these matters is to make sure that they do not infringe the rights of the other parties.

Mr. ROBINSON: What about the position of the station where the frequency is not taken up?

Colonel BAYLY: We are in this position, that if we do not make the use of the authority granted within a certain length of time another station is permitted to step in and use the wave length. As I said earlier we have right to a priority on certain wave lengths, and once we have exercised our priority, established our position, then the other fellows have to protect you, but when you come in as a newcomer you have to protect them, and it can be a very difficult position.

Mr. FLEMING: There is one difficulty about the 1010 frequency you mentioned. Referring to the Havana Treaty which will be found at page 261 of our report, I observe that that frequency was alloted to Alberta.

Colonel BAYLY: That is correct, sir, as 1A. We would use it on what is known as a class 2 station, which means that it may be developed in our area provided it did not interfere with the main station.

Mr. FLEMING: And that interference is the point mentioned in Commander Edward's letter of June 22nd at page 33 in this brief, where it speaks about 1010 giving protection to other stations?

Colonel BAYLY: Exactly. As we would be a newcomer to the field we would have to watch out for the rights of other stations using that wave length.

Mr. FLEMING: In coming onto that wave length you are definitely junior to any station which has that frequency?

Colonel BAYLY: Yes, that is if they have their frequency and it falls within the provisions of the Havana agreement.

Mr. FLEMING: And, just what does that mean?

Colonel BAYLY: That we are junior to them with certain qualifications. For instance a 1A station entirely would not be junior. That wave length is granted to them under the treaty and no one else can interfere with it if we get it before the agreement expires. I think the time has now been extended and we have until 1948 to occupy that band.

Mr. FLEMING: You say "we", do you mean Canada?

Colonel BAYLY: Yes. As long as we do occupy it we definitely have a priority because that was a clear channel band; but with respect to class 2 stations it is a case of first come first served.

Mr. COLDWELL: What is the limit of interference between Calgary on 1010 at 10 kilowatts? Was there not some provision as to a limitation of time with respect to effective interference?

Colonel BAYLY: Yes, there would be statistically, and the way that would work would be that it would have to be determined on the basis of a period of operation. At the present time the eastern limit of the interference zone for that wave length is the Saskatchewan-Manitoba boundary. The limit of interference for that station would be 10 per cent of its time. That would not mean that you would have interference six minutes out of the hour, necessarily. You might get a good deal of interference at night time or in one time of the year as compared to another, but in the aggregate it must not exceed 10 per cent.

Mr. COLDWELL: You think there would be effective interference?

Colonel BAYLY: There would be at times, and it would be greater at a distance from the point of origin. It probably would not make much difference to listeners close to the station in Calgary, but it probably would to listeners who were some considerable distance from the station.

Mr. COLDWELL: In other words, they would have to be a long way from Calgary?

Colonel BAYLY: Yes. That being our own station out there the Canadian government can make what limitation it likes, and the area has been limited to the Manitoba-Saskatchewan boundary. In other words, our letter was answered that I might not cause any interference to pass the Manitoba-Saskatchewan boundary, and, with the facilities they have out there I do not think that is likely to happen.

Mr. COLDWELL: If you had 1010 in Toronto would the station in Calgary interfere effectively with 1010 in Toronto?

Colonel BAYLY: Yes, sir, it would. The effect of the limitation on that particular frequency on night time coverage is that you are considerably restricted by the fact that you have a 50 kilowatt station out west.

Mr. COLDWELL: Would it interfere with CFRB doing the job it is supposed to do as a community station?

Colonel BAYLY: Now you are asking for a definition which is not my business—is CFRB a community station.

Mr. COLDWELL: What is your opinion?

Colonel BAYLY: I would say, definitely not. A community station is one which covers just one city. CFRB covers a great deal more than just one city. CFRB could operate on 1010 as a community station.

The CHAIRMAN: I think probably you would get at cross purposes there. The word has been used before you come here, and I am not sure just what definition Mr. Coldwell has in his mind, that he has in his mind in asking his question is the same thing that you would have in mind using the same term.

Mr. COLDWELL: I am taking Colonel Rogers' definition which he gave very clearly the other afternoon with respect to the station at Charlottetown. I am thinking of the definition he gave of that term on behalf of the CAB.

The CHAIRMAN: You will also recall that it is defined in the brief.

Mr. COLDWELL: I am not arguing that at all, Mr. Chairman, I am just taking Mr. Rogers' interpretation.

The CHAIRMAN: I am not objecting to the question, but I know that no person wants us to be mixed in our use of terms.

Mr. COLDWELL: Surely not.

The CHAIRMAN: There have been two or three definitions, and as long as it is clear that we all know what we are talking about, very well. With that understanding you may ask any question you like.

Colonel BAYLY: Technically, there is no such word used that I know of.

The CHAIRMAN: Gentlemen, it is one o'clock. We will meet again at four o'clock this afternoon.

The committee adjourned at 1.00 o'clock p.m. to meet again this afternoon at 4.00 o'clock p.m.

AFTERNOON SESSION

The committee resumed at 4 o'clock p.m.

The CHAIRMAN: I think we will just commence where we left off. Colonel Bayly was dealing with a letter explaining it as he went along. I do not know whether or not that is concluded. We also said to Mr. Sedgwick that he might very well go through the balance of his brief turning the pages and offering what comments may be suggested to him by the various letters. When we come to this letter of June 22 we have come to the end of that part of the brief. There is a statement showing gratis programmes and announcements, and then follows a series of testimonial letters, letters of appreciation, to which Mr. Sedgwick referred. That does not mean we are through with the questioning. We will probably start over again.

Mr. Ross (*St. Paul's*): I want to ask a question along the line of what he was talking about this morning. In the evidence given before the committee here in 1943 you made a very interesting statement.

The CHAIRMAN: Who did?

Mr. Ross (*St. Paul's*): Professor Bayly. He presented a brief before the committee in 1943 and he made some very interesting statements.

The CHAIRMAN: Oh, the same gentleman, but you are giving him a different title as it was appropriate at that time.

Mr. Ross (*St. Paul's*): He is a colonel now.

The CHAIRMAN: I just wanted to make sure we had the same man.

Mr. Ross (*St. Paul's*): In passing I think we might congratulate the gentleman on receiving a very nice decoration a short while ago. I think it was well earned, and I am sure we all congratulate him. He said this—

Mr. FLEMING: Page?

Mr. Ross (*St. Paul's*): Page 214.

> Everybody is interested in raising their power and to put a better signal into the area, but I point out that actual engineering figures on these areas are surprisingly small, and I think that after the war is finished and we get the completion of the occupation of the frequencies on the Havana Agreement we will be perturbed as to how small our coverage is, especially at night.

I wonder if you might comment on that. I might also ask in passing if the policy which has been adopted here of keeping stations down to low power instead of having them go up to their minimum power under the Havana Agreement has had a detrimental effect on the coverage which we can expect in the future for the people of Canada?

Mr. BAYLY: I think that is still the case. Fortunately we have opened up the situation a little in that a great many regional stations are now permitted 5 kilowatts, but the tendency is still there. A very good example is the one I was quoting this morning of 1010 where if the present occupants, the CBC, get off 1010 and another occupant comes in they lose priority, and Canada as a whole, or that particular area of Canada, loses some of the available space on the spectrum that is available to Canada in the radio broadcasting band.

I think anybody will agree with me who is trying to face the circumstances in any area now that the spectrum has been so cluttered up it is almost impossible to find holes for them. I was trying to find a local station for Hamilton some two months ago, and the most that was available was a 100-watt station which would be so interfered with that their signal would not get out of Hamilton more than about two inches. The same thing is true of the present investigation of CFRB as to the four frequencies that have been considered available. I have made a very extensive search of the spectrum and there are no other frequencies worth even considering. Of those four frequencies one is now ruled out completely since the 21st of June. It was not particularly available to us anyway, although a treaty might have been made to get us 640, but owing to the action of the F.C.C. in granting Rochester a 5-killowatt station on that frequency that is ruled out as far as eastern Canada goes, and as far as I know for all time.

Of those four frequencies only one at the moment, 1550, is nicely or easily available. The others are very difficult patterns to fit in and do not give you patterns that are particularly useful in covering the district available.

You must understand when you design directional antenna you first of all look at the population masses in the area. For instance, take Toronto, Hamilton, Kitchener, Welland, and then you look at the rural population around and you get roughly speaking the densities of population you would like to cover. You then for any frequency look at the people you have to protect. For instance, in the case of 800 you cannot send out a signal east because you have Quebec and Montreal. You cannot send out much of a signal south because of Mexico. Then you get together with your map of where the population is and see where you can send a signal and endeavour to arrange a site that is on the right side of all these areas of population that you can send a signal to.

I will give an example. If, for instance, you are at Aurora you would like to put a signal into Toronto. There is no use doing it on a frequency where you have to protect Mexico because you cannot send it south in large quantities if you protect Mexico. You must of necessity get around to the other side of Toronto, to the southwest of Toronto. With the present frequencies available it is very difficult to cover adequately the Toronto area and the rural population

and get a nice pattern. In other words, it is no longer possible just to take a suitable frequency out of the air and say, "This will be a good one; you should be able to use that one." It is quite a difficult job with the present frequencies available. I will admit the Toronto area is probably the worst area in Canada because it projects down so close to the American border, but the tendency is more and more that the people to the south of us are filling up the air with 5 to 50 times the speed with which we are.

Mr. COLDWELL: You used the term "regional stations". What is the definition of that?

Mr. BAYLY: A regional station is a station between 1 and 5 kilowatts that is not on a clear channel. That is a very rough definition; you can get the exact one out of the treaty. It is a station between 1 and 5 kilowatts which is not merely serving its local area and yet it is not big enough to have a completely clear channel of its own.

Mr. COLDWELL: Would not confining stations to their local communities assist in freeing the air channels so that places, for example, like Hamilton, Oshawa, Belleville and other places would then have an opportunity to operate community stations?

Mr. BAYLY: That would be easy if you did not care about the farmers.

Mr. COLDWELL: But if these stations were of 1000 watts they would get out into the country?

Mr. BAYLY: Then it becomes a regional station and is apt to cause interference up to 2,000 or more miles away.

Mr. COLDWELL: Let us say a 500-watt station?

Mr. BAYLY: I think 250 is a better figure for the sake of argument.

Mr. COLDWELL: 500 will penetrate quite a distance. These large stations with power like CFRB, 10000 watts, cover a territory served by ten or a dozen stations. If that goes on these large regional stations will squeeze the small stations out completely, will they not?

Mr. BAYLY: No. The reason for that is under the Havana Agreement certain frequencies have been set aside for local stations, and certain frequencies have been set aside for regional stations—this is internationally and not just in Canada—and certain frequencies have been set aside for clear channels. If you attempted to take away all regional stations and make them all local stations I think you would find that the number of square miles that you would cover would be less rather than more. You would have so many stations that the hash of interference all around would be pretty bad even if they were lower power.

Mr. COLDWELL: You have CFRB. It covers Hamilton where there are two stations, St. Catharines, Brantford, Kitchener, Stratford, Wingham, Owen Sound, Orillia, Kingston, and when the station was in operation, Belleville.

The CHAIRMAN: London?

Mr. COLDWELL: I am not sure about London.

The WITNESS: It does not go very well to Kingston either.

The CHAIRMAN: Does it go to London?

The WITNESS: Not well in London or Kingston.

Mr. COLDWELL: You have a situation where you have your regional stations, and it seems to me to underlie the very basis of the plan upon which most of us regard the community stations as operating?

Mr. BAYLY: The alternative would be very much worse. For the sake of argument we will do away with CFRB; we are then making a great hole in the air in Ontario. We will put in local stations which being smaller, will not interfere with each other. In the same area in Ontario at the opposite ends of it you could put in two local stations without interfering. Probably

they would each cover one-twentieth of the air that CFRB now covers, and would probably cover anywhere from one-tenth to one one-hundredth of the population.

Mr. COLDWELL: What I am looking at is this. The Canadian Broadcasting Corporation has a responsibility to the local communities. One of their obligations is to see that while the nation is covered with these high powered regional stations that parliamentary committees have approved from time to time yet we should have community stations administering to communities. It seems to me that the question before us at the moment is the expansion of what you call regional stations with pretty high power. By and by they will squeeze the small stations out because their coverage is so large they will get the principal advertising.

Mr. BAYLY: As I said before, the alternative view would be to take all the regional stations and create all the local stations that you could get in. I think you would find that in the length and breadth of Canada you would then have covered about one-quarter of the number of people and about one-tenth of the square miles and, in fact, if any farmer asked me I would say you were being careless of the farmer's rights on the air.

Mr. COLDWELL: I am not trying to put CFRB out of operation.

Mr. Ross (*St. Paul's*): By keeping the power down, and so on, are we not in danger of more and more interference from the United States all the time?

Mr. BAYLY: To the legal limit that we have set up these stations most of the Canadian stations are not yet interfered with, not to their legal limit, but I think we can take it as inevitable that within the next few years they will be. If you look at the change lists coming out from the United States, which come out about once every week or two weeks, you will see anywhere from 10 to 40 new stations on, and naturally they shoehorn them in wherever there are enough holes in the air to put them in.

Mr. FLEMING: I should like to make one comment on what Mr. Coldwell said and see if Colonel Bayly can comment on it. Far from squeezing out the smaller stations in the area now covered by CFRB but lying outside of Toronto the fact of the matter is this that more stations in recent years have been growing up in Toronto.

Mr. BAYLY: There is another point I should like to make.

Mr. FLEMING: Is that not correct?

Mr. BAYLY: That is correct. There is another point I should like to make. Even if CFRB were off the air on that frequency under the international treaty you would not be allowed to put a station on it, anyway. Depending on the channel it must have a minimum power on the present channel of 5 kilowatts and a maximum of 50 kilowatts. I think that is it. I am not sure that 5 is the minimum, but I think that 50 is the minimum at which it can hold its complete rights. I have not looked at the Havana Treaty for about six years but if my memory does not fail me I think a class 1-A station may have a minimum of 50 kilowatts power. I am not certain of that.

The CHAIRMAN: May I put it this way? Does that mean your understanding of the treaty is with reference to an A-class channel (1) it had to be occupied at once in some fashion and (2) after a certain length of time it had to be occupied to a strength of 50?

Mr. BAYLY: Not necessarily to 50. It had to be occupied to the strength that you wished to hold from then on. In other words, if you did not by 1948—I think that is the date—occupy it to its full strength then you are limited for all time to the occupancy you then have.

The CHAIRMAN: Suppose you had it at 40, if that is feasible. Then that would be as high as you ever would go?

Mr. BAYLY: Yes. Other nations have the right to step in and occupy what is left over.

The CHAIRMAN: You serve notice to the world that is all the space you want so that now is the last chance to take whatever we wish in the future to have?

Mr. FLEMING: That is up until 1948?

The CHAIRMAN: Yes.

Mr. COLDWELL: If we do not take advantage of it it means we lose one channel of that description.

The CHAIRMAN: Or we lose a part of it.

Mr. COLDWELL: We lose the right.

The CHAIRMAN: The highest power.

Mr. COLDWELL: To use the highest power.

The WITNESS: May I say when we were first operating a high powered channel there were no stations in Oshawa, Orillia, Owen Sound, Kitchener, in fact, in all the area which we serve. Those stations made applications for licences after we were operating and I am sure there is no complaint from those stations as to our operations. We have been eminently fair. As a matter of fact, in the presentation before this committee last week the representatives of both of the Hamilton stations, which are definitely within our intensive area of service, argued for our point, CHML and CKOC. I do not think there is any competitive factor there that bothers them at all.

Mr. COLDWELL: I was thinking of the statement made by Colonel Bayly. I wanted to get my mind clear on it.

Mr. FLEMING: I think Mr. Sedgwick might go further and say those two Hamilton stations also blanket the Toronto area, and they are used not infrequently.

The WITNESS: That is true. They advertise their coverage in Toronto and they sell in Toronto. There is no objection. It is a competitive factor which we think should be encouraged. There is no station anywhere I know of that gets 100 per cent of the audience. We compete for audience, and the Hamilton stations get a very good audience in Toronto. We do compete. There is no objection to that at all.

By the Chairman:

Q. When you speak of "selling", I think you used the expression, "selling their services", I take that to mean that any person who pays for it is someone who has something to sell to the public. It is an advertising proposition?—A. Yes.

Q. Do you advertise from Toronto to any extent of strictly local material, say with respect to Hamilton, to a retail store in the city of Hamilton?—A. Not at all. Not in our advertising from Hamilton on our station.

Q. Again, take a person in Welland, St. Catharines, or any similar point, you do not advertise for local retail stores in those communities; and, say, in the case of a merchant in Welland who wants to sell to surrounding communities, you do not take advertising of that type, do you? Is that a correct expression of the situation?—A. That is a correct expression of it. I think I explained that our station advertises primarily merchandise, and the merchandise we advertise is sold equally in Hamilton, Guelph, Brantford, St. Catharines—at all points over the area covered by our station. As I said, a great majority of our business is what is known as national spot business; that is, a national

advertiser who pays for advertising on a spot basis; and, secondly, it is not network advertising. There has only been a very small percentage of local merchants, because we do not cater primarily to local merchants. Let us say a merchant has a store, or a business in Toronto, and he wants to do business in Hamilton, St. Catharines or Welland, we do not touch anything of that kind. Our business is not what you would call personal advertising, the advertising of business in a community, it is rather what is referred to as national spot business; for instance, a manufacturer selling all over the country, perhaps even internationally, is selling soap; that soap is handled equally by T. Eaton Company in Toronto, by a company in Hamilton and in stores, all across the country.

By Mr. Hansell:

Q. But stations do provide sponsors, firms that are not located in their immediate vicinity?—A. That is true, sir.

Q. I had in mind the Calgary station.—A. A shoemaker in Calgary, that is true.

Q. They also have group sponsors for programmes in a community. I have in mind a programme sponsored by a number of retailers living around the country, and they are mentioned throughout the programme.—A. That is true, that is what we refer to as a cooperative programme.

Mr. FLEMING: I would appreciate Colonel Bayly's comment from the technical point of view on the policy of the CBC of having part of these community or privately owned stations on 5 kilowatts.

Colonel BAYLY: I do not know that there is any engineering factor concerned in that ruling whatever.

Mr. FLEMING: There is not?

Colonel BAYLY: I do not think so. May I amplify one of my previous remarks. I have just had a chance of looking at the Havana Treaty and I must apologize for not having made quite clear what I said. It says here, a class 1A station is a station that operates on 50 kilowatts or more which has its primary service area within the country in which it is located. Owing to the recent ruling of the F. C. C. you might as well say for all practical purposes that a 1A station is neither more or less than 50 kilowatts.

The CHAIRMAN: Was there anything more in the brief on which you wanted to comment, Mr. Sedgwick?

Mr. COLDWELL: Are you going back over the brief?

The CHAIRMAN: I think probably that is the position we are in.

Mr. FLEMING: Unless there are some letters.

The CHAIRMAN: There is the one of June 22 that you may desire to draw attention to.

The WITNESS: I think, sir, we have discussed that, because I believe Colonel Bayly dealt with the various uses of these frequencies.

The CHAIRMAN: Yes. I think somebody moved ahead and brought that letter in. Is there any additional special comment that you desire to make at the present time relative to the public service summary or the testimonial letters?

The WITNESS: Colonel Bayly has a comment to make.

Colonel BAYLY: I have one comment to make on this letter.

The CHAIRMAN: That is the letter of June 22nd, page 32?

Colonel BAYLY: Yes. You will notice the paragraph in which it states:—

> In the case of 1010 Kc. protection to the 2·5 mv/m daytime contour must be given to WINS, New York, N.Y., Class II 50 Kw.; KLRA,

Little Rock, Arkansas, Class II 10 Kw. day, 5 Kw. night; protection to CMX, Havana, Cuba, 10 Kw. as a class 1-B station with a maximum permissable interfering signal, at any point east of the province of Camaguey, of 50 microvolts per meter and protection to the Class 1-A station in Alberta to the limit of 25 microvolts per meter on the Manitoba-Saskatchewan border.

This is from the Deputy Minister of Transport, sir. That backs up my statement that the new station would have lost its priority on the air.

The CHAIRMAN: You did; as a matter of fact, Colonel, you used that as an illustration in your argument this morning.

Colonel BAYLY: I wanted to emphasize that ruling.

The CHAIRMAN: That is quite all right. Well then, gentlemen, let us turn these pages from the start and see what it is you would like to ask.

Mr. ROBINSON: I heartily agree that Mr. Sedgwick should have an opportunity of pointing out the highlights on the latter part of his brief before we continue any further.

The CHAIRMAN: That was completed, Mr. Robinson.

The WITNESS: No, sir, I have only gone as far as page 32.

Mr. ROBINSON: Yes, I thought he had only gone as far as page 32.

The CHAIRMAN: Let me explain what I mean. I said a few minutes ago that I did not suppose there was anything in pages 1605—I do not know whether I am right about this to—to 1160, I think it is—these are programme features, public service summaries, and they are in the main in the form of testimonials. I thought there was not anything of special interest that he wanted to draw our attention to there; but I could be wrong about that, and if Mr. Sedgwick would prefer to look over these letters—

The WITNESS: I will go over them very briefly.

The CHAIRMAN: —and make any comments he wishes.

The WITNESS: On page 33 is the data of public service summary for the period from June 1945 to June of this year. Pages 34 and 35 list the organizations that we have served on a gratis basis, which more or less supports my contention that we have been operating a public service which goes even beyond what might be considered our primary function.

By Mr. Fleming:

Q. On page 35 you indicate the religious broadcasts. As I recall it there was a time when you sold time on the air to churches, but I think it was about a year and a half ago that you abandoned that policy and that all your religious broadcasts since then have been on a gratis basis.—A. We never sold time to the churches on a card rate basis. What we did was to sell them that time on the basis of our expenses divided into engineering services and remote control pick-up. About two years ago we discontinued that and decided we would assume the entire burden ourselves. We had a very long discussion over religion over the air. I brought some authorities from religious broadcasting organizations in the States to Toronto and we had a meeting of religious broadcasters in Toronto at my studios. We tried to devise a scheme whereby we could make religion on the air more acceptable to the listener, because as a matter of fact for some considerable time religion on the air had a very, very low rating—

The CHAIRMAN: What do you mean by "a low rating"?

The WITNESS: Low listener response. I mean our low listener response was very discouraging. It took a considerable amount of time to study this thing, and I brought Dr. Edward Parker from New York, and Miss Eleanor Inman, in charge of CBS's Religious Broadcasting, and we conducted a series of meetings

in Toronto in the studio, and we invited all the ministers and religious broadcasters in Toronto and we attempted to improve the standard of religious broadcasting to a point where the listener would be more interested. As the result of those meetings we decided that in the interest of the various groups conferring, we would offer all our services gratis. We took the attitude that everything in the way of cost of putting these programmes on the air was our contribution to the improvement of this type of broadcast. And we suggested to them that the money they would save be used to popularize their broadcasts and in the building up of listener audience with respect to religious programmes. Our policy now is that all religious broadcasts are carried by the stations gratis and we assume all the costs both with respect to engineering and remote control pick-up.

By Mr. Fleming:

Q. Have you a summary of the community and service clubs you serve? How is that arranged, is it by people coming and asking you to give them that time?—A. I think I have been on almost every campaign that originated in Toronto, in some capacity or other, on the committee in charge, and the first thing they do is to say, how much time are you going to give us? We say, all the time you need. That is the way we answer. I do not think there is any one of these organizations which has not had either myself or some member of my staff on their committees.

Q. The point I have in my mind is this; that in this whole long list to whom you give free time there is no mention of organizations like the Trade Labour Council of Toronto.—A. No, they are not conducting campaigns for the raising of money for charitable purposes.

Q. What about the Farm Federation?—A. I will deal with the Farm Federation later. You may recall that I stated in my brief that we were the originators of farm broadcasts in the province of Ontario. You will find among those letters one in which we return to organizations the money they offer for the broadcasting service, and in returning it we say that it is our contribution to their campaign.

The CHAIRMAN: I see you refer on page 36 to farm, garden and outdoors, and musical.

The WITNESS: Well, sir, they take every type and form, spot announcements, programmes, speakers—every type of activity. And, in addition to that, we are always being asked to have our advertisers, sponsors of advertising programmes, provide for spot announcements in their time so as to permit of the promotion of these various activities. And may I say that we have never yet found any advertiser who has not been fully willing to co-operate; for instance, take such companies as the Wrigley company—all the big advertisers—they are only too willing to co-operate in supporting a worthy cause by permitting spot announcements on their programme time. As an example of that let me cite the case of the sick children's hospital and the campaign they put on for the raising of money. Wherever we want to use commercial time to support a campaign of that kind the commercial sponsors very readily make it available to us.

The CHAIRMAN: Yes, I see.

By Mr. Knight:

Q. Could you give us for the record the exact percentage of time on the air which you have devoted, say over a period of years, to what you might call public service programmes?—A. No, I haven't the breakdown.

Q. You have the percentage of time?—A. No, sir.

Q. You have no record of that anywhere?—A. No, but you will notice that they are used to a very considerable extent.

Q. These are very important radio hours and they could conceivably be used for the purpose of earning money.—A. Oh, yes, sir; and they occur continuously.

Q. Over a period of years?—A. You will see that there are thirty odd on the list, you will find that they are on the air all through the year.

Q. During every period of the year?—A. Yes, sir, the year round. You can get a better idea of the story if you care to refer to the thirty odd letters that I have put in my brief; and, let me say this about those letters, that everyone of them was entirely unsolicited, they are all voluntary.

Q. Do not misunderstand me. I am entirely in sympathy with the work you are doing. I would like to get the percentage of time given by the station, time that is actually used on what might be called public service projects—A. I could not tell you that.

Q. What would be your guess?—A. I could not even guess. It is a movable thing, it goes up and down. We give when we are asked. When you ask me for a definition of public service, that is a thing which it is pretty hard to define. The things that are indicated here indicate the entire gamut of our public service, but we do a great deal more than this in public service. These are public services appealing for funds for educational or charitable purposes in which these associations are interested. This is the sort of thing for which we have been giving our time on the air for the last nineteen years. It has been the same all the way through.

Q. I supposed, or assumed, that your measure of time was dollars and cents, and the information I sought was for the purpose of trying to determine a value in dollars and cents of the time you had given freely to what you considered as deserving public services. You have no way of estimating the amount of time that you have given in that way?—A. We have been rather chary of estimating its value in dollars and cents. As I said, you will find several cases where charitable organizations have sent us a cheque to pay for the time on the air we have given them and we have endorsed the cheque and sent it back to them as our donation to their particular cause.

Mr. COLDWELL: I do not think Mr. Knight meant that.

The WITNESS: I cannot give you the figure, but it is a very substantial sum in a year's operation.

Mr. COLDWELL: I don't doubt that.

The CHAIRMAN: What you really mean is, supposing you were selling that time what would it have netted you?

The WITNESS: It would be a very substantial sum.

By Mr. Coldwell:

Q. I was going to ask you if you allotted any particular times of the day to this sort of thing?—A. No, sir. We deal with every situation as it arises because sometimes they arise very quickly, you don't know when they are coming. For instance, we received a request from the Red Cross yesterday that they were putting on a campaign for increased membership and to raise funds for their organization. At the same time, may I say this, that there are some that we cannot and do not support.

Q. What I had in mind was that certain times in the day are very much more valuable than others.—A. We do not give the poorer times of the day.

Q. That is exactly what I had in mind.—A. We give the best times in the day. When we undertake to do a job for a charitable organization we give them the utmost so that they will get the best possible returns. That is our definite policy.

Mr. FLEMING: And in addition to that I understand that a good deal of your time has been devoted to spot announcements.

The WITNESS: Yes. As a matter of fact the pre-war regulations regarding spot announcements were waived to permit of that very sort of thing being done by us and similar stations.

Hon. Mr. MCCANN: And on many occasions you have given subscriptions to these organizations?

The WITNESS: Oh, yes.

By Mr. Hansell:

Q. I presume in your list there are a number of local organizations——A. Pardon me, sir, I just couldn't hear you.

Q. I am saying that on this list there appear to be the names of quite a few of the local organizations, such as the Ontario Cancer League, the Toronto Better Business Bureau, and some of the service clubs; and I would rather conclude from that that a good deal of this would not be suitable for a national network programme.—A. I think that is true, sir. In some cases it is these organizations conducting a campaign in a local community, but then again the field may be much wider. Take for instance the case of the Sick Children's Hospital, to which I referred earlier, their work is of interest to people all over the province because children come there for treatment from all parts of Ontario; however, that is something which would be of no possible interest to Canada generally.

By Mr. Coldwell:

Q. I was going to ask you to comment with respect to controversial broadcasts, to which you make reference in your brief.—A. That indicates generally speaking, what we do, sir. We have to be very careful with controversial broadcasts. That is a subject which has been the cause of a great deal of worry to us. We try to present controversial issues in such a way that we will not be unduly criticized for having presented them. That is why we try to give both sides of the story, and that is the sort of thing we have to watch in a broadcast such as the one called "John Citizen Wants to Know".

Q. But does not what you do defeat the very object of such broadcasts?—A. I do not think so. It gives both sides of the story.

Q. But if you revise them so carefully that people will not disagree with the point of view expressed are you not going to destroy their effectiveness?—A. I do not think so, sir. They disagree apparently with both sides. That is why we present both sides. We try to stay in the middle.

The CHAIRMAN: I suppose it is after all, this matter of producing controversial broadcasts, a question of whether it should be permitted to the extent of cutting down the listening audience or whether it should be kept within reasonable bounds.—A. Very definitely, sir, when you cut down the listener audience, your broadcasting is not worth anything to you.

By Mr. Coldwell:

Q. When you have not got controversial discussion on the air, you cut down community activity with respect to general subjects?—A. In one of the early broadcasts or programmes of the series "John Citizen Wants to Know", one of the topics under discussion, a vital one at the time, was the liquor business. We interviewed Dr. Willard Brewing, chairman of the Social Service Committee of the United Church of Canada. We interviewed him and recorded his interview. We asked him a set of questions and he expressed himself very freely. On the same programme we also interviewed the head of the Ontario Hotel Owners' Association, who gave just the oposite views. Both sides of the question were presented on the same programme at the same time. We received criticism of course, but we were not criticized very seriously, because we did give both sides of the story. We let the people hear both sides of the story on the same programme. It was not a debate, because neither side knew what the other side

was going to say. I think that is putting controversial broadcasting out in a way that the public get both sides of the story and are thereby enabled to make up their minds.

Q. Supposing to-day with respect to the income tax, co-operative societies came to you and asked for an opportunity to present their story, would you agree?—A. Oh, yes; we would give them an opportunity such as on the "John Citizen Wants to Know" programme. We would use that programme as a sounding board for them to present their point of view.

By Mr. Hansell:

Q. Would you sell that time to them?—A. No, we would give it as a public service, a broadcasting service. That is our practice.

Q. Do you present commentators as a general feature?—A. Oh yes.

Q. Is it possible for a commentator to adopt a certain view and as a result of his having that view, his comments, presented over a period of time, might reflect his own opinions?—A. I think that is true, but our commentators broadcast over their own name so you are able to evaluate their commentaries in that way. We hire our commentators and we leave them free to comment on the day's news just as does the CBC. I do not think the CBC takes the responsibility for the commentaries of Elmore Philpott or Dr. Stewart.

By Mr. Fleming:

Q. Do you receive many complaints about your news broadcasts or the broadcasts of your comments?—A. There are always complaints. If you do not get them, then you are not being listened to.

By Mr. Coldwell:

Q. My observation is that the CBC, in the case of their commentators, put on men with quite divergent views. You have Dr. Stewart, Elmore Philpott, and George Ferguson. Do you try to get the commentators to present quite different views regarding the same events?—A. Not so widely as does the CBC. We are only one station and we cannot afford to have them arguing with each other all through the piece.

Q. How many commentators have you got?—A. We have, possibly, three; Gordon Sinclair, Rex Frost, and John Collingwood Reade.

Q. They all give the same slant?—A. No, sir, they always give their own viewpoints.

Q. But their viewpoints do coincide?—A. That is their privilege, sir.

By the Chairman:

Q. There is a feeling, Mr. Sedgwick, in some parts of parliament, that you cannot allow much latitude of discussion in Toronto.—A. With that view, sir, I must disagree somewhat.

By Mr. Coldwell:

Q. As a matter of fact, Mr. Sedgwick, I have heard the criticism made that the commentators over station CFRB all have the same slant, that they are conservative spelled with a small "c," and with a very conservative slant?—A. That may be; but at least they do put their names behind it. So far as I have heard them, they are completely up and down the scale. They have said things with which I would not agree and things with which you would agree and vice versa.

Q. I have never heard them.—A. Well you should make an effort to do so. "Come on up and see me some time", Mr. Coldwell.

By Mr. Hansell:

Q. My point is this; there is a danger that the more powerful an organization is, whether it be the Canadian Broadcasting Corporation with its network, or whether it be a private station with a good wavelength, the danger is that

commentators may become propagandists. Notwithstanding the fact that the corporation may be regarded as putting on commentators with divergent views, it is a matter of interpretation; nevertheless, they can become propagandists.

Mr. ROBINSON: Unlike Mr. Coldwell, you have evidently heard them, Mr. Hansell.

The WITNESS: Mr. Dunton and I can confirm the truth of that statement because we have both been propagandists. We have both of us worked for the Canadian government on the Canadian Information Board as propagandists in the most pure sense of the word.

By Mr. Hansell:

Q. The difference is this: if you have ninety stations each having a commentator, then you have ninety commentators. You do not have that many, but that could be a possibility. However, where you have a large corporation with a huge network, you do not have ninety commentators, you have only a few. Therefore, I maintain that you are more likely to get a divergency of view over the private stations in Canada than you would over the Canadian network.—A. That may be true, sir, because we have no knowledge of what any one of the other ninety stations may be doing or what their commentators may be saying. Our commentators go out only over the one station.

The CHAIRMAN: It is never propaganda when we put it forward ourselves. Propaganda is never what I say or do. Whenever I say it, it is educational. It is what the other fellow does that is propaganda. That is the distinction between the two terms. Whatever we do ourselves, that is education; but what the other fellow does in opposition, that is propaganda.

Mr. HANSELL: I must confess that whenever I speak over the air certain proportion of my remarks can be regarded as propaganda.

The WITNESS: Propaganda in the pure sense of the word, I hope.

Mr. HANSELL: If it does not apply to my Sunday sermons, what good would they be. I want to influence people.

The CHAIRMAN: When it is his own, it is education. With that much of an interlude, would you pass on, gentlemen, to some other page.

Mr. FLEMING: On page 37 I would like to make one comment, to this effect; that in the "Parliament Hill Series", this station carries thirty members corresponding with the area, the substantial area that the station covers, and of those thirty members there are only eleven who actually represent Toronto ridings.

By Mr. Coldwell:

Q. I was going to ask Mr. Sedgwick if he had any breakdown showing how much was presented in the way of public service in a week.—A. I do not think I can break that down. Again, as I have said, it is a movable feast.

Q. What is the average over a year?—A. I gave you the over-all picture.

Q. And I suppose we could divide it by fifty-two?—A. Yes, that is right. When the Red Cross conducts a campaign for two weeks, our public service during those two weeks would be heavy. Then again, the National War Finance or the Y.M.C.A. might come in. It is up and down the scale; you cannot set it down by weeks. I wish we could. But I would say that there is no public service which we conceivably might be asked to help that we do not help.

By Mr. Knight:

Q. Do you expect a decrease because of the termination of the war?—A. I do not think so. Take the National Clothing Drive, for example. We have had two of them since the war ended. We have had letters from them saying how much they have raised in clothing and how successful they have been. Now

we are conducting a drive to try to persuade people to eat less, and to use their bread more carefully in order that we may have more to send to starving Europe. There is no end to it and there should not be an end to it. Those things last forever.

The CHAIRMAN: Will you continue, please?

The WITNESS: I have no comments to make on the report from Parliament Hill. It speaks for itself. We have tried to carry the members of parliament, of whatever party they may be, who are within our service area.

The CHAIRMAN: Page 38.

The WITNESS: On page 38 the report speaks for itself. We are the oldest broadcasters in the province of Ontario for farmers. We started to broadcast for farmers in the fall of 1932 and it has been continued each week day without interruption since then. When we started, it was upon a three months basis and we did not know whether the farmers would be interested in hearing our story or in getting information about farming. We asked whether we should continue it and we got some 1,800 letters from members of parliament, from reeves and from agricultural organizations. So the programme has been going on ever since. It has not been entirely a sustaining programme. It has been sponsored variously by:—

Canadian Co-operative Woolgrowers
National Fertilizers Ltd.
Master Feeds Ltd.
The Ontario Department of Agriculture
Goodyear Tire and Rubber Co.

The main thing is that we have kept this programme on ever since we started it in 1932 under the same Rex Frost who has become, over the years, an authority upon farm matters. As a matter of fact, he gave me some figures according to which, in 1938 he addressed 139 farmers groups; and in 1939 he addressed 114 farmers groups in Ontario on farm problems, and so on. We have assisted in every campaign that the government wanted, for example, concerning the improvement of bacon hogs, the growing of wheat or grain, rotation of crops, and fertilization of the ground, based primarily on informing the farmer and educating him to produce better crops and goods. We are in constant daily touch with both the federal and Ontario Departments of Agriculture who provide us with most of our material. I may also say that surveys have revealed it to be the most consistently listened to farm broadcast in Ontario.

The Ontario panorama, on page 41, would show that I have tried to publicize one part of Ontario in another part of Ontario. We started out by taking an alphabetical list of towns, and we sent out a group to produce shows in those towns and get an audience and to show them just what a broadcast was. We have made very substantial contributions to the life of Ontario and have donated a very substantial amount to Ontario charities as a result of it.

"Hi-Variety" on page 42 was an idea that we started about a year ago to try to bring the teen-agers into the broadcasting business. We got hold of groups of high school kids and we brought in high school groups, choral groups, and entertainers from all the high schools. We have put it on as a sustaining feature ever since. It is still on the air. We are trying to interest high school kids in entertainment and there is education there on the side. This is a very popular programme and has a very high rating.

By Mr. Coldwell:

Q. You use the secondary schools in the whole area that you cover?—A. Yes, and we go outside, too. There are some letters there dealing with it from a few high school principals and from the Canadian Red Cross. Those letters were completely unsolicited. They just came to us. We did not ask for them.

By Mr. Hansell:

Q. The other letters appear to be photostatic copies?—A. Yes; I thought you might want to see the organizations from which they came, so we photostated them.

There is a summary of service features broadcast over CFRB by Mrs. Aiken. The summary covers twelve years. Mrs. Aiken was in charge of the "Remake" department of the Wartime Prices and Trade Board and has done a very great public service. Whenever she had a good idea to put forward to the public, CFRB was hers on a free basis. Her "Market Basket" has been a very popular feature. The programme was provided by the Tamblyn Company, and the time was provided by us. If you read that report it is a most interesting report of public service.

Then we get down to the letters which are photostated. I put them in as being a fair sample. We have had thousands of letters. Every one there is current within the last year or within the last few months. This is typical of the kind of thing we are getting. They just come in. We do not ask for them.

By Mr. Coldwell:

Q. Do you give these educational broadcasts regularly?—A. Yes, sir. We did call them off when the examinations came on in May, but we started them again as soon as the examinations were over.

Q. How much time a week do you devote to them?—A. A half-hour, every Saturday morning.

Q. They are organized by the schools?—A. No, they are organized by us.

Q. What do they consist of?—A. Primarily entertainment; but there is included education, instruction and an attempt to improve the minds and thinking of the young people. As a matter of fact, behind it all is an attempt to counteract the trend towards juvenile delinquency and to give these people something to think about and talk about. We do not give them high-faluting music. We give them the kind of stuff they like.

Q. And the programmes are rehearsed?—A. Yes, we rehearse them beforehand.

Q. And the rehearsals take place during the week?—A. Oh yes; the rehearsals do not interfere with the school hours.

Q. And they include broadcasts of music?—A. Yes.

Mr. FLEMING: We have completed the review of these testimonials.

The CHAIRMAN: Well then, we might start back.

By Mr. Coldwell:

Q. Before we go on with the brief, it was reported in one of the CBC documents that you had made a statement that you were going to use legal and political pressure to protect CFRB. I was interested at the time to understand what you meant by political pressure?—A. I do not think I made any such statement. I did not write these minutes. I did not see them. I did not think I was even accused of making it. My brother may have been accused of making it. I do not think he did, but he is here. Why not let him answer?

Mr. FLEMING: I would suggest that we read the minute in question. I have it here. It is at page 158. Mr. Dunton is reading from the minutes of a meeting of the board of directors on November 27, 28 and 29, 1945.

> The general manager brought forward plans for technical expansion which were accepted in principle. Messrs. Harry and Joseph Sedgwick came before the board to discuss the frequency of CFRB. Mr. Harry Sedgwick reviewed history of the station and asked for stability on the frequency 860 kc. Mr. Joseph Sedgwick argued at length on the question. He said all possible action in the courts, and if necessary through political pressure, would be taken to resist loss of 860 kc. unless another suitable frequency could be allocated to CFRB.

The WITNESS: I should like to point out that these minutes are not stenographic reports. They are just somebody's impression of what happened, and we did not see them.

Mr. COLDWELL: Of course, we take a minute as being pretty reliable. I may say I asked you the question because I cannot distinguish between the two of you.

The WITNESS: I am much better looking, sir.

Mr. JOSEPH SEDGWICK: If it is your wish I shall say a word. It is true I was at the meeting. My brother was there and I think Mr. Elsworth Rogers was also there. We had a long, and at times somewhat heated discussion, but I have no recollection of having said anything about political pressure and, of course, I know nothing about the minutes. I did not read them and I never saw them and until Mr. Fleming was kind enough to read what was in the minutes of this committee I had no information other than what I gleaned from the public press. However, if the inference there is that we were going to resist the taking of CFRB's frequency by every means within our power, including an appeal to this body, which I take it is in a general sense political, then that is a fair inference. If the inference that it is sought to draw is that we proposed to make a party political issue of the matter that is a completely wrong inference.

In the nine or ten years that I have acted as legal representative for at least some elements of Canadian broadcasting I have always endeavoured to keep radio broadcasting out of the party political arena. I cannot think that any service would be done to broadcasting or to the people of this country by making a party issue out of it and, as I say, I have striven to avoid anything of the kind. I do not know what more I can say. I have no recollection of the incident at all.

Mr. COLDWELL: Are we to understand if you made the remark as to political pressure you meant coming before the parliamentary committee?

Mr. JOSEPH SEDGWICK: I certainly meant the matter would be brought before this committee but, as I say, I have no recollection of making the remark, and if the inference is that we proposed to make a party political issue out of the matter that is a completely wrong inference because nothing was further from my thoughts and the thoughts of any of us who are concerned with radio broadcasting. We are anxious to see that radio broadcasting progresses, and I am sure we are all anxious to see that it does not become a political football in a party sense. I do not know what more I can say. As I have already pointed out until the minutes were mentioned in the meetings of this committee I, of course, had never seen them. It refers to a meeting we held last November. We have held many such meetings. At times the argument was a little hot, but I have not the slightest recollection of the incident to which the minutes refer.

Mr. FLEMING: May I add a further question? Would it be a correct or an incorrect inference that there wasn't any thought on your part of conducting a lobby of members regardless of party in the interests of your station?

Mr. JOSEPH SEDGWICK: I have never done so. I have felt free to talk to members of all parties but as far as I, at least, am concerned, I have never conducted anything in the nature of a lobby. You gentlemen are here. You know whether I have lobbied any of you about radio matters. I am not a lobbyist; I am a lawyer, and I have no intention of becoming a lobbyist either.

Mr. FLEMING: I should like to say one personal word on this.

The CHAIRMAN: Oh, I do not think this is the time for testimonials. We are asking questions of witnesses.

Mr. COLDWELL: We have Mr. Sedgwick's explanation.

The CHAIRMAN: Yes, and I do not think this is any occasion for testimonials. I do not fancy Mr. Sedgwick needs any testimonial at the moment. I think questions are in order, Mr. Fleming.

Mr. ROBINSON: Before we proceed with questions I should like to say a word or so generally with regard to CFRB.

The CHAIRMAN: Just one moment.

Mr. ROBINSON: If I may.

The CHAIRMAN: I have just said to Mr. Fleming this is the time for questions. One cannot say one thing to one member and immediately after something different to someone else.

Mr. ROBINSON: It has nothing to do with the subject that has previously been under discussion.

The CHAIRMAN: The point is that if we start into the business of assertions instead of questions the less than one hour which we have will not be adequately used. We have been holding ourselves in to questioning for clarity's sake. You know that if you start making statements, and every other member starts to make statements, we will not get the examination finished. That is the sole reason for first of all suggesting to you—I do not want you to ask me to rule on it—

Mr. ROBINSON: I was not in any way attempting to delay the deliberations of the committee but I should like to pay a tribute, if I may, to a great figure in the radio world, the late Mr. Ted Rogers. Mr. Elsworth Rogers is here to-day and is his only brother. I think Mr. Ted Rogers was one of those Canadians who has played a great part in the development of radio and if I may, I should like to put that on the record and say how much we in Canada and in the whole radio world are indebted to him. If I am in order I should like to go on and elaborate on those remarks, but if I am not I will not.

The CHAIRMAN: I think what you have said has the entire concurrence of every person here.

Mr. COLDWELL: Hear, hear.

By Mr. Fleming:

Q. I should like to ask a question of Mr. Sedgwick arising out of statements appearing on different pages of the brief read this morning. I can appreciate he is perhaps under a disadvantage. Certainly the committee is in trying to surmise as to the purpose of the CBC in taking over the existing wave length of CFRB and locating it in Toronto. It seems to me that Mr. Sedgwick has largely based his comments on the premise that if the present wave length of CFRB, 860, is taken over it will be operated as part of the existing national network. My understanding is that the purpose of the CBC taking over this 860 wave length is to use it as a foundation to build up a second network to be called the Dominion Network. I should like to have Mr. Sedgwick's comment on that situation and the extent to which it may affect the observations he has made on the proposed action of the CBC.

The CHAIRMAN: That is sort of a stated case.

The WITNESS: The Dominion Network as presently constituted consists of a group of privately owned stations and one CBC owned station, CJBC, in Toronto. The Dominion Network for the advertiser and for the public service programmes such as they are that are put out by the Dominion Network gets adequate coverage as they are presently constituted. It may be that by the taking over of my frequency they could get more listeners for the Dominion Network but they will not get any more listeners for the CBC because CBL with 50,000 watts at 740 covers all the listeners they could possibly hope to cover with 50,000 watts at 860.

By the Chairman:

Q. Would I be right in saying they will not get any more direct listeners?—A. There is no geographical area in Ontario they can cover with 50,000 watts on 860 that they do not already cover with 50,000 watts on 740, so that they cannot get any more listeners by reason of the quality of their programmes whether they be advertising programmes or public service programmes. All they can possibly hope to do, as I see it, is to get some of the audience that presently prefers the station which I operate on 860 to listen to a station which they may operate on 860.

By Mr. Fleming:

Q. Is there a further possibility there? Suppose they take it over and incorporate it as a part of another network, the Dominion Network, in that way operating two programmes on different frequencies over powerful stations in Toronto. What is your comment on that?—A. I cannot see that has ever been contemplated by any parliamentary body or any public body from the Aird report down. The Aird report contemplated a national network. They have achieved by reason of station ownership and by affiliation with the private stations a national network which they claim—and I believe there is no argument about it—covers 94 per cent of the listeners in Canada. Any further extension into the network business by taking over further private stations can only duplicate that national network, not provide additional audience but duplicate the audience they presently have. That, of course, is our major premise. We do not think that the CBC should expand further. In fact, I go so far as to say I think it is a most dangerous move for the CBC itself.

I think the CBC can live, thrive and prosper by the operation and control of their present trans-Canada network. I think when they move into the dual network business to the point of taking over privately-owned stations or their frequencies to operate a secondary network they are getting into a very dangerous position. I have spoken about it publicly and privately, I have mentioned to committees, I have mentioned to the Board of Governors, and I have always contended that there is in Canada a pattern of radio which we should adopt and in adopting it it will permit the CBC to develop in its pure sense as a public service organization catering to 94 per cent, as they say they do, of radio listeners in Canada. I think opposing that, operating against that and competing with that in the interests of the listeners there should be private stations operating, and I think that the farther the CBC move into a monopolistic position of trying to tie up the major markets by the operation of two 50,000-watt stations in one area the more dangerous it is to themselves. I frankly do. I think it defeats the entire object of the CBC from the Aird report down.

By Mr. Hansell:

Q. Would it not follow if the argument is that a second high-power station is needed by the CBC for the second network that to be logical therefore they would have to erect or take over the duplicate stations wherever they have stations now on the network?—A. I would think so. That is the logical development.

By the Chairman:

Q. Mr. Sedgwick, under the Havana agreement certain class A stations are granted in Canada of which this is one. It has to be developed to high power by 1948; otherwise Canada loses it?—A. That is true.

Q. Then we are in this position, are we not, that permission must be given to you to go to high power or else the CBC must take it over and develop it to 50,000 watts?—A. I think that is right, sir.

Q. This thing finally boils down to that. It is inconceivable that Canada would allow herself to be deprived of the frequency?—A. That is true.

Q. You would agree it would be highly improper and unwise for us to allow it to slip out of our hands?—A. I have argued that for years. I have attempted to protect that frequency.

Q. Then it consequently comes down to an issue as to whether that right to develop to high power will be granted to this private station, CFRB, or whether Canada will do it itself. That is the whole issue, is it not?—A. I think so.

Q. And should the decision be that Canada should develop this through the medium of the CBC then your position is that you will be put to very great expense, and that even after being put to very great expense you will not have anything like the asset then that you have now?—A. That is true, sir.

Q. You will be put to expense and have an asset largely or partially destroyed at any rate?—A. That is true, sir.

Q. Now, on the other hand you in this business have been watching the development of government policy with respect to radio all through the years? You have been a close observer of it?—A. Very close.

Q. You know the law, for example, with regard to radio control and so forth?—A. Yes.

Q. In the light of that, and in the light of various committee pronouncements here from time to time, I find it difficult, even though you may not have received direct notice until the time you mentioned, to apprehend how you would be so surprised that this taking over of your wave length should come about. It would seem to me if I had been in your position—not if I had been in your position because I am ignorant of radio and thoroughly ignorant of it—it seems to me if many people were in your position they would always be expecting the axe to fall, and that on every decision made all through the years they would be having in mind the danger of that position?—A. Well, I can quote you as I did this morning the original telegram that I received in 1941 when we were moved from the more desirable frequency of 690 to the less desirable one of 860, saying this, "Pursuant to the final allocation made at Washington January 30", and then that authorized me to move to 860 kilocycles.

Q. I noted that when it occurred in your brief.—A. It seems to me I have the right to expect that, having been in the business of broadcasting on a high-power channel from the very earliest days of my first licence which indicates I should cover a radius of 100 miles from my station back in 1927 and 1928 with 1,000 watts, and which was increased later to 5,000 watts and later again to 10,000 watts, and having purchased four transmitters, I should be able to expect that, subject only to behaving myself and conducting my station in the public interest—which I am sure I have proven I have done—that I should be able to rely first on that telegram received from the Department of Transport in 1941, and secondly on the licences that were issued to me from year to year until the 1945-46 licence which was the first intimation we ever had they were going to take over that frequency. Not only that, let us remember that the fact that Canada has a clear channel on which we are operating was because of the fact that we were operating on a high-power channel before there was such a thing as the CBC or the Canadian Radio Broadcasting Commission, because the entire intent of the Havana agreement was to try to protect for the countries signatory thereto the situation as it was in the three years' negotiations preceding the implementation of the Havana agreement in 1941.

Q. You are suggesting that your location had something to do with getting this particular channel?—A. Very definitely.

Q. But disregarding that for the moment you take from the telegram which you have quoted, and which appears in your brief as of February, 1941, that you were going to be allowed to stay on that wave length?—A. That is right.

Q. You likewise knew that it was to have 50,000 watts, that it had to be powered to 50,000?—A. That is true, sir.

Q. You likewise knew that private stations were not being allowed to go up to 50,000?—A. Oh, no; not entirely that.

Q. On a 1A clear channel?—A. We have been arguing that we should be given that authority for quite a number of years.

Q. Throughout all the years since you received this, you have been aware that you could not increase your power?—A. Well, I would not exactly say that. We argued, not only that we should ask for an increase in our power, but that we should be forced to raise our power. That is the point of our argument.

Q. And the answer to that has always been in the negative?—A. That just has not been indicated to us. In all the representations that have been made they never gave us any reason; never once was it suggested in answer to our representations made between 1941 and 1945; never was it ever suggested that the reason they would not grant us an increase in power was because they were reserving that frequency for themselves.

Q. I am not suggesting that. But always it was made clear to you that your power could not be increased, yet you were in a situation where power had to be increased if it was to be held.—A. It was not that our power could not be increased; it was clear to us that our power had to be increased and should have been increased.

Q. But it could not be increased by reason of the position taken by the CBC.—A. They have not taken that position.

Q. Consistently they refused.—A. They just didn't take any action. They didn't take any action about the increase in power to 50 kilowatts until two or three years ago when this conference was held.

Q. The only reason behind my questioning is, in view of the thought which apparently in the minds of CBC, you should have been on guard, you should have felt that you were being warned all the time.—A. In other words, I should have suspected the Ethiopian in the woodpile.

Mr. COLDWELL: Is that correct, Mr. Sedgwick?

The CHAIRMAN: I am not quite sure that is the expression I would use, but it is sufficient; at any rate, it is sufficiently clear that we can continue to converse. I cannot understand your surprise to-day in the light of these years of experience.

The WITNESS: Oh, sir, after all—

The CHAIRMAN: These particular years, on account of experience—I don't mean what you think I mean—I mean your experience of these years, which you are thinking of as an unkindness.

The WITNESS: Let me say this, I would not have been so surprised had they wanted 860 to go let us say into northern Ontario, northern Quebec or into Yellowknife, or some place where CBC at present does not supply any broadcasting for listeners at all; but it certainly was a surprise to me after they had taken 740, the most valuable frequency available in the district, for CBL, and given them 50 kilowatts, and removed me from the desirable one, 690, which they took for Montreal, and then that they should come along at a later date without warning and say we are going to take 860 which we are going to use right in Toronto where we already have a 50,000 watt station, and where we intend to go into competition with you, where we intend to divert business from you.

Mr. COLDWELL: If you will look up the evidence given by Mr. Browne on June 22nd, of this year, at page 145 of our record, you will find this, and I will read the statement dealing with the use of 1A channels by private stations:—

> The Canadian Broadcasting Corporation came into being in 1936, and the Board of Governors at their 2nd meeting in December of that year recommended that all clear channels be reserved for the corporation's stations. This was approved by the department on April 16, 1937.

Pursuant to this recommendation, when the 50,000 watt station CBF was established in Montreal, the following stations were required to change frequency to clear 910 kc/s:—

CBM, Montreal—changed from 910 kc/s to 1050 kc/s
CBV, Quebec—changed from 1050 kc/s to 950 kc/s
CBJ, Chicoutimi—changed from 950 kc/s to 1120 kc/s

Then there follows certain questions, and Mr. Brown continues on (page 146):—

To provide for the 50,000 watt stations at Watrous—CBK, the following changes took place:—

CJRM, Regina—changed from 540 kc/s to 950 kc/s
CJOC, Lethbridge—changed from 950 kc/s to 1210 kc/s

To provide for the 50,000 watt station at Sackville, N.B., the following stations changed frequency:—

CBM, Montreal—changed from 1050 kc/s to 960 kc/s
CHNC, New Carlisle—changed from 960 kc/s to 610 kc/s
CJBC, Toronto—changed from 960 kc/s to 1420 kc/s

Class 1A frequency channels did not come into existence as such until the North American Regional Broadcasting Agreement became effective on March 29, 1941. By that time, three of the Class 1A channels assigned under the terms of this agreement were already in use by the Canadian Broadcasting Corporation and the remaining three class 1A channels were assigned, provisionally, as follows:—

CFRB, Toronto	860 kc/s
CKY, Winnipeg	990 kc/s
CFCN, Calgary	1010 kc/s

The Board of Governors of the Canadian Broadcasting Corporation at their 17th meeting in March, 1941, recommended that the licensees of the above mentioned stations be advised that these channels may be required by the CBC at some future date and must be vacated if and when such occasion arises.

Accordingly, the licences issued for these stations for the fiscal year 1941-42 which were dated April 1, 1941, and which were forwarded to the respective licensees under covering letters dated May 15, 1941, bore the following endorsation:—

> This frequency is assigned subject to the provisions of Regulation 15 of Part II of the Radio Regulations issued by the Minister in accordance with section 4 of the Radio Act, 1938.

The said Regulation 15 provides as follows:—

> The allotment of a frequency or frequencies to any station does not confer a monopoly of the use of such frequency or frequencies, nor shall a licence be construed as conferring any right or privilege in respect of such frequency or frequencies.

Licences issued for the above stations for the fiscal years 1942-43, 1943-44 and 1944-45 carried the same endorsation.

At their 41st meeting in April, 1945, the Board of Governors recommended that the following specific endorsation should be made on the licences for each of the three private stations occupying Class 1A channels:

> The frequency of . . . kc per second being a clear channel is definitely reserved for the national system of broadcasting and this

station is authorized to use this frequency provisionally until such time as it may be required or assigned to the Canadian Broadcasting Corporation.

The licences for stations CFRB, CKY, and CFCN, for the fiscal year 1945-46, dated April 1, 1945, bore the above endorsation and the attention of the licensee was drawn thereto in each case in the covering letter mailed with the licence on May 16, 1945.

According to that evidence you were to be advised, after the 17th meeting of the Board of Governors of the Canadian Broadcasting Corporation, held in March 1941, that the channels might be required by the CBC at some future date and must be vacated if and when occasion arose. To me it seems difficult to understand your surprise when the condition did arise.

The WITNESS: Let me tell you this, sir.

By Mr. Coldwell:

Q. Did you get such a letter?—A. No, sir, I never got such a letter. I got an endorsement on my licence, so far as that goes, but similar endorsement was received by every station in Canada, that is the standard endorsement on every licence.

The CHAIRMAN: I think you are right in that, it went to everybody.

Mr. FLEMING: It does not say anything about using it provisionally.

The WITNESS: No, it is right here at the bottom of page 146:—

By that time three of the Class 1A channels assigned under the terms of this agreement were already in use by the Canadian Broadcasting Corporation and the remaining three class 1A channels were assigned provisionally.

I just refer to a wire in which they said it was not assigned provisionally, that it was a final allocation.

Mr. COLDWELL: I did not hear the word "final," I missed that apparently.

By Hon. Mr. McCann:

Q. May I ask you this question; did you consider the telegram to mean that was final to you?—A. Yes.

Q. I think it had reference to the final allocation made at Washington, the words "to Canada" should have been in. If they are not in there, by inference that was the obvious intention.

By the Chairman:

Q. You would not say that final allocation made at Washington has any reference whatever to you, Mr. Sedgwick? Surely those words taken by themselves, "final allocations made at Washington".—A. I do not know what they mean if they don't.

Q. It is not a question necessarily of determining what they mean themselves, surely it is clear to all what they did not mean; that would not mean that Mr. Sedgwick was going to be dealt with at Washington?—A. I don't know why not. We were part of the radio spectrum dealt with at Washington. We were on the radio spectrum before there was a CBC. And when the Havana agreement was negotiated the CBC getting the high powered channels they became 1A channels; surely we can not read it that that was provisional to me, that the CBC were going to take it over, and if so, why did not they say so?

Q. I do not think the telegram goes that far. As I say, I would not consider it that way. I am speaking that way after all these explanations have been given. I do not know what I would have read at the time. The words

to which Mr. Coldwell referred, which he read at page 145 indicate clearly that the Canadian Broadcasting Corporation were going to use these high powered channels as far back as 1936, and the Board of Governors at their second meeting that year recommended that all clear channels be reserved for corporation stations. And it says, "this was approved by the department on April 16, 1937." And now, I would infer from what you have said today that the facts stated in that paragraph which I have read were not known to you? —A. That is true, sir.

Q. I have not been a member of the Radio Committee before, but I have been informed that this statement which Mr. Browne gave to the committee this year has also been mentioned at various times in former committees, and that the same information can be found in the reports of proceedings of other Radio Committees in other years. I do not know whether that is a fact or not.

Mr. COLDWELL: I think that is true. I have a fair recollection of it.

The WITNESS: I can tell you this, there never was any intimation at any time that two 50 watt stations would be operated in the city of Toronto. As I state in my brief it would be hard for me to ask what I do if they needed the frequency of 860 for their programme of development outside of the city of Toronto. I cannot find any indication that that was ever contemplated, and, frankly, it is difficult for me to understand why the CBC should want two 50 watt stations in what is one of the major markets in Canada, particularly when the putting of that station in involves the putting of our station out of business.

Mr. COLDWELL: That really is not the point.

The CHAIRMAN: It is the point in question.

Mr. COLDWELL: It is the first time that has been represented to the committee, that they should have two high powered stations in Toronto.

Hon. Mr. MCCANN: That is a matter of policy.

Mr. COLDWELL: Yes, the two high powered stations should be used in Toronto. But I have a very fair recollection, I think the last time I was on this committee, this question of a high powered station came before the committee, and this reference which was made by Mr. Browne has either been placed on the record in the form in which it is now substantially, or has been brought to the attention of the committee: these high powered channels were reserved exclusively for the use of the national system and they were allotted for the time being to other stations on the understanding that when the corporation requested the use of these channels that the corporation would get these channels.

The WITNESS: I do not recall those references, sir, frankly.

Mr. COLDWELL: But you read the reference?

The WITNESS: I don't recall this reference.

Hon. Mr. MCCANN: I recall the matter having come up in 1942 and in 1944.

Mr. JOSEPH SEDGWICK: We have appeared here year after year asking for an increase in power for CFRB to make it a 50 kilowatt station, and at no time was the statement made to us, you cannot increase to 50 kilowatt because we are going to take it over, nor was it hinted at.

Mr. FLEMING: Mr. Chairman, Mr. Coldwell has asked about half a dozen questions, and I have one which I want to ask him to clarify—what he is saying now. I want to clear this matter up for the record. Mr. Coldwell has made certain assertions from the past—

The CHAIRMAN: I thought you thought you would be stopped from asking it. I was not doing anything to prevent you. You are under a misapprehension there.

Mr. COLDWELL: Go ahead.

Mr. FLEMING: I want to ask Mr. Coldwell this. His assertion was that in corresponding committees in earlier years the question of the policy of the CBC on the wave length of CFRB was referred to?

Mr. COLDWELL: I would not say the wave length of CFRB was specifically referred to; but I will say this, that the question of the 1A channels—and that includes CFRB—were reserved for the corporation if and when the corporation needed them, as the minute of the corporation which I read indicates.

Mr. FLEMING: May I ask if the three stations principally concerned were referred to in the same way?

Mr. COLDWELL: Now you are asking me to draw on my memory over a period of years. I would not answer that question with yes or no. But I would say this, that I believe we understood that CFRB and CFCN did keep these high power channels. Whether they were referred to specifically or not, I do not know.

Mr. FLEMING: So much importance seems to be attached by yourself and Mr. Coldwell to the fact that somehow or other that there was never any proceedings in any of these corresponding committees in the earlier sessions that there was no notice to Mr. Sedgwick that he was to vacate these channels when requested.

The CHAIRMAN: Not in a legal sense.

Mr. FLEMING: Well, notice in some way.

The CHAIRMAN: Yes.

Mr. FLEMING: Notice that after March 1941 he held his wave length provisionally, and as it was one of the class 1A wave lengths under the Havana Treaty, CBC as a matter of policy would take it over at some time. Now, I think that in view of the importance attached to it, that point should be looked up. I do not know if there is an index to the proceedings of the committee in previous years, but somebody could look it up to find out whether it was said that Mr. Sedgwick was given notice of the contents of the minutes of CBC or the sort of thing that Mr. Browne referred to in his evidence at page 146. It is one thing for a decision to be reached by the CBC or by the government through the Department of Transport, as to its policy from 1941 on; and it is quite another thing to communicate that decision to the parties concerned. As I read Mr. Brown's evidence at pages 145 to 147, he says at page 146:—

> Class 1A frequency channels did not come into existence as such until the North American Regional Broadcasting Agreement became effective on March 29, 1941. By that time, three of the class 1A channels assigned under the terms of this agreement were already in use by the Canadian Broadcasting Corporation and the remaining three class 1A channels were assigned, provisionally, as follows:

But they do not put that rider on the licences, about the provisional assignment until 1945. All Mr. Browne has said is that from 1941 they referred to regulation 15 of part 2 of the Radio Regulations issued by the minister in accordance with section 4 of the Radio Act, 1938 which says:—

> The allotment of a frequency or frequencies to any station does not confer a monopoly of the use of such frequency or frequencies, nor shall a licence be construed as conferring any right or privilege in respect of such frequency or frequencies.

It says you shall not acquire a monopoly there and it does not confer any right or privilege.

Mr. ROBINSON: Why don't we settle this by having him read the exact wording as determined on his licences. Why shoulld we worry about the minutes of a meeting many years ago?

The CHAIRMAN: I think the answer is that we are not discussing whether the reference here in the committee constitutes anything in the way of a strict legal notice; but there was some difficulty in understanding why Mr. Sedgwick felt so secure with so many of these things having happened. That is how this sort of questioning came about.

The WITNESS: I will tell you why I felt secure: because it seemed to me that when the Havana conference agreement came into operation and the CBC moved from 50000 watts, when they moved their station from 840 to 740, and my frequency from 690 to 860 and took the 690 and used it in Montreal, I had no conception, and I do not thing a single soul in the radio business including the CBC had any conception that they would get into the business of trying to establish a twin network to be operated by the same organization.

By the Chairman:

Q. What was that date?—A. 1941, I think. I do not think there was a conception in the mind of another private station operator or in the mind of the CBC that they would, at any time, try to operate twin networks in Canada. I think that idea developed and did not come about until a year or so ago when the CBC found their commercial business growing and it came to them that that would be a way to take on greater commercial business.

By Mr. Coldwell:

Q. Is that the point, Mr. Sedgwick?—A. It is the point that made me feel secure.

The CHAIRMAN: We were dealing with the state of mind of the owners and operators of CFRB. There is one statement which you made a little while ago as to which there seems to be some difference of opinion in regard to the following facts: I said that in 1941 you got a certain endorsement, and you said that every operator got that. Now I understand that is not correct, but that it went only to the class "A" people, to the three stations.

By Mr. Coldwell:

Is the endorsement printed on the licences?

The CHAIRMAN: I called up Mr. Browne and asked him about it and he said "no", only with respect to those three stations.

The WITNESS: It has been on my licence since 1941, the same endorsement.

By Mr. Coldwell:

Q. Was it printed as a part of the licence, Mr. Sedgwick?—A. I will look it up, sir. I have it here.

By The Chairman:

Q. You have it earlier than 1941, yourself?—A. In 1927-1928, it was—I am reading paragraph 11 of the licence—

> (11) The allotment of the wavelength or wavelengths specified in the schedule annexed hereto does not confer a monoply of the use of such wavelengths."

By The Chairman:

Q. But the question was a little different in its nature, was it not?—A. I do not think so, sir.

By Mr. Fleming:

Q. Is 1929 the same as 1928?—A. It seems to be the same as 1928; 1929-1930 seems to be the same. But in 1930-1931 they get this endorsement on, which is a new one. No, it came first in 1929-1930. The endorsement reads as follows:—

> This licence expires on the 31st March, 1930. Its renewal after that date may be contingent on the report of the "Royal Commission on Radio Broadcasting", now conducting inquiry.

That endorsement appeared in 1930-1931, and 1931-1932. And in 1932-1933 this endorsement appeared:—

> This licence shall be subject to the provisions of the Canadian Radio Broadcasting Act, 1932.

That seems to be an addition there. In 1933 to 1934 it says that the licence is issued subject to the provisions of the Canadian Radio Broadcasting Act, chapter 195, and to all the regulations heretofore or hereafter made thereunder.

By Mr. Fleming:

Q. What happened to that clause about the allotment?—A. That disappeared after the Aird Commission was established and the Act was passed which recognized the position of private radio in Canada.

Another clause appeared later when the Havana Treaty was being negotiated, where it said:

> Frequencies subject to change upon three months' notice as may be required under the Havana Agreement.

That appeared in 1938-1939, 1939-1940, 1940-1941; and then, in 1941-1942—

By Mr. Robinson:

Q. Could we have the exact clause as to the termination, from the year 1938 to date? That would be helpful.

By Mr. Coldwell:

Q. What is 1941?—A. This is after the Havana Agreement came into operation and the new frequency of 860 kilocycles was assigned to me. It reads:

> This frequency is assigned subject to the provisions of regulation 15 of part 2 of the radio regulations issued by the minister in accordance with section 4 of the Radio Atc, 1938.

By Mr. Fleming:

Q. Does it not go on to quote the regulations?—A. No. That is in 1941-1942 In 1942-1943 exactly the same notation is there. And in 1943-1944 the same notation is there.

Q. Again I ask, is regulation 15 not quoted?—A. No. In 1943 we have another letter saying that under the Act of 1938 all operators employed at radio transmitting stations in Canada are required to be British subjects and to have subscribed to a declaration of secrecy, and so forth. It is, of course, completely outside of this argument.

And then, in 1944-1945, the licence is a little bit of a thing. It has not got anything except in a letter accompanying it which says:—

> You are reminded that the stations for which these licences are issued must comply in all respects with the provisions of the following:—
>
> (*a*) The Radio Act, 1938, and the regulations issued thereunder.
>
> (*b*) The Canadian Broadcasting Act, 1936, and the regulations issued by the Canadian Broadcasting Corporation pursuant to section 22 thereof.

That was in 1944-1945.

By the Chairman:

Is there an endorsation about fifteen there again?—A. No, it is not there at all.

Q. By this time you have, of course, notice by letter.—A. Notice of what?

Q. By this time and date.—A. Notice of what?

Q. Of a change with respect to your station.—A. No, no, we have no notice at all and we do not get notice until 1945-1946 when, for the first time, this appeared:

> The frequency of 860 kilocycles per second, being a clear channel is definitely reserved for the national system of broadcasting and this station is authorized to use this frequency provisionally until such time as it may be required for and assigned to the Canadian Broadcasting Corporation.

That was the first notice I ever received either directly or indirectly, either by inference, suggestion, or any other way.

By Mr. Coldwell:

Q. And you did not get a letter following the 17th meeting of the Board of Governors in 1941?—A. No, sir.

Q. You got no such letter?—A. No, sir; and in all the years we appeared, asking for increases of power on the station, it was never mentioned by the C.B.C. that the reason for not granting the increase was because we were holding a conditional licence. Not until the spring of 1945 was it ever mentioned.

Q. I have always known about the licences, ever since I became a member of this committee.—A. Well then they keep you better advised than they do me.

Q. No, I remember this quite distinctly. It has been discussed year after year.—A. I was firmly of the opinion that when the C.B.C. selected the frequency of 740 in 1941 under the Havana Agreement, they were doing, just as every other country was doing, protecting the existing position; that they were protecting my position in the high channel just as every other country was doing. I felt that the C.B.C., now having selected and procured a 50000 watt station in Toronto, there would be no further change in the frequency which I was occupying unless it was to move into some distant area of Canada where that frequency might be needed. That is the truth.

Q. I do not doubt that, as far as Toronto is concerned.

By Mr. Fleming:

Q. Now you have Mr. Browne with you and I think that Mr. Browne should be given an opportunity to clarify the point at page 2 of his brief, which is headed, "Class 1A, Frequency Channels for use by Private Stations" and which is quoted on page 147 of the report, which reads as follows:

> Accordingly, the licence issued for these stations for the fiscal year 1941-42 which were dated April 1, 1941, and which were forwarded to the respective licensees under covering letters dated May 15, 1941, bore the following endorsation—
>
> This frequency is assigned subject to the provisions of Regulation 15 of Part II of the Radio Regulations issued by the minister in accordance with section 4 of the Radio Act, 1938.
>
> The said regulation 15 provides as follows:—
>
> The allotment of a frequency or frequencies to any station does not confer a monopoly of the use of such frequency or frequencies, nor shall a licence be construed as conferring any right or privilege in respect of such frequency or frequencies.

I think Mr. Browne should tell us, as he wrote that, and I think every member of the committee has assumed that regulation 15 was also quoted on the licence. I think that ought to be clarified. It should not have been indicated if the intention was to convey that there was one sentence on the licence and the rest was Mr. Browne's explanation of regulation 15.

Mr. COLDWELL: Is Mr. Fleming suggesting that the licensees would be ignorant of it?

Mr. FLEMING: No, no. I would just like to clear up that point. Mr. Browne can do so quite briefly.

The CHAIRMAN: That is on page 147.

Mr. FLEMING: Yes, or on page 2 of the brief that he submitted to us which is headed "Class 1A, Frequency Channels".

The WITNESS: We are familiar with that regulation. It applies to every station in Canada.

Mr. FLEMING: I am quite aware that you would all be familiar with it.

The CHAIRMAN: Before Mr. Browne deals with that, may I ask if this change in the manner of issuing licences was made with reference to all stations or only with reference to the three. What have you to say about that, Mr. Browne?

Mr. BROWNE: That endorsement was placed on those three licences only, these stations which were on these clear channels.

The CHAIRMAN: What have you got there?

Mr. BROWNE: I have got the report.

The CHAIRMAN: That is on page 147.

Mr. BROWNE: But to answer Mr. Fleming's question: the quotation there of the regulation itself was not placed on the licence but just an endorsement drawing attention to the regulation.

The CHAIRMAN: That is what was put on at the time: that "this frequency is assigned subject to the provisions of Regulation 15 of part 2 of the Radio Regulations issued by the Minister in accordance with section 4 of the Radio Act, 1938". That really should be in quotes, if it were printed correctly, because that is what went on the licence.

Mr. BROWNE: That is right, Mr. Chairman.

The CHAIRMAN: Then as a matter of information, you were saying to the committee that "the said regulation provides as follows"?

Mr. BROWNE: That is right, it was by way of an explanation to the committee.

The CHAIRMAN: Mr. Fleming says, when he read the second quotation, after reading the first quotation that he inferred that this quotation of regulation 15 itself was printed on the licence. I quite appreciate that you did not intend him to think that.

Mr. FLEMING: I think we were misled by the fact that in Mr. Browne's brief on page 2, the whole thing is indented.

Mr. BROWNE: It should not have been. The line which reads: "the said regulation 15 provides as follows" should have come out to the edge.

The CHAIRMAN: Then, as to these marks on the licence, that was not done in general, but only to the three stations?

Mr. BROWNE: That is right. It goes without saying that the regulation applies to all the stations, but it was put on these three licences in order to draw the attention of the licensees to it.

The CHAIRMAN: Mr. Sedgwick, you were remarking a little while ago that the endorsation went to everybody. You must have just been thinking that that was probably the case.

The WITNESS: Everbody gets his licence subject to the Radio Act. How could we distinguish. I do not see other people's licences, but it is found, when you get a licence, that it is subject to the provisions of the Act and the rules and regulations of the Canadian Broadcasting Corporation. How could we be expected to notice that that was supposed to be a warning or a guide to something different, because every station gets it.

By the Chairman:

Q. But when you remarked that that endorsation was on everybody's licence, you really did not have any reason for saying that.—A. No, every station licence is subject to that same provision whether it be my station or another's.

Q. It has been clear to everybody, right along, that all were subject to Regulation 15, whether marked on the licence or not.—A. Definitely. It would not occasion any surprise to any station receiving such a licence.

Q. I would say then to you that there seemed to be a slight difference of opinion there between you and me. If I had been receiving a document annually, and I had known that I was subject to a certain law which consisted of forty-nine clauses, I would always be aware of the fact that I was subject to that law. Then, along comes a licence one day which states: bear in mind that you are subject to Regulation 15. Well, I would certainly think that was an unusually odd circumstance.—A. I do not think so, sir.

Q. Regulation 15 was— —A. The whole history of the licence was that originally we got our licence with an endorsement calling for a radius of 100 miles. For three years prior to the negotiation of the Havana Agreement, or at least for some years during the operation of the Aird Commission report, they were endorsed: subject to what the government may do, subject to the Aird report. For three years prior to the Havana Agreement, they were endorsed subject to the Havana Agreement; but from 1941 they were issued to us subject to the Radio Act. I suggest there is nothing in that which would suggest itself to me that there was any question of the fact that subject to good behaviour we had, as a pioneer station developing a high power frequency, put ourselves in a position where we could expect reasonable security on that frequency provided we behaved ourselves and performed public service. We have attempted to develop our business and to perform public service. I can say this to you that last year I spent more money in sustaining programmes alone than we used to take in in the days when I started on the station.

Q. At any rate then— —A. I would not have done such a thing if I thought we were going to be in this position.

Q. It comes to this that when that endorsation appeared on your licence in 1941 it had no special significance to you?—A. None whatever. It was merely a reference to the Radio Act with which we were all familiar.

Q. And if some person else thinks it would have had special significance to him that, of course, is his privilege?—A. Nobody else did as far as I can find out. I did not even know there were only the three, because every station's licence was subject to it.

Q. They were always subject to it but there were only the three that got that endorsation.—A. How would I know? There was no way of finding that out.

Q. I did not say you would know.—A. Had it been pointed out I was one station out of three selected for that endorsation it might have occasioned some surprise.

Q. Is there no trading of information in the industry?—A. Not of that kind. It never even caused a ripple.

The CHAIRMAN: We will meet tomorrow morning but I thought we ought to remain here long enough to decide whether we would have to have you back.

Mr. FLEMING: We can finish in five minutes, I am sure. There is one question I would like to ask Mr. Browne.

Mr. HANSELL: Are we going to finish or are we not, because I have not asked any questions along that line yet.

The CHAIRMAN: Mr. Hansell, do not run away with the impression that anybody is going to be stopped from asking anything.

Mr. HANSELL: If you expect to finish with Mr. Sedgwick in five minutes—

The CHAIRMAN: You take issue with Mr. Fleming that we can finish in five minutes?

Mr. HANSELL: I sure do.

By the Chairman:

Q. Then, I presume, Mr. Sedgwick, that as far as you are concerned to-morrow is as good as to-day?—A. Yes, I am at your service.

The CHAIRMAN: We cannot finish in five minutes apparently because Mr. Hansell says we cannot.

Mr. FLEMING: I cannot be here for the meeting to-morrow and I should like to ask Mr. Browne a question so that there is an opportunity for Mr. Sedgwick to comment on it while he is here.

The CHAIRMAN: I feel sure that the committee would grant that indulgence to Mr. Fleming.

Mr. FLEMING: Now, Mr. Browne, again referring to your evidence on pages 146 and 147 may I ask if you did not take steps to draw to the attention of CFRB, CKY and CFCN the decision that apparently was made in 1941 that those three wave lengths would eventually be taken over by the CBC, and if not, why not? Bear in mind in answering the question if you will, please, that you put this special warning on the licences of those three stations for the first time in April, 1945, in which you said:—

> The frequency of . . . . kc. per second being a clear channel is definitely reserved for the national system of broadcasting and this station is authorized to use this frequency provisionally until such time as it may be required or assigned to the Canadian Broadcasting Corporation.

I want you to tell the committee why you did not put that warning on the licence in 1941 and the intervening years?

Mr. BROWNE: The endorsation which we did put on was discussed with our legal people and with the officials of the CBC. I believe in correspondence, and it was decided that was the proper legal form in which to remind the licensees of these stations of the changes which would occur in the future in accordance with the terms of the Havana Agreement.

Mr. FLEMING: Do you mean by that the decision to take over these three wave lengths for the CBC system?

Mr. BROWNE: Would you mind repeating that?

Mr. FLEMING: Did you mean as well that was to warn these licensees that it was the intention of the CBC to take over the three wave lengths for the CBC system

The CHAIRMAN: Would you not use the word "might" there instead of "intended"?

Mr. BROWNE: I will repeat what I said in my evidence, I will read from it:—

> The Board of Governors of the Canadian Broadcasting Corporation, at their seventeenth meeting in March, 1941, recommended that the licensees of the above mentioned stations be advised that these channels may be recalled by the CBC at some future date and must be vacated if and when the occasion arises. Accordingly, the licences issued for these stations for the fiscal year 1941-42 which were dated April 1, 1941, and which were forwarded to the respective licensees under covering letters dated May 15, 1941, bore the following endorsation,

and that is the one . . .

Mr. FLEMING: Was that endorsation all you did to direct to the attention of these three licensees that they might expect to have their wave length taken over by the CBC?

Mr. BROWNE: That is right.

Mr. FLEMING: That is your idea of giving them warning, is it?

Mr. BROWNE: It was a decision made within the department.

Mr. FLEMING: May I ask you why you put the second and much more direct endorsement on the licence of April, 1945?

Mr. BROWNE: Because of the further meeting of the Board of Governors at which the resolution was passed covering the definite assignment of these channels.

The CHAIRMAN: A further step had been taken by the CBC.

Mr. FLEMING: We have the statement of Mr. Browne that the department thought it gave sufficient warning of the intention that these wave lenths might be taken over from these licensees by this reference to regulation 15? That is all?

Mr. BROWNE: That is right

Mr. FLEMING: And they did not put on this further warning, this direct warning about a provisional assignment, pending the time when it might be required by the CBC, until 1945?

Mr. BROWNE: No, that is true.

The CHAIRMAN: We will meet to-morrow morning at 10.30 o'clock.

Mr. FLEMING: Thank you, Mr. Chairman and members of the committee, for letting me ask these questions after 6 o'clock.

The Committee adjourned at 6.10 o'clock p.m. to meet again on Friday, July 19th, 1946, at 10.30 o'clock a.m.

APPENDIX A

COMPARISON OF RATES FOR STATION TIME

(By Mr. Harry Sedgwick)

CFNB FREDERICTON, N.B.

Client pays CBC for network 15 minute "Soap Programme"—$4.59 per programme broken down as follows:—

Basic 1 hour rate	$45 00
Frequency discount 52 or more programmes—15 per cent	6 75
	$38 25
Regional discounts—4 regions—20 per cent	7 65
	$30 60*
15 minutes equals ¼ of $30.60 or	$ 7 65
60 per cent of night time rate for daytime programme	$ 4 59†

* Per hour.
† Total cost to client for time only.

Of the $4.59 CFNB receives $2.87.

Fifteen minutes spot broadcasting at card or published rate based on maximum frequency discount in lowest time bracket

Cost to advertiser	$13 50
Agency Commission 15 per cent	2 03
	$11 47
Less 15 per cent Station Representative Commission	1 71
Net to Station	$ 9 76*

* Per 15 min. programme.

One minute spot announcements at card or published rate based on maximum frequency discount in lowest time bracket

Cost to client	$ 5 10
Agency Commission	77
	$ 4 33
15 per cent Station Representative Commission	65
Net to Station	$ 3 68

APPENDIX B

(By Mr. Harry Sedgwick)

Mortality Among Early Radio Stations

1922 CJCG (Free Press) Winnipeg licensed as Canada's first commercial broadcasting station. Station closed down in 1923.

1922 Other licences issued to CFAC, Calgary (still in operation); CFCA, Toronto (closed 1933); CKCK, Regina (still in operation); CJCE, Vancouver (closed in 1925); CKFC, Vancouver (closed 1940); CJCD, Toronto (closed 1926); CHCB, Toronto (closed 1923); CFCF, Montreal (still in operation); CFCE, Halifax (closed in 1923); CFCB, Vancouver (closed 1923); CJNC, Winnipeg (closed 1923); CKZC, Winnipeg (closed 1923); CJBC, Montreal (closed 1923); CJCI, Saint John (closed 1924); CHXC, Ottawa (closed 1927); CHCQ, Calgary (closed 1924); CFYC, Vancouver (closed 1928); CKAC, Montreal (still in operation).

1922 Additional licences issued, those still operating being: CKOC, Hamilton; CFCH, Iroquois Falls (now North Bay); CFCN, Calgary; CFPL, London.

1923 Twelve licences were issued, the survivors being: CKY, Winnipeg; CFOC, Saskatoon.

1934 Thirteen licences were issued, those continuing being: CKCO, Ottawa; CNRO, (now CBO Ottawa); CJVI, (then CFCT) Victoria.

1925 Nine licences were issued, including the following survivors: CKCL, Toronto; CNRV, (now CBR) Vancouver; CFCY, Charlottetown.

1926 Twenty-three licences were issued, the survivors being: CFRB, Toronto; CHGS, Summerside; CJOC, Lethbridge; CHNS, Halifax, CFJC, Kamloops; CJRM, Moose Jaw (now Regina); CKCV, Quebec.

Source: Canadian Radio Data Book, 1941-42.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

July 19, 1946.

The Special Committee on Radio Broadcasting met this day at 10.30 o'clock a.m. The Chairman, Mr. R. Maybank, opened the meeting.

The CHAIRMAN: I see a quorum, gentlemen. There is nothing of a preliminary nature, I believe, so we will continue from where we left off yesterday. Mr. Fleming had asked to be allowed to ask a few questions at the conclusion because he would not be here to-day, and just at that time Mr. Hansell indicated that he had some questions he wanted to ask. Are they still in your mind, Mr. Hansell? Would you like to do so now?

Mr. HANSELL: We are open for business now?

The CHAIRMAN: Yes. I was waiting for you.

Mr. Harry Sedgwick, President of Rogers Broadcasting Co. Ltd., Toronto, recalled:

By Mr. Hansell:

Q. Now, Mr. Chairman, I suppose if I could have done this last night I would have taken about five minutes. That would have satisfied me with respect to all that I wanted to ask. Mr. Sedgwick, in your brief you include a letter, page 26, from the deputy minister of Transport, which letter is evidently an authoritative notice that they would require your wave length. Now, I would like to make an observation or two and ask a question. This letter is from the Deputy Minister of Transport and it reads in part as follows:—

> I have to advise that a recommendation of the Board of Governors of the Canadian Broadcasting Corporation that the channel 860 kc. be made available to them for the use of a high power station of their system has been approved.

Now, that letter is dated April 18, 1946. Perhaps this is not a fair question to ask you, but do you know what date that recommendation was approved by the Department of Transport?—A. I have no idea, sir.

Q. I wonder if perhaps Mr. Browne could answer that? Is he here? I would like to get that date.

Mr. BROWNE: Mr. Chairman, we have that information but it will require looking up. I can have it later.

The CHAIRMAN: Could it be looked up by a telephone call?

Mr. BROWNE: Yes.

The CHAIRMAN: Would you be agreeable to doing that, having the 'phone call made?

Mr. BROWNE: Yes, sir.

The CHAIRMAN: Knowing that that is going to be done now, would you continue, Mr. Hansell?

Mr. HANSELL: I will carry on from there.

By Mr. Hansell:

Q. The position seems to be this; you presented to the Board of Governors your argument as to why you should be permitted to retain that wave length, and the Board of Governors made a recommendation to the issuing authority, the Department of Transport. Were you able to make your argument to the Department of Transport?—A. No, sir.

Q. So the position seems to be that the CBC wanted to take your wave length for their own use; you presented your argument to the CBC who want your wave length; after hearing your argument and wanting your wave length they make a recommendation to the Department of Transport, the issuing authority, and on the basis of their recommendation the Department of Transport grant them that licence, through the recommendation, without hearing you?—A. That is true, sir.

Q. That is, as far as you are concerned anyway. That is all for now on that point until I get that date. I do not want to break any continuity here, Mr. Chairman, but I have one or two other questions I would like to ask on another matter. I was just thinking of the convenience of the members of the committee who may want to follow this particular line.

The CHAIRMAN: Use your own judgment. When it becomes necessary to break in for the reasons you have mentioned I am sure there will be no objection.

Mr. BERTRAND: I note Mr. Hansell says "your wave length", and I thought I should point out that while CFRB have the use of that wave length that does not mean that CFRB owned the wave length.

Mr. HANSELL: Oh well, I realize that that wave length belongs to Canada, but it is also true that CFRB had that wave length for some considerable time. And now, I want to break into another subject.

The CHAIRMAN: Go ahead.

By Mr. Hansell:

Q. Mr. Sedgwick, you presented on behalf of the CAB a schedule which constitutes a breakdown of rates for fifteen-minute periods?—A. That is so.

Q. That was circulated to members of the committee and I would like to ask a question or two on it. Now, I would like to analyse this a little bit. I am not an accountant. Figures have a tendency to confuse me. But in the first section of this breakdown I find that the client or the sponsor pays for a fifteen-minute network period of time $4.59 to the CBC. You tell me if I am wrong. Then the spread on that $4.59 paid by the sponsor to CBC works out so that CFRB station would get $2.87?—A. That is right.

Q. Now, following that, for a fifteen-minute spot broadcast which evidently means a program other than a network program, a fifteen-minute period that you can sell direct, the same broadcasting station would realize $9.76. Is that right?—A. That is true, sir.

Q. Now, would it follow then, would the same figures be true, if the private stations handled the network themselves?—A. You mean, would the private stations get the $9.76 instead of the $2.87?

Q. Yes.—A. This breakdown, as I recall it, was to illustrate the point as to how network rates are set up. Station rates basically are set by the CBC and are in the most cases lower than the local rate that the station charges an advertiser when it sells its own station. Now, it is quite possible, I believe, that if private stations were operating their own networks they would not set the lower rate which has been set by the CBC. They would charge their published card rate, so while the cost of operating the network is admittedly something they would probably get more than they now get from the CBC, but not as much as they get when they sell to a spot advertiser.

Q. Under the present arrangement, however, you get $2.87 for a fifteen minute broadcast that cost the sponsor $4.59. That is so?—A. That is right.

Q. Now, the other point, and the striking thing to me, is this, that for a one minute spot announcement you get $3.68 according to this?—A. That is right.

Q. And therefore CFNB, which is the station we happened to pick out, would get $3.68 for a one minute spot announcement but they would get less than that, namely $2.87, for a fifteen minute period of network time?—A. That is so.

Q. There seems to be quite a difference there, and I do not know the reason for it. Perhaps this would not be a fair question to ask you. Perhaps Mr. Dunton or someone else can answer it later if they like. What I should like to know is where the money goes. There is quite a difference for fifteen minutes between $4.59 and $2.87. There is quite a spread between the two figures.—A. I think I can explain that. It is normal network operation as far as the spread is concerned. From the price of $4.59 which is the net price at which the station is sold on the network for time you will see there are discounts for a frequency of 52 or more programs. He gets 15 per cent for that and there are regional discounts if an advertiser buys four regions. He gets a further 20 per cent. Then when you get to the $4.59 that is divided 50-50 between the CBC and the station concerned. Out of the CBC's 50 per cent they pay the agency commission of 15 per cent and their cost of operating the network.

By Mr. Bertrand:

Q. And transmission lines?—A. No, transmission lines are extra. Transmission lines are not paid out of the CBC's 50 per cent because the advertiser is billed separately for the transmission lines.

By Mr. Hansell:

Q. So the basic one-hour rate of $45 is less transmission lines?—A. That is true.

Q. I was under the impression most of that spread was taken up by transmission lines?—A. No, transmission lines are billed separately by the CBC to the advertiser, and that money does not go into any part of the station's revenue from billing although I think it was pointed out in the CAB brief that the CBC do make a considerable amount of profit out of the moneys they bill the advertiser for transmission lines over and above what those lines actually cost.

The CHAIRMAN: Would you want to state there that word "less" should be "plus"? You said $45 less transmission lines.

Mr. HANSELL: The sponsor pays $45 for an hour's program plus.

The CHAIRMAN: You said "less", and I thought you did not mean that.

Mr. HANSELL: No. I was meaning the sponsor pays $45 plus transmission charges.

By Mr. Coldwell:

Q. May I interject to ask if the station is compelled to take this program? —A. That is the basic station, yes.

Q. But are the other stations?

The CHAIRMAN: The auxiliaries.

By Mr. Coldwell:

Q. Are the auxiliaries compelled to take it?—A. Not the supplementaries; rather than compel generally they discourage.

The CHAIRMAN: We have evidence from Mr. Sedgwick when he was appearing in a different capacity that they are always desirous of getting those broadcasts.

By the Chairman:

Q. That is the evidence you gave on another occasion?—A. That is true, sir.

By Mr. Hansell:

Q. Following that up I hope I am not too confused but I cannot figure out how a station can operate for fifteen minutes with all their overhead, with their technical staff to pay, their announcers, their office boy and all the rest of it, for $2.87?

The WITNESS: Of course, they cannot. That is one of the problems, and that is why when you see a charge of a net of $3.68 for one spot we are charging that particular buyer of time a higher rate because he goes through the swing door and the other fellow is pushed. He does not provide any entertainment or programs.

By Mr. Hansell:

Q. Would this be a fair comparison? Here is a department store running a certain department, the ribbon counter, or something else at a loss. They continue to run that department at a loss in order that they can serve the public and perhaps make the loss up on some other department. Would that be a parallel case?—A. Not entirely because they are continuing at a loss, if so they do, because they feel that is their policy, but in this particular instance there is nothing the station can do about it other than to accept the money that is offered them. These rates are not arrived at between the CBC and the stations by negotiation. These rates are set by the CBC and they are accepted by the station because they can do no more about it. My own station is not on the CBC network but as I understand the complaints of the members of the CAB that bring them to me their objection is the rates are not high enough, but they cannot do anything about it because the CBC sets the rates.

By the Chairman:

Q. Are not high enough?—A. Are not high enough to produce the amount of money they should have for the period of time sold.

By Mr. Hansell:

Q. Does this logically follow that the stations want to get on the network? The inference, at least, if not the direct statement, is that they are all anxious to get on there?—A. Yes.

Q. But if they go on there it is not because they are going to make money on it?—A. That is true. They are going to get audience because network programmes, particularly the United States network programmes, do definitely provide a larger audience for any station that carries them.

Q. So they are willing to take this rate and run at a loss for that period of time in order to retain their audience?—A. I would say that is true.

Mr. HANSELL: I think that is all I want to ask on that.

The CHAIRMAN: Is that answer here yet, Mr. Browne?

Mr. BROWNE: I have one date which is the 25th of April, 1945, that the minister approved of the Board of Governors' recommendation which emanated from their meeting of April 7 to 9. I think that is the meeting in question.

The CHAIRMAN: Do that, will you then, and ask the additional questions you had in mind?

Mr. HANSELL: Yes. My additional question is this; that Mr. Sedgwick was advised on April 18, 1946, on the basis of a decision that was made on April 7 to 9, and eventually approved by the Minister on April 26. This was done with the full knowledge that this committee was to be set up and hear evidence pro and con whether or not these wave lengths should be changed from

one licensee to another. I would say, that that being the case, it is a straight imposition placed on this committee in the end. I do not think there is any argument against that, and I want to make my feeling clear on that point. I do not know whether I am right, but if the witness cares to comment on it he can. But, by reason of that, the committee is placed in this position, that if we want to recommend to parliament the acceptance of Mr. Sedgwick's request then that is tantamount to asking the government to reverse their decision, that their decision was made when they knew this committee was to be set up.

Mr. COLDWELL: What does the Act provide?

Mr. BERTRAND: May I point this out, Mr. Chairman; the department do not take their instructions from this committee.

Mr. HANSELL: Why shouldn't they have waited when they knew this committee was being set up.

Mr. BERTRAND: That is not within the scope of our powers.

Mr. BEAUDOIN: Were not the Board of Governors acting in accordance with established policy?

Mr. COLDWELL: Certainly.

Mr. HANSELL: Legally, they were; I have no argument against that. It could have been done whether this committee was to sit or not. Legally it could have been done. That is their right. But the moral aspect of it nevertheless is this; that the committee was to be set up and specifically I believe, or particularly, to review the position in relation to this very thing.

Mr. COLDWELL: I do not think that is true, if you read the order of reference.

The CHAIRMAN: Just a minute, Mr. Coldwell and Mr. Beaudoin, let the committee not offend further in regard to the rule on the argument of questions. Mr. Browne indicates that he has a further answer to make.

Mr. BROWNE: It is this, Mr. Chairman, that the date I gave I might say was April 25, 1945. We are dealing with a recommendation which was made a year ago. I think Mr. Hansell is referring to one which was made this year.

The CHAIRMAN: The answer that he gave Mr. Hansell a little while ago was not the answer that the decision was made this year, but that it is one which was made last year.

Mr. HANSELL: I may be wrong in my dates.

The CHAIRMAN: Yes.

Mr. HANSELL: Now, even at that—

The CHAIRMAN: Let me interrupt you. As long as it is questions it is in order; otherwise argument will occur at the end of the case. Do you agree to that?

Mr. HANSELL: Yes, Mr. Chairman. I will present my argument at the end of the case.

The CHAIRMAN: Of course, you know you will have the fullest opportunity then.

Mr. HANSELL: You are quite fair.

Mr. COLDWELL: May I ask you what the order of reference is? Is it not that we should inquire into—

The CHAIRMAN: Roughly speaking, that we should inquire into the affairs of the CBC and not into the affairs of CFRB.

Mr. COLDWELL: That is right.

The CHAIRMAN: But, Mr. Coldwell, that will not interfere with the general line of questioning we have been following.

Mr. COLDWELL: No, I am not raising the point, don't misunderstand me. I am very glad to have the CFRB and the other organizations here, but Mr. Hansell to the government doing something which was going to affect private stations; and, as a matter of fact, we have no jurisdiction over it.

Mr. HACKETT: Our terms of reference are,

> To consider the annual report of the Canadian Broadcasting Corporation, and to review the policies and aims of the corporation and its regulations, revenue, expenditures and development—

That falls within the ambit of our reference.

Mr. COLDWELL: I am not objecting to it.

Mr. HANSELL: I am not objecting to it either. I have just this one question. I would ask Mr. Smith, did he not ask the minister a question along this line in the House the other day and did not Hansard record that the minister said in respect to the transferring of this wave length that he was not going to give any answer until this committee had finished its work?

The CHAIRMAN: There certainly was something of that sort in the House of Commons, but it is at the moment not important anyway, because there is no objection to the questioning that is going on. You will recall after all that all I have said is, let us ask questions.

Mr. HANSELL: Yes. The principle involved though is very important.

By Mr. Coldwell:

Q. I have a question to ask about the financial statement. The gross income given for CFRB is less sales tax; and is it also less commissions, if there are commissions?—A. Yes, that is right.

Q. After commissions have been paid?—A. That is right.

Q. So the gross advertising revenue if it included the commissions of 15 per cent would be considerably more than the figure indicated, something like $42,000,000?—A. That also includes the business of manufacturing and distributing radio sets.

Q. That was at the beginning?—A. Yes. And there are no commissions shown in that for the reason I explained, that the early records were not available to me. We had to find out what we could from any source from which we could obtain it in order to make up this statement. I would say it was subject to sales tax.

Q. And in the gross income figures you have given us for 1942, 1943, 1944, 1945 and 1946 would not include the commissions?—A. I think they are after the agency commissions.

Q. The figure we have here (page 21 of the brief) of $2,526,000 odd is after the agency commissions?—A. Yes, because we do not handle agency commissions. The most of the business comes from the agencies and they deduct at the source.

Q. I want to make a comparison with the CBC because to get the CBC total advertising which does include the commissions paid. I wanted to be clear about that for the purpose of making comparisons.

The CHAIRMAN: Mr. Sedgwick and gentlemen, I want to ask a few questions relating to the capital set-up of CFRB and that sort of thing.

Mr. HACKETT: Does the fact that you are going to ask questions mean that the questioning of Mr. Sedgwick is at an end?

The CHAIRMAN: Oh, no.

Mr. HACKETT: You know how it is in court sometimes, when the judge starts asking questions the examination is at an end.

The CHAIRMAN: I am not in the position of the judge, I am just one of the gang, too; and no judge is ever like that. What I wanted to say is that I have to retire for about five minutes and I wonder if you would take the chair Mr. Beaudoin. I wanted to say before leaving that I wanted to ask a few questions about capital expenditures and that sort of thing, and I thought I should mention it first.

The WITNESS: Could I make a remark along the lines Mr. Hansell brought up. That statement is news to me, it would seem to be to this committee; that the matter was decided as Mr. Browne has said in April, 1945; and it does not seem to jibe with the correspondence I had with the CBC which did not start until November of 1945, when they asked me to come down and make representations. And now I find that the matter was decided six or seven months before. For that reason I am just wondering if that date is correct. My position was so peculiar you see, sir, because had this decision been made in 1941, had we known that we were merely warming up our frequency, we would have had an opportunity of looking over the spectrum and finding a fairly open point, and we could then have obtained a desirable frequency on that spectrum. It is different when they come along now after my business has been built up so that I am one of the largest private broadcasting stations in Canada. Particularly as now the spectrum is for all practical purposes fully occupied. We are now faced with a very difficult situation, with a spectrum which now is badly overcrowded.

By Mr. Hansell:

Q. The decision was made in 1945 and you did not get any official word until April, 1946?—A. That is true.

Mr. NIXON: In other words, Mr. Sedgwick, had you known that you were going to have to vacate this 860 frequency soon you probably would have applied for a better frequency, I mean, one better than the one which is now available to you, one that would serve your purpose better than the one you will have now?

The WITNESS: I think Colonel Bayly indicated that in 1941 some very desirable frequencies on the spectrum were available that are not available now, and they were much more desirable than the frequencies now offered to us by the Board of Transport as alternates. There are not the frequencies available now that were available in 1941.

By Mr. Coldwell:

Q. I am rather concerned about this one point; that is, that this notification was supposed to have been made to you after the 17th meeting of the Board in March of 1941, and you say that you did not receive that notification?—A. No, no notification was ever sent to me, I do not think, sir. I never received any.

Mr. COLDWELL: I think that is rather important and I find the statement rather disturbing. I am disturbed over that particular omission, if it was an omission; and I take it that the secretary will search the records and see what they say. In any event, I would ask the clerk to do so so that we may know clearly and explicitly just what action was taken in the matter.

Mr. HACKETT: Is it asserted by the corporation that there was no other notification to Mr. Sedgwick than the pure words that I have understood were inserted in his licence?

Mr. COLDWELL: That is the point I am trying to get at.

The CHAIRMAN: I think your question should be directed to Mr. Browne who has produced a brief on this question at one of our previous meetings. He would be in the best position to tell you whether it has been asserted before.

Mr. BROWNE: Mr. Chairman, as I stated before, that was the manner in which the station was notified of the change which was to be made, by that endorsation on the licence.

Mr. COLDWELL: And you have no responsibility for this letter of 1941. That was a decision of the Board of Governors?

Mr. BROWNE: It is the recommendation of the Board of Governors to the department.

Mr. COLDWELL: I am talking about 1941.

Mr. BROWNE: This is 1941.

Mr. HACKETT: A notice consisting of two or three words; what were those words?

Mr. BROWNE: "This frequency is assigned subject to the provisions of regulation 15 of part II of the radio regulations issued by the Minister in accordance with section 4 of the Radio Act, 1938."

Mr. HACKETT: That was in 1941?

Mr. BROWNE: In the 1941-1942 licence.

Mr. NIXON: Would you mind reading that again?

Mr. BROWNE: "This frequency is assigned subject to the provisions of regulation 15 of part II of the radio regulations issued by the Minister in accordance with section 4 of the Radio Act." That was the endorsation on the 1941-1942 licence dated April 1, 1941 and sent out to the listener with a covering letter dated May 16, 1941.

Mr. COLDWELL: What was the covering letter?

The CHAIRMAN: Mr. Browne, would you come up here to the stand, please, so we can all hear you.

Mr. BROWNE: I haven't a copy of that with me, but the covering letters all went out at the same time and they read substantially in this way: "I am enclosing herewith your licence for the fiscal year 1941-1942, which is issued pursuant to the provisions of the Act."

Mr. HACKETT: I think, Mr. Browne, in view of the fact that you have referred to the letter we will have to ask that your evidence be sustained on this content.

Mr. COLDWELL: Now, Mr. Sedgwick, when you got that licence—

Mr. HACKETT: Just a minute, I wanted to go on.

The CHAIRMAN: Mr. Hackett, if you will permit me, I understand this letter has been given by Mr. Sedgwick to the reporter and I understand the secretary has sent a messenger up to have it brought down.

Mr. HACKETT: That is all right. Now, I do not think it is fair to Mr. Browne that he should rely on his memory about a letter he wrote five years ago. You have told us what was contained in the way of reservation in the 1941-1942 licence. Will you state whether there was any similar reservation in the 1942-43 licence, and its terms?

Mr. BROWNE: Yes there was, Mr. Chairman. The licences for the three years, 1942-43, 1943-44 and 1944-45 carried the same endorsation. I am quoting now from the statements I made before the committee.

Mr. HACKETT: And was there any further intimation given to Mr. Sedgwick of his liability to expropriation by way of letter or other communication in writing?

Mr. BROWNE: I do not think the question of expropriation ever entered into the discussion, sir.

Mr. HACKETT: Well now, what I mean is that Mr. Sedgwick was apt to be dispossessed of the use and enjoyment of the wave length which he had been using and developing since he started in business.

Mr. BROWNE: The next notification to the station was the endorsation on his licence resulting from the recommendations of the Board at their 41st meeting in April, 1945, and the licences for station CFRB, CKY and CFCN, for the fiscal year 1945-46, dated April 1, 1945, bore the above endorsation and the attention of the licences was drawn thereto in each case in the covering letter mailed with the licence on May 16, 1945. The endorsation read:

> The frequency of 860 kilocycles per second being a clear channel is definitely reserved for the national system of broadcasting and this station is authorized to use this frequency provisionally until such time as it may be required or assigned to the Canadian Broadcasting Corporation.

Mr. HACKETT: Why did you find it necessary to modify the language which was incorporated in the licence in 1945-46.

Mr. BROWNE: It resulted, as I say, from further recommendations of the Board at its 41st meeting in 1945, which I take it resulted from the plans of the CBC having matured and crystalized in the meantime and they were in a position to make a more definite statement.

Mr. HACKETT: Well then, you did not consider that the notice inserted in the 1941-42 and subsequent licences was adequate?

Mr. BROWNE: I do not think that was the reason for the change. It was due to a further recommendation of the Board.

Mr. SMITH: How many of the 1941-42 licences bore that endorsation?

Mr. BROWNE: Three.

Mr. SMITH: Three stations?

Mr. BROWNE: The three stations in question.

Mr. BERTRAND: How would these endorsations be brought forcibly to the attention of the owners?

Mr. BROWNE: It was typewritten on the face of the licences.

Mr. BERTRAND: Do all the other licences carry typewritten endorsations on their face?

Mr. BROWNE: If any endorsations are necessary they are put on in typewritten form, but in the case of other broadcasting licences I do not think there was any endorsation required.

Mr. BERTRAND: Did previous licences given to this station bear any typewritten endorsation?

Mr. BROWNE: What is that again?

Mr. BERTRAND: Did the previous licences issued to these stations bear any typewritten endorsations?

Mr. BROWNE: Off hand, I would say no, I do not think so. There was a special endorsation on the 1-A licences which had to do with the provisions of the Havana Treaty; but that was not peculiar to these three.

Mr. BERTRAND: So in order to bring that forcibly to the attention of CFRB this notice was typewritten on the licence. Is that correct?

Mr. BROWNE: That is correct?

Mr. BERTRAND: May I ask just one other question; what was the reaction of the other two interested stations?

Mr. BROWNE: You are referring now to the three licences which bore endorsations? One was issued to CFRB. We know their reaction. As to the other stations concerned, I do not think there was any reaction at that time, as far as I can recall.

Mr. BERTRAND: Do the other two stations agree that they were notified that their wave length was to be taken by CBC at some future time?

Mr. BROWNE: At that time there was no objection so far as my recollection goes; but this year when we notified CFCN in Calgary I believe he replied and stated that he took exception to the notification.

Mr. BERTRAND: We can understand that they would take exception; but, did they agree that they were notified, or, do you know, Mr. Browne?

Mr. BROWNE: I am just looking it up now, sir.

Mr. SMITH: I think we should have the letter read. I was wondering if that was the one which was given to us in the CBC brief?

The WITNESS: I do not believe a letter came with the 1941 licence, but it did come with the 1942 licence. But I believe the letter to which Mr. Browne refers deals with a letter of the 16th of May, 1945. I have a copy of that here and if you wish me to I will read it:—

DEPARTMENT OF TRANSPORT

OTTAWA, May 16, 1945.

GENTLEMEN,—I have pleasure in enclosing, herewith, Private Commercial Broadcasting Station Licence No. 75 for the fiscal year 1945-46 for Station CFRB and form to be attached to Licence No. 76 for Station CFRX stating that said licence will continue in force until March 31, 1946.

The certified copy of the licence for CFRB is to be posted in the Operating Room at the station transmitter and one copy of the form authorizing the extension of the licence for CFRX is to be attached to the certified copy of that licence on the station so that they may be available for inspection upon request of a Government Radio Inspector.

You are reminded that stations CFRB and CFRX for which these licences are issued must comply in all respects with the provisions of the following:—

(*a*) The Radio Act, 1938, and the Regulations issued thereunder.

(*b*) The Canadian Broadcasting Act, 1936, and the Regulations issued by the Canadian Broadcasting Corporation pursuant to Section 22 thereof.

Your attention is drawn to the endorsation on the licence for CFRB which is pursuant to the recommendation of the Board of Governors of the Canadian Broadcasting Corporation to the Minister and appears on all broadcasting station licences issued this year where such stations occupy Canadian 1-A channels.

Yours faithfully,

(Sgd.) WALTER A. RUSH.
Controller of Radio.

Rogers Radio Broadcasting Co., Ltd.,
622 Fleet Street,
Toronto 2-B, Ontario.

Mr. COLDWELL: And the licence which accompanied it carried a typewritten endorsation?

Mr. BROWNE: The licence carried an endorsation.

Mr. HACKETT: Mr. Beaudoin, will you let me see the licence you have there, please?

The ACTING CHAIRMAN: Certainly, Mr. Hackett.

Mr. COLDWELL: Does it carry a typewritten endorsation?

The WITNESS: I believe there were typewritten endorsations on practically every licence we received. I do not ever recall having seen any without typewritten endorsations on them, but we always considered them more or less a routine.

Mr. HACKETT: Just before you began reading, there was a suggestion made resulting from one of the questions put to you that there was no typewritten matter on the licence other than this particular wording. After having looked at this document I would ask you when dealing with these licences to point out the part of the subject matter on the licence which is in typewriting.

Mr. BROWNE: I was referring to the special section of the licence which provides for endorsation. Naturally, the licence forms have to have different wording for name and address for different licensees, and much of the space of the forms has to be filled in as to details, and the typewriter is used for that purpose.

Mr. HACKETT: That is quite true, but that did not compare to the question put to you and the answer given by you. The whole inference was that the only typewritten matter on the licence was that which contained the wording, which is not correct.

Mr. BERTRAND: You mean, regarding the station.

Mr. COLDWELL: What is the endorsation?

The WITNESS: The endorsation on the 1941 licence was:

> This frequency is assigned subject to the provisions of Regulation 15 of Part II of the Radio Regulations issued by the Minister in accordance with Section 4 of the Radio Act, 1938.

Mr. COLDWELL: And this was a change in the wording of the endorsation resulting from the recommendation of the Board made at that time?

The WITNESS: Yes, and we assumed—I think it is fair to say, Mr. Chairman—that every licence in Canada is issued subject to those regulations.

Mr. COLDWELL: This was a change in the endorsation that had not been on the licence before?

The WITNESS: Not entirely, sir, because here is a licence back in 1931 which says:

> This licence shall be subject to the provisions of the Canadian Broadcasting Act, 1932, and the Radio Telegraph Act (RFC, 1927, Chapter 195) and the regulations made thereunder.

Mr. BERTRAND: Is that endorsation made in typewriting?

Mr. COLDWELL: Is that an endorsation?

The WITNESS: No, it is a part of the printing.

Mr. COLDWELL: And apparently the endorsation was revised in 1941 and was different from the others. Will you look that up for us?

The WITNESS: Yes.

Mr. COLDWELL: When you find the regulation stating:—

> The allotment of a frequency or frequencies to any station does not confer a monopoly of the use of such frequency or frequencies, nor shall a licence be construed as conferring any right or privilege in respect of such frequency or frequencies,

would it not occur to you immediately that they were drawing attention to the fact that this was a warning that this frequency might not be allowed you indefinitely. I still think I am right in this and I hope the officials of CBC will look into the evidence before previous committees. I am positively sure I am right. I do not often make a statement saying that I am positively sure unless I am, although I have not looked it up; that from time to time before our committee it has been up for discussion, that the Class 1-A frequencies were reserved for CBC. I remember some speeches I made when I was a bit disturbed as to what was going to be the disposition of the frequencies. I refer to speeches I made in the House on this particular point.

(Mr. Beaudoin retired and Mr. Maybank resumed the chair.)

The CHAIRMAN: You are making this statement with a view to explaining your question to me?

Mr. COLDWELL: Yes.

The CHAIRMAN: Which is that when he saw this endorsation there he ought to have had a disturbance of mind.

Mr. COLDWELL: Oh, quite.

The CHAIRMAN: That is the question, is it?

The WITNESS: I do not think so, sir; because we always had something on the licence, which I can point out.

Mr. COLDWELL: But this was so different, Mr. Sedgwick.

The WITNESS: There is a reason for its being different, because up to 1941 we had these clauses on our licences, so we always had this endorsation, "frequency subject to change upon three months' notice as may be required under the Havana Agreement". That was quite understandable.

By Mr. Hackett:

Q. That was on what licences?—A. That was on the licence of 1938-39, 1937-38—no, it was not on 1937-38; it was 1938-39 and 1939-40. Those are the years during which the Havana Agreement was being negotiated. When the Havana Agreement was finally completed and we got this wire which ordered us to change we got the wire before we got the licence. We got the wire on February 4, 1941, which says:—

> Pursuant to the final allocation made at Washington, January 30, 1941, under the provisions of the Havana Agreement the frequency of your station will be 860 kilocycles and the changeover will take place at 3 a.m. eastern standard time March 29 next. Failure to effect change on above date will necessitate closing down station until change is made.
>
> Radio Transport.

There is no suggestion in that wire I was warming the frequency for somebody else. We got the 1941 licence which told us we were taking the frequency subject to the provisions of the radio regulations and section 4 of the Radio Act, which is certainly not news to us because we know all frequencies are subject to that.

By Mr. Coldwell:

Q. We went over that telegram pretty thoroughly yesterday, and I cannot understand now how you can possibly think that wire from Washington—A. Wire from where? The wire was from Ottawa.

Q. Stating what had been decided at Washington was a notification that was the final disposition of CFRB's wave length. It seems to me the word "final" there has to do entirely with the treaty.—A. That may be except you must remember in considering this matter, I think, that all countries signatory to the Havana Agreement had radio stations which the Havana Agreement was designed to protect. I believe that every station in any of the four countries which signed that agreement that had been operating a high powered channel had its possession of that channel confirmed. I think it is also true that practically every station—I am sure it is in the United States—is still keeping those wave lengths, and the Havana Agreement was designed to protect them. So I certainly felt that because of the fact that for some fifteen or sixteen years we had been operating a high powered channel in Ontario that this was the final allocation as to where we would move as a result of these negotiations in Havana. If we had not been occupying the channel I do not think Canada would have got that high powered channel. I think that is admitted. Then, to follow it through and show you how little we thought this meant we made periodic appearances before the Board of Governors between 1941 and 1945 seeking to have authority to increase the power of the station because of the fact we were a higher powered channel and on not one of those appearances was it ever hinted to us we were holding the licence provisionally or conditionally or temporarily by the Board of Governors or by the management of the C.B.C. It was not even hinted at nor did we receive any communication.

By Mr. Hackett:

Q. Have you any knowledge of timber cut licences and water power licences which are issued from time to time by governments, and which bear the notice that they may be terminated but which in practice are never terminated as long as the conditions for payment of dues and the observing of regulations are respected?—A. I have no personal knowledge of that. I have read in the press as to mines, fisheries and newsprint operators operating in the public domain, but I do not know personally any of the details of the licences, nor do I know of any people who have had them cancelled whether for cause or otherwise.

By the Chairman:

Q. Mr. Sedgwick, I know that you will not want to file papers like you have had in your hand. They are more or less your documents of title, but the idea was in my mind that you might place them in my hands or the hands of the clerk for a little while in order that they might be looked at by various members of the committee.—A. I am happy to do that but I should like to have them back because, as I say, they are my only excuse for being on the air at all.

Q. That is right. It would be worse than if you lost your birth certificate. —A. I want to be able to prove I have been operating.

Mr. KNIGHT: Have you come to the end of that? There are a couple of little odds and ends I did not understand and about which I should like to ask questions.

By Mr. Hansell:

Q. There is just one more question. I understand that this endorsation on the 1942 licence was made on only three licences; is that so?

Mr. BROWNE: That is correct.

By Mr. Hansell:

Q. You did not know?—A. No, sir.

Q. You would have no way of knowing that?—A. I certainly assumed—and probably I was wrong in assuming—that was the standard form of every licence issued.

Q. Would it not be reasonable to expect if this was a special endorsation on only three licences that some special notice should have been given by way of a covering letter suggesting to you that there had been a decision made and that you could perhaps contemplate within the very near future that your wave length would have to be changed? It is reasonable to suppose that you would expect that if the endorsation was only for three stations?—A. I would think so, but we got no such notice.

Q. If you had been doing it yourself is that the way you would have done it?—A. I think I would.

The CHAIRMAN: Mr. Knight, you said you had a few odds and ends.

By Mr. Knight:

Q. Just for clarification I should like to ask whether these licences that were produced yesterday covering a period of years for this station were all issued for twelve months?—A. Yes, sir.

Q. Each one universally for twelve months?—A. Yes.

Q. I remember you mentioned what you described as "a little bit of a thing". I was wondering if that was a regular yearly licence?—A. It is here. I think we can take it out.

The CHAIRMAN: You might keep them together and follow the practice I suggested of passing them over to Mr. Knight.

By Mr. Knight:

Q. It covers a period of twelve months?—A. Yes, that small fellow there is the one we got in 1944 which is the smallest licence we ever had but it did the trick.

Q. It covers a period of twelve months?—A. Yes.

Q. In other words, you have always been issued a complete twelve months licence for any year?—A. I think every station gets that, too. I do not think there has ever been a licence issued for longer than twelve months, and I believe the only time a licence would be issued for shorter than twelve months would be if a station was authorized to commence broadcasting in the middle of the year because all licences expire on the 31st of March each year.

Q. An infraction of a regulation, for example, would have no bearing on the length of time for which the licence was issued? It would be a complete licence issued for twelve months or nothing? Is that your understanding?—A. I would think so.

Q. It would be twelve months or nothing?—A. I would think so. I believe the Act provides that in the event of proven violations of the Act the Board of Governors of the CBC may recommend to the minister the suspension of the licence for a term not exceeding three months, and the minister, as I understand it, has no option but to suspend that licence. He shall suspend the licence. He is not given the right to say, "Yes, I will" or "No, I won't".

Q. The other point was in the financial statement on page 20. Just as a matter of curiosity so as to clear up a misunderstanding on my part there

is a tremendous variation in the amount of taxes paid each year. I presume that depends on the amount of money made by the station. Would you care to comment on that? Taking the year 1939, for example, I wonder if Mr. Sedgwick would care to comment on the enormous difference between the profit in 1938 of $139,000 and the loss of $164,000 in the following year. For instance, in 1938 you paid taxes of $27,000 and in 1939 you paid taxes of $2,000 which obviously is a tremendous difference. In 1936 you paid $2,000; 1937, $29,000; 1940, $25,000; 1941, $2,000.—A. They are all based on our auditor's figures as far as I could get them. I think they are correct. In 1939 there was a large loss so naturally we had very little taxes to pay. The only taxes we would have to pay would be certain fixed taxes that you pay whether you lose or win, but in the other years when you make a profit you pay taxes on your profit.

Q. On that understanding would you care to comment on the difference between the profit of $139,000 in 1938 and the loss of $164,000 in 1939?—A. One good year and one bad year. The business is a very risky business that we were engaged in. I can tell you that you start out and make 40,000 or 50,000 radio sets and sometimes you cannot get your price for them and you find they are left on your hands. We found that in many years. It has been a risky business ever since we have been in it.

Q. There is a variation there of $343,000 in one year?—A. That is right. We had one loss in 1933 of $459,000 in the one year.

By Mr. Coldwell:

Q. That was on—A. On the overall picture, every part of our business.

Q. The manufacture of radio sets would be quite a loss in that year?—A. Yes.

By Mr. Smith:

Q. I want to ask you one question about the 1941-42 endorsation. If you had thought that was a warning to you that you were going to lose your wave length is it not obvious you immediately would have sought other channels which you were not going to lose?—A. I think so.

Mr. HACKETT: And which were open to him at that time.

By Mr. Smith:

Q. Which you were able to do and which were open at that time?—A. I think so, very definitely. We did not waste any time when we did get the endorsement that indicated we were going to lose the channel in getting busy and seeing what we could find.

By Mr. Beaudoin:

Q. Is it not your knowledge that ever since the Broadcasting Act has been in existence you were apt to be dispossessed on your frequency?—A. It is not exactly that. Theoretically yes; every licence in the country can be taken over. If you read the evidence I presented before the parliamentary committee in 1934 I begged them to either give us freedom of operation and reasonable security of our tenure or to take all stations over right then and there and get rid of the whole thing. I know that most stations owners of that day would have cheered if the government would have said, "All right, let us close out radio and take it over". I made that suggesion in 1934 when I appeared before the parliamentary committee, but we have just dilly dallied along each year, feeling each year more secure that as long as we did a good job we would have the use of these frequencies.

Q. When you say each year you felt more secure—A. That is right.

Q. You are aware in 1936 or 1938 the radio committee recommended to the House that the CBC take over all privately owned stations in Canada? Is that not a fact?—A. I recommended it myself in 1934. There is nothing new in that, but they did not do so. We now know that the pattern of radio could not live if the CBC took over all stations.

Q. Then as the years went by you felt more secure. I have not got the proceedings of the previous committees before me, but if I remember correctly in 1936 or 1938 or 1940 the radio committee recommended that the CBC take over all privately-owned stations. You certainly did not feel very secure that year?—A. As I say, we recommended it ourselves.

Q. That was in 1934?—A. Yes, but between 1936 and 1946 ten years have gone by and the emerging pattern of radio seems to be coming closer to what the people want, and we believe what the people want is what parliament wants to give them.

Q. You said a minute ago you felt the Havana Agreement wave lengths as occupied at that time were confirmed. In other words, holding that wave length at that time the terms of the Havana Agreement confirmed that wave length and you felt more secure; you were sure they were confirming you were the owner of that wave length?—A. That is true.

Q. You also knew the policy of the CBC?—A. Yes.

Q. That all key stations should be handled by the CBC?—A. No, there is no policy like that. It never occurred to me, and I do not think it ever occurred to the CBC in 1941, that they would be operating two high-powered stations in one market. Certainly, as I said in my brief, it would be hard for me to put up much complaint if they were taking the wave length of 860 to service a part of Canada which is not receiving service, but it is pretty hard for me to understand why they should do it in an area where the public are highly satisfied and use it to go into opposition to me. That is the thing that is hard to understand. It is not exactly the loss of the 860 frequency. It is the loss of the 860 frequency, and operating it in the town I have built it up in thus taking my place of business and going into business in opposition to me.

Q. You find it hard to understand that the CBC should operate two high-powered stations in the area you are talking about?—A. That is right.

Q. And that the CBC has the exclusive right to operate high-powered stations is a different proposition?—A. It certainly is. I do not believe the CBC contemplated in 1941 doing any such thing.

Mr. HACKETT: That results almost from Mr. Browne's testimony.

By the Chairman:

Q. Mr. Sedgwick, it seems that some of the strength of your argument rests on unawareness of the possibilities or probabilities that you now are finding to be almost factual to-day. In 1942 you received the endorsation on your licence that you have mentioned and you have indicated you did not pay any great deal of attention to it. At any rate, it was not a grave thing with you. In 1943, which would be a year later, the committee reported in this fashion.

> The public ownership of all high-powered stations under a national system of broadcasting, with low-power stations individually operated or co-ordinated in relation to the dominant system.

They say that they are reaffirming that particular principle that there should be that public ownership of high-powered stations under a national system of broadcasting, and you knew this had to be a high-power station?—A. That is true.

Q. That is an additional fact that was known to you or might have been known to you in 1942?—A. That is probably true. There is no doubt about it, as I say, that the disturbing thing is not so much the loss of the frequency. The disturbing thing is the loss of the frequency in an area already adequately served

at this particularly late stage of the game with no adequate frequency on which I can move, and we were a high-powered station before there was a CBC. There was never any suggestion we should have to cut down our service. We were developed as a high-powered station. Our expenses and everything we do is based on our power. I pay twice as much for the use of a news ticker from Canadian Press or British United Press in my room than would a station of lower power. All of these expenses are based on what we call a high-power channel operation.

Q. At the time you could have known these probabilities the chances of getting a satisfactory wave length were, at any rate, much better than they are to-day?—A. That is right.

Q. And there was not any step taken between 1941 and now in spite of (*a*) that warning, and (*b*) this reference in the committee's reports and proceedings?—A. That is true.

Mr. COLDWELL: That would confirm my idea that it was discussed at the time.

By the Chairman:

Q. This which I have read is declared to be a reaffirmation. I am not drawing any final conclusion from it, but I do myself act on the principle that what one could have known is to be looked upon as the same thing as one's knowing it. We often have to do that.—A. I think you will find none of the stations concerned when they got that endorsation took any notice of it at all because they assumed, I presume, like I did, that every station had it on. I heard yesterday for the first time they did not all have it on. Furthermore when this final endorsation came out which was specific why all of the stations concerned immediately started to do something about it.

Q. From this the thought that comes legitimately to the mind with reference to some stations—and I am not saying it applies to you in the light of the positive statemens you have been making—is that sometimes people will consider that it would be good strategy just to keep the mouth shut, and that may account for some people not saying anything. It very often is so.—A. We did not keep our mouths shut because, as I have said, many times through these intervening years we appeared, and so did the other stations concerned, asking for the right to increase our power up to the limit permitted by the Havana Treaty, and never during those times were we told, "You are just keeping that warm for us. Why should we give you that right? When the power goes up we will put it up." As a matter of fact, you get no decision on these appearances. You make your pitch and walk out and that is the last you hear of it.

Q. I think myself when people were coming forward like that they should have been given the basic reason for refusal.

Mr. HACKETT: Could I ask you if you do not think there is something in equity in the practice that a government licence is, one can say, almost invariably renewed if the behaviour of the licensee is good?

Mr. SMITH: A motor car licence.

Mr. HACKETT: Motor car licences, timber cut licences, water power licences, the whole range. Once you become a licensee in practice you have it in perpetuity if you behave yourself.

Mr. COLDWELL: Is there not a difference in this respect that throughout these years it was understood right from the broadcasting corporation's minutes of 1936 that at some time the national system was going to complete its occupancy of high power stations and complete its coverage of the dominion? Mr. Sedgwick draws attention to the point there is already a station in Toronto, but I am not thinking of that at the moment. I am thinking of the fact that again and again before parliamentary committees the occupancy of the high power class 1-A

stations has been discussed. That report we presented to the House in 1943 indicates there must have been considerable discussion on this very point. My recollection was that there was.

Mr. HACKETT: That was all based on the inadequacy of coverage.

The CHAIRMAN: Mr. Hackett, you know, of course, that except by way of short interludes we have not been making statements of an argumentative nature but have been holding to questioning.

Mr. HACKETT: I am speaking about the membership of a committee which goes back a long time unfortunately.

The CHAIRMAN: I do not know that it is unfortunate.

By Mr. Hansell:

Q. I notice in looking over your licence, the one we have been discussing, namely 1942, the licence is a carbon copy certified by the Controller of Radio. Do you usually receive a carbon copy plus the original?—A. We receive one for our files and one to post up in our transmitter which, as I say is 22 miles away from our office.

Q. Your original is there?—A. I presume so.

Q. There is one other point. I am not a legal expert on these matters.

The CHAIRMAN: You are doing very well.

By Mr. Hansell:

Q. These endorsations are simply typewritten on. They are not initialled or signed. I am not suggesting anybody else would type them on.—A. Oh, no.

Q. But on a legal point I wonder if there is anything in that?

The CHAIRMAN: Would not your legal point disappear by reason of the fact it has ben acted on and accepted as satisfactory by all parties?

Mr. HANSELL: You are a lawyer.

The CHAIRMAN: I do not know whether that is a legal doctrine, but suppose I send a typewritten note to you and it is signed "R.M." on the bottom and you meet me from time to time and you have acted on it. It came from me and it was clear in my dealings with you it came from me. At some later time it would not lie in the mouths of either of us to raise the inadequacy of the notice.

By Mr. Hansell:

Q. I think the big thing is this to my mind. Do you think if the CBC took over this wave length that the country would be any better served than it is now?—A. No, I don't. Of course, that is a leading question to ask me. I don't think it would be as well served.

The CHAIRMAN: I think we can record the answer before the question there.

Mr. COLDWELL: That is a matter of opinion.

Mr. HANSELL: I must admit I knew how you were going to answer it.

The CHAIRMAN: I suspected you knew. Gentlemen, on this precise point we have done quite a bit of questioning. I certainly do not want to close it off if anybody really desires to ask more questions.

Mr. HACKETT: I should like to ask a question.

The CHAIRMAN: I only draw to your attention we have asked quite a number of questions. Mr. Hackett, you have been absent quite a bit.

Mr. HACKETT: It is very kind of you to remind me of that.

The CHAIRMAN: But you have been absent because you had other very important things to attend to. Does that take any sting out of it if there was a sting.

Mr. HACKETT: It reminds me of a very happy day I spent with you not long ago.

The CHAIRMAN: You were saying you wanted to ask a question?

By Mr. Hackett:

Q. Mr. Sedgwick, under the avowed policies of the CBC is there any chance for the survival of the privately owned station as an effective competitor and rival of the CBC?—A. That is a difficult question to answer because we do not know just how far those policies will take us. The most recent development of the CBC within the last two or three weeks, as a matter of fact, is a complete departure from what we thought was their policy up to then. That is going into the sale of spot business as opposed to network business on the stations they own and offering discounts to spot buyers as high as 20 per cent if they will buy a group of nine or ten stations. That was a field that was always considered to be the particular field of the privately owned stations whereas now we find the CBC going into competitive business to sell spot broadcasting, something they have never done. In fact, I believe many times it was said they never intended to do it.

Q. Is that your final answer? You were dealing with an episode. I am asking if under the avowed policies of the CBC there is any chance for survival of the privately owned station as an effective competitor and rival?—A. I cannot completely answer that question at all because it depends on how far it goes. If it is the policy of the CBC—which I do not know—to ultimately own all the stations that they require to give national coverage of course those stations which are now affiliated on networks will be taken over. There will certainly be no survival for them.

By Mr. Coldwell:

Q. I was going to ask you this following Mr. Hackett's question. Is it not a fact that parliamentary committees have laid down, as was indicated in the extract from the report of 1943, that the policy of Canada was to have one dominant system of broadcasting which would be nationally owned? Is it therefore not a fact that as long as a privately owned radio station serves its community it cannot become a rival in the sense Mr. Hackett—

Mr. HACKETT: Rival and competitor.

By Mr. Coldwell:

Q. Rival and competitor, nor did Canada ever contemplate that the private stations would become rivals and competitors. I think Mr. Bennett's own statement at the time of the introduction of publicly owned broadcasting indicates that very clearly.—A. But there again we are dealing with the expressed views of these committees, and certainly among the things that were contemplated for the nationally owned system was living substantially from the revenue from licences and not from its commercial revenues. The situation changes very rapidly, and now we have the national system in the business of not only selling and dealing in network broadcasting but going further into the business of selling spot broadcasts.

Q. Which is the profitable end of the business?—A. It was because we hadn't as much network possibly at the moment as the CBC, but not only do they get the amount of time sold on their own stations at the card rate on a network basis, they also get 50 per cent less the necessary deductions from private stations whose time is taken for network commercial broadcasts.

Q. What I had in mind was that spot advertising for private stations is a profitable business?—A. Yes, it would have to be, because of them cannot depend on the network.

Q. Would you deal with the advertising revenue of a station like CFRB; or, let us say CWLW, Windsor? I think that is also a station in which we are interested.—A. Do you mean, as to its net revenue?

Q. What would be the spot advertising revenue, approximately, per day?—A. It is by far the largest item in revenue for a station.

By Mr. Hackett:

Q. In the network field the private station is at a marked disadvantage, isn't it?—A. That is true.

Q. As compared to the CBC?—A. That is true.

By Mr. McCulloch:

Q. Did you have any personal conversation with the Board in regard to it?—A. With the Board of Governors?

Q. Yes.—A. We talked to them a number of times about it.

Q. With regard to this change?—A. Yes. We went down, put terrific pressure on them, but we did not get a reply at all until 1945. The next reply we got was a transfer notice sent to us in May of 1946.

Mr. NIXON: During the year 1945 did you ask a direct straightforward question of the CBC or the Department of Transport as to whether or not you were likely to lose that wave length?

The CHAIRMAN: Just a moment; when you are turning away from the book you will have to be careful to register your voice a little better.

By Mr. Nixon:

Q. Then, is it fair to assume that, I think you said in 1934, you recommended to the CBC that they take over all stations?—A. There was no CBC then.

Q. And the parliamentary committee also recommended to the government that they take over all stations; and, having done that would that not give you a reasonable thing, I cannot see any radio security?—A. That is what I say, they left us there for twelve years when we thought we had an assurance of our place in the sun. They let us go ahead and develop this business. That is what we wanted them to do, to let us go ahead and develop this business; or, in the alternative, take over all the stations in the country.

By Mr. Beaudoin:

Q. You have no fear for the survival of private stations, have you?—A. As I say, that is a hard question to answer, it depends on what policy is developed. I do not know what the policy is going to be. I am learning new ones all the time. I learnt a new one this week.

Q. A moment ago Mr. Hansell said that it appeared that private stations could not make any money through devices of this sort, where revenue was limited to the amount indicated by the statement which you handed to the committee. And now, let me ask you this; in sending out your commercial accounts do you not insert charges for lines and announcers?—A. No. We pay our announcers when the commercial sponsor is there, the same as the other men.

Q. In other words, you pay your announcer by the week, a straight salary?—A. That is right.

Q. And you pay the announcer when a commercial sponsor wants a certain man to do the announcing?—A. We do not bill the commercial for the advertising. If he wants any special announcer to work for him he makes a deal directly with the announcer.

Q. That is what I was trying to get at. The arrangements are made entirely through the agency, and with respect to other programmes which you arrange yourself, the time the station is sold directly by the station?—A. That is true.

Q. And in that case you pay your own announcers and you bill them a fee?—A. No, we sell them a package.

Q. I didn't get that.—A. We sell them a "package", the complete programme —let us say it may be worth $500.

Q. And you do not provide special announcers?—A. No.

Mr. BEAUDOIN: Well, your practice must be different from the way it is done in Montreal.

Mr. HANSELL: What I was questioning on was the fifteen minute programmes.

The CHAIRMAN: That is right. I don't want to stop anybody from questioning, but it would be good if we could hear another witness this morning.

By Mr. Bertrand:

Q. Before we leave Mr. Sedgwick there is one question I would like to ask. On pages 16 and 17 of your brief, Mr. Sedgwick, you declare that you are very much interested in maintaining your important connection with the Columbia Broadcasting System, which you say brings in such programmes as the New York Philharmonic, the Prudential Hour, the Lux Radio Hour; and he implies, at least I am led to believe that the inference of what he says is that if he loses his frequency of 860 he stands a chance of losing the contract he has with the Columbia Broadcasting System?—A. That is right.

Q. Would you not be permitted simply to transfer it to whatever new frequency you may receive?—A. That depends on a number of factors. The CBC has made overtures to us already seeking to have them cancel my contract and make it with them. And now, it will be much more difficult for me to hold a contract such as that if there is to be a more desirable station in the market in the district we serve. If they move me to a less favourable frequency I will be under a very serious handicap in retaining that business.

Mr. COLDWELL: Mr. Chairman, might I just interject there? I think the officials of CBC are here and when they are heard I think they should clarify that statement just made by Mr. Sedgwick. I may say that when I saw this written in the brief I was just a little bit perturbed. I would like to have it dealt with.

The CHAIRMAN: In his brief, at page 16, Mr. Sedgwick states:

> Not very long ago the CBC made overtures to the Columbia Broadcasting System suggesting that they cancel their contract arrangement with station CFRB and contract instead with CBC.

That is the positive statement made by Mr. Sedgwick.

The WITNESS: Yes.

By the Chairman:

Q. On what is that based?—A. It is based on a conversation I had with Dr. Frigon.

Q. Whatever you learned about these overtures you learned directly from Dr. Frigon?—A. That is right.

Mr. COLDWELL: We would like to see any correspondence or anything of that sort.

The WITNESS: I haven't any correspondence.

Mr. COLDWELL: I mean from the CBC.

The WITNESS: There is correspondence between myself and Columbia.

The CHAIRMAN: Oh, you followed up with Columbia after you heard from Dr. Frigon?

The WITNESS: That is right.

The CHAIRMAN: Would you like to make any other statement as to the basis for it, because you know that will be a subject of questioning with CBC and if you could give the committee all you can in support of it—you might suffer by subsequent questioning otherwise. You have somewhat of a responsibility.

Mr. HACKETT: Would it not be well at this juncture to find out if that categorical statement of fact, which you have just read, made by the witness is denied by the CBC.

The CHAIRMAN: If we sort such pro questions from con questions, we cannot possibly hope to—

Mr. HACKETT: But, Mr. Chairman, my thought is this, investigation may be found to be unnecessary if it is admitted. It is merely to save time.

The CHAIRMAN: My answer to you is that the best information I have indicates that it would not be admitted. That is why I am making the answer to you which I do.

Mr. HACKETT: You mean that Mr. Sedgwick's statement is denied by the CBC?

The CHAIRMAN: I want Mr. Sedgwick to know that if there is anything he can do in the way of supporting that he should do so. As a matter of fact, on some other points this morning it occurred to me that there might be something this witness would like to lay before the committee and I wrote a note drawing that to his attention just to make sure that his case was complete. He has no doubt given consideration to that which I wrote.

By Mr. Smith:

Q. Did your correspondence with Columbia confirm the fact that they had been contracted by CBC?—A. I am not sure that my correspondence did, but my conversations did.

Q. When did you have your conversation with Columbia?—A. I was in New York at the time, as a matter of fact, not operating the station, I was there doing War Services Information Board work. I told them what Dr. Frigon had proposed to do, and I told him that I thought it was unfair. They confirmed as far as I recollect now, that a proposition had come to them. They were close to it and I was close to it, and so far, that is as far as it has gone.

By Mr. Coldwell:

Q. You did not write or make any representations to the Broadcasting Corporation about it?—A. No, oh, no.

Q. That would be a rather serious business loss for you?—A. A quite serious one.

Q. I should think, having made a statement of the kind you did to the committee, that you would have taken the matter up with the broadcasting corporation itself.—A. As I say, I do not know whether the plan has been abandoned by the CBC or Dr. Frigon. I have heard nothing further since the time it was suggested that the CBC should control, or have all the network business in Canada. As I say, I have been operating with Columbia for seventeen years. I have been their outlet in the Toronto area.

Q. That was the point which was under discussion before the radio committee several years ago, and I think recommendation was made that at least no

future outlets would be granted. I am not sure of anything else.—A. There again, sir, we have gone a long way in the development of network facilities and the distribution of commercial and sustaining programmes all across Canada. There was a time when it was thought these stations should not be permitted to come into Canada by some people. Now we have them on our networks, and without them we would not be in business at all.

Q. That was Mr. Bennett's original idea, wasn't it?—A. Yes, and he should be very proud of it.

By Mr. Robinson:

Q. What elements make up the unfairness with respect to controls to which you referred? You did use the word "unfair".—A. My idea of it is in their attempt to take away a contract which I have operated for so many years, that Columbia Broadcasting System contract; that seems to me in the ordinary business sense to be unfair.

Q. You would not use the word unfair if a private station attempted to take that away from you?—A. Well, I can handle myself as far as private stations are concerned. I am willing to take a risk on these gambles.

Q. But because the CBC is thought to be making overtures of that kind you say it is unfair?

The CHAIRMAN: In other words, it comes down to the proposition that it is unfair of a government institution which is by its very nature so strong to try and switch a contract away from you; that that is unfair; would not be quite so unfair in a private concern because you are all pretty well equal in the private field.

Mr. HACKETT: The French language has a very accurate expression for the type of treatment of which Mr. Sedgwick is complaining. It is, "concurrence déloyale".

Mr. SMITH: Thanks very much.

The CHAIRMAN: Mr. Hackett, Mr. Smith having comprehended you more accurately and more quickly than the others he will explain.

Mr. KNIGHT: I do not want to break the continuity but I wanted to ask Mr. Sedgwick something about permits. He was talking about departmental permits and so on, and I might start my questioning in this way. I think it is a very well known principle that if a person uses the property of another person he gives him some sort of title or right of possession. I know that in England there is some such law which provides that in the case of a man who has used a field for seven years, or something like that, for a crossing, that you cannot fence him out. I do not think that is Canadian law.

Mr. SMITH: Oh yes, it is. It operates in essentially the same way here in a good many cases.

Mr. KNIGHT: I rather objected to the air of finality with which Mr. Hackett and Mr. Smith announced that government licences are simply automatically renewed. Both Mr. Hackett and Mr. Smith, particularly Mr. Smith I am sure, know that in the case of timber permits for the cuting of firewood—or hay permits, they provide that we can cut hay on government land year after year, and many of us did cut hay of government land for many years, but there was a distinct understanding that when that land was homesteaded we ceased to cut hay and it became the property of the man who homesteaded. Also in the case of a man cutting firewood on property owned by the C.P.R., there we had to have a permit to cut firewood, but it was with the distinct understanding that when the land was sold it would be the property of the purchaser and we could no longer cut firewood from it. I do not think, Mr. Chairman, we should have such an air of finality to that particular question.

The CHAIRMAN: Well, Mr. Knight, I do not think anybody would give a comprehensive answer to that. All of these propositions are different. I would certainly feel aggrieved if the government of Manitoba did not renew my automobile licence, I not yet having been convicted of any wrong doing.

Mr. SMITH: Take the grazing laws of the province of Alberta, people have held grazing permits for perhaps forty years. They are renewed automatically.

The CHAIRMAN: There is the question of the insurance companies, accident insurance companies and health insurance companies—some of them carry a man on for a number of years and then very often come along and say to him we are not going to carry you any longer. The premiums take the form of annual renewals, and finally the man gets to the point where they think he is getting too old and they do not want to carry the risk any longer. It is done both ways.

The WITNESS: I could quote what the Prime Minister said in the House on a recent occasion, I think it was the day before yesterday as a matter of fact. He said this:—

> "Parties to industrial disputes, both labour and capital, should not forget that neither of them can achieve the end they have in view in production except for what the community does. To begin with the community has the ultimate ownership of resources of the country—or should have." (At this point CCF members chuckled apparently in the hope that they had won Mr. King over to the side of Socialism. But their smiles disappeared with his next words): "It has the ownership but private enterprise has its justification on the basis that unless an opportunity is given to individuals to risk what they have in the way of savings, nothing or but very little will be obtained in the way of production."
>
> "There is justification in the greater efficiency effected in many instances under private direction than would be effected under government control," he said.
>
> Mr. King advocated a certain measure of government ownership under certain conditions, but he expressed the belief that "in this country of ours there is still a place for individual initiative and private enterprise which must be carried much farther than it has been."

The CHAIRMAN: Before we get into a discussion on that—

Mr. COLDWELL: I am not going to enter into that argument.

The CHAIRMAN: That is good.

Mr. COLDWELL: I would like to ask Mr. Sedgwick a question.

The CHAIRMAN: I want to point out to you that anything the Prime Minister says—

Mr. COLDWELL: Is privileged.

The CHAIRMAN: —is a moot question in this parliament, so you have not really introduced an acceptable authority.

Mr. COLDWELL: Having admitted that the Prime Minister is not an acceptable authority, I will not pursue the question any further.

The CHAIRMAN: Now then, this series of questions we are all agreed is ended. I was going to ask the witness some questions about capital expenditures, but I have come to the conclusion that the information would not lead us anywhere so I will not ask the questions.

Mr. HANSELL: I have just one other question.

The CHAIRMAN: All right, go ahead.

Mr. HANSELL: If I thought it was going to involve any lengthy discussion I would not ask it.

The CHAIRMAN: Go ahead, use your own judgment.

By Mr. Hansell:

Q. A certain person once remarked to me that the bulk of your shareholders were from across the line?—A. That is not true, sir. We have no shares held in the United States, with the possible exception of a few small holders who acquired their stock while living in Canada and have since moved to the United States. There never have been any shares held by United States interests. The two largest shareholders of the company are the Estate of the late Ted Rogers, held by his widow and child, and Mr. Charles Rogers, who is here, and they hold each of them ten shares, which is less than 20 per cent of the total. The rest of the company stock is held by some 1,200 shareholders, mostly in small lots.

Q. And they are all Canadians?—A. Yes, it is an entirely Canadian company, and always has been.

The CHAIRMAN: We will say that these representations are concluded, shall we?

Agreed.

The CHAIRMAN: Before we start anything new, I am sure the committee will agree with me and will want me to say that yesterday and to-day we have listened to a very fine presentation. I am sure the committee will wish me to say that to you.

The WITNESS: Thank you, Mr. Chairman. I want to thank the committee on my own behalf and on behalf of the CAB for having been so kind. Thank you.

The CHAIRMAN: Very good.

(The witness retired.)

The CHAIRMAN: Gentlemen, we have had waiting since yesterday Mr. A. B. MacDonald, General Secretary of the Co-operative Union of Canada. His brief is not long and it might be well if he were to be heard before lunch. Would it be your pleasure to hear Mr. MacDonald now?

Agreed.

Mr. MACDONALD: Our brief is to be presented by Mr. Ralph Staples, President of the Co-operative Union of Canada.

Mr. COLDWELL: Mr. Chairman, while the brief is being distributed, might I ask the CBC to supply the committee, before Mr. Radford appears, with a report on the number of stations asked for at an earlier sitting, a report on the activities of certain radio stations—I think there are about ten or a dozen. They said they would prepare it and I presume they have done so or are doing so, and if they have it would be a convenience to the committee if we could have copies of their statement in advance.

Mr. DUNTON: That will be done, Mr. Chairman.

The CHAIRMAN: The CBC will try to do that?

Mr. DUNTON: We will give them to the clerk for distribution.

Mr. COLDWELL: That will be fine. I would like to have an opportunity of looking it over.

Mr. Ralph Staples, President, The Co-operative Union of Canada, called:

The CHAIRMAN: Gentlemen, Mr. Ralph Staples, President of The Co-operative Union of Canada, is the next witness. Mr. Staples, you may either sit or stand, as you wish; just suit your own convenience. And, may I say, that you are not to take what you have heard during our proceedings as indicating that you are to cut your presentation short in any way at all. We will be glad to hear from you fully.

The WITNESS: Thank you very much.

Mr. CHAIRMAN and GENTLEMEN:

The Co-operative Union of Canada was organized in 1909. It was then and remained for many years a national union of local co-operatives. During the past two years it has been reorganized so that it is to-day a federation of provincial co-operative unions. A provincial co-operative union has been, or will be, organized in each province of Canada.

The Co-operative Union of Canada has within its membership many types of co-operative enterprise, farm products marketing co-operatives, farm supply co-operatives, consumer stores, co-operative credit societies, a few co-operative manufacturing and processing plants, transportation societies and housing societies.

On behalf of the many co-operatives in Canada we would like to thank the committee for the opportunity of making this submission. Radio has brought into the home, from the broadcasting studio or public gatherings, music, drama, news and opinion. This means of influencing men's minds increases in importance continually, and the work of this parliamentary committee should prove another milestone in the development of an unexcelled broadcasting service for Canada.

If radio is to fulfill its high purpose, if it is to help people do the things they want and need to do, if it is to be a friend of man and not an enemy it must be used with great care. We submit that it is the main responsibility of the Canadian Broadcasting Corporation to see that radio in Canada is properly used. In this connection we note that the Broadcasting Act of 1936 reads in part as follows:

> Section 22—The Corporation may make regulations (Subsection 1C) to control the character of any and all programmes broadcast by Corporation or private stations.

The Act also provides in Section 22, Subsection 6 for suitable penalties if such regulations are not observed. This section of the Act makes no distinction between public and private stations. The Canadian Broadcasting Corporation has equal authority to regulate the character of public and private station programmes and, we submit, equal responsibility.

A strong statement concerning the responsibility of private stations was made by Leonard W. Brockington K.C., then Chairman of the Board of Governors of the Canadian Broadcasting Corporation, to the Radio Committee of the House of Commons on March 2, 1939, we quote from "Canadian Broadcasting: An Account of Stewardship". Page 5.

> It is sometimes forgotten, but I submit that the same trusteeship to be impartial, not to surrender the freedom of speech to the demands of riches, not to attempt to exclude the free expression of all kinds of opinion, bears with equal force and cogency upon the operators of private stations whether they are operating as a unit or in a network that we have set up for them.

According to reports of proceedings that statement was not challenged by any member of the committee. CBC stations make some attempt to adhere to such a policy, although necessarily the attempt does result in some decisions that do not satisfy everyone. That is unfortunate, but seemingly inevitable. Private stations observe no such standard as set out by Mr. Brockington. True there is a CBC ruling that private stations accepting controversial material must make equal facilities available for those holding opposing views—but at a price. This ruling has some value, of course, but the private station's interpretation of this ruling is that if it gives one organization a minute to launch its opinion upon the air, it is only necessary to give a differing or attacked organization one minute at the same favourable hour of the day to answer—in spite of the obvious fact that when a charge is made in ten sentences it often takes a hundred sentences to answer it. A misstatement cannot be effectively answered by a mere denial of its truth.

Even if the greater length of time necessary for an answer were made available always, the making of an answer might cost ten times as much as the making of the charge. As Mr. Brockington says, there should be no surrender of "the freedom of speech to the demands of riches". Even to engage the same amount of time for the denial as engaged for the charge would take "riches", especially when an organization or an alliance of interests makes hundreds and hundreds of broadcasts over private stations from coast to coast.

Radio is new, and there is much thinking yet to be done before there can be any general agreement on its proper use, but we believe that Canadians can be proud of the contributions made to this important subject by the Canadian Broadcasting Corporation. There are some splendid statements of CBC policy. We quote from page 5 of a pamphlet issued by authority of the Board of Governors on February 21, 1944 entitled "Political and Controversial Broadcasting". This pamphlet was approved by a previous parliamentary committee.

> The policy of the Canadian Broadcasting Corportaion with regard to controversial broadcasting is based on the following principles:
>
> 1. The air belongs to the people who are entitled to hear the principal points of view on all questions of importance.
> 2. The air must not fall under the control of any individual or groups influential by reason of their wealth or special position.
> 3. The right to answer is inherent in the democratic doctrine of free speech.

We reiterate our belief that the CBC should apply these standards to private as well as public stations, and that the "right to answer" should not be dependent on money as stated by Mr. Brockington and more recently by the present chairman of the CBC, Mr. A. D. Dunton.

Speaking at the annual conference of the Canadian Association for Adult Education at Kingston, Ontario on the 22nd of May 1946 Mr. Dunton, Chairman of the Board of Governors made this statement. "The opportunity to influence opinion by air should not be available for money". Gentlemen, the opportunity to influence opinion by air in Canada *is* available for money and the proof is not far to seek.

An organization which calls itself the Income Taxpayers Association has been broadcasting regularly on most of the private radio stations in Canada. These broadcasts began in February and have been a daily feature of the airways. On April 26 they were carried by 62 private radio stations. They were recorded broadcasts. The technical term is, I believe, spot announcements. They used the voice of one of the best-known radio announcers in Canada. Since we have had some diffculty in obtaining complete information, we can only make an estimate of the cost which is about $7,650 per series of 20 spots. There were two such series.

We wish to place on record some quotations which have formed a part of the Income Taxpayers Association broadcasts.

1st quotation taken from No. 6 in the first series:—

> Would you like to pay $50. less income tax? Every individual taxpayer in Canada can do just that if certain businesses such as co-operatives, municipal and government enterprises paid their share of income and excess profit taxes.

2nd quotation from No. 8 of the second series.

> You will be making out your income tax returns in a few days. It is no pleasant job, is it? It certainly isn't. Particularly when you and everyone of 2,500,000 Canadian Income Taxpayers have to add $50. to your income tax payment just because co-operatives and tax exempt government and municipal business undertakings don't pay any income taxes.

3rd quotation from No. 11 of the second series.

> As you fill out your income tax returns this year you can figure you are paying an extra $50. in taxes simply because co-ops, government and municipal business fail to bear their fair share of the cost of winning the war, entirely escaping the payement of income taxes.

We confine ourselves to two comments on this statement with regard to "50" made hundreds and hundreds of times in different forms over the air: (1) The series of spot broadcasts has majored on co-operatives, and has caused listeners to think that it is co-operatives which are being attacked principally, but citing taxation figures they always include government business to get the impressive total of $125,000,000. Prof. John McDougall made this estimate, and apparently attributed only about a fifth of it to income taxes which he thought co-operative might pay. Even this proportion made no allowance for the fact that taxation of patronage payments would cause co-operatives to operate on a lower margin and reduce their patronage payments. Prof. McDougall's $125,000,000 even included $37,000,000 Dominion revenue to be derived from imposing income taxes on provincial liquor board revenues. (2) These spot broadcasts were repeatedly addressed to "low wage earners" and said that "every individual taxpayer" could save $50. This regardless of whether he paid $10 tax or $100 tax. Newspaper advertisements on the same theme, which could be scanned more critically by the public, were more careful.

They said that the $125,000,000 was "the equivalent of" or an "average of" $50 for every individual income tax payer.

Another spot broadcast (No. 12 of the second series) said:—

> In 1944 tax exempt businesses escaped payment of 125 million dollars in income taxes. Had this amount of money been paid into the Dominion treasury in taxes, the personal income tax of a million and a half Canadians, earning up to $1,800, could have been wiped out.

This statement was broadcast as though it were a possible measure of public policy, as though such an exemption could be given without regard for the marital status of the taxpayer, or without any relief to persons earning over $1,800. Such misleading statements can be made in one minute of radio time, but they cannot be answered in that time.

To have the air available for money is unfortunate, and contrary to ideals expressed by both Mr. Brockington and Mr. Dunton; to have it available for the presentation of such malicious misinformation is little short of criminal. Private radio stations are responsible for many fine programmes, and perform many public services, but we do not beleive that it is even in their own interests

that they should be allowed to sell time for purposes for which CBC stations could not sell it. If, however, private stations are to be allowed to sell time to express such a viewpoint as that of the Income Taxpayers Association, some means should be devised to give other interested citizens an opportunity—not dependent on money—to make their position clear.

This is not unreasonable or presumptuous. The press does make such provision. A newspaper may express a viewpoint, or publish an advertisement expressing a viewpoint, which some citizens may consider against the general good, but usually the newspaper recognizes that it is obligated to make availiable free space through its news columns or its letters to the editor in which those citizens can correct or attempt to answer the offending opinion.

Consideration of some other differences between the newspaper and the radio as a medium for the expression of opinion on public policy might contribute to the work of this parliamentary committee. One of the chief differences is that the broadcast bands are limited in number, and that any one of these bands can carry only one message or programme at one time. Newspapers choose what material they carry, but any one newspaper can carry one hundred different opinions at one and the same time, and the reader may choose among them.

Another difference is that the radio message is heard but not seen, and therefore is not as easily identified with its author. When a person reads something in a newspaper, he is conscious of what newspaper he is reading from, and then he is told by the newspaper whose opinion he is reading, the newspaper's or someone else's, and usually whether it is a paid opinion (or advertisement) or an unpaid opinion published as a matter of interest. Even though the form of presentation usually indicates a paid opinion clearly, newspapers often go further and label the opinion with the warning "Advertisement". The radio frequently gives no such warning. The same voice that has given the weather or the news may give, without any warning that it is about to give or has given a paid announcement, the opinion of a private individual or organization.

In some fields the most effective regulation of private stations may result from the competitive standards set by the public stations. But in such a field as news, or opinion on public affairs, we submit that the CBC should require private and public stations to observe the same standards of service. Public opinion, which in the long run determines public policy, is made up of the thoughts, the prejudices, the judgments of many individuals who are not often conscious of whether they heard an address or an opinion over a public station or a private station or whether it was news or "editorial"—they "heard it on the radio".

The maximum use of the radio in the public interest will be developed slowly. We believe that it is the duty of the Canadian Broadcasting Corporation to aim at a maximum of freedom in the use of the radio. We would prefer to see more controversial broadcasting, rather than less, on both public and private stations. Greater freedom might be achieved through such restrictions as requiring the station to identify its paid announcements both in its published programmes and over the air, and requiring the person who had an opinion to express to be identified, before and after broadcasting, and to deliver his own message with his own voice. We would like to hear on the air a forthright discussion of many controversial questions, with equal and fair presentation of all points of view, but the present situation is intolerable.

The principle of responsibility in the public service is recognized not only in Canada but in the United States as well. As long ago as 1928 the Federal Radio Commission laid down the following qualifications.

> Broadcasting stations are licensed to serve the public and not for the purpose of furthering the private or selfish interests of individuals or groups of individuals. The standard of public interest, convenience or necessity means nothing if it does not mean this.

One hesitates to suggest that the search for profit is destroying the good name of radio in Canada but there are facts which lead one toward that conclusion.

As at present constituted the Canadian Broadcasting Corporation has well within its means the power to correct this unfortunate situation. To return to the Broadcasting Act we find that Section 24, Subsection 2, reads:—

> The Corporation shall each year prior to the renewal or issue of licences of the private stations by the minister review the activities of such private stations and shall make such recommendations to the minister in regard to their working, broadcasting or any other matter concerning such stations as it may deem desirable.

That section of the Act appears to give the Board of Governors of the Canadian Broadcasting Corporation all the authority it needs to ensure that broadcasting in Canada is carried on properly and in the public service. In its endeavour to do this we can assure the Canadian Broadcasting Corporation that it has the whole-hearted support of co-operators in Canada from coast to coast.

There are principles still to be established governing the proper use of radio in the public interest, and we look for important pronouncements of policy from this committee, blazing progressive new trails. To-day private radio stations are used against co-operatives and public ownership, without adequate provision for reply. To-morrow radio may be used to injure others much less able to withstand unfair attack. The present misuse of radio should be the occasion of a thorough study of the regulations which should govern controversial broadcasting on both public and private stations.

The Co-operative Union of Canada wishes to emphasize the following points:—

1. We support the Canadian Broadcasting Act of 1936 and the Radio Act of 1938, ensuring that radio in Canada shall be controlled by parliament, that all stations shall operate in the public service and that the CBC shall dominate the field of radio broadcasting supplemented by local private stations.
2. More time should be provided on Corporation and private stations alike for discussion of matters of public interest.
3. Broadcasts on controversial questions should not be sponsored but should be sustaining broadcasts with adequate provision for presentation of all important points of view.
4. Speakers and organizations presenting controversial broadcasts should be clearly identified at the beginning and end of each broadcast.

All of which is respectfully submitted.

The CHAIRMAN: Thank you, Mr. Staples. Are there any questions?

By Mr. Hackett:

Q. I was going to ask Mr. Staples if he would be good enough to tell us a few questions which are not controversial?

The CHAIRMAN: Mr. Hackett in effect says that there is not anything that is not controversial unless you can suggest something that is not controversial.

The WITNESS: I would prefer to suggest some that are very controversial.

Mr. HACKETT: That is not helpful. I should like to know those that are not.

The CHAIRMAN: We all know large numbers of questions that are controversial but Mr. Hackett in effect says "By golly, practically everything is controversial." Do you know anything that is not?

The WITNESS: Well, I hesitate to pick out one or two.

The CHAIRMAN: I think Mr. Hackett's question really was one to which he would not expect an answer.

The WITNESS: I would suggest if our suggestion becomes a matter of policy then ways and means can be found of putting it into effect. The authorities that are responsible for doing that will have quite a task, I fancy, deciding just what topics are at the moment controversial and what are not, but I suggest that it is requiring a good deal of me at the moment to try to make any division here. Is that a good enough answer?

The CHAIRMAN: I am sure Mr. Hackett would agree with that, too.

By Mr. Hackett:

Q. I just thought that your third suggestion would mean that almost the entire range of human affairs would come within the restriction that you advocate in the third paragraph of your conclusions?—A. Mr. Hackett may have a better understanding of what is involved in that point than I have as far as that is concerned, but it does seem to me that at this moment there are still broad fields left for broadcasting that may not be controversial. I happen to be a farmer and the whole field of agriculture, the growing of crops, control of weeds, and all that kind of thing is a tremendous field which certainly is not controversial. The whole field of school broadcasting which is of growing importance—

Q. It is highly controversial.—A. Well, our teachers seem to handle the subjects fairly well in school. They are not considered controversial there, and on the radio they probably can be handled in a similar way without being considered controversial.

By the Chairman:

Q. You mean pedagogy itself over the radio would not be controversial?—A. I mean instruction by radio on similar subjects to those that are now being carried in schools would not necessarily be controversial.

Q. Putting the red school house over the air would not be controversial?—A. We are doing some of that by radio in Canada now, and it is only an opinion of mine but I think more will be done. I think there is a wide field there. I think there are other fields.

By Mr. Coldwell:

Q. Is it not true that the progress of our democracy depends on the discussion of the widest possible group of public questions?—A. I would say yes. I do think that if it is, as Mr. Hackett implies, that most subjects could be considered controversial or are controversial then that is all the more reason that this kind of thing should be done.

By the Chairman:

Q. The question I am going to ask you is only designed to show the vastness of the problem and its difficulty. I am choosing for an illustration an organization to which neither you nor I belong nor any member of this committee. I am choosing the Communist party of Canada. Let us say that some person goes on the radio for three or four minutes and he says certain things against the Communist party of Canada. He criticizes them very severely and in un-

measured terms on a spot announcement and he keeps on doing it. Communist party of Canada is not the right name for it, but it used to be. There is a party of another name now which is its lineal descendant. It is not a very large body. Would you recommend that every opportunity should be given to that body to make its reply and to make sure that its reply was adequate, not measured at any time but rather to see they really have an adequate chance to answer. I have only asked you that question to show you the nature of the difficulty.—A. I would say if controversial broadcasting generally, as we understand the term, was handled as well as political broadcasting is being handled now by the corporation we probably would not have much complaint.

Mr. HACKETT: May I ask Mr. Staples what party he belongs to?

The CHAIRMAN: I do not think it matters. I was making a statement by way of a question. You see in political life you have clearly marked divisions between people, but in all those economic problems you have not any so clearly marked body. Now, a co-operative is clear. It is quite clear there. I am not suggesting to you by these questions that the matter of some further and better regulation is impossible nor that the problem is insoluble, but I do want you to realize that it is one that would take a very great deal of figuring out to arrive at some plan.

The WITNESS: I think our organization understands that it is a very difficult question.

By the Chairman:

Q. You are not ready to minimize the difficulty?—A. No, but we still think some way of handling it simply must be found. Our experiences, as outlined in this brief, in the last few months have been rather bitter ones.

By Mr. Hackett:

Q. Mr. Staples, would you put in the category of uncontroversial questions the statement you made as to the satisfaction which is being generally experienced as to the CBC's handling of political broadcasting?—A. I do not understand your question.

Q. You have stated you think that the CBC is handling political broadcasting in an entirely satisfactory manner.—A. I did not say that.

Q. Do you think your statement is one that is quite accurate?—A. I did not say they were handling it in an entirely satisfactory manner. I think what I said was if controversial broadcasting generally was being as well handled as political broadcasting is we would not have as much complaint as we have now.

By Mr. Coldwell:

Q. In other words, Mr. Staples, would you agree that the best form of controversial broadcasting is the forum in which all sides can be presented in a particular period?—A. It is certainly one good form. There is no question about that. There may be other forms of controversial broadcasting as good or almost as good.

By the Chairman:

Q. You would not say it is the best form, and cannot be improved?—A. No.

Q. Then when you say it is not the best form right there you have made a controversial statement because there are people who will say it is the best form?—A. I do not know that I am making my stand clear. I am not saying there should not be controversial statements made on the air.

Q. Oh no, you are not saying that.

By Mr. Coldwell:

Q. Would you say that spot announcements of the description you have given here should be permitted by a station without an opportunity for the opposite point of view to be presented?

The CHAIRMAN: That is the whole point of the brief as I see it.

The WITNESS: That is right.

By the Chairman:

Q. You also have indicated that if an organization makes a spot announcement that merely to permit a spot reply would not be sufficient because the reply cannot be made by a spot retort.—A. That is a further point.

By Mr. Bertrand:

Q. You would agree that one line of thought would demand to answer it in one manner and another line of thought would demand to answer it in another manner and that would lead to very difficult methods of control? Would you agree with that?—A. I think that is generally true.

By Mr. Hansell:

Q. But while a spot announcement cannot be answered in the same time as the announcement was given the opposite view can be put over by similar spot announcements advocating the other position in the same period of time?—A. You can say in the same time that the other fellow is wrong and you are right.

Q. I mean to say that here is the cooperative association and here is the taxpayer's association. I do not know anything about the taxpayers' association, but let us say that the taxpayers' association put over a spot announcement advocating something that they want, or it can be something else. The cooperatives have the opportunity of doing the same thing, advocating what they want?—A. There are two points there. One is we only have the opportunity at a tremendous price.

By the Chairman:

Q. You would have to pay a lot of money?—A. Yes, and that is money we do not have and could not have.

Q. Part of your complaint there is the power of money in the matter?—A. That is right. The other point is that in radio it is a well known fact that two broadcasts never get exactly the same audience. It is shifting all the time, so that even if you come on at the same period of the day on the next day with your spot announcement you would not reach the same people. Therefore, some people would have the other story and some people would have your story and some people would have both stories.

Mr. HANSELL: But it would be fair to both sides.

The CHAIRMAN: There you have something that would introduce a difference of opinion. What is the best way of answering that spot announcement propaganda? You know it struck me when I heard one or two of them that if they were just left alone to keep on doing that for a little while and then somebody came back with a ten minute speech they could knock them for a loop, as it were. In other words, by continuing to make these spot announcements they were really delivering themselves into their opponent's hands.

The WITNESS: If you could reach the same audience—

The CHAIRMAN: You would not reach all but what you would do would be you would reach some different ones and you would state what they said. The persons who were listening would get their statement first from your lips

and with a sarcastic tone of voice, perhaps. Thus it would get into them that way and probably would do more good than an immediate spot reply would have done or any kind of reply.

The WITNESS: You bring up the question of what is the best kind of reply. The cooperative movement in Canada did the very best they could by radio to answer this propaganda, but we still felt we were not doing a very good job, partly because we did not have enough money to do it.

By Mr. Hansell:

Q. In what way did you do a lot of answering of propaganda?—A. I know the Ontario situation best. In Ontario we developed a series of eight ten-minute broadcasts on a number of stations. They were broadcasts that were prepared by the Ontario Cooperative Union and the Ontario Federation of Agriculture. We were on some of the larger stations of the province, a very costly business, by the way. Out in the smaller areas it was sort of a cooperative arrangement between the Ontario Cooperative Union and local organizations, the county federations of agriculture, or something of that sort. Half the broadcast was used to tell about the cooperative movement generally and the other half was used to tell the story of the local organization, what it was, how it worked, what its purpose was. That was the main attempt we made in our province.

Q. There are individual co-operative enterprises throughout the country that operate sponsored programs?—A. That is quite true.

Q. And they answered them, too?—A. In some areas that is true.

Q. There is one other matter. What is your official position in respect to the farm forum?—A. I am national secretary of the farm radio forum.

Q. Have you not discussed co-operatives over that program?—A. Yes, I think we have. There was a broadcast last year that was fairly directly on the problem of co-operative marketing. It came from Halifax or Antigonish, as I remember.

Q. Besides that you have referred to the advantages of co-operatives?—A. And the disadvantage. It would be impossible to discuss realistically the rural problems of Canada without mentioning co-operatives at various points.

Q. Exactly, so you had that advantage over the CBC network.—A. That is true, yes. I would say that is an outstanding example of the proper use of radio.

Q. Now then, take the taxpayers' association. I do not for the moment care whether or not they are wealthy. There is a principle involved. I know a taxpayers association that is not wealthy. It is a very poor organization composed of people who have not any wealth at all. How could this organization possibly put their message across? They evidently think they have a case. How could they put their message across if they did not use that plan? They have not got access to the national networks and you have to some extent. These people have not. How could they put their message across?—A. You are asking a very big question. We have only dealt with the principle involved. I do not know how it is going to be worked out. What we have said in effect is that unless a way can be found for more than one side of the case to be presented then it should not be presented at all.

By Mr. Coldwell:

Q. Is there not another forum known as Citizens' Forum?—A. That is right.

Q. On Citizens' Forum have I not heard discussions about the disadvantages of the co-operation as well as the advantages on the Farm Forum?—

A. Yes. You could not say that the Farm Forum discusses only the advantages of co-operation because there has been a presentation of various points of view on the same broadcast.

Q. You have had people who are opposed to co-operatives on the Farm Forum?—A. That is right. As a matter of fact, they disagree with co-operative movement. We discussed that question with the Farm Forum the other day.

The CHAIRMAN: Before we adjourn, gentlemen, Mr. C. E. Phillips, of the Canada-Newfoundland Educational Association will be the first witness at four o'clock.

Mr. HACKETT: Before Mr. Staples goes, I want to ask him a question or two about this station which was established rather recently at Antigonish, Nova Scotia. That university is a centre, if not the centre, of the co-operative movement in Canada, is it not?

The WITNESS: Well, it is so far off to one side that I would not say it is the centre.

Mr. HACKETT: Well, it is to one side, but I am referring to it as being the centre of the philosophy which it has developed, and which I understand has been of great benefit throughout Canada. That is the sense in which I used the word there.

The WITNESS: That is right. I would say that Saint X University has played a very important part in the development of the co-operative movement and in the development of the most useful technique in co-operative education.

Mr. HACKETT: Now, I am not sure—I am not going to make a statement —but I have understood that one of the reasons for giving that University a station, was to permit it to broadcast the philosophy of the co-operative movement.

The WITNESS: I think, Mr. Chariman, there are those here who could answer that question better than I.

Mr. HACKETT: Was that not your knowledge of one of the principal purposes in setting it up; it is used largely for that purpose?

The WITNESS: No, I would not say that. I do not know. I have never heard a program—

Mr. HACKETT: In any case it is after one o'clock and there are others who have questions to ask.

Mr. HANSELL: I am quite willing to call this brief at an end for the sake of making time, but if we do that I wish to make this question of privilege, because it is going to involve Mr. Staples. Eventually I want to make some observations arising out of the brief that was presented the other day by Dr. Brittain, and in so doing I would bring Mr. Staples name into the picture. Now, I don't want it said that I did not do it when Mr. Staples was here. I thought you had suggested that any observations we wished to make could be made later, time now being taken with questions.

The CHAIRMAN: That is right, and it would offend I think against the policy we have followed if you were to make such a statement now.

Mr. HANSELL: Yes. My question of privilege is simply that I do not want it to be said that by speaking in Mr. Staples absence I was afraid to say it in his presence.

The CHAIRMAN: That is o.k. I would like to raise a matter of privilege myself and that is that I have to attend another committee at two o'clock. I think if you have anything that requires our sitting longer that we could go on with it so we can adjourn and come back at four o'clock.

Mr. ROBINSON: Will Mr. Staples be available for questioning at four o'clock?

The CHAIRMAN: No, Mr. Phillips will be the first witness.

Mr. ROBINSON: I had several questions.

The CHAIRMAN: With all respect I want to point out that you will be into morning sittings soon, and the steering committee have yet to work out the list of names which confront us in this committee. It is very heavy; yet what is to be done.

Mr. COLDWELL: If members want to question Mr. Staples could we not ask him to come back for half an hour and try to limit questioning of Mr. Staples to the first half hour? You could ask Mr. Staples to be available.

The CHAIRMAN: You will not finish with Mr. Phillips who has been brought here? I do not think so. That is my judgment.

Mr. HACKETT: If Mr. Robinson can give us assurance that five minutes will be adequate for the purpose of his questions might he not put the questions now?

Mr. COLDWELL: The Chairman has a meeting at two o'clock.

The CHAIRMAN: Will you gentlemen stay?

Some Hon. MEMBERS: Yes.

By Mr. Robinson:

Q. Mr. Staples, you make the statement on page 2 of your brief that:

> Private stations observe no such standard as set out by Mr. Brockington.

I understand there are some 90 private stations in Canada. Do we take it you wish that remark to apply to each and every one of those stations?—A. The best answer to that question is our entire thesis in the brief. I would not want to say that statement necessarily applies to every single one of the stations. It may be a little general to put it that way, but it appears to apply to most of them according to our experience, because most of them certainly carried the Income Taxpayers Association announcements without any opportunity for reply. I do not know if all did. They may have.

Q. Let me ask you a further question. How many station logs have you examined to form the basis for making a statement of that kind in your brief? —A. I have not examined any station logs.

Q. Then you make that statement without an actual examination of the work which the stations are doing?—A. We make that statement with a knowledge of some work stations are doing, and perhaps we are a bit sensitive.

Q. Would it not be more accurate to say you make that statement with some knowledge as to some work that some stations are doing?—A. Yes, if you change it to most stations I think it would be more accurate. We know that most of the stations carried the Income Taxpayers Association broadcasts. They did that for a reason. I do not know what the reason was. Maybe they wanted the money they got out of it. Maybe they thought that was a proper point of view to present. I do not know what the reason was, but we know that most of the private stations in Canada carried those broadcasts.

Q. Then the statement was inspired for the most part by these income tax announcements which you have quoted?—A. I would say this recent misuse of radio is the best example it would be possible to find, a better example than I hope we will ever see again in my lifetime, anyway.

By Mr. Nixon:

Q. Have you any method to suggest?—A. I do not believe I should go into that. The Cooperative Union of Canada has not discussed the technique involved. I am only a layman in radio. I do not know very much about the technicalities involved. I suggest that others might answer that question when the time comes.

The CHAIRMAN: We will adjourn until 4 o'clock.

The Committee adjourned at 1.10 o'clock p.m. to meet again at 4 o'clock p.m.

The committee resumed at 4.00 o'clock p.m.

The CHAIRMAN: I see a quorum, gentlemen. When we rose at one o'clock, Mr. Phillips of the Canada-Newfoundland Education Association was on the point of commencing to read his brief to us. I gather from him, or indirectly rather, that there are some changes in the document and that what you have before you will be a little different from what he is going to present, but no doubt that will be noticed as he goes along.

Mr. Charles E. Phillips, Secretary-Treasurer, Canada-Newfoundland Education Association, called:

The CHAIRMAN: Mr. Phillips, make yourself comfortable. You are free to sit, or stand, as you wish; take your coat off, make yourself comfortable.

The WITNESS: Thank you, Mr. Chairman.

The CHAIRMAN: Mr. Beaudoin is going to carry on as chairman for a while.

(Mr. Maybank retired and Mr. Beaudoin resumed the chair.)

Mr. HACKETT: You mean until Monday?

The CHAIRMAN: I am going to the strike committee.

The VICE-CHAIRMAN: Is it the pleasure of the committee to have Mr. Phillips proceed now?

Agreed.

You may proceed, Mr. Phillips.

The WITNESS: Thank you, Mr. Chairman.

Mr. Chairman and gentlemen, the Canada and Newfoundland Education Association may not be known to you. Perhaps I had better begin by saying a word or two about it. The C.N.E.A. as it is familiarly called, is an organization supported by the nine provincial departments of education in Canada, and by the Department of Education in Newfoundland. Its directors include the deputy ministers of education in each of the provinces and include also the chief education officers of the local education authorities in major cities, for example. It is therefore broadly representative of educational authorities across Canada. In our membership we have representatives of various provincial organizations of teachers, trustees, general educational associations; and we are therefore in a looser way pretty well representative of all aspects of education at the elementary and secondary school level in the country.

The brief which I am about to present was prepared by an officer of our association in consultation with Mr. R. S. Lambert, Director of Educational Broadcasting of the CBC. The text of the brief was submitted on two occasions to our directors for revision and represents therefore the considered views of our association. However, I must apologize for having given you a text which is not quite the same as I am going to read, as the chairman explained, because we have just received very recent information which has made it necessary to add an appendix to the copy which you have. You will find at the last page an appendix with recent information. What I am going to do is to incorporate that recent information into the brief so that in its printed form it will read more smoothly. And there are one or two other important textual changes which I shall make as we go along.

Since the major portion of this brief is descriptive I do not anticipate that you will have very many questions, or very much discussion during the reading of the first part; but, with your permission Mr. Chairman, I would like to suggest

that I stop after the various sections and to permit members of the committee to ask questions if they so desire, since it is rather long it might be easier to question on parts as we go.

Mr. COLDWELL: I was going to suggest that it would expedite matters if we let you go ahead and complete the presentation of your brief. If we start to ask questions with respect to one section we might spend more time on that one section than we wanted to and find that we had not sufficient time left in which to ask other questions we would like to put, and also we might find that you would not have sufficient time in which to make your complete presentation. For those reasons I am going to suggest that you proceed and read your brief right through.

The VICE-CHAIRMAN: That is the procedure that we have followed so far in this committee. We will ask you to present your brief and after that we will have questions.

Mr. HACKETT: And sometimes questions which would be provoked by the first part are answered before you reach the end.

The WITNESS: Very well, Mr. Chairman, I am agreeable to that. When we do come to the question and discussion period you will want to have, no doubt you will need to have questions both on the educational aspect of this and on the part CBC plays in educational broadcasts. For that reason I have one of the other gentlemen who are on my left associated with me, Mr. John C. Walsh; and he is president of the Ontario Educational Association and Assistant Superintendent of Elementary Education in Ontario. Mr. Walsh has had a particular interest in radio broadcasting, that is school broadcasting; and he, I think, is by far the best qualified to answer questions on the educational aspect of broadcasting. Also with me is Mr. R. S. Lambert, supervisor of educational broadcasts for CBC, and Mr. Lambert would of course be best qualified to answer questions on the CBC's part in school broadcasting. I myself will deal with just general educational questions, if you so permit.

While Mr. Lambert is coming up I would say that the Ontario Educational Association of which Mr. Walsh is president is one of the provincial associations which has taken a very active interest in educational broadcasting, both in encouraging it and in seeking to improve the techniques; and it is very fortunate therefore that we should have him associated with us in this presentation.

And now, I will start my presentation with page 2, Mr. Chairman:—

RESPECTFULLY SUBMITTED
BY THE
DIRECTORS OF THE CANADA AND NEWFOUNDLAND EDUCATION ASSOCIATION

Fletcher Peacock, President
B. O. Filteau, Vice-President

J. G. Althouse
C. N. Crutchfield
C. C. Goldring
A. R. Lord
G. F. McNally
H. F. Munro
C. K. Rogers
C. A. Oulton
A. B. Ross
S. J. Willis
T. Boulanger
G. A. Frecker
M. E. LaZerte
A. S. McFarlane
A. S. Mowat
W. P. Percival
F. M. Quance
L. W. Shaw
D. S. Woods

Please address communications to:—

Charles E. Phillips,
Secretary-Treasurer, C.N.E.A.,
677 Dundas Street West,
Toronto 2B, Ontario.

BRIEF ON SCHOOL BROADCASTING—1946

At its annual convention in Toronto in October, 1944, The Canada and Newfoundland Education Association passed the following resolution:—

> Whereas the broadcasting of educational programmes into the Canadian schools is assuming considerable proportions and is of great potential importance, and
>
> Whereas the co-operative efforts of the CBC in conjunction with the departments of education have proven to be very satisfactory,
>
> Be it resolved that the C.N.E.A. urge upon the Advisory Council on School Broadcasting the desirability of a brief being presented to the Parliamentary Radio Committee, emphasizing the importance of school broadcasting and the early necessity of greater support in providing educational programmes on a provincial or regional, as well as a national, basis.

Later, at the request of the National Advisory Council on School Broadcasting, the C.N.E.A. agreed itself to undertake the presentation of the proposed brief, which follows herewith.

In presenting this brief, the directors of the Canada and Newfoundland Education Association wish emphatically to endorse the basic principles and policies governing the control and operation of broadcasting in Canada as incorporated in the Radio Broadcasting Act and as enunciated by successive parliamentary committees. We believe it essential in the public interest that the publicly owned national broadcasting system (CBC) be maintained and strengthened and that its independence from political interference and the intrusion of special interests be at all times safeguarded.

BRIEF ON SCHOOL BROADCASTING

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Growth of School Broadcasting

For several years past, radio has been used in Canada as a means of providing programmes of an educational character designed to be heard in school classrooms. Apart from temporary experiments, the first provinces to establish broadcasts to schools on a permanent basis, with the encouragement and collaboration of the CBC, were the Departments of Education of Nova Scotia and British Columbia. In 1940, at the request of educators, the CBC introduced, on its national network, certain courses of school broadcasts provided by CBS American School of the Air and offered gratis to Canada. In return the CBC undertook to contribute to the American School of the Air a number of programmes on Canadian subjects, to be heard in U.S.A. schools. In 1941-42, *Radio-College,* the educational organ of the CBC, commenced providing educational programmes over French-speaking stations in Quebec, for the benefit of high school and college students, and adults. In 1942 the CBC, in collaboration with the nine provincial departments of education, presented the first series of national school broadcasts, heard on a coast-to-coast network across the Dominion, with the aim of strengthening the sense of Canadian citizenship in the boys and girls of elementary and junior high school age. This led in 1943 to the creation of permanent consultative machinery to assist the CBC in planning national school broadcasts.

National Advisory Council Formed

By agreement between the CBC and the Canada and Newfoundland Education Association, the National Advisory Council on School Broadcasting was set up, consisting of representatives of the departments of education, the National Conference of Canadian Universities, the Canadian Teachers' Federation, the Canadian Federation of Home and School, and the Canadian School Trustees' Association. This council, which met for the first time in March 1944, has the following functions:—

(*a*) To advise the CBC on the planning of programmes on the National Network intended for reception by schools during normal hours.

(*b*) To advise the CBC programmes relating to educational publicity (e.g. Education Week).

(*c*) To advise the CBC on the planning of school broadcasts to be exchanged with the U.S.A. and other networks abroad.

(*d*) To advise and co-operate with the CBC on suitable publicity for school and other educational broadcasts.

(*e*) To co-operate with the CBC on matters affecting the reception of school broadcasts (i.e. advice to teachers, provision of receivers, distribution of literature, etc.).

(*f*) To collect reports on provincial, regional and national school broadcasts, and to discuss these reports with the CBC.

(*g*) To advise provincial governments on changes and new developments in connection with educational broadcasting. To co-operate with the CBC in initiating new experiments in educational broadcasting.

In August 1943, the CBC established, within its programme division, an education department under a Supervisor of Educational Broadcasts, one of whose functions is to act as Secretary to the National Advisory Council.

Basis of Provincial School Broadcasting

Parallel with this development of national school broadcasting, there took place a rapid growth of provincial school broadcasting. The working arrangement between education authorities and the CBC in this matter is as follows. In principle, the CBC is responsible for whatever goes on the air, but the educa-

tion authorities are responsible for whatever is received in the classroom. Therefore provincial departments of education interested in using radio in the schools, collaborate with the CBC on the basis of

(*a*) Provision by the provincial departments of education of programme plans, scripts, casts and other talent necessary for suitable production.

(*b*) Provision gratis by the CBC of time on the air, wire line services, studio and production facilities.

On this basis, the departments of education in eight provinces (i.e. all except Quebec) now present, in collaboration with the CBC, educational programmes planned for their schools. Schemes of regional collaboration have been established, in the east between the three Maritime provinces, and in the west between the four western provinces. In each area there is a regional inter-departmental committee to plan programmes, with a CBC regional official to give help in carrying them out. Most of the provinces also have departmental school radio committees, on which the views of teachers and parent-teacher organizations are represented.

In certain provinces, the Department of Education employs a full-time officer to take care of school radio matters; sometimes this function is combined with taking care of educational motion-picture matters. In British Columbia, the CBC contributes half the salary of the Director of School Broadcasts, who is an official of the B.C. Department of Education, and provides him with office facilities at Station CBR, Vancouver. Nova Scotia, Saskatchewan and Ontario employ similar officers.

School Broadcast Programmes—General Plan

The "season" for school broadcasts extends roughly from October to April each year. On an average the amount of time on the air per week given to school broadcasting in each region is as follows:—

Region	Total Amount of Time	Usual Hours
Maritime Provinces	3 hrs. 15 mins.	10:45—11:00 am) 3:00— 3:15 pm) AST or 3:30
Quebec (French-speaking)	5 hrs. 15 mins.	4:30— 5:00 pm) 5:00— 5:30 pm) EST
Ontario and Quebec (English-speaking)	2 hrs. 45 mins.	10:00—10:30 am) 2:00— 2:15 pm) EST
Prairies Provinces	2 hrs. 30 mins.	(Man. 11:30—12:00 noon) CST (Sask. 2:00— 2:30 pm) MST (Alta. 11:30—12:00 noon) 2:30— 3:00 pm) MST
British Columbia	2 hrs. 30 mins.	2:00— 2:30 pm) PST

In each region the school broadcast period on Friday is given up to the National School Broadcasts, which are presented by the CBC on the recommendation of the National Advisory Council. On other days the school broadcast periods are occupied by either provincial or inter-provincial school broadcasts, planned by the departments of education concerned, or (where requested by departments of education) by the broadcasts of the American School of the Air.

National School Broadcasts

As a rule there are twenty-four 30-minute periods devoted to the national school broadcasts, whose aim is to strengthen the sense of common Canadian citizenship among our school pupils. These broadcasts are not intended as school "lessons" in the ordinary sense; nor on account of provincial diversities, can they be tied closely in with the school curriculum in each province. They are intended to stimulate the child's imagination, widen his horizon, and increase his background knowledge. In particular, they are designed to bring to rural schools an enrichment which they cannot obtain by other means.

The 30-minute period is divided into two parts. The first ten minutes is given up to a weekly news review for schools, featuring an important news story of the week with background material of an educational character. The following twenty minutes is usually occupied by a dramatization of an historical, geographical or descriptive character. Among the subjects dealt with in the last three years have been: "Heroes of Canada", "My Canada" (life in the nine provinces), "Conserving Canada", "The Way of Free Men" (stories of democracy), "Proud Procession" (achievement of great Canadians), "The Adventure of Canadian Painting", "Our Canadian Writers".

Owing to time zone difficulties, it is impossible to put a National School Broadcast on the air simultaneously in all parts of the Dominion. To secure nationwide distribution, the programs must first be transcribed, and then shipped to regional centres for delayed broadcast at times that suit school needs. The regulations laid down by the American Federation of Musicians (Canadian Section), specify extremely high rates of pay for musicians making recordings; and no distinction is drawn between transcriptions made for single delayed broadcasts, and recordings made for repeated performance. This state of affairs makes it uneconomical to use live music talent in school broadcasting productions, with consequent loss of quality.

As a result of resolutions passed by the Advisory Council in 1944 and 1945, the CBC has undertaken negotiations with this Federation to secure some relaxation of these regulations in the case of National School Broadcasts. These negotiations have not yet borne fruit, but we hope that, for the sake of assuring a high standard of program, and giving the children the benefit of good music, they will be pressed to a satisfactory conclusion at an early date.

Provincial School Broadcasts—Planning

These are planned by provincial departments of education to tie in closely with the curriculum of their schools. They are intended to enrich the curriculum by providing background information and imaginative stimulus beyond what is available in the classroom. Their purpose is not to substitute for the classroom teacher, but to enlarge the effectiveness and scope of his or her teaching.

In planning these school broadcasts, the departments of education usually take into consultation other organizations (in addition to the CBC) of which the following are examples:—

Manitoba

Manitoba Teachers' Society; Winnipeg Suburban Teachers' Associations; Inspectors of the Winnipeg School Board; Normal School; Trustees' Association.

Saskatchewan

Saskatchewan Teachers' Federation; Home and School Federation; Saskatchewan Department of Public Health co-operated in the presentation of one provincial series of school broadcasts.

Ontario

Royal Ontario Museum; Toronto Public Library; Ontario College of Education; Faculty of Music, University of Toronto; Inspectors' Association; Ontario Federation of Home and School; Teachers' Groups.

Maritime Provinces

Regional School Radio Committee includes representatives of private radio stations, Provincial Teachers' Associations, Home and School, etc.

British Columbia

The Department of Education states, "As far as possible other organizations are consulted where their decision would prove of assistance but this consultation is purely informal".

Alberta

The Department of Education states, "We consider that school broadcasts are simply a part of the curriculum and that the persons who arrange these broadcasts should be the same as those who prepare the curriculum. It has, therefore, not been our practice to invite organizations outside the Department to assist in the planning and preparing of these broadcasts".

Provincial School Broadcasts—Subjects

The subjects of the provincial school broadcasts during 1945-46 were as follows:—

Maritimes

French (Grade 7)
Junior Music (Grades 1-4)
Geography (Grades 7-8)
Story Time (Grades 1-4)
Natural Science (Grades 4-6)
This is Your History (Grades 5-9)
Stories in Music (Grades 6-9)
Agricultural Science (Grades 6-10)

Ontario and Quebec (English speaking)

Social Studies (Grades 6-8)
Guidance (Grades 8-13)
Junior Music (Grades 1-6)
Music for Young Folk (Grades 7-10)
Junior Story Period (Grades 1-4)
Health (Grades 5-9)
English (Grades 9-10)
French (Grades 11-13)

Quebec (French speaking)

Laws of nature
History of Science
Great Scientists
Portraits of Great Canadians
Builders of Our Country
Canadian Civics
American Life
Zoology
Botany
Animal World
South America
Great Authors
The Bookshelf
Music Appreciation
Great Composers

Manitoba, Saskatchewan, Alberta and British Columbia

Intermediate Music (Grades 4-8)

Manitoba, Saskatchewan and Alberta

Science on the March

Manitoba and Saskatchewan

Adventures in Speech

Saskatchewan

Wake up and Live

Alberta

*Elementary Music (Grades 1-6)
Speech Training (Grades 6-10)

British Columbia

Over the Counter (Grades 4-8)
Magic Hinges (Grades 1-7)
Elementary Science (Grades 5-9)
Four Great Canadians (Grades 7-12)
Youth in Search of a Future (Grades 7-12)

* In addition, the Correspondence School Branch of the Alberta Department of Education makes extensive use of broadcasts over Station CKUA (which is operated by the Alberta Department of Telephones) to supplement correspondence study.

In the Maritimes, the programmes consist partly of lesson broadcasts given by outstanding teachers, partly of dramatizations. In Ontario and the western provinces the form of presentation is chiefly by dramatization.

For these dramatized programmes, the Department of Education employs a script writer who is either a teacher or a professional recommended by the CBC. When the script has been approved by the department or departments concerned, it is then handed to a CBC producer who, in consultation with the department, makes such adjustments as may be necessary to get the best form of radio production. As a rule the CBC is responsible for engaging any acting or musical talent required, and for putting the programme on the air. In British Columbia, however, acting or musical talent is engaged by the Director of School Broadcasts, in consultation with CBC producers. In Saskatchewan, scripts are written by the Director of School Broadcasts.

Due to wartime conditions there has been and still is a shortage of first-class script writers, producers and actors, available for dramatized school broadcasts. These programmes require a special type of script, production and acting, which lays emphasis upon qualities that suit the classroom, i.e. simplicity of style, plenty of action, elimination of slang and dialect, absence of confusing sound effects, clear diction, etc. Improvement in the standard of presentation of school broadcasts is dependent on the extent to which script writers, producers, actors, etc., can be trained to provide this specialized type of programme. It is highly desirable that more school teachers should be trained and employed to take part in this work.

American School of the Air

In addition to the above, the CBC puts on the air in certain provinces, at the request of the provincial Department of Education concerned, one or more of the courses offered by CBS American School of the Air. During 1945-46 these were heard as follows:—

"March of Science" (Grades 7-10)—in Quebec—English-speaking; Ontario.

"Tales from Far and Near" (Grades 7-10)—in Maritime Provinces; Quebec—English-speaking; Ontario; Manitoba.

To balance this, the CBC has contributed to the American School of the Air a number of programmes (usually six per annum) representing aspects of Canadian life, to be heard in the schools of the U.S.A. This interchange of school broadcasts is valuable insofar as it makes for improved mutual understanding and increased goodwill between the students and parents of Canada and the U.S.A. Great care should be taken, however, to eliminate from these exchanges anything that may offend national susceptibilities in either country, and to ensure that the broadcasts are strictly fair and accurate in detail.

Times of School Broadcasts

Each year the CBC consults with departments of education with a view to determining what times suited to local school needs can be made available on the air for school broadcasts. Upon enquiry, all departments have reported that the times at present made available by the CBC are reasonably suited to school needs. However, Manitoba and Alberta indicate that the times are less suitable for city schools than for country schools. According to British Columbia Department of Education, "No time will suit *all* schools, on account of varying time-tables."

It is recognized that the CBC is faced with many complex problems connected with network administration and commercial considerations, which make it difficult to allocate times solely to suit school convenience. However, up to the present, the requests of the provinces for time have been of a very modest order—averaging about thirty minutes per diem five days a week, which is much less than the time given by the BBC to school broadcasts in Britain—about two hours per day—and also less than that given by the ABC in Australia—about one hour per day.

The needs of the provinces may grow, as the techniques of school broadcasting improve. This may lead to a demand for more time on the air, in which case some conflict may be expected between the claims of public service and those of commerce. We are of the opinion that, in the case of such conflicting claims, the CBC should follow, in principle, the policy of giving preference to the reasonable needs of education.

Distribution of School Broadcasts

The National School Broadcasts are heard over a network of approximately 45 stations across the Dominion.

The American School of the Air programmes have been heard over approximately 20 stations in eastern and mid-eastern Canada.

For the provincial and regional school broadcasts, the CBC arranges special networks of stations, to ensure local coverage.

In all the above cases the CBC Station Relations Department offers the school broadcast programmes to the private stations concerned, and urges them to carry them as a public service. The response of the private stations has, in general, been enthusiastic and generous. They have sacrificed many half-hours of time which might have been sold to advertisers, in order to help the schools. In some cases they have also helped to publicize the programmes among school principals and teachers.

Regarding the coverage secured for school broadcasts by CBC in co-operation with private stations, the Department of Education report as follows:—

> *Nova Scotia, Prince Edward Island, Saskatchewan, Ontario, Manitoba and New Brunswick* — Satisfied.
>
> *Protestant Quebec* — reports satisfactory coverage in larger centres but not in places that have no English language outlet.
>
> *British Columbia* — reports satisfactory coverage except for uneven reception in an area along the coast and between Prince Rupert and Prince George; also at points in the interior, notably near Golden and Field.

Although the overall picture is good, there are individual cases where some conflict arises between commercial and educational interests. Stations have been known to discontinue school broadcasts without notice, or to find reasons for not carrying them, for motives which, when traced back to their source, appear to be commercial.

Accordingly, we consider that the CBC should give serious consideration to adopting as a definite policy, the principle that school broadcasts are a "must" programme, that should be carried by all affiliated stations that are necessary to give coverage to the schools. This would bring school broadcasts into the same category as other sustaining programmes that are at present carried in "reserved time".

Inequality of CBC Facilities in different Provinces

Since co-operation between the CBC and the Departments of Education has grown up gradually over a period of years, certain anomalies and discrepancies have arisen as between the facilities which the Corporation affords to the individual provinces. For instance, the CBC has production centres only in Vancouver, Winnipeg, Toronto, Montreal and Halifax. This means that in some provinces there is no station from which school broadcasts planned specifically for the schools of that province can originate. The personnel of the Corporation made available for assisting in the presentation of the broadcasts has also been limited, largely through war conditions.

For this present after the war period we hope that the CBC will

(*a*) provide facilities in each province for the origination of provincial school broadcasts,

(*b*) make available more production and other staff for helping in the presentation of school broadcasts,

(*c*) roughly equalize the share of contribution that it makes to the development of school broadcasting in each province.

Publicity for School Broadcasts

The programmes and syllabus of school broadcasts are brought to the attention of inspectors, school principals, teachers, students and parents in the following ways:—

By the CBC through publication of

(*a*) *Young Canada Listens*—52 page booklet issued by CBC every August, free to teachers, etc. Distributed mainly through Departments of Education. Circulation in 1945-46—33,000 copies.

(*b*) *American School of the Air Teachers' Manual*—220 pages published annually in a special Canadian edition by CBS and distributed through the CBC and Departments of Education, free to teachers, etc. Circulation 5,000 copies.

(*c*) *CBC Monthly Guide to Educational and Cultural Programs*—Monthly, free to interested applicants. Circulation 14,000 copies.

(*d*) *Radio-College* booklet—48 pages issued in French annually by the French network of CBC. Circulation 15,000 copies. This is supplemented by special booklets reproducing pictures and text to supplement the broadcasts.

By Provincial Departments of Education

(*a*) *British Columbia* publishes a detailed *Teachers Bulletin* before and after Christmas. Circulation 2,300 copies.

(*b*) *Alberta* publishes a special booklet giving syllabus of all educational broadcasts approved by the Department, before and after Christmas. Circulation 6,200 copies.

(*c*) *Saskatchewan* publishes a detailed *Teachers Bulletin* before and after Christmas. Circulation 2,400 copies.

(*d*) *Manitoba* publishes programme details in its *School Journal*.

(*e*) *Ontario* publishes special programme brochures before and after Christmas, and a music appreciation brochure. Circulation 30,000 copies.

(*f*) *New Brunswick* publishes programme details, etc., in the *Educational Forum.*

(*g*) *Nova Scotia* publishes programme details in its *School Journal*—Circulation 16,000 copies.

(*h*) *The Maritime Provinces* publish a detailed syllabus of their regional school broadcasts in booklet form, before and after Christmas.

Receiving Equipment in Schools

The following table shows the estimated number of schools with receivers (not distinguishing between individual receivers, systems etc.) installed; the total number of schools using receivers, including borrowed receivers; and the estimated shortage of receivers in each province:—

	Number of Schools with Receivers Installed	Total No. of Schools using Receivers	Estimated Shortage of Receivers
British Columbia	500	500	400
Alberta	700	600	3,500
Saskatchewan	250	750	500
Manitoba	200	500	1,000
Ontario	900	2,175	
Quebec (French speaking)	*	*	*
Quebec (English speaking)	58	60	150
New Brunswick	25	100	500 plus
Nova Scotia	80	100	300
Prince Edward Island	20	25	150
	2,733	4,810	6,500

* No figures available.

From these figures (which do not include the number of schools listening to Radio-College) we may safely estimate that over 4,000 English speaking schools, out of approximately 22,000 schools in the whole of Canada, are listening to school broadcasts. This is just under 19 per cent. Assuming rather more than one listening classroom per listening school, we can estimate the listening school audience at, at least, 200,000 pupils.

This figure does not show an appreciable increase over the figures of last year or the year before. It is true that in 1944-45 and 1945-46, many schools have acquired receiving equipment (usually second-hand), or have enlarged their existing facilities for listening; but on the other hand, many school receivers have also gone out of commission. The number of schools applying to the Department of Transport, Ottawa, for free licences was 1,788 for 1944-45, as compared with 1,326 for 1943-44. This represents approximately a 35 per cent increase.

In December 1944, the Toronto Board of Education received from Dr. C. C. Goldring a detailed report on the radio equipment in Toronto schools and the use made of it. This report is valuable as affording evidence of the use of broadcasts in a large city. Out of 105 schools, 89 possessed radio receiving equipment, but only 62 were confident that their equipment was sufficiently good to give satisfactory reception of music programmes. During October-November 1944, 595 classes with approximately 25,000 pupils listened to 1,576 broadcasts. Chief listening was done in Grades 1, 2, 7 and 8. Listening in secondary schools was less than 5 per cent of the total. Programmes heard included the Ontario School Broadcasts, the National Series and the American School of the Air. Out of 30 school principals who commented on the educational value of the broadcasts, 25 were favourable. Many criticisms of the programmes and suggestions for their improvement were voiced. But the report included an almost unanimous demand, on the part of school principals, for more and better receiving equipment.

Similar results were yielded by the answers from 58 urban school authorities in Ontario to a questionnaire sent out to 200 authorities by the Ontario School Trustees' Association.

There is much evidence that the available equipment is very unequally distributed as between urban and rural schools. According to figures collected by the Ontario Department of Education, 15 per cent of Ontario Schools have 45 per cent of the radio receivers. In many rural areas that lack hydro, schools have to depend on battery receivers; for which maintenance has in recent years been difficult.

Expenditure on School Broadcasting

The following figures give the total expenditures of the Department of Education on School Broadcasting for the past four years.

	1942–43	1943–44	1944–45	1945–46
British Columbia	$ 5,951 00	$ 7,404 00	$ 7,650 00	$ 8,920 00
Alberta	675 00	925 00	789 00*	2,636 00
Saskatchewan	400 00	1,000 00	5,000 00	8,500 00
Manitoba	944 00	1,750 00	†	5,000 00
Ontario	200 00	2,700 00	7,500 00	12,500 00
Quebec—				
(French Speaking)	.....	.....	.....	.....
(Protestant)	.....	.....	.....	.....
New Brunswick	.....	500 00	500 00	500 00
Prince Edward Island	.....	.....	.....	350 00
Nova Scotia	2,500 00	2,500 00	2,500 00	2,500 00
Total	$ 10,670 00	$ 16,779 00	.....	$ 40,906 00 (eight provinces)

* To December 30, 1944.
† Incomplete.

Assuming that the expenditure of Manitoba and Alberta remained at the 1943-44 level, the total expenditure of the nine provinces on school broadcasting during 1944-45 would amount to approximately $26,000. That is not so necessary now we have the last figures.

During 1944-45, the CBC spent on National School Broadcasts, approximately $12,000. This figure represents only the costs of scripts, artists' fees, musical and other talent. It does not include:—

(*a*) wire line charges for provincial and national school broadcasts,
(*b*) publicity,
(*c*) salaries and other overhead costs,
(*d*) cost of Radio-College.

Financial Assistance to Schools Installing Equipment

Several Departments of Education give financial assistance to schools anxious to purchase and install radio receiving equipment, as follows:—

New Brunswick

Grants are made out of the equalization fund.

Nova Scotia

High Schools receiving departmental grants may receive all or part of the cost of radio receiving equipment. Rural schools may receive half the cost, up to a maximum of $20 per year.

Quebec, Protestant

Half the cost of radio equipment is paid by the Department.

Ontario

Under the general legislative grant scheme the Department pays 30-60 per cent of approved cost in urban elementary schools; 50-90 per cent in rural elementary schools; 50-75 per cent in collegiate, high and continuation schools; and 50 per cent in vocational schools.

Saskatchewan

Department pays a grant of not more than 40 per cent of expenditure made by the District for each radio purchased after Jan. 1, 1941, up to a maximum of $25 in respect of the first radio purchased after that date.

Alberta

A grant equal to 25 per cent of the expenditure on approved equipment, including radio and aerial.

No financial assistance is given by the other Departments; but the matter is under consideration periodically. No provision for maintenance of equipment is made by any Department.

Efforts to Secure More Equipment

The figures quoted above of the number of schools using receivers indicate that the shortage of equipment is now greater than ever. In five provinces alone this shortage is estimated at 1,525 receivers. That is for 1944-45.

Repeated efforts have been made during the past three years by the CBC, the National Advisory Council on School Broadcasting, and the Education Departments themselves, to remedy this shortage. Approaches made to the Ministry of Munitions and Supply (Controller of Electric Supplies) and the Radio Manufacturers' Association showed that there was little prospect of easing the shortage so long as the war lasted. However, since the conclusion of hostilities, civilian production has been resumed, and this should enable many schools to meet their requirements. Education authorities have had little success in efforts to secure war surplus radio material of a useful type through War Assets Corporation, although close contact is maintainted with War Assets Corporation through liaison officers specially appointed by each provincial Department of Education.

I might explain in passing that the departments of education have secured radio equipment from War Assets Corporation but it is of an R.A.F. receiver and transmitter type, and it is not suitable for use on school broadcasts. When this was first written it was in doubt and we put it down this way but our subsequent experience is we have not been able to get equipment that is useful for school broadcasting for reception.

Mr. HACKETT: That is very astonishing. You are the only person who has not got all they asked for from that body.

The WITNESS: I am tempted to ask whether you are not being ironical.

The VICE-CHAIRMAN: Mr. Phillips, I think the members of the committee would favour a few minutes recess in order to give you a chance. You have read half the brief now.

The committee adjourned for a short recess.

It is recognized that school radio installations need constant inspection, maintenance and improvement in accordance with technical changes which are constantly taking place. At present, few or none of the school boards or departments of education maintain any technical staff (apart from the staff of vocational and technical schools) which could be used in the inspection or maintenance of receiving installations in schools. For maintenance and servicing, education authorities naturally rely on the recognized radio dealers, and for this reason prefer to purchase their supplies through these channels. However,

as time goes on, some provision will probably become necessary for regular inspecting of radio equipment in schools, to make sure that it is kept up to standard. This is particularly important where the apparatus is used for receiving music appreciation broadcasts.

The National Advisory Council on School Broadcasting has decided to make a careful study of the type of equipment that schools will need. Among the matters under consideration is the setting, in co-operative with the Radio Manufacturers Association, of standards of performance for all radio equipment offered for use in schools.

The high cost of radio equipment in schools has also been brought to the Advisory Council's notice. At its meeting on March 22-23, 1945, the following resolution was adopted:—

> That in view of the grave shortage of radio receivers in Canadian schools used for educational purposes, and in order to help forward the equipment of schools with new radio receivers as soon as civilian manufacture of radios is resumed, this Council urges the Minister of Finance, Hon. Mr. J. L. Ilsley to remit the 25 per cent war excise tax imposed in 1941 on radio receivers, radio phonographs and record playing instruments in all cases where such instruments are purchased by departments of education, school boards, universities and other recognized educational institutions.

This resolution was forwarded to the Hon. Mr. J. L. Ilsley who replied on May 31, 1945, as follows:—

> I have your letter of May 11 setting forth the terms of a resolution passed by the National Advisory Council on School Broadcasting at its annual meeting on March 22-23, requesting remission of the war excise tax on radio receivers, radio phonographs and record playing instruments where such instruments are purchased by departments of education, school boards, universities, and other recognized educational institutions.
>
> I note that this resolution was passed in March when the rate of tax on radios and phonographs was 25 per cent. Recently this tax was reduced to 10 per cent, which is a quite substantial reduction in the tax.
>
> It is extremely difficult to start on the path of granting special exemptions to these excise taxes. You will understand how hard it is to draw a line once any exemption is granted for a particular group. I think the most I can do is to undertake to bear this request in mind when the budget for the current year is being prepared.

Utilization of School Broadcasts

There is no one "right" method of utilizing a school broadcast, as a supplement to teaching, in a classroom. Each type of broadcast, in each subject, requires its own technique of handling (including preparation before the broadcast and "follow-up" after it) on the part of the teacher. So far these techniques have been developed on an experimental basis only.

There is need of further pooling of experience among teachers using school broadcasts, and more familiarizing of teachers-in-training with the use of radio.

Manitoba and Alberta departments of education—also to some extent Ontario and Quebec (Protestant)—make provision for the training of teachers in the utilization of radio, in their Normal Schools. New Brunswick provides for one or two lectures on radio at the Normal School, and Prince Edward Island is arranging for similar provision to be made.

British Columbia relies mainly upon its Director of School Broadcasts to train teachers in radio through circulars, pamphlets, addresses, etc. Also, for the past four years the Vancouver Normal School has taken two radio programmes weekly during the second term. These have been accompanied by instruction and experience in guiding class listening.

Nova Scotia provides a course in "Aids to Education", including radio, at its teachers' summer school. Saskatchewan has held a University Summer School class for teachers in Audio-visual Aids, since 1942. Alberta includes radio in its summer school courses.

Evaluation

Various methods of evaluating the results obtained from school broadcasts are current among the Departments. Thus British Columbia, Alberta, New Brunswick and Quebec (Protestant) rely mainly on a questionnaire sent out to teachers at the close of each season. Saskatchewan relies upon replies to a questionnaire appended to its "Teachers' Manual". Ontario depends chiefly on reports from inspectors, supplemented by questionnaires to teachers. Manitoba has established "listening posts" in key schools, which report to the Department. Nova Scotia and Prince Edward Island do not at present undertake evaluation.

Use of Transcriptions

One of the drawbacks to school broadcasting, as at present organized, is the fact that the programme is only put on the air for a single occasion, and is lost to classes that cannot pick it up at the time. There is evidence, in many parts of the Dominion, of a demand among teachers for transcriptions of school broadcasts, to be used in the classroom for subsequent repetition or study. This would greatly increase the educational value of school broadcasting.

This demand is 'definite' in British Columbia, Alberta, Manitoba and Nova Scotia; and 'moderate' in Saskatchewan, Ontario, Quebec and New Brunswick. None is reported in Prince Edward Island. The British Columbia Department of Education urges that the C.N.E.A. should interest itself in the possibility of making such transcriptions available in the post-war period. The CBC does not feel that such provision is part of its responsibility.

Several difficulties have to be overcome. These are (*a*) copyright problems (script and performance), (*b*) cost of making discs, (*c*) provision of playback equipment in the schools.

For transcribing a school broadcast of from 15 to 30 minutes duration, the home type of phonograph record (only playing up to 4½ minutes) is less economical than the studio transcription (playing up to 15 minutes). But the latter is played on a different type of machine (speed 33-⅓ r.p.m.) not usually found in schools, which are equipped mainly with home-type phonographs (speed 78 r.p.m.). A pre-requisite of the widespread use of transcriptions in the classroom is therefore the putting on the market of inexpensive 'playback' equipment.

Introduction and Use of Frequency Modulation

Considerable attention has been paid recently in the U.S.A. to the educational uses of *Frequency Modulation*. The advantages claimed for this method of transmission are:—

(*a*) freedom from static and interference,
(*b*) improved fidelity of sound transmission,
(*c*) comparatively low cost of equipment.

The localized range of FM, together with (*c*) make this kind of transmission particularly suitable for use by departments of education, school boards, universities and colleges.

The Federal Communications Commission has reserved a portion of the FM waveband in U.S.A. for the exclusive use of educational bodies. In several large cities (New York, Cleveland, Chicago, and San Francisco) the Board of Education has established its own FM Station. Station WBOE, Cleveland, for instance, has been operating since 1938, providing educational programmes for the 115 schools of Cleveland from 9:00 to 6:30 each school-day. FM educational stations are also used for adult educational and recreational broadcasts during

the evening hours. In Chicago, Station WBEZ has developed an active "radio workshop" which helps to train selected high school students in radio arts, and uses them in the production of educational programmes.

In Canada, the Licensing Authority (Department of Transport) at Ottawa has intimated its willingness to reserve FM channels for education and has invited the educational bodies to make known their wishes in this respect. Several urban School Boards (e.g. Toronto, Kingston and London) have lodged applications with the Licensing Authority for licences to establish and operate their own FM stations after the war. The Protestant Department of Education, Quebec, has also applied for the reservation of an FM channel for its use. Queen's University, Kingston, has obtained an experimental FM licence.

In certain states of the U.S.A. plans are also being prepared for the establishment of educational FM network, which would enable the stations owned by educational bodies in urban centres to pool their programme resources, and would extend their coverage to rural areas by means of repeater stations, etc. In some parts of Canada, likewise, the possibility of doing this is under consideration.

There is no doubt that in the coming years FM holds important possibilities for the extension of school broadcasting. Wherever possible a co-ordinated plan for its development, through the provincial authorities and with the help of the CBC, seems desirable.

Training in the Radio Arts

Facilities for training teachers, high school students and other interested persons in the radio arts—particularly as they apply to educational broadcasting—are still inadequate in this country. A valuable step has been taken by Queen's University, Kingston, Ontario, by instituting in July and August 1945, a Summer Radio Institute along the lines already familiar in the U.S.A. The university has obtained the co-operation of the CBC in establishing this institute.

In some parts of the country, radio training courses have been provided by technical and other schools. For instance, Central Technical School, Toronto, conducted a night class in Radio Broadcasting during 1944-45; and this was followed by a day course in the same subject during 1945-46. In 1944-45, the Vancouver School Board provided an evening course on script-writing, which was attended by a number of teachers. Some years ago the Extension Department of the University of British Columbia provided a summer course in the same subject.

Some experiment has also taken place in the holding of "radio workshops", which help students to learn to handle radio equipment and to become familiar with radio techniques. Such "radio workshop" broadcasts are capable of intergration with the curriculum in English, Dramatics, Speech Training and other branches of self-expression, thereby making radio knowledge an active as well as a passive factor in education. In some cases "radio workshop" activities have also been carried on successfully as an extra-curricular activity, e.g. at the Central Collegiate Institute, London, Ontario.

We anticipate that in the postwar period there will be an increase in the number of such training courses and experiments in "radio workshops" in schools, etc. This will also serve as important training ground for personnel to be employed in the running of Educational FM stations in the future.

General Conclusion

In this survey of School Broadcasting in Canada, we have so far confined our attention almost exclusively to programmes broadcast for instructional purposes, to be heard in classrooms during school hours. However, it must not be overlooked that the modern tendency in education is towards a widening of its scope considerably beyond the bounds of formal instruction, so as to

take in extra-curricular activities of all kinds, and make education a truly continuous process 'from the cradle to the grave'. Games, sports and physical culture, 'guidance', health, handicrafts, drama, music, and the arts of self-expression, reading, nature-study, camping—all are activities that 'spill over' from the classroom and the playground into the leisure hours of the student. Also, the school is becoming increasingly integrated with the life of the local community, through the development of parent-teacher co-operation, and through social welfare and community service work.

These developments should properly find expression in terms of radio, and must necessarily be closely associated with the existing work of departments of education and the school boards which stimulate and supervise them. We, therefore, look forward to the extension, in the near future, of school broadcasting by the addition of related programmes in after-school hours, given up to the encouragement of reading, music, art, crafts and cultural interests of all kinds, including sport and athletics. We also believe that the Home and School movement (as indicated in Appendix B to this brief) has an important contribution to make towards the education of parents in the meaning and importance of 'education', (including radio education), which can best be done by special programmes planned under their auspices. Education is one of the major interests of family life in this country. It deserves, like farming, religion, politics, etc., a regular place in the evening programmes of the CBC and affiliated stations. By this means a sound public opinion can be built up, which will support the efforts of pioneer teachers and administrators to improve techniques and equipment in all branches, and spread the use of new educational instruments, including that of radio itself.

And now, Mr. Chairman, I think I shall read last simply the next two pages (30 and 31) and leave the appendices since they are submissions of material procured from associations that are close to our own, and then if we have time I will read them later. Will that be satisfactory?

The VICE-CHAIRMAN: You refer to pages 32 and on?

The WITNESS: And on, yes; since I am sure there will want to be some discussion. I think perhaps I had better read simply the important summary which now comes.

Mr. COLDWELL: And the recommendations.

The VICE-CHAIRMAN: Yes, let us have them.

SUMMARY

1. The broadcasting of educational programmes into Canadian schools is assuming considerable proportions, and is of great potential importance. Co-operation between the CBC and the departments of education has proven to be satisfactory.

2. The departments of education in all provinces (except French speaking Quebec) now present, in collaboration with the CBC, educational programmes planned for their schools. In French speaking Quebec educational broadcasts for high school and college students are presented by the CBC through *Radio-Collège*.

3. On one day a week a National School Broadcast, aiming at strengthening the sense of Canadian citizenship, is presented by the CBC, upon the recommendation of the National Advisory Council on School Broadcasting, which represents the education authorities of the country.

4. The total amount of time given to school broadcasting per week is now from 2 hours 30 minutes to 3 hours 15 minutes.

5. In planning and using school broadcasts, the views of teachers and parents are being taken into consideration by the department of education.

Recommendations

6. It is highly desirable that more school teachers should be trained and employed to take part in the writing and presentation of school broadcasts.

7. The programmes exchanged between Canada and the United States (American School of the Air) have value as contributing to mutual understanding; but they need to be kept strictly free from anything that would offend national susceptibilities in either country.

8. At present the times made available by the CBC for school broadcasts are satisfactory. If, however, the demand for time on the air for this purpose grows, as it should, preference should be given by the CBC to the reasonable needs of education over the claims of commerce.

9. The general coverage achieved by the CBC for school broadcasts is satisfactory. Many private stations have given valuable co-operation to the CBC and education authorities in carrying these programmes. However, in the future, the CBC should give serious consideration to the adoption of the principle that school broadcasts must be carried by all affiliated stations that are necessary to give coverage to the schools.

10. The CBC should provide each province with facilities for originating its own school broadcasts, make more staff available for the work, and spread its contribution to school broadcasting equally over all provinces.

11. Certain regulations laid down by the American Federation of Musicians (Canadian Section), which specify high rates of pay for musicians making "delayed" broadcasts, are hampering the use of live music talent in school broadcasts. These should be relaxed, by agreement between the Federation and the CBC, so as to make possible greater use of music in national school broadcasts.

12. A further development of "supplementary aids" to school broadcasts, in the form of additional program information, more printed and pictorial matter, and more detailed advice to teachers, is desirable. The development of the provision and use of transcriptions of school broadcasts, for repetition and detailed study in the classroom, should be encouraged.

13. There is to-day a serious shortage of receiving equipment in the schools. This should be remedied as soon as possible. The CBC, the National Advisory Council on School Broadcasting, the War Assets Corporation, and the Radio Manufacturers Association should co-operate closely for this purpose. Education authorities will have to consider making better provision in the future for the servicing and maintenance of school receivers.

14. There is need for better training of teachers in classroom utilization of school broadcasts. Such training should be made a regular part of the curriculum of normal schools, and supplemented (for the benefit of teachers in service) by summer courses and other means.

15. The introduction of FM broadcasting in the post-war period offers promising opportunities for the development of school broadcasting. The undertaking of the licensing authority to set aside FM channels for the use of education authorities is to be commended. The educational bodies should be encouraged to make use of the offered facilities, and steps should be taken wherever possible to plan networks of FM educational stations, in order to secure the advantage of pooled program resources.

16. "School Radio Workshops" and training courses in the radio arts, run by the responsible authorities, can be of great help in training teachers and high school students in the use of radio, and making it a constructive part of the study of English, dramatics, speech training and other branches of expression.

17. The modern tendency in education is towards a widening of its scope considerably beyond formal instruction, so as to take in extra-curricular activities of all kinds. This tendency should find expression in terms of radio, i.e. the extension of school broadcasting by the addition of related programs in after-school hours, to encourage reading, music, art, and cultural interests of all kinds, including sport and athletics. There is also room for a regular program on the air dealing with "Education", as one of the major interests of family life in this country.

APPENDIX A

VIEWS OF TEACHERS

Through the Canadian Teachers Federation a considerable number of valuable comments and criticism of school broadcasting have been received from Saskatchewan, Ontario, Nova Scotia, New Brunswick, Protestant Quebec and British Columbia. The following are the main points in these comments:—

1. *Equipment.*—Much of the initiative and responsibility for the installation of receivers is left to school teachers. Often teachers purchase radios out of school funds; and where this is impossible, and the school board is not willing to install radios, many teachers bring their own receivers to the school, or borrow them from parents. More and better equipment is badly needed.
2. *Programmes.*—A majority of teachers are satisfied with the programmes as now presented by departments of education, but some would prefer the maximum length of a school broadcast to be 15 minutes. Other criticisms and suggestions include; simpler form of presentation; more programmes for primary grades; and greater variety of subjects.
3. *Times of Broadcasts.*—Teachers agree that existing times are generally suitable, though sometimes cross recess periods, etc. It is recognized to be difficult to please all in this matter.
4. *Information.*—Most areas are satisfied, but Ontario considers that "a clear outline of each broadcast should be supplied (in advance), giving the exact material included and the method of treatment". Many teachers do not get early enough access to whatever information (bulletins, etc.) is sent out by departments of education or the CBC. The teachers of Protestant Quebec say that there is need for closer personal contact with local groups of teachers. They suggest that broadcasting might actually take place in some schools.
5. *Utilization.*—All areas call for more teacher training facilities in the classroom use of radio. This should be done through (*a*) summer school courses, (*b*) in service courses, (*c*) demonstrations at teachers' conventions, etc., (*d*) issue of written material from the Department of Education.
6. *Evaluation.*—There is general agreement that there is here room for improvement. British Columbia calls for "more full support from administration; more authority behind requests for evaluation", and Saskatchewan agrees with this. Questionnaires are said to be not generally effective. The sampling of school opinion is a better method.
7. *Organization.*—Teachers are usually represented on committees that plan school broadcasts, but not always adequately. More rural teacher representation is called for. It is agreed teachers should take a more active part in the preparation of programmes (research script-writing and production), but they should be regularly trained and paid for this work.
8. *Transcriptions.*—Most teachers say the provision of transcriptions of school broadcasts would increase their educational effectiveness.
9. *Adult Audience.*—All areas report that there is a substantial adult audience, including parents, that listens to school broadcasts.

APPENDIX B

CANADIAN FEDERATION OF HOME AND SCHOOL

In British Columbia, Ontario, Quebec and Nova Scotia, local home and School Associations or Parent-Teacher Associations have been active in creating a public opinion favourable to school broadcasting and in helping schools to procure and install radio receiving equipment. In some cases, they have pressed school boards to purchase equipment; in other cases they have assisted school boards (on a 50-50 basis) to wire the school house; in some smaller centres they have helped to raise the necessary funds. In Ontario, Quebec, and Nova Scotia, the Home and School Federations report that there is a large number of schools anxious to purchase reliable receivers, but unable to do so. Quebec puts this shortage at 400, Nova Scotia at 100.

In five provinces (British Columbia, Alberta, Saskatchewan, Manitoba and Ontario) the Federation has appointed a Radio Convener, charged with encouraging the development of the educational and cultural uses of radio. In Nova Scotia each local Home and School has a "Home Improvement" committee, which includes radio installation in its scope. Quebec (Protestant) now has a Federation Radio Committee.

In British Columbia, the Vancouver and Victoria Parent-Teacher Organizations each conduct a weekly radio programme, dealing with home and school problems, over local stations. In Calgary, Alberta, the local Home and School Association broadcasts weekly over two local stations. Some local Home and School Councils in Ontario do likewise.

In Ontario, British Columbia, Alberta, New Brunswick and Nova Scotia, the Home and School Federation assists the CBC and departments of education in distributing information regarding school broadcasts. The Toronto Home and School Council reports that there is an active demand among teachers for transcriptions to supplement the broadcasts.

In six provinces, the Canadian Federation reports that school broadcasts reach a considerable adult audience. Nova Scotia says that more adults than children hear the programmes. The same province strongly emphasizes the need for more "adult education about education", and adds: "When parents know the scope and possibilities of school education, they will demand progress. A Home and School forum, after the pattern of Farm Forum, is extremely desirable and feasible." Saskatchewan Home and School suggests that school broadcasts should include "education in human relationships" and "education for family living" in their scope.

The Canadian Federation of Home and School has, from the time of the establishment of the National Advisory Council on School Broadcasting, pressed for the widest possible interpretation of the term "school broadcasting". It has emphasized that no hard and fast line can be drawn between curricular and extra-curricular subjects, or between educational broadcasts to be heard in school hours and those aimed at children out of school hours. It has supported the development of "co-study" between parents and children in the home after school hours, and in follow-up of school broadcasts. It has also taken an active interest in the possibilities of raising the general standard of out-of-school children's programmes on the air.

APPENDIX C

CANADA-UNITED STATES EDUCATION COMMITTEE

In 1944 the Canada-United States Committee on Education was set up jointly by the American Council on Education (supported by the Carnegie Endowment for International Peace) and by the Canada and Newfoundland Education Association, for the purpose of furthering "education for mutual understanding and friendship between Canada and the United States."

In June and October, 1945, the committee gave consideration to the influence of school broadcasting as a factor effecting international understanding between the two countries. The committee conferred with educational representatives of NBC, CBS and CBC, and heard reports on the experience gained from exchange of educational broadcasts between Canadian and United States networks (such as the American School of the Air). The committee's attention was called to the increasing number of educational broadcasts about Canada which originate from United States radio stations to be sent out to United States schools and colleges; and vice versa, of educational broadcasts about the United States which originate in Canada and go out to Canadian schools and colleges. This type of programme is likely to increase with the spread of FM and the increase in the number of FM educational stations.

The committee's attention was also called to certain problems of inaccuracy and unsatisfactory interpretation of facts that had arisen from time to time in educational broadcasts about Canada which had originated in the United States. The committee agreed that it was desirable to provide more effective machinery for the exchange of syllabus, script and transcription material for school broadcasts between the radio and educational institutions of the two countries. Inquiries have been instituted to find out whether it will be possible to set up an international exchange system of educational transcriptions and similar material.

Other steps under consideration by the committee include the holding of periodic conferences between the personnel (script writers, producers, etc.) engaged in educational broadcasting in the two countries, for consultation and discussion; also the preparation of a model course of school broadcasts on a topic of common interest to Canada and the United States, which could be broadcast over the networks of the two countries and subsequently made available by transcription to schools and colleges in both countries for further use and study.

Would you agree, Mr. Chairman, that we should stop there and dispense with the reading of the appendices?

The VICE-CHAIRMAN: If that is the wish of the committee. The appendices will be included as part of the record. I take it that they are expressions of opinion.

The WITNESS: Yes, they contain the material that we have obtained from the Canadian Teachers' Federation, that is appendix "A", and appendices "B" and "C" are from the Home and School Association and give their views—that is appendix "B", and appendix "C" is the Canada-United States Education Committee's views, those interested in strengthening relations between the two countries by educational means including the radio. But they are records of particular groups, and I thought, if you agreed, that we might better discuss the submissions of the main brief without any fear that there would be any

information in the following parts that would be related to it, with the possible exception of that Canada-United States Committee. If there is time afterwards I could read it.

The VICE-CHAIRMAN: Can you tell us now, Mr. Phillips, to what section we should direct our questions; that is as far as the witnesses here are concerned?

The WITNESS: I think all three of us had better be heard concurrently, and if the question applies to the CBC it will be answered by Mr. Lambert, and the general educational questions will be answered by Mr. Walsh and myself. I would think the summary and recommendations on pages 30 and 31 would recall the major points to the minds of members who possibly may not have made notes.

By Mr. Coldwell:

Q. Have you considered the idea of having the provincial departments of education assist more fully in the financing of these programmes? What I have in mind is this, that from the balance sheet of the CBC which has been placed before us it is quite obvious that their income at the moment, unless they can get better returns from commercial programmes or licence fees, it is likely to restrict the activities of the corporation. I was wondering if you had given consideration to your departments of education taking more responsibility for the financing of these programmes. I notice your contributions now are mainly in the field of production and aid in the installation of radio equipment in schools. I wondered if you had given any thought to that?—A. Not as a body, Mr. Coldwell. I am sure that each of the provincial departments themselves have; but they have not had any meeting of our body where they could go into the subject and discuss it generally. Someone had suggested that it should be taken up, and no doubt it will be, but they have not done so so far.

Q. Has any consideration been given by your departments of education or by your association to the obtaining of a standard type of receiver for city schools, and possibly some different type for rural schools where there is no electricity?—A. Yes. I think I will turn that question over to Mr. Lambert, who is Secretary of the National Advisory Council. I believe it has been considered by the National Advisory Council.

Mr. LAMBERT: The National Advisory Council have this question before them at the present time. The problem seems to be this, that the radio manufacturers indicated, some of them, that they would not be interested in the manufacture of specialized equipment of the type used by us, a special type of school receiver, until they could be assured of a sufficiently large market. We wrote each department of educaiton asking them whether they would be interested in procuring a standardized product, or whether we could get a sufficient volume of orders for the purchase of equipment for schools which would be attractive to the manufacturers. To date only three of the provinces have indicated a willingness to pool orders.

Mr. COLDWELL: What provinces are interested, Mr. Lambert?

Mr. LAMBERT: Nova Scotia, New Brunswick and Saskatchewan.

Mr. COLDWELL: What I had in mind was this that in Alberta and Saskatchewan particularly they have gone a long way in the organization of their schools in that they have groups of schools under one management, and they are buying supplies for these schools in large quantities. It seemed to me that this was something which might be done much in the same way; get a contract for 1,000 radios from several school units and you would get a good price from the manufacturers, I would imagine.

Mr. LAMBERT: You would get a very large reduction if that were done.

Mr. WALSH: I might say, Mr. Chairman, in that regard, in Ontario we have a report on that also through our association. The view we take at the present time is that the console type is best fitted for school work, and that is a type which lends itself to mass production methods. I do think it would be a good thing if all the provinces would collaborate in getting a certain type of radio receiver which would be useful in schools, not perhaps so elaborate as the ones used in homes generally, or not so decorative, I should say. Under present conditions we recommend the console model.

Mr. COLDWELL: What would be the effect of FM transmission—of course, the CBC could probably answer that question better than you could—on radio production of school broadcasts.

Mr. LAMBERT: Most of the departments hesitate to buy much at the present time because the position is not clear; but that I mean whether the manufacturer is going to incorporate FM equipment in his new receivers with the standard broadcast band or AM. I believe it is understood among manufacturers generally that on their part they will not decide on that until the price ceiling has been lifted.

Mr. COLDWELL: Then they will have to wait quite a while—I hope.

The VICE-CHAIRMAN: I understand that you have been dealing in this brief mostly with programmes broadcast for educational purposes to be heard in classrooms during school hours.

The WITNESS: Yes.

The VICE CHAIRMAN: At the beginning of your brief I think you told us that you had representatives of the province of Quebec on your Board of Directors.

The WITNESS: Yes, the Vice-President is Mr. B. O. Filteau who is French secretary, or deputy minister of education.

The VICE CHAIRMAN: And who is this Mr. Boulanger?

The WITNESS: He is director of study on the Montreal Catholic School Commission.

The VICE CHAIRMAN: I understand that these school broadcasts in certain of the provinces are part of the school curriculum.

The WITNESS: They are related to the curriculum, yes. There is a director of school broadcasting in some of the provinces, and the schools broadcasts are given at such and such a time and are directly related to the curriculum, that is, the provincial broadcasts.

The VICE CHAIRMAN: What sort of co-operation do you get from the Department of Education in Quebec?

The WITNESS: Well, their arrangements are particular, and as I said in the brief it is done through Radio College. Perhaps Mr. Lambert would speak on that since it is a matter of co-operation with the CBC.

Mr. LAMBERT: The CBC itself since 1942 has provided through Radio College regular courses of educational broadcasts every day of the week which are heard in the high schools in French speaking Quebec, and also in colleges, and are aimed at adults. Therefore there are no broadcasts for elementary school listening in French speaking Quebec either provided by the CBC or the Department of Education.

Mr. KNIGHT: Why "therefore," may I interject?

Mr. LAMBERT: Therefore—I should have said "consequently".

Mr. KNIGHT: Why "consequently"?

Mr. COLDWELL: Because they are not provided.

Mr. LAMBERT: They are provided for high schools.

Mr. KNIGHT: You said therefore they are not provided for elementary schools.

Mr. LAMBERT: I should have said "and". There is no logical conflict between them except one of subtraction.

The VICE CHAIRMAN: When you say Radio College is provided for high schools do you mean that the high schools have asked for that particular series of broadcasts or that they just think the quality is good enough to listen to?

Mr. LAMBERT: A large number of high schools do listen to them. Actually they do make use of them and they have botanical contests and exhibits at the botanical gardens in connection with the broadcasts on natural science. There are a considerable number of high schools using those broadcasts.

The VICE CHAIRMAN: On page 5 you say:—

> In 1942 the CBC in collaboration with the nine provincial departments of education presented the first series of national school broadcasts heard on a coast to coast network across the dominion, with the aim of strengthening the sense of Canadian citizenship in the boys and girls of elementary and junior high school age.

That is just before you go on to the next section, "National Advisory Council formed".

Mr. LAMBERT: That is the Protestant section in Quebec. The director of the Protestant section in Quebec is the ninth unit for this purpose.

The VICE CHAIRMAN: In other words, when you speak of Quebec in this brief you refer to Protestant Quebec?

Mr. LAMBERT: Not entirely because the national advisory council on school broadcasts which plans the national school broadcasts on the English speaking network includes representatives from the provincial Quebec Department of Education. Mr. Filteau and Dr. Percival on the English and French sides are both members of the planning body which plans the national school broadcasts, although it does not plan any broadcasts in French which are heard on the French network.

The VICE CHAIRMAN: The CBC has a consulting body to organize these broadcasts of Radio College?

Mr. LAMBERT: Radio College has a separate consulting body, a list of the members of which is given in their booklet which Dr. Phillips has.

Mr. COLDWELL: On page 16, brief states:

> Stations have been known to discontinue school broadcasts without notice, or to find reasons for not carrying them, for motives which, when traced back to their source, appear to be commercial.

Does that remark apply to CBC stations?

Mr. LAMBERT: No, it does not apply to CBC owned stations.

Mr. COLDWELL: Not to CBC owned stations?

Mr. LAMBERT: No, not as far as I know.

Mr. COLDWELL: But does it apply to stations affiliated with the CBC?

Mr. LAMBERT: Yes.

Mr. COLDWELL: And to stations which take the occasional programme from the CBC?

Mr. LAMBERT: Yes.

Mr. COLDWELL: What you are asking is that the school broadcasts should be "must" programmes for all affiliated stations?

Mr. LAMBERT: It is a little difficult for me to answer that because that would not come within my province.

Mr. COLDWELL: I will ask Mr. Phillips.

The WITNESS: That is what we ask for.

By Mr. Coldwell:

Q. That seems reasonable. Of course, I suppose when the CBC has its two networks operating fully those networks will be able to give better service to schools than one single network can?—A. I think that would be so.

Mr. LAMBERT: At present that is not wholly true. It might be true, but at present we have got a very good coverage of 45 stations which is larger than any one of the networks. Being early in the day network separation is not yet fully clarified and we are able to draw stations which in the evening are separated into two networks.

Mr. COLDWELL: Would it not help you with the two networks to cover the schools more fully and to provide that these programmes must be "must" programmes? That is a question for Mr. Phillips and the CBC. Would that not follow?

The WITNESS: I would think that the double network would help although, of course, that would be a CBC matter, but from our point of view there are parts of the country that are not serviced by the CBC stations and the only way of getting service would be to require the affiliated stations to carry the programme. Of course, it is one of those difficulties that result from the nature of our country.

By Mr. Coldwell:

Q. But you believe when the high power stations are complete across the country you will get better coverage?—A. That again is a little technical for us but I would think it sounds reasonable. That is a question of radio coverage.

Mr. COLDWELL: Which station is used in Saskatchewan, CBK?

Mr. LAMBERT: No, we have hitherto had a network of private stations in Saskatchewan. There has been a slight difficulty there. Both the school broadcasts and the women's programmes desire to use the same time. Therefore CBK takes the women's programmes and the private stations take the school broadcasts.

Mr. COLDWELL: A good move politically for the CBC to look after the ladies, I imagine.

Mr. KNIGHT: I have a few questions I should like to ask in regard to comparative costs of school broadcasting, or perhaps I should put it comparative contributions towards school broadcasting in the various provinces. I had these questions on the order paper but was told that they might better be answered in this committee, and I agree with that. I will start with a statement. Perhaps I might ask it directly. The Department of Education in each province has its own radio branch and each presents a series of broadcasts for its own province. Would that be correct? I understand those are usually given four days a week and on the fifth day that time is occupied by a national broadcast?

The WITNESS: That is usually the case.

By Mr. Knight:

Q. As to that national broadcast I take it that French speaking Quebec would get no benefit from that broadcast? I mean as such the national broadcast could be of no possible use to French speaking Quebec.—A. That is right, for the French speaking.

Q. As to these comparative costs my information is, for instance, that in British Columbia the province pays one-half of the salary of the director of school broadcasts. Is that so?—A. That is correct.

Q. I take it that would be Mr. Lambert's department. In your brief on page 7 I see that you have this as to British Columbia:

> In British Columbia the CBC contributes half the salary of the director of broadcasts,

and so on. It then says:

> Nova Scotia, Saskatchewan and Ontario employ similar officers.

They employ similar officers but who pays for them?—A. In most, if not all cases, the province. Is there any exception to that?

Mr. LAMBERT: In most cases it is the province that employs its own officer.

Mr. KNIGHT: There is no contribution from the CBC towards that arrangement?

Mr. LAMBERT: However, in the Maritime provinces the CBC also provides an organizing producer for the three provinces who spends his time in working in this school field, and is therefore really carrying on a part of the burden which the three maritime provinces would otherwise have to carry.

Mr. KNIGHT: Let us put it this way. Suppose we confine it to the province of Saskatchewan. Does Saskatchewan receive help from the CBC in the payment of half of the salary of the person we are talking about, as British Columbia does?

Mr. LAMBERT: No.

Mr. KNIGHT: In other words, British Columbia has a benefit which Saskatchewan does not receive in that direction. Is that correct?

Mr. LAMBERT: That is correct, but might I add to supplement that that Saskatchewan has for a number of years received another special privilege from the CBC which is not the same but might be held to be a compensation. Saskatchewan asked for a time for its broadcast different from that of the other provinces of the west. That required a separate network of stations to be set up for Saskatchewan with separate line service and separate programme arrangement with a heavy extra recording service, and that is costing the CBC some $2,000 or $3,000 a year above what is granted to any other province. The CBC has incurred a special cost to give the Saskatchewan Department of Education a network of school broadcasts at a time which the Saskatchewan schools want it.

Mr. KNIGHT: Perhaps we should move to some of the other provinces and see what happens there. Before doing so I might mention that Saskatchewan spends $8,500 each year on these school broadcasts. I find that Manitoba spends $5,000, Ontario, $12,000, New Brunswick, $500, Prince Edward Island, $350, and for Quebec there are no figures given. Would I be correct in assuming from that fact that the total cost of Radio College from the point of view of school education is paid by the CBC.

Mr. LAMBERT: I believe it is.

Mr. KNIGHT: In other words, the CBC pays the complete cost of educational broadcasts in French speaking Quebec. That is correct, is it?

Mr. LAMBERT: That is correct.

The VICE CHAIRMAN: I think if I may interject here, when you speak of Radio College you are not speaking about the same type of broadcast?

Mr. LAMBERT: No.

The VICE CHAIRMAN: As the ones referred to.

Mr. HACKETT: And prescribed by the Department of Education in Saskatchewan.

The VICE CHAIRMAN: In the brief, and to which the provincial department of education contributes. Is it within your knowledge that Radio College, for instance, is translated into several languages and used in Europe?

Mr. LAMBERT: Yes.

Mr. HACKETT: Radio College is not an integrated part of the programme of the Catholic Board of Education of Quebec?

Mr. LAMBERT: No.

Mr. HACKETT: As the programme of which Mr. Lambert has spoken is an integrated part of the Saskatchewan programme.

The VICE CHAIRMAN: We are talking about two different types of broadcasts.

Mr. KNIGHT: Perhaps we could go on to another province. I will take the province of Ontario. A director is in charge of the audio-visual branch, which includes the school broadcasts in Ontario?

The WITNESS: Yes.

Mr. KNIGHT: As I understand it the general idea is that Ontario is supposed to pay the full cost for all educational provincial broadcasts for the four week days as apart from the national day on Friday. My question to you is this. Is Ontario bearing the full cost of all educational broadcasts during those four days? I should like the figures back to 1942 on it, and if you have not got them with you I would ask that they be supplied.

Mr. LAMBERT: I think perhaps it will help if I make it clear what has been stated in the brief as to the way the costs are divided. The costs are divided in two parts. One is the cost of the programme which means the script, any actors, musicians, special research, or whatever is required. All that is borne by the educational authority. CBC provides the time on the air, the studio, the services of an announcer, the services of a producer. That is a cost, of course, which is not itemized in the same sense as the other costs. These costs listed here in the departments are the sums spent by the departments on those first programme costs that I mentioned. The sum spent by the CBC is necessarily a spread out sum over the whole area.

Mr. KNIGHT: If you will pardon me for interrupting I may say I already have that information, but it does not alter the nature of my question. At least, I do not think it does.

Mr. LAMBERT: In Ontario that procedure is followed. The Ontario department pays for those items.

Mr. KNIGHT: It does pay the full cost of those items. I will put it this way and then it will be clear in my own mind. The CBC would be responsible for producing the broadcasts, that is to say, the arrangement of the stations, lines, and so forth, and each province pays the CBC for the acting—

Mr. LAMBERT: The script.

Mr. KNIGHT: And production of the programme.

The VICE CHAIRMAN: That is for the educational department sponsored show.

Mr. LAMBERT: Yes, not in the case of the national. In the case of the national the CBC bears the whole.

Mr. KNIGHT: I am only talking about the four days a week. Let us get that clear. Would it be correct to state that the CBC does that preparatory work for the provincial broadcasts on education? I am speaking now of Ontario. That is correct, but does the CBC also pay any of the expense, and so on, that some of the other provinces pay for themselves? I am speaking now of Ontario.

Mr. LAMBERT: I am not quite clear what information you want.

Mr. KNIGHT: Let us put it plainly. Is Ontario in this particular respect in a favored position in regard to the cost of its educational school broadcasts in relation to these matters other than the arrangements for the stations, lines and so on which the CBC is by its contract, if there is a contract, supposed to pay?

Mr. LAMBERT: I would not say they were.

Mr. KNIGHT: That is an opinion. Have you the figures from 1942 on?

Mr. LAMBERT: If you could tell me exactly what figures you want—we have given you the figures of the Ontario department's own expenditures. The figures of the CBC expenditure are not itemized in terms of provinces. They cannot be because you cannot itemize wire line costs, and so on, in that way.

Mr. KNIGHT: Let me go back to Saskatchewan and ask who pays? You have it divided in two parts in the province of Ontario. Who pays for those two parts in the province of Saskatchewan?

Mr. LAMBERT: It is exactly the same in the province of Saskatchewan. The only difference is that the programmes have to be produced in Winnipeg. The reason is that the CBC has a production centre in Winnipeg and no production centre in Saskatchewan, and we are not satisfied to have educational programmes of good standard produced except at CBC production centres. We will not make ourselves responsible for the production of good quality educational programmes unless we have our own people in charge of it. So that the handicap Saskatchewan is under is only that, whilst the same financial arrangements prevail as in the case of Ontario, Saskatchewan programmes have to be produced and distributed from Winnipeg which is some way off, and the Ontario programmes obviously can be produced and distributed in Toronto on the spot. They have some intangible advantage which is not a monetary advantage, but is an advantage of convenience in that respect.

Mr. KNIGHT: It would not be correct to say that the CBC has in any way been developing programmes in the field of education for the province of Ontario free or, shall we say, at a cheaper rate than it has been doing for any of the other provinces?

Mr. LAMBERT: No, but my conscience compels me to say that there has been one small experiment tried in Ontario at the request of the department which you might hold was a special favour. I refer to the experimental production of a Shakespeare play last year. Here we had something which had never been done before and as to which we were not certain of the result. The Ontario department asked the CBC to produce a Shakespeare play during the school hours. That was done and was fed to the whole of eastern Canada but could not at the time be fed to western Canada because of the time zones. It proved so succesful that the western provinces then asked why they had not been given this programme, and the CBC thereupon repeated the whole programme again for the benefit of the west. That was a favour in the sense that the experiment was tried first in the east at the expense of the CBC, but as soon as it was proved to be successful the same facility was extended at the CBC's expense to the west. Therefore I do not think there is any serious grievance or discrepancy.

Mr. KNIGHT: I have one other question and I am finished. There was a national advisory council set up in 1943. Has a report of the expenditures of that council been published?

Mr. LAMBERT: The council itself has no expense except the expense of the delegates coming from different parts of the country to the meetings. Those are borne by the departments of education, by the bodies that nominate, and the CBC only pays the expenses of the chairman whom it appoints.

Mr. KNIGHT: There is therefore no report of such expenses?

Mr. LAMBERT: There has been no expenditure. There has not been any required.

Mr. COLDWELL: What play was produced of Shakespeare's?

Mr. LAMBERT: Julius Caesar.

Mr. COLDWELL: It was very good.

Mr. HACKETT: I should like to have the identity of the gentlemen who have spoken made clear. Mr. Phillips is the secretary-treasurer of the Canada and Newfoundland Educational Association?

The WITNESS: That is correct.

By Mr. Hackett:

Q. Do you do anything else?—A. No sir.

Q. That is whole time?—A. I am on leave of absence from the University of Toronto, but I am giving my whole time to this.

Q. Have you been doing that for some time?—A. Since last September. Before that I was part time secretary, but since last September I have been full time.

Q. Were you a professor or teacher before that in the university?—A. Yes.

Q. And Mr. Walsh?

Mr. WALSH: I am in the Department of Education.

Mr. HACKETT: Of Ontario?

Mr. WALSH: Yes, in the elementary branch. I am assistant superintendent in the elementary branch. Besides that I am president of the O.E.A. the Ontario Educational Association, and it is more or less in that capacity that I am accompanying Mr. Phillips today.

Mr. HACKETT: And Mr. Lambert?

Mr. LAMBERT: I am supervisor of school broadcasts for the CBC and honorary secretary of the national advisory council on school broadcasts.

Mr. HACKETT: You are associated with the CBC and give your whole time to these affairs?

Mr. LAMBERT: Yes.

Mr. COLDWELL: Did I hear you were going on leave of absence for a very important assignment?

Mr. LAMBERT: Yes, sir.

By Mr. Hackett:

Q. I wanted to ask a question about the broadcasts. In some of the provinces they are a part of the curriculum prescribed by the department of education of that particular province?—A. I am very sorry. Would you mind repeating that?

Q. The reporter will read it.

Reporter reads:—

> I wanted to ask a question about the broadcasts. In some of the provinces they are a part of the curriculum prescribed by the department of education of that particular province.

I wanted to know if in some of the provinces the curriculum includes lessons or dissertations given over the radio?—A. Well, for the most part—and this will apply to provincial broadcasts only—provincial broadcasts are quite closely related to the prescribed curriculum in some cases. In the case of music appreciation broadcasts there will not be any prescribed number of musical selections that are to be studied so that it might be regarded as supplementary, complementary, assisting, stimulating interest, and so on, but it is related to the curriculum.

Q. My question was prompted.—A. Do you mean that these broadcasts actually do the teaching? Very seldom does a broadcast do the teaching. We still rely on the teacher. The broadcast is supplementary.

Q. I noticed that the hours of the different broadcasts mentioned on page 8 of your brief include hours during the day when children generally are in school. Young children are in school from 10.45 until 11 and from 3 to 3.15, but 4.30 to 5 is possibly not a school hour.

Mr. LAMBERT: That is in French speaking Quebec.

The VICE-CHAIRMAN: Pardon?

Mr. LAMBERT: That 4.30 to 5 period is Radio College. That is right after school, but in residential secondary schools it would be heard then.

Mr. HACKETT: Convents or seminaries.

The VICE-CHAIRMAN: I should like to clarify this matter of Radio College. On page 8 you talk of national school broadcasts, and on page 9 you mention such broadcasts as Heroes of Canada, My Canada, and so on. Those are a part of the national educational broadcasts which are broadcast by the CBC. Would you say that Radio College is of the same class?

Mr. LAMBERT: They have had the same subjects in many cases. They have covered similar ground, but it applies to a higher grade of student whereas most of our national school broadcasts have applied to the upper grades of elementary and junior grades of high schools. Radio College broadcasts are more aimed at senior grades of high schools and university students.

The VICE-CHAIRMAN: It would seem to me that Radio College is provided by the initiative of the CBC only.

Mr. HACKETT: That is right.

The VICE-CHAIRMAN: And in order to make sure that their programs are of a good quality they bring in people whom they can consult and who in Quebec hold certain functions in the educational department, for instance, whereas the other school broadcasts that you are talking about are broadcasted at the initiative of the school department?

Mr. HACKETT: And form a part of the school program.

Mr. LAMBERT: Not in the national case. In the national case the CBC pays for that as it does for Radio College, but it calls on an advisory council of the department to plan them and to take charge of their educational content.

By Mr. Hackett:

Q. I was trying to get that quite clear from Dr. Phillips. I understand that in some provinces an integral part of the program is the information or instruction which goes over the radio?—A. Yes, that is true in this way, that if the teacher of social studies looks up the coming broadcasts that are going to be put out and sees a topic in social studies about some man in Canadian history is going to be broadcasted at such and such a time the teacher will prepare for the broadcast giving the class preliminary information, preliminary assignments, so that they will profit by the broadcast and follow it up. Then it is a part of the school day.

Mr. HACKETT: I thought that the initiative rested to a certain extent with the departments of education in the different provinces, and that the teacher was merely getting over the radio that which the department has prescribed as part of the program for the school in which the teacher was teaching.

The WITNESS: Yes, that is true, with this modification; that listening to the broadcast is not prescribed in the same way as a course of study, the teacher is required to teach a certain course of study.

Mr. HACKETT: Yes.

The WITNESS: But the teacher is not required to use these educational broadcasts. The teacher can use them as a help.

Mr. KNIGHT: Before we adjourn I have this question I would like to read into the record and possibly receive an answer to it at some later time. What are the proportions of the expenses of the CBC educational broadcasts over Saskatchewan stations borne by, (*a*) the CBC and (*b*) the province of Sas-

katchewan; in regard to the broadcasts in which they bear expenses; and then, 2(*a*) CBC and (*b*) the province of Ontario; and 3(*a*) the CBC and (*b*) the province of Quebec. May I have that information?

Mr. LAMBERT: We find ourselves in great difficulty in answering that question because the way it is presented is not in accordance with the way our accounts and costs are kept.

The VICE CHAIRMAN: I do not know whether these gentlemen could give you the figures, they would probably have to procure them from the provincial government departments.

Mr. COLDWELL: The CBC might be able to give the answer to that, they would know what their own share of the expenses were and given that we could probably arrive at the rest of it.

The VICE CHAIRMAN: CBC will likely be in a position to answer most of Mr. Knight's questions. I understand he will be satisfied if CBC takes it up.

Mr. KNIGHT: Yes.

Mr. HANSELL: Before we adjourn, Mr. Chairman, I should like to say that I think the witness before us has presented a very fine brief this afternoon, one which covers the situation; and I would like to say this, that I am rather pleased that the brief does place a good deal of emphasis on the recognition of provincial autonomy in respect to education. One question I would like to ask here is, do you find any of the provinces are authorizing school broadcasts in their regular schedule, in their curriculum; in any of the provinces do they provide a certain quarter hour say, or any definite period; I presume that is pretty well left to the individual teacher, is it?

The WITNESS: Yes. It is my understanding that it is at the option of the teacher. The departments say that they are going to broadcast such and such a programme at such and such a time. I do not know of any condition where the teacher is required to listen to a certain broadcast. There may be some rather strong suggestions that the teacher should. I can't say much about that for Ontario, but perhaps Mr. Walsh could.

Mr. WALSH: In Ontario the schools have facilities for reception, either using machines operating a loud speaker system. Most of the schools arrange that their timetables will be so adjusted that the grades and rooms which are interested will be able to listen during that half hour.

Mr. HANSELL: What I have in mind is if you have a regular period and could receive the co-operation of the provincial departments of education to the extent that they recognize the value of that period and synchronize their schedules so that all schools could hear that period that would become very effective, much more so than now, but I fancy you would have some difficulty in getting that done. There is just one other question, and it can be answered very easily. Perhaps one of the main recommendations you make is at the first of your brief, the last paragraph on page 3, in which you urge and endorse the present radio system in Canada. That has been characteristic of a couple of other briefs we have received during these hearings. My question is have there been suggestions made to you that the present radio system in Canada is likely to undergo a change?

The WITNESS: No, sir, but we have read accounts in the press of the hearings of this committee, and this statement represents the opinion of the directors of our association. No one suggested it to us, but I do not mind saying that when we had heard of certain evidence that was given here we prepared a statement and sent it to our directors—I as secretary did that—had the directors O.K. the statement, and incorporated it in the brief. We will admit it has nothing

to do specifically with educational broadcasting except that the whole structure of educational broadcasting would not be possible unless we had this general structure.

By Mr. Hansell:

Q. It does occur to me that it is strange that this recommendation has been made, perhaps in other terms, by at least two other briefs that we have heard. It would almost lead one to believe there is a fear that the basic principles of radio broadcasting, as incorporated in the Act, are liable to go by the board. I personally cannot see that is so.—A. Well, I do not know that we had a fear, but we wished to give what support we could to the principles as established. The similarity of the wording to that of one other organization may be explained by the fact that that other organization is affiliated with ours so that we felt at liberty to use their language.

Q. That is?—A. The Canadian Association for Adult Education. Although our wording is not quite the same it is similar.

By the Vice-Chairman:

Q. There is only one question I should like to ask. I understand that it is getting quite late but I will ask you to be patient for just one more second. I think it is very important. I see on page 15 of the association's brief it says:

> The response of the private stations has, in general, been enthusiastic and generous. They have sacrificed many half hours of time which might have been sold to advertisers in order to help the schools. In some cases they have also helped to publicize the programmes among school principals and teachers.

Now, as you know, C.A.B., that is the Canadian Association of Broadcasters, came here and presented a brief, and they represented all the private stations in Canada; and on page 23 of their brief they state this—they have referred to the fact that they hold programme clinics at which they consider matters such as educational broadcast—and at page 23 they state this:

> This same clinic discussed educational programmes, and felt that programmes prepared for classroom listening were being adequately handled by CBC, and that the efforts of the independent stations should therefore, be concentrated on programmes of an informative nature.

Would you comment on that? There seems to be a sort of contradiction there which should be explained.

The WITNESS: The educational broadcasts are adequately handled by the CBC in the sense of origination or production of the broadcasts, and the carrying of these broadcasts to most parts of the country, but we believe that it is necessary to use some of these private stations affiliated with the CBC to carry these broadcasts to other parts of the country. Now, it is not a matter of originating programmes, it is a matter of carrying them; and we felt that most of them had been very co-operative in that regard, although in some parts of the country we cannot get the coverage we want.

The VICE-CHAIRMAN: Now, you are referring to stations affiliated with the national network?

The WITNESS: Yes, the private stations.

The VICE-CHAIRMAN: Gentlemen. I think we are very grateful to these gentlemen, thank you very much.

The meeting is adjourned until Thursday next at 10.30 o'clock a.m.

The Committee adjourned at 6.15 o'clock p.m. to meet again on Thursday next, July 25, 1946, at 10.30 o'clock a.m.

SESSION 1946

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 9

THURSDAY, JULY 25, 1946
FRIDAY, JULY 26, 1946

WITNESSES:

Mr. Jean-Marie Beaudet, Director of French Network Programmes.
Mr. Roland Beaudry, M.P.
Mr. Herbert G. Love, President and Managing Director of The Voice of the Prairies Limited, Calgary.
Mr. Marsh M. Porter, K.C. Legal Counsel for CFCN, Calgary.
Mr. J. R. Radford, Manager, Broadcast Regulations Division,
Dr. Augustin Frigon, General Manager,
Mr. A. Davidson, Chairman, Board of Governors, Canadian Broadcasting Corporation.

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1946

MINUTES OF PROCEEDINGS

THURSDAY, July 25, 1946.

The Special Committee on Radio Broadcasting met this day at 10.30 o'clock a.m. Mr. Maybank, the Chairman, presided.

Present:—Messrs. Beaudoin, Bertrand *(Prescott)*, Bowerman, Coldwell, Fleming, Gauthier *(Portneuf)*, Hansell, Knight, Laurendeau, Maloney, Maybank, McCann, McCulloch, Mullins, Robinson *(Simcoe East)*, Ross *(Hamilton East)*, Ross *(St. Paul's)*, Smith *(Calgary West)*.

In attendance: From *Canadian Broadcasting Corporation:* Messrs. Dunton, Frigon, Manson, Radford, Olive, Bushnell, Brodie, Beaudet, Keddy and W. G. Richardson.

From the *Department of Transport:* Mr. W. A. Caton and W. B. Smith.

From *Station CFCN, Calgary:* Messrs. Herbert G. Love, President and Managing Director, Mr. M. M. Porter, legal counsel; and Mr. T. E. Church, United Farmers of Alberta; B. Plumer, President of Alberta Wheat Pool; J. McFall, Secretary, Alberta Federation of Agriculture; Mr. Phil. Lalonde, Manager, CKAC.

Also Messrs. Roland Beaudry, M.P., and Raymond Eudes, M.P., Mr. Guy Herbert, J. E. Rogers, Joseph Sedgwick and Harry Sedgwick of Toronto.

Mr. Jean-Marie Beaudet, Director of Music and of the French Networks Programme, was called. He proceeded to read a statement.

As agreed, the proceedings were suspended at 11.00 o'clock.

The Committee resumed at 12.10 and Mr. Beaudet concluded his statement and was examined.

Dr. Augustin Frigon gave the personnel of an Advisory Committee on Educational Broadcasts and supplied figures on the French programmes budget.

Mr. Jean-Marie Beaudet was retired.

Mr. Roland Beaudry, M.P., was called. He requested, in the course of his address, that the Committee investigate the reasons why CBC rescinded a contract entered into with the City of Montreal in 1939 in connection with the proposed erection of CBC buildings on lands donated by the City.

He filed two plans marked forthwith as Exhibits Nos. 1 and 2.

The witness also read a translation of correspondence of July 18 and 20, 1945, which he filed in relation to the land involved and which was addressed to Messrs. Frigon, Rene Morin, Adrien Pouliot.

At Mr. Beaudry's request, the Committee agreed that CBC should produce a minute of the Board of Governors respecting an interview he had with the Board.

At 1.10 p.m. the Committee adjourned until 3.30 o'clock this day.

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AFTERNOON SESSION

The Committee resumed Mr. Roland Beaudry's examination.

Present:—Messrs. Beaudoin, Bertrand *(Prescott)*, Bowerman, Coldwell, Fleming, Gauthier *(Portneuf)*, Hansell, Knight, Laurendeau, Maloney, Maybank, Nixon, Picard, Robinson *(Simcoe East)*, Ross *(St. Paul's)* Smith *(Calgary West)*.

In attendance:

The same as listed at the morning sitting and Mr. G. C. W. Browne, Acting Comptroller of Radio, Department of Transport.

The Committee concluded Mr. Beaudry's examination and he retired.

The Committee ordered the printing of three letters of notification of change of wave-lenghts dated April 18, 1946, which were omitted in Appendix B of the evidence of June 27, page 174, namely:—To Stations CJOC, CKY, CFCN.

(See Appendices A, B, and C to this day's evidence.)

Mr. Herbert G. Love, President of Station CFCN, read a statement. He filed the following Exhibits:—

No. 1. School Broadcasts, 1944-1945.

No. 2 Newspaper clipipngs of (ref. to Alberta) "The Innisfail *Province*" of July 4.

Copies of letters which the witness read were requested for distribution.

Mr. M. M. Porter was called and proceeded with a further statement on CFCN. He read telegrams favouring the attitude taken by CFCN.

Mr. Beaudoin took the Chair.

At 6 o'clock, Mr. Maybank presiding, the Committee adjourned until Friday at 10.30 o'clock.

FRIDAY, July 26, 1946.

The Special Committee on Radio Broadcasting met this day at 10.30 o'clock a.m. Mr. Beaudoin opened the meeting and later the Chairman, Mr. Maybank took the chair.

Present:—Messrs. Beaudoin, Bertrand *(Prescott)*, Bowerman, Coldwell, Fleming, Hansell, Knight, Maloney, Maybank, McCann, McCulloch, Robinson *(Simcoe East)*, Ross *(Saint-Paul's)*, and Smith *(Calgary West)*.

In attendance: Same as listed at the sitting of Thursday, July 25.

Copies of quotations read and distributed by Mr. Harry Sedgwick on July 18 last are further identified as follows:—

Mr. Brockington's statement given to the Radio Committee on Friday, March 25, 1938, page 32, is as follows:—

> 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 CBC 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 CBC certainly as part of our ultimate policy.

The others, also excerpts from minutes of proceedings, will be found in previous minutes of evidence as indicated hereafter.

Mr. L. W. Brockington—p. 59, March 29, 1938, and p. 102, March 14, 1939.

Mr. W. E. G. Murray—p. 165, March 17, 1939,—p. 230, May 29, 1942, and p. 516, June 17, 1942.

Dr. James S. Thompson—p. 59, June 17, 1943, Dr. Frigon—p. 97, 98, March 22, 1944,—p. 115, March 29, 1946, and p. 119, June 20, 1946.

Mr. M. M. Porter was recalled, concluded his address and was examined. He was assisted by Mr. H. G. Love.

As requested, copies of letters referred to by Mr. Love, dated September, 1940, February, 1941, May, 1945 and April, 1946, were produced.

The Committee suspended its proceedings at 11.00 o'clock and resumed at 11.35.

Mr. Caldwell read into the record a statement of the Minister of Reconstruction and Supply of March 21, 1941, in the House of Commons in answer to a question put by him on March 19, 1941.

Messrs. Porter and Love were particularly questioned on the issuance and endorsation of radio licences and the correspondence exchanged in relation thereto. They were also examined on the suggested reorganization plan of CFCN.

Arising out of the above examination, Mr. Fleming suggested that the Clerk compile all references to notification of change of wavelengths in the minutes of evidence of Radio Parliamentary Committees. The Vice-chairman observed that this suggestion was noted.

Mr. G. C. W. Browne was recalled and requested to produce answers to questions of Messrs. Hansell, Coldwell and Fleming relating to the notification of change of wavelengths to stations involved.

Messrs. Porter, Love and Browne were retired.

At one o'clock, the Committee adjourned until 3.30 o'clock this day.

AFTERNOON SESSION

The Committee resumed at 3.30 o'clock. Mr. Beaudoin, the vice-chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Fulton, Hansell, Knight, Maloney, McCulloch, Robinson (*Simcoe East*), Ross (*St. Paul's*) and Smith (*Calgary West*).

Mr. Ross referred to Appendix C at page 259 of the minutes of evidence, being a sessional paper, and stated that the information contained therein was incomplete. Messrs. Frigon and Browne noted Mr. Ross's observation.

The Committee concluded its examination of Messrs. Porter and Love.

Mr. Porter undertook to file with the Clerk, if necessary, an engineering report relating to the territory under discussion.

Dr. Augustin Frigon tabled a copy of CBC Networks Coverage.

Mr. J. R. Radford, Manager, Broadcasts Regulations Division of the CBC was called. He read a brief statement, was questioned and retired. He filed a copy of an analysis of activities of several stations, previously requested by Mr. Coldwell, copies of which had been distributed.

Dr. Augustin Frigon was recalled. He made a declaration on the question raised by Mr. Beaudry, M.P., in connection with a site which was donated to CBC by the City of Montreal for the purpose of erecting studios. He was interrogated and retired.

As agreed by the Committee when Mr. Beaudry appeared, Mr. Dunton tabled and read into the record extracts of minutes of the Board of Governors of March 20, 21 and 22, 1946, respecting an interview Mr. Beaudry had with the Board of Governors.

A discussion on future procedure followed and on motion of Mr. Smith, the Committee adjourned at 5.45 until Tuesday, July 30, subject to ratification by the Agenda Committee.

ANTONIO PLOUFFE
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

July 25, 1946

The Special Committee on Radio Broadcasting met this day at 10.30 a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: Gentlemen, I think you will all recall what was decided formerly about hearing witnesses this morning. You will recall we were to hear Mr. Beaudet of the CBC, Mr. Beaudry, Radio Monde, and CFCN, of Calgary. Radio Monde have indicated they will not be presenting their views at the present time. They had said originally they might wish to present a brief this session or possibly next session. They could not come last week and they asked if we could name a different time. You will remember that I reported that I had written to them offering to hear them this week. That would be to-day, but they have replied saying that they will not be coming forward at this time.

As to the situation respecting Mr. Beaudet you will recall that when Mr. Bushnell was speaking about programmes generally he said that the case with respect to French programmes could best be presented by Mr. Beaudet who was at that time in Europe. He came back some little time ago and stood by at the time of our last two meetings. He has professional engagements which make it necessary for him to be heard soon on his statement respecting the French network. It is my suggestion to you that he be heard first, Mr. Beaudry second and CFCN next. I have spoken about that to Mr. Porter, one of those who is here representing CFCN, and also some other people from Alberta, and Mr. Porter has said that to arrange it in that manner would be satisfactory to him and those whom he represents. Therefore there would not seem to be any objection to proceeding in that fashion unless you have some objection yourselves. If you are agreeable I will call Mr. Beaudet first and Mr. Beaudry second.

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: Before doing that Mr. Fleming made this remark to me a few minutes ago before we commenced, "Shall we rise at 11 o'clock to go into the House?" I think it is appropriate that we should decide now whether we will do that. If that is your decision we would rise precisely at or a minute or two before 11. I suppose when the first bell rings would be a good time if you feel you can get there in time. What is your view in regard to that matter of rising at 11 o'clock?

Mr. COLDWELL: According to the radio the government is going to make a rather important announcement which the western members are very interested in. It is on wheat, and I think we should be there.

Mr. FLEMING: I think we ought to go in because there are some who will definitely want to go in and we might not have a quorum.

The CHAIRMAN: Is it agreed that we will rise at 11 o'clock?

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: Let us make it clear now, because there will not be any opportunity of saying this at the moment we adjourn, that we must undertake each with the other that we will get back here immediately. Otherwise we will come back here with seven or eight and we will not have a quorum.

Mr. COLDWELL: After the order of the day is called.

Mr. FLEMING: Why not say 11.30 and make it definite?

Mr. COLDWELL: After the orders of the day.

The CHAIRMAN: There might be quite a number of things in connection with the orders of the day for which we do not need to be there.

Mr. COLDWELL: The speaker may make a ruling this morning on rules.

The CHAIRMAN: I do not think we can fix a time for coming back but I do suggest to all of you that we must all get back just as quickly as possible. If everybody will keep that in mind we will have a quorum promptly.

Mr. HANSELL: And we are to get back when the orders of the day are entered upon?

The CHAIRMAN: I think we can, but that could be as late as this afternoon, you know.

Mr. HANSELL: I know. You cannot tell until that time.

Mr. BEAUDOIN: Let us make it when we see the chairman leave his seat to go to the committee.

The CHAIRMAN: Without settling anything hard and fast let us have it understood among us that we will all get back just as promptly as possible. Perhaps you will decide to do that when the chairman gets up in the House and starts to come in here. I will try to choose a time that I think will be suitable for everybody. Is that agreed?

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: Then I will call on Mr. Beaudet to deal with the French network programmes.

Jean-Marie Beaudet, Director of French Network, Canadian Broadcasting Corporation, called.

The CHAIRMAN: The committee has desired that the person giving evidence should sit here in the middle so that he may be seen. Therefore you may take that chair and I will sit here. You may stand or sit as it may suit your convenience and be entirely at your ease.

The WITNESS: Mr. Chairman and gentlemen: Since the beginning of this special committee on radio broadcasting, you have heard many reports. As I do not want to take too much of your time, I shall make mine as short as possible. It will cover two aspects of the French network activities, namely, the administration and the programmes of this network.

My position as director of the French network is to arrange programmes, together with my staff, which will be suitable and acceptable to French listeners. I report directly to the director general of programmes, Mr. Bushnell. But you well understand that Dr. Frigon, as general manager, has a keen and legitimate interest in our programming. Nothing is done on the French network without prior consultation with the national programme office. In other words, the meetings of heads of division to which Mr. Bushnell referred are attended either by myself or by a representative where policies are discussed, and the forthcoming projects are always co-ordinated, keeping in mind the French network angle.

The French network set-up is exactly the same, although possibly on a smaller scale, as the national office's in Toronto. There is a director of the French network, and different supervisors reporting to him on all matters concerning

French network activities. We have a supervisor of talks and public affairs, a supervisor of school broadcasts, of farm broadcasts, etc., etc. These supervisors are "Au Courant" of the policies discussed and applied to our national network, and they follow the same policies, although programmes must be adapted and suited to French listeners' tastes. It often happens that the pattern of a programme which is quite acceptable to the English listeners would not serve the same purpose on the French network. I can give you an example of this. Up to a few weeks ago, the rehabilitation committee broadcast the "Johnny Home Show". We tried and, as a matter of fact, we did have an adaptation of three scripts of that show which were broadcast to our French network. The results were nil. So we have devised another programme called "A Ceux Qui Reviennent", during which Mr. Marcel Ouimet gives a special talk, and during which also matters of veterans are discussed. At the same time, we provide the listeners with a light musical programme composed of their favourite numbers. By the way, this system of adaptation is being applied as much as possible. But the first thing we must keep in mind is to get the listeners and to retain their attention.

The same difficulty in this question of adaptation would apply, for instance, to school broadcasts. The national network has adopted a policy, or possibly better a pattern of programmes; but we, in Quebec, together with the committee of "Radio-College", have discussed this plan and have found out that it would not suit our purposes. However, this does not interfere with policy. In other words, the policy laid down for national network programmes applies as well to French programmes, adapted to suit our needs and purposes. At all times we are trying to co-operate with the national office to the best possible extent in this sense that we are trying to arrange programmes which are suitable to all listeners. This applies especially to musical programmes, because music is a universal language, and provided listeners are given French announcements, they have absolutely no objection—on the contrary—to listen to musical programmes originating outside of Montreal. But outside of these programmes we have to originate our own programmes, the minimum of which would be approximately fifteen hours a day.

Mr. Bushnell referred in his report to the difficulties of programme planning. This applies to the same extent—possibly a little more—to the French network, because before doing our own planning, we must first find out what the national network commitments and schedule are going to be, and then try to fit this thing to our own pattern. It is hardly possible—I should say it is impossible —to try to please everybody at the same time. And lovers of symphony will complain that we are giving them "soap operas" at the time they would like to listen to good music. This is a situation which is almost impossible to rectify since you will always have complaints from one kind or another; and these complaints, as a matter of fact, are more or less an incentive to our programme builders. We are trying to present to the French listeners as varied and extensive programmes as we can, covering all tastes from the addicts of "soap operas" to the best advised music critics. Of course, we are restricted by our financial means, and I am sure that all my colleagues would be glad to improve the service, should they be given more money.

And now, with your kind permission, Mr. Chairman, I would like to deal in detail with some aspects of our French broadcasting.

Radio-College

I will first refer to Radio-College, or our school broadcasts. We consider "Radio-College" as one of the best achievements of the French network. It is, anyway, the opinion of the experts in the matter. Dr. Frigon has already mentioned the fact that these broadcasts were to be translated in seven different languages, to be broadcast in Europe; and this is by no means a small achieve-

ment. "Radio-College" was the first of its type to be organized on a radio network. It is not planned to fill the curriculum of colleges or students, but it is more or less arranged as—if I may use the term—post-graduate lessons or as a supplement to what the students got in their schools. We broadcast daily from Monday to Friday from 4.30 to 5.30 in the afternoon during the winter season, and subjects dealt with are: Natural Science, Canadian History, Literature, Geography, Music Appreciation, Art, etc. In most cases the formula which has been adopted is the following. The speaker will give a talk for fifteen minutes, and the subject which he has dealt with is then being dramatized. For instance, as far as science is concerned, we will dramatize an episode of the life of one of the great scientists about whom he has been talking. May I point out that we do not deal only with Canadian subjects since this year, for instance, Mr. Raymond Tanghe gave twenty-four lessons on American history.

Another feature of this department is that we present every Sunday at 1.30 p.m., what is called "Le Théâtre Classique", giving in their entirety the best plays of French as well as foreign origin. For instance, this year, we gave an adaptation of "Green Pastures" by Marc Connelly, and the works of Dostoiewski, Charles Dickens, William Shakespeare and others. We do not claim to have the best formula as far as radio is concerned, but surveys have been made and we have been praised very highly for what we have done. As a matter of fact, all these arrangements are prepared with the help of experts in the education field.

Talks and Public Affairs

Although we dealt with Talks and Public Affairs for many years, it was not until a couple of years ago that a real department was created to look after this important section of our broadcasting activities. There again, we have been trying to cover as many fields as possible, giving to the people a cross-section of opinions. We have our own Citizens' Forum, called "Préparons l'Avenir" which is arranged in co-operation with the Quebec Association for Adult Education. We have also had another series called "L'Ecole des Parents", programme dealing with children's education, and organized in co-operation with "L'Ecole des Parents du Québec". There again, the formula which has been adopted is the same as for "Radio-College", in this sense that there is a dramatization, and then conclusions are drawn from examples which have been used as topics during the first part of the broadcast.

In the field of straight talks, we have dealth with literature, music, science, and international affairs. We have tried to bring to the microphone as many Canadian personalities as were available. At the same time, we tried to keep abreast of international events; and when personalities of foreign origin were available, they were welcome to our microphone.

Closely related with straight talks in the field of international affairs is the presentation of such prominent speakers as the Prime Minister of Great Britain, of Canada, the President of the United States, and others. These, whenever the messages were warranted, were carried in their entirely, and in the speaker's native language, and followed by a translation given by our own staff people, such as: Marcel Ouimet, Roger Baulu, Marcel Paré, and others.

Women's interests were not neglected since we have broadcast daily, that is Monday to Friday, at 2.30 p.m., a programme called "Lettre A La Canadienne". This programme was prepared by a member of our staff, Miss Barthe, who gathers all the information as well as delivers the broadcast herself.

The overseas unit, which Mr. Bushnell referred to, had its own French section. It was composed of Messrs. Marcel Ouimet, Benoît Lafleur, who just returned, and Paul Barette. The same difficulties which have been mentioned before, apply to our own people. But I must say that our correspondents did their best, regardless of the difficulties, to bring to our listeners accounts of our troops' deeds, and of major events in Europe.

For about a year and a half, we have now been broadcasting daily at 6.30 p.m., except Saturdays and Sundays, our own News Roundup called "La Revue de l'Actualité". Mr. Paul Barette, who used to be a member of our overseas unit, is in charge of this programme. We used to get material from our own correspondents, from the BBC French section, from the public relations officers, and others, both at home and abroad. You will understand that it is often difficult for us to get material from outside the province of Quebec, because of technical and language difficulties. We are planning to extend our coverage in other parts of Canada. The plans we are working on now are in reality an extension of our service because, in the past, we have occasionally broadcast talks or short descriptive commentaries of important events which took place in the other provinces.

Drama Department

Now, a few words about our drama department. For a number of years, we have had all year long—except for a brief recess during the summer months—an hour-long drama on Thursday night. During this hour, we presented plays of Canadian and foreign origin. We were lucky enough to have the co-operation of the France-Film people who supplied us with scenarios of French films which we were free to adapt to our convenience. We presented these, with best artists in Montreal, such plays as: "Outward Bound" by Sutton Vale, "Week-End" by Noel Coward—of course, these were translations—"L'Epoque Où Nous Vivons" by the Czech writer, Kapek, "Liliom" by Ferek Molnar, "Siegfried" by Jean Giraudoux, "A Chacun Sa Vérité" by Pirandello, and others. I referred previously to France-Film. We were delighted to be able to use their material, but we were not tied up by any means with an exclusive contract with them. Whenever plays—I should say straight plays—were available, we presented them whether they were of French or Canadian origin. The latest plays available, which could still be seen in Paris, were heard, for instance: "La Reine Morte" by Montherlant, "Le Mal Aimés" by Mauriac, "Le Voyageur Sans Bagages" by Jean Anouilgh, "Les Monstres Sacrés" by Jean Cocteau, "La Couronne de Carton" by Jean Sarment, and others. This gave our prominent artists in Montreal a chance to give their own interpretations to roles which had been created by leading French stars. Amongst the Canadian playwriters, were: Yves Thériault, Léopold Desrosiers, Camille and Vanna Ducharme, Albert Ouellette, Claude Aubry and others. In order to give a break to young artists, we also had a weekly programme called "Les Voix du Pays" in which we presented original radio plays by Canadian writers. These plays dealt with Canadian subjects, incidentally.

Radio-Carabins

"Variety", I am told, "is the spice of life"—This is a field which we did not neglect. Our programme, "Radio-Carabins", produced by Paul Leduc, is certainly one of the best examples of top-flight entertainment in this class, which can be found on this continent. This is not only my own opinion, but it has been said outside of CBC as well. During this hour-long programme you could hear French chansonnettes, dramatic sketches, comedy episodes, as well as some of the leading artists who are to be found on our continent. And just to mention a few names we had Raya Garbousova, Rudolf Firkusny, Lubka Kolessa, Erno Balogh, Robert Schmitz, Marcel Grandjany, Antonio Brosa, Alice Ribeiro, Gordon Manley, Ross Pratt, and others.

Children's Programmes

For children, we had a serial called "Yvan l'Intrépide" which was broadcast every day at 6.00 p.m.—as a matter of fact, it has been so successful that it is still being broadcast during the summer months. It is a serial all right, and it is

built along the lines of Tarzan or The Superman, leaving out the horror aspects. We have also broadcast every Saturday morning an hour-long programme devoted to kids. Roger Daveluy was the "animateur" of this programme which has proven very successful. During this broadcast, you can hear everything—if I may use the expression—"from soup to nuts" a talk on hygiene, a classical artist, an accordeonist, a sportsman, and what not. There is also a contest every week for the best letter written in connection with the programme.

Farm Broadcasts

In a more serious field, we did not neglect the farmers in the province of Quebec, and we gave them daily broadcasts from 12.30 to 1.30 p.m., dealing with market quotations, talks on agriculture, even square-dance orchestras. We also arranged our own Farm Forum every Monday night, under the direction of Mr. Armand Bérubé, from 8.30 to 9.00 p.m., entitled "Le Choc des Idées". For our farm broadcasts as well as our Farm Forum, we are grateful for the co-operation which we have received from both the federal and the provincial department of agriculture.

Le Concours Littéraire

Finally, I would now like to talk about our "Concours Littéraire" which was suggested by our general manager, Dr. Frigon, and which was arranged by Miss Simard. This contest was organized to promote interest amongst French-Canadian writers, and also to find possible talent which could be used in some of our regular broadcasts. It has been—if I may say so—a remarkable success. Three hundred and thirty sketches were submitted to the committee composed of, Mgr. Olivier Maurault, Rector of the University of Montreal, Mr. Maurice Hébert, publicist for the province of Quebec, and Mr. Robert Choquette, well-known author. It was broadcast on Sundays, at 8.00 p.m., and produced by our highest ranked producers, Mrs. Berthe Lavoie and Miss Judith Jasmin. Authors were allowed to submit as many sketches as they wanted, dealing with fiction or history. On the fourteenth of April, we had an hour broadcast during which Dr. Frigon gave a list of the winners, the list follows:—

FICTION

First prize, $200, Mr. Guy Dufresne, "Le Contrebandier",
Second prize $150, Mr. Conrad Laforte, "En Pleine Nature",
Third prize, $100, Mr. Philippe A. Beauregard, "D'Une Prison".

HISTORY

First prize, $200, Mrs. Claire G. Roy, "La Clef de Bronze",
Second prize, $150, Major Pierre Brunet, "Le Drame du Fort St-Jean",
Third prize, $100, Miss Myrto Gauthier, "Autour d'un Edit".

May I add that Mgr. Maurault had to leave the committee before the end of the contest, because of a pre-arranged trip to South America. He was replaced by Mr. Lyon Lorrain, well-known man in letters. I would like to add a small paragraph. Since this series has ended, we have commissioned the winners to write two plays.

By Mr. Fleming:

Q. Plays of what length?—A. Half an hour.

Musical Programmes

I have not mentioned anything as far as music is concerned, because this has been covered by our director general of programmes, Mr. Bushnell; and, as I said before, most of the musical programmes were carried by both networks.

COMMERCIAL PROGRAMMES

Although there is much criticism about commercial programmes, I feel it is my duty to speak about our commercial department. Inasmuch as it has been possible, the commercial and the programme departments have been working very closely, in this sense that the programme department has tried to schedule, at proper times, programmes which would be acceptable to sponsors as well as agencies. We have found that proceeding that way, it has been much easier for us to maintain a certain amount of control on the programme material and the programme content. The best example of this is "Un Homme Et Son Péché", about which everybody I presume has heard. This programme was sustained on the French network for a few years. For a while, we refused to sell it. But when we got what we thought was the right type of sponsor, we sold it commercially.

The CHAIRMAN: I am sorry that this is not quite finished at the moment, but we will resume when we come back, Mr. Beaudet.

The committee suspended its proceedings at 11 o'clock for a short recess.

The CHAIRMAN: Mr. Beaudet will resume where he left off.

The WITNESS: Next fall, the programme "Radio-Carabins", to which I referred previously, will also be sponsored. This programme, I may say, could have been sold before; but there again, we wanted to know exactly what we were doing before letting the programme be sponsored. We have other CBC sustained programmes, or non-commercial programmes—if you prefer—which are prepared especially in view of possible sponsorship.

With your permission, Mr. Chairman, I would like to conclude with a word on my recent trip to Europe which our director-general of programmes, Mr. Bushnell, was kind enough to mention here several weeks ago. The Czech government invited me to conduct at the first International Music Festival of Prague held since 1939. This festival, which this year lasted from May 11 to June 4, is one of the highlights of the music season in Europe; and conductors and artists from the United Kingdom, the United States, Russia and France took part, giving concerts of works by their native composers. My concert consisted of works entirely written by Canadian composers, Sir Ernest MacMillan, Claude Champagne, Alexander Brott, Maurice Blackburn and Georges-Emile Tanguay, and I must say—regardless of the calibre of the conductor—the programme was greeted with much enthusiasm. The only thing I did not like was one critic's description of myself as . . . "a middle-aged personality". Art to these people, who have been cut off from the world for so many years, is as important to their existence as food. The festival—each concert, and there were many—was a sell-out. For weeks before the first concert, tickets could not be had for any of the performances. It was a great honour, as well as a valuable experience for me to attend this festival. In talking with people I met—I do not mean only at social gatherings with prominent artists—but with all types of people, I found a genuine hunger for knowledge of Canada which is now ranked high among the nations of the world by the people of Europe. This was true in Prague, in Amsterdam, in Brussels and in Paris. They all wanted to hear more of our music, to read more of our books (in the original form or in translations) and, on more than one occasion, they suggested that there should be exhibitions of our paintings. There is no doubt that art—be it drama, music, literature or painting—can merchandise our country abroad and be a strong weapon in bringing about better understanding between our country and other nations. Through art, we can capitalize on the receptive mood of the people, who have already been awakened to our existence and power through the war effort and the efforts now being put forth by us, for information about Canada.

When I was abroad I heard much favourable comment about the Canadian Broadcasting Corporation's short-wave broadcasts, and found that we had quite a listening audience in the various countries. Our programme fare on short-wave ranks very high in acceptability. The remarks about our short-wave programmes proved to me that our medium was one which gave immediate and close relationship—not between governments—but, more important, between peoples.

I think every encouragement should be given to us to continue this most direct method of communication which is by no means the only one—but a powerful one—and that this most valuable flow of information be increased to the utmost possible limit.

The CHAIRMAN: Mr. Beaudet may amplify his statement according to your wishes. Is there anybody who desires to ask any questions along that line?

By Mr. Beaudoin:

Q. On your first page you say:—

In other words, the meetings of heads of divisions to which Mr. Bushnell referred are attended either by myself or by a representative.

I understand that the policies as to programming are identical?—A. As much as the policy can apply to both networks.

Q. You follow the national policy?—A. Yes.

Q. Except in cases where you find that it is absolutely unworkable as far as the French network is concerned?—A. That is correct, sir.

Q. As to the programme, Radio College, would you explain what co-operation you receive from the educational authorities of the province of Quebec in the realization of that broadcast?—A. There is a special committee on education which is composed of three people, but they do not have anything to do with the provincial government. They are authorities on education in the broader sense.

Q. That committee has no official recognition from the provincial government?—A. No. They are an educational committee from universities and colleges and what not which have appointed them as members of the committee. We asked them to form a committee and advise the C.B.C. on matters concerning Radio College.

Q. I notice the name of Monsignor Maurault?—A. Yes.

Q. Who is the president of Montreal University?—A. Yes.

Q. He is advising you on matters of educational broadcasts?—A. Not directly because Monsignor Maurault is not a member of the committee, but he has appointed somebody to represent the university.

Q. Who is the man he has appointed?—A. I cannot remember his name. Dr. Frigon, can you tell me his name?

Dr. FRIGON: The committee is composed of three members, one who is an adviser from the classical colleges in the Quebec district, one who is an adviser from the classical colleges in the Montreal district, and the third member is the president or chairman of that committee. They are the same committee that advises classical colleges in Quebec. We invited them to work with us because we knew that by doing what they were advising us to do we would be welcome in the classical colleges and could be considered as working at their level and covering the type of work or education they desired.

By Mr. Beaudoin:

Q. In all your work on educational broadcasts did you ever receive any complaints from the Department of Education of the province of Quebec?—A. Not to my knowledge.

Q. In other words, the question of autonomy in education is properly safeguarded?—A. Yes.

Q. Do you have anybody advising you who would be at the same time a member of the educational council of the province of Quebec? In French they call it Le Comité de l'Instruction Catholique.

Dr. FRIGON: I am a member.

Mr. BEAUDOIN: Dr. Frigon is a member of the committee.

Dr. FRIGON: I am a member of the Catholic Council of Education of Quebec.

Mr. BEAUDOIN: That is the high authority on education in Quebec.

Dr. FRIGON: That is right.

By Mr. Beaudoin:

Q. On page 3 you say:—

> Of course, we are restricted by our financial means, and I am sure that all my colleagues would be glad to improve the service should they be given more money.

Would you comment on that?—A. I suppose it is just like anybody else. The more money we have the better programmes we can put on, and we could possibly have more rehearsal time and pay our guest artists more money, and possibly instead of using a ten piece orchestra we might use twenty, and that sort of thing.

By the Chairman:

Q. What does it cost now and what do you think you ought to have?—A. The budget I get is only a share of the national budget, and I think that if Mr. Bushnell got more money I would probably get a larger share of that money. We can give the service. It would just be a question of improving a service which can be improved.

By Mr. Bertrand:

Q. Is it not a question of trying to keep pace with the revenues you have so as to give the best programmes you can?—A. That is what we are doing.

By Mr. Beaudoin:

Q. You claim here if you had more money you would try to do better?—A. Yes.

By the Chairman:

Q. What does the French side of this programming cost?—A. Approximately 30 per cent of the national network, I think.

Q. What does the total programming cost?

Dr. FRIGON: The item of the budget for artists' fees is about $1,200,000.

The CHAIRMAN: Which?

Dr. FRIGON: $1,200,000. That is the artists' fees item of the budget. It is difficult to appraise the exact proportion which is used in Quebec because you have interlocking services which help each other. Quebec may put on some programs which are used on the national network and the other way around, but roughly speaking I should say that about 30 per cent of the money paid to artists is spent in Quebec studios.

The CHAIRMAN: And for the Quebec network?

Dr. FRIGON: Not only for the Quebec network; mostly for the Quebec network and some of it for the national network.

The CHAIRMAN: Some of that may be diffused abroad as well?

Dr. FRIGON: Yes. For instance, you have some musical programmes which are heard on the coast to coast network and are produced in Montreal and paid for out of the Montreal budget.

Mr. COLDWELL: What about the programmes that are shortwaved to Europe? Is there any remuneration made for those?

Dr. FRIGON: There again there is a special budget, the Shortwave budget, which is covered by a special grant or subsidy from the government; it is interlocking because they may use some of our domestic programmes, and they may let us use some of their international programmes on our domestic service.

The CHAIRMAN: Do you have an accounting as to the fund which is given you by the government in the manner you have described for shortwave programmes.

Dr. FRIGON: Exactly.

The CHAIRMAN: As between that and the CBC?

Dr. FRIGON: Decidedly so.

The CHAIRMAN: There is an accounting between those two funds?

Dr. FRIGON: Decidedly so.

The CHAIRMAN: So if the shortwave uses something of the CBC some bookkeeping entry is made indicating payment and vice versa?

Dr. FRIGON: Yes, generally speaking. There may be cases where we have not got any entry in the books, but all expenses pertaining to the international short-wave service are recorded as such and the same with the domestic service. You may have a set of talks produced by the international short-wave and sent to Europe, as we have had in the past. Recordings of those may be played on our networks and the other way around.

Mr. BERTRAND: I understand from what has been said to us that the French programmes are originated in the province of Quebec but they are broadcast not only in the province of Quebec, so that they are not programmes for Quebec only. The province of Ontario derives a lot of benefit from it as to its French population, and we hope that the rest will benefit from these programmes, too. We are even being told that many people of French descent in the United States are benefiting from these French programmes originating in the province of Quebec.

The CHAIRMAN: Are there any other questions?

By Mr. Hansell:

Q. I notice that the brief emphasizes a little bit here and there that there is quite a difference between the tastes of our French speaking Canadians in Quebec and the rest of Canada. I can quite understand that, but I should like you to amplify that a little bit. Would you say there is a difference in their ideologies or their philosophic thinking?—A. No. I think I should have said it is a question of presentation more than anything else.

Q. Following that up would your talks department run pretty well along the lines of the English talks department? On page 4 you say that there has not been as much criticism of your talks department?—A. I am sorry—

Q. Right at the top.—A. I think that was the first draft and it has been changed.

The CHAIRMAN: I do not recall that being read and it is not in my copy.

Mr. HANSELL: It happens to be in mine and I will read it anyway.

> There has not been as much criticism of our talks department as there has been on the national network or if there has been it has not been brought to our attention.

By Mr. Hansell:

Q. I wonder what the reason for that is?—A. I meant criticism. I have read the reports of the evidence given here and I have noticed that there has been criticism of the talks department. That is why I put that in first and then changed it.

By Mr. Beaudoin:

Q. Do you refer to what has appeared in the press as to the broadcasts of Elmore Philpott, and so on?—A. Yes.

Mr. HANSELL: I was going to say personally if I were an expert bilingualist I think I would be quite satisfied to listen to the French network.

The WITNESS: That is a compliment.

By Mr. Hansell:

Q. Rather than to some things I have heard on the English network. I cannot see how that could very well be if our ideologies and our philosophic outlook are the same, and I think they should be.—A. I believe they are, sir.

Q. I think our French speaking Canadians have a real sense of what Canadians ought to be and I share with them that view. I was going to ask whether any English talks and commentators and so forth had been translated into French?—A. Not the commentators, sir, but some of the talks.

Q. No. But you would not therefore translate Mr. Philpott or Mr. Arthur Raymond Davies and put them over the French network?—A. It is awfully difficult to do that because such things are topical and you cannot do it at the last minute.

By the Chairman:

Q. If you translated it later, it would be stale.—A. Yes.

Mr. HANSELL: I think I have the answer I want.

By Mr. Coldwell:

Q. How many commentators have you got on the French network?—A. We are using the "News Roundup" only. We used to have a commentator during the war, but we have replaced him. We tried many people and after the war we dropped them entirely and just use the "News Roundup".

Q. You believe there should be complete freedom of speech on the air?—A. Certainly, sir.

By Mr. Gauthier:

Q. Do you supervise every audition given to young artists, or have you cognizance of every audition given to young artists?—A. I myself receive most of the requests for auditions; then those requests are passed on to the department which handles auditions. There is a committee of three or four people which has been set up, three from outside the Canadian Broadcasting Corporation and one from inside. I am speaking of Montreal now. There are three people from outside the Canadian Broadcasting Corporation and one from within the Canadian Broadcasting Corporation who listen to the candidates without knowing their names or identity. They haven't got any information about them. They just listen to candidate No. 1 or to candidate No. 2. One may be a singer, another may play the piano. Then they fill out a form. We take a percentage of the points given. The report may say: this candidate can be used; this candidate is not ready to be used; or this candidate should not be used.

Q. Suppose you had a record of a voice coming from Quebec sent especially to you; do you supervise that yourself?—A. Certainly. As a matter of fact

I try to listen to as many of the auditions as I can without doing so in an official capacity. I have a speaker in my own office. I do not do it all by myself. I have a committee including CBC. people who listen with me.

Q. And you always have three experts for the auditions?—A. Definitely.

Q. You are sure of that?—A. Oh, yes, definitely, sir.

Mr. GAUTHIER: All right.

By Mr. Coldwell:

Q. What percentage of time do you give to commercial programmes on the French network? Can you tell me that?—A. It is about the same as on the national network.

Q. I notice you have two programmes which you name, one which is already sponsored and the other one which is probably sponsored.—A. The other commercial programme will be dropped and that time will be taken over for sustaining programmes.

By Mr. Bertrand:

Q. You are working on new programmes?—A. All the time.

By Mr. Beaudoin:

Q. You spoke in your brief, and you put a lot of emphasis on the differences of tastes in our French-speaking and English-speaking Canadians. Would you say, yourself, that you had emphasized that particular phase in your brief?—A. No, except that if you are addressing a French audience, you must talk to them in their own language—I do not mean in French—but you must present a programme which will appeal to them.

Q. It is a matter of obtaining and retaining an audience?—A. That is right.

Q. You hold meetings with the national executive to do your programme planning?—A. That is right.

Q. And then you try to have your programmes come within the national pattern as much as it can be followed?—A. Yes, sir.

Q. Would you enlarge on your third paragraph at page 4 with reference to the translation of speeches by prominent people. Is that translation done the day after, or within a few hours after?—A. No, it follows immediately. Let us say that we have the Prime Minister of Great Britain speaking at 4 o'clock, and his talk ends at 4.30. There is somebody who goes on the air at 4.30. Most of the time there are two people listening and each one takes notes in turn. They listen to it and translate it immediately.

Q. You carry the original broadcast itself?—A. The original broadcast, yes, sir.

Q. You carry it throughout the entire network?—A. Yes, sir.

Q. The French-speaking population hear the Prime Minister of Great Britain, for instance, in English?—A. That is right.

Q. But in case some may not have understood everything, then as soon as he is through, one of your commentators makes the translation, immediately after, from notes he has taken while the speaker was making his speech?—A. That is right, sir.

Q. I have heard a lot of favourable comment about the overseas unit of the Canadian Broadcasting Corporation. That is the last paragraph on page 4. You have only three or four lines devoted to it.—A. As a matter of fact, the reason for that it that what Mr. Bushnell has said about the English overseas unit applies also to the French network. They were the same, as a matter of fact.

Q. Referring to Marcel Ouimet, was he the gentleman who was decorated on July 1st?—A. That is right.

By Mr. Coldwell:

Q. What was the decoration given to him?—A. The O.B.E.

By Mr. Knight:

Q. What is the most popular language that you transmit to Europe? I mean, in the sense of the most popularly used language?—A. That is a question which the shortwave people might answer rather than I, for I am responsible for the programmes going abroad. The remarks I made were just based upon information which I gathered when I was over there; but I am not responsible for arranging the programmes.

By Mr. Coldwell:

Q. You receive programmes, say from South America, and the same programme is broadcast over the French network?—A. Yes, sir, but not only programmes from South America. When the programmes are suitable, we try to fit them into our schedule.

Q. In the French language?—A. In the French language, yes.

Mr. BEAUDOIN: That is all, Mr. Chairman.

By Mr. Ross (St. Paul):

Q. What is the source of your news broadcast? Is it the Canadian Press, or the British United Press, or one of those agencies?—A. It is exactly the same as on the national network.

Q. It is exactly the same as on the national network, only translated into French?—A. That is right, sir.

By Mr. Hansell:

Q. By that you do not mean by that your summary of the day's news at night is the same broadcast?—A. No, it is not the same broadcast.

By Mr. Coldwell:

Q. But you do get the same service?—A. Yes, the source of supply is the same.

By Mr. Beaudoin:

Q. You are affiliated with the Canadian Press and the British United Press?—A. Yes.

By Mr. Ross (St. Paul):

Q. You use these press services, such as the Canadian Press Service?—A. Yes sir, that is right.

By the Chairman:

Q. Mr. Beaudet, I want to clear up a point. You answered Mr. Beaudoin that you were affiliated with the British United Press.—A. We buy it.

Mr. BEAUDOIN: That is what I meant by affiliation.

By Mr. Coldwell:

Q. But you have your own news room in Montreal which compiles the broadcast?—A. Yes, sir.

By the Chairman:

Q. You do your own editing?—A. Yes, sir.

The CHAIRMAN: Is there anything else, gentlemen?

Mr. BEAUDOIN: That is all.

The CHAIRMAN: Thank you, Mr. Beaudet. Our next witness is Mr. Beaudry, M.P., who will speak on a completely different matter. Will you come to the middle of the table, Mr. Beaudry?

Mr. Roland Beaudry, Member of Parliament for St. James, called:

The CHAIRMAN: Mr. Beaudry, the remarks made to the other witnesses apply to you. You may feel that you are not hampered as to time and you may sit down or stand just as you wish.

The WITNESS: I shall be as brief as I can. I have some notes with me for reference.

Mr. Chairman and gentlemen: I am here to-day, as a member of the House of Commons for the constituency of St. James in Montreal, to ask you, in my capacity as representative of that constituency, to investigate the reasons which led the Canadian Broadcasting Corporation to rescind a contract entered into with the City of Montreal in 1939, and return to the city some land valued at a considerable sum, which land had been given to the Canadian Broadcasting Corporation for the purpose of erecting a building to house its studios and offices. I would ask the committee, as well, to investigate the motives of the Canadian Broadcasting Corporation in changing its decision, as to the advisability of building at the selected place. I believe it is my duty to come before you, Mr. Chairman and gentlemen, because, in my opinion, there is definitely involved a question of public interest. Furthermore, there is a question of expenditure of some considerable sum of money by a public or semi-public service.

Perhaps all of you gentlemen are not familiar with the case, so, if I may be allowed, I shall give you, briefly, an outline of what I am referring to. On February 10th, 1939, a contract was approved by the executive committee of the city of Montreal, subject to certain conditions. And on March 29th of that year, a contract was signed between the city of Montreal and the Canadian Broadcasting Corporation. On April 3rd of that year, the contract was registered. In brief, the terms of the contract were: that the city of Montreal gave and granted by way of donation, inter vivos, an immoveable, which is described more fully, and which consisted, in fact, of an area of land, roughly 225 feet by 445 feet, or slightly over 100,000 square feet, in a part of the city of Montreal, a location which, we believe, at that time, the Canadian Broadcasting Corporation seemed to feel was the most suitable part of the city in which to erect its studios and offices.

The Canadian Broadcasting Corporation obligated itself to build its studios and offices at that spot, and the city of Montreal, in turn, obligated itself to grant to the Canadian Broadcasting Corporation a right of way to the studios, to build a park, and to plant trees around the property, and so forth.

There was no purchase price, since the contract was a donation; but I think it is fair to assume that the property would be placed at a very low value if it were assessed, either in 1939 or now, say, as low as $100,000.

Mr. Chairman, if I may, I would like to bring this map to the attention of the members of the committee because it might help them to follow my description. This is a plan of the situation of the land involved. If I may I might proceed to describe this situation as compared to well known locations in the city of Montreal.

The CHAIRMAN: Very well. You will file that plan as an exhibit. I do not fancy that plan would go into the material but that it would rather be an exhibit.

(Plan filed and marked exhibit No. 1)

The WITNESS: The deed or grant actually covered far more ground than is involved in the actual grant to the CBC precisely because, as you will see on this plant, the city of Montreal obligated itself to build a very substantial park in all directions around this building. To perhaps describe better the general location, the location selected and given was approximately 800 feet in a straight line from the corner of St. Denis and St. Catherine street in Montreal which, I believe, is the busiest and largest intersection in the city of Montreal The contract was entered into in 1939, and one clause of the contract was that the Canadian Broadcasting Corporation would proceed to its building at once with as much diligence as possible so that the construction would be terminated some time in 1940. War was declared and by mutual agreement between the city and the Canadian Broadcasting Corporation building was deferred. Last year some time during the summer after I was elected to the House of Commons I felt it was my duty as the member for St. James, in which this location is situated, to inquire from the officers of the CBC and from the Board of Governors as to where the situation lay. To that effect I wrote letters which I shall ask permission to file with you, Mr. Chairman, or that may not be necessary.

The CHAIRMAN: Just as you wish; if you think the letters ought to be a part of the record that is all right.

The WITNESS: Actually they contain nothing very serious or of very great importance except that it was a question on my part.

Mr. BEAUDOIN: Do you intend to read the letters?

The CHAIRMAN: They are quite short letters. I think it would be better to make them a part of the record.

The WITNESS: I will have to translate it. My letter was in French and was written to Dr. Augustin Frigon, General Manager, Dr. Adrien Pouliot, one of the members of the Board of Governors, and Mr. Rene Morin, who at the time I believe was chairman of the Board of Governors. The letter reads as follows. I will translate it the best I can.

> DEAR MR. FRIGON—I understand that the project of erecting a building for the Canadian Broadcasting Corporation in Montreal must soon be brought up again after having been dismissed during six years on account of the war. Since the location of the projected building is in the constituency which I have the honour of representing in the House of Commons the question of this building is of great interest to those whom I represent in parliament, and I would like to have your assurance that no change to the initial plan will be made or will be discussed by the directors of the Canadian Broadcasting Corporation without my being allowed previously to present the views of those whom it is my duty to defend in parliament. I know too well the spirit which guides you to doubt for one minute you will not grant me this assurance.

I will read Dr. Frigon's answer to this but again it is my translation.

> DEAR MR. BEAUDRY—Certain people have expressed doubts as to our still being proprietors of the land on Berri street which was granted us by the city of Montreal there to build our studios and offices. I assume, however, we would have no difficulty to legalize the situation if we follow our plans as they had been decided at the outset. It would, however, be difficult to give you a formal assurance that this will be the procedure. No definite decision has been taken and the whole will be submitted

to the approval of our Board of Governors when we shall have the necessary funds for building. I cannot keep from you we are somewhat disappointed to see that nothing has been done by the city to create the attractive park around the surrounding location. On the contrary certain rumours have reached us which would indicate that there are other plans to use the land which will not be occupied by the Canadian Broadcasting Corporation. Whatever happens I shall make it my duty to submit your point of view when we shall reach the final stage of our discussion, and I hope everything will be arranged to your entire satisfaction. The east part of Montreal surely needs buildings of this nature to encourage the city in improving the surrounding wards.

By Mr. Beaudoin:

Q. What is the date of that?—A. The letter was written on July 18th, 1945 and the answer on July 20th. The same letter was sent to Dr. Pouliot on the same date, and the answer on July 19th reads as follows.

In answer to your letter of the 18th allow me to tell you I am very much in sympathy with your plan that you should have an interview with the members of the Board of Governors on the matter of the projected construction of a building for the CBC in Montreal. I would equally advise you to see my colleage Mr. Rene Morin—

who incidentally is from Montreal whereas Dr. Pouliot is from Quebec—

—to give him your views on this matter.

Dr. Pouliot and Mr. Morin were both members of the Board of Governors at that time, Dr. Pouliot being from Quebec city and Mr. Morin from the city of Montreal.

My letter reached Mr. Morin during his holidays, and he answered me on September 7th.

DEAR MR. BEAUDRY-- On my return from my holidays I find your letter. The location of the building which the Canadian Broadcasting Corporation plans building in Montreal to establish its studio and its offices will of necessity be selected by the Board of Governors in session when such decision shall have to be taken. I do favour the location offered by the city of Montreal and have none other in sight. It would be necessary, however, that the city renew its gift of the land and execute the improvements which will be necessary.

Then there is a reference to the fact that some of my constituents had seen him.

The CHAIRMAN: Just at that point, those letters will be filed, and in view of the fact the proceedings of this committee are published in both English and French anyway they will appear in the record officially translated. You will file those letters.

The WITNESS: Thank you, Mr. Chairman. I have not yet stated my reason for appearing and will proceed to that. Within the last two or three months I am given to understand that the Canadian Broadcasting Corporation advised the city of Montreal of its intention not to honour the contract, and I believe that formal repossession has been made by the Canadian Boadcasting Corporation to the city of Montreal with the result that at this time the city of Montreal is again the proprietor of the land originally ceded in 1939.

I would ask your committee and yourself, Mr. Chairman, to investigate the reasons which may have led to this move. From the point of view of the city of Montreal, which has a very definite tangible interest in the matter, and of the taxpayers in the ward of St. James, which is a part of the consti-

tuency of St. James, owing to the fact that the situation has been left in abeyance for seven years and that nothing definite was done between 1939 and some time recently in 1946 the taxes on this particular location were not paid during the six years. Since the average amount of taxes on this particular property would have amounted to $2,900 a year—the land incidentally is valued by the city of Montreal at $100,100—the city of Montreal has lost in six years an amount of $17,400.

To supplement the letters I read to you a moment ago, last March with the permission of the Board of Governors of the CBC I appeared before the board to renew my request. "Request" is not exactly the word I should like to use but perhaps you will take it as I mean it. My request was that the situation be gone into as soon as possible and that some decision should be arrived at. My contention was that the decision should be in favour of building immediately since what seemed good in 1939 and was free in 1939 should appear equally good in 1946 and as equally free in 1946.

I stated to the Board of Governors at that time my various reasons and the contention of the people I represent. Might I suggest that it might be possible that the record of that meeting of the Board of Governors as far as it concerns my appearance should be incorporated in this record.

The CHAIRMAN: I should not suppose there would be any objection to the minute of that board meeting being placed before this committee whether or not it be done right now. Would that be the view of the committee?

Mr. COLDWELL: It can be produced when the CBC has made its investigation on this point.

The CHAIRMAN: It will be produced and become a part of the record.

The WITNESS: Thank you.

The CHAIRMAN: Not now but in due course.

The WITNESS: I pointed out to the Board of Governors, and if I may I should like to point out to you, that the needs which existed for the Canadian Broadcasting Corporation in 1939 are just as apparent and I imagine just as great now in 1946. There are some aspects of the question which I am not qualified to enter into, but there are other aspects which I would like to bring to your attention because it may help to give you some light when the time comes for you to conduct your own investigation.

There was some contention that, perhaps, the land granted by the city of Montreal was not large enough to meet the greater requirements or needs of the Canadian Broadcasting Corporation in 1946, as compared to 1939. The plan will show you, actually, that the city of Montreal deeded to the Canadian Broadcasting Corporation what may now seem a relatively small piece of land; but, in fact, the city of Montreal appropriated, for the purposes of the Canadian Broadcasting Corporation, far more than the small plot of land on which the building itself was going to rest. The plan will show you that more land, perhaps, would have been available, should the request have been made to the city of Montreal.

Another contention which was brought up was that since the people who are engaged daily in radio had, for some years, become used to going to a particular location, the present location, and since that location was, itself, close at hand to the location of the various other radio stations in Montreal, or at least close to the majority of them, that it became more and more imperative that the location which was originally selected, in my constituency, be changed for another one which was more suitable. May I bring to your attention the fact that from the present location of the Canadian Broadcasting Corporation, at, roughly, the corner of St. Catherine and Drummond, to the location selected in 1939, roughly, at the corner of St. Denis and St. Catherine, the additional time

required for transportation by either the employees of the radio station or the artists, in travelling between one radio station and another—and here I would supplement my remarks by saying that the other radio stations in Montreal are within, I would say, 2,000 feet of the Canadian Broadcasting Corporation, more specifically, CKAC, CHLP, CFCF and CJAD—that the additional time required to travel between any one of these stations and the new proposed location by street car, at the period of maximum traffic,—that is, between five and six o'clock,—would be between eight and nine minutes in the daytime. At the period of minimum traffic, between ten to thirteen and one-half minutes are required and by bus, between nine to eleven minutes.

The distance between the proposed main door of projected location and the first street car stop nearest to that location, which is at the corner of Berri and St. Catherine Street, is 821 feet. Furthermore, in the city of Montreal we hope at some time to have a subway system. It is very important to point out that one of the main, if not the main, subway station in the city of Montreal would be placed at the corner of St. Denis and St. Catherine or within 821 feet of the proposed location. I do not know that I need go into the difficulties of transportation which would be brought to the empoyees by a move such as the one which was contemplated.

Two years ago,—and I believe this is the latest information which is available of a definite nature,—there were some 233 employees concerned. The number may have varied now. Of those 233 employees, 118 lived west of the present location at St. Catherine and Drummond, and 105 lived east of the proposed location.

Another factor of still greater importance is that, undoubtedly, when the Canadian Broadcasting Corporation was contemplating erecting a building in Montreal for its studios and its offices, there must have been the thought that most of these studios and offices would, in some manner, become the headquarters of the French end of the Canadian Broadcasting Corporation. Mr. Chairman, I am going to try to finish this presentation in two or three minutes.

The CHAIRMAN: All right.

The WITNESS: The location selected was in the very heart of the French-speaking section of the city of Montreal. Without unduly burdening the record, may I point out that according to a breakdown made in 1943,—the figure in total may not be accurate, but probably indicates a fair proportion,—there were 503,000 people in the city of Montreal living east of St. Lawrence Street; 265,000 living west of St. Lawrence Street; and 128,000 living in wards which are partly east and partly west of the city of Montreal. So that, therefore, in erecting their building in the location under discussion, the Canadian Broadcasting Corporation, dealing with what I might call the French unit of the Canadian Broadcasting Corporation, at the proposed location, would have erected its building in the very heart, and in the most important part of that heart, of the section of people whom they serve in Montreal through their French service.

I do not think there is much more that I can add except that it requires little imagination to realize what the change in decision has meant for the people of the city of Montreal who live in—what I will term for this purpose—the east end of Montreal; and what it has meant to the city in loss of revenue, which has already been mentioned, and what it implies now, for the city administration, in the way of new plans to fill, if I may put it that way, the area of land comprised between four very large city blocks; and what it entails in difficulties of various kinds to the people who have for seven years been living in surroundings, immediately surrounding territory which they had cause to feel, and with respect to which they were assured, that at some time, on that particular spot, a very beautiful, very useful, very cultural, and very highly frequented building would be erected.

Those are my reasons, Mr. Chairman and gentlemen, for asking your committee to investigate why the project cannot, as circumstances stand, be erected on that location. The property has been retroceded to the city of Montreal, but, for your informaion, I may add that it might still be possible to acquire the same land from the city of Montreal, should the Canadian Broadcasting Corporation act in the fairly immediate future. I am not giving you this as a statement of fact; but strictly as an expression of belief. Mr. Chairman and gentlemen, I thank you.

By Mr. Beaudoin:

Q. It might have been helpful to the committee if you could have borrowed the miniature plan of the streets in the city of Montreal between King's Hall Building at St. Catherine and Crescent, and St. Denis and St. Catherine, in order that the members of the committee might become familiar with the distances you have spoken of, and appreciate the figures you have given them as to the number of people living east of St. Denis and east of St. Lawrence, and so on.—A. I have one plan here which is perhaps not fully clear, but you are familiar with the situation.

By the Chairman:

Q. Are you prepared to file that plan?—A. Yes.

(Marked as Exhibit No. 2.)

The CHAIRMAN: It is now time for adjournment. Now, Mr. Beaudry, when any person presents himself to this committee, he is subject to questioning. Shall we come back here at 4 o'clock this afternoon?

Mr. HANSELL: Why not make it 3 o'clock?

The CHAIRMAN: The suggestion is made that we meet at 3 o'clock instead of 4 o'clock.

Mr. BEAUDOIN: That is all right.

The CHAIRMAN: Of course we have to get the notices out to any who are not present, but that is no problem, of course. What is your view in regard to returning here?

Mr. BEAUDOIN: Make it 3 o'clock.

The CHAIRMAN: Is that agreeable all round?

Mr. COLDWELL: 3.30 is better, I think.

Mr. FLEMING: Let us compromise at 3.30.

The CHAIRMAN: Is it agreed then, the meeting is now adjourned to meet again at 3.30 p.m. to-day.

The committee adjourned at 1.05, to meet again at 3.30 p.m. to-day.

AFTERNOON SESSION

The committee resumed at 3.30 o'clock p.m.

The CHAIRMAN: Mr. Beaudry, will you come back? Are there any questions with reference to what Mr. Beaudry has been saying that anybody wanted to ask?

Mr. BEAUDOIN: I should like to ask a few questions.

By Mr. Beaudoin:

Q. According to your statement you say that the CBC entered into negotiations with the city of Montreal with a view to obtaining a site situated at the corner of Berri and Demontigny to erect a building which would house their studios. You claim that an agreement has been signed between the CBC and the city of Montreal, and that later on a contract had been entered into and registered. Do you have a copy of that contract which you could file with the committee?—A. Unfortunately I have not. I might suggest that perhaps the committee might procure one. It is not very easy for me to secure one.

Q. The point I am trying to get at is to what extent there were legal obligations involved on both sides. For instance, could the city of Montreal sue the CBC?—A. If I may quote from one legal opinion which was given by a former batonnier for the province of Quebec which I believe partly answers your question—

By the Chairman:

Q. Would that contract be a matter of record in some registry office?—A. Oh, definitely.

Q. This document which you have in your hand is one of the appropriate types of documents in the province of Quebec by which land is alienated?—A. Not this particular one. It is a copy of parts of a legal opinion.

Q. But the document to which you were referring is one of those appropriate documents for alienating land?—A. That is right.

Q. And it becomes a matter of record in some registry office?—A. That is right.

Q. When you spoke of this committee getting a copy of it this committee would get a certified copy perhaps from the registry office?—A. Yes.

Q. Would there be any percentage in the committee getting it as long as it is not in dispute that what you have been telling the committeee is correct? There really is no dispute about that, I fancy, is there? Have you any reason to think there is any dispute?—A. I do not believe there is. A contract certainly exists and I am not completely aware of its full contents, but it remains a matter of fact.

Q. The simple fact up to that point is that the CBC did get a piece of property and they got it from the city of Montreal and in recent days they have given it back again?—A. That is right.

Q. The terms of the document in such a case would not be specially important to us, would they?

Mr. BEAUDOIN: No, but with the document it would have been easier for us to see for ourselves whether it entails any legal responsibility on the part of the CBC or the city of Montreal. The point I am trying to drive at is this. Is the CBC liable to be sued by the city of Montreal for breach of contract, for instance?—A. In this particular case I think not because—and I stand corrected if necessary—I believe that the city of Montreal has already accepted the repossession.

By Mr. Bertrand:

Q. You mean repossession without recourse to damages?—A. That is my belief.

By the Chairman:

Q. The position is something like what we call in common law provinces a quit claim on both sides?—A. I would imagine it would amount to that.

Q. Your representations are not that the CBC is not likely to be in any trouble with the city of Montreal but rather that in your opinion that which they had as a plan some years back should still be their plan, and they should proceed and erect their building there at that location? That is the nature of the matter, it is not?—A. I believe I stated this morning that I thought—and I expressed it strictly as a personal belief—that although the land now has been returned to the city of Montreal which I believe has taken it over in my opinion there was still a possibility that should the CBC revert to its original project the land might still be available under what would approximate the original conditions. But that is a personal belief.

Q. And in case it could be done that is what you feel should be done?—A. That is right.

By Mr Knight:

Q. You coupled with that a request for an investigation into the circumstances as to why the CBC dropped the project, did you not?—A. My original statement to you was that I felt it was my duty to ask your committee to investigate the reasons which have brought about a change of attitude.

By Mr. Robinson:

Q. Do I understand that the signing and registration of the original contract which you mentioned had the effect of actually vesting the land in the CBC?—A. That is my belief.

Q. And has the CBC signed another document and registered it revesting it in the corporation of Montreal?—A. That is beyond my province but it is also my belief.

Q. It is just your belief; you are not certain on that point?—A. I am informed to the effect that the CBC has returned to the city of Montreal that piece of land.

By Mr. Beaudoin:

Q. If the CBC cannot be sued for having gone as far as signing an agreement and a contract then one must assume that the cost of the CBC venturing into this matter has been relatively small. Were there any other disbursements?—A. If I may respectfully submit, that would be a matter of appreciation for the CBC and not for me.

Q. Would it be within your knowledge whether there were any plans made? A. In the first place there was the estimated value of the land which for taxation purposes is valued by the city of Montreal—I believe I gave you that figure this morning—at $100,100. Therefore there is already that much involved. Then as to what other expenditure may have been gone in to by the CBC to implement their plans at that particular time I am in the dark. I believe that a set of plans for this building was drafted and I assume paid for. Under what circumstances and for what financial conditions or at what financial cost I do not know.

Q. We could find that out from the CBC?—A. I think that would be your source of information.

Q. You have made representations in order to find out why the CBC has changed its attitude?—A. I think that is a matter of record this morning. I wrote the gentlemen whom I mentioned this morning, and I appeared before the

Board of Governors in March, not at any time with the definite thought that there was a change of attitude. The letters speak for themselves, and the minutes of the meeting at which I appeared before the Board of Governors would also speak for themselves. My intention throughout was to find out definitely if there was any truth to the rumours which led me to think perhaps the CBC was contemplating changing its mind.

Q. But when you met the Board of Governors did you not receive any answer?—A. No, sir.

Q. Apart from the representations you have made yourself is it within your knowledge whether other people or other organizations have made representations?—A. I think a good many organizations in the city of Montreal both public and semi-public also private parties have made a great many recommendations and have worked on behalf of that project before its inception, at that time, and since. I know, for instance, that amongst others the Chambre du Commerce in Montreal was highly interested, and I think did what it could to bring the project to its completion. If I may digress a bit that is understandable for a lot of reasons.

We have been in Montreal—and very justifiably so, I believe—trying to improve and beautify our city. The section of Montreal involved in this particular case is the older section of Montreal and is perhaps the one which needs more improvement and which can best accept it. I believe that the Chambre du Commerce became interested in this because it tied in to a great extent with the general plan for improving this section of the city from the harbour of Montreal up to Sherbrooke street, and perhaps further up.

Q. You said something this morning about the cultural aspect. Would you enlarge on that?—A. Rightly or wrongly—and I believe rightly—we associate radio and more particularly the CBC with culture. In this particular case since we were dealing with what we thought was going to be the logical headquarters of the CBC, or the logical headquarters of the CBC for its French section, and since we associated culture with that our part of the city was very proud and very anxious to receive within its midst something which would increase its general tenor as a cultural centre. When I say as a cultural centre I should like to refer to the plan which I submitted to you this morning and elaborate a little further.

Q. I should like to interject a supplementary question here. There is some sort of rumour to the effect that this part of the city is not the best part which could be selected. In completing your answer would you give us an idea of what the surroundings are as far as public buildings, and so on, are concerned?—A. Very definitely as a general statement before I go into the details it is the part of the country I represent in the House of Commons, and I am not in full accord with anybody who tells me it is not probably the best part in the whole country. Among some of what we might term the cultural assets to Canada and to the city of Montreal within a radius of less than half a mile of the location we are discussing we have the St. Denis theatre, which I believe is the largest French language theatre in the country; we have the Jeanne-Mance school; we have our polytechnical school, our engineering school. Less than 1,000 feet away we used to have the buildings housing all or practically all of the professional schools of the University of Montreal. Mr. Beaudoin recalls that he went to law school very close to there.

Q. With you.—A. Thank you. We have two churches, one immediately at the end of the street in the centre of which the CBC would have been located, Notre-Dame de Lourdes Chapel, and we have St. James church within another 200 or 300 feet. We have the Sisters of Providence; we used to have a dental school. Again I am referring to buildings which are all within 300, 400 or 500 feet. I am not going as high as a quarter of a mile in all cases. Our dental school

has since been moved. I believe our provincial government is using that building for other purposes also of a public nature. Finally within a thousand feet we have perhaps the largest French speaking departmental store, and we have all along on St. Catherine street, which would be approximately 400 feet away at the intersection of Berri, the bulk of the French retail trade in Montreal. That last example may not add very much to the area as a cultural area, but I believe the first ten mentioned definitely reflect upon the area as an area where culture is something that predominates.

Q. The largest departmental store you are talking about is Dupuis Freres?—A. In radio we try not to give free advertising.

Q. Did you not forget the eastern terminal of the Provincial Transport Company?—A. It is not exactly a terminal. I believe it stops at Dupuis Freres but I do not believe they have a terminal proper. They have a substation. I do not think you could call it a terminal proper, but that is only a means of access to culture.

Q. I know, but it shows the character of the locality, the diversity of the enterprise, and so on.—A. I believe I gave figures as to the population east and west.

Q. There is a rumor that this particular site was favored by other radio stations in 1939 when the CBC had decided to possibly erect its building there? Is there any truth in that?—A. I am afraid I am not fully competent to tell you what the attitude of other radio stations or other people may have been in 1939. Undoubtedly when that location was made open by the city of Montreal it became a very advantageous location for a lot of people. I have heard it rumoured more recently that perhaps a private radio station affiliated with a newspaper was interested in locating at this spot if it became available. That is a rumour. How well founded it is I do not know. Personally I find it very plausible, but I cannot give it to your committee as more than a rumour.

Q. When about the contention that, owing to the fact the advertising agencies all have their offices in the western part when the CBC has its offices now and where all the radio business is centralized, it would not be proper to have the radio centre moved from the western part to the eastern part of Montreal?—A. I do not know whether that could be considered because from what I have heard I thought that commercialism was not a prime consideration in CBC's operations, but in any case I do not think you could be guided in the choice of a location by the fact you are going to be ten minutes further removed from your client than you already are, especially at a time when you are perhaps only two minutes away from the majority of them. In the case of the advertising agencies they have a much greater traffic with other suppliers than radio, for instance, engraving and typesetting, with whom they are in constant touch. By that I mean perhaps one hundred times a day as against two or three trips to a radio station. It so happens in the city of Montreal these same agencies are dealing with engravers, printers and typesetters who almost invariably are in the lower part of Montreal, more specifically on Craig and Notre Dame streets, whereas the majority of the advertising agencies are located on St. Catherine street. In spite of the fact there is much greater traffic between them than there is between the agencies and radio I have never heard that was any consideration for the printers or engravers to move.

Q. What about the size of the lot?—A. The size of the plot deeded was, as I recall from this morning, 225 by 445 or roughly 100,000 square feet, but the size of the property itself which the city of Montreal had allocated for the purposes of the CBC was considerably much more. For instance—and I again refer to the plan—the entire area between Ontario and Demontigny streets, between Savoie and Providence, would have been used for purposes of both a building and parks surrounding the building. I measured the actual length of the

building and the approximate length along Providence and Savoie streets, or to put it in other words, the length of the plot of land between Ontario and Demontigny is 1,080 feet whereas the width between Savoie and Providence not counting Berri, which is very wide and intersects, would be 265 feet on each side of Berri. In other words, there is a total width of almost 600 feet, so that the area available was almost 1,100 by 600 feet which I believe allowed for considerable expansion should the city of Montreal have permitted the CBC to use more of this land for buildings and less for the beautifying purpose of a park, but my understanding is that the whole area was to be kept for the CBC's building and its surroundings.

Q. Can you give us the date on which the CBC gave a definite reply to the city of Montreal as to its change of decision?—A. That I do not know. That is one of the things I am asking your committee to be good enough to investigate.

Q. Can one assume that the CBC may not have definitely notified the city of Montreal that its decision has been changed?—A. I do not think one can assume that may have here some more definite reference if you will give me a minute, please.

Dr. FRIGON: The decision of the Board of Governors of the CBC is dated March 20th, 1946.

The CHAIRMAN: Are there any other questions on this matter?

Mr. BEAUDOIN: May I ask a supplementary question of Dr. Frigon since he has interjected an answer?

Dr. FRIGON: If I might clarify this point the board had a meeting in Ottawa on March 20th, 21st and 22nd, 1946. At that meeting they passed a resolution authorizing the management to reconvey this site to Montreal.

Mr. COLDWELL: That has been done?

Dr. FRIGON: It has been done and I think has been accepted by the city and an order in council has been passed. There is yet the agreement of reconveyance to be signed, but the deed is completed. The decision has been made and accepted on both sides.

Mr. COLDWELL: All it needs is formal signature?

Dr. FRIGON: That is right.

Mr. BEAUDOIN: If the other members of the committee have no questions to ask I would suggest that as this is a matter of a very special character we should clear it up right now. I would suggest that it would not be going outside of our agenda. This matter has been brought up by Mr. Beaudry who is a member of parliament. I think if the CBC officials are ready to give us some explanation as to the statement which was made by Mr. Beaudry we should proceed to that right away.

The CHAIRMAN: Mr. Beaudoin and gentlemen, let me point this out to you. The matter, of course, is entirely in the hands of the committee as to whether or not we proceed immediately with this, but let me remind you that we have arranged for CFCN to come before us this afternoon, and in the nature of the case it will take a little time. Then following that the CBC will be presenting various pieces of information to-morrow and perhaps giving its picture for the future. If that were so and this matter came up to-morrow one of the first things that could be done would be to deal with it so that there would not be very much delay. On the other hand, if you go into this immediately you are still holding CFCN off and probably they would not be on at all to-day. In any event, it is only a matter of a difference of a few hours whichever way you do it.

Mr. BEAUDOIN: My main reason was that the CBC presentation as to the past has already been made to us, and this is a part of it. It dates back to 1939. I think it would not take very much time and it might save Mr. Beaudry from coming back.

The CHAIRMAN: The matter is entirely in your hands.

Mr. BEAUDOIN: If the members are agreeable I should like to hear Dr. Frigon give an explanation. Of course, he could give a supplementary explanation if he cares to do so as far as future policy is concerned when he comes back.

The CHAIRMAN: What is your wish in this matter, gentlemen? Do you move that we proceed to continue to deal with this?

Mr. BEAUDOIN: There are only a few questions to be asked and the matter would be cleared up. There would be some sequence to it.

The CHAIRMAN: That is your motion.

Mr. FLEMING: It strikes me this is an isolated matter, and if it will not take long and Dr. Frigon does not require much time on it it might be well to clear it up while Mr. Beaudry is here. It should not cut very far into the time of CFCN.

The CHAIRMAN: Is that the view of the committee? Is there any objection to that?

Mr. SMITH: It is not my view.

The CHAIRMAN: You say it is not your view?

Mr. SMITH: No. These people are here from a very long distance away. They were told they would be heard this afternoon. I think that was indicated to everybody and agreed to by everybody. Dr. Frigon will be coming back for examination in the ordinary course.

Mr. COLDWELL: And Mr. Beaudry will be here as well.

Mr. SMITH: Yes.

Mr. COLDWELL: I think, in view of having people here from a distance, we should perhaps hear them first.

Mr. BEAUDOIN: I realize that we have people coming from a long distance away; but on the other hand, I do not think that we specifically gave this time to-day to them.

Mr. SMITH: I am not insisting at all.

Mr. FLEMING: Would five minutes clear it up?

Mr. HANSELL: If it is only five minutes, it is okay.

The CHAIRMAN: Gentlemen, you cannot clear anything up in five minutes.

Mr. BERTRAND: It would be much longer than that.

The CHAIRMAN: Yes. You cannot clear up anything in five minutes.

Mr. BERTRAND: That is not my view, anyway.

Mr. BEAUDOIN: If I am overruled, I will withdraw my motion.

The CHAIRMAN: You are not overruled, Mr. Beaudoin; not at all. The only thing is that if there was much difference of opinion, we would have to settle it by a vote. We have not had much of that sort of thing in this committee; and if we can be unanimous, or nearly so, it is always very much better.

Mr. BERTRAND: I do not see why we should divide on it. We have been carrying on with the witnesses as they came, and leaving the CBC case to be taken afterwards. I do not know why we should differ on this occasion.

Mr. BEAUDOIN: Well, I will withdraw my motion.

The CHAIRMAN: It is agreed that we will now proceed with CFCN and that this matter will be first matter taken up when the CBC in any way is back before the committee. Is that agreed?

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: All right.

The WITNESS: Thank you very much.

The CHAIRMAN: Gentlemen, the situation as I understand it respecting the representation to be made for CFCN is as follows. Mr. Porter and Mr. Love are both here. I think the latter is to present the first part of the CFCN representation. I also understand that at a certain stage Mr. Porter wants to indicate to the committee some features respecting the procedure that he and Mr. Love would like to follow. I do not know whether Mr. Porter desires to speak to the committee first in that way, giving the general picture of the sort of case that is to be presented, or whether Mr. Love is to immediately commence to address the committee. What do you say, Mr. Porter?

Mr. PORTER: Well, Mr. Chairman and gentlemen, we have with us to-day some representatives of farm organizations for whom I will be stating the position of a large mass of listeners. I have been asked to present that aspect of the presentation. It seems to me that we can probably get the matter before the committee in the most intelligent manner by having Mr. Love proceed now and presenting what are the operational and past activities of the station. I should like to follow him and complete the presentation, hoping then that the committee could proceed with the questioning in the light of the whole presentation, because it does not logically separate itself. I would suggest that we proceed on the understanding that the position that Mr. Love will take is not complete until we hear the listener aspect. So I suggest, Mr. Chairman, that it would expedite matters if Mr. Love now read his brief and I will follow at its conclusion.

The CHAIRMAN: That really means that the suggestion is that questions should be reserved until the whole case is in.

Mr. COLDWELL: What was the whole case?

The CHAIRMAN: That is the policy we have been following so far.

Mr. COLDWELL: What does the whole case consist of? Does it consist of representations by Mr. Love, Mr. Porter and the representations of some other gentlemen?

Mr. PORTER: I intended to speak for the other gentlemen who are here and some others who have been unable to attend on account of circumstances that I will explain. They authorized me to speak for them. These gentlemen who are with me will be glad to confirm, if the committee so desires, what I may say. But I am to appear and state their position.

Mr. COLDWELL: I was wondering when the questioning will come. That is the point. I was wondering if we were going to hear Mr. Love, then Mr. Porter and then those other gentlemen who are here, and then ask our questions; or whether we are going to question immediately after Mr. Porter. It seems to me that is the procedure we should follow—hear the two briefs and then ask questions.

Mr. SMITH: Right.

The CHAIRMAN: I think the understanding is that Mr. Love and Mr. Porter will address the committee, and the questioning will take place after that. I think that is what you desire, Mr. Porter?

Mr. PORTER: Yes. That is the idea. I think that is the soundest way.

The CHAIRMAN: That is substantially the way we have proceeded in other cases, and I think that ought to be satisfactory. That is agreed, then?

Some Hon. MEMBERS: Agreed.

Mr. FLEMING: Mr. Chairman, may I speak just for a moment on one matter that I think would be better spoken of now before the presentation of CFCN starts.

The CHAIRMAN: It has no relation to this?

Mr. FLEMING: It has no relation to the presentation of Mr. Love. It has to do with an omission from our record that I think is likely to be adverted to in the course of Mr. Love's presentation.

The CHAIRMAN: I know something about that. You want to point out that there is something which was left out.

Mr. FLEMING: Yes, at page 164 of the proceedings of the committee. It was at the point where the CBC was referring to the letters that were written to the four stations CFRB, CFCN, CJOC and CKY notifying them last April of certain intentions on the part of the Department of Transport. At page 164 I asked the chairman: "Would you direct that the letters that were referred to, the letters of April 18, 1946, to the licensees, be printed in the appendix?" in the printing only one of the four letters was printed. It was the one to Mr. S. Rogers, secretary, Rogers Radio Broadcasting Company Limited. That is to be found at page 174 of the proceedings. It was just an oversight that the others were not printed and I would suggest that we remedy that omission by having the other three letters of April 18, 1946,—one addressed to The Commissioner, Manitoba Telephone System, Winnipeg, Manitoba, and the second to Lethbridge Broadcasting Limited, Marquis Hotel, Lethbridge, Alberta, and the third to Mr. H. G. Love, The Voice of the Prairies Ltd., Calgary, Alberta,—printed as an appendix to today's proceedings. (See appendix A. B. C.)

The CHAIRMAN: It was intended that they should be printed and I think that is the easiest way of overcoming the omission. Is that agreed?

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: Then, geutlemen, Mr. H. G. Love, who is president of CFCN, known, I think as the Voice of the Prairies, Limited, will now present his case to you.

Mr. H. G. Love, Present owner of CFCN, called.

The CHAIRMAN: Mr. Love, other witnesses have been told that they might stand, sit, or take off their coats and in general make themselves comfortable, and go on as is convenient to them. The same applies to you.

The WITNESS: I will follow Mr. Beaudry's example and sit down.

The CHAIRMAN: Very well.

Mr. FLEMING: Are there copies of this presentation?

The CHAIRMAN: Apparently not. Mr. Porter, are there copies for distribution?

Mr. PORTER: No, there are not.

The WITNESS: I am lucky to be here myself.

The CHAIRMAN: All right.

Mr. PORTER: It is quite short, Mr. Chairman.

The CHAIRMAN: Very well. Will you proceed, Mr. Love.

The WITNESS: Yes.

GENTLEMEN—My connection with the radio business began in the spring of 1922, when I was in charge of the organization that built the radio station on top of the Herald Building in Calgary.

I was assisted in this operation by the late C. V. Logwood, an associate of Dr. Lee DeForest and Major Armstrong, of radio fame. Since that time I have been intimately connected with the radio business in one phase or another, although I am not a technically trained man.

In 1928 I acquired CFCN, operating it under the name of the Western Broadcasting Co. Ltd. In 1931 the company was re-organized under the present name, The Voice of the Prairies, Ltd., of which I have been the principal owner and this company has operated CFCN continuously to this date under my management.

CFCN is one of the real pioneers of radio in Canada, commencing operations in 1922. It has continued to serve until this date. It was originally 100 watts and, during the early days, varied from 100 to 1800 watts until output capacities were standardized in the broadcasting industry, when it broadcast for a number of years at 500 watts. In 1931 we applied for an increase in power. This was granted by the government of the day but on the understanding that we would go to 10,000 watts in order to serve the widely scattered areas of our part of the country. We have carried on to the present time on that power.

In the early thirties broadcasting in western Canada was at a very low ebb. Practically all listeners, who were able to do so, listened to American stations. At that time I personally advocated the policy of bringing into Canada some of the outstanding American programmes, hoping thereby to hold listeners to the Canadian stations for the benefit of not only the station, but all who used it, merchant, manufacturer, politician, or whoever might be on the air.

With this in mind we contacted the National Broadcasting Co. with a view to bringing their service to our listeners. In those days, such a request had to be supported by the audience in a territory, including leading citizens. In reality, there had to be a general invitation to the N.B.C. to come into any particular territory. We asked our listeners if they desired our station to join the N.B.C. We did not plug the issue, merely made several spot announcements. The response was tremendous. I have here a letter from a prominent Calgary chartered accountant whose office staff counted these letters and he certifies that 63,755 letters were received asking that we become a member of the N.B.C.

About this time the government of the day decided to create the Canadian Radio Commission, the predecessor of the CBC and of course this terminated our discussion with the N.B.C. In 1933 the Canadian Radio Commission was brought into being and we became a member of its network. It did not furnish any commercial programmes but paid us $1,000 a month for carrying its programmes. In October, 1934, we severed this relationship because we could not afford to continue it.

We had discussed with them at length and hoped that they would enter the commercial field and release sufficient American programmes to enable the Canadian stations to retain their audiences, as outlined above, and were given some assurance that this was to take place. However, when the then chairman Hector Charlesworth, publicly announced that they would carry no commercial programmes, we were compelled by necessity to leave their association and devote the time used by them to our own provincial activities, both public service and commercial.

When the Canadian Radio Corporation was set up in 1935, CFCN was not made a member of the network, notwithstanding the fact that we had a 10,000 watt station. Instead, they used a 100-watt station in Calgary later increased to 1000 watts, and many of the people of Alberta were deprived of their privilege of listening to the CBC programmes, from the inception of the CBC to October 1, 1939. Then an arrangement was devised whereby the CBC programmes in our territory were split between CFCN and the 1000-watt station. This was an excellent arrangement in most respects and it gave both ourselves and that station an opportunity to serve the public, and increase the distribuiton of the CBC's programmes, both commercial and sustaining.

In 1944 I was approached by Mr. Weir of the CBC commercial department, on the creation of the dominion network. I pointed out that, unless there were some equality between the two networks, and an equal distribution of programmes, both day and night, the dominion network would be unsatisfactory for our broad coverage. My station was assigned to the dominion network. The trans-Canada evening programmes were removed from CFCN, but we were permitted to retain the daytime programmes. On September 1, 1945, the networks were completely separated and no trans-Canada programmes were permitted to go over a dominion network station. This removed all the daytime commercials CFCN had carried for many years. The revenue lost was unimportant but the audience building ability of these programmes was of such a nature that their removal from CFCN was a matter of considerable importance. Notwithstanding the loss of these commercial programmes, CFCN is still being asked to carry, and is still carrying far more daytime sustainers from the trans-Canada network than the local trans-Canada outlet is carrying.

I relate these circumstances to show you gentleman that CFCN not only does a public service in our community but has gone a far greater distance than required, in co-operating with the CBC.

At this point I might call to your attention that, for many years, we have operated a short-wave station, CFVP, broadcasting all our regular CFCN programmes. We make no charge whatsoever for this service, which is not operated without cost but does, we know, serve to some extent the area in northern Canada beyond the range of CFCN. We only operate at 100 watts and, although we have requested an increase in power, were refused.

It is not my desire to take up any more of your time than is absolutely necessary and, in view of the very elaborate and able presentation made to you by the Canadian Association of Broadcasters on behalf of the private stations, all of which equally applies to this station, I will only touch on a few of the high spots because I believe it goes without saying, and will be readily admitted by our friends in the CBC, that this station has been outstanding in its public service activities and not surpassed by any other station.

We have prided ourselves on being the free-speech station of the Nation and never has any organization desiring the facilities of this station been denied this privilege. There have been times when the political and economic controversies in our province have been very intense, producing sharp cleavages of opinion amongst listeners and resentment against opposing speakers. This resulted in loss of audience to the station, but nevertheless, all speakers were given access to the audience regardless of their views or policies, without exception.

CFCN was the first station in Canada to develop an entirely independent news service. This was made possible through wireless telegraphy as no other method of gathering news was then available to a radio station. This wireless telegraph service was terminated through the loss of wireless operators during the war. We also had as many as 141 correspondents throughout the province of Alberta. This competition no doubt had an effect in making wired services of Canadian news gathering agencies available to radio stations in Canada.

To give you gentlemen an outline of public service activities of CFCN down through the years, a problem presents itself in our attempt to be as brief as possible. I have, however, prepared a few figures which might give some idea of our activities.

Time donated to war loans and saving campaigns, war services campaigns, charitable and religious organizations, veterans organizations, from 1942 to date, was as follows:—

1942	$ 7,474 80
1943	10,115 24
1944	9,583 00
1945	8,240 00

This does not include any broadcasts for the above organizations originated by the CBC and carried over CFCN. In addition to the totals shown in this summary of donated time for the above organizations, there is a year-round average of from $200 to $300 (if the value can be calculated in dollars and cents) per month for public services rendered to various organizations in the small towns and rural areas, in connection with publicizing their local activities, both on our newscasts and by announcements. Rural boards of trade, service clubs, fairs, stampedes, drives of various sorts, dances and shows (and the cancellation or postponement of these and other activities such as picnics, socials, etc., when inclement weather forces a postponement).

Further, co-operating with the police in locating lost children, stolen cars, etc., and announcements covering local concerts, carnivals, troop train arrivals, parades, meetings, etc. None of this is included in the summary I gave you above, nor can we assess the value to the ranchers of Alberta when we are asked by their association to broadcast warnings of an approaching storm, thereby enabling them to protect their range stock.

I might take as an example the following list of programmes of a public service nature, broadcast the week of March 24 to 30 last, a total of 9 hours and 7 minutes. We take this week as an example as we believe it was the week referred to by a member of your committee, early in its sittings, when asking for a log of certain stations. This list, you will see, includes programmes of this nature that we carried for the CBC as well as our own programmes.

Do you want me to read those, Mr. Chairman?

The CHAIRMAN: Just use your own judgment.

The WITNESS: I do not think I will read these. Any member of the committee can see this.

The CHAIRMAN: It will go on the record as though read.

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: It may go on the record at this point as if read. It is the sort of thing I think you would agree to, gentlemen. I have looked it over.

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: Mr. Fleming, when you are through with it—

Mr. FLEMING: I am going to pass it around.

The CHAIRMAN: Just see that it gets back in the hands of the clerk so that it can go on the record in that way.

The list referred to is as follows:—

PROGRAMS OF A PUBLIC SERVICE NATURE BROADCAST THE WEEK CF MAROH 24-30/46

Title	Time	Length	—	Nature
Neighborly News	9 : 02 a.m.	12	Sun.	News from the country weeklies CBC.
Prairie Gardener	9 : 15 a.m.	15	Sun.	How, when, plant and care for gardener.
Sports Digest	12 : 15 a.m.	15	Sun.	Weeks sports roundup.
Sports Digest	10 : 45 a.m.	15	M. to Th.	Sports Resume.
Red Cross and Community Chest	5 : 15 p.m.	15	Sun.	Community Chest Drive.
Red Cross and Community Chest	8 : 15 p.m.	15	Th.	Fed to two other local stations.
Red Cross and Community Chest	8 : 45 p.m.	15	Sat.	
Vesper Hour	10 : 30 p.m.	30	Sun.	Religious Council (CBC).
Hymns We Love	10 : 15 a.m.	15	M. to S.	Sacred music, quartette and piano, live.
Music With Marg	2 : 30 p.m.	15	Th. Th.	Women's Gossip-Music Club.
CBC—Women's talks which CBC asked us to take	2 : 15 p.m.	12	M. to F.	Series Mother's Business some of which we originate to network.
Farm and Home Forum	9 : 15 p.m.	15	M. and W.	From University of Alberta.
Hockey	9 : 30 p.m.	60	Sat.	Winnipeg at Calgary Allan Cup play-downs.
National School Broadcast	10 : 30 a.m.	30	Fri.	We carried these 3 days per week when they ran regularly and also the
National School Broadcast	10 : 30 a.m.	30	Fri.	Alberta School Broadcasts 2 days per week 3 : 00–3 : 30 p.m.
Your Family	7 : 30 p.m.	30	Fri.	CBC program which we were specially asked to carry.
The People Ask	2 : 45 p.m.	15	Sat.	National Selective Service Program.
Y.M.C.A. Sports College	5 : 30 p.m.	15	Fri.	Y.M.C.A. Program.
Faculty Education Choral Society	7 : 30 p.m.	30	Sat.	Normal School Capella Choir.

A total of nine hours seven minutes in addition to free announcements given during week March 24th to 30th, 1946.

I would point out, however, that this sample week does not contain any school programmes from the University of Alberta, other than their Farm Forum. We have been carrying educational programmes from the university for many years. I compiled a list for the years 1937, 1938 and 1939 and I submit these for examination.

The CHAIRMAN: The same thing will apply there; they will go on the record as if they had been read.

The list referred to is as follows:—

1937

EDUCATIONAL NETWORK FROM UNIVERSITY OF ALBERTA

Jan. 2 to May 13 / Oct. 4 to Dec. 31	Farm Forum	1 : 15–1 : 30 p.m.	Mon. Wed., Fri.
	Views and Reviews	1 : 15–1 : 30 p.m.	Tuesdays.
	Boys and Girls Club	1 : 15–1 : 30 p.m.	Thursdays.
	Agricultural News	1 : 30–1 : 45 p.m.	Mon. and Fri.
	Theatre Page	1 : 30–1 : 45 p.m.	Tuesdays.
	Garden Talk	1 : 30–1 : 45 p.m.	Wednesdays.
	Gateway News	1 : 30–1 : 45 p.m.	Thursdays.
	Health Talk	2 : 00–2 : 15 p.m.	Mondays.
	Theatre Kaleidoscope	2 : 00–2 : 15 p.m.	Tuesdays.
	Design—How to Apply It	2 : 00–2 : 15 p.m.	Wednesdays.
	Book Chat	2 : 00–2 : 15 p.m.	Thursdays.
	Gleanings from Here and There	2 : 00–2 : 15 p.m.	Fridays.
Jan. to March.	Teachers Forum	8 : 00–8 : 30 p.m.	Mondays.
Oct. 14 to Dec. 31	CKUA Players	8 : 00–8 : 30 p.m.	Tuesdays.
	Course in Shakespeare	8 : 00–8 : 30 p.m.	Wednesdays.
	Round Table	8 : 00–8 : 30 p.m.	Thursdays.
	Science Question Box	8 : 00–8 : 15 p.m.	Fridays
Nov. 20/37	University of Alberta Anniversary	6 : 00–7 : 00 and 8 : 30–9 : 15 p.m.	
Jan. 1 to Apl. 24/37		8 : 00–8 : 15 a.m.	
Apl. 27 to June 30		7 : 30–7 : 45 a.m.	

1938

EDUCATIONAL NETWORK FROM UNIVERSITY OF ALBERTA

Jan. 3 to May 13	Agricultural Program	1 : 00–1 : 15 p.m.	Monday.
	Views and Reviews	1 : 00–1 : 15 p.m.	Tuesday.
	Poultry Pointers	1 : 00–1 : 15 p.m.	Wednesday.
	Boys and Girls Club	1 : 00–1 : 15 p.m.	Thursday.
	Growing Plants Without Soil	1 : 00–1 : 15 p.m.	Friday.
	Agricultural News Flashes	1 : 15–1 : 30 p.m.	Monday.
	Theatre Page	1 : 15–1 : 30 p.m.	Tuesday.
	Garden Talk	1 : 15–1 : 30 p.m.	Wednesday.
	Gateway News	1 : 15–1 : 30 p.m.	Thursday.
	Agricultural News Flashes	1 : 15–1 : 30 p.m.	Friday.
	Health Series	2 : 00–2 : 15 p.m.	Monday.
	Book Chat	2 : 00–2 : 15 p.m.	Tuesday.
	Handicraft Lessons	2 : 00–2 : 30 p.m.	Wednesday.
	The Drama of the Law	2 : 00–2 : 15 p.m.	Thursday.
	Gleanings From Here and There	2 : 00–2 : 15 p.m.	Friday.
Oct. 3 to Dec. 19	Univ. of Alta—Health Program	2 : 15–2 : 30 p.m.	Monday.
Oct. 4 to Dec. 27	Univ. of Alta—Book Chat	2 : 15–2 : 30 p.m.	Tuesday.
Oct. 5 to Dec. 28	Univ. of Alta—Handicraft Lessons	2 : 15–2 : 45 p.m.	Wednesday.
Oct. 6 to Dec. 29	Univ. of Alta—Gleanings From Here and There.	2 : 15–2 : 30 p.m.	Thursday.
Oct. 7 to Dec. 30	Univ. of Alta.—Your Home and You	2 : 15–2 : 30 p.m.	Friday.
Nov. 14 to Dec. 19	Social Studies	3 : 00–3 : 15 p.m.	Monday.
Nov. 15 to Dec. 20	Music Appreciation	3 : 00–3 : 30 p.m.	Tuesday.
Nov. 16 to Dec. 21	Music Appreciation	3 : 00–3 : 30 p.m.	Wednesday
Nov. 17 to Dec. 15	Social Studies	3 : 00–3 : 15 p.m.	Thursday.
Nov. 18 to Dec. 16	School Broadcast	3 : 00–3 : 30 p.m.	Friday
Jan. 4 to Jan. 25	CKUA Players	8 : 00–8 : 30 p.m.	Tuesday.
Jan. 5 to Feb. 23	Science Question Box	8 : 00–8 : 15 p.m.	Wednesday.
Jan. 6 to May 5	Round Table	8 : 00–8 : 30 p.m.	Thursday.
Jan. 10–Apl. 11	Teachers Forum	8 : 00–8 : 30 p.m.	Monday.
May 2 to 9	Thirty Years in Retrospect	8 : 00–8 : 15 p.m.	
Oct. 3 to Dec. 19	International Affairs	8 : 15–8 : 30 p.m.	Monday.
Oct. 5 to Dec. 28	English, Press and Drama	8 : 00–8 : 30 p.m.	Wednesday.
Oct. 6 to Dec. 15	Round Table	8 : 00–8 : 30 p.m.	Thursday.
Oct. 7 to Dec. 23	Physical Education and Farm Program	8 : 00–8 : 15 p.m.	Friday.
Sept. 28	University of Alberta—Convocation	8 : 00–9 : 30	Wednesday.
Sept. 28	University of Alberta—Builders of Canada.	9 : 30–10 : 00	Wednesday.
Sept. 29	Dr. George Bouchard	8 : 00–8 : 15	from CKUA.

1939

EDUCATIONAL NETWORK FROM UNIVERSITY OF ALBERTA

Jan. 9–Apl. 30	University of Alberta—Health Program	2 : 15–2 : 30 p.m.	Monday.
Jan. 3–Apl. 30	University of Alberta—Book Chat	2 : 15–2 : 30 p.m.	Tuesday.
Jan. 4–Apl. 30	University of Alberta—Handicrafts	2 : 15–2 : 45 p.m.	Wednesday.
Jan. 5–Apl. 30	University of Alberta—Gleanings from Here and There	2 : 15–2 : 30 p.m.	Thursday.
Jan. 6–Apl. 30	University of Alberta—Your Home and You	2 : 15–2 : 30 p.m.	Friday.
Jan. 3–Apl. 30	Social Studies	3 : 00–3 : 15 p.m.	Monday.
	Music Appreciation	3 : 00–3 : 30 p.m.	Tuesday.
	Music Appreciation	3 : 00–3 : 30 p.m.	Wednesday.
Jan.–April 30	School Broadcast	3 : 00–3 : 30 p.m.	Friday.
Jan.–April 24	International Affairs	8 : 00–8 : 15 p.m.	Monday.
Jan.–April 26	Science Question Box	8 : 00–8 : 30 p.m.	Wednesday.
Jan. 5–April 27	Round Table	8 : 00–8 : 30 p.m.	Thursday.
Jan. 6–March 3	Farm Program	8 : 00–8 : 15 p.m.	Friday.
Oct. 2–Dec. 29	Health Program	2 : 00–2 : 15 p.m.	Monday.
	Book Chat	2 : 00–2 : 15 p.m.	Tuesday.
	School Broadcast	2 : 00–2 : 30 p.m.	Wednesday.
	Your Home and You	2 : 00–2 : 15 p.m.	Thursday.
	Let's Go to the Movies	2 : 00–2 : 15 p.m.	Friday.
Oct. 30 to Dec. 29	Social Studies	2 : 15–2 : 30 p.m.	Monday.
	School Broadcast	2 : 15–2 : 45 p.m.	Thursday.
	Glyn Jones and Jenkins	2 : 15–2 : 30 p.m.	Friday.
Nov. 13–Dec. 29	CKUA Players	8 : 00–8 : 30 p.m.	Monday.
Nov. 9–Dec. 29	Let's Go to the Movies	7 : 45–8 : 00 p.m.	Thursday.
Nov. 17–Dec. 29	So You Want to be an Author	7 : 45–8 : 00 p.m.	Friday.
Nov. 6–Dec. 29	Community Problems	7 : 45–8 : 00 p.m.	Monday.

In war years the schedule has not been as heavy, as the University has not been producing as many programmes, and network commitments have precluded us from carrying some. It has always been our policy to carry educational programmes. I show you here the CBC's booklet "Young Canada Listens". You will note in the column, under the heading "Alberta", the programmes they send to Alberta, CFCN has carried all of them and, incidentally, they are Trans-Canada network programmes, not dominion network programmes. Also, although we are a dominion network station, we carry the trans-Canada network programme, "Women's Talks" and we originate these programmes to the trans-Canada network, when Alberta women are on the programme.

We originate programmes in various parts of the province and, to give you some idea how far our community extends, we recently originated a commercial programme in Camrose, not so very far from the city of Edmonton, known as the "Ful-O-Pep Quiz Programme" for Quaker Oats Co. I also present you a copy of the Innisfail Province, a weekly newspaper published in Innisfail, dated this July 4, in which they devote three quarters of a column on their front page, to a programme originated in their town by CFCN and their Teen Age Club.

It states here, under the heading "Innisfail Teen Age Club on Radio" and goes on:

> Saturday was a big day for the Innisfail Teen Age Club when they were featured in a broadcast from the Royal Theatre over CFCN.
>
> CFCN had a staff of technicians in charge of the mechanical part of the programme, while Mr. Ted Bown of CFCN introduced the Teen Age Club.

And it goes on to tell all about it.

The CHAIRMAN: That will be an exhibit. (*Marked as No. 2.*)

The WITNESS: Continuing:

I only present these as a sample of the type of work we are doing the year round, in all parts of the province.

We are constantly in search of talent. For many years, Monday through Friday, from 5 to 5.30 p.m., we have presented an unrehearsed amateur programme which, incidentally, is one of the most popular programmes in Alberta, to which children and adults alike are invited. Children and adults attend this programme from all parts of the province and even from Saskatchewan. Whole schools from the rural districts of Alberta have presented themselves on many occasions and groups from schools, often accompanied by their teacher, participate in this very popular programme. Considerable talent is located in this manner, in fact one notable instance a junior choir, selected from those that appear on this programme, is each year organized and is engaged and sponsored by a local jeweler for the winter season. It is called the CFCN Junior Choir and, although the personnel changes from year to year, from it have gone forth some very fine voices, developed almost entirely through this programme.

In bygone years this station has developed many individual artists. The famous cowboy artist, Wilf Carter, was a product of CFCN. Jean De Riminoczy, Glydnwyr Jones, Jascha Galperin, Woodhouse & Hawkins, and many other lesser lights, received their early radio experience over our station.

I notice, in reading the minutes of this committee, the question was asked "what percentage of a station's time was used for commercial purposes". I

wish to present, herewith, a breakdown of our programme schedule for the same week referred to, March 24 to 30. You will see that 32·42 per cent of our time is used for commercial purposes. This is made up as follows:—

Local Live talent	13·92%
Local Transcribed	10·1 %
CBC Commercial	8·4 %
	32·42%

The balance of the time, 67·58 per cent (which is sustaining) is divided as follows:—

Local live talent	10·46 per cent
Local transcribed	37·5 per cent
CBC sustaining	19·8 per cent
	67·58 per cent

Combining the two, sustaining and commercial, we find that 24·2 per cent of our time is devoted to local live talent and, in this, I include news broadcasts, talks, etc. Mechanically produced music (but not including mechanically produce music on the network)—47·6 per cent. CBC commercial 8·4 per cent; CBC sustaining 19·8 per cent. I would like also to point out, however again, that although our obligatory time as required by the CBC for sustaining programmes amounts to only 14 half-hours per week, or 5·82 per cent of our days broadcast, we carry, or rather carried during the week under review, 23·8 full hours or 19·8 per cent of our time. At the present time, however, that is today, we are carrying 30 nightly half-hour CBC sustaining programmes as against the 14 half-hours required and this does not include the programmes we carry for the CBC during the daytime.

It has been repeatedly pointed out to this committee (and you may have the feeling) that the CBC pays the private stations a tremendous amount of money. It is true they pay us a substantial sum and it is true it is practically essential that a station have a network affiliation. However, there is another approach to this question. The networks use the very best hours of a broadcast day and the CBC obligatory policy on sustainers demands, likewise, the very best time available on the station. Let us take a look at what this would amount to last year: I would like to point out that the obligatory requirements of the Dominion network in 1945, using our 52-time card rate would amount to $39,312.00 for the 728 night-time half hours involved. This is good saleable commercial time. In addition non-obligatory sustaining programmes carried by our station for the CBC, day and night, last year, if computed at our lowest rate. would amount to $61,800.00. Add to this the value of the commercial time used by the network for their commercials of $57,361.44 and it makes a grand total of $158,473.44. We received from the CBC a total of $28,680.72, one half of the commercial sponsors money received by them.

This is some measure of the contribution this station makes to public broadcasting service.

Comments have been made, from time to time, about the large amount of money private stations are making. One of these is to be found in the CBC chairman's statement to this committee. This is not true of this station. I have here auditor's statements for our company, for every year from it's inception to last year. I am not going to place them on record as you gentlemen must realize the very competitive situation in radio, but they are here and available to you, Mr. Chairman, and any member of this committee to examine.

I likewise have a statement showing a summary of these years' operations.

By Mr. Fleming:

Q. They have not been filed.—A. No.

By the Chairman:

Q. You are leaving those in the hands of the chairman to be returned to you. It is understood that the chairman may show them to the members of the committee.—A. Yes. I am sure from this distance you can see considerable amount of red ink figures. This is also available to any member of this committee. I have here a certificate, which I will pass among you, but will not place on the records, which will give you, in substance, if you have not the time to go through these statements, the results of the 15 years of operation of this company. I have likewise a statement accompanying it showing the income tax figures we paid in the last two years.

I am proud of these figures, because they substantiate, probably more than in any other way, my claim that I operate a public service broadcasting station, a free enterprise, if you will, but with a social consciousness.

Now gentlemen, we come to the subject of the frequency on which we are operating, namely 1010, which functions at 10,000 watts. This wave length was assigned to this station in September 1940 by letter from the Deputy Minister of Transport, Mr. C. P. Edwards, as follows:—

> I beg to advise that under the provisions of the North American Regional Broadcasting Agreement of Havana, the frequency of your station, CFCN, will be changed from 1030 kc to 1010 kc. You will be advised later regarding the exact time and date when the change-over is to be made.

On the 10th of February, 1941, I received a letter from the Department of Transport, signed by Walter A. Rush, Controller of Radio, as follows:—

> In confirmation of my telegram of the 4th of February, 1941, I wish to advise that pursuant to the final allocation made at Washington, D.C., 30th of January, 1941, under the provisions of the North American Regional Broadcasting Agreement, the frequency of your station will be 1010 kc.

Licences were issued on this wave length for CFCN from that date on and these I now desire to produce.

By Mr. Fleming:

Q. What is the date of that letter?—A. The 10th February, 1941.

Q. And the first letter you read, the letter from Mr. Edwards?—A. September 1940.

In forwarding my licence for 1945, the Department of Transport said:—

> Your attention is drawn to the endorsation on the licence for CFCN which is pursuant to the recommendation of the board of Governors of the CBC, to the minister and appears on all broadcasting station licences issued this year, where such stations occupy Canadian 1A channels.

The endorsation on the licence reads as follows:—

> The frequency of 1010 kc per second, being a clear channel is definitely reserved for the National System of Broadcasting and this station is authorized to use this frequency provisionally until such time as it may be required by and assigned to the Canadian Broadcasting Corporation.

This was our first intimation of any such proposal and I replied as follows, by registered mail:—

By Mr. Hansell:

Q. What is the date, again? I am sorry?—A. It says: "In forwarding my licence for 1945". That was the 1945-1946 licence. I think I have the letter here. The letter reads as follows:—

DEPARTMENT OF TRANSPORT

OTTAWA, May 16, 1945.

GENTLEMEN,—I have pleasure in enclosing herewith Private Commercial Broadcasting Station Licence No. 29 for the fiscal year 1945-46 for station CFCN and form to be attached to licence No. 30 for station CFVP stating that the said licence will continue in force until March 31, 1946.

The certified copy of the licence for CFCN is to be posted in the operating room at the station transmitter, and one copy of the form authorizing the extension of the licence for CFVP is to be attached to the certified copy of that licence on the station so that they may be available for inspection upon request of a government radio inspector.

You are reminded that stations CFCN and CFVP for which these licences are issued must comply in all respects with the provisions of the following:—

(*a*) The Radio Act, 1938, and the regulations issued thereunder.
(*b*) The Canadian Broadcasting Act, 1936, and the regulations issued by the Canadian Broadcasting Corporation pursuant to section 22 thereof.

Your attention is drawn to the endorsation on the licence for CFCN which is pursuant to the recommendation of the Board of Governors of the Canadian Broadcasting Corporation to the minister and appears on all broadcasting station licences issued this year where such stations occupy Canadian 1-A channels.

Yours faithfully,

(Sgd.) WALTER A. RUSH
Controller of Radio.

The VOICE of the PRAIRIES, Limited,
Toronto General Trust Building,
Calgary, Alta.

And I replied to that letter by registered mail. My letter in reply reads as follows:—

May 21st, 1945.

Register
Walter A. RUSH, Esq.,
Controller of Radio,
Department of Transport,
Ottawa, Ont.

Your file 6206-164.

Dear Sir,—We beg to acknowledge your letter of May 16th under the above file number. We observe the endorsation to which you call attention. In as much as no good purpose would be served by discussions at this time we advice merely that we do not concur in or submit to its conditions and reserve all our rights legal and other.

Your very truly,

THE VOICE OF THE PRAIRIES, Limited.

On April 18th 1946 I received a letter signed by Mr. C. P. Edwards, Deputy Minister, Department of Transport, which reads as follows:—

DEPUTY MINISTER OF TRANSPORT

OTTAWA, CANADA

April 18, 1946.

Dear Sir,—I have to advise that a recommendation of the Board of Governors of the Canadian Broadcasting Corporation, that the channel 1010 Kc. be made available to them for the use of a high power station of their system has been approved. I am accordingly directed to inform you that this channel will no longer be available to your station after June 1st, 1947, and the channel 1060 Kc. has been assigned to your station in lieu thereof.

This change will require the use of a directional antenna to protect other stations on the channel 1060 Kc. under the provisions of the North American Regional Broadcasting Agreement.

I would therefore request that you take the necessary steps to prepare for operation on the new channel and submit for the approval of the department as soon as possible, a complete design for the necessary directional antenna prepared by a competent engineer.

Yours very truly,

(Sgd.) C.P. EDWARDS,
Deputy Minister.

Mr. H. G. LOVE,
The Voice of the Prairies, Ltd.,
Calgary, Alta.

By Mr. Fleming:

Q. Would you read again that sentence in which the wave-lengths are mentioned?—A.

I am accordingly directed to inform you that this channel will no longer be available to your station after June 1st, 1947, and the channel 1660 kc. has been assigned to your station in lieu thereof.

Q. 1060 kc.?—A. 1060 kc.

I had applied on the 22nd of February, 1944, for leave to increase the output on 1010 kc. to 50 kw. This was not done earlier because of the impossibility of getting the equipment to increase the power, during the war. This indication accompanying my 1945 license was the first intimation that I had had that my wave length was in any way in jeopardy, as up to that time I had always believed it was issued to me on the same basis as any other license under the regulations, calling for its issuance on an annual basis which has always been taken to mean, during good behaviour.

If CFCN is to be moved from 1010 kc., it is to go to 1060 kc. This station would then be required to operate at 10,000 watts and protect a station in Philadelphia and one in Mexico. The radiation on 1060 with the directional array necessary to protect Philadelphia and Mexico, would proclude my station from reaching the great bulk of its audience in southern Alberta. This territory we have served for many years. The only coverage we would have in southern Alberta would be out into the thinly populated semi-arid, area to the south-east and into the mountain terrain in the southwest. The station would have left to it only the territory to the north and north-east.

It is in the midst of this territory that the CBC proposes to take 1010 and erect an outlet which will function on 50,000 watts. The result is that if my station is forced to 1060, it not only loses half of the territory and audience it has been serving, but that part of its territory left, is subjected to the dominating competition of a 50,000 watt station in the hands of the CBC. The CBC already has a 50,000 watt station at Watrous which was built to serve and is serving the rural population of the prairie provinces. It can be heard throughout rural Alberta although it is sometimes not satisfactorily received in the cities where the noise level interferes with the signal. These cities however, are served as they were intended to be by the local stations. The ability of the CBC to get a complete program to the rural and urban listeners of Alberta is now complete through Watrous and the community stations, and the erection of a 50,000 watt station in Alberta to be operated by the CBC will give duplicate coverage to the exclusion of all local interest as the CBC cannot serve local neeeds.

In my submission there is no need for a 50,000 watt station in Alberta to serve the CBC requirements. There has been no demand from the listeners of Alberta for such a station. We have served the listeners' need well and long. We have built up an audience over the whole of the province. Why should half of that be now taken from us when there is no listener demand for such action? Why should this station after all its pioneering work be deprived of half its market and left in the other half to compete with a 50,000 watt station on the wave length which our efforts have given listener value?

The CHAIRMAN: Thank you, Mr. Love. Mr. Porter, will you follow on now.

Mr. M. M. Porter, called:

Mr. FLEMING: Could anything be done to furnish us with copies of these letters that have been read? It will be very difficult to follow and examine without copies of these letters.

The CHAIRMAN: Mr. Porter says copies of these letters which have been filed will be presented for distribution in the morning. Will that be all right? You will see to it, will you, Mr. Porter?

The WITNESS: Yes, sir.

Mr. Chairman and gentlemen: I did not come here equipped with a prepared statement. I did so deliberately because I hoped that we may have something tantamount to a discussion of the things I intend to deal with, and I thought that would be a much better way, to bring them to your minds instead of to the record. With that account, Mr. Chairman, I hope you may feel free to allow the members of your committee to interrupt me as I go along, if by doing so, they and we can get a better understanding. I may need your protection before I am through.

The CHAIRMAN: Just a moment. A few minutes ago it seemed that we were to wait until Mr. Porter finished and then we would ask him questions based on what he had to say and on what Mr. Love might say. Now, Mr. Porter, wishes that we break in on him at any time. I think we should have it settled among us what plan we wish to have followed.

The WITNESS: Perhaps I did not make myself clear. If a member does not follow a point as we go along, I hope we will have a chance to elaborate on it as we go along. Such an examination may very well become a cross examination.

The CHAIRMAN: For the sake of clarity, questions have always been interjected, if a member did not understand what was said.

The WITNESS: That is what I had in mind.

The CHAIRMAN: That is all right. We will just discover which is the best way as we go along.

The WITNESS: Now, gentlemen, you heard the other day from Mr. Bayly about the characteristics of terrain and atmosphere in our country which give to stations their phenomenal coverage, having regard to their power. Stations in our country have the capacity to cover territory which capacity is, I believe, the greatest in Amercia.

This 10,000 watt station was first put on the air in 1932 when there was no more than one 100 watt station between us and Winnipeg. But because of the very wide coverage which it gave, our station served for many years as the single source of domestic rediation in the great bulk of the rural territory of Alberta. It could be heard almost over the whole of the province with the exception of a segment up in the Edmonton territory where it could be heard part-time only, because it was the one high-powered station in that territory.

It came to gather a great audience in the rural parts and in the small towns. It was their single source of domestic information. It began a news service early in its life. Mr. Love has explained to you that was made possibly by wireless communication because wired material was denied to us. Through that news service, the audience was further attracted and held because they relied on that new service each day.

By Mr. Smith:

Q. Who denied the wire service to you?—A. The Canadian Press and the British United Press at that time were confined to the members of those institutions who gathered it; and it was not until some years subsequent that an arrangement was made by which that material was made available to the Canadian Broadcasting Corporation or to another station. Most stations, this station included, now get it in precisely the same form in which it reaches the Canadian Broadcasting Corporation's main stations.

By Mr. Coldwell:

Q. On teletype machines?—A. On teletype machines, both the Canadian Press and the British United Press now. Because of that background of listener audience, we have had resort to this station by a great many farm organizations of Alberta.

In the province of Alberta there are over 100,000 occupied farms upon which more than 400,000 nearly 500,000 of the people in that province live. Because they are in common occupation, they have common interests, and they have formed themselves into various organizations which give expression to their views, both social and economic, in other than the political field. These organizations are naturally interested in a station which has served them so long and in the position which will result from the removal of the wave-length of that station, having reference to the fact that there will not be available to the station a wave-length which will give a coverage like to that which they have enjoyed.

Now, when Mr. Love got notice that the board of the Canadian Broadcasting Corporation desired him to appear to show cause why his wave-length should not be removed, I was approached by him. I should say—so that there will be no misunderstanding about my position—that I have been Mr. Love's solicitor since this station was formed and before; and I am also solicitor for some of the farm groups about which I am going to speak in a moment. I am here acting and speaking for both of them because we have a common interest in the plan and in the outlet, as I shall explain to you.

When we found that the board of the Canadian Broadcasting Corporation desired to hear us, I went to such of the leaders of those farm organizations as I could, on short notice, and I got in touch with them and explained the

consequences of the removal of this licence. I appeared before the Board of Governors of the Canadian Broadcasting Corporation in Vancouver and outlined something of the plan that I proposed to let you have to-day.

By Mr. Fleming:

Q. On what date?—A. The date? Well, it was the meeting they had this spring in Vancouver. Mr. Dunton will remember the date.

Mr. DUNTON: The end of January.

The WITNESS: Right at the end of January or the 1st of February. I do not recall the date exactly; but we had a very excellent hearing and discussion which I thought was going to be fruitful of results. But we have had no further communication from the board or from any official of the Canadian Broadcasting Corporation, and we have had no indication from the Department of Transport that any further change was contemplated. We had no further opportunity to make representations to that body which is charged with the issuing of licences. We received a notice saying that the licence had been removed and would not be enjoyed after June, 1947.

Upon receipt of that official notice, I then advised the farm organizations and the others for whom I act what I knew of the situation, and we had a meeting in Calgary some little time ago. When I was in Vancouver I was unable to speak with authority in presenting these views because I had done no more than talk to the senior officers or elected representatives of these institutions. But when we got them all, or most of them, together in Calgary, some little time ago, I suggested to them that they should take up this question together with the proposal I shall make, and submit them to their various boards of directors and governing bodies.

As a result, those bodies have had an opportunity to consider this question. It has been most difficult to get them together because, as you will appreciate, over a province of our size, at this season of the year, farm organizations are not meeting. Farmers are busy with other things, but they were able to get their boards together. First of all I notified them all to send representatives, and we have here to-day representatives of three of the organizations. I would like to call these men by name and have them stand up so that I can introduce them to the members of the committee and you can see who they are and know who they are.

Mr. George Church! Mr. Church is head of the United Farmers of Alberta, an educational organization of very old standing which has about 28,000 farm members. Now, when I refer to members I refer only, in the case of bachelors and widowers, to men who are the heads of families living in farm homes, so I conclude they would speak for the occupants of their homes. Now, the U.F.A. is a very old farm organization. Most of you gentlemen will recall that in days gone by it ventured into the political field and gave us, for fifteen years, a farmers' government in Alberta and sent to this House what you would, at one time, have called the "Ginger Group" down here, so far as they came from Alberta and were headed by the late Robert Gardner, who had a distinguished career in this House and was known to many of you. The U.F.A. is not now in the political field but it has continued its functions in the social and economic field. Beside Mr. Church sits Mr. Ben S. Plumber who is the chairman of the Board of Directors of the Alberta Wheat Pool; this is a farmer-owned, grain handling entity with 429 country elevators in the province of Alberta, with a terminal at the head of the lakes and a terminal at Vancouver. They handle about 40 per cent of the grain produced in the province of Alberta. Forty-two thousand people own, operate, and use the Alberta Wheat Pool.

Beside Mr. Church, on the other side, is Mr. James McFall. Mr. McFall is the secretary of the Alberta Federation of Agriculture. The Alberta Federation of Agriculture is the provincial unit member of the Canadian Federation of Agriculture. Mr. McFall, by the way, is the man who handles the local broadcast part of "Farm Forum", through the Alberta Farm Federation.

By Mr. Fleming:

Q. You mean, through the Canadian Broadcasting Corporation?—A. Through the Canadian Broadcasting Corporation, on behalf of the farm groups whom he represents. He prepares the comments which he gets from the farm groups in the country, and broadcasts them the succeeding week at the end of the forum discussion.

Q. Over the Canadian Broadcasting Corporation?—A. Over the C.B.C. He prepares that for Alberta. Now, in the organization which Mr. McFall represents,—he is the secretary and is here in the absence of Mr. Lew Hudson, its president, who could not come—there are sixty farm organizations represented, such as the soil people, the irrigation people, the seed people, and all those who are organized on the economic or social basis; and they federate through this one institution which, in turn, belongs to the National Canadian Federation of Agriculture.

Now, among the farm groups that I spoke to, is the Western Stockgrowers Association. The Western Stockgrowers Association consists of all those people who are on ranches, and those who are feeding cattle on their farms, as is the practice in our irrigation districts. Now I shall read you a telegram addressed to myself that I received last night from Mr. Kenneth Coppock who is the secretary of that organization.

> Regret inability to secure plane reservation precludes my presence at parliamentary hearing on radio problems stop however have been able despite their busy haying season to contact our directors and they are unanimous in their stand that rural life of Alberta and beef cattle industry which they represent and which includes range and farm cattle production and feed lot finished in sugar beet and coarse grain areas can best be served and developed by a locally owned and locally operated radio station stop it is definitely recommended that a corporation be formed having a large number of shareholders resident in the province and both geographically and by occupation and interest representative of the entire province stop such corporation should be locally managed and its station of sufficient power to reach all parts of the province despite battery sets which are used almost exclusively by rural residents stop our directors strongly urge said corporation when formed should under arrangement and agreement freely and fairly entered into with present owner take over the 1010 kilocycle wave length and construct a 50,000 watt station and operate same it of course being understood that there shall be close cooperation between said operations and CBC in national progamming stop you are hereby authorized and requested to present the above views to the committee

That I intend to do, and I do not want to digress at the moment into the details of that wire because I intend to present the programme more widely.

I also have a wire from Mr. C. J. Stimpfle from Edmonton. Mr. Stimpfle is the president of the Alberta Farmers Union which has about 20,000 members scattered over the province but more largely concentrated in the northern part of the province in the Edmonton territory. It, too, is an organization that deals with the social and economic problems of farm groups.

> This will give you permission to act in our behalf stop add the Alberta farmers union to the brief presented to the radio committee to-morrow stop give you our moral support to establish a fifty thousand watt station in Alberta to be controlled by the people

I have another wire from Mr. J. M. Wheatley, President of the Alberta Association of Municipal Districts. Perhaps I should explain what that association is. The province of Alberta is divided into sixty-eight municipal distrcts whch are the counter-part of counties in the province of Ontario. They each have a council and reeve elected by the voters of each rural municipality. So you have sixty-eight councils and sixty-eight reeves. From those sixty-eight councils and reeves the councils themselves elect representatives to a provincial-wide association known as the Alberta Association of Muncipal Districts. That association has a board of directors and executive and Mr. Wheatley is the head of that. He wires me:—

> Sorry unable to get seat on plane to come to Ottawa. I should say he had this meeting the day before this wire was despatched and tried to get on the plane to get down here but reservations are almost impossible to get.
>
> —Have talked the radio situation over with my executive. They and our association heartily agree with your stand re CFCN. Request you to represent us before committee we demand that CBC leave CFCN wave length alone. This station has been giving excellent service. We feel CFCN's power should be increased under same management and operation. If CBC must operate a station in Alberta they should establish it in northern Alberta to serve the outlying areas. Services of CFCN always available to our association when we have a message for Alberta's rural people. In fact a most popular station with our farm people

By Mr. Hansell:

Q. These municipalities cover practically the entire province?—A. They cover the entire province except the area out in the semi-arid part where there are not enough inhabitants to maintain local services. Those are organized in improvement districts and the work there is financed by the provincial government, but they cover the whole of the province of Alberta which is not in the improvement district. They cover the whole of the settled part of the province of Alberta outside the area of the improvement district.

Q. These improvement districts are more or less in the central part of the province, are they not?—A. That is right. They are up in Hanna and out in what we call the old Berry Creek project from which settlers were removed in the period of extreme drought.

Now, gentlemen, as I said a while ago we have something like 105,000 occupied farms in Alberta, and the membership of these institutions I have described to you includes virtually all of those people. So that we are here to-day in what I think is for this committee an almost unique position. You are going to hear from the listener, and he is the fellow for whom radio works. He has not been heard of very much in this committee probably because of the nature of the country and its broad extent.

The declared policy of the CBC, while it has been expressed in general terms about which doubt must centre, can be interpreted as laying down the proposition that sufficient high power stations must be given to the CBC to enable it to cover the whole of Canada settled and sparsely settled, leaving to local stations the job of serving local needs in local areas.

By Mr. Coldwell:

Q. Why do you say doubt has been cast upon that?—A. I will deal with that. The minister at the outset of the committee gave a resume of the extracts, and if there is any useful interest in it I would be glad to go over it and say why I think that and endeavour to persuade you to the same view. However, let us

take that as an enunciation, and it can be gathered that it has certainly been thought all throughout the discussion since 1932 that we are going to have stations across Canada of sufficient power to serve all or nearly all of the people in Canada.

Q. That is why I asked you why there was any doubt about it?—A. I appreciate the reason you asked me, but I do not want to digress now to go into the sources from which I think the doubt comes because I think it is from the expression and repetition that has gone on from year to year that it is difficult to know just exactly what was meant, but whatever discussions there have been I am prepared to start with the proposition that has been the intent and is the intent. Let us start with that. Out of that there has to be a sufficient number of these high power stations to serve all of the people of this country with national coverage, the densely settled areas and sparsely settled areas leaving, as I said a moment ago, to the local stations the job of covering local needs. When we talked about local needs in these committees before I think it is fair to say that we thought in terms of urban communities or settled areas close to radiation from these local stations, and I very much doubt if we ever thought of the situation that prevails in the province of Albera. There we have, as I said, over 400,000 people engaged in a common occupation with common interests, with common problems, with no other facilities for keeping in touch with what is going on than radio, and who cannot be served by a low power local station.

Those people have been served not adequately but have been served by this 10,000 watt station for many years. It has served to bring them their news before anyone else did. It persists in that to-day. I will give you an idea to what extent that coverage is enjoyed. The Alberta wheat pool sponsors the news service three a day. That comes from CFCN. That news service is prepared from the Canadian Press and B.U.P. wires which by teletype bring to the office of CFCN exactly the same material that is found in the news room of the CBC. That news is broadcast at night with 8 o'clock and 11 o'clock CBC broadcasts from the same original source on either side of it. It goes out at 10 o'clock at night, but it is written by an experienced newspaper editor in the newsroom of CFCN. The reason that it holds an audience or serves an audience alongside the CBC broadcasts on both sides is that the editor knows our local problems and is able to give us the news that we want there. The element of remoteness that is present in a nationally owned structure is removed and we have that news service.

By Mr. Hansell:

Q. How long has that news editor lived in Alberta?—A. How long is it? He worked for Frank Oliver in Edmonton on the Bulletin when he started and Frank Oliver succeeded the Hon. Clifford Sifton as Minister of the Interior and was in the House before that.

The CHAIRMAN: Time beyond which the memory of man runneth not to the contrary.

The WITNESS: The Alberta wheat pool sponsors that news service at a cost of $18,000 a year which is quite an expenditure of money for a farming organization to make. Since that contract has been made it has been annually endorsed and renewed not by the directors but by the representatives of these 42,000 people assembled in annual meetings. They were unable to get coverage in that manner in the Edmonton territory which I was telling you about but they had always hoped that this station would increase its power. Failing that last year they went to Edmonton and engaged another station there to fill the blind spot in CFCN's rural coverage at an added cost of $6,000 a year. Therefore we

have 42,000 farmers in Alberta prepared to pay $24,000 a year in addition to their radio licence to get news written in a manner that ensures that they hear what is going on in their own country.

That is not strange to me because I come frequently to Ottawa, and I am sure some of you who live in the east go frequently to the west, and when anyone down here picks up a paper he probably will find more despatches about what is going on in Mexico than what is going on in western Canada.

Mr. SMITH: Perfectly true.

The WITNESS: And the reverse is true at home. A man will come there from eastern Canada and he will be lonesome for news from home. The reason is simply because the paper is taking off the teletype what its audience that it serves will be interested in. A national news service cannot do that. That is one of the local needs that I suggest to you must be supplied by local people with local contact with the problems and with the matters of interest. It is not a criticism at all of other papers or of the CBC news. It is simply a statement of fact of the interests of these people which they can get in no other way.

How important is that? With the advent of radio in western Canada the daily paper almost ceased to go to the farm because the news is stale when it gets there. News of what is going on in this country is reaching the farming people to-day almost exclusively over the radio, and will continue to do so because the facility of delivery of the newspaper can never overtake the despatch of radio distribution. So that radio, which may be regarded in eastern Canada largely as a source of entertainment, is with us serving as a means of rapid communication, serving to give us news, serving to give us information that so sharply concerns our daily lives and activities.

It is on that account that the people whom I represent have discussed with Mr. Love some scheme by which we can get the kind of facility under local ownership that will have local operation, solve those problems and, if you like, give service, too, to the national structure. I think we have nowhere a parallel in Canada of the situation that exists in rural Alberta. We have 100,000 men working at one job. We have their families raised in a common environment. They are marketing the same kind of products. The price structure affects them all. Weather conditions affect them all. They have more nearly a common interest than any mass of people assembled in an urban centre anywhere. If that 400,000 people lived in the city of Montreal no one would hesitate for a moment to say, "Why, we will give you a radio licence of sufficient power to meet your needs." Here they are scattered over that territory and if 1010 goes there will not be available from the spectrum any wave length that will serve their needs as the needs of urban people are served on the problem of their local affairs because all that remains to this station is 1060.

1060 is a class 1-B wave length. It has to protect Mexico and Philadelphia. Over the period when this station has been operating on 1010 Philadelphia has increased to 50,000 watts so that its right to encroach on 1060 has increased, and the situation is worsening from what it might have been some years ago.

How can we accommodate national needs with these local needs spread over this great territory? Is there some way we can work out of it so that the CBC and these people can have something that serves the ends of both, and have it on terms that will ensure its safe, legitimate and intelligent use. We think there is a way to do it. Watrous now gives excellent coverage to the rural parts of Alberta. It does not serve the cities where the noise level is high, and there may be some of the smaller towns where the noise level precludes its being heard.

By Mr. Coldwell:

Q. Is that not true of the whole of Alberta?—A. Well, I do not know that I would care to say from personal knowledge. From inquiries from those people who live over most areas of the province I find that they get Watrous very well.

Q. It is a good station.—A. It is a good station. That is the statement that has been made to me. I have had no means of measuring the weight of the signal, but I do say this to you, and anyone who has lived on a farm in the west knows, that listening conditions in a farm home are excellent, and if there is a signal you can get the signal. Being on a clear wave length I think it gets phenomenally good and widespread coverage.

By the Chairman:

Q. Excuse me; to make sure I understand you did you indicate that Watrous gives pretty fair coverage to most of Alberta?—A. Most of rural Alberta.

Q. No matter what its geographical location as long as it is not in a city it is pretty well covered by Watrous?—A. I think it is doing a pretty good job.

Mr. FLEMING: Precisely where is Watrous? Can you indicate it on the map?

The CHAIRMAN: Up in Saskatchewan not far from the border.

Mr. COLDWELL: East of Saskatoon.

The WITNESS: Right up there.

The CHAIRMAN: It is about the middle of Saskatchewan.

The WITNESS: North and east of Saskatoon.

By the Chairman:

Q. Mr. Porter, is that statement basic to your argument because should that turn out to be incorrect—A. No, it is not basic. I simply want to give the coverage picture. I cannot go into the technical end of it. I can only speak for the people from sources that are available. I do not know anybody who has made a survey. I do not know that you could make a survey.

Q. Anyway, that is not a basic assumption that Watrous covers Alberta well?—A. No, but I may say that the CBC as late as the meeting in Vancouver claimed it did, and I think will still tell you it is giving very good coverage. That was a part of our discussion there. However, we are not trying to exclude the CBC. We are trying to get some way that we can keep in the picture ourselves.

Q. Mr. Porter, my question was not argumentative, in any event. I only wanted to be sure that I understood you.—A. If Watrous' service is adequate then there is a territory neither 1010 at 50,000 nor Watrous can serve equally well by anything left in the spectrum with which to serve it if 1010 goes. The reason for that, gentlemen, lies in the fact that the wave lengths are practically all occupied, and if we are wrong on what we do to-day we cannot change our mind because there will not be another wave length available to do the job. The whole of the north country will be unserved country, that country about which we hear so much from the Peace River block of British Columbia on up to Great Slave Lake, Lake Athabasca and Bear Lake where there are men living alone exploring, fishing and developing that territory, and also tourists striving to go to our Alaska outlet, all of whom would like to have something at nights, at any rate, in the way of a broadcast. 1060 could be used there, and that is the declared policy of the CBC to insure that these high power wave lengths are available to bring service to all Canadians, not duplicate service to those in commercially sound areas.

We discussed some proposals with the CBC on an exploratory basis looking to our being able to increase 1010 to 50,000 watts under local ownership. The wave length 1060 is entitled under the Havana Agreement to function at 10,000 watts provided it protects Mexico and Philadelphia. In the schedule to the treaty it is stated that it shall not go above 10,000 watts. It has a ceiling on it, but it is possible to make an arrangement by agreement with the United States and Mexico, they being protected from radiation into their territory from this station by the construction of an appropriate antenna, whereby it is possible to take 1060 to 50,000 watts. That is on the assumption that Mexico and the United States will agree. Whether or not they will agree can only be ascertained by inquiry, but it is inconceivable there would be any objection if the radiation does not intrude into their territory.

If 1060 can be so used we suggested to the CBC that they should take 1060 down to the southeast corner of the province near Taber, or somewhere southeast of Lethbridge, put in directional protection on the south side of it to keep it from going down into the United States and offending against the limitation of the treaty and direct its power northwards. That suggestion received consideration and study at the hands of the officials of the CBC. We have had a good many discussions about it, and they frankly arrived at this position that while there are difficulties in the way of getting agreement from Mexico and the United States they feel that the policy as laid down by parliament is such that they cannot give up a class 1-A wave length, which our proposal would involve, because if the CBC took 1060 and went to Taber to ensure coverage of this province from the south to the north and to supplement the coverage from Watrous 1010 would be available to go to 50,000 watts at its present location in Calgary.

There was a very real objection to the suggestion that a personally owned corporation or nearly personally owned corporation should have control of so powerful an instrument as a 50,000 watt station. The listeners whom I represent agree that there should be public, as distinct from government, ownership of a facility of that power in any community. Mr. Love can take 1060, shield it to the south, lose the south half of Alberta—which, by the way is the area in which there is the greatest production and therefore the best commercial market—and carry on, but he cannot serve the needs of the listeners for whom I speak because that will not give province wide coverage. Therefore we discussed with him a proposal by which we ask that 1010 on a 1-A class wave length go to 50,000 watts on it and serve the local needs of agriculture throughout the province in that manner. I will outline that proposal. It is the one that was referred to in the telegram from the stock growers. This is the proposal. We propose to form a corporation—it will have to be by a special Act of the legislature—which will be required to have a minimum of 10,000, 12,000 or 15,000 shareholders. We propose that no shareholder shall have over a stated number of shares which we would not make large. We propose that that stock would be sold throughout rural Alberta and in the small towns and in the cities. Therefore we would have this station and this wave length in the ownership of a minimum of 10,000, 12,000—whatever we set it at—or 15,000 listeners. My own idea would be not less than 15,000 listeners. We would have public ownership of radio which, remote as we are from the seat of authority in Ottawa, is a vastly different thing from government ownership of any project.

In the sale of that stock we believe we would cross political lines; we would cross religious lines; we would mix in all of the economic interests that there are in the province; and we would have a listener ownership representative of the interests of the people who are using these facilities.

By Mr. Coldwell:

Q. May I ask a question? You are representing a very large number of organizations to-day. Your proposition is very interesting. Have you considered the alternative of having the organizations which represent still larger groups of people joining together to form such a corporation? I think that would be safer from the point of view of community ownership.—A. We have discussed it, we have considered it and we have rejected it for this reason. They are not all of one size. The grain side of the business would probably be larger. We felt there was the possibility, if that organization got together, that there would not be a fair spread of the ownership, and that the ownership might come under the domination of some special interests within that group. I think, as an organization, they would rather do it themselves; but I am bound to say, that after consideration, we felt this committee would say: no, we are afraid that in such a set-up the larger organization might dominate it and we will not have just the kind of individual listener control that we would like to have.

I want to develop with you the conception of the government of this company that we have in mind. We cannot have an annual meeting of all the listeners of Alberta any more than we could have an annual meeting of all the voters of Alberta; so we have evolved a means by which these people can express their views, not only with respect to the commercial aspects of such a venture, but with respect to the listener aspects of such a venture. That is why I said the corporation would have to become incorporated by a special act of the legislature, because we intend to model it according to a plan which has long been in use by the farm organizations in Alberta, the type of thing we use for selecting our members of parliament and members of the legislature.

We would like to divide the province into a sufficient number of geographical areas to ensure a large governing body, which would be representative of each such geographical unit. The shareholders would annually select a member who would attend an annual meeting of other people selected in the same manner. I would suggest a division of the province, roughly, into fifty areas. We would then bring together the fifty people so chosen by the listeners in the province, who would select a board of directors who would be in charge of the venture and would be responsible to that group for their conduct. My conception is similar to that of present farm organizations; there would be an annual meeting, or more frequent meetings upon call, of those people, pursuant to the charter.

Now, such a structure would make available to management at once and continuously a response to programming. It would, I think, encourage the development of local talent. It would certainly enable programming to local satisfaction. It could not, I think, conceivably want to function without carrying a good deal of material from the national structure. It would always be under the government of whatever governing body from time to time presides over radio in Canada. It would have over-riding government and local control upon its own government, planning and operation. It would earn some money, we hope. It need not be large because, with as broad a shareholding interest as that, no one would get too large a dividend in any event.

We proposed to create such an organization, and we said: you can make the grant of the licence contingent on the creation. But we have to have a class 1-A wave-length. Why? We cannot take 1060, protect Mexico and Philadelphia, locate it so it will cover the province of Alberta, and still have it in a city, which would be essential if we are to programme it locally. The Canadian Broadcasting Corporation, on the other hand, will be feeding their station remotely just as they do now at Watrous, so that the location in a city does not affect their ability to carry on their business. Hence we said to them: You take 1060 and go to Taber or to the vicinity of Taber where your wire service now is anyway, and we will stay in Calgary or in the vicinity of

Calgary where we can programme and where our station will be available to the many people who, under this plan, will own it. And there we sit. That position has not developed beyond that stage and our discussions are in that position.

Now, gentlemen, I think that I should point out to you that there is, so far as the Canadian Broadcasting Corporation has been able by its study to ascertain, no other wave-length available for either of us in Alberta, on which we could conceivably work out a plan for a local or national province-wide coverage, with the possible exception of another wave-length, 730, which has to protect Mexico and would have the affect of cutting off a chunk of southern Alberta. On that wave-length at the moment there is a 150,000 watt outlet in Mexico. Whether it injects itself into Alberta too strongly or not, I do not think any of us are able to say without, perhaps, a chance of studying its output.

By Mr. Fleming:

Q. Has 730 been offered to you?—A. No, 730 has not been offered; but in an endeavour to find some means of accommodating both local and national needs for high power, we went over the list, and 730 turned up as a possibility, but it has those difficulties attached to it. At this stage we are down to the point where there are only two available wave-lengths and one of them has to be shifted; yet we have the provincial-wide need for sufficient power to make that coverage.

The reason why we are so intent on these things is because the pattern is going to be set up for all time. There are not going to be new wave-lengths available. Technical progress in radio is not along the lines of extending the coverage of great power. The tendency is to give better density in smaller areas and in other ways. Technical developments are not calculated to bring about an increase in the effective radiation of a wave-length; so we consider, when dealing with this wave-length pattern, and the coverage for the province of Alberta in perpetuity, that it becomes a matter of the gravest concern to our people because they want to know whether, in perpetuity, they are going to have any opportunity to have in their own control of facility by which they can speak to themselves at the time of their choice, and on the subject of their choice, or whether they must come to a remotely operated—sympathetic, if you like—organization which is 2,500 miles away. There are other stations in Alberta. There are two or three stations in Edmonton, including an educational station which formerly belonged to the university but now belongs to the provincial government. Two stations in Edmonton, I think, are going to 5,000 watts, but on terms that they will protect certain other stations and will not give a broad coverage. There are two stations in Calgary, both being newspaper-owned. In addition to those stations, there is one in Lethbridge, and one is being built in Medicine Hat. It, too, will be newspaper-owned.

Now, I want to say something to you about the subject of newspaper ownership; and at the outset, let me say that it is not intended to be critical of newspaper ownership or newspaper functioning, and it is not in any way a quarrel with the press. What I have to say is designed to lead to what we believe is a plan by which the press can be kept free. When we think of freedom of the press we think of freedom from local interference with its right to say what it should. We have in this country, regardless of political views, and sometimes under great provocation steadfastly resisted any suggestion that we could, by law, interfere with the press. A generation or two ago any powerful mind that could think or write, could start a paper; and the competition that existed among that kind of mind made newspaper men independent of the temptation to suppress, which the advertiser endeavours from time to time to impose on a newspaper. He did not yield to the temptation to suppress, first, because he was an individual with a lot of character; and secondly, because he knew it was of no use because his competitor would tell it anyway. The business of newspaper publishing is

changing rapidly and will continue to change because it is availing itself of the growth of mass production methods. Newspapers generally are no longer run by editors; they are run by publishers. They are factories and their products is newspapers. Their single source of revenue is from advertising.

The impact of succession duties will compel the concentration of ownership of newspapers in fewer hands and larger corporations. In the west it will lead to the almost complete ownership of newspapers by people who have large sums of money, because of becoming large ventures. Most people with large sums of money do not live in our midst.

By Mr. Coldwell:

Q. That is in the west, you mean?—A. In the west. From time to time, under the stress that attends a new country such as ours, economic conditions develop when we quarrel with great advertisers, great institutions, great businesses, the rest of Canada, the government of Canada, and sometimes amongst ourselves.

What I have to say is premised on the fact that we are certainly freezing the radio picture in perpetuity. We are coming to the time when the radio in Alberta is going to belong to two people. Radio is going to belong to corporate-owned newspapers, probably chain-owned; and as they become chain-owned, they become less capable of resisting major advertising pressure; and radio is going to be owned by the Canadian Broadcasting Corporation whose function was never to serve our local needs. Now, if and when that time comes, when we in Alberta have to quarrel, as we think we have the right to do, and exhibit our quarrelsome characteristics by speaking freely, then, unless we have an outlet of adequate power in the possession of the people of that province, under its local set-up where its control cannot ever be concentrated, we are going to be left between the choice of an outlet not intended to serve our local problems, which is managed from he east, and which thinks in terms only of national problems remote from us unquestionably except by long travel; benevolent if you like, anxious to serve, efficient, if you like, but not seized with, or attuned to our problems; and a chained-owned structure, supported probably by the very people whose economic interests are the subject of attack.

Mr. Chairman and gentlemen, we do not like to contemplate that spectacle. We talk about freedom of speech a good deal and we think of it as belonging to the speaker. Freedom of speech belongs to the listener. Freedom of speech belongs to the reader. Freedom of speech is of no value to anybody if the opportunity to speak is not freely available; and as the facilities for reaching our people contract, first, because the newspaper does not get to the farmer; next, because it is becoming less free; next, because the only vehicle, the radio, adequate to reach us is remotely controlled; then we are back to the horse and buggy days of communication and we are unable, as I said a moment ago, to speak freely to ourselves about the subject of our own choice.

By Mr. Coldwell:

Q. You have given us a very fine argument for co-operative ownership of community stations.—A. That, too, has been discussed.

Mr. FLEMING: In Alberta.

Mr. COLDWELL: Anywhere.

The WITNESS: I am glad you raised that point, sir; but we cannot turn this into a co-operative.

By Mr. Coldwell:

Q. I thought that was what you proposed to do.—A. No, this will have to be a joint stock venture. There are a lot of lads who would be willing to

turn it into a co-operative but you can have only two kinds of co-operative, purchasers' co-operatives and consumers' co-operatives. If you had a purchasers' co-operative, you would have the people paying the money to the station when it should be the advertiser. They could form a co-operative and own it. But you cannot have a consumer co-operative because they do not pay you anything, the listener does not pay, so you cannot set it up on a basis of a co-operative; but you can set it up on the basis of share ownership. By putting a ceiling on the number of shares that can be owned by an individual, you can perpetuate the present acquisition or accumulation or concentration of enough stock so that any group, or certainly a small group, could control it.

Q. Isn't that precisely what a co-operative does? It puts a ceiling on the number of shares which an individual can own.—A. That was the original conception of U.G.G. I should say to you that since that time their organization, about which, as you know, I have a good deal to do, have got away from the share type of set-up and are evolving the capital out with the idea of having those who use the facilities currently own those facilities. The thing that was wrong with the shareholder structure was that the shares were retained by those who ceased to be the users and the use was in those who did not own the shares. So now we try to revolve those ownerships. You will hear more about that.

The CHAIRMAN: I might bring you and Mr. Coldwell together to this extent, that what you are offering to do is to incorporate as many of the co-operative principles of management as possible into a joint stock company.

The WITNESS: Yes, but to this end, that we want the listeners to own this station and to be able to control its functioning.

By Mr. Coldwell:

Q. You do not want the advertisers to control it?—A. No.

Q. Will you sell advertising?—A. I think so. I think that advertising is one of the most interesting things that comes over the air. I think that the public is tremendously interested in it. We have found in our own city that the advertiser—the paper that can get the departmental store adds can increase its circulation to beat the band over the other fellow who cannot get it. There is tremendous reader interest in advertising.

By Mr. Knight:

Q. Just as a matter of clarification, if the ownership of the shares is to be limited in this proposition, what it to be the relatiinship of the present owner to all this?—A. We are going to buy him out, lock, stock, and barrel.

By Mr. Fleming:

Q. It is going to be a case of diffusion of ownership by means of "radio diffusion."—A. That is right, based on the proposition that we want to continue that diffusion; so we won't have a concentration of ownership.

Q. Supposing your scheme does not work out, through difficulties in obtaining your special act, or difficulties in connection with the sale of stock in small lots, or the working out of terms between the owner and those who are to look after the finances?—A. That question was raised by the Canadian Broadcasting Corporation's board; we are prepared to make the grant of the licence contingent on the accomplishment of the fact.

Q. Does that mean that if you do not carry through this scheme for one reason or another you are prepared to go to 1060?—A. Speaking now as I am, I would say, if we cannot provide this kind of business, for the maintenance of 1010, then we are not going to be asking for it. Our proposal is to eliminate Mr. Love entirely.

Q. In that event, you would willingly go to 1060?—A. No, we would not be in 1060 at all. The listener group that I am asking about simply would not be in business and Mr. Love would be left to deal with 1060 or 1010.

Q. But you are speaking for the listeners?—A. Yes, I am submitting a set-up to you that eliminates Mr. Love. May I say one thing.

By Mr. Smith:

Q. How much more have you got to say?—A. There is only one thing I want to say because I do not want to leave you under any misapprehension. I said something about the development of the press and I would put it to you that the development of this station would be the finest thing in the world for our western press, to guarantee it freedom from the pressure about which I spoke. I wanted to say that at the outset, but shall round it out that way.

The CHAIRMAN: Now, gentlemen, Mr. Porter will be here at 10.30 in the morning. We will adjourn until then; but before doing so, I would say that there has been distributed this breakdown of station logs. It has not been filed yet, but it has been distributed to everybody for convenience.

Mr. SMITH: It will be filed, though?—A. Yes, it will be filed when some person comes forward to do so. When you return, bring them back with you because there are no more copies available.

Mr. COLDWELL: You do not want these things here to-morrow.

The CHAIRMAN: No, it has not been filed.

Mr. COLDWELL: Somebody will do that, I understand

The CHAIRMAN: Yes, but he wont have any more copies to distribute.

Mr. COLDWELL: This is not intended for use at this stage.

The CHAIRMAN: It might come up tomorrow.

Mr. COLDWELL: I think some of us would probably like to refer to it. I think Mr. Love has a very good record according to this breakdown.

The CHAIRMAN: You would be quite at liberty in asking a question, to refer to any documents that you have. All I wanted was to make sure that everybody would have it with him when the time came. We will now adjourn until 10.30 tomorrow, Friday, in the same place.

The committee adjourned at 6.00 p.m. to meet again at 10.30 o'clock a.m. Friday, July 26th.

APPENDIX A

(Omitted from page 174 of the evidence)

April 18, 1946.

Dear Sir;—I have to advise that a recommendation of the Board of Governors of the Canadian Broadcasting Corporation that the channel 1060 Kc. be assigned to CFCN, Calgary, in order that the channel 1010 Kc. may be made available to them for a high power station of their system, has been approved.

I am accordingly directed to inform you that the channel 1060 Kc. will no longer be available to your station after June 1st, 1947.

We are holding the channel 1220 Kc. for your station and the change may be made when you begin operation with 5 Kw.

Yours very truly,

C. P. EDWARDS,
Deputy Minister.

Lethbridge Broadcasting Limited,
Marquis Hotel,
Lethbridge, Alta.

APPENDIX B

(Omitted from page 174 of the evidence)

April 18, 1946.

Dear Sir;—I have to advise that a recommendation of the Board of Governors of the Canadian Broadcasting Corporation that the channel 990 Kc. be made available to them for the use of a high power station of their system, has been approved. I am accordingly directed to inform you that this channel will no longer be available to your station after June 1st, 1947, and the channel 1080 Kc. has been assigned to your station in lieu thereof.

This change will require the use of a directional antenna to protect other stations on the channel 1080 Kc. under the provisions of the North American Regional Broadcasting Agreement.

I would therefore request that you take the necessary steps to prepare for operation on the new channel and submit for the approval of the Department as soon as possible, a complete design for the necessary directional antenna prepared by a competent engineer.

Yours very truly,

C. P. EDWARDS.
Deputy Minister.

The Commissioner,
Manitoba Telephone System,
Winnipeg, Manitoba.

APPENDIX C

(Omitted from page 174 of the evidence)

April 18, 1946.

Dear Sir;—I have to advise that a recommendation of the Board of Governors of the Canadian Broadcasting Corporation, that the channel 1010 Kc. be made available to them for the use of a high power station of their system has been approved. I am accordingly directed to inform you that this channel will no longer be available to your station after June 1st, 1947, and the channel 1060 Kc. has been assigned to your station in lieu thereof.

This change will require the use of a directional antenna to protect other stations on the channel 1060 Kc. under the provisions of the North American Regional Broadcasting Agreement.

I would thereof request that you take the necessary steps to prepare for operation on the new channel and submit for the approval of the Department as soon as possible, a complete design for the necessary directional antenna prepared by a competent engineer.

Yours very truly,

(Sgd.) C. P. EDWARDS,
Deputy Minister.

Mr. H. G. Love,
The Voice of the Prairies Ltd.,
Calgary, Alberta.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

July 26, 1946.

The Special Committee on Radio Broadcasting met this day at 10.30 o'clock a.m. The Vice-Chairman, Mr. L. R. Beaudoin, presided.

The VICE-CHAIRMAN: Gentlemen, a quorum is seen so we will start the meeting. When we adjourned yesterday, Mr. Porter, Solicitor for CFCN, was presenting his case. This morning we will ask him to go on with his presentation.

Mr. M. M. Porter, K.C., recalled:

The WITNESS: Well, Mr. Chairman, I can assure you that I am almost through. Last night as we closed I was saying what I think perhaps I should repeat, that the establishment of such a station as we propose under local ownership would be a fine guarantee to the press in circumstances which I have suggested might apply. It would be a protection permitting to use and enjoy its freedom as well.

Now, I have spoken largely from the listener standpoint in what I had to say but there is another approach which I think ought to be considered. In our province we have a like ambition to develop local industry to that which prevailed in Canada in the 90s when we were largely dependent on agricultural economy, and while many years may pass before we have large industry we are doing our best to develop industries of the size that will serve our domestic needs. Now, these industries and those businesses that are distributing goods there now need some facilities to reach this selfsame audience which the national station does not and cannot give them. Moreover, the national system is bringing the large competitors, mainly foreign owned competitors, into their market now. Let me illustrate. We can make soap in Calgary, but how can a soap manufacturer in Calgary tell these people about his soap when the national structure with complete coverage is telling about all the soap we hear about. I simply use that to illustrate. We have a woollen mill at Cardston, making blankets, something that is getting along quite well. How does it get out to these people? Alberta is quite a producer of cheese, very excellent cheese, up around the west side and in west of Edmonton. How does this compete with Kraft's? If the people who are producing these things don't have something to offset the constant presence in their market of the ads mainly of foreign-owned competitors, where will they be? So, there is a use for this station from the standpoint of the people of Alberta who have to sell this audience.

And now, it has been suggested in some of our talks with the board, with the CBC, that perhaps they should take over 1010 and make some arrangement by which time purchased would be assigned for the use of farm organizations. Now, a good deal of thought was given to that but the idea was rejected for this reason—

By Mr. Coldwell:

Q. It was rejected by whom?—A. By these listener people for whom I am speaking, the groups for whom I am speaking, because they do not think

that it will work; and it seems to me that there is this consideration, a station owned and operated as I have suggested is always under the regulatory powers of the CBC and if were unwilling it could be compelled to give what service the CBC would fairly ask from it. If, on the other hand, this station came under the control of the CBC there would be no way in which the farm groups could ensure that the time originally granted would not be impaired or altered or made subordinate to some of the dominant commercial needs of the structure.

Now I want to go back just a moment to the question of programming. It is a very difficult problem for the CBC on account of the time differential. A symphony down here at nine o'clock at night is reaching us at six o'clock, and so through the piece. The time selected to bring that programme to the audiences down here when it is most acceptable to that audience brings it to us at a time that is different and often not acceptable. That time factor also makes it highly important that there should be in this territory a station such as I have outlined under the control I have suggested.

Now, I should like to summarize the suggestion we have made. 1.—in any event we want to take 1010 to 50,000 watts in Calgary under the kind of ownership I have suggested. If the CBC is still of the opinion that it is not able when we choose to carry out what is believe to be parliament's intent then it can take 1060 down at Taber, as I described yesterday, and through a signal over a little further and into Saskatchewan to develop for the greater bulk of that area what is now coming in from Watrous.

By Mr. Fleming:

Q. Would you mind an interruption there, or would you prefer to complete your statement?—A. Go ahead.

Q. Are you proposing that for the trans-Canada network or the dominion network?—A. I haven't given that any thought.

Q. Is your submission applicable to either?—A. Yes. This station would have to fit into the CBC overall picture in the manner best suited to their needs. I do not know whether it would fit in, but if they need more coverage in Alberta, and remember I want to make it clear that this is going to duplicate in large measure what Watrous has been doing; nevertheless, if their agreement calls for duplication, then it can be accomplished by the use of 1060 at Taber, as I outlined.

Now, at the outset yesterday, Mr Coldwell said something about the remarks I made with respect to national policy with regard to radio, and I said I would come back to the opening by the Minister where he gathered up excerpts from the various reports back to 1932. This is on page 5, the 1932 committee said:—

> The Prime Minister of the day, the Right Hon. R. B. Bennett, introduced a bill on May 16, 1932, to establish a national system. During the second reading of the bill (which was later passed unanimously by both Houses of parliament) Mr. Bennett said:—

Then, a quotation from the Right Hon. R. B. Bennett:

Mr. Maybank resumed the chair.

The Right Hon. R. B. Bennett said:—

> Other and alternative systems may meet the requirements of other countries, and in any case it is not my purpose to comment unfavourably upon those systems. But it seems to me clear that in Canada the system we can most profitably employ is one which, in operation and control, responds most directly to the popular will and the national need.

Now, what I am trying to do is to come within that very sentence because we feel that there is room for both of us on the list of these stations of local ownership in which the CBC control would certainly not serve our purpose. Then he goes on:—

Secondly, no other scheme than that of public ownership can ensure to the people of this country, without regard to class or place, equal enjoyment of the benefits and pleasures of radio broadcasting. Private ownership must necessarily discriminate between densely and sparsely populated areas.

And now, that thought that public ownership must be dominant is a premised on other grounds perhaps, but certainly on this ground, that this wave length must be used to reach sparsely settled areas. And now, what I suggest to this committee is that the use of 1010 for the national system in Alberta had very, very little of the coverage that the national system now has and can have, but it leaves completely neglected all that country in the north; and, having regard to the fact as I said yesterday and think I should repeat, that no new wave lengths are likely to become available, that country is going to be neglected and continue to be neglected regardless of its expansion.

By Mr. Coldwell:

Q. You are talking about the coverage by Watrous?—A. Yes.

Q. Is it not a fact that CBK, Watrous, covers the northern area within the western side of Alberta?—A. I think they get Watrous clear up into the Grand Prairie country; and in fact, I think there are occasions when the Grand Prairie station picked up Watrous on a receiving set and rebroadcast it, it comes in that well. Yes, I think that is true. And it is well received down to the Waterton lakes. I have a place twenty-two miles southwest of Calgary and I get it there. Mr. Church—I do not see him here this morning—is twelve miles north of Calgary, and he gets it.

Mr. HANSELL: If I might interrupt, Mr. Porter. I happen to live just sixty miles north and west of Lethbridge and we get Watrous quite plainly. I might modify that by saying I am not certain about that during the daytime because I very seldom listen to any radio in the daytime, being in demand. But at night we can get Watrous very, very easily from there, and it occurred to me that sometime or other we might just put a compass on that map there, one point being at Watrous and just make a circle in order that we might be able to tell approximately how far that goes.

The WITNESS: Well, the fact is that if there are some spots along the western side of Alberta into which Watrous does not go on occasion they are being served by the local stations at Lethbridge, Calgary and Edmonton, which have carried, will carry and will probably be obliged to carry, a good deal of CBC's programmes.

By Mr. Smith:

Q. Surely not if they take 1010 in Calgary.—A. I think there is bound to be an ultimate distribution of those programmes in order to give listener variety. You see, I do not think I need to tell Mr. Smith this, that in our province we have a different position from what obtains down here.

Q. Excuse me, but I do not think you understood me. What I mean is this, if the CBC have 1010 in Calgary?—A. Oh?

Q. Their object, of course, is to cut out the local stations from CBC programmes?—A. To cut out local stations?

Mr. COLDWELL: Is that a fair way of putting it? Is not the object of the CBC in getting 1010 to carry out the policy that was laid down?

Mr. ROSS: Let us ask the CBC what their object is. That is what I was trying to find out before.

Mr. COLDWELL: Just a minute, Mr. Ross. Mr. Smith said their object was so-and-so. I am asking if their object was not rather to carry out the policy

laid down by parliament or radio committees that the high powered, class 1A stations would be owned and operated by the CBC.

Mr. SMITH: Let us change the wording. I meant it to be inevitable, in the ordinary course of events.

The CHAIRMAN: The result is what you are intending to convey.

Mr. SMITH: That is it. I put it badly, but that is what I meant.

The WITNESS: That is why I wanted to examine actually what the declared policy is. I think the declared policy is that there shall be a chain adequate to cover but not to duplicate.

By Mr. Coldwell:

Q. Mr. Porter, I do not think there can be any question but that the class 1A high power channels are reserved for the CBC and that the operators of these stations have known it all the time.—A. I suggest this to you: the function of this committee surely, being the body to which CBC is responsible and charged with the duty of seeing to the proper use of such facilities as we have, is such that it ought from time to time to take a look at the application and development of whatever policy has been laid down.

Q. That is all right.—A. Therefore I say I am not interested in arguing about what has gone by because we will still have to go back and take a look at what is going on in the future. Based on that, let us make a fresh approach and see whether by the use of these wave lengths we can develop a better use of them to the people in Alberta, at any rate, than is available if they all come into some one hand simply because as long ago as 1932 we thought that was a good idea.

Q. 1941.—A. Well, I say as long ago as 1932; but in arriving at the conclusion in 1941, let me say that the committee did not have before it the kind of listener interest that I think is being exhibited by the people that I represent before this committee.

Mr. FLEMING: May I ask a question there?

Mr. BEUDOIN: How was it developed?

The CHAIRMAN: Mr. Fleming has the floor.

By Mr. Fleming:

Q. May I ask a question there. It arises out of Mr. Porter's answer to Mr. Coldwell. That answer, I think, is capable of this interpretation, that you admit the statement Mr. Coldwell has made both about the principles to be followed by the CBC as laid down by parliament and the predecessors of this committee and what he has said about notice to these stations, but you think the principles ought to be reinterpreted in the light of development of listener trends in Alberta?—A. Yes.

Q. I want to go back to that a little bit and ask you if, on behalf of those you represent, you admit in the first place that the principle back of CBC policy is as laid down by Mr. Coldwell, and in the second place whether your clients, particularly Mr. Love, admit that they had notice for over a period of years as Mr. Coldwell suggests.—A. I read the record with respect to the station in Toronto and the discussion about those notices; and certainly so far as Mr. Love is concerned, the original endorsement on that notice on his licence, which simply made reference to section 15, he did not regard as notice nor did I; because it is precisely what is on your motor licence in the province of Alberta and, I think, on our liquor licence—a notice calling attention to a provision in the regulations.

Q. If I may interject there, that endorsement has nothing to do with the situation at all because it does not refer to class 1A frequencies or taking over

the frequencies enjoyed by that station. Was there anything else that may be said to have been a warning?—A. Well, there was a letter came subsequently in 1941.

Q. We are speaking of this earlier period.—A. Not earlier. Mr. Coldwell suggested back over an earlier period.

Mr. COLDWELL: Mr. Chairman, it is now 11 o'clock. When we meet again I should like the privilege of placing before the committee one of the reasons why I believe the stations should have known that this was the policy of the CBC. But it is 11 o'clock. I want to answer Mr. Fleming.

The committee took recess at 11 a.m.

The committee resumed at 11.30 o'clock a.m. The Vice-Chairman, Mr. L. R. Beaudoin, presided.

The VICE-CHAIRMAN: Order, gentlemen, I see a quorum. Let us start where we left off when we adjourned temporarily at 11 o'clock. We shall hear Mr. Porter.

Mr. COLDWELL: Mr. Chairman, just as we rose, I remarked that I would like to put something on the record in relation to what Mr. Fleming has said to show that, after all, the statement I made was well founded. I am sorry, but I have been so busy that I did not have time to look this up before.

The VICE-CHAIRMAN: Mr. Coldwell, I would like to interject here that it might be better to wait until Mr. Fleming comes back.

Mr. COLDWELL: Oh, I am sorry, I thought he was here; I was speaking to him.

The VICE-CHAIRMAN: He was here at the beginning of the meeting but he left for a few minutes. Maybe we could go on with the questioning of Mr. Porter or with whatever he has left to say, because his statement was not completely finished when we rose.

The WITNESS: I think at this point I might, perhaps, tender these copies of the letters that a member of the committee asked to be produced yesterday. They are taken from the record. They are in the record and they were copied from the record. That is why the copies do not bear the letterhead on which they were originally issued.

The VICE-CHAIRMAN: These are the letters quoted by Mr. Love in his statement yesterday.

The WITNESS: That is right, the correspondence in respect to the licence. We took them out of the record because the clerk of the committee had the letters with him.

Now, Mr. Chairman, there is just one more point I would like to emphasize. We are fixing the pattern of radio broadcasting for the long future in Alberta by the decision that this committee makes. Whatever may be the declared policy, I think this committee is bound to examine any extension made pursuant to that policy in the light of existing circumstances, to the end that the maximum available good can come to the listener in Alberta.

Unless we keep 1010 in the kind of ownership I have described, we cannot again secure anything to take care of our local needs. Dr. Frigon, in giving his testimony—I would like to refer to the paragraph at the top of page 58—

By Mr. Ross (St. Paul):

Q. What page is that?—A. Page 58; it is in the second book of the proceedings, states the national purpose in these terms:—

> To provide broadcasting of a truly Canadian character and purpose the CBC must have at its disposal facilities through which every point in Canada can be reached. Because of this, the CBC is greatly

interested in regional coverage, even over thinly-populated districts where the cost per listener of providing service is relatively high. That is why the CBC has already built a 50 kw. transmitter at Sackville (CBA) to serve the largest possible portion of the Maritimes, and likewise another 50 kw. transmitter at Watrous (CBK) to serve the prairie provinces; these would hardly be justified from a purely commercial point of view. Additional high power stations of this kind are required to complete the national coverage.

I suggest to you, gentlemen, that even if we start with the assumption, which I do not think is warranted, but even if we do start with the assumption that Watrous does not give full coverage day and night to all of rural Alberta, having regard to the necessities of our people, and the use which the CBC could make of a public-owned station, it is better that we keep 1010 to serve both the local and the national needs in the ownership that I suggest, that is, that it should not be taken for the national set-up, to duplicate, in large measure, what is now being served, at a cost to the people of the province of Alberta, of their being unable, through a facility locally controlled, to serve themselves. Thank you very much, gentlemen.

By Mr. Coldwell:

Q. May I ask you this question: referring to publicly owned station, your position is, as I understand it, that these farmers organizations would not own this station, but rather that there be a joint stock company consisting mainly, but not entirely, of farmers who own the station.—A. Oh, yes, I think we reviewed that together yesterday. I think it would be unwise for the farm organization to own the station because I think you might then have a concentration of one type.

Q. I know, you said that yesterday.—A. You might find it turned into a propaganda unit.

Q. Well, Mr. Porter, if that is the case, if we allow this high-powered station to pass into the hands of a joint stock company, what about allowing another high powered station to pass into the hands of another joint stock company?—A. Well, I doubt if there is another wave-length available. Certainly, I think, we probably have in Alberta a unique situation. It might be duplicated in Saskatchewan, but we have a local need which, as I endeavoured to point out to you yesterday, the settled policy, I think, did not sufficiently consider, because these 300,000 or 400,000 people, if they were together in a city, would be served by a facility adequate to reach them. But they are scattered. Although they have mutual interests, they are scattered over a broad area, and they must have the power. I suggest that the declared policy ought to be reconsidered in the light of events to make available some facility that will serve both the national and, what I call, the local need.

Q. I think your proposal has to be given very careful consideration. I think you made something of an interesting case; but what occurs to me is this: that what applies to the farm community scattered all over the province, also applies to other parts of the population. We have a large Ukranian population in western Canada. Would you say that the Ukranian population should be served, or even the French population should be served, by a high-powered station of this description, co-operatively, or owned by a joint stock company, composed of, let us say, Ukranians?—A. Well, the approach that I made to this question was that we would have a body corporate which was a cross of all religious, language, and economic interests and the like, giving a cross section of the community which we hope to weld closer and closer into the place where we can serve the mutual needs that arise from changing social and economic conditions.

Q. I understood your argument was that the farmers had a common economic interest.—A. Yes, and the people in the small towns have a common social interest as well.

Q. Certainly.

By Mr. Ross (St. Paul):

Q. Your idea is to get as large a diversity as possible through the number of shareholders?—A. Yes, indeed, to diversify geographically and occupationally.

Q. That would be achieved through the sale of stock to the population?—A. That is right.

By Mr. Coldwell:

Q. Who is going to manage the station? Is that settled?—A. No.

Q. That is not settled?—A. No, no.

The VICE-CHAIRMAN: I would like to direct the attention of Mr. Coldwell to this fact: when he says that the Ukrainians and the French have a common interest and would ask Mr. Porter what he thinks about giving a special broadcasting service to each of them, I would like to point out that the French would not enter into it.

Mr. COLDWELL: I know.

The VICE-CHAIRMAN: Because their status is entirely different.

Mr. COLDWELL: It just came into my head. We have a large minority there. May I draw Mr. Fleming's attention to what I was going to do in his absence.

By Mr. Hansell:

Q. You mentioned in respect to the proposed new company that you visualized from 10,000 to 15,000 shareholders. Do you mean shareholders or shares?—A. Well, shareholders is what I meant, and that there be established a ceiling on the number of shares that any one person could control, with the object of avoiding, as far as humanly possible, any change in ownership, so that it would continuously reflect listener interest.

Mr. COLDWELL: I understand.

By Mr. Fleming:

Q. What ceiling do you propose?—A. Well, if my suggestion were adopted, I would say: $500 would be quite a big enough ceiling to put on it.

Q. Would you agree that a basis of holding where no person has more than 10 per cent of the stock of the station would be a pretty good diffusion?—A. Yes, that is diffusion, but I contemplate a much broader diffusion than that; I would not want anybody to have more than half of one per cent, because the object that we visualized is that we can draw from these listeners a continuous expression of their needs and thus be able to serve them. The great problem of to-day is to know what are your listener trends. That is the CBC's problem as well. We want to bring this as nearly as may be into keeping with what those people want, because it is to serve them, it is for the listeners.

By Hon. Mr. McCann:

Q. Is your proposal that of a co-operative enterprise with a share capital rather than a co-operative enterprise composed of members thereof? I have heard you argue so much for co-operative enterprise. What would be the membership basis? Would this be something different?—A. Yes, as a matter of fact, I said to the committee yesterday—

Q. I did not hear it.—A. That I did not think this could be organized as a co-operative for this reason: You can have two kinds of co-operatives; first, a purchaser co-operative, in which case you have the advertisers owning the

station, because they are the people who would take the place in it of the purchaser in the purchaser co-operative or consumer co-operative; but in this case, inasmuch as your service is free to the listeners, it is the listener who takes the place of the consumer, so it could not be set up as a co-operative, and it has, as I said, to be set up as an ordinary joint stock company with share capital broadly distributed, without anyone having too large a piece of it.

Q. But limited to one type of shareholder?—A. No, no; we propose to sell right through the listeners, a cross-section Alberta. I would expect to sell to the miners, to the people in the oil fields, to the people in the small towns, to the farmers, to the lumber people, to people in the cities, and to get as broad a coverage through ownership as I possibly could.

Q. But even at that, would not the majority of your membership likely be farmers?—A. Yes, you cannot have anything but a majority of farmers in a country where over two-thirds of the people are farmers; and in addition to that, the people in the small towns are dependent on the farmers.

By the Vice-Chairman:

Q. The company you are talking about is a company of a very special character?—A. Oh, yes, I outlined to the committee yesterday how we would create it and how it would be governed. I am sorry, Dr. McCann, but you may see it in the record.

Q. I am right in understanding that you do not favour any ordinary individual or company owning a 50 kc. station?—A. I said yesterday that the listeners for whom I spoke feel particularly, in view of what I said about the long future, that a 50 kw station in our province, having regard to our conditions, ought not to be in the hands of a small group, because the service which it could give could be better controlled if its ownership were broadly distributed amongst the listeners.

Q. You also referred to the change in the situation to-day as compared to what existed in 1932 or in 1936, as far as listener interest was concerned. Now, would'nt you say that the CBC largely, if not entirely, is responsible for the increasing of listener interest?—A. Yes, I would say that the quantity of our radio has improved tremendously and is improving. The greatest contribution to audience interest has been the importation of the featured American programmes, and that must, I think, always be true, because of the enormous facilities which they have for programming. We have no quarrel with the CBC. We are using their programmes every day and we would expect to service them as far as we could on this station; but we say that if this wave-length goes, then we are robbed forever of the facility which would give to the rural people of Alberta what we think of, when we think of a city, as a local service.

Q. One of your conclusions would be that because the CBC has succeeded in increasing listener interest, you people believe that somebody else should have certain facilities they could enjoy.—A. Well, Mr. Love's testimony, I think, indicated an attempt on his part, away back even before we had the old commission, to do exactly what I think is giving to the CBC its great audience appeal. He wanted to bring in the NBC in those days. We were prevented from doing that in those days, but subsequently our national policy changed in 1935, we said: we are going to bring it in. I think they have done a good job and the CBC has done a good job from the listener standpoint. We want to get them, but we do not want them to be developed so they rob us completely of our facility for dealing with our own problems.

By Mr. Coldwell:

Q. When we rose at 11 o'clock, Mr. Fleming was disputing a statement I made, that clause 1-A channels had been reserved for the CBC, and that it had been pretty largely the opinion of the parliamentary committees which met

subsequently. As I was saying, due to the pressure of work, I have not been able to consult the records very thoroughly and I have not, now, as far as the records of the committee are concerned; but I have found that in Hansard, of March 19th, 1941, revised, which I have here, at page 1683, I asked Mr. Howe:—

> In the allocation, as announced some time in February, of broadcasting frequencies or channels to take effect on March 29, in accordance with the so-called Havana agreement of 1937 and subsequent arrangements, I notice that three of the six or seven class 1A clear channels, listed as available for Canada in the north American regional broadcasting agreement, have been allotted to private commercial stations which operate on a power of from 10,000 to 15,000 watts. Inasmuch as the class 1A clear channels envisage the ultimate use of 50,000 watts or more, will this allocation mean the abandonment of the policy which was stated by the minister at Moncton on October 12, 1937?
>
> The Minister is reported as having summarized the basic policy as follows:—
>
> > The broadcasting corporation has adopted, as a policy, government ownership and operation of the larger stations. In future private stations will not be allowed to expand beyond 1,000 watts, while existing larger stations will not be permitted to increase their present power. The corporation will, however, proceed as rapidly as funds will permit to build a series of highpower stations, which will in themselves give full coverage.

Mr. Howe then stated that he would like to make a reply to that question at a later date. So two days later, on March 21st, 1941, at page 1761 of the revised Hansard, Mr. Howe made this statement:—

> The hon. members for Rosetown-Biggar (Mr. Coldwell) asked for certain information concerning the Canadian Broadcasting Corporation. My officers have prepared a reply which I shall be glad to place on Hansard. It is as follows:—
>
> > Three of the Class 1-A channels allocated under the Havana agreement to Canada have been assigned to privately-owned stations in order to meet a provision of the treaty that some use must be made of these channels within one year from March 29, 1941, but under the present policy those stations concerned may only use their present power. With regard to the possibility of a misapprehension in this respect on the part of the owners of these stations, there is no vested interest in the licence issued for the operation of a radio broacasting station.
>
> Mr. HANSON (*York-Sunbury*)—
>
> That is to say, the government can refuse at any time to renew the licence?
>
> Mr. HOWE—Yes. It is definitely stated in the Act that there is no vested interest.

I wish I had had that report in my hand last week when Mr. Sedgwick was before us, because it is extraordinary to me, with this on the record, and the publicity that must have been given to it at the time, and with the subsequent references in the minutes of the proceedings of the various committees, that there should be any misunderstanding regarding what was to be the final disposition of these wave-lengths.

Mr. FLEMING: Mr. Chairman, I think I should make an observation. That seems to me to fall very far short of saying that it was the settled policy of the government at that time, or that any radio committee of parliament had

recommended that these three stations were to have their wave-lengths taken over by the CBC system. It is amazing to me, if that was the government policy at the time, that Mr. Howe was careful to avoid saying that very thing. Now that this point has been raised, and it may be of some importance in the light of the present proposal to take over these three wave-lengths, I think we ought to have the secretary conduct a search of the parliamentary records of earlier years. Let us get down to it and see if this matter was discussed, and if, in respect to such discussion, the government or the CBC said that it was the settled policy that these particular wave-lengths were to be taken over by the government. It is not good enough to say that these licences are only held for a year. That applies to everything the government issues. That does not say anything about taking over these particular wave-lengths. We have had statement from witnesses, and there have been disputes raised by them as to whether warnings were given, and warnings of what. Were they warnings of the intention of the CBC or the government to take over these wave-lengths in pursuance of some policy of the government or of these parliamentary committees, or the CBC? I want to be shown where there is a firm public declaration of policy laid down in that respect to take these three class 1-A wave-lengths under the Havana treaty.

Hon. Mr. McCann: Do you regard that as a declaration?

Mr. Fleming: Far from it, Mr. Minister.

The Vice-Chairman: We are not yet at the stage of argumentation. I permitted Mr. Coldwell to make his statement because he was explaining a question he had asked of the witness; and I also permitted Mr. Fleming to make the remarks he has just made. I would say that the suggestion that has just been made, for the secretary to search the records, has been noted for consideration. Right now we should proceed with the questioning of the witnesses. We cannot ask the witnesses to wait here while we argue a certain question of policy.

Mr. Fleming: Could I suggest, at the same time, that we instruct the secretary to make that search, because we will have to go back to that in the light of what has been said.

Mr. Hansell: Now, Mr. Chairman, I did not want to make any observation along this line, but this particular thing is very closely connected with the advice that these stations were given in respect to the continuance of their licences because, if this matter is declared government policy, then, all that had to happen was for the stations to be advised that that was so, and from this day forward you cannot have the licence. There is some considerable confusion in my mind and, I think, in other peoples' minds, and there certainly is some confusion in the minds of the present holders of these licences, I mean the licensees, not merely as to what is the policy, but as to whether or not they have actually been advised. We have had passed around to us these letters that Mr. Love received. There are two particular situations involved. One is Mr. Love's situation and the other is Mr. Sedgwick's. They both gave evidence along this very line, and Mr. Browne has given evidence along this line. I would like to unravel this thing so as to get the dates, together with the notifications scheduled completely in my mind. We have Mr. Love here with us this morning and we have Mr. Sedgwick and Mr. Browne and the minister. Couldn't we go through these things and get, categorically, what happened from year to year in respect to their notifications? I should like to get that because even though we may discuss it pro and con as to what the policy has been in the past and what committees have recommended that still does not solve the problem as to what these stations were advised. I wonder if I could do that.

The Vice-Chairman: You would suggest we do that now?

Mr. Hansell: Yes, I am suggesting we do it now because it is a matter of questioning. If we wait until later we have not got these men with us. They have to go back home.

The VICE-CHAIRMAN: I may say we have had statements made by the officials of the CBC, and we have to take them at their face value. Now we are proceeding to questioning witnesses under the assumption that they will give us what they may have on the subject. Therefore I do not see the usefulness at this stage of going into the matter which you have suggested.

Mr. HANSELL: That is exactly what I want to do, question the present witnesses, and perhaps call Mr. Sedgwick to the stand, too, in case we need to question him.

Mr. FLEMING: May I point out to you we did conduct some examination of Mr. Sedgwick along that line. Perhaps it did not go as far Mr. Hansell indicates, but I would expect we would conduct such an examination of Mr. Love in the same way.

The VICE-CHAIRMAN: Yes, but what you are suggesting now would change completely the agenda which we had set. I understand Mr. Sedgwick is here, but he is not here because he has been called to be here to-day. He had his day. If he is back here he is welcome, but he is not here in order to be called on this matter again. If it goes on like that, should we have something else on which there might be doubt in the minds of the members of the committee, we will never get through with this matter.

Mr. COLDWELL: Is it not quite proper to question Mr. Love, who after all is the owner of the station, on these points? Mr. Porter has presented something which is not really relevant to Mr. Love's operation of the station.

The VICE-CHAIRMAN: I understand that Mr. Love and Mr. Porter are at the disposal of the members of the committee for questioning on any subject whatsoever.

Mr. HANSELL: Now, Mr. Love or Mr. Porter, let us have this. Go back to the year of the Havana Agreement. What did the Department of Transport advise you in that year?

Mr. LOVE: I do not know whether it was that year, but on September 26, 1940, I was advised by Mr. Edwards that CFCN's frequency would be changed from 1030 to 1010 under the provisions of the North American Regional Broadcasting Agreement of Havana.

Mr. HANSELL: We have that here. That is on the top of these letters. That has already been read into the record. I do not think I need to read that now.

Mr. FLEMING: Is that the first one?

Mr. HANSELL: That is the first one. It simply states that CFCN's wave length will be changed from 1030 to 1010 kilocycles. Now, 1941; what were you advised then?

Mr. LOVE: I was advised on February 10 by Mr. Rush, Controller of Radio, that "pursuant to the final allocation made at Washington, D.C., January 30, 1941, under the provisions of the North American Regional Broadcasting Agreement the frequency of your station, CFCN, will be 1010 kilocycles."

The VICE-CHAIRMAN: What was the date of that?

Mr. LOVE: February 10, 1941.

The VICE-CHAIRMAN: It is not in conformity with the excerpts from these letters we have here. What you have just read is supposed to be from a letter dated September, 1940.

Mr. FLEMING: No, no. We are on the second sheet.

The VICE-CHAIRMAN: Oh, all right.

Mr. HANSELL: We will now go to 1942, and there is nothing here in these letters. What happened in 1942?

Mr. LOVE: Nothing happened in 1942. I just got my licence.

Mr. HANSELL: Was there any notification on it at all that it might possibly be required?

Mr. LOVE: None. "This frequency is assigned subject to regulation 15 of Part 2 of the radio regulations issued by the minister in accordance with section 4 of the Radio Act."

Mr. COLDWELL: What is that regulation?

Mr. FLEMING: I think we know that one pretty well by heart now.

Mr. COLDWELL: It is just as well to put that on the record right here.

Mr. LOVE: Regulation 15 reads as follows:—

> The allotment of a frequency or frequencies to any station does not confer a monopoly of the use of such frequency or frequencies, nor shall a licence be construed as conferring any right or privilege in respect of such frequency or frequencies.

Mr. HANSELL: That is 1942. Let us get 1943. What happened then?

Mr. LOVE: No notation on the licence.

Mr. HANSELL: Was any advice given?

Mr. LOVE: Nothing whatsoever; it was one of those small licences.

Mr. HANSELL: Is not the same notation on that?

Mr. LOVE: No.

The VICE-CHAIRMAN: Let us see that.

Mr. COLDWELL: Is that a licence or a renewal?

Mr. LOVE: Every licence we got after the original would be a renewal of licence.

Mr. COLDWELL: So any endorsements on the original would be carried forward by the renewal?

Mr. LOVE: No, this is a licence.

The VICE-CHAIRMAN: Did you not receive along with this a long sheet like the one from which you have read?

Mr. LOVE: Not that year; that is all I got.

The VICE-CHAIRMAN: That is all you got for 1943?

Mr. LOVE: That is right.

The VICE-CHAIRMAN: In 1942 you received the same sort of licence together with this long sheet of paper on which there was the endorsation which you have read?

Mr. LOVE: Yes.

Mr. HANSELL: No notification in 1943.

Hon. Mr. McCANN: Might I interject here for a minute? I suggest to you that both the letter of September, 1940, and the letter of the 10th of February, 1941 were short in that the notification did not state that these frequencies were allotted to Canada, and that the communication of the 10th of February 1941, would have been much simplified and more explicit had it read:—

> In confirmation of my telegram of the 4th of February, 1941, I wish to advise that pursuant to the final allocation made at Washington, D.C., 30th January, 1941, under the provisions of the North American Regional Broadcasting Agreement, which allotted certain frequencies to Canada, the frequency of your station will be 1010.

I suggest that was the intent, and that the direction could have been more explicit and would have saved a good deal of controversy.

Mr. FLEMING: It would have needed to have been a good deal more explicit to settle this controversy.

Hon. Mr. McCann: I am only stating what was the intent and what, in my judgment, was the situation.

Mr. Hansell: We are glad to know what the intent was but the licences can only go by the bold face hard type they read in the letter. Now we come to 1944. What happened in 1944?

Mr. Love: I got another licence in the small form with no notation on it.

Mr. Hansell: No notation there.

The Vice-Chairman: No other sheet?

Hon. Mr. McCann: It is not on the back of it?

Mr. Love: No.

Mr. Fleming: The back is blank.

Mr. Hansell: Then we come to 1945, and I suppose this might be termed the crucial year. In 1945 we have a letter which is on the next page of the documents that the members have. This is the letter that came with your licence?

Mr. Love: That is right.

Mr. Hansell: Is there anything marked on your licence this time?

Mr. Love: Yes, and it is called to my attention in the letter.

Mr. Coldwell: Was there a letter accompanying the other two slips?

Mr. Love: No.

Mr. Coldwell: No letter?

Mr. Love: No.

Mr. Coldwell: Just in an envelope without anything accompanying it?

Mr. Love: I had several licences at the same time and it was just included in a letter.

Mr. Coldwell: They did not even say, "Enclosed is renewal"—

Mr. Love: I have no record of it.

Mr. Hansell: In connection with 1945 I should like to read this paragraph again. The letter is addressed to you by Mr. Rush, Controller of Radio, on May 16, 1945.

> Your attention is drawn to the endorsation on the licence for CFCN which is pursuant to the recommendation of the Board of Governors of the Canadian Broadcasting Corporation to the Minister and appears on all broadcasting station licences issued this year where such stations occupy Canadian 1-A channels.

Would you take from that paragraph that the minister to whom it refers or the government had accepted the recommendation of the CBC? It does not state so there, anyway.

Mr. Fleming: May I suggest you make that first word "did" rather than "would".

Mr. Hansell: "Did that suggest to you"—I will change that word.

Mr. Love: At that time I do not recall just exactly what the suggestions may have meant to me but I immediately got in touch with my solicitor because that was quite a shock, and I wrote by registered mail to the Controller of Radio as per the copy of my letter of May 21.

Mr. Hansell: I will make this observation, if I may, as I proceed in questioning. I want to call your attention to the evidence printed on page 466 at our last sittings. I asked Mr. Browne when the recommendation of the Board of Governors was accepted by the minister. Near the bottom of the page you will read:

Mr. BROWNE: I have one date which is the 25th of April, 1945, that the minister approved of the Board of Governors' recommendation which emanated from their meeting of April 7 to 9. I think that is the meeting in question.

I want to point out that the minister gave approval to that recommendation on the 25th of April, 1945, and that in the letter that was written on May 16, 1945, which is about three weeks afterwards, Mr. Love was not informed that the minister had adopted that recommendation. I maintain that is not explicitly stated in that paragraph.

Mr. COLDWELL: Is that the correct date? Is it 1945 or 1946?

Mr. BROWNE: 1945.

Mr. COLDWELL: I just wanted to be sure.

Mr. HANSELL: I tried to point out at our last meeting that it was 1946 but Mr. Browne said 1945.

The VICE-CHAIRMAN: Before you go any further, can you tell me, Mr. Love, whether or not before 1943 you received your licence on the form that I show to you now or on this form?

Mr. FLEMING: For the purpose of the record you had better distinguish them by discription, short or long form.

The VICE-CHAIRMAN: The long form or short form certificate.

Mr. LOVE: In the early days we used to receive two or three pages to our licence; then they got them down to a single page. We had a single page until the year 1943 and 1944 which were on the small sheets; and then in 1945 they went back to the short form again.

The VICE-CHAIRMAN: In 1942, when we started this examination there a moment ago, you read to us an endorsation which appeared on your licence issued under the form of the long sheet. First, if you remember, you referred to a letter which had been sent to you in 1940 and then another letter on February 10, 1941. Then a question was asked about what happened in 1942 and you read an endorsation on your licence which was issued to you under the form of the long sheet. Then the next question was what happened in 1943. Did you have an endorsation in 1943 on your licence?

Mr. LOVE: I did not.

The VICE-CHAIRMAN: You did not. But on your licence it reads: "Licence No. 29 will continue in force until March 31, 1945, subject to the provisions of regulation 5 of the radio regulations part II, issued by the minister under section 4 (*c*) of the Radio Act, 1938." What is this section 5?

Mr. LOVE: It reads: "Duration of licence: "all licences shall continue in force for the period commencing on the date of issue thereof and ending on the following 31st day of March."

The VICE-CHAIRMAN: I have here the text of article 5 which was amended in 1943. It says this. I will read the full article:—

> 5. Duration of licence: All licences shall continue in force for the period commencing on the date of issue thereof and ending on the following 31st day of March; provided, however, that licences for all stations, except private receiving stations, may be continued in force from year to year upon payment of the appropriate annual licence fees, subject to termination by the minister at the end of any fiscal year without payment of compensation and without notice.

Would you not consider that the change made in the form of the licence in 1943 and 1944 the equivalent of what it was and even more clear than what it was in 1942 and the previous years when you first started to receive the endorsation according to section 5?

Mr. LOVE: I would not consider there was any change because we have been operating under that basis always.

The VICE-CHAIRMAN: I know it may not have been clear in your mind, but in 1942 and previous to that you received letters; and in one other year I think you had this endorsation which says that your licence is subject to section 15 of part II. In 1943 the endorsation which appeared for 1942 does not appear on your licence. But section 5 had been amended in 1943 and then your certificate reads that your licence will be issued subject to section 5; that is the new amended section 5 which reads as I have just read to you and which is more specific than regulation 15, as far as it refers to the termination of licence at any time the minister will see fit.

Hon. Mr. MCCANN: Mr. Chairman, may I ask Mr. Love a question there?

The VICE-CHAIRMAN: Yes.

Hon. Mr. MCCANN: You did not consider this as a licence?

Mr. LOVE: I certainly did, Mr. Minister.

Hon. Mr. MCCANN: Oh, no. This is a certificate of continuance of your licence. You had your licence and all during the war years, in place of issuing a new licence every year, from the point of view of economy all that was given was a certificate of continuance and this specifically says that licence No. 29 covering so-and-so will continue in force, this is your certificate and pin it to your licence. So that everything that was on the licence originally was continued, and that was the certificate to continue with permission to operate that station.

Mr. ROBINSON: Mr. Chairman, are these licences and certificates being filed? A good deal of reference is being made to them and I was wondering if they were being filed or not.

The VICE-CHAIRMAN: What is that question again, Mr. Robinson? I did not get it.

Mr. ROBINSON: These licences and certificates to which Mr. Hansell has made reference in his questioning were what I was referring to. Are they being filed with the committee now so they will be available for later use?

The VICE-CHAIRMAN: That procedure has been discarded. In the case of CFRB, I am informed that it was considered that the licence was the private possession of the licensee and that there would be no filing of such documents.

Mr. COLDWELL: Copies could be made.

The VICE-CHAIRMAN: It would be possible.

Mr. COLDWELL: Photostatic copies could be made and we could have those photostatic copies here.

The VICE-CHAIRMAN: Yes; or they could be left with the committee and returned.

Mr. COLDWELL: Whichever Mr. Love prefers.

The VICE-CHAIRMAN: Yes.

Mr. LOVE: I have no objection to placing it on file if the minister will permit me to carry on in the meantime. That is the only licence I have got to operate.

The WITNESS: I suggest the current one.

Mr. LOVE: I have not this year's.

Hon. Mr. MCCANN: May I interject again to clear up this one point. There was a letter that went through the Controller of Radio and it is dated April 19, 1943.

Mr. HANSELL: What is the date, Mr. Minister?

Hon. Mr. McCann: The date is April 19, 1943. It is signed by Mr. Rush, Controller of Radio, is addressed to The Voice of the Prairies, Ltd., Calgary and reads as follows:—

> I have pleasure in enclosing herewith forms to be attached to licences Nos. 29 and 30 for private commercial broadcasting stations, call signs CFNC and CFVP stating that said licence will continue in force until March 31, 1944.

That is the covering letter that went with the certificate—with the instruction that that was to appended to the licence,—which was to the effect that the licence continued under the same conditions as outlined in the licence.

Mr. Fleming: The letter does not say anything about conditions and could very easily have done so.

Mr. Hansell: I do not think that letter alters the situation at all.

Mr. Fleming: Not one iota.

Mr. Hansell: Now, might I proceed along these lines and bring out another point. According to the evidence referred to, Mr. Brown stated that the minister adopted the recommendation of the CBC on 25th April, 1945. Could I ask, Mr. Minister, if you recall any public announcement being made of that decision?

The Acting Chairman: Is that question directed to Mr. Love or Mr. Porter?

Mr. Hansell: No. I was asking the minister whether any public announcement was made of that.

The Hon. Mr. McCann: I missed the question.

Mr. Hansell: I was asking whether any public announcement was made of that when you made that decision.

Hon. Mr. McCann: The announcement, if any, would be made by the Minister of Reconstruction, Mr. Howe.

Mr. Hansell: I see. Then, Mr. Love, did you read in the papers or was any announcement drawn to your attention that the minister had accepted the recommendation of the Board of Governors?

Mr. Love: No. I had no knowledge of it.

Mr. Hansell: You have a press service in your radio station, I believe. You told us that the other day. I should imagine that your news editor would call that to your attention if it came over the wires.

Mr. Love: Yes, he would.

Mr. Hansell: And he did not do so?

Mr. Love: No, sir. I had no such information.

Hon. Mr. McCann: That is not regarded as a medium of official communication.

Mr. Hansell: I am only pointing this out. Here are stations here in Canada that operate on A1 channels. The matter of the corporation requiring those channels had been intimated over the air. The Board of Governors make a recommendation to the minister. The minister accepts the recommendation and nobody hears anything about it. I will say this. If that had gone out through any regular channel whereby the public might know what the government is doing, certainly the Canadian Broadcasting Corporation in their news despatches would have told the country. Evidently nobody knew anything about it. Following that—

Mr. Fleming: Would you permit an interjection there, Mr. Hansell?

Mr. Hansell: Yes, certainly.

Mr. Fleming: I should like to go back to the expression used a moment ago by the minister, Mr. Chairman. He said, in reference to the news service,

that that was not a channel of official communication. If there is some additional official communication from the government beyond what has been given to the committee already by Mr. Browne, and which we considered complete, I think we ought to have it now. Let us not waste time on surmises. If there is any other official communication, then I would urge that the minister give it to us now.

Hon. Mr. McCANN: Call the Minister of Reconstruction and ask him. He is the one to deal with it. I have not to deal with it.

The VICE-CHAIRMAN: Would it be satisfactory if this matter was referred to the steering committee for ultimate decision?

Mr. FLEMING: Mr. Chairman, I think this is an issue which we had better settle right here and now. I do not think it is fair to the committee to have vague suggestions about some other official communication somewhere that we have not got. If there is some official communication, let us have it. Surely the government can give us that. We had Mr. Browne before us,—and Mr. Browne comes from the Department of Transport,— and he gave us a reference to communications. I think the committee understood that that was a complete reference. Either the committee is going to deal with this matter on the basis of the record before it, which is Mr. Browne's record, or it is going to ask, I take it, for something further in the way of official evidence before it. Surely we are not going to go on basing any questions or considerations on surmises that there is some other official communication somewhere in somebody else's file that has not been given to the committee.

The VICE-CHAIRMAN: I understand that the witnesses who have been heard previosuly, either from the CBC or the Department of Transport, after we are through with the people who wanted to be heard, will come back before this committee for any further questioning you may want to do.

Mr. FLEMING: That is the CBC.

The VICE-CHAIRMAN: Mr. Browne also.

Mr. FLEMING: No. Mr. Browne's evidence we thought was a complete presentation. Mr. Brown comes from the Department of Transport and that is what is under the jurisdiction of the Minister of Reconstruction, Mr. Howe.

The VICE-CHAIRMAN: We can always change our minds.

Mr. HANSELL: Mr. Chairman, Mr. Browne, has been called intermittently throughout these hearings, and there is no reason why we should change that policy now. I should like to ask Mr. Browne a question or two in respect to this same matter.

The VICE-CHAIRMAN: I think Mr. Browne will be available.

Mr. COLDWELL: Mr. Chairman, what are we trying to get at? It seems to me what is being argued here today is that the station has been treated unjustly and that the station had some vested interest in the wavelength.

Mr. HANSELL: I would not say "vested interest".

Mr. COLDWELL: I think it has been pretty well established throughout the years that no such vested interest was established.

Mr. FLEMING: That is what the statute says. There is no quarrel about that.

Mr. COLDWELL: Then what are we arguing about?

Mr. FLEMING: Well, I take it we are trying to get at the fact as to whether there was some communication about the assumption by the CBC or the government or both of the wavelengths enjoyed by these three stations or any of them which held class 1A licences. That is the question. There is no one who questions the terms of the statute.

The VICE-CHAIRMAN: You are talking about an official communication on top of the notifications which have already been sent to the owners of these licences.

Mr. FLEMING: I am talking about any formal notification with reference to the assumption by the CBC or the government of the wavelengths of those three stations which have class 1A wavelengths. Surely we do not need to waste time talking about the terms of the statute or the regulations. Nobody questions them. It just does not matter whether they are on the licence or not. There is the statute and the regulations and the licensees are bound by them. Surely we do not need to spend time on that. What we are talking about are communications with reference to the assumption of these three wavelengths or any of them by the CBC. If there are any other communications from the government or the CBC to the licenses about that, let us have that settled and clarified and not waste time. I want to get at the facts.

Mr. COLDWELL: When you got your original licence, Mr. Love, were you notified in any way by letter that you held a wavelength,—not necessarily this wavelength,—from year to year, and that it was not something that was allotted permanently?

Mr. LOVE: I do not recall what came with the original wave length. We have always been under the assumption the wave length was a Canadian wave length and we would have it as long as we were acting properly and with good behavior.

Mr. COLDWELL: Is that quite correct, Mr. Love, because again I would repeat that throughout the years personally—and not as Mr. Sedgwick suggested because I was better informed by the CBC—I followed radio pretty thoroughly, and I have been under no misunderstanding regarding the matter that when the CBC decided to take over these class 1-A stations they would take them over, and that in the meantime they were allotted to the station that held them simply to keep the wave length intact for Canada.

Mr. LOVE: That was certainly far from my understanding.

Mr. COLDWELL: That has been my understanding throughout.

Mr. LOVE: It was far from my understanding.

The VICE-CHAIRMAN: Do you admit you could have been wrong?

Mr. LOVE: I admit if I did something wrong as far as operating the station—

The VICE-CHAIRMAN: No, do you admit that you could have been wrong in understanding what you did understand, that the class 1-A channel still belonged to you?

Mr. HANSELL: I do not think that is a fair question, with all due respect to you, because anybody can be wrong. We are all human. The government can be wrong. As a matter of fact, I think they are wrong in this thing.

Mr. COLDWELL: I am waiting until I see the record.

Mr. Ross (St. Paul's): You did not feel all these years, as a matter of fact, that you were just being used as a convenience for the CBC until such time as the CBC felt they could spend enough money to take over your wavelength and put up a high power station? You did not go on developing your audience and developing your station under those conditions, did you?

Mr. LOVE: If it had not been common policy all through the years why would we spend so much money in developing a broadcasting station? I have not made any money in recent years because I ploughed it all back into the business. I would not have done that if I had thought I was going to lose my licence.

Mr. HANSELL: There is another matter closely related to this. I understand, Mr. Love, that you have been offered the frequency 1060 in place of 1010. That is already occupied by CJOC, Lethbridge?

Mr. LOVE: That is right.

Mr. HANSELL: May I ask Mr. Browne when this frequency was assigned to this station? I may as well ask him the same thing in respect of the frequency that is offered to CFRB. CFRB is now on 860 and they have been offered 1550, the wave length of CKTB. I understand that CKTB is in St. Catherines. I will put them both together. When were those frequencies assigned to these stations?

Mr. BROWNE: That is to CKTB, and which other station?

Mr. HANSELL: CJOC.

The VICE-CHAIRMAN: Do I understand that you intend to question Mr. Browne?

Mr. HANSELL: Yes.

The VICE-CHAIRMAN: I just want to remind members of the committee that yesterday I asked that a point be cleared up right away. I asked the committee to consider hearing the officials of the CBC to clear up that point and I was ruled out of order. Now I am in the chair I really do not know what I should do. Having that in mind I would simply suggest that we go on with Mr. Love and Mr. Porter.

Mr. HANSELL: I cannot get the information from Mr. Love. How does he know when CJOC in Lethbridge—

The VICE-CHAIRMAN: I was in the same position yesterday. I could not get the information from the witness and I wanted to have it from the CBC. I was ruled out of order.

Mr. FLEMING: The ground of distinction between yesterday's case where I supported you and to-day's case is that Mr. Browne is not the CBC. Mr. Browne has been before us intermittently and as was pointed out in calling him we are not calling the CBC. It is understood that the CBC is being called last.

Mr. HANSELL: I do not think the case is a parallel case.

The VICE-CHAIRMAN: That is one way of putting it.

Mr. HANSELL: I do not think the case is a parallel case. All the evidence submitted by Mr. Beaudry was left over until the CBC came to us, but we have been discussing wave lengths right along. That almost seems to be the crux of the whole matter.

The VICE-CHAIRMAN: I would urge the members of the committee to consider that very seriously. If we are going to call back now either Mr. Browne of the Department of Transport or the officials of the CBC then we will never get through with Mr. Porter and Mr. Love.

Mr. HANSELL: All I will say is this. Will you permit me to ask Mr. Browne these questions and he can bring in the answers some other time?

The VICE-CHAIRMAN: Surely.

Mr. HANSELL: I should like to know when the frequencies 1550, CKTB, and 1060, CJOC, were assigned to those stations. Further I should like to know whether those stations were notified that they may later lose those frequencies, and if so I should like to know what form that notification took.

Mr. FLEMING: One of those is the Lethbridge station?

Mr. HANSELL: Yes.

Mr. COLDWELL: May I add one question to that for my own information? Have other frequencies been changed from time to time over the last—how many years have you in mind, Mr. Hansell?

Mr. ROSS (*St. Paul's*): Since 1941.

Mr. HANSELL: Since the Havana Agreement.

Mr. COLDWELL: How many frequencies have been changed in Canada since the Havana Agreement?

The VICE-CHAIRMAN: You have those questions?

Mr. FLEMING: May I add a couple to the questions Mr. Browne is going to bring in answers on?

Mr. HANSELL: I have just one more. Would you submit to the committee a letter dated March 7, 1941, from your department to CKTB.

Mr. FLEMING: My request to Mr. Browne will be in a little broader form. Will he bring into the committee any official communications to any of the three private stations holding these class 1-A wave lengths at any time with reference to the subject of assumption by the CBC or the government of those wave lengths for the CBC? That is any such official communications which have not already been put before the committee.

Mr. ROSS (*St. Paul's*): Since 1941.

Mr. FLEMING: Since any time. I am not putting any limitation on it as to time. Mr. Browne has given us certain communications. In other words, I want to know if they are complete. If they are that is the end of it, and if they are not complete then I should like him to complete the dossier of communications.

The VICE-CHAIRMAN: Any other questions?

Mr. HANSELL: I should like Mr. Love to amplify this a little bit for the committee. In your brief you stated that if you were moved to the other wave length it would cut out all the southeast and southwest areas that you now are able to serve?

Mr. LOVE: All but the southeast and southwest.

Mr. FLEMING: If I may break in there I have something else to ask Mr. Browne. I am sorry, but may I just add this to Mr. Browne's problems? Will he also make sure that we have before us the complete communications between the Department of Transport and the CBC in relation to the same subject?

The VICE-CHAIRMAN: Together with the letters accompanying the licences.

Mr. FLEMING: Anything that represents an official communication of any kind. Let us have it before us and then there will not be any more argument about something that is not here.

Mr. HANSELL: To get back to this, I made a slight mistake there. You would be cut out of all areas which you now serve except the southeast and southwest areas. Is it not true that the southeast area is a drought area which is very sparsely settled and the southwest area is a mountainous region which is also very sparsely settled, if at all?

Mr. LOVE: That is quite correct.

Mr. HANSELL: So as far as audience is concerned you would be cut out of nearly all of it?

Mr. LOVE: As I said, draw a line north of Medicine Hat into the mountains through there, and with the exception of this strip down in here and down into the mountains there I am practically eliminated at night.

Mr. HANSELL: I do not think the committee is very familiar with that country and I thought I might bring that out. Mr. Porter, when you were in

Vancouver you submitted the suggestion to the Board of Governors that you have suggested here, the same suggestion that they take over 1060, and that you thought they could arrange with Mexico and the United States in order not to interfere with that wave length?

The WITNESS: The suggestion was that the wave length which under the treaty is limited to 10,000 watts could by agreement with the United States and Mexico, if such an agreement can be made, be taken to 50,000 watts and used, if the CBC so desire, for their purposes in Alberta because if it is located somewhere in the southeast side of the province Mexico and the United States could be adequately protected, and the signal would be thrust over the whole of Alberta. I suggested to them under those circumstances Mexico and the United States would have no reason for refusing because they surely would not be interested in the size of that signal going northward into Alberta.

By Mr. Hansell:

Q. Did they give you any indication they would be willing to take that up with Mexico and the United States?—A. At that time the proposal was simply considered as a proposal, and subsequently I have had discussions with Dr. Frigon and Mr. Dunton looking to the use of that wave length in that manner. We explored to see if there were any others we could find. Beyond those discussions the matter has not proceeded so far as I know.

Q. You do not know whether the CBC has discussed the matter formally or has communicated with Mexico?—A. No, I have no idea.

Mr. HANSELL: There are just one or two other matters. This is not very important but you mentioned, Mr. Love, that you put over your station the educational programme "Young Canada Listens"?

Mr. LOVE: Yes.

Mr. HANSELL: Are you paid for that?

Mr. LOVE: No, that is a part of the service.

Mr. HANSELL: A part of the service you give?

Mr. LOVE: Yes.

Mr. HANSELL: In other words, you broadcast a CBC feature without being paid for it?

Mr. LOVE: That is right. I could elaborate on that. We take many, many CBC features that we think are good and should go to the people of Alberta.

The VICE-CHAIRMAN: That increases your good will?

Mr. LOVE: Not this kind. These are educational programmes, and in many instances affect my audience.

Mr. HANSELL: It should increase your good will with the corporation.

Mr. LOVE: I do not look at it that way. I try to do it for my audience.

Mr. HANSELL: When Mr. Sedgwick gave evidence he told us that he donated time to charitable organizations, and so forth. I did not recall that you told us anything about that yesterday. Do you do that very much?

Mr. LOVE: Oh, yes. I thought I elaborated on that very extensively. It is in the brief very fully. I did not refer to something I see that Mr. Sedgwick had referred to and that is returning cheques. Many times some organization is promoting some affair and they send you a cheque for $50 or $100 and say that is their contribution towards publicizing this. We invariably return that where it is a non-profit organization, with our compliments.

Mr. HANSELL: There is another matter I wish to ask about and that is with respect to your staff. In previous briefs we have heard how the private stations treat their staffs in one way or another, and in the matter of what

they pay them. Would you say that your salaries in that light compared very favourably with salaries paid to the staff of the CBC?

Mr. LOVE: I do not know the CBC salaries. But we have always had a feeling that we probably pay a little more than the general run of salaries in our country.

Mr. HANSELL: Then may I ask if you have a pension plan?

Mr. LOVE: Yes, we have a very comprehensive pension plan. We pay 65 per cent to the 35 per cent of the employees. We pay all the past service. We also, and have for years—and it has not been questioned by the War Labour Board, I think you call it—given them either a month's or half a month's bonus at Christmas time.

Mr. HANSELL: Are your employees pretty well satisfied?

Mr. LOVE: I have never had any staff trouble.

Mr. HANSELL: There is one other question I wish to ask. I do not know what might be involved in this, but it has been rumoured around by innuendo and sometimes by direct statements that the private stations are quite profit-making institutions. You have been good enough to submit some figures and so did Mr. Sedgwick. It is no use my asking you whether you are or not, because we anticipate what your answer would be. But I think this, Mr. Chairman, that if anyone has any questioning on this matter of whether or not the private stations are profit-making institutions, or more so comparatively speaking than any other similar industry, this is the time to ask when these men are submitting their financial statement.

Mr. COLDWELL: If Mr. Hansell is giving an invitation to that effect, I would ask Mr. Love—I think he has already done so—to place on the record a statement analogous to that placed on the record by CFRB showing the profit and loss. I think you have already done so.

Mr. LOVE: My statements are already on file.

Mr. COLDWELL: Yes, you have done so.

Mr. LOVE: Off the record, though.

Mr. COLDWELL: Of course. They are in the hands of the chairman.

The VICE-CHAIRMAN: Yes.

Mr. COLDWELL: For the use of the chairman and the committee.

Mr. LOVE: Any member of the committee.

Mr. COLDWELL: I understand.

The VICE-CHAIRMAN: That is the understanding.

Mr. HANSELL: There is just this question. In order to understand the financial position of the radio industry there is one thing we have got to recognize, and my question is this: do you regard the radio industry as more or less distinct from some other industries in respect to their financial stability in relationship to the future? I wrote that down and maybe you do not understand that. I understand it myself, but this is what I have in mind. The clothing business, for instance, is a business that does not change much. They order their stock. They change their styles a little bit. But they do not take very much chance on the future. They may have a little sinking fund in case something goes wrong with their business, but it is more or less an established business that is stabilized over the years if conditions are reasonable.

Mr. KNIGHT: You are coming back to shirts again.

Mr. HANSELL: Yes. But in the case of radio the future is uncertain. It is an industry that is developing. Is that so? Is it distinct from other industries in that respect? Would you like to comment on that?

Mr. LOVE: Yes, very much so, Mr. Hansell; in fact, more so, in connection with recent developments. But I do think that in this industry, referring to

my own and many that I am familiar with, some of us did not use good judgment in building sufficient reserves to take care of the rapidly changing conditions in the business and we ploughed probably too much of it, from a business viewpoint, back into programmes and services.

Mr. HANSELL: Yes. That is about what I wanted to get. This involves another department because it is a matter of finance policy of the country and the government with respect to taxation. Are you permitted to put back certain reserves for the future?

Mr. LOVE: Just depreciation; and there are very few stations in Canada that I have any knowledge about that have sufficient reserves to take care of their future requirements without digging into other resources probably. In my own case I would have to go outside of what I have in the station. I would have to go to other private resources to take care of expansion in view of taxation and our policy of service.

Mr. COLDWELL: Have you some other resources?

Hon. Mr. MCCANN: If you wished to expand you would have to increase your capital.

Mr. COLDWELL: Is this your sole business?

Mr. LOVE: It is practically my sole business. I have the other odd investment.

Mr. COLDWELL: I am not asking about that. I am asking if you have some other business.

Mr. LOVE: No. I have devoted by entire time to the broadcasting industry since 1936.

The VICE-CHAIRMAN: I think we should give Mr. McCann a chance to repeat his question.

Hon. Mr. MCCANN: I was just going to say that if you want to make any expansion you have got to increase your capital if your reserves are not sufficient.

Mr. LOVE: That is right.

Hon. Mr. MCCANN: If your depreciation reserves are not sufficient to make the expansion in business.

Mr. LOVE: That is right.

Mr. HANSELL: I am not admitting that you make a lot of profits; but for the sake of argument, if you did make a little more profit than some other industry, would you not be justified in doing that because of the very nature of your industry being an expanding industry?

Mr. LOVE: I think you are absolutely right, Mr. Hansell.

Mr. KNIGHT: If Mr. Hansell has finished with his last question, I should like to ask a few. I know Mr. Love has a very good reputation in regard to what we might call community service as compared with some other stations, according to the record as I have looked it up. I wanted to ask this. I presume you have a record or you have statistics which would be easily available to you which would prove what the percentage of time is that you spend on such community service as opposed to the time you spend on commercial service.

Mr. LOVE: I gave you the figures yesterday, Mr. Knight; but I think possibly the statement could be further broken down.

Mr. KNIGHT: Yes.

Mr. LOVE: We keep no record of that because it is a policy of our station to do that very work.

Mr. COLDWELL: You have a log?

Mr. LOVE: Yes.

Mr. COLDWELL: From your logs you could find out, if you took the trouble to do it?

Mr. LOVE: It is quite a job. I started to do some of that, and it is a tremendous job.

Mr. KNIGHT: You could give one a fairly close estimate?

Mr. LOVE: It varies from time to time, according to the circumstances as they arise. But our policy has been to take care of all occasions, all instances that come under that category.

Mr. KNIGHT: Do you vary from week to week?

Mr. LOVE: Yes, absolutely.

Mr. KNIGHT: The log would show that?

Mr. LOVE: That is right.

Mr. KNIGHT: I was asking that question of Mr. Sedgwick on a previous occasion, and he said it would be impossible even to give a guess at anything like percentages.

Mr. LOVE: I explained yesterday that when you are running a news service, for instance, like ours, we think some big affair coming off in the community, or the postponement of such, is news; and that is included. I think that is a service. But how am I going to compute that in arranging statistics as Mr. Coldwell or yourself has suggested?

Mr. KNIGHT: I suppose it hinges on what one's definition of community service is.

Mr. LOVE: That is right.

The VICE-CHAIRMAN: Are there any more questions?

Mr. FLEMING: I have a few.

Mr. ROSS: I have a few also.

Mr. FLEMING: Shall I start?

The VICE-CHAIRMAN: Go ahead.

Mr. FLEMING: Mr. Love, yesterday Mr. Porter indicated what in his view might happen if the plans for reorganization of ownership of the station did not proceed. Suppose this plan of reorganization does not succeed. What is your intention? Do you propose willingly to yield up this station or this wavelength?

Mr. LOVE: I certainly do not.

Mr. FLEMING: I am asking for your opinion, now. Do you think it would be fair, quite apart from the matter of reorganization, to ask you to give up your station to the CBC?

Mr. LOVE: I think it would be very unfair.

Mr. FLEMING: On what do you base that statement?

Mr. LOVE: Well, I base it on the history of Canada, and on the fairness of Canadians, I banked on it, and I have put close on 25 years of service into radio—and I think the best that any man could do. That is a pretty hard question to answer. I do not think Canadians would do that to another Canadian.

Mr. FLEMING: Are you agreeable to the plan of diffused ownership that Mr. Porter outlined yesterday?

Mr. LOVE: Yes, I am in full accord with that.

Mr. FLEMING: Mention was made yesterday of the willingness of your station to raise its strength to 50 kilowatts. Are you prepared to do that at once if you are given the opportunity.

Mr. LOVE: I am prepared to do that at once. I applied some time ago.

Mr. FLEMING: Were you ever given a refusal by the CBC?

Mr. LOVE: No, I was not.

Mr. FLEMING: To that request?

Mr. LOVE: No, I was not.

Mr. FLEMING: How many times did you make the request of them?

Mr. LOVE: Well, it has been on file and it has been discussed many times in the department; but I think there is just the formal application on file.

Mr. FLEMING: You met with the CBC board the odd time, have you not? You met them at least once?

Mr. LOVE: Mr. Sedgwick represented the three stations. Mr. Joseph Sedgwick represented the three stations. I just do not know when that particular time was, but I could not be here and I telephoned from Vancouver asking Mr. Sedgwick to represent me on that occasion.

Mr. FLEMING: Mr. Sedgwick in his evidence put forward the opinion that the CBC wanted his wavelength for two reasons: first, they wanted the listening public and second—and perhaps even more important—they wanted his commercial contacts, particularly the United States programmes from, I think it was, the National Broadcasting Company.

Mr. ROSS: Columbia.

Mr. FLEMING: The Columbia Broadcasting Company. Have you anything to say on those two points as applied to your own station?

The VICE-CHAIRMAN: You are referring to Mr. Harry Sedgwick this last time?

Mr. FLEMING: Yes.

Mr. LOVE: I have a lot of thoughts but I cannot at this moment put them into words. I would rather not put them into words. I cannot explain myself.

Mr. COLDWELL: You are not an outlet for one of the chains?

Mr. LOVE: Yes. I am a member of the dominion network.

Mr. COLDWELL: I mean, one of the American chains?

Mr. LOVE: No.

Mr. COLDWELL: They are in a different position altogether from CFRB in that respect.

Mr. LOVE: In that respect.

Mr. FLEMING: What do you say about your listening public if CBC takes your wavelength and you go to another? Do you expect there will be any great disturbance to the public?

Mr. LOVE: I have yet to find in Alberta, as between the two sides—and we have no scrap with the CBC—anybody who has taken their side.

Mr. FLEMING: Other witnesses I think—those who represented the Canadian Association of Broadcasters as well as Mr. Sedgwick, speaking for CFRB—said they were quite definitely in competition with the CBC. What do you say about that?

Mr. LOVE: There is no doubt that the CBC is in competition with the private stations, and they propose to go further into that. According to press reports there is a rumour they are going into the spot business which will be disastrous to many private stations.

Mr. FLEMING: Are you in competition with other private stations in Alberta?

Mr. LOVE: Yes, very much.

Mr. FLEMING: Have you any comments to make, apart from the one you have just made, on CBC commercial policy as related to fair conditions of competition?

The VICE-CHAIRMAN: As far as CFCN is concerned.

Mr. FLEMING: I am speaking in relation to his own station.

Mr. LOVE: I would have to go back to the early days when I recommended the bringing in of choice American programmes to hold our Canadian listeners to our stations, so I am in full accord with CBC policy of bringing in outstanding programmes.

Mr. FLEMING: But on the commercial aspect have you any further comment to make other than the one you have made now about the CBC going into commercial spot announcing?

Mr. LOVE: I do not think they should do that. I think that is getting away further, as Mr. Coldwell says, from the policies that have been enunciated in the committees all these years.

Mr. FLEMING: I have not quite finished and it is 1 o'clock.

Hon. Mr. McCANN: May I ask a question because I am afraid I may not be able to be here this afternoon? You say you made an application to the CBC to raise your power to 50,000 watts?

Mr. LOVE: That is right, Mr. Minister.

Hon. Mr. McCANN: In the face of what was known as to the policy of the Canadian Broadcasting Corporation and the recommendations of committees throughout the years with reference to giving high power to privately owned stations what do you think your chances were of getting it?

Mr. LOVE: Mr. Minister, I never had any idea their policy was to take my station from me, the wave length.

Hon. Mr. McCANN: I am not talking about that. I am talking entirely about the raising of the power you have to 50,000 watts. In view of the policy of the corporation and in view of the recommendations of the committees throughout the years with reference to not allowing private stations to raise to high power did you not consider that your chances of having your request granted were pretty slim?

Mr. LOVE: No, I did not.

Hon. Mr. McCANN: Practically nil?

Mr. LOVE: Because I did not have any evidence the policy was set.

Hon. Mr. McCANN: Well, if you had desired to be informed as to what it was you could have known the policy from what Mr. Howe stated in 1941.

Mr. LOVE: Mr. Howe did not state a policy there according to my judgment.

Hon. Mr. McCANN: I do not know what other interpretation you could put on that.

Mr. FLEMING: Why does the government not write a letter?

Hon. Mr. McCANN: Write a letter on what?

Mr. FLEMING: To the station and tell them the minister is making an ambiguous statement in parliament telling people what sort of fate awaits them. I think it is ridiculous.

Hon. Mr. McCANN: It was not ambiguous.

The VICE-CHAIRMAN: What about this afternoon? Shall we meet at 3.30?

Some Hon. MEMBERS: Yes.

The committee adjourned at 1.05 p.m. to resume at 3.30 p.m.

The committee resumed at 3.30 p.m.

The VICE-CHAIRMAN: Gentlemen, I see a quorum.

Mr. Ross: Mr. Chairman, before we start I have a little complaint to put in. I asked a question in the House of Commons some time ago. It is on page 259 of

Hansard. I do not need to read it; the committee knows what it is. But I find it is not complete. The question is not answered completely. I wonder if we could have that corrected. There are certain stations which are not mentioned here. For instance, Watrous is one that is not on here at all. I wonder if the rest of the information is just as accurate as the information I have got here now. I should like to have the department provide the whole thing.

The VICE-CHAIRMAN: Are you referring to a question which you asked in the House of Commons or here, Mr. Ross?

Mr. ROSS: It was printed as an appendix on page 259.

Mr. HANSELL: You said *Hansard*. You mean the proceedings of the committee, Mr. Ross?

Mr. ROSS: Our report here, yes.

Mr. HANSELL: Some of us do not regard the proceedings of the committee as being *Hansard*.

Mr. ROSS: No. I mean in the reports of the committee. I beg your pardon. It is in the reports of the committee, at page 269. There are certain omissions. I notice that several stations are not put down here. I do not know whether those are all the wave lengths we have that are assigned to Canada or not. I am entitled, I think, to have the proper information. I am entitled to have the whole information and not just some of it.

The VICE-CHAIRMAN: At what page is that?

Mr. ROSS: Page 259 of *Hansard*—I mean of the reports of the committee.

Mr. COLDWELL: The answer is on pages 260 and 261.

Mr. ROSS: Pages 259, 260, 261, 262, 263, 264 and 265.

Mr. COLDWELL: Oh, yes.

Mr. ROSS: They are all down here, but the information is not correct. There are some omissions in that. I should like to have the whole story and not just part of it. I think it is very important that the committee should have this. I do not know how accurate the answer to the question is when they say that the number of channels that have been assigned to Canada under the Havana Agreements have not been readjusted or altered since 1941. I do not know whether that is correct or whether it is not. I should like to know all the answers to all these questions. I should like to have them correct. I notice that Watrous for one is 540 and it is not down here. I understand that Watrous is a clear channel but I am not sure. I should like to know. I should like to know how many clear channels we have assigned to Canada and I should like to have the information correct.

The VICE-CHAIRMAN: Your observation is noted, Mr. Ross. This is a sessional paper that you tabled yourself here.

Mr. ROSS: It is a sessional paper we had printed in the reports here. That is right. That is exactly it. But what is the use of having a sessional paper that is not correctly printed in our reports?

The VICE-CHAIRMAN: Of course, there might be reasons.

Mr. ROSS: It just put this suspicion in my mind: is all the information we are receiving just as correct as this or not?

The VICE-CHAIRMAN: I am sure something will be done in order to clear up whatever suspicion you might have.

Mr. FLEMING: Might I suggest, Mr. Chairman, that you bring this point to the attention of Mr. Browne and ask him to bring the complete information to the committee along with the information on the point referred to this morning.

The VICE-CHAIRMAN: For the information of the committee, I want to say that Mr. Browne has taken down notes as to the questions which some of the members wanted answered and that Dr. Frigon has also noted the observations

which you have made, and that the necessary information will be given when they come back for questioning. Shall we proceed with the questioning of Mr. Love and Mr. Porter?

Mr. M. M. Porter, recalled.

Mr. Ross: May I ask a question of Mr. Love. There has been a good deal said about the question as to whether these private stations had a warning or not that they were going to be taken over by the CBC. I want to point out something and ask a question. I want to ask Mr. Love if he has read the proceedings or some of the proceedings of the committee of 1943. I want to ask him whether he has read this and what effect this would have on him. No. 2 of the recommendations was this—

Mr. FLEMING: What page?

Mr. Ross: Page 261 of the reports of the committee of 1943:—

> 2. That the independent stations be encouraged to improve their facilities and that they be permitted to increase their power and to arrange for multiple station hookups, and generally to do anything that makes for better broadcasting in the public interest:—

That is one. And then:—

> 3. That the independent stations should have the opportunity of participating in the development and use of all new phases of broadcasting as such development becomes feasible.

And further down:—

> Evidence was presented to the effect that there may be danger of losing the full use of channels now assigned to Canada by the Havana Agreement. We believe that the corporation should safeguard these channels and, if necessary, consider increasing the power of all stations to the limit of the agreement.

I am asking Mr. Love if he has seen this. I am asking him also what effect that had on him when he considers the question of the permanency of his listeners and station.

The VICE-CHAIRMAN: Mr. Ross, before you receive an answer to your question, might I say this, I suppose you have noticed that what you have just quoted is from the C.A.B. evidence. It is a quotation from C.A.B.

Mr. Ross: No. It is over the name of James J. McCann. Oh, yes, that is right. The first three were from the C.A.B. Then the other part was the committee's report. The first part of that was from the Canadian Association of Broadcasters.

The VICE-CHAIRMAN: The last part was the committee's.

Mr. Ross: The recommendation of the committee was:—

> Evidence was presented to the effect that there may be danger of losing the full use of channels now assigned to Canada by the Havana Agreement. We believe that the corporartion should safeguard these channels and, if necessary, consider increasing the power of all stations to the limit of the agreement.

That is the recommendation of the committee.

Mr. COLDWELL: That the corporation should consider the advisability of raising the power of these stations to that power.

Mr. Ross: The corporation is the controlling power, Mr. Coldwell. I will just read it again, if you like, so that we will get it quite clear.

Mr. COLDWELL: Yes, so we will both get it into our heads.

Mr. Ross: It reads:—

> We believe that the corporation should safeguard these channels and, if necessary, consider increasing the power of all stations to the limit of the agreement.

These are channels we are in danger of losing and channels which we have lost. We have lost them to Canada now. Yes, that is right. All the evidence points to that. It is very hard to find a hole in the air now. There is no use my telling you "I told you so." We have the evidence before us here of Dr. Bayly, and he told us in 1943 exactly what was going to happen; as a result of that, as a matter of fact, this is the recommendation that we made—that the corporation should safeguard those channels and, if necessary, consider increasing the power of all stations—not CBC stations, but all stations— to the limit of the agreement.

Mr. COLDWELL: Are not the governing words "the corporation should consider raising the power of the stations"?

Mr. Ross: All stations.

Mr. HANSELL: Not for their own use.

Mr. Ross: Not for their own use, but all stations.

Mr. FLEMING: It does not say they should take them over.

Mr. COLDWELL: It does not say what Mr. Ross is contending.

Mr. Ross (*St. Paul's*): I am quoting what they say here, and what we said in the committee of 1943 of which you were a member.

Mr. COLDWELL: I know, but do not get alarmed about it.

Mr. Ross (*St. Paul's*): All right, I am not alarmed about it, but why are you trying to contradict it? You were a member of that committee and you were a party to this, too. We recommended it and we did it for the good of Canada.

The VICE-CHAIRMAN: What is your question, Mr. Ross?

Mr. Ross (*St. Paul's*): I have asked Mr. Love what he thinks about it. In view of that statement by the committee does he think that he was in danger of losing his own channel?

Mr. LOVE: I would say that I most certainly considered "all stations" to include my station, and the effect at that time was to stimulate my plans and preparations to go to 50 kilowatts.

Mr. HANSELL: You were not frightened you were going to lose your wave length.

Mr. FLEMING: May I follow that up? Did this report Mr. Ross has read to you come to your attention?

Mr. LOVE: Yes, I remember it vividly.

Mr. FLEMING: And the interpretation you attached to it was you might prepare to go to 50,000 watts?

Mr. LOVE: As soon as the war was over I did not have any doubt in my mind that I was going to 50,000.

Mr. FLEMING: Did it convey to you the impression that the CBC was going to take over your wave length?

Mr. LOVE: Absolutely not.

Mr. COLDWELL: In going ahead with your preparations did you place any orders for further equipment?

Mr. LOVE: You could not place any orders at that time.

The WITNESS: Perhaps I might call attention to something I omitted mentioning yesterday. The United Farmers of Alberta whose president was here yesterday in the person of Mr. Church met last fall and passed a resolution

requesting that this station be permitted to go to 50,000 watts. I am not talking about the directors. I am talking about the convention. That resolution has been forwarded, I am told, to the chairman of this committee with the request that it be presented here. That was last November.

The VICE-CHAIRMAN: As to that I think I might say that all correspondence, according to the decision of the steering committee, has been left to a later stage in our proceedings. That will be brought up.

Mr. FLEMING: I should like to ask Mr. Porter or Mr. Love for comment on the subject of the establishment by the CBC of a second network, the Dominion network. Assuming that your wave length is going to be put on the Dominion network is it going to mean that anybody is going to be reached with CBC programmes—that is either on Trans-Canada or Dominion—who is not now reached by the Trans-Canada programmes from Watrous?

Mr. LOVE: That would depend on any realignment of stations. I cannot see where any conceivable increase in the listeners would take place in view of their reported intention to place the station in the centre of the thickly populated territory.

By Mr. Fleming:

Q. Mr. Porter spoke yesterday about what he described as the danger of centralization. Do you see that centralization threat still present in two networks operated by the CBC?—A. Very definitely. You are occupying the air with a higher percentage of remote programmes not acceptable to the people who live in that community. Trans-Canada to-day takes the choice hours for broadcasting and fills them for the large and sometimes foreign advertiser. Now the Dominion network comes along and it is going to take the choice time on the stations that are on the Dominion network, and you have a further usurpation of the available good time. That is inevitable; that is inherent in the existence of the two, and is one of the reasons why we want a station where we can at least take what time we are not forced to use to devote to the needs of these people in that country.

Q. I do not know whether you would care to make any comment on the subject of the Lethbridge wave length. It has been suggested that wave length is available, 1060. That is located at Lethbridge now, is it not?—A. Yes. I think you will find that is true. My information is that at the time that station was assigned to Lethbridge they were informed it was on a caretaker basis, and I have no doubt that will be apparent from the correspondence in Mr. Browne's file at the time that station was assigned and similarly with the station at St. Catherines. There was a definite statement made to these people in 1941, according to my information, that those stations were on a caretaker basis.

Mr. FLEMING: May I suggest at that point that Mr. Browne add that correspondence to what he is bringing, communications exchanged between the government department and the Lethbridge station and the St. Catherines station with reference to their tenure of the wave lengths that they are enjoying now.

The VICE-CHAIRMAN: Is Mr. Porter representing both stations?

The WITNESS: No, no. I understand from Mr. Fleming he wanted to know whether 1060 would be available to us, and I said I thought it would because my understanding was that they had been told they had it temporarily.

Mr. Ross (*St. Paul's*): May I ask a question in connection with the 1060 wave length? In 1941 or before that, Mr. Love, were you consulted or advised that there was to be a meeting at Havana in connection with the fixing of wave lengths?

Mr. LOVE: I was not consulted but through the ordinary news channels I knew it was to be held.

Mr. Ross (*St. Paul's*): Did you or, to your knowledge, did the private broadcasters ask to be represented at that meeting?

Mr. LOVE: I could not answer that question. We have continuously asked to be represented at all radio meetings where anything pertaining to radio was being discussed.

Mr. Ross (*St. Paul's*): If you had been represented in connection with 1060, which is a very important wave length, do you think you would have been able to get wave length for Canada on high power?

Mr. LOVE: I could not answer that question.

Mr. HANSELL: Mr. Love, if you were forced to take 1060 that would involve moving your equipment to some other location?

Mr. LOVE: Yes, and installing very expensive reflectors.

Mr. HANSELL: Have you any idea what that would cost you?

Mr. LOVE: No, I would not want to say at this moment what it would cost because there have been so many things suggested I have them all mixed up and I might not separate the various plans.

Mr. HANSELL: I mean would it be $4,000 or $40,000.

Mr. LOVE: Oh, it would be closer to $40,000.

The VICE-CHAIRMAN: On this matter of cost do you mind telling us approximately what was the original cost of your transmitting plant?

Mr. LOVE: I could not tell you today because we have not been able to do much for a number of years on account of the war.

The VICE-CHAIRMAN: When did you buy it?

Mr. LOVE: My station was built in 1931, and up until the time of the war improvements were added to it from time to time.

The VICE-CHAIRMAN: What is your yearly rate of depreciation?

Mr. LOVE: I think you will find that in the statement.

The VICE-CHAIRMAN: You have that in the statement?

Mr. LOVE: Yes.

The VICE-CHAIRMAN: What is the ratio of profit to that investment last year before paying income taxes?

Mr. LOVE: I could not tell you.

The VICE-CHAIRMAN: What sort of price do you expect to get from this joint stock company which has been suggested?

Mr. LOVE: What sort of what?

Mr. SMITH: Are you serious in asking that question, Mr. Chairman?

The VICE-CHAIRMAN: It is only an evaluation.

Mr. SMITH: It is surely irrelevant, I submit, with great respect to you, as you know I have.

The VICE-CHAIRMAN: Even my questions may be questioned by members of the committee. I quite agree with you on that.

Mr. SMITH: I do not question it. I ask you to rule against yourself.

The VICE-CHAIRMAN: That is quite easy to do. The question is withdrawn if you do not think it is fair.

Mr. LOVE: I cannot answer you accurately.

The VICE-CHAIRMAN: That is satisfactory.

Mr. LOVE: I will give you an answer, though.

The WITNESS: I would not.

Mr. COLDWELL: I want to ask a question of you, as an experienced broadcaster, Mr. Love. What do you think of the suggestion that the committee—in

dealing with the fact that many stations are not giving the service to the public which I readily concede you have been doing—recommend stations should have the use of what is of course a public utility in the nature of an airwave, say on the basis of a declaration, before they receive their licence, of future performance? I mean, they would bind themselves to allotting over the air a certain amount of time for public broadcasting. Do you think that is a fair proposition? You have been doing something of that sort yourself.

Mr. LOVE: I do not think I am in a position to answer that question. First of all, your idea of what public service is and my idea of what public service is may vary.

Mr. COLDWELL: I will put it this way. Here is a station, we will say—and I have one particularly in mind—which the records show for a given week in the winter, a week that was taken for all stations, allotted 81 per cent of its time to commercial programmes and 19 per cent of its time to sustaining programmes and public service programmes. That is the kind of station, of course, which makes it very difficult for any other station which gives public service.

Mr. LOVE: Without examining those commercial programmes I could not give you an answer because many commercial programmes are really service programmes.

Mr. COLDWELL: Oh well, not in this case.

Mr. LOVE: That is why I cannot answer.

Mr. SMITH: I must say I go with Mr. Coldwell there. I think that the method adopted by the FCC in the United States has got some virtue.

Mr. COLDWELL: I do too.

Mr. SMITH: And when a man is licensed, or when a licensee's licence comes up, I think an examination of that kind should be made. I go right along with you on that, Mr. Coldwell.

Mr. COLDWELL: I know you do.

Mr. ROSS: Does not your listening public control that to a great extent?

Mr. LOVE: They automatically control it; because if you give them something they do not like, they will turn it off.

Mr. SMITH: But if they have no alternative place to go to, then turning it off would not do them any good. I want to make it very plain to this committee that I go with Mr. Coldwell the whole way. They have been granted the use of the public domain, if I can call the air that—although legally I do not think that has ever been settled. A man is supposed to own the ground as far as it will go and he can build his building as high as he wants to go. But I do not know who owns the air. However I will put it this way. On the assumption that the public does own the air, and as they have been granted the privilege of that air, I have not any doubt at all that the public service of that station is a factor which should be considered in issuing every licence. That is your view, too, Mr. Coldwell.

Mr. COLDWELL: That is my view, yes.

Mr. HANSELL: I think that is the view of all of us. But is that not so to-day?

Mr. ROSS: It is the same as it is with hotels, as a matter of fact. You have to give certain service for the privilege of having a beer parlour.

Mr. HANSELL: If enough complaints came in that a certain station was not giving the services that it should, or they are making a bad job of it, the licensing authority has authority to say, "We are sorry, gentlemen; we cannot give it to you next year." That is so to-day.

Mr. COLDWELL: But they do not exercise it, Mr. Hansell. That is the criticism I would make of the CBC.

Mr. FLEMING: There is no doubt among us that they have the power now.

Mr. COLDWELL: They have the power now.

Mr. SMITH: Mr. Coldwell brought out the point that they have not exercised that power. I do not know whether it is the CBC or the other authority.

Mr. COLDWELL: I do not know which it is.

Mr. SMITH: I think it is the other authority.

Mr. HANSELL: I do not know that they have any reason to exercise the power because the stations have been giving service.

Mr. SMITH: But they have made no examination.

The VICE-CHAIRMAN: Gentlemen, are we through with Mr Porter and Mr. Love?

Mr. SMITH: I am sick and tired of them both.

The WITNESS: That condition is spreading.

Mr. KNIGHT: It is mutual.

The VICE-CHAIRMAN: I will say this, that we are very happy to have you both here.

Mr. COLDWELL: Yes, that is right.

Mr. SMITH: I am entitled to abuse them. I come from the same place and they are both friends of mine.

The WITNESS: I understand that.

Mr. ROSS: I know them both and they are fine fellows.

Mr. HANSELL: I was going to say I am getting tired too, but it is not of the witnesses; it is of the committee.

Might I ask this. It follows my question with respect to what it would cost you to have to move your equipment. You said in the neighbourhood of $40,000.

Mr. LOVE: That is in connection with the aerial.

Mr. HANSELL: Yes. Well, would there be any other expense?

Mr. LOVE: Oh, yes.

Mr. HANSELL: I think we should have some little idea of that because I understand that there will be no remuneration if you have to change. Is that so?

Mr. FLEMING: You mean compensation.

Mr. HANSELL: No compensation, I should say.

Mr. LOVE: Without changing my power I do not think I could get by with less than $125,000.

Mr. HANSELL: That is a lot of money.

Mr. FLEMING: Do you mean outlay?

Mr. LOVE: An outlay of that.

Mr. FLEMING: $120,000?

Mr. LOVE: $125,000.

The VICE-CHAIRMAN: Speak a little louder please, for the record.

The WITNESS: Of course, you would have a new station.

Mr. LOVE: Yes.

Mr. HANSELL: The other objection I understood you to make yesterday was that your studios would be isolated from a source from which you could draw on live and local talent. That was one of the objections, was it not?

Mr. LOVE: I think Mr. Porter brought that out in his evidence, that we were unable to take that 1060 where maximum efficiency could be derived from it because if we moved to that particular point we would not have available local talent to program the station.

Mr. HANSELL: That is right.

Mr. LOVE: Whereas if the CBC had it in that location, they program it from Toronto, Ottawa, or Montreal anyway.

Mr. HANSELL: Yes. Where would you consider your location would have to be?

Mr. LOVE: At 1060?

Mr. HANSELL: Yes.

The WITNESS: At 10 or 50?

Mr. LOVE: At 50 or at 10?

Mr. HANSELL: I do not know whether you are allowed to go to 50. Would they allow you to go to 50 on 1060?

Mr. ROSS: On 1060.

Mr. HANSELL: It is 1060 I am talking about.

Mr. LOVE: In any event, I would have to be south of Calgary in order to give Calgary coverage.

Mr. HANSELL: What I want to compare is this. Where would you have to locate your studios that would do away with live talent and programs of a local nature. I understand Taber was mentioned. Is that so?

Mr. LOVE: Not so far as we were concerned.

The WITNESS: Yes. I dealt with that yesterday. There is a little confusion arising out of two things that might be done with 1060. If 1060 stayed at 10,000 watts, it would be erected adjacent to Calgary. It would have to be south in order to give coverage to Calgary because of your protection, your necessary protection of Philadelphia and Mexico. So it would be erected in the vicinity of Calgary somewhere to the south. Mention of Taber arose out of the suggestion that 1060 could, possibly by arrangement with the United States and Mexico, go to 50,000 watts, in which case it would be located in the south of the province, because its south side would be shut off by the protection and its reflection would then be north; in that event it would be somewhere, as we were saying, in the vicinity of Taber, remote from studio facilities and access to talent.

Mr. HANSELL: Yes. Their suggestion was that the CBC take 1060 and go north.

The WITNESS: That was another suggestion, that the CBC take 1060.

Mr. HANSELL: If you had to shift to the south part of the province you would be in a district, or in a small town of perhaps a couple of thousand people.

The WITNESS: That is right.

Mr. HANSELL: That is what I am getting at. Whereas now you are in a city of nearly 100,000 people.

The WITNESS: That is right.

Mr. HANSELL: That is what I was getting at. Naturally you are not able to get talent and so forth in a small town of 2,000 people. You cannot do that. There is this point, however. Could that be arranged by leasing wires?

Mr. LOVE: It would be a very costly arrangement.

Mr. HANSELL: It would be too costly; it would entail the continuous service of maybe 150 miles.

Mr. LOVE: 150 or 160 miles.

Mr. HANSELL: 160 miles of wire.

Mr. KNIGHT: Mr. Chairman, I should like to ask a few questions. I suppose the only way I can get this is by asking questions. I am somewhat confused by Mr. Porter's what I might call dual representation here. Perhaps I could bring

it out in this way, by asking questions. By the way, it was a very able representation, if I may say so.

The WITNESS: Thank you.

By Mr. Knight:

Q. You now represent the private station CFCN?—A. I have been Mr. Love's solicitor for years.

Q. I mean, you are appearing in that capacity to-day?—A. Yes. I am advising Mr. Love.

Q. And you represent also this station which in a way does not exist?—A. Yes.

Q. I mean, a station as you visualize it might be in the future?—A. Yes.

Q. A sort of hypothetical station?—A. Yes.

Q. Owned by the farmers and other people?—A. Yes.

Q. Workers and so on?—A. Yes.

Q. Would you not say that perhaps you are representing here antagonistic interests?—A. Well, I endeavoured to make that clear in my opening yesterday.

Q. Yes, I know. But it is not clear to me.—A. I tried to make it clear by saying that the listeners and this station were appearing together because they had common interest in the preservation of the wavelength at 1060, based on the fact that the listeners happened to be of the opinion that an individual ought not to have control of a 50,000 watt licence. That is the basis on which they discussed it with Mr. Love. We came to the position where we said, "Well, the one thing we must do is to preserve this wavelength for local use." And we are here on that basis. There may be a place—certainly there will be a place develop very quickly where I may be able to send my learned friend Mr. Smith a client, because we are going to separate and then can get at arms-length and have bargaining.

Mr. SMITH: I will take Love and you take the other fellow.

By Mr. Knight:

Q. What you are actually doing, as a matter of fact,—because there is no fact about a hypothetical thing—is that you are representing the interests of this privately-owned station?—A. I am representing the listener interest.

Q. This is what I wanted to ask about. You used mostly the arguments which would be in favour of this hypothetical station which does not yet exist?—A. That is right.

Q. Then there is one more question I want to ask you. When Mr. Love received these notices, or perhaps it was licences, upon which there was endorsed a certain clause—and I am prepared to admit here that there should have been something more than some numbers of some regulations—did you have access to them? When he received those notices upon which there were these numbers which should have been extended, did you as solicitor have access to those licences or to those particular notices which he received; I mean, did you personally?—A. I saw those licences as they were received and I was in Ottawa on this behalf on many occasions discussing the situation with respect to these wave-lengths before they were settled. That discussion all occurred at the time that Watrous was built and there was contemplation then of some other activity. It was as a result of my discussions here and my feeling that that wavelength was available and would not be necessary for the national purpose, that Mr. Love took it. I am not in a position to do so, and I do not intend to tell the committee about those discussions; because those discussions were in the nature of negotiation with the then chairman, Mr. Brockington, Mr. Gladstone Murray and with the then minister. I do not intend to say more than I have said, because in discussing these things—there is nothing secret

about it—you do take this point of view, that point of view and the other point of view. But in the result that wavelength went to Calgary after my having made a full study and full enquiry of the situation.

Q. I think you thought I wanted more than I actually did. I merely wanted to ask if you, as opposed to Mr. Love—or in contradistinction to Mr. Love, shall I say—understood the significance of these figures which are marked on his licence at the time such were received.—A. Well, on most licences that I receive there is exactly the same thing. There is no use asking me to go back and say what my memory was then. I will say this, that the presence of that endorsement on that licence did not mean to me any more than that it was subject to the Act. It was subject anyway. The explanation of the letter which Mr. Love read into the record in response to the new endorsement in 1945 is as I wrote it. You will notice that that letter says—and I should like to get it, if I may, from the clerk.

Mr. FLEMING: Is that the one to Walter Rush?

The WITNESS: Yes. I drafted the letter and this is what it says:—

> We beg to acknowledge your letter of May 16 under the above file number. We observe the endorsation to which you call attention.

This is their endorsation which said that they were reserved for the CBC. This is in 1945. The letter continues:—

> Inasmuch as no good purpose would be served by discussions at this time we advise merely that we do not concur in or submit to its conditions and reserve all our rights legal and other.

That is the first occasion on which any such came to my attention as indicating that the wavelengths were in any way in jeopardy. Had an earlier notice conveyed any such suggestion to me, certainly I would have been down here at the time those licences were issued, because I negotiated the allocation and discussed the circumstances.

By Mr. Knight:

Q. In other words, shall we say, back in 1941—to which your memory does not go, that would have been your ration?—A. Yes.

Q. I put it to you as you are now—and if you can transpose yourself back to 1941 and you received that thing, would you as the able lawyer that you are, look up those references to see what they meant, or would you not?—A. Yes, I—

Q. I should like to have it in one word, yes or no, if I may have it in that way.—A. Yes, I would look up the reference and I would find that the material that was printed at the foot of this licence was precisely the law of the land and I was subject to it anyway. You take your motor car licence at home and you will find that it is subject to the Motor Vehicles Act; and I think if you get your liquor permit—I was looking to see if I had an Alberta one last night—it says you are subject to certain sections; and as I remember those sections, they have to do with drinking in public places. It is a common type of reference. That is on many, many licences.

Mr. FLEMING: It certainly had no application to the assumption of the wavelength by CBC?

The WITNESS: No.

By Mr. Smith:

Q. May I ask one question, Mr. Porter. We have heard about the hypothetical set-up. Have you any doubt whatever about the farm organizations of Canada that are financing the purchasing of this station?—A. Well, Mr. Smith, I do not think there will be any difficulty in getting the money. The

job will be to ensure that we get it on a proper spread. You are going to have to keep money out of this thing, not get it in. We can demonstrate this will make a return but not a high return; I do not think anybody will be interested in that. They will probably get enough money in, or get enough yield out of it to pay the $2.50 to the CBC.

By Mr. Coldwell:

Q. Is the way Mr. Smith put it quite correct?—A. No.

Q. Farm organization?—A. No.

Q. If it is a farmers' organization which was doing this, it does put it into a different light.—A. I have agreed to that all along.

Q. A joint stock company.—A. I agreed and they agreed.

By Mr. Smith:

Q. I mean, the individuals composing the farm organization.—A. Yes.

Q. As purchasers. That is what I had in mind.—A. Yes. I took you to mean the plan I outlined. I do not think there should be any difficulty in getting the money.

Mr. SMITH: I have been away from this committee, unfortunately, quite a bit. I wanted to know, Mr. Love, whether you mentioned a programme that has been going on for a great many years, where you have youngsters in, I think, at 10 o'clock and Uncle Fred looks after them.

Mr. LOVE: I mentioned that in my brief.

Mr. SMITH: Thank you.

Mr. HANSELL: There is one other thing before the witnesses go. I think I should point out for emphasis, that while they have been here in the interests of retaining their present wave length they have done more than that. They have not only argued why they should retain the wave length but they have also submitted an alternative suggestion whereby the CBC can give the service that that part of the country should have without taking this particular wave length. I think that is commendable, to say the least. They have made an alernative suggestion.

Mr. COLDWELL: If that alternative proposal is feasible it does make a difference.

The WITNESS: It is the only alternative we knew of but it is a course that I think ought to be investigated to the end that we can serve both needs.

By Mr. Fleming:

Q. Has the CBC any station of its own in Alberta?—A. No.

Q. Its outlets are through private stations there, apart from Watrous?—A. Yes. The members of the committee have a copy of the material that the CBC sends its advertisers. It is a folder. There is one on the table there now, that blue document. I am sorry, that is not it. It has a wire binder on it. It deals with coverage. It has maps in it showing the coverage for the Dominion network and the coverage for the Trans-Canada network.

Q. I do not think we have seen that before, have we?—A. I think each member of the committee has one.

The VICE-CHAIRMAN: No, we have not received that so far. Some members may have seen it.

The WITNESS: I should like to have one produced and filed. Is it on file?

By Mr. Ross (St. Paul's):

Q. Is that the coverage map that Mr. Tom Ross of Hamilton had?—A. It is the map which they show the man who is contemplating going on the air on

their chains, and it shows the coverage they give under the existing arrangements on both networks.

The VICE-CHAIRMAN: The clerk of the committee informs me he has one copy on file. He has just gone to get it and he will present it to the committee.

Mr. FLEMING: Would it be possible for the CBC to furnish us with copies of that? It might be very interesting.

The VICE-CHAIRMAN: Is it possible to supply the members of the committee with a copy of that document?

Mr. DUNTON: I think they supplied all they could find.

The WITNESS: I just wanted to call attention to it in view of Mr. Fleming's question. It should be studied. The red indicates 50 per cent penetration and the blue 25 to 50 per cent penetration. That is on the Dominion network. You will observe that their representation to the advertiser is they cover the whole of that territory.

By Mr. Fleming:

Q. The whole of Alberta?—A. Yes. The other network is in here. The reason I am having difficulty finding it is that they both look alike. They cover Alberta completely. I think that is true as a listener.

Mr. SMITH: I think you will find one is daytime and the other is night time and there are two for each.

The WITNESS: Yes, but without taking any more time of the committee I suggest you have a look at it.

The VICE-CHAIRMAN: Does that include primary and secondary coverage?

Dr. FRIGON: (Tabling a copy of CBC networks coverage.) That is the commercial coverage map following the formula adopted by the networks in the United States.

The WITNESS: That is the one on which the advertiser's money is spent. It is on the basis of that representation.

Dr. FRIGON: It does not represent the technical coverage.

The WITNESS: Oh no. On the subject of technical coverage I am not a technical man but I want to say this. I endeavored to cover this yesterday. Technical coverage is the theoretical coverage worked out on an engineering basis. When you apply the theory of technical coverage to the province of Alberta or, indeed, to western Canada you must pay attention to Mr. Bayly's evidence. His evidence is—and it is unchallenged—there is nowhere on the north American continent where the actual coverage is as great as in that area, and it is very materially in excess of the theoretical or engineering standard.

By Mr. Ross (St. Paul's):

Q. Is the protection we have to give to United States residents as difficult in proportion as the coverage given? I do not know whether you can understand what I mean. The coverage is the best on the north American continent. Is it just as difficult to give protection to the United States on our channels?—A. I cannot tell you that.

Mr. LOVE: I would say there is greater difficulty to protect them.

Mr. ROSS *(St. Paul's)*: Greater difficulties in that part of the country?

Mr. LOVE: In protecting American stations on account of the signal the western Canada stations give out.

Mr. ROSS *(St. Paul's)*: On account of the ground conductivity.

The WITNESS: It may be necessary for us to file with the committee, depending on the position that our friends in the CBC take, an engineer's

report on the coverage in southern Alberta that 1060 located in Calgary would give if it has to protect Mexico and the United States. As I told you our information is from those engineers, and it is to the effect that it excludes us from all our useful territory taking us over into the mountains and down into the semi-arid area across below Bassano. If there is any dispute about that I would ask leave later to file an engineer's report in support of that.

The VICE-CHAIRMAN: Is it the pleasure of the committee that Mr. Porter should file that report anyway?

Some Hon. MEMBERS: Yes.

By Mr. Fleming:

Q. I was looking over this document that has been referred to, this coverage map of the CBC. I see they list under the Dominion network 29 basic stations. They do not show the CFRB wave length here but they do show in the prairie region the CFCN station.—A. It is on the Dominion network.

Q. What is the explanation of that? You are on the Dominion network?—A. Yes.

Q. That means you are affiliated for the purpose of carrying their sustaining programmes?—A. Carrying their commercials and their sustainers, as Mr. Love pointed out yesterday. That is all covered in his statement. There are some Trans-Canada sustainers as well but that is all in detail in his brief. CFCN is an outlet on the dominion network of the CBC.

The VICE-CHAIRMAN: Gentlemen, are we through with Mr. Porter and Mr. Love? Thank you very much.

Now, gentlemen, we have an analysis of local broadcasting activities of some 13 stations which was asked for from the CBC. Mr. Radford has prepared an analysis. The document has already been distributed to the members of the committee a few days ago. Is it your wish that we should proceed to hear Mr. Radford on that document? Is that satisfactory?

Mr. FLEMING: Let us have him read it.

Mr. COLDWELL: Probably we could ask Mr. Radford a few questions on it. I think we would like to do that for our own information.

J. R. Radford, Manager of Broadcast Regulations Division, Canadian Broadcasting Corporation, called. (Mr. Radford's evidence should be read in conjunction with the charts he tabled and distributed).

By the Chairman:

Q. You have a statement to make in connection with this document? A. Quite brief, Mr. Chairman.

Q. All right.—A. Mr. Chairman and gentlemen: My name is J. R. Radford and the office I hold in the CBC is that of Manager of Broadcast Regulations Division. Your Committee requested information on the activities of certain stations and this has been prepared for you in the form of a booklet of charts which has already been distributed to members of this Committee.

As explained in the foreword of the booklet, the figures are based on information from station logs submitted to the Corporation. The test week is the week of January 6 to 12 of this year. It is the week for which figures were prepared for the Corporation's own use in determining certain factors relative to private station activities.

In addition to this test week, an analysis has been made covering CFCN, Calgary, and CFAC, Calgary, for the week of May 19-25; this was requested by Mr. Smith and Mr. Coldwell.

I would like to make a brief explanation of just what is involved in compiling data from these station logs. They are not the easiest thing to read. With the exception of CBC station logs, there is no standard form. Of the more than ninety privately owned stations, there is nearly that number of different log forms which carry different symbols for the many types of broadcasts and a great number of these logs are handwritten which adds to the difficulty of the reader. Then again the logs do not tell the whole story. We can determine the types of broadcasts fairly well and indeed many stations have adopted our programme coding and this is of great assistance to us but we have no way of knowing the content of programmes unless we specifically request script or continuity. Therefore, the charts tabled for this Committee represent a compilation of all the information available to us. More than this we cannot give, but we believe they do present a fairly comprehensive picture of the activities of these stations.

Unfortunately there were not enough copies run off to supply the stations listed, but extra copies will be available in the near future and the Corporation will be glad to supply these stations with copies, if they so desire.

By Mr. Coldwell:

Q. May I ask you why the week of January 6th to 12th was chosen?—A. It is a fairly representative week. In the United States the F.C.C. make up a composite week. They will take one day in one month and one day in the next month and all the way across the line. January is a fairly representative week. It is mid-season material. In summer time we get a different picture again. Then there is also the fact it was prepared partially for a certain kind of survey that is requested. We never had the staff to do it completely, but some figures were compiled for that week, and it was based on that.

Q. Do you mind telling the members of the committee what you mean by these technical terms which you use. I think that probably some of us who have been on the committee for several years are quite familiar with the terms, but it may be that some members are not, and even those of us who have been on the committee would like to refresh our memories.—A. I will be very glad to. I will read from Halifax. It is broken into two segments. The first is from sign on until 7.30 p.m., and the night segment is from 7.30 until sign off. This report deals solely with the local activities of the station. We have put the network hours in but that has not been broken down. We did attempt some sort of breakdown but it is a very mixed picture when you get it that way, and it is very difficult to get it across in that form; so we devised this form. The first heading is "Local commercial time". Your first block there shows your type of commercial time. There is studio live talent. That is difficult to assess because we do not know exactly what the programme is. We have tried to include in that things from our own knowledge. For instance, Mr. Love has a very fine sports commentator. I believe that man is on his staff, but he is definitely talent. He is not just an announcer saying words. We try to include that sort of thing. If there is a woman's talk we include that as live talent. In other words, whatever the station originates itself, puts out itself and pays for itself we try to include as studio live talent.

News is next. We do not call that studio live talent. While it is live just as a spot announcement is live, it cannot be construed as live talent. It is a news broadcast.

The next sub-heading is "Religious and Educational". We put in church broadcasts there, certain children's programmes. I think Mr. Cairns of CFAC, Calgary, has one. London also has one from the library where some lady or some chap reads to the kiddies each morning. I believe they are very fine types of programmes. That is put in as educational and religious.

Recordings are just as you see them. Spot and flash announcements include straight commercial spots and flashes which may be Bulova time signals or 15 second flashes.

Q. There are card rates for those?—A. Yes, there are.

By Mr. Ross (St. Paul's):

Q. Are those in minutes?—A. No, they are in numbers of announcements. The others are in hours and minutes. The announcements are in numbers of announcements. To break them all down into 75 words, and so on, would be difficult. Sometimes they will include 75 words. Sometimes they will include time on and time off, but our total figure must fill about 16 hours in the day every minute of that day and to break it down into every minute and every second is a pretty heavy task and would serve no purpose as far as this report is concerned.

Q. These spot announcements would be how long, a minute or two?—A. They will vary from 15 second flashes up to 75 words or more. They run about a minute. In fact, I think some stations have a blocker on them and they will not run any more than a 75 word announcement. Others will go 125. Often it is a question of who reads them. One announcer will take a minute and another chap will knock it off in 55 seconds. It is very difficult to determine.

Q. 75 words to the minutes?—A. Oh, no, you will go faster than that. I think over all they would average about a minute. You will get a chap who takes a minute and you will get another chap who takes 80 seconds or less than that.

Your next main heading is local non-commercial time. That is very much like your local commercial time. You have studio live talent, news, religious and educational, recordings and announcements. They are announcements that have not been paid for. I think a lot of them by the indications would show they were public service announcements in many instances, and some were programme promotional spots. It is that type of announcement for which no sponsor is shown and which the log indicates was a free spot announcement. It may be an I.O.D.E. bazaar, the Kiwanis, that sort of thing. We have included network commercial, and network non-commercial to bring up our day.

By Mr. Coldwell:

Q. What is the network non-commercial?—A. That is straight sustaining broadcasts. The basic stations referred to a few minutes ago have what they call CBC reserved time. That is time which is definitely reserved for CBC programmes. We can put on commercial broadcasts if we wish. If that is the case then the station is paid for it. If they are sustaining broadcasts that is where they go.

For instance, all political broadcasts are in reserved time because we can say to you that we can guarantee you coverage over 40 or 50 stations and you know if you are advertising that speech you are safe in putting in the paper you will be heard that night. We try to get our talks and information broadcasts in that bracket. Many stations take more than they have to. We appreciate that. At the same time they do save money. I do not think they mind me saying that. It does fill out their schedule. You will notice all the way through the basic stations are pretty well on the network throughout the evening. 7.30 is the deadline for spot announcements. You will see some spot announcements in the 7.30 to sign off period. They are flash announcements such as time and weather announcements which are the only announcements allowed in Canada between 7.30 and 11 p.m. local time.

By Mr. Fleming:

Q. Under CBC regulations?—A. Quite right.

Mr. FLEMING: Mr. Radford, would you explain the notation that appears at the bottom of every second page? You give the percentage of local originations for week, devoted to, first, commercial broadcasting; and then you give the percentage for non-commercial broadcasting.

Mr. COLDWELL: Could we get an explanattion of all the headings first? That is what we were doing.

Mr. FLEMING: I am sorry. I thought he had finished.

Mr. COLDWELL: No.

The WITNESS: On the network we show live talent. They are just straight network programmes. We put out recorded programmes and we put out live talent programmes. At night most of them are live talent. Hours of operation—on that segment are the evening hours—are shown daily. The notation on the bottom of the second page, that is the portion covering 7.30 p.m. to sign-off, shows you the local broadcasting hours in percentages of commercial and non-commercial broadcasting; it shows local activities over which the network have no control. In other words, the network is our business. If we put 5 per cent network over your basic station, then it is 95 per cent you get. If we put on 55 per cent, it is 45 per cent you get. In other words, apart from that fact, these charts show you what the station is responsible for and what it does with the time when it is not on the network; in other words, this time is its responsibility.

By Mr. Fleming:

Q. I want to clarify that reference to those percentages. Those percentages you have given here apply simply to the portion of the time that is devoted to local originating broadcasts?—A. Definitely.

Q. And it does not take into account what is carried by the network?—A. No.

Q. You have not broken down the figures to give the net result as to the commercial and non-commercial percentages?—A. No. We have some estimates, but we have not got them complete because the report itself deals solely with local activities. It is very easy to get at though. It is a case of figuring it out.

Q. As your statement appears, there is nothing here that would show the total proportion of what is commercial and the total proportion of what is non-commercial?—A. No. It is just what they do with their local time.

Q. And that percentage summary that appears at the bottom of the second page applies to both daytime and evening in all cases?—A. That is correct. We have one with those figures here that we ran for ourselves.

By Mr. Coldwell:

Q. Perhaps we could get this?—A. Here they make some difference.

Mr. HANSELL: What page is that?

The WITNESS: I have them here. I do not know whether you have them there. If you look at Halifax, Mr. Fleming, to answer your question, here is a test run off for our own information to see how they would actually come out. This is for Halifax again. We show on the sheet you have there, commercial broadcasting, 63·5 per cent; non-commercial broadcasting, 36·5 per cent. That is local. If all his broadcasting was added together—that is his network non-commercial and his network commercial—your figure would be 57 per cent commercial and 43 per cent non-commercial, as opposed to the 63·5 per cent local and 36·5 per cent. It varies very much, sometimes up and sometimes down.

By Mr. Coldwell:

Q. We should call in on air time. It would lower this percentage of commercial time?—A. Yes.

By Mr. Fleming:

Q. I was interested in turning over to CFCN in view of the fact that we have just heard their evidence. They are over at the back of the book.—A. They have a fairly good record.

Q. On this basis, their commercial—that is, the local origination—is 49·4 per cent and non-commercial is 50·6 per cent for that week in January and then in May you have taken commercial 54·4 per cent and non-commercial 45·6 per cent.—A. Correct. I can give you a breakdown of that.

Q. Have you taken in the network and included that?—A. I have that figure.

Q. I should be glad to have that.—A. CFCN for the week of January 6 to 12, showing now all their local broadcasting, 49·4 per cent.

Q. Commercial?—A. Commercial; non-commercial broadcasting 50·6 per cent time. If you added the whole activities together, the network and local, your figure instead of 49·4 per cent would be 42·1 per cent commercial for just this week, and 57·9 per cent non-commercial. That is about the way they will run all the way through. In other words, if you just add the network together you bring down the commercial amount.

By the Vice-Chairman:

Q. How do you figure out the percentage as far as CKAC is concerned? There is no network there.—A. Oh, yes—Columbia.

Q. Oh, yes.

By Mr. Ross (St. Paul's):

Q. Do stations get paid for commercial and non-commercial?—A. Oh, no, sir. They get paid for commercial.

Q. They do not get paid for non-commercial?—A. Well, I should like to be sitting out there. It is fairly good service they get for nothing.

Q. I just asked.

By Mr. Coldwell:

Q. This gives you an idea of the amount of time a station devotes to local, non-commercial broadcasting?—A. That is the whole picture.

Q. In other words, you get a picture of to what extent the station is actually serving its purpose as a community station?—A. Definitely.

Q. I was looking at Timmins, for example.

Mr. FLEMING: How far over is that?

Mr. COLDWELL: About half way.

The WITNESS: You can go by your guide in the front. It is the seventh or eighth station down.

By Mr. Coldwell:

Q. I happened to look at Timmins. I was looking for another one. Quite frankly, I was looking for Windsor, but I came to Timmins. You find there that you have commercial broadcasting, in the summary, 85 per cent and non-commercial broadcasting 14 per cent. I notice something else that I think is very interesting. We had a lot of discussion here several years ago—I am not sure whether it was in 1943 or 1942—about the obligation of the station to use live talent and develop local talent. Looking at this particular station, for local talent—other than news—it has very little. We find that from sign-on to 7.30

p.m. there is no live talent that week. If you look at the evening from 7.30 p.m. to sign-off, there is no live talent that week. A station like that, it seems to me, is one that the CBC should make a serious check on and make sure that they are fulfilling their obligations to the public, which obviously they are not doing either on the basis of live talent in the district or on the basis of local community service in other respects.—A. Correct.

Mr. COLDWELL: I think the committee should take notice of this, and that we should make a recommendation that we should deal with this particular matter. Then there was another station.

Mr. FLEMING: Before we leave that, do you mind if I get some information on that station?

Mr. COLDWELL: That is quite all right.

By Mr. Fleming:

Q. What is the power of that station?—A. I think it is 1,000 now. I think it is going to 5,000. It is pretty well up by itself there.

Q. Do you get as high a proportion of time devoted to local talent in stations in the smaller areas—A. Oh, yes.

Q. Like Timmins, as you do in larger cities?—A. No, you do not. Well, you cannot say that. I will correct that statement, if you do not mind. We can show you stations, and I think we will be quite proud to mention them. One is Wingham. That is a small station with absolutely no network whatever.

By Mr. Ross (St. Paul's):

Q. It has a good audience, though.—A. It is a very good station. That station does a grand job of work at scouring up all sorts of little pieces and bits and things; and we are rather proud to quote Mr. Cruickshanks of Wingham and his operations. You will find little stations like that which really do a splendid job and other stations that do not. I do not know what it depends on, but there you have it. One man is after it and the other man is not.

By Mr. Fleming:

Q. What is the trend? We have had some evidence of this fact, I think, that where the station is located in a larger centre or city, naturally there is more local talent to choose from than in the smaller places.—A. And they use it.

Q. I beg your pardon?—A. And they use it in the larger centres. In Montreal and Toronto the private stations there will show you a pretty good picture.

By Mr. Coldwell:

Q. If you look at a station in a city, for example, like Windsor station, CKLW, there you will find that local commercial broadcasting occupies 81 per cent and local non-commercial broadcast occupies 19 per cent. If you look at live talent, there again you will find that in the early part of the day there is some live talent used to the extent of 4 hours and 40 minutes a week, and in the evening there is 15 minutes of live talent—on Thursday evenings—again, of course, excluding the news. It does not seem to me that a station in a city—A. I am sorry, Mr. Coldwell, but may I just draw to your attention, sir, that you will have to add your commercial block and your non-commercial block; in other words the first segment will show 4 hours and 40 minutes of commercial live talent and the second segment 2 hours and 25 minutes of non-commercial. The same story is for the evening.

By Mr. Fleming:

Q. Have you got the total figures for the Windsor station, commercial and non-commercial?—A. Yes.

Q. Including the network?—A. I have the total figures there. Possibly these should have been included on the report, but as I say, we have not a very large staff to do this sort of business. It is a fairly rushed job. There was 76·5 per cent commercial broadcasting—that is including your network and local broadcasting—and 23·5 per cent non-commercial as opposed to the local activities of 81 per cent commercial and 19 per cent non-commercial. In other words, you get about the same ratio.

By Mr. Coldwell:

Q. I notice that there are very large numbers of flash announcements at this Windsor station?—A. Yes. He is pretty high.

Q. Commercial, I mean; there are 508 of them from sign-on to 7.30 p.m. and 205 from 7.30 p.m. to sign-off. That is a total in the day of 713 flash announcements. That seems to me to be a tremendous number of flash announcements in one day. Are they profitable?—A. Oh, I think they are, sir. It must be said of Windsor, though, that they have possibly a longer operation than the majority of stations. They run 22 hours a day. Those flashes are spread out. You will see the same in the main statement. They are spread out. How much they do in the late hours I have not the least idea. I suppose there is some. There are some spots sold in what they call the "owl shift", from 12 something midnight on. I think their idea there was to keep on the air for the sake of the motor factories and that kind of thing.

Q. Even at that, there would be about 32 or 33 spot announcements an hour on the average, if they were operating 22 hours a day?—A. Oh, no. You will have to break it down into days.

Mr. FLEMING: That is a week.

The WITNESS: That is your week.

Mr. FLEMING: Divide it by 7.

Mr. COLDWELL: Oh, I beg your pardon.

The WITNESS: Your daily totals are there.

By Mr. Coldwell:

Q. You have to divide it by 7.—A. Yes. Your daily totals are there on that list.

Q. Yes, they are. Divide 713 by 7.—A. You add your day and night together in those instances.

Q. Oh, yes. We had some evidence about that Windsor station from the Canadian Association of Broadcasters. I think they referred to their having put on an extra shift at night.—A. Yes.

Q. When the industries in Windsor were on war work running 24 hours a day.—A. That is correct. Their day time shows spot-end flash announcements of 88, 81, 89, 91, 93, 66, a total of 508 and their night shows a total of 205 for the week.

Mr. FLEMING: I should like to interject again. I think that explains the high number of recordings, because they were running practically all night. They were running 22 hours there according to the evidence that was given to us and that is the reason they were running so many recordings.

The WITNESS: Yes.

Mr. COLDWELL: I am not talking about recordings. I am talking about spot announcements.

Mr. FLEMING: You were speaking of recording earlier and live talent.

The WITNESS: Running from 11 o'clock, they can put out recordings from 11 o'clock and run to 7 o'clock the next day. I think most of their activity in the owl shift is recordings of a popular nature, supposed to be the uplift and relief type of thing.

By Mr. Fleming:

Q. You would not have live programmes from midnight to 6 o'clock in the morning?—A. Not very well.

By Mr. Ross (St. Paul's):

Q. Windsor has a very large United States audience?—A. Yes. It has a large United States audience.

By Mr. Coldwell:

Q. Here is another station I am interested in, CFRB. The figure shown is 72·3 per cent local commercial broadcasting and 27·7 non-commercial. Have you got the overall?—A. What station is that?

Q. That is CFRB.—A. Yes, I have. The overall picture for CFRB from our compilation is this. We show it as 72·3 per cent local commercial, and 27·7 per cent non-commercial; and with network activities it comes to 65·56 per cent commercial and 34·44 per cent non-commercial.

By Mr. Fleming:

Q. You have got two tests in for that. That is January. What about the next one?—A. There is just one week in May for Calgary. The Calgary station is the only one I made because that was requested.

Mr. COLDWELL: They have a better record of studio live talent by a long way.

The WITNESS: Yes.

Mr. FLEMING: CFRB, you mean?

Mr. COLDWELL: Yes, CFRB.

Mr. FLEMING: That bears out what Mr. Radford was saying, that the tendency in the larger centres is to use more local talent.

Mr. COLDWELL: What about Kingston? That is another one I am interested in,—I may be quite frank about it,—because I have some complaint about Kingston from the people who live there.

Mr. SMITH: That is your bad boy.

Mr. COLDWELL: There is 71·8 per cent local commercial and 28·2 per cent non-commercial. There is no live talent in the evenings but they have got some live talent in the mornings. It is surprising, with a university there, that there is very little time devoted to religious and educational broadcasts.

Mr. FLEMING: They are too busy playing football.

By Mr. Smith:

Q. Mr. Radford, with respect to those commercial percentages and so on you have there, while they are commercial they are very elevating. For instance, a symphony orchestra would be a commercial over the station?—A. Oh yes.

Q. The mere fact that they are marked commercial does not mean that they are not elevating?—A. It does not place a stigma on commercial broadcasting.

Q. What is that?—A. This is no attempt to place a stigma on commercial broadcasting.

Q. No. We would all be broke in this business if we did.—A. Yes.

Q. What I am coming at is this. While this percentage of commercials is there, yet many of them are very often fine varieties of music and that sort of thing.—A. Oh, again, you would have to study the log of the station, representative logs for the week to find out what there was on there.

By Mr. Fleming:

Q. You consider this week you have chosen, the second week in the new year, a typical busy week?—A. It is easily the peak time.

Q. The peak time. The total peak of the year?—A. Yes.

Q. It is the busy season?—A. The busy season. You have all your network programmes coming on late in the fall. They do not really leave the air until about March or April, is it, Mr. Weir?

Mr. WEIR: Yes.

The WITNESS: Around that. It is a fairly peak season.

By Mr. Fleming:

Q. There would be different trends during the year?—A. Yes, decidedly so.

By Mr. Smith:

Q. By peak, you mean peak commercial?—A. Peak commercial and peak activity.

Q. But, I mean commercial is the main peak activity?—A. Well, you can add the other too.

Q. I know.—A. It is all activity.

Q. Mr. Benny is on holidays now, for example?—A. Yes.

Q. And so is Edgar Bergen, and so on?—A. Yes.

Q. And by peak time and peak listening is meant when these good shows are on the air?—A. Yes.

Q. That is, commercial shows?—A. Yes.

By Mr. Coldwell:

Q. In the examination of the logs, have you control of the infractions of the regulations?—A. Yes. We have the responsibility of seeing that the regulations are observed.

Q. Have you checked that up to any extent?—A. At the present time we have no field men out at all. At one time the Department of Transport inspectors did a certain amount of work for us. We would ask for a report and they would give us a report. During the war years, with increased work on their part brought about by war activities, they had to drop that work. At the present time there is no field checking at all. I should like to make this statement. They are running now on what we call an honour system. By and large it works very well. You would be surprised if you stood in my office and heard the calls coming in from long distance just to make sure. By and large it works very well. By way of illustration an American chap we were in conversation with in Quebec was most anxious to find out about our system. It was the first time he had been here, and he would hardly believe that we had such a very small body of people checking regulations in Canada. By and large it works very well. We know there is the odd edging and pushing under the elbows, but by and large there is no great crime being committed.

Q. In other words, they live up to the honour system pretty well?—A. Fairly well. By way of illustration we have had a station, which appeared here two weeks ago—I will not mention it by name—which station committed quite a grave contravention of the regulations, in our opinion, anyway. It was not just like forgetting to announce recordings which they must do and which we check continuously. He called me up by long distance from a long way away and told me what had happened. He told me the circumstances. That sort of thing is rather heartening. That man would not be charged with a contravention. He was quite conscious of it. He knew what he had done after he had done it but in his excitement he had done it.

Q. Even the CBC forgets to say it is a recording.—A. Oh, definitely; we are working with the human element.

Mr. FLEMING: Sometimes they announce as a recording what is not a recording.

The WITNESS: That is a plus, Mr. Fleming.

Mr. FLEMING: I had the experience once after I made a broadcast of being told it was a recording.

The VICE-CHAIRMAN: Any more questions?

By Mr. Coldwell:

Q. What do you do in the case of an infraction? What are the penalties?—A. Generally speaking this is the procedure followed. We catch some infractions by log examination. I must confess that is not as complete as it should be. It takes a lot of people to do that sort of thing, and we have not got them. We will catch what we figure is a contravention. We write to that station and say, "It would appear by your log on so-and-so day at the hour of so-and-so this happened". We ask them to give us a full explanation and show the reasons why it should not be laid as a contravention charge against them. In other words, he has a chance to come back on us. He will come back and say, "Yes, you are quite right but here is what happened". I can give you one instance of a very well operated station. The chap came some 800 or 900 miles to Toronto to clear the matter up. He was charged with a contravention over two hours and a half one afternoon which was amazing to us. It came through on a written report from the Department of Transport when they were checking. It was unusual for the station. We charged it. He was very concerned. What had happened was he had taken on a new announcer. I can tell you—and I speak from experience—that you are pretty well concerned with what you are saying and you are pretty jittery anyway. That chap had not announced that it was a recorded programme for two and a half hours. That man made a full explanation of it. We accepted that explanation and there was no charge laid. I could not give you a list of contraventions because the majority of them are handled that way. I have in mind a recent happening in Winnipeg where the radio manager there fixed it like that, but when they do not fix it that is when the trouble starts. There are very few cases.

Q. Have you had to suspend any licences?—A. No, there have been none suspended.

By Mr. Fleming:

Q. At any time?—A. There has never been a station taken off the air in Canada.

Q. That is a good record.

Mr. COLDWELL: It is a good record for the station or shows great leniency on the part of the CBC.

The WITNESS: There was a little of both.

By Mr. Fleming:

Q. Would you say that by and large you have had good co-operation from the stations?—A. I must say that. We work very much on a personal basis with them. On our field work we visit them. We have been to their homes. When their laddies came through to Manning pool we would take care of them. When something happens we can call up and say we would like to have this done or we would like to have that. That is really the basis we have been working on. It is not a hard and fast speed trap type of operation at all. I do not know why I should be happy in this particular line of business but we get along very well.

Mr. COLDWELL: I am glad you say that because some of the articles I have read dealing with the CBC would almost lead one to believe it was a most arrogant monopolistic organization which was out to destroy the local stations.

The WITNESS: I think the private stations around here would pretty well subscribe to what I have said as regards the way we work. Sometimes they think we are a little tough.

Mr. COLDWELL: We have heard nothing of that sort before the committee. One would think if you were harsh we would have heard it here, but one has not.

Mr. SMITH: He is not a policeman but more of a kindly matron.

The VICE-CHAIRMAN: Are we finished with Mr. Radford?

Mr. COLDWELL: I think we have got a very interesting document which we can study.

The VICE-CHAIRMAN: Thank you very much. We have a little bit of time at our disposal. What do you wish to take up?

Mr. FLEMING: Let us take up the site of the CBC in Montreal. We might clean that up in the time remaining.

Mr. COLDWELL: I think we should have a recess for a few minutes.

Whereupon the committee adjourned for a short recess.

On resuming after recess.

Dr. Augustin Frigon, General Manager, Canadian Broadcasting Corporation, recalled.

By the Vice-Chairman:

Q. Have you prepared a statement on this question?—A. Yes, but I do not think I will read it. I will follow the general line of it.

Q. Would you please give us your explanation?—A. At the start I should like to say that I wish Mr. Beaudry was the member for Outremont because we have an option on a site in that constituency and he might help us to proceed with that deal. The story is this. In 1930 the city of Montreal bought a piece of land situated right across Berri street between Ontario and Demontigny streets from a religious order. For a number of years no appropriate use was made—

By Mr. Fleming:

Q. Could you give me that date, please?—A. 1930. That was the purchase of a property owned by a religious order. Until 1939 there had been no definite policy as to how that land should be used. In 1939 the CBC decided that we should provide permanent headquarters in Montreal for our studios and offices. I was approached by the then town planning engineer of the city of Montreal who suggested that we might obtain from the city a piece of land of about 100,000 square feet located about the centre of a very much larger property at that point. An offer was made formally and was accepted. An agreement was signed which stipulated that we should build studios on the site before April 1, 1940, the city of Montreal agreeing to build a park if possible before that date, but at least to plant a row of trees on each side of the park to hide a number of ugly sheds, properties, garages and fences which would be on each side of our studios. That was a part of the deal.

Q. Was that a gift or a purchase?—A. That was a gift. At that time it was also suggested that the city of Montreal might expropriate property on each side of their park and build on that expropriated property modern apartments to replace the old buildings that are there now. That was not a part of the deal, but it was suggested and it is reflected in the paragraph of the agreement which says:—

> An homologation line shall be established by the said city comprising all the immovable properties which are not already owned by the city and which are included in the square formed by Demontigny, Ontario, St. Denis and St. Hubert streets, for the purpose of converting this area into a public park to be established and maintained by the said city.

In other words, without this being a part of the deal it was envisaged that not only would the property they have now be envisaged that not only would the property they have now be transformed into a park with our building in the middle, but they would expropriate on each side to enlarge the park or build modern apartments with a semi-commercial front on St. Hubert and St. Denis and a residential front on the park.

Times have changed. We can now look forward to our future a little more clearly than 1939. We were then only three years old. We have brought to Montreal our international shortwave service. The floor space we occupy now is much larger than what we intended to provide in our new building in 1939. In January of this year the city of Montreal asked us whether we intended using the site or not. Our board considered all factors involved and finally decided to give the property back to the city. The fact that this matter was not settled earlier I think can be placed squarely on account of the war. We could not build during the war. They could not transform the park or use the park for any construction. As a matter of fact, we never heard between 1939 and this year that the city had the intention or had any mind to build anything or to use that property for anything else but our radio studios and offices. So by the fact that we did not give a final decision until this year we did not hold back any project the city may have had for the use of that property. You were told that the population for Montreal is located east of that property and a proportion west of it. We made a plan here. Before we gave a final decision to Montreal I had this map prepared on which is indicated by a spot the residence of each of our employees in Montreal. It may be too far away for you to see the details, but our studios are now here at this spot, the corner of Drummond and St. Catherine and we have employees all over the map, all over the place; so it is not right to say from the point of this location that Berri street will be more central than where we are now. Berri street is a good location and has good transportation facilities.

By Mr. Coldwell:

Q. Whereabouts was the site that was proposed and which you relinquished? —A. That is Berri street.

Q. On the map, I mean?—A. Here. (Indicating).

By Mr. Fulton:

Q. You are where?—A. Here. (Indicating).

Mr. COLDWELL: Oh, yes.

By Mr. Fulton:

Q. How far would that be in actual distance?—A. About a mile.

By Mr. Fleming:

Q. A mile east or west?—A. East.

Q. You are west?—A. Yes.

By Mr. Ross (St. Paul's):

Q. I do not think it is a mile.—A. It is not very far from a mile. I could measure it here if you would like me to.

The VICE-CHAIRMAN: About 15 blocks.

Mr. HANSELL: That does not mean very much in an eastern city. Blocks are all types and sizes.

The VICE-CHAIRMAN: Yes.

The WITNESS: A little over a mile on the scale. So the whole thing is a matter of weighing the conditions at the present time and looking to the future

and deciding what we should do about it. Our board, after considering the thing very fully, decided that we would give up this site. We took an option on another site in Outremont; and as the whole project will cost possibly $2,500,000, the actual value of the site is not a great proportion of the cost, and we think that we should build at the best possible location, taking everything into account. That is the whole story. To sum it up, we have not prevented the city from doing anything with the property, because the very first time they asked us whether we were going to go through with it, we said no. We have given back the property and we are planning to build in Outremont.

By Mr. Fleming:

Q. They have accepted it?—A. They have accepted it. The board passed its decision that they wanted to hand the property back to the city. The city passed a decision saying that they accepted the property back. The documents are being prepared now for signature.

By Mr. Coldwell:

Q. They are not unhappy about getting the property back?—A. No, they are not. As a matter of fact, at the time we decided to give it back, there were rumours that there were three or four different schemes to use the property for large buildings. I do not know what the position is now; I have not heard anything about it, but I think they will have no trouble to find a use for the property. As a matter of fact, if they want to improve the surroundings or the locality of the district, they could very well use the site as a park. The argument that we should build there to help the city improve the district is not very sound, in my estimation.

By Mr. Fulton:

Q. Had you spent any money on it in the way of construction?—A. We had prepared plans up to the point where we could have asked for tenders in the fall of 1939. The war came on and we could not proceed, of course. Those plans, whether we build there or build anywhere else, will have to be done over again. Times have changed. A lot of information obtained in preparing the plans will be useful still. Broadcasting methods have changed, or at least studio methods have changed since then. So the cost of the plans is far from being a total loss. We can make use of them.

Q. In the meantime you have a studio established and are operating in those other buildings, and you are going to build in Outremont.—A. We do not know. We have an option in Outremont, which is a very beautiful site and we may use that. I do not know whether you know Montreal. It is on the Cote Ste. Catherine road. It is a very nice part.

By the Vice-Chairman:

Q. Is it near the University of Montreal?—A. It is just opposite the Jesuits' College, about opposite the University of Montreal on Cote Ste. Catherine.

By Mr. Fleming:

Q. The executive officers of the CBC decided that they wanted a site further west, that they did not like the site that had been offered by the city of Montreal. I do not think any of us is prepared to substitute his judgment for that of the CBC.—A. There are many reasons for that. For instance, the east end, as we call it, Berri Street, is an old district. Mr. Beaudry told you that the other day. Most of the buildings around there are obsolete; I mean, they should be destroyed and rebuilt. There is no question about that. It would have been a nice gesture to the eastern population of Montreal to build there; but when

you take into account the size of the land, the transportation problems, the expansion, the appearance, the front of the whole thing, we believe now that it is preferable to go somewhere else.

By the Vice-Chairman:

Q. But on the other hand, Dr. Frigon, there has to be someone with a new building who will start there, if you want that district to improve?—A. Well, of course, I do not like to discuss the problems of Montreal here; but I would suggest if they want to do any job, they should just transform that site into a park. They have no park around there. That is their business, not ours.

By Mr. Fleming:

Q. It is a local Montreal problem. When you come to build this $2,500,000 building, you will have to come to parliament for funds, will you?—A. Decidedly so; not only for funds, but we will have to ask permission by order in council. When I say $2,500,000, that is not the building only; only a small part of that is the building. It is the equipment that costs money.

Q. And that will house all the CBC offices, studios and equipment facilities in Montreal, including your short wave facilities?—A. All in Montreal, plus some additional space and provision for the immediate future.

By Mr. Ross (St. Paul's):

Q. Why do you go to Outremont?—A. Because it is not easy to find a site of that size anywhere else, except at a very high cost.

Q. I should think your transportation problem would be diffcult—A. It is a problem. There is no ideal site.

Q. No.—A. But taking all things into account, and taking into account the way the city is building up, Outremont seems to be a very good bet; and there are quite a number of big institutions built there at the present time.

By Mr. Coldwell:

Q. That is on the northwest side of Mount Royal, is it? I am trying to get the location in my mind.—A. Do you know Cote des Neiges that goes over the mountain?

Q. Yes.—A. When you have passed the mountain, it is about 1500 feet east of that road.

By Mr. Hansell:

Q. I think I was one of the men who first visualized a sort or radio city somewhere, and I think because of the fact that radio is a bit of an art, we do not want to build a factory; when you do build, you want to have it in a nice location, a suitable location and one that is a credit to your organization.—A. Whatever we do, we think it should be, as I say, a credit to the CBC and to the public service of Canada.

By Mr. Fleming:

Q. If it is going to be the home of broadcasting in Canada, it ought to be a building worthy of it—A. It ought to be substantial and large enough to take care of our needs.

By the Vice-Chairman:

Q. It is true that the east end is an old part and that many of the buildings may be, as you said, obsolete. But do you think it can be said that this particular part and the site you had in mind is not a suitable place for what you had in mind in 1939?—A. In 1939 it was a good choice; and I think it is a good choice to-day not to go there. It is a matter of weighing the conditions as they exist

when you have to decide something. In 1939 we were three years old, as I said, and eager to get installed somewhere; and this was offered to us. There was the vision of a nice park and all that. We said to ourselves, "That is a good scheme". With all the discussions we had with the city officials, it looked like a very promising scheme. Now we have some doubt in our minds whether it will be just so good. I have nothing to say against the district because I lived there for about 30 years of my life, so I am not afraid of the district. I had my office there for years and years. It is a popular district of small shops, boarding houses and other institutions nearby.

Q. Such as St. James church?—A. Yes. In other words, it is not very much different from Jarvis Street in Toronto where we are now.

Mr. COLDWELL: That speaks volumes.

By Mr. Fleming:

Q. How is it that the CBC seems to gravitate towards places like that?—A. Well, it is a matter of opportunity, sir.

By the Vice-Chairman:

Q. In 1939 it was the decision of the CBC to build there; if you had had the funds at the time and if the war had not broken out you would have built there? —A. If it had not been for the war, we would have had a studio there in 1940.

Q. Notwithstanding whatever might be said about the surroundings?—A. No.

Q. The surroundings were good enaugh then?—A. That is quite right.

Q. And nothing has changed so far?—A. Except that Montreal is moving out and the district has not improved.

Q. No. I mean as far as the surroundings are concerned in the locality, nothing has changed from 1939 up to this point?—A. The immediate surroundings are not shaping up as we hoped, as we thought the immediate surroundings would be a nice park. There is no sign of that yet.

Q. I think that the point that Mr. Beaudry had in mind was that, from 1939 up until 1946, no intimation was given to anybody that the CBC had changed its mind, although representations had been made during 1945—A. Well, no, the representations were made in 1946 from the city of Montreal. There is an organization down in that part of the city known as l'Est Central which is composed almost exclusively of merchants operating between St. Denis and Amherst Street and Ste. Catherine Street. They would like to see that site put to use whether it is the CBC, a big office building, or apartment houses. They want the population there. That is why they were eager to have us there, because they had been waiting 9 years, before we were offered the site, for action. They came to us. They saw us early in 1945. We did not know ourselves then. We did not know then even exactly what we were going to do. Now we can see a little brighter future ahead of us and we think we could do a better job somewhere else. Again, the general cost of construction and equipment has gone up, and the relative value of the site in dollars and cents has not the same importance now that it had in 1939.

By Mr. Fleming:

Q. When you move to Toronto, we will give you a real site.—A. We have two already there.

By Mr. Ross (St. Paul's):

Q. Are you permanently moved in Toronto?—A. Well, we had decided on Yonge Street, which we cannot use because of the underground project of the city of Toronto. We have decided on Jarvis Street, which is decidedly more promising than Yonge Strret. Where we are now is just temporary.

Q. You are temporarily on Jarvis Street?—A. Yes. Whenever we want to build, if we build there, we can do it without disturbing too much our present set-up, by building half the construction and then the other half. It is hard to say what we will do in five years.

Q. It is a good site on Jarvis Street?—A. At the present moment I would say the Jarvis Street site has a good chance to remain permanent.

Q. There is good transportation?—A. Yes.

Q. And you have a fairly good building?—A. There are new buildings going up nearby which seems to indicate that the district will be transformed to some extent

Q. They will gradually change.—A. So we will wait, and in five or six years, if we find another solution which is acceptable, we could change; but at the present moment, Jarvis Street seems to be a good site.

By the Vice-Chairman:

Q. Dr. Frigon, the Board of Governors had an interview with Mr. Beaudry, M.P. for St. James.—A. Yes.

Q. It was agreed at a previous meeting that the CBC should produce the minutes of the Board of Governors respecting the interview which he had with the board. Have you anything to file in this regard?—A. I have not got that here.

Mr. DUNTON: We have that here, Mr. Chairman. if the committee wishes to have that.

The VICE-CHAIRMAN: Would you care to read that, if it is not too long, and have it as part of the record?

Mr. FULTON: What is the purpose of this, Mr. Chairman? What have you in mind? What is the object of it?

Mr. FLEMING: Mr. Beaudry asked for it.

The VICE-CHAIRMAN: Mr. Beaudry requested that and the committee agreed that the CBC, when they were discussing this matter, should produce it.

Mr. FLEMING: I think we more or less committed ourselves to Mr. Beaudry that would be done, Mr. Chairman.

The VICE-CHAIRMAN: I think so.

Mr. DUNTON: This is an extract from the 46th meeting of the Board of Governors of the Canadian Broadcasting Corporation held in Ottawa on March 20, 21 and 22, 1946. This is a note in the minutes regarding a sitting on the 21st of March:—

> Mr. Roland Beaudry, M.P. for St. James, Montreal, came before the board again in connection with the proposed site for a building for studios and offices for the CBC in the city of Montreal. He pointed out that in 1939 the CBC had made plans for and negotiated for the construction of a building to house the CBC in Montreal at a spot near the intersection of St. Denis and Ste. Catherine Streets in the constituency of St. James. The war intervened and no building was erected. It is now rumoured that the CBC are negotiating for another site. He said that undoubtedly any building erected by the CBC in the city of Montreal would be considered as the French language headquarters and that this site was the most suitable, and he urged that the CBC construct here.

I might point out here that when it mentions "Mr. Beaudry came before the board again" that does not refer to two appearances in this matter. He had been before the board at the same meeting in connection with some of his radio stations.

Then there is an extract from the minutes of the same meeting; this is part of the minutes dealing with the sitting next day:—

It was resolved

That the chairman and the general manager be authorized to reconvey to the municipal corporation of the city of Montreal the land and premises described in a certain deed of donation, dated March 29, 1939, passed before Notary Jean Baudoin under his Repertoire Number 14424, and registered April 3, 1939, under Number 451077, between the city of Montreal, as grantor, and the Canadian Broadcasting Corporation, as grantee, that is to say:—

Lot No. 57 shown on official subdivision plan of original Lot No. 839, on the north side of De-Montigny Street, St. James Ward of the city of Montreal, measuring 225 feet in width by 445 feet in depth and containing 100,125 sq. feet.

and that the signing officers be and they are hereby authorized and directed to sign and execute the said deed of grant on behalf of the corporation and that a notary be instructed to prepare and to pass the deed, subject to approval by Mr. F. Willard Savignac, and that the said conveyance be undertaken at the corporation's expense.

The VICE-CHAIRMAN: On what date was the decision of the board finally made?

Mr. DUNTON: March 22nd.

The VICE-CHAIRMAN: From 1939 to March 22, 1946, there was no discussion between the board and the city of Montreal as to its intention?

Mr. DUNTON: No.

The VICE-CHAIRMAN: As to the CBC's intention?

Mr. DUNTON: I do not think there were any formal discussions with the board. Dr. Frigon would know if there were any informal discussions.

The WITNESS: This whole question is of local importance. People in the district have seen this site unoccupied for fifteen years, used partly as a dumping place, and the citizens want action. They want a park or apartments or a big office building. They want something there. There was mention of the Quebec conservatory of music locating there, or again a gymnasium and building for the police force, or again a station to be built for buses, or again a very large building with 2,000 or 3,000 employees. The citizens seeing that the CBC building was not going on were saying, "What are we getting"? That is the whole thing. The CBC has nothing against the district. It is a very respectable district, but it is, as I said previously, a matter of weighing all the factors and deciding what is the best place.

By the Vice-Chairman:

Q. Am I to understand if conditions had not changed in your business having to do with the short wave service, and so on, that you would have maintained your decision to build there?—A. Let me put it this way. If we had built in 1940 and were there now personally I would feel very happy about it, but now that I have an opportunity to make up my mind I think we would be better somewhere else. It is just like a man taking a flat somewhere or a house, and then after a number of years he wants to move. That is the situation. If we were there we would be happy in our operations but we think we can do better.

The VICE-CHAIRMAN: Is that all, gentlemen?

Mr. ROSS (*St. Paul's*): I move we adjourn.

The VICE-CHAIRMAN: Before we adjourn is it the pleasure of the committee to decide whether or not we should have a meeting of the steering committee to fix the agenda for the following sessions? I understand that at the next meeting we will take up CBC's future policy.

Mr. FLEMING: There is a qualification there. I understand that the CBC has a brief to put in first of all by way of a further review of the past in the light of the evidence received from the private stations.

The VICE-CHAIRMAN: You are referring to answers to questions which have been put during our investigation since they presented their first briefs?

Mr. FLEMING: Yes.

The VICE-CHAIRMAN: I understand that is right.

Mr. DUNTON: There are a few notes on things that have come up during the C.A.B. presentation, and so on.

Mr. FLEMING: It would be useful to have that first.

The VICE-CHAIRMAN: We may need to sit on three days to clear up this matter. Would you suggest we sit on Wednesday, Thursday and Friday or have a meeting on Tuesday and then meet on Thursday and Friday as we have done in the past?

Mr. FLEMING: We have cleared up everything apart from the CBC and the correspondence so that when we start we will stick right to the CBC.

The VICE-CHAIRMAN: The correspondence is a matter of a brief report by the clerk of the committee.

Mr. FLEMING: Could we not save time if Dr. Frigon has his brief ready by having it circulated and letting us read it before the next meeting? We could prepare to ask questions on it.

The WITNESS: I thought I would follow the example of Mr. Porter. I should like to try to do the same thing and not read the report.

Mr. FLEMING: I thought you were going to present a brief?

The WITNESS: I have a brief all written but I thought I would proceed as Mr. Porter did so as to get nearer to your minds and have an exchange of views as we go along rather than read it verbatim.

Mr. COLDWELL: It makes a much more interesting presentation.

Mr. FLEMING: I am bound to say for my part it is much easier to follow when you have got a written brief in front of you.

The VICE-CHAIRMAN: On the other hand if the witness wants to do it that way I do not think we should object.

Mr. FLEMING: If he wants to make his presentation that way it is all right, but I think it is very much more valuable to give us the material in written form, because it is much easier to pick up the thread and ask questions afterwards.

Mr. HANSELL: If we meet more than twice I am going to suggest that it not be three days running. It is pretty tiresome. We have other work, and if we could meet Tuesday, Thursday and Friday it would be better.

The VICE-CHAIRMAN: Let us have a meeting of the steering committee on Monday night.

Mr. FLEMING: We had better have the meeting of the steering committee to-night and arrange it in advance so that people can be warned. The CBC will want some notice of it.

The VICE-CHAIRMAN: If that is agreeable to you I suppose it can be done. Let us say 8.30 at the office of Mr. Maybank.

Mr. FLEMING: Make it 8.45.

The VICE-CHAIRMAN: 8.45.

The committee adjourned at 5.50 o'clock p.m. to meet again at the call of the chair.

SESSION 1946

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 10

THURSDAY, AUGUST 1, 1946.
FRIDAY, AUGUST 2, 1946.

WITNESSES:

Mr. G. C. W. Browne, Acting Controller of Radio, Department of Transport.

Dr. Augustin Frigon, General Manager.

Mr. A. Davidson Dunton, Chairman of Board of Governors, Canadian Broadcasting Corporation.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

ERRATUM

Minutes of proceedings and evidence of July 25 and 26, being number 9 of the printed evidence.

The name of the last witness on the cover page should read "A. Davidson Dunton" Chairman, Board of Governors, Canadian Broadcasting Corporation.

MINUTES OF PROCEEDINGS

Thursday, August 1, 1946.

The Special Committee on Radio Broadcasting met at 10.00 o'clock. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, vice-chairman, Bertrand (*Prescott*), Bowerman, Coldwell, Diefenbaker, Fleming, Fulton Gauthier (*Portneuf*), Hackett, Hansell, Knight, Maloney, Maybank, McCann, McCulloch, Mullins, Picard, Pinard, Robinson (*Simcoe East*), Ross (*Hamilton East*), Ross (*St.-Paul's*), Smith (*Calgary West*).

In attendance:

From the CBC: Messrs. Dunton, Frigon, Manson, Bushnell, Weir, Brodie, Olive, Richardson, and Keddy.

From the Department of Transport: Messrs. Browne, Caton, Smith and Rogers.

Also Messrs. Harry Sedgwick, Joseph Sedgwick, J. E. Rogers, Lalonde and Herbert.

Senator Vincent Dupuis was also present.

Mr. G. C. W. Browne, acting controller of Radio, was recalled. He read a supplementary statement in which he implemented answers to questions previously requested. He was assisted by Messrs. Caton and Smith of the Radio Division.

The witness concluded his statement and the Committee suspended its proceedings at 11 o'clock.

The proceedings were resumed at 11.30 and further to the correspondence he tabled, Mr. Browne read a letter to Station CKTB dated March 7, 1941.

The witness made a correction in his statement. (*See this day's evidence*).

With reference to the correspondence relating to notification of change of wave-lengths, the witness stated that he had tabled all the correspondence.

Dr. Augustin Frigon was recalled and examined on the above correspondence and retired.

Mr. Browne was retired.

At one o'clock, the Committee adjourned until 3 o'clock this day.

AFTERNOON SESSION

The Committee resumed at 3 o'clock.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Diefenbaker, Fleming, Fulton, Gauthier, (*Portneuf*), Hackett, Hansell, Knight, Laurendeau, Maloney, Maybank, Nixon, Picard, Pinard, Robinson (*Simcoe-East*), Ross (*Hamilton East*), Ross (*St.-Paul's*), Smith (*Calgary West*).

In attendance: Same as listed at the morning sitting.

Mr. Hansell made a correction at page 602 of the printed proceedings. (*See minutes of evidence*).

Mr. G. C. W. Browne was recalled, questioned by Mr. Ross (*St.-Paul's*), on the number of United States stations licensed since 1941. He promised to table the answer and retired.

Dr. Augustin Frigon was recalled and examined on statements made before the Committee, particularly on those of the Canadian Association of Broadcasters. Messrs. Bushnell and Weir supplied some answers.

Mr. Beaudoin, vice-chairman, presided temporarily.

The witness proceeded to make a declaration respecting CBC future policy and tabled copies of the following which were distributed; namely:—

1. Table of rates relating CFNB and CBC.

2. Network revenues—1944-45 of private stations.

Dr. Frigon was examined thereon.

At the request of Mr. Diefenbaker, the witness undertook to produce information concerning the station formerly operated by the Toronto *Star* and CBJ at Chicoutimi.

Dr. Frigon read a further memorandum on CBC commercial revenues in reply to a previous question by Mr. Smith and he was interrogated thereon.

At 6 o'clock, the Committee adjourned until 10 o'clock Friday, August 2.

FRIDAY, August 2, 1946.

The Special Committee on Radio Broadcasting met at 10 o'clock. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Diefenbaker, Fleming, Fulton, Hansell, Knight, Maloney, Robinson (*Simcoe East*), Ross (*St.-Paul's*) and Smith (*Calgary West*).

In attendance: Same as listed at the morning sitting of Thursday, August 1.

Dr. Augustin Frigon was recalled. He addressed the Committee on the CBC expansion plans, illustrating certain points on service area maps.

Mr. A. Davidson Dunton was recalled and presented a statement on the aims and policies of the Board of Governors.

At eleven, the Committee suspended its proceedings and resumed at 11.35

Messrs. Frigon and Dunton were interrogated and retired.

Mr. Beaudoin, vice-chairman, presided over a portion of the proceedings.

The Chairman tabled page references to power and frequency changes and channels in the evidence of Radio Parliamentary Committees since 1932, and on motion of Mr. Fleming, who had requested this information, it was agreed that they be printed (*See appendix A to the Clerk's minutes of proceedings*)

At one o'clock, the Committee adjourned until 3 o'clock.

AFTERNOON SESSION

The Committee resumed at 3 o'clock and concluded its examination of Messrs. Dunton and Frigon.

Mr. Beaudoin, vice-chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Diefenbaker, Fleming, Fulton, Hackett, Hansell, Knight, McCann, Nixon, Picard, Robinson (*Simcoe East*), Ross, (*St. Paul's*).

Mr. Diefenbaker requesting it, Mr. Dunton agreed to produce for the inspection of the members of the Committee a file of communications exchanged between CBC and the Toronto *Star*, since 1937.

Mr. Bushnell was recalled and filed a list of commentators. He commented on this information asked by Mr. Hansell and retired.

Mr. Neil Morrison, supervisor of talks and public affairs, was called. He supplied an answer relating to Mr. Philpott and retired.

Dr. Frigon, in answer to Mr. Knight, filed a memorandum on School Broadcasts which will be incorporated in the record.

Referring to the CBC White Paper on Political Broadcasts, Mr. Dunton read suggested amendments to Part II, sections 1 to 9. (*See evidence.*)

Honourable Mr. McCann was questioned on a matter of policy pertaining to allocation of wave-lengths.

At 6 o'clock, the Committee adjourned until Tuesday, August 6 at 10 o'clock and agreed to conclude the taking of the evidence.

ANTONIO PLOUFFE,
Clerk of the Committee.

NOTE.—Appendix A being page references to previous Radio Parliamentary Committee follows.

Appendix A

REFERENCES TO POWER AND FREQUENCY CHANGES AND CHANNELS IN MINUTES AND PROCEEDINGS OF RADIO PARLIAMENTARY COMMITTEES FROM 1932-1936

1932—Pages: 5, 21, 24-25, 105, 113-114, 117, 118.

1934— " 14-19, 24, 26-31, 42, 46-48, 70-73, 79-80, 83, 89-91, 264-268, 329, 331, 355-359, 404-409, 460, 466, 556, 571, 584.

1936— " 107, 359-361, 403, 408, 493-494, 665, 672, 767-768, 785.

The North American Regional Broadcasting Agreement was signed at Havana on December 13, 1937.

1938—Pages: 5-7, 15, 27-29, 41, 54, 55, 56, 57, 105, 107, 128, 137, 194.

1939— " 5-9.

1942— " 129, 188, 333-334, 694-695, 704, 989, 998, 1088, 1095.

1943— " 22, 68, 176-177, 180, 209-218, 246, 257, 261.

1944— " 18, 20, 49, 79-84, 129, 203-211, 237, 266-270, 331-337, 531-535, 551, 555-556.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

August 1, 1946.

The Standing Committee on Radio Broadcasting met this day at 10.00 o'clock a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: I see a quorum, gentlemen.

Gentlemen, you know from the letter which I sent to you the decision of the steering committee. Boiling it down I think it just comes to this, that we have before us Mr. Browne of Transport, to deal with any matter that the committee may desire, then we will proceed with CBC to answer all the questions that have come up in the course of the hearings. And besides that they are to give us the overall picture for the future, if I might put it that way, the details of their plans. I haven't my copy of the letter in front of me but I think you will agree that is just about the bones of it, is it not?

Mr. SMITH: Precisely.

The CHAIRMAN: Good. Well then, what is your will as to starting; shall we take Dr. Frigon or Mr. Dunton to commence, to tell us what they desire to tell us?

Mr. FLEMING: Has Mr. Browne got the information for us?

The CHAIRMAN: That is the very thing I was wondering about. There was some information Mr. Fleming wanted from Mr. Browne, I have just forgotten what it was.

Mr. FLEMING: Probably I have too. There was quite a bit of it I know.

The CHAIRMAN: He says, has Mr. Browne got the information and he is relying on Mr. Browne to remember what it is. There was certain information Mr. Fleming wanted; they probably would give us that information. Now, Mr. Browne:—

Mr. G. C. W. Browne, Acting Controller of Radio, Department of Transport, recalled.

The WITNESS: I have that information, Mr. Chairman. I have the letters which were requested available in mimeograph form. I have also prepared another statement for the committee which I have had mimeographed, and which I think perhaps I should read.

The CHAIRMAN: They are going to be distributed, are they?

The WITNESS: Yes.

The CHAIRMAN: Gentlemen, there are two statements that have been placed before you or two sets of papers. One of them is a collection of correspondence, the top letter of which is dated September 26, 1940. There are three different matters in that group of letters and they are supposed to be divided by blue sheets of paper. Mr. Browne tells me that the nature of those will be disclosed as he presents the other statement which he has prepared, a copy of which you have. Therefore I would ask Mr. Browne to proceed to make his statement now.

The WITNESS: The following statement will, I trust, clarify at least some of the various points raised by members of the committee during previous meetings. By following a chronological sequence of events a much clearer understanding of what took place will result, I am sure

To begin, I would draw to your attention Section 8 of Part II B of the Havana Agreement which contains two important provisions. In effect, these two provisions require:—

(*b*) that a country not making *any* use of a clear channel for a period of one year during the term of the treaty loses priority on such clear channel and

(*d*) that a country failing to use the *full* power permitted on a clear channel within the period of the agreement loses that portion of the country's rights which were not in use at the date of expiration of the agreement.

At the time of the Havana Conference the future plans of the Canadian Broadcasting Corporation were commencing to take shape and under the treaty Canada secured 6 channels for high power Class 1 A stations, including 860 Kc/s, for use in Ontario, 990 Kc/s for use in Manitoba and 1010 Kc/s for use in Alberta. In addition, Canada obtained 4 clear channels for lower power Class 1 B stations, including 1550 Kc/s in Ontario, which could be held by a station with a power of 10,000 watts indefinitely.

By Mr. Smith:

Q. I do not want to interrupt you, but are you suggesting that the Havana Treaty arranged that those should be in Alberta, Ontario, and so on?—A. Quite so.

The CHAIRMAN: Yes, Mr. Smith; that came out one time before. The correct answer is they are not exactly in Alberta but a locality. Is that not correct?

The WITNESS: That is right.

The CHAIRMAN: They were not named by provinces.

Mr. SMITH: I can read it. Go ahead.

The WITNESS: At Havana provision was also made to share 4 clear channels by 4 Canadian Class II stations, including 1060 Kc/s, for a 10,000 watt station in Alberta sharing with and protecting one Mexican and one United States clear channel 1 B station; 1080 Kc/s for a 15,000 watt station in Manitoba sharing with and protecting 2 United States 1 B stations. Part III (1) of the Havana Treaty required each government to notify the other governments of all assignments for existing and new stations and for proposed frequencies under the agreement; such notice to be filed at least 180 days prior to the effective date of the agreement, i.e. March 29th, 1941.

Although the agreement was signed in Havana in 1937, final ratification by all the countries concerned was not effected until later, and hence it was not possible to bring the agreement into force until 29th March, 1941.

Technical officers of the department and of the Canadian Broadcasting Corporation prepared the frequency assignment list which the department, as the controlling administration, was required to forward to the Inter-American Radio Office at Havana, in accordance with Part III (1) of the Treaty. In preparing this list the following serious handicaps to the Canadian position had to be borne in mind:

1. The country was at war and the CBC were not in a position to obtain funds for the erection of high power stations to occupy the clear channels. In any case, high power equipment was not then obtainable.

2. The treaty was due to expire in 1946 and there was no assurance—and in fact there actually existed doubt—that it would be possible to arrange for its extension.

3. If the treaty were not extended, Canada would lose priority rights on channels she could not occupy to the full requirements of the agreement.

4. Naturally other countries would gain by this country's loss and might not be favourable to any request for extension. (How true this proved to be was borne out by the difficulties of the negotiations which were later instituted to extend the agreement and which culminated in the signing of the *modus vivendi* at Washington in February 1946).

In preparing this list of assignments it was therefore decided to take every conceivable step to retain for Canada as much as possible in any eventuality. There were then no stations owned by the CBC which had sufficient power to permanently occupy the channels 860, 990 and 1010 Kc/s on a clear channel basis and hence it was decided to transfer CFRB, a 10,000 watt station, to 860 Kc/s; CKY, a 15,000 watt station, to 990 Kc/s and CFCN, a 10,000 watt station, to 1010 Kc/s, thus assuring the retention of these clear channels as such.

By Mr. Fleming:

Q. What date are you speaking of here? You are not speaking of 1946?—A. Oh no.

Q. You are back in 1941?—A. Back in March, 1941, or February; I forget which.

By the Chairman:

Q. "In preparing this list of assignments" is what gives the date, is it?—A. That is right.

Mr. SMITH: He says, "There were then no stations owned by the CBC." He means 1941 and not 1946.

The WITNESS: That is right. And if through the unfortunate circumstances brought about by the war it was impossible for Canada to establish class 1 A stations on these channels within the life of the Treaty, at least they would be held by class 1 B stations, whose minimum power had to be 10,000 watts. These three stations had to change frequency, in any case, and were actually using the powers required, hence no additional expense would be involved and rather than causing hardship to the stations they would enjoy the privilege of the use of the channels concerned. The notification for the implementation of the treaty therefore included these assignments.

By Mr. Smith:

Q. What do you mean by that?—A. The required notification which I referred to on the previous page under the terms of the treaty.

By Mr. Fleming:

Q. Notification to whom?—A. To the international office at Havana, which was required 180 days before the coming into effect of the Treaty.

On September 26th, 1940, all the stations which were required to change frequency with the coming into effect of the Havana Treaty were advised by a mimeograph letter of the proposed new frequency assigned to their station and that they would be given the exact date and time of the changeover later. Copies of the letters which went to CFCN, CKY, and CFRB are being placed before you. They are the first three letters in this other document.

By the Chairman:

Q. They are identical, are they not, except for the addressee?—A. Yes; you may now turn over the blue separation sheet.

Prior to the coming into effect of the Havana Agreement, applications had been received from several stations in Canada for increases in power to 1000 watts if and when a frequency became available when the agreement came into effect. Among these was CKTB, St. Catharines, and at a special meeting of the Joint Technical Committee called in October, 1940, to consider the problem of

the assignment of frequencies to these stations, it was decided to place CKTB on the frequency of 1220 Kc/s, which, under the Havana Agreement, was assigned to Mexico as a clear channel for a class 1A station.

In January of 1941 an engineering conference took place in Washington at the invitation of the United States administration for radio engineers of the signatory countries to consult with the U.S. Federal Communications Commission engineers in order to correlate the frequency assignments proposed by the countries concerned, many of which were conflicting.

Again I refer to the assignments which had to be notified 180 days before the date on which the treaty went into effect.

At this conference our engineers learned that the U.S. had, by bi-lateral agreement with Mexico, arranged to place a 5000 watt station in Cleveland on the frequency 1220 Kc/s, thereby precluding its use at St. Catharines.

Concurrently with other problems, the Canadian delegation were endeavouring to arrange for the protection of Canada's rights to the clear channel 1550 Kc/s reserved for a Canadian class IB station of a minimum power of 10000 watts and the clear channels of 1060 and 1080 Kc/s reserved for Canadian class II stations in Alberta and Manitoba with powers of 10,00 and 15,000 watts respectively. While the U.S. who were directly affected were willing to allow Canada any reasonable length of time, because of the war, to implement the assignments on these channels, an undertaking was given that assignments would be made on these channels at the earliest possible date.

The fact that CKTB at St. Catharines could not longer be assigned 1220 Kc/s afforded an opportunity to place this station on 1550 Kc/s, thereby complying with Section 8 of Part IIB of the Agreement referred to at the beginning of this statement, and occupying this channel. However, such occupation could only be of a temporary character.

On the return of our engineers it was decided to give the licensees of CKTB a full explanation when offering them the frequency 1550 Kc/s in view of the large investment in new equipment they would have to make (CKTB was then operating with 100 watts) in order to increase the power of the station to 1000 watts. From the fact that CKTB was only permitted to go to 1000 watts, it was obivious that his occupancy of 1550 Kc/s, being in the nature of an expedient, could only be of a very temporary character, and it was felt that some action would have to be taken to place a higher powered station thereon at an early date. Our proposal was placed before the licensee by letter of March 7, 1941, from the then Controller of Radio, copy of which I attach.

That is the first letter under the blue separation sheet in the group of letters. Do you wish me to read this letter?

By the Chairman:

Q. Is there any comment to make on it?—A. No, other than that it was one of the letters requested.

Mr. FLEMING: Would it not be a good thing to read it as we go along? I think it would save time in the end.

The CHAIRMAN: You would prefer to have it read now?

Mr. FLEMING: Yes.

The CHAIRMAN: All right.

The WITNESS: This is a letter to the licensee of station CKTB, St. Catharines, dated March 7, 1941.

> SIR:—With fruther reference to your outstanding application for an increase of power to one kilowatt for CKTB, I now beg to advise that the Minister of Munitions and Supply has been pleased to authorize the assignment of the frequency of 1550 kilocycles for the operation of CKTB, St. Catharines with one kilowatt power as a Class II station.

This authorization is effective as of April 15, 1941, and is subject to the provision that, if at any future date the Canadian Broadcasting Corporation requires the use of this clear channel for a Class I-B station in Ontario, another frequency may be assigned to CKTB.

Please submit as soon as possible, for the approval of the Department particulars of the transmitter equipment which you propose to install. It is assumed that you will install the new transmitter at your present location and with your present antenna system. Should you propose, however, to move to another site and install a new antenna it will be necessary to submit particulars of the new site and antenna for approval. I am sending a copy of this letter to Mr. J. J. Bench who has been acting on your behalf.

Yours faithfully,

(Sgd) WALTER A. RUSH
Controller of Radio.

I will now go back to my statement.

The licensee of CKTB was glad to take advantage of this opportunity to increase the power of the station and I am attaching copy of Mr. Sandell's letter of March 14, 1941, in reply to the Department's communication.

I suppose I should read the letter?

The CHAIRMAN: Yes.

The WITNESS:

Dear Mr. RUSH: I acknowledge with very sincere thanks your letter of March 7th in which you advise that the Minister of Munitions and Supply has authorized an increase in the power of CKTB to 1,000 watts.

Naturally, your advices in this regard were received by me with extreme gratification. I wish to convey to you my personal appreciation of the many courtesies which you have extended to myself and my solicitor, Mr. Bench, throughout the course of the discussions which have preceded the grant of the increase in power. I also desire to convey to Honourable Mr. Howe, through you, my assurance that the new privileges which have been given to CKTB will be exercised by the Station in the best public interest and, to the best of my ability, with every satisfaction to the Canadian Broadcasting Corporation.

I like to think that some opportunity may present itself to you to come to St. Catharines and inspect the Station, sometime after the new equipment is installed and we have assumed the new frequency with the additional power. I think I could promise, under such circumstances, that you would find a well equipped satisfactory broadcasting unit. It may be that some such opportunity may afford itself to you, and in which event, I would be pleased if you would let me know and I shall certainly be very happy to receive you here.

Faithfully yours,

(Sgd) E. T. SANDELL,
President
Broadcasting Station CKTB

I will now return to my statement.

No stations were then operating in Alberta which could be placed on 1060 kc/s, hence no action could be taken at that time with respect to this channel.

Pursuant to the last paragraph of the letter of September 26, 1940, referred to above—that is the first letter; I am afraid we will have to turn back to the first letter in this group of letters—and as a result of the final arrangement made at Washington, telegrams were dispatched on February 4, 1941—we now go down through the group of letters to the first telegram under the second blue separation sheet.

By the Chairman:

Q. February 4?—A. February 4, 1941.

—to stations whose frequencies were being changed on March 29, 1941, advising them when the change was to take place and the frequencies assigned. These telegrams were confirmed by circular letter of February 10, 1941, to the licensees of stations affected. Copies of the telegrams and letters to the three stations are attached.

I meant to ask you if you wished me to read those telegrams and letters. I think they are just routine.

The CHAIRMAN: I suggest to the committee that one of these telegrams and one of these letters shall be printed in the proceedings and taken as read as though Mr. Browne had now read them.

Some Hon. MEMBERS: Carried.

Mr. FLEMING: Mr. Chairman, would it not be better to print all three? They are not very long and they are for different wavelengths.

The CHAIRMAN: All right. They have all been referred to by Mr. Browne and will be printed as though that were the case.

The WITNESS: Mr. Chairman, I might say in the preparation of this statement I tried to deal with these things collectively where they could be dealt with collectively, so as to save the time of the committee.

The CHAIRMAN: Quite right.

(The letters and telegrams referred to follow):—

CANADIAN NATIONAL TELEGRAPHS

Night Letter

OTTAWA, February 4, 1941.

The Manager,
Radio Station CFRB,
Rogers Radio Broadcasting Company,
Toronto, Ont.

Pursuant to the final allocation made at Washington, January thirtieth nineteen forty one under the provisions of the Havana Agreement the frequency of your station will be eight hundred sixty kilocycles and the changeover will take place at three am Eastern Standard time March twenty ninth next failure to effect change on above date will necessitate closing down station until change is made.

Radio Transport.

Charge Transport Radio

CANADIAN PACIFIC TELEGRAPHS

OTTAWA, Ont., February 4, 1941.

Voice of the Prairies Limited
Radio Station CFCN
Calgary Alta.

Pursuant to the final allocation made at Washington January thirtieth nineteen forty one under the provisions of the Havana Agreement the frequency of your station will be ten hundred ten kilocycles and the changeover will take place at three am Eastern Standard time March twenty ninth next failure to effect change on above date will necessitate closing down station until change is made.

Radio Transport.

Charge—Dept. of Transport

Night Letter

OTTAWA, February 4, 1941.

J. E. LOWRY
Manitoba Telephone System
Winnipeg Manitoba

Pursuant to the final allocation made at Washington January thirtieth nineteen forty one under the provisions of the Havana Agreement the frequency of your Winnipeg station CKY will be nine hundred ninety kilocycles and the frequency of your Brandon Station CKX will be eleven hundred fifty kilocycles Stop The changeover will take place at three am Eastern Standard time March twenty ninth next failure to effect changes on above date will necessitate closing down stations until change is made.

Radio Transport.

Charge Transport Radio.

OTTAWA, February 10th, 1941.

SIR,—In confirmation of my telegram of February 4th, 1941, I wish to advise that pursuant to the final allocation made at Washington, D.C., January 30th, 1941, under the provisions of the North American Regional Broadcasting Agreement, the frequency of your station CFRB will be 860 kilocycles.

The changeover will take place at 3 a.m. E.S.T. March 29th next. Failure to effect the change in frequency on the above date will necessitate closing down your station until the change is made.

I am enclosing for your guidance a circular "Notice to all Standard Broadcasting Station Licensees and Suppliers of Frequency Control Equipment".

Yours faithfully,

WALTER A. RUSH,
Controller of Radio.

1 encl.

The Manager,
Radio Station CFRB,
Rogers Radio Broadcasting Company,
Toronto, Ont.

OTTAWA, February 10th, 1941.

SIR,—In confirmation of my telegram of February 4th, 1941, I wish to advise that pursuant to the final allocation made at Washington, D.C., January 30th, 1941, under the provisions of the North American Regional Broadcasting Agreement, the frequency of your station CFCN will be 1010 kilocycles.

The changeover will take place at 3 a.m. E.S.T. March 29th next. Failure to effect the change in frequency on the above date will necessitate closing down your station until the change is made.

I am enclosing for your guidance a circular "Notice to all Standard Broadcasting Station Licensees and Suppliers of Frequency Control Equipment".

Yours faithfully,

WALTER A. RUSH,
Controller of Radio.

1 encl.
The Manager,
Radio Station CFCN,
Voice of the Prairies, Limited,
Calgary, Alta.

OTTAWA, February 11th, 1941.

SIR,—In confirmation of my telegram of February 4th, 1941, I wish to advise that pursuant to the final allocation made at Washington, D.C., January 30th, 1941, under the provisions of the North American Regional Broadcasting Agreement, the frequency of your Winnipeg station CKY will be 990 kilocycles, and your Brandon station CKX will be 1150 kilocycles.

The changeover will take place at 3 a.m. E.S.T. March 29th next. Failure to effect the change in frequency on the above date will necessitate closing down your station until the change is made.

I am enclosing for your guidance a circular "Notice to all Standard Broadcasting Station Licensees and Suppliers of Frequency Control Equipment".

Yours faithfully,

WALTER A. RUSH,
Controller of Radio.

1 encl.
J. E. Lowry, Esq.,
Manitoba Telephone System,
Winnipeg, Manitoba.

The WITNESS: The 17th meeting of the Board of Governors of the CBC, held in Ottawa on the 24th to 27th March, 1941, considered the report of the Joint Technical Committee, based on the position taken by the Canadian representatives at the Washington Engineering Conference and the minutes of the Board of Governors meeting on March 24 contain the following notation:—

(A) General recommendations from the Joint Technical Committee to the Board of Governors:

(1) The Technical Committee recommends to the Board of Governors that wherever possible, delays in dealing with applications be avoided. This is due to the necessity of prompt notification of proposed new assignments or changes in existing assignments to other countries signatory to the Havana Agreement in order to obtain priority.

Mr. FLEMING: Mr. Chairman, may I interrupt there. Reference was made in the previous paragraph to a circular letter of February 10, 1941. It was not read. It appears in our correspondence.

The CHAIRMAN: It was the intention that would be printed. I meant that was to be printed, in accordance with your suggestion at that time.

Mr. FLEMING: Very well.

The CHAIRMAN: That is all clear. Will you continue, Mr. Browne?

The WITNESS: Yes. Continuing:

(2) Under the Havana Agreement signed at Havana December, 1937, among the facilities reserved for Canadian use, the following are still unassigned:—

1580 kc—Class I-A—Quebec (50 kw. minimum)
1080 kc—Class III—Manitoba (15 kw. maximum)
1060 kc—Class II—Alberta (10 kw. maximum)

If these channels remain unassigned and are not in use by March 29, 1942, they shall be considered open for use by the other countries party to this agreement.

Attention should be drawn at this time to the fact that out of 15 clear channels obtained at Havana, only 8 are at present used to the extent prescribed by the agreement and unless the others are used to the same extent before March 29, 1946, the unused portion of the facilities which they represent shall be *lost* to Canada.

(B) Note regarding assignment of Class I channels to private stations

After the frequency changes to take place on March 29, 1941, under the Havana Agreement, the following Class I channels will be used by privately-owned Canadian broadcasting stations:—

860 kc—Class I-A to CFRB, Toronto, Ont. 10 kw.
990 kc—Class I-A to CKY, Winnipeg, Man. 15 kw.
1010 kc—Class I-A to CFCN, Calgary, Alta. 10 kw.
1550 kc—Class I-B to CKTB, St. Catharines, Ont. 1 kw.
(Class I-A min. power 50 kw.; max. 500 kw.)
(Class I-B min. power 10 kw.; max. 50 kw.)

These channels were obtained with great difficulty at the Havana Conference in 1937 and were for the use of the national radio system in Canada. Owing to the war emergency, it is improbable that these channels can be used by the Canadian Broadcasting Corporation at this time. However, it should be recommended that the above-mentioned licensees be advised that these channels may be required by the CBC at some future date and must be vacated if and when such occasion arises.

As stated in my previous evidence, the department proceeded to consult with the Canadian Broadcasting Corporation as to the manner in which the licensees of CFRB, CKY and CFCN were to be reminded of the provisional nature of their frequency assignments. I am depositing for the information of the Committee a copy of a letter to the CBC dated April 30, 1941, and of their reply of May 7, 1941, wherein the CBC advised that the proposed endorsement was entirely satisfactory.

Shall I read those, Mr. Chairman?

The CHAIRMAN: You had better read those, of April 30 and May 7.

The WITNESS: I think they are the first letters under the blue sheet. The first is from the Department of Transport to the CBC and is as follows:—

OTTAWA, Ontario, April 30, 1941.

Dear Mr. MURRAY:

I note in the Minutes of the 17th Meeting of the Board of Governors of the Canadian Broadcasting Corporation, Section (B) a note regarding assignment of Class I channels to private stations recommending that the Licensees of Private Commercial Broadcasting Stations CFRB, Toronto, Ont., CKY, Winnipeg, Man., CFCN, Calgary, Alta., and CKTB, St. Catharines, Ont., be advised that the frequency channels now assigned to these stations may be required by the Canadian Broadcasting Corporation at some future date and must be vacated if and when such occasion arises.

Regulation 15 of Part II of the Radio Regulations would appear to adequately protect the Canadian Broadcasting Corporation in this regard. For your information I quote this Regulation as follows:—

> The allotment of a frequency or frequencies to any station does not confer a monopoly of the use of such frequency or frequencies, nor shall a licence be construed as conferring any right or privilege in respect of such frequency or frequencies.

We therefore propose to place the following endorsement on licences for these stations for the fiscal year 1941-42:—

> This frequency is assigned subject to the provisions of Regulation 15 of Part II of the Radio Regulations issued by the Minister in accordance with Section 4 of The Radio Act, 1938.

Before these licences are issued, however, I should appreciate receiving your comments.

Yours very truly,

WALTER A. RUSH
Controller of Radio.

W. GLADSTONE MURRAY, Esq.,
General Manager,
Canadian Broadcasting Corporation,
Victoria Building,
Ottawa, Canada.

Then there is the letter received from the CBC, dated May 7, 1941, as follows:—

CANADIAN BROADCASTING CORPORATION

Dear Mr. RUSH:

Thank you for your letter of April 30, your file number 6206-1, R5, M1, V3, S1, in connection with the assignment of Class 1 channels to certain private broadcasting stations.

The endorsement you propose placing on the licenses for the fiscal year 1941-42 is entirely satisfactory to us.

Yours faithfully,

(Sgd.) DONALD MANSON
Chief Executive Assistant.

WALTER A. RUSH:, Esq.,
Controller of Radio,
Department of Transport,
Ottawa, Ontario.

Reverting to my statement, the last three lines on page 6: The licences for CFRB, CKY and CFCN for 1941-42 were then issued with the endorsation as has been previously explained in my evidence. No endorsation, however, was placed on the license for CKTB as it was felt that the letter of March 7 above referred to, amply covered the situation. I have already read that letter, I believe. On July 29, 1942, a letter was received from the Consulting Radio Engineers, representing station CJOC at Lethbridge, enquiring as to the possibility of Lethbridge increasing power to 1,000 watts and changing to 1060 Kc/s. That is the first letter again under the blue sheet in the next section in this group of letters. It is from the R.C.A. Victor Company Limited and is as follows:—

RCA VICTOR COMPANY LIMITED

HEAD OFFICE—MONTREAL, CANADA

July 29, 1941.

Mr. WALTER A. RUSH:
Controller of Radio,
Department of Transport,
Hunter Building,
Ottawa, Ont.

Subject: CJOC—Lethbridge, Alberta

Dear Mr. RUSH:

In connection with the utilization of the Class II 1060 kc. channel set aside for Alberta in the Havana agreement the treaty states that the requirements as regards a directive antenna are "to be determined". Will you kindly advise me.

(1) Are there any special agreements of an unwritten nature that are applicable to this frequency in Alberta?
(2) Will the standard rules for good engineering practice written into the treaty form the basis of the determination of directive antenna requirements for the utilization of this facility?
(3) Is there any reason why we should not recommend that CJOC apply for this frequency for 1,000 wattts so as to hold this facility for Canada beyond next March 29?

We have studied this situation at some length and have established that under the treaty a directive antenna would be needed at CJOC to protect KYW's night service fringe, and that CJOC would be limited to a maximum of 3 millivolts per meter 10 per cent of night time hours from Lethbridge sundown to 10.00 p.m. M.S.T. when KYW shuts down. Before going into the labour required for a formal technical brief it is desired to know if there are any special conditions which have to be met or any prohibitions concerning its utilization.

Very truly yours,

E. A. LAPORT, *Manager*,
Engineering & Development,
Engineering Products Division.

Coming back to my statement:—

The matter was discussed with the CBC keeping in mind that the licensee would be put to considerable expense in establishing a new 1,000 watt station. In the correspondence which I now lay before the committee, and pursuant to the recommendation of the Board of Governors at their 19th meeting, the licensee of CJOC was advised, on October 15th, 1941, that authority had been granted

for an increase in power to 1,000 watts and for the use of the channel 1060 Kc/s provided that when the use of this frequency would be required by the CBC the station would be assigned a new frequency if such were available, or the CBC would take over the station by the virtue of the provisions of The Canadian Broadcasting Act, 1936, Section XI. A copy of this letter is also deposited herewith and the reply from the licensee dated November 13th, 1941, advising that he would like to have a stipulation that if 1060 Kc/s were required it would be for the CBC and not for a private station. The licensee was advised as per the attached copy of letter dated November 27th, 1941 that the frequency 1060 was reserved at Havana for CFCN who were then using 1010 Kc/s pending the establishment of a high power station in Alberta by the CBC.

I should like to break off there and go back to the correspondence with the CBC. Perhaps I should read that. That is the second letter under the blue folder. The first one I have just read, the one from R.C.A. Victor Company to the department. This is a letter from the department dated August 5, 1941, to the CBC and is as follows:—

DEPARTMENT OF TRANSPORT

OTTAWA, August 5th, 1941.

Dear Mr. MANSON,—We are in receipt of a letter from Mr. E. A. Laport of R.C.A., enquiring as to the availability of the channel 1060 Kc. for a Class II assignment of 1 Kw. for station CJOC, Lethbridge, Alta.

This channel is a Treaty Assignment, Class II, for use in Alberta, directional antenna requirements to be determined, and in order to retain our rights to it, some use must be made of it before next March 29th.

Will you please let us have your views on this matter.

Yours faithfully,

WALTER A. RUSH,
Controller of Radio.

Mr. DONALD MANSON,
Chief Executive Assistant,
Canadian Broadcasting Corporation,
Victoria Building,
Ottawa, Ont.

The next letter is from the CBC to the department, dated August 8, 1941, and is as follows:—

CANADIAN BROADCASTING CORPORATION

OTTAWA, Ontario,
August 8, 1941.

Refer to File No. 17-2C-1

By Hand

Dear Mr. RUSH,—Thank you for your letter of August 5th regarding the enquiry of Mr. E. A. Laport of RCA as to the availability of channel 1060. Our feeling is that we would have no objection to the use of this frequency by CJOC on 1 Kw provided it were made a condition of the licence that this frequency would be relinquished if, as and when it is required for another station; meaning, of course, CFCN when 1010 is transferred from that station to a CBC station for which this frequency was originally obtained.

On the other hand, it is presumed that if CJOC were required to relinquish 1060 arrangements would have to be made for it to be placed on another channel.

Summarizing, the CBC is quite willing for CJOC to have 1060 until such time as the channel of 1010 may be required for a station of the CBC. It would be advisable for CJOC to thoroughly understand this and to give an understaking in writing that they would be ready and willing to vacate the assignment if and when required.

I presume the application will be dealt with at the next meeting of the Joint Technical Committee.

Yours sincerely,

DONALD MANSON,
Chief Executive Assistant.

WALTER A. RUSH, Esq.,
Controller of Radio,
Department of Transport,
Ottawa, Ontario.

The next letter is from the department, to the consulting engineers for the stations and is as follows:—

6206-C3

OTTAWA, August 13, 1941.

Dear Mr. LAPORT,—In reply to your letter of July 29, 1941, I would advise that the channel 1060 kc., is a Treaty Assignment Class II for use in Alberta, directional antenna requirements to be determined.

Should station CJOC, Lethbridge, wish to make formal application to use this channel with 1 kw. power, the application will receive the consideration of the Joint Technical Committee and Board of Governors of the Canadian Broadcasting Corporation.

I would point out however, that should this assignment be made to station CJOC, there is a possibility of their having to relinquish it at some future date, should the channel be required for a CBC station in that region. This point should be clearly understood by the management of station CJOC before proceeding with their application.

Yours very truly,

WALTER A. RUSH,
Controller of Radio.

Mr. E. A. LAPORT,
Manager,
Engineering & Development,
Engineering Products Division,
R.C.A. Victor Company Limited,
976 Lacasse street,
Montreal, P.Q.

Then there is a letter from the licensees as follows:—

CJOC

Broadcasting Station
of H. R. Carson Limited
Lethbridge, Alberta.

August 19, 1941.

Mr. WALTER A. RUSH,
Controller of Radio,
Department of Transport,
Hunter Building,
Ottawa, Ont.

Dear SIR,—We beg, hereby, to formally make application for the assignment of channel 1060 kilocycles for Radio Station CJOC, Lethbridge, Alberta, at 1000 watts power.

We feel that this change is essential in view of the fact that our present coverage is not adequate to take care of the Crows Nest Pass territory and the country to the southwest of Lethbridge.

In connection with this application we would refer you to the letter written by Mr. E. A. Laport, Manager of the Engineering Products Division of the RCA Victor Company Limited, dated July 29, 1941.

We would be pleased if you will advise us as early as possible if this application is approved.

Yours faithfully,

LETHBRIDGE BROADCASTING LIMITED.

Then there is a letter from the CBC, dated August 23, which reads as follows:—

OTTAWA, August 23rd, 1941.

Dear Mr. MANSON—Enclosed herewith is a copy of a letter received from Station CJOC, Lethbridge, in which application is made for an increase in power to 1000 watts on the channel 1060 kilocycles, and also a copy of our reply.

This application has been placed on the agenda for consideration at the next meeting of the Joint Technical Committee.

Yours very truly,

(Sgd) WALTER A. RUSH,
Controller of Radio.

2 encls.
Mr. DONALD MANSON,
Chief Executive Assistant,
Canadian Broadcasting Corporation,
Victoria Building,
Ottawa, Ont.

Then there is a letter to the licensee dated August 26, as follows:—

OTTAWA, August 26th, 1941.

SIR,—I have your letter of August 19th, 1941, in which you make application for an increase in power to 1 kilowatt for your station CJOC, on 1060 kilocycles.

Your application has been placed on the agenda for consideration by the Joint Technical Committee and Board of Governors of the Canadian Broadcasting Corporation.

Yours faithfully,

(Sgd) WALTER A. RUSH,
Controller of Radio.

W. WATSON, Esq.,
President,
Radio Station CJOC,
Lethbridge, Alberta.

Then there is a letter from the CBC dated August 27, which reads as follows:—

CANADIAN BROADCASTING CORPORATION

OTTAWA, August 27th, 1941.

Dear Mr. RUSH,—Thank you very much for your letter of August 23rd, your file 6206-C3, enclosing a copy of a letter from Station CJOC, Lethbridge, in which application is made for an increase in power to 1000 watts on the channel 1060 kilocycles together with a copy of your reply.

I note that this application has been placed on the agenda for consideration at the next meeting of the Joint Technical Committee.

Yours faithfully,

DONALD MANSON,
Chief Executive Assistant.

WALTER A. RUSH, Esq.,
Controller of Radio,
Dept. of Transport,
Ottawa, Ont.

The next document on this file is as follows:—

Extracts from the Appendix to the Minutes of the 19th Meeting of the Board of Governors of the Canadian Broadcasting Corporation held in Ottawa, September 15, 1941.

CJOC.....	Lethbridge, Alta.....	Power increase from 100 watts to 1000 watts and change in frequency from 1400 kcs to 1060 kcs.

RECOMMENDATION: That the application be granted on 1060 kcs provided that when this frequency is required by the Canadian Broadcasting Corporation, the station will be assigned a new frequency, if such is available, or the CBC will take over the station according to the provisions of The Canadian Broadcasting Act, 1936, Section 11. It was further agreed that if applicant does not accept 1060 kcs, but reapplies for 1220 kcs, when the latter is released by CHAB, that a telegraphic vote be taken upon recommendation of Joint Technical Committee.

REASON: Increased power will improve service to listeners and the 1060 kcs channel will be preserved for Canadian use.

I have referred in my statement on page 7 near the top, to the advice to CJOC on October 15, 1941. I will read that letter:—

OTTAWA, Ontario, October 15, 1941.

GENTLEMEN,—With further reference to your application, dated August 19, 1941, for an increase in power from 100 watts to 1000 watts, on the frequency of 1060 kc., I now beg to advise that the Minister of Munitions and Supply has been pleased to grant authority for this increase in power and for the use of the channel 1060 kc., provided that, when this frequency is required by the Canadian Broadcasting Corporation, the station will be assigned a new frequency, if such is available, or the Canadian Broadcasting Corporation will take over the station, according to the provisions of the Canadian Broadcasting Act 1936, Section XI.

This authorization is, also, subject to the reallocation of your station at a new site not less than three and one-half miles from the nearest portion of the residential section of the city of Lethbridge.

If you accept the above mentioned conditions, kindly forward a large scale map (one mile to the inch), indicating the exact location of the proposed site and submit particulars of the proposed antenna system, in order that the Department may satisfy itself that the mast will not constitute a hazard to flying operations in the neighbourhood, and that the station, when in operation, will not unduly blanket reception in the city.

Yours faithfully,

G. C. W. BROWNE,
Asst. Controller of Radio.

Messrs. H. R. CARSON, Limited,
Marquis Hotel,
Lethbridge, Alta.

Then there is a reply from the licensee dated November 13, 1941, advising that he would like to have a stipulation that if 1060 kcs were required it would be for the CBC and not for a private station.

Broadcasting Station of H. R. Carson Limited CJOC
Lethbridge, Alberta. November 13, 1941.
Air Mail
Controller of Radio,
Department of Transport,
Ottawa, Ontario.

File No. 6206-C.3

Dear SIR,—We beg to acknowledge receipt of your letter of October 15 in which you advise that assignment of 1060 kilocycles at 1000 watts for radio station CJOC, Lethbridge, Alberta. Technical data is now being prepared covering this frequency and a map showing the exact location of the proposed site, and also particulars for the antenna system will be forwarded to you in due course.

Referring to the second paragraph of your letter in which you advise that a site would have to be located at least three and one-half miles from the closest portion of the residential section of the city, we would respectfully ask that you confirm this stipulation as we understand that certain stations—for instance, CFRN, Edmonton, Alberta, were not required to move this distance, and we understand are fairly adjacent

to the residential area. This, of course, makes considerable difference in running lines and other facilities to a transmitter house, and we trust some consideration will be given in this connection.

With reference to the conditions covered by paragraph one we would like to have a stipulation made that in the event of us requiring to relinquish this channel that it would not be made available to any private broadcasting company in Alberta, and should the necessity arise, that it would only be taken over by the Canadian Broadcasting Corporation for its own use.

We would appreciate having these points cleared up at an early date.

Yours faithfully,

LETHBRIDGE BROADCASTING LIMITED

(Sgd.) W. WATSON,
President.

Mr. FLEMING: Is it not a grammatical error or an error in copying in the second last paragraph, where it says: " . . . in the event of us requiring to relinquish this channel . . ."?

The WITNESS: The original letter reads as follows:

With reference to the conditions covered by paragraph one we would like to have a stipulation made that in the event of us requiring to relinquish this channel that it would not be made available to any private broadcasting company in Alberta, and should the necessity arise, that it would only be taken over by the Canadian Broadcasting Corporation for its own use.

The stenographer is faithful.

The CHAIRMAN: He probably meant "in the event of us being required".

The WITNESS: Now, I have a letter from the department dated November 27, 1941, which I shall read:—

OTTAWA, Ontario, Nov. 27, 1941.

SIR,—I have your letter of November 13, 1941, and with reference to the second paragraph, I would say that a permissible maximum of 50 millivolts per metre has been set for the signal strength in residential areas, in order to avoid blanketing of reception.

This, together with the radiation of 175 mv/m at one mile, which is the minimum requirement for a 1 kw. station, puts the minimum distance from residential areas at 3·5 miles, and I may add that your information is in error, regarding CFRN as our records indicate that it is approximately that distance from the nearest edge of the city of Edmonton.

With regard to the third paragraph of your letter, I may say that the Department is not in a position to give you the outright guarantee that you request because 1060 kcs. is the channel provided by the Havana Agreement for CFCN, who are using 1010 kcs. pending the establishment of a high power station, in Alberta, by the CBC at some future date.

The availability of a channel for a 1000 watt station at Lethbridge, would, therefore, depend largely on what arrangements might be made with respect to CFCN as a result of such a step by the CBC. I would

also point out that if the present local channel is relinquished, no guarantee can be given that it would be available for use again, with 250 watts, at such future date.

Yours faithfully,

(Sgd.) WALTER A. RUSH,
Controller of Radio.

Mr. W. WATSON,
President,
Lethbridge Broadcasting Ltd.,
Lethbridge, Alberta.

There was no endorsement placed on the licence of CJOC with respect to this arrangement, except that when the licence was issued on April 1, 1942, for the fiscal year 1942-43, the frequency 1060 was shown therein and the licence was endorsed as follows:—

> This frequency is assigned by the Havana Agreement as a clear channel for use by Class I-B stations in the U.S. and Mexico and its assignment in Canada is subject to the requirement of directional antenna if interference is proved by measurement to exist in the service area of the Class I-B stations.

This licence, No. 88, for the fiscal year 1942-43, was extended by notice of extension for the fiscal years 1943-44; 44-45 and 45-46.

This brings us up to the 41st meeting of the board of Governors which took place in Ottawa in April, 1945, and as a result of which the technical appendix to the minutes on which action is taken by the Department of Transport contained the following recommendation, approved by the minister on April 25th, 1945:—

> *B. Issue of licences to existing stations for the fiscal year 1945-46*
>
> It was Resolved
>
> That the Minister of Reconstruction be advised that the Board of Governors of the Canadian Broadcasting Corporation recommends that the licences of stations operating on the clear channels of 860 kc., 990 kc., 1010 kc, and 1550 kc. be endorsed as follows:
>
> The frequency of ..... kilocycles per second being a clear channel is definitely reserved for the national system of breadcasting and this station is authorized to use this frequency provinsionally until such time as it may be required for and assigned to the Canadian Broadcasting Corporation.

The licences for CFRB, CKY, CFCN and CKTB for the fiscal year 1945-46 bore the recommended endorsation and a result of the recommendation of the 46th meeting of the Board of Governors in March, 1946, approved by the minister on April 6th, 1946, the licensees of station CFRB, CFCN, CKY and CJOC were informed that they would be required to shift off the frequencies concerned as outlined in my evidence on pages 147 and 148 of No. 5 of the proceedings of this committee.

I think that the foregoing will serve to acquaint the committee with all the circumstances involved in the assignment of these frequencies and I may say that we have made a most careful search of our files in order to make this information as complete as possible. I would like to emphasize in closing that we have consistenly pursued the policy of using each channel assigned to Canada in a manner conforming with the best engineering practice as laid down under section II B 8 (*b*) of the Havana Treaty and that we have taken every step necessary to acquire and retain for Canada as much priority and usage of radiobroadcasting channels as humanly possible with our resources.

Mr. FLEMING: Mr. Browne has some further material. I asked for all correspondence between the department and the CBC.

The CHAIRMAN: He will be here when we come back.

Mr. FLEMING: You have another brief, have you not?

The WITNESS: That is all.

The committee took recess.

After the recess.

The CHAIRMAN: Just before the committee rose Mr. Joseph Sedgwick drew the attention of myself and Mr. Browne to the fact that there was one letter covering the same period of time as Mr. Browne had been dealing with which had not been produced, and which had some few words in it a little different from those letters which were produced. I said to Mr. Sedgwick that on our resumption that letter would be produced. Mr. Browne has it now and can read it into the record. I have not seen it myself but I presume, as Mr. Sedgwick says, it is slightly different from the others.

The WITNESS: I am reading it directly from the official file. This is a letter to Mr. J. J. Bench, K.C., solicitor for the station. It is dated March 7, 1941.

By the Chairman:

Q. Solicitor for—A. CKTB.

Dear Mr. BENCH:

I am enclosing for your information a copy of my letter of even date to Mr. E. T. Sandell of radio station CKTB on whose behalf you have been acting in the matter of this station's application for increased power. The frequency assigned to CKTB, namely, 1,550 kc, is assigned under the Havana Agreement to a class 1-B station in Ontario with a minimum power of 10 kilowatts and maximum 50 kilowatts, and as explained to Mr. Sandell, if and when the Canadian Broadcasting Corporation desire to make use of this assignment, another frequency will be made available for CKTB who in the meantime will enjoy the use of this clear channel as a class 2 station.

Yours faithfully,

WALTER A. RUSH,
Controller of Radio.

By Mr. Fleming:

Q. What is the date of that?—A. March 7, 1941.

By Mr. Beaudoin:

Q. This is a copy of the letter which is referred to in the letter of Mr. Rush to Mr. Sandell on March 7, 1941.—A. That is right.

By the Chairman:

Q. In that letter which Mr. Beaudoin has mentioned is this remark, "I am sending a copy to Mr. Bench", and that copy was sent to Mr. Bench, and this which you have been reading is the letter that covered the copy; is that right? —A. That is right.

The CHAIRMAN: Are there any other questions that anyone desires to ask Mr. Browne?

The WITNESS: Before you proceed I should like to call attention to a typographical error on page 5 towards the bottom of the page in my statement of to-day where we quote from the minutes of the Board of Governors. Towards the bottom of the page you will see three frequencies mentioned there, 1,580 kc, class 1-A, Quebec, 50 kilowatts minimum; 1,080 kc, the next one, is shown as a class 3, and it should be shown as a class 2. I am afraid that the copy of the minutes that we got from the board contained that, but we do know that should read "class 2".

By Mr. Fleming:

Q. I want to clear up this point so that it is abundantly clear on th record. The material which Mr. Browne has submitted to the committee this morning contains, as I understand it, all the correspondence exchanged between the CBC and the Department of Transport with reference to the assumption by the CBC at any time of these three wave lengths now enjoyed by CFRB, CFCN and CKY?—A. I believe it does because most of the transactions between the department and the CBC in regard to the assignment of frequencies, the licensing of stations, increases in power, and so on, are dealt with through the technical committee which makes its report, a copy of which goes to the CBC for the board. This committee meets to prepare factual information for the board. There is really very little correspondence exchanged, and I believe the only correspondence relevant to this matter I have produced here.

By th Chairman:

Q. At any rate, you have searched with a view to getting it and bringing it here, and this is all that you were able to find on this subject?—A. That is right.

By Mr. Fleming:

Q. And that means this, does it not, that after April 30, 1941, when Mr. Rush, the Controller of Radio, wrote Mr. Murray, which letter was replied to on May 7, 1941, there is no correspondence exchanged, outside of letters on August 5 and August 8, 1941, between CBC and the Department of Transport from August, 1941 until we come on to 1945; is that right?

By the Chairman:

Q. Upon that particular subject?—A. Upon that particular subject.

By Mr. Fleming:

Q. There is a complete blank on this subject between August, 1941 and April, 1945, I think it was, when the CBC board met and communicated with the department?—A. As far as I have been able to discover.

Q. That is correct?—A. Yes.

The CHAIRMAN: Just to get further support for that would Dr. Frigon and Mr. Dunton indicate that as far as they know that is correct? You do not know of any other correspondence than which has come out on this subject?

Dr. FRIGON: No.

Mr. DUNTON: No.

The CHAIRMAN: It would appear that Dr. Frigon and Mr. Dunton have the same view. We have everything here.

By Mr. Fleming:

Q. Was there any other form of communication between the CBC and the Department of Transport with reference to the assumption of these three wave lengths?—A. I went carefully over the recommendations of the board as submitted to the department and I could find none which I considered would be relevant.

Mr. COLDWELL: There was a reference to these wave lengths in the parliamentary committee's report of 1942. It was a public report, and would probably have some bearing on the matter. If you look up the journals of the House you will find on page 630 the 1942 report—

Mr. FLEMING: Excuse me; I do not know whether that relates to Mr. Browne's evidence. We are going to have a report on all those references.

Mr. COLDWELL: You are trying to discover at the moment whether there was any other reference, I take it?

The CHAIRMAN: No, Mr. Coldwell, that is not what Mr. Fleming is doing. He is only seeking to make sure that everything which is inter the CBC and the department is here.

Mr. COLDWELL: I understand that, but there was a public report which also gives some indication of what the intention of the committee was.

The CHAIRMAN: You are quite at liberty at the appropriate time to do that, but it is not germane to what Mr. Fleming is asking.

Mr. COLDWELL: I understand that.

The CHAIRMAN: Before you go on does that conclude your questions on that?

Mr. FLEMING: On that point; I have got a few others, but if somebody wants their turn now that is quite all right.

Mr. HANSELL: On that one point—

Mr. COLDWELL: If it is on that point.

The CHAIRMAN: If it is on that point; Mr. Coldwell was trying to get something ahead of you.

Mr. COLDWELL: If Mr. Hansell wants to pursue that point it is quite all right.

Mr. HANSELL: I want to ask a question in respect to the letters. In the letter dated March 17, 1941, to Mr. Sandell the last part of paragraph 1 reads:—

> This authorization is effective as of April 15, 1941, and is subject to the provision that, if at any future date the Canadian Broadcasting Corporation requires the use of this clear channel for a class 1-B station in Ontario another frequency may be assigned to CKTB.

That is a very definite statement to CKTB that it is given to them on a sort of caretaker basis.

Mr. HACKETT: What is the date of that letter?

Mr. HANSELL: March 7, 1941. I want to refer to the letter to H. R. Carson, Limited, Lethbridge, towards the end of the series of documents. That letter is dated October 15, 1941. In the first paragraph it reads:—

> I now beg to advise that the Minister of Munitions and Supply has been pleased to grant authority for this increase in power and for the use of the channel 1060 kc, provided that, when this frequency is required by the Canadian Broadcasting Corporation, the station will be assigned a new frequency, if such is available, or the Canadian Broadcasting Corporation will take over the station, according to the provisions of the Canadian Broadcasting Act, 1936, section 11.

That, too, is a definite statement to station CJOC that they, too, are being assigned this frequency on a sort of caretaker basis, that they may at some future time have to surrender it for the use of the corporation. My question is have you any correspondence at all with CFRB and CFCN with such definite statements as those contained in those letters?

The WITNESS: I do not believe there is any such correspondence.

Mr. HANSELL: We listened to evidence by Mr. Sedgwick of CFRB and spent nearly a whole day trying to discover whether he had been advised of anything like that. Nothing of this kind appeared in anything that he had. I categorically questioned Mr. Love in respect of CFCN and went over his correspondence year by year, and nothing of that kind was said to him in respect to his station.

Mr. HACKETT: To Mr. Sedgwick?

Mr. HANSELL: To Mr. Love, either of them. If there had been anything of this kind the case would have been a very clear case that they had been advised, but that seems to be the question that is the stickler at the moment. They claim they were not advised.

The CHAIRMAN: It seems to be clear that letters of this type and character did not go to CFCN and CFRB from either the CBC or the Department of Transport. That seems to be clear.

Mr. COLDWELL: But the licence was endorsed indicating what the regulations were.

The CHAIRMAN: Oh yes. That much was done. That is a matter of record, but at least it is clear that there was not a letter of the type and character, to which you have been directing the attention of the committee, sent to them.

Mr. HANSELL: And the endorsation on the licence, according to the presentation of CFRB and CFCN, was not indicative enough to them that they would be required at some future time.

The CHAIRMAN: They did not take it as a warning. I think that is what they said.

Mr. BEAUDOIN: As to stations CFRB, CFCN and CKY instead of proceeding in the way that was followed with these other stations and making definite statements to them by way of correspondence a new procedure was followed. We find that in the correspondence dated April 30 and other letters which were exchanged between the department and the CBC. Certainly when these three stations received their licences with the endorsation which is referred to in the letter of the department dated April 30, 1941, there must have been some reaction. I should like to ask Mr. Dunton or Dr. Frigon,—probably Dr. Frigon because he was there in 1941—if he does not know of any particular interview which he may have had with the owners of these licences and what his feelings are as to the understanding which they might have had.

The CHAIRMAN: Dr. Frigon will be here as a witness quite soon. Would you defer that until then?

Mr. BEAUDOIN: I asked it because you asked him a question.

The CHAIRMAN: Oh, yes, I admit that.

Mr. BEAUDOIN: We are trying to clear this point up.

The CHAIRMAN: Yes.

Mr. BEAUDOIN: I am not in a hurry to get it.

Mr. FLEMING: I would suggest it would be better to leave it for Dr. Frigon. Dr. Frigon is going to cover many different points. There are a number of points on the letters yet to be covered. We are on the letters now purely and simply.

The CHAIRMAN: I may have been offending in turning away from them a while ago.

Mr. COLDWELL: Is it understood, Mr. Chairman, that we direct our questions to the witness now and not refer to someone who is sitting around?

The CHAIRMAN: Well, of course, we have acted pretty well on whatever appeared to be unanimous and convenient to us at the time. I guess we can continue to do that.

Mr. COLDWELL: If we are going to follow it in this case, I think we should follow it throughout.

Mr. BEAUDOIN: I am trying to clear this up.

Mr. COLDWELL: Yes.

Mr. BEAUDOIN: We cannot very well finish up with Mr. Browne until we know, because this correspondence is between the two of them.

The CHAIRMAN: I did not rule against the question.

Mr. HANSELL: I think Mr. Beaudoin's question is a good one.

Some Hon. MEMBERS: Yes.

The CHAIRMAN: All right, go ahead Mr. Beaudoin. That seems to be agreed.

Mr. BEAUDOIN: Did you get my question, Dr. Frigon?

Dr. FRIGON: You are asking, I believe, why letters were sent to these two other stations and not to CFRB?

The CHAIRMAN: No.

Mr. BEAUDOIN: I referred to the ones that were sent in 1941. I presume that the people receiving that licence with the endorsement which did not exist on the previous licence must have reacted in some way or another.

Dr. FRIGON: It seems to me that on the bare ground of what has been understood for years, that CFRB and CFCN must have known.

Mr. FLEMING: I object to that, Mr. Chairman.

The CHAIRMAN: No. That is not the point.

Dr. FRIGON: All right. I will take it another way. At that time, I had no knowledge that CFRB or CFCN ever questioned or made any remark in respect to whether either of the two frequencies assigned to them were to be permanently assigned or not.

The CHAIRMAN: In other words, when this endorsement went to them there was not any reaction by them that you know of or recall?

Dr. FRIGON: To my knowledge, nothing in 1941. The first reaction we had was when they were told in 1945 that they were to be prepared to abandon 860.

The CHAIRMAN: I see.

Dr. FRIGON: In their case they were already at 10 kilowatts, when they were transferred from their old frequency to the new one in 1941. In the case of the two other stations, as Mr. Browne said this morning, they were to invest money in a new station and I believe—I do not know whether Mr. Browne will confirm that, but I think that is covered in his brief this morning—that the department thought they should be notified before they did invest money in a new station and the conditions under which they operate should be made clear to them. I think that is the difference between St. Catharines and CFRB, for instance.

The CHAIRMAN: Yes. At any rate, the point is that there was no action by these two stations to indicate that they had at that time put any particular importance upon the fact of this endorsement so far as you know.

Dr. FRIGON: So far as I know there was nothing of that sort.

The CHAIRMAN: That is the point.

Mr. HACKETT: What do you mean by that new endorsement?

The CHAIRMAN: This endorsement which occurred then for the first time.

Mr. HACKETT: Which is mentioned in the letter of April 30, 1941?

The CHAIRMAN: Yes.

Mr. COLDWELL: We had it read this morning.

The CHAIRMAN: We had it read. It was the endorsement referred to in the letter addressed by the department to the CBC and at the conclusion of the letter it said, "I would like your comments before letting this go." It is that endorsement to which I was referring and I called it the new endorsement.

Mr. FLEMING: Mr. Chairman, with all respect I do not know that it is entirely accurate to call it a new endorsement, because we had Mr. Love's testimony that there had been an endorsement on a previous licence which I, for one, would say was precisely to the same purport and effect.

The CHAIRMAN: I see. But we are all clear as to which endorsement we are talking about.

Mr. FLEMING: Yes.

Mr. HACKETT: I think there is a further question that should be put to Dr. Frigon or Mr. Browne.

The CHAIRMAN: You put it.

Mr. HACKETT: Was the position of the licence holder in any way modified after the 30th of April, 1941? Was the wavelength or frequency or anything like that changed?

The CHAIRMAN: Between 1941 and now, was there any change?

The WITNESS: There has been no change in the frequency, no. The position of the licensee was not actually modified but his attention was drawn to the existing regulations.

By Mr. Hackett:

Q. Yes. But what I am asking is this. Between 1941 and 1945 was the situation of the licensee extended, modified or changed in any way as a result of negotiations?—A. No, it was not.

Q. There was nothing done to make the licensee feel that his position was more secure by way of some increase in frequency or some modification in the rights which he enjoyed?—A. No sir. There were extension notices sent to him extending his licence from year to year during those four years.

By Mr. Beaudoin:

Q. Mr. Chairman, I wish to refer to the minutes of 17th meeting of the Board of Governors' held between 24th and 27th of March, 1941. At the end of those minutes that have been produced in the evidence of Mr. Browne, we read this:

> Owing to the war emergency, it is improbable that these channels can be used by the Canadian Broadcasting Corporation at this time. However, it should be recommended that the above-mentioned licensees be advised that these channels may be required by the CBC at some future date and must be vacated if and when such occasion arises.

In carrying out this recommendation of the CBC the Department of Transport indicated certain procedure which is contained in the letter dated April 30, 1941, and they make a proposition there asking the CBC if it would meet with their recommendation should the notification to the licensees be termed as proposed in that letter of April 30, 1941; and after receiving that proposition the CBC said, "It is entirely satisfactory to us." Now, Mr. Browne, before you made this proposition contained in the letter of April 30, 1941, to carry out the definite recommendation of the CBC, you must have had some consultations among the officials of your department and maybe with the legal counsel? Would you answer that yes or no?—A. Yes, consultations took place, I do believe; but, as Mr. Hackett reminded me the other day at a previous meeting, I should not trust too much to my memory, I am afraid I cannot really recall

what motivated the letter to the CBC suggesting that method be adopted of advising the licensees, or warning them, or reminding them. But I do know—at least I am told—that consultations took place between the officials who were responsible for dealing with these matters, and that this letter resulted therefrom. I do recall that at that time the department was engaged in a tremendous war-time programme on behalf of the armed forces. Those were very grim days. I do not think anybody knew what the future held at the time as to broadcasting. I think perhaps there may have been some thought that before it was all over the treaty might have expired and it might not have been necessary to say anything specific about it.

Q. The point I want to make is this. This was done according to the best information you could secure, the best advice you could get in the Department of Transport. This proposition contained in the letter of April 30, 1941, was the best way you could find to express the recommendation of the Board of Governors of March, 1941, in which it says as to these licensees, the three I have mentioned and others:—

> However, it should be recommended that the above-mentioned licensees be advised that these channels may be required by the CBC at some future date and must be vacated if and when such occasion arises.

To express that recommendation this is what you find?—A. Yes.

Q. The proposition contained in the letter dated April 30, 1941.—A. I believe that the considered opinion of the department at that time, after consultation among those concerned, was that that was a proper and fit notification to give effect to it.

Q. And it was felt that this proposition expressed clearly the recommendation of the CBC?—A. Quite so.

By Mr. Fleming:

Q. Mr. Chairman, I should like to follow that up and also review some points in this correspondence that Mr. Browne has referred to. Mr. Browne, do you say seriously that this endorsement on the licence of the three stations we are concerned with, CFRB, CKY and CFCN, did tell them that their wavelengths were going to be taken over by the CBC?

The CHAIRMAN: Were going to be taken over?

Mr. FLEMING: Yes. That a decision had been reached by the CBC or the department that their wavelengths were going to be taken over. Do you say that?

The WITNESS: I believe it was sufficient notification to give effect to the recommendation of the Board of Governors having regard to the situation at that time, yes.

By Mr. Fleming:

Q. You do?—A. Yes.

Q. Now, Mr. Browne, the endorsement that you are speaking of now simply quoted the terms of the Act, did it not?—A. Yes; which are fundamental and which apply to all stations.

Q. Or course; they apply to all stations, these three and every other station. Is that right?—A. Yes, and every other station.

Q. Yes. And that endorsement could just as well have been put upon every licence issued to every other station, could it not?—A. It could, but—

Q. Yes, it could, with equal force; because the regulation referred to was binding on every station, was it not?—A. Yes, but sometimes stations from year to year perhaps may not read the regulations.

Q. So this is the way you had of bringing the regulations to the attention of these three stations?—A. Just of reminding them that the channels might be required at some future time.

Q. And where in some official communication do you say to these three stations that you have put this particular endorsement on their licences and it is not on any other licences issued by the department to any other stations?—A. There was no letter to that effect.

Q. No, there was not letter telling them that their licences were different from the licence issued to any other station, whose wavelength the CBC was not contemplating taking over. Is that right?—A. That is right.

Q. That is right. You are saying simply because you quote a regulation on these three licences, because you quote the regulation which applies to every station in Canada, that you are telling these three stations in 1941 that the CBC as a matter of policy was going to take over their wavelengths?—A. Well, I do not think that the stations would assume that the wavelengths would be taken from them and given to some other private stations, so by inference it would only be for the national system, meaning the CBC.

Q. By inference. Where in that endorsement do you find a single word that says their wavelengths are going to be taken over by the CBC or anybody else? —A. I grant you that the endorsement does not mention the CBC.

Q. No. It does not mention taking over the wavelength by the CBC, does it? —A. No.

Q. It does not tell them anybody is going to take their wavelength at all, does it?—A. Not that anybody is, but that there is a possibility of their wavelength being changed.

Q. Changed? Does it, now?—A. I beg your pardon?

Q. Where do you find those words in the endorsement?—A. Well, by drawing attention to the transitory nature of the assignment.

Q. You simply say to them, "Your licence is good for a year and there is no vested interest in it under the Act." That is all you said, was it not?—A. The frequency, not the licence.

Q. Yes, the frequency. That is correct, is it not?—A. That is right.

Q. And whether you put that on there or not, it was the law of the land, was it not?—A. Yes.

Q. You did not have to put that on to bind these stations or any others. Is that correct?—A. No. Only to call their attention to it. That was all.

Q. You did not write them a letter to tell them that that endorsement was not appearing on the licences being issued to any other station, did you?—A. No.

The CHAIRMAN: That means to say you were really telling them what they knew already. Is that correct? Is that not what you would say?

Mr. FLEMING: Certainly.

The CHAIRMAN: He was only telling them what they knew or could have known or should have known already.

Mr. FLEMING: He only told them what the existing law was that every licensee is required to know.

The CHAIRMAN: That is the point; they are required to know. I do not know whether or not Mr. Fleming is finished.

Mr. FLEMING: I do not want to be monopolizing things. I have a line of questions I should like to follow through.

Mr. HANSELL: I have a question just on this particular point.

Mr. CHAIRMAN: It would appear we have more or less agreed this morning that we follow it point by point. Do not go into another field if it is not necessary.

Mr. FLEMING: I think it is all related.

The CHAIRMAN: You use your judgment on that. No doubt it will be found to be correct.

By Mr. Fleming:

Q. On pages 5 and 6 of your memorandum you have quoted some of the minutes of the 17th meeting of the Board of Governors of the CBC held in Ottawa in March, 1941. Then you say the decision or recommendation of the CBC was approved by the minister.

Mr. COLDWELL: Mr. Chairman, are we following the letters through because I think Mr. Fleming is now starting a new course of cross examination?

The CHAIRMAN: As I see it Mr. Fleming is endeavouring to develop the idea that less than proper notice was given, and it is not yet apparent that he has departed from that course.

Mr. COLDWELL: He is now going to the general recommendations from the joint technical committee to the Board of Governors. I do not want to deny Mr. Fleming the right to proceed, but when one point is concluded some of the others, including myself, have questions to ask.

The CHAIRMAN: I cannot see a departure from course. You will recall that the longest way around is sometimes the shortest way home. He may be doing that.

Mr. FLEMING: I can assure Mr. Coldwell that these points are related. I prefaced my remarks by saying they arose out of Mr. Beaudoin's question and the correspondence.

By Mr. Fleming:

Q. Then, Mr. Browne, the decision of the CBC board made in March 1941, followed by the minister's approval of the recommendation, represented some sort of settled policy, did it, in regard to assumption of those wave lengths? —A. The recommendations of the board when received by the minister are passed on to the department by memorandum indicating his approval or otherwise.

Q. I am asking you if the recommendation of the CBC in that March, 1941 meeting, followed as it was by the approval by the minister represented a decision on a major question of policy.

The CHAIRMAN: I do not think that is an appropriate question because this witness is not capable of saying what is a major matter and what is not. A cabinet minister might, but a man who is a departmentalist is hardly a capable witness to declare what is a matter of major government policy.

Mr. FLEMING: He can answer this question.

By Mr. Fleming:

Q. Did this represent any departure from the administrative practice of your department?—A. No, it did not.

Q. You are aware that there had appeared on some licences prior to 1941 endorsements similar to that which was agreed on in the correspondence here in 1941 drawing attention to this particular regulation, are you not?—A. Years ago before the Radio Act of 1938 was passed the licences which were issued under the Radio Telegraph Act of 1912, which preceded the Radio Act of 1938, were of a different character, a different form. They were a four-page licence. They embodied conditions which were subsequently taken out and placed in the General regulations issued under the Radio Act. In the early days it was thought perhaps necessary to insert in the licences themselves all the conditions and restrictions to which they were subject. The system was changed later on after the Radio Act of 1938 was passed, and all that was done away with. The form of licence was simplified, and many of the conditions which were embodied in the old type of licence were embodied in the regulations to save

paper, and we thought it was a more efficient way of doing it. The very endorsement to which you refer became regulation 15. It was not then endorsed; it was printed on the licence form itself.

Q. That was prior to 1941?—A. Yes.

Q. I think we had it in other evidence that it had appeared there for a number of years?—A. I cannot say whether prior to 1938 there were endorsements of the type to which you refer.

Q. Do I understand you to say . . . —A. Without looking up the file.

Q. —there were such endorsements between 1938 and 1941?—A. Occasionally there were endorsements on licences which had to cover special situations or conditions.

Q. I am speaking now of endorsements drawing attention to the substance of what is now regulation 15 under part 2?—A. Well, there may have been; I cannot go that far back in my memory.

Q. You would not be prepared to dispute it if other witnesses said it was there?—A. No.

Mr. BEAUDOIN: On this question of endorsation may I interject here if Mr. Fleming will permit me, as it is along the same line, that we are always talking of 1941 and the law of the land. This endorsation was recommended by the Department of Transport on April 30th, 1941 by the express recommendation of the CBC. Is it not a fact that in 1943 section 5 of the Radio Act was amended?

The WITNESS: That is true.

By Mr. Beaudoin:

Q. And is it not a fact that certificates issued to licensees from 1943 on were made subject to regulation 5 as amended?—A. Yes.

Q. And section 5 contains the following term:

> The licensee may have his licence cancelled without notice. So that under the law of the land from 1943 on any licence could have been cancelled without notice.

Mr. HACKETT: If you are quoting a regulation it would be better to give it in its terms and not an abbreviation.

Mr. BEAUDOIN: I might read article 5 of the Radio Act as amended.

The CHAIRMAN: This is No. 5 Mr. Browne will read it.

The WITNESS:

> Duration of licence:—All licences shall continue in force for the period commencing on the date of issue thereof and ending on the following 31st day of March; provided, however, that licences for all stations, except private receiving stations, may be continued in force from year to year upon payment of the appropriate annual licence fees, subject to termination of the minister at the end of any fiscal year without payment of compensation and without notice.

Mr. BEAUDOIN: These three licensees from 1943 on knew that their licences could be terminated without notice.

Mr. FLEMING: Does anybody dispute the law?

The CHAIRMAN: Nobody is disputing the law, but the question is quite proper.

Mr. BEAUDOIN: It is a question of notice.

The WITNESS: I might say that the purpose of that amendment to the regulation was to cover the issuance of these extension notices to the licence.

By Mr. Fleming:

Q. To all licences?—A. Yes.

The CHAIRMAN: Yes, it would apply to all. Are there any other questions on this point. Mr. Hansell and Mr. Coldwell were desiring to ask some questions in case Mr. Fleming has covered the matter. Is there anything you have to add, gentlemen?

Mr. FLEMING: I have not finished but I will stand aside and let some of the others have a chance.

By Mr. Hansell:

Q. There is just this one point. The recommendation made to the Board of Governors by the joint technical committee was:—

> However, it should be recommended that the above mentioned licensees be advised that these channels may be required by the CBC at some future date.

Do you think that the notation on the licence is the answer to this recommendation?—A. Yes.

Q. That is your opinion? Why would this recommendation be made if a simple notification was sufficient? Perhaps that is not a proper question for you. I will not ask you that last question.

The CHAIRMAN: It is hardly in his province.

Mr. HANSELL: I will not ask you to answer it. That is the observation I would make, that the joint technical committee recommend that they be advised of this, and the technical committee must have had in mind that they had not sufficient notification of an impending change. Therefore some special notification should have been given to them.

Mr. COLDWELL: Mr. Chairman, there is some correspondence here with Mr. E. A. Laport, Manager of Engineering and Development, R.C.A. Victor Company Limited, Montreal.

By Mr. Coldwell:

Q. I take it that Mr. Laport is engaged on this kind of advisory work for radio stations, is he?—A. He is no longer; he was at that time in charge of that division of the R.C.A. Victor company. He is a radio engineer.

Q. Do you know of any other stations that he had been engaged by to do this kind of work, according to your records?—A. There are many, but I cannot tell you the names of them.

Q. I notice in the correspondence with him it is specifically noted that CFCN may be moved from 1010 to 1060. I wondered if he was consulting engineer for CFCN as well at about that time?—A. I could not say.

Q. Or CFRB or any of these stations?—A. Perhaps some of the C.A.B. officials can tell you that.

The CHAIRMAN: You could not say that CFCN was charged with notice before because of that.

Mr. COLDWELL: I know, but it just occurred to me that it is an extraordinary thing when these stations are so close together and with all this correspondence going on that they would not know something about it, particularly when they are all members of the C.A.B. However, I will not pursue that further.

The CHAIRMAN: I see Mr. Sedgwick is desiring to make a statement in that respect, but I think it is not appropriate to call on you to do so at the moment.

Mr. HARRY SEDGWICK: I only had a suggestion, and I think I could save a lot of time and discussion.

The CHAIRMAN: It is not going to be necessary because Mr. Coldwell is not pursuing it.

Mr. COLDWELL: If I cannot get the answer of course I cannot pursue it.

The CHAIRMAN: That is right. Is there anything else on that point?

Mr. Ross (*St. Paul's*): I should like to ask Dr. Frigon a question. It is in connection with the letter of August 8th to Mr. Rush from Mr. Manson. What transpired in the meantime to inspire this letter? I refer to these words:

> "It would be advisable for CJOC to thoroughly understand this and to give an understanding in writing that they would be ready and willing to vacate the assignment if and when required."

That is only a matter of a very short time between February 10th and August 5th, 1941. Why were not all these other stations, for instance, who were assigned these channels advised along the same lines?

Dr. FRIGON: Because in this case the station wished to invest money in a new plant.

Mr. Ross (*St. Paul's*): What?

Dr. FRIGON: Wished to invest money in a new plant, and before they went ahead and spent that money on a new plant with a new frequency it was advisable that they should know exactly where they stood in respect to their frequency.

Mr. Ross (*St. Paul's*): Did not any of the other stations go ahead and spend money, too?

Dr. FRIGON: It was not envisaged that the other stations would have to change frequency. In the case of CFCN and CFRB they were not to change power but simply frequency. There is a difference in the two.

Mr. Ross (*St. Paul's*): Did they change location?

Dr. FRIGON: No, they did not.

Mr. Ross (*St. Paul's*): There was no change in location?

Dr. FRIGON: There was no money involved in their changing frequency at that time, but there was money involved in the case of this other station, and before they proceeded it was proper to advise them what was ahead of them.

Mr. Ross (*St. Paul's*): Would not an endorsement on the licence be sufficient? They should know the law the same as other people should know the law?

Dr. FRIGON: They should know the law. Everybody should know the law.

Mr. Ross (*St. Paul's*): I do not understand why it was so necessary to advise them of this situation when it is the law of the land?

Dr. FRIGON: Because in this case it was simply loyalty to them to give them all information as to their change. In the other cases there was no money involved. It was their own lookout to accept the new frequency, or protest, or submit their views or ask what were the conditions; because there was at that time no expense involved in their change. That is the difference.

Mr. Ross (*St. Paul's*): The only investment in the case of CJOC that you had in mind was the question of investment in equipment, I suppose?

Dr. FRIGON: Yes.

Mr. Ross (*St. Paul's*): There was no question in your mind of the investment in building up the business, and so on? That was not in your mind at all?

Dr. FRIGON: Well, if it was so vital to them I would take it that they would be the first ones to remark that if that frequency was not going to be assigned to them permanently they would like another one.

Mr. Ross (*St. Paul's*): The only point I am trying to make is that the one was a question of investment in equipment and in the case of CFCN, CFRB and

CKY there was the question of a very considerable investment in connection with those stations in the building up of their business from time to time. You cannot go back; you must go on. Did it not occur to the board that there might be an investment there that might be jeopardized at some future time?

Dr. FRIGON: I do not think so. As I said—and I repeat again— at that time if it was so vital to them, knowing the law as they certainly did, they would have inquired as to whether the frequency was to be permanently assigned to them or if not what were the chances of them keeping the frequency.

Mr. Ross (*St. Paul's*): I do not see the difference. How much investment would be required in equipment for a 1 kilowatt station? How much would that cost?

Dr. FRIGON: It is not very easy to say. It all depends on where they build, the type of building they use. At that time I would say probably $25,000, more or less.

Mr. Ross (*St. Paul's*): $25,000?

Dr. FRIGON: Maybe less, according to the type of building, location and so on.

By Mr. Fleming:

Q. Mr. Browne, was the purpose of putting that endorsement on the licences of those three stations in 1941 to tell the three licensees that the CBC proposed to take over their wave lengths?—A. Not in those terms. What we intended to tell them was that their wave lengths were subject to being taken over.

Q. What?—A. It did not tell them directly the frequency was to be taken over by the CBC but, as I say, by inference it told them, because there was nobody else who would take them.

Q. We are back where we were before.—A. I am sorry.

Q. You say the purpose was to tell them they were going to lose their wave lengths; is that what you mean?—A. That their wave lengths were subject to recall.

By the Chairman:

Q. That they might?—A. Yes.

By Mr. Fleming:

Q. Do you say that the purport of the endorsement was to say to these three licensees, "Your wave lengths are going to be taken over" or "there is a possibility that your wave length may be taken over"?

The CHAIRMAN: Just one moment; if you are asking this witness what his construction of the endorsement is then I think that is not appropriate because that is for this committee to decide as to what is the proper construction to be put on it, but if you ask him if it was his intention to convey a certain message by those words that is in order and, of course, he has already answered that.

Mr. COLDWELL: This is tedious.

Mr. FLEMING: I take it that the question I was putting was just in line with those that Mr. Beaudoin put to his witness.

The CHAIRMAN: It is easily possible to get confused on the distinction. I may have been so. I did not think that such was the case with Mr. Beaudoin, but surely you will agree that the construction of a document is hardly the work of Mr. Browne.

Mr. FLEMING: I take it that Mr. Browne as an official of that department had some responsibility in connection with the drafting of the notice. He at least said he gives approval to it now as carrying out the intention of the department.

The WITNESS: All I can say is that my recollection of it after five years have elapsed is that it was the considered opinion of the department that notice in that form was satisfactory.

By Mr. Fleming:

Q. Satisfactory for what purpose?—A. To give effect to the recommendation of the Board of Governors of the CBC.

Q. And that is the recommendation that is contained in the minutes of the board meeting of March 24, 1941, on page 6?—A. Yes.

The CHAIRMAN: Look, gentlemen, do you not think we can agree that so far as the department is concerned, whether it did the right thing or whether it did the wrong thing, it intended by that endorsement to give effect to the expressed desire of the CBC.

Mr. HACKETT: I do not think we should admit that at all. I think we should admit what is in the record and leave it to somebody to come to the conclusion what the intention was.

The CHAIRMAN: Mr. Hackett, the witness has said that was their intention at that time. I am not saying that you should admit that they were right, but he says that is what was their intention.

Mr. HACKETT: I do not want to protract this inquiry, but I had something to do with it the other day, and it was made quite clear that was a departure from practice, the withdrawing of this right to the enjoyment of this particular wave length. We have got to take the notice as it was and let the intention go because that does not count.

The CHAIRMAN: That is in agreement with what I have been saying.

Mr. HACKETT: I would ask you then not to insert that it was the intention. Let us say it was the notice they gave, and somebody will determine what the intention was.

The CHAIRMAN: Mr. Browne has said that was in their mind at that time. I think that is as far as he can go. You and I are really in agreement. I say it is not for him to construe that document, but he has already said, "Well, that is what we thought was sufficient". It seems to me that is where you have got to stop. Maybe they were wrong.

Mr. BEAUDOIN: My understanding is—and my question is directed to you, Mr. Browne, and you can tell me if I am right or wrong—that these licensees have known ever since 1943 that their station licences could be taken away at the end of any year?

Mr. HACKETT: He cannot answer that.

The CHAIRMAN: That is a matter of argument. I do not think this witness can answer that. Do you not agree we have been on this particular point long enough and we have got all we can get?

Mr. FLEMING: I just want to make one or two matters quite clear. So far as my questions are concerned the last answer of the witness, subject to one clarification, is the answer that I have been waiting for to dispose of a problem, but I do want to make it clear whether or not my friend, Mr. Coldwell, thinks the questions are tedious or whether they tire him does not influence me in the least. We are here to get information.

The CHAIRMAN: That is not necessary.

Mr. FLEMING: I am not going to have Mr. Coldwell make comments on questions of that kind.

The CHAIRMAN: You cannot expect that no comments will be made, but it is not necessary.

Mr. FLEMING: That is my comment on the comment.

The CHAIRMAN: All right, let us proceed.

By Mr. Fleming:

Q. It comes to this, Mr. Browne, that by this notice you were intending to carry out the recommendation of the CBC board meeting of March, 1941, and not to go any further; is that right?—A. Exactly, sir.

Q. Have you ever had occasion to cancel the wave length of any licensee? Has it ever been done?—A. Yes.

Q. Will you give the occasions and the reasons?

By the Chairman:

Q. There are quite a number, are there not?—A. Do you mean to cancel licences?

By Mr. Fleming:

Q. I mean the cancelling of licences outright. When I say "licence" I mean the licence for a wavelength.

Mr. ROBINSON: You mean cancellation without giving an alternative wave length?

Mr. FLEMING: You can put it either way. The witness can give the reasons and circumstances.

By Mr. Coldwell:

Q. Did you not cancel some in 1928?—A. Yes, we cancelled the licences of certain stations which belonged to a religious organization concerning which the department had received thousands of complaints as to the nature of their broadcasts. The licences were not cancelled. They were just not renewed when they expired on a certain date, the 31st of March of a given year. I think it was in the late 1920's. In fact, I think it was the question that arose about that time over the non-renewal of these licences which gave rise to the appointment of the Aird Commission.

By Mr. Hackett:

Q. Was any warning given?—A. Yes, they were warned.

Q. In terms that if they did not refrain from a certain type of activity that their licences would be withheld?—I. I cannot go back that far in my memory, but I believe they were warned; they were notified.

Q. And several times?—A. They were notified the licence would not be renewed.

Q. Several times?—A. I cannot say how many times.

By Mr. Fleming:

Q. May I put it this way? Are there any of these cases where you have cancellation or non-renewal apart from cases of repeated infractions of the regulations or failure to use a wave length?—A. We have never had cases of failure to use a wave length. We have not had actual cancellation of a licence for infractions of the regulations. We have notified certain stations that renewal of their licence for the ensuing fiscal year would be on a three-month basis, sort of a probationary period.

Q. Was that done by letter?—A. It was done by letter, I believe.

Q. In all these cases is it a fair generalization that where you were contemplating the cancellation of the licence you gave reasonable warning that it would happen?—A. I believe we notified them by letter on the recommendation of the CBC board.

Q. In each case by way of warning?—A. Yes, because their licences were actually going to be renewed for the following fiscal year. It was not a case of wiping out the licence.

Mr. COLDWELL: Did not the minister pretty well explain it when he said this:—

> Some hon. gentlemen have contended that there is not very much difference between the cancellation of a licence, as the word has been used, and the non-renewal of it. I submit there is a great difference. Cancellation means the confiscation of something which exists; the cancellation of of a licence may take place in the course of the year for which the licence has been issued. The renewal of a licence, on the other hand, implies the reviving of something which has ceased to exist. All licences expire on March 31 and they must be renewed; and they are renewed if the minister and the government are satisfied that they should be.

That was the Hon. Mr. Cardin's statement. I happen to have a copy of it. It is from page 3654 of Hansard of June 1, 1928. There is a difference between cancellation and non-renewal. We are discussing the renewal of licences.

By the Chairman:

Q. Were these cancellations that you have been dealing with cancellations for some cause or were they cancellations because of some government policy like taking over or anything like that sort?

By Mr. Hackett:

Q. Failure to observe regulations?—A. Failure to observe regulations.

By the Chairman:

Q. They were all cancellations or non-renewals for some such cause?—A. Yes.

Mr. FULTON: On that point, Mr. Chairman, it seems to me if that is the interpretation which is suggested as to the meaning of cancellation and non-renewal, we should adopt the same interpretation in connection with section 5 referred to by Mr. Beaudoin which gave the minister power. It is called cancellation, but I submit it was to refuse to renew the licence at the end of the year; because it is pointed out in the Act that he could suspend it without notice at the end of the licence year; and therefore I think that should be interpreted in the same way.

The CHAIRMAN: Mr. Fulton, the only comment I have to make is that I was not making any such distinction, but there was some comment.

Mr. FULTON: It is a comment by Mr. Coldwell.

The CHAIRMAN: Mr. Coldwell made some comment on it. Mr. Cardin said something like that at one time. I do not want to be charged with any sins of Mr. Cardin, if he has committed any sins.

Mr. MCCANN: Mr. Cardin did not commit any sins.

Mr. HACKETT: I think we are on common ground that government licences, whether they be for timber cutting, water-power, grazing licences, beer licences or anything else, are renewed in practice in the absence of some failure in conduct on the part of the licensee.

Mr. COLDWELL: Are they?

The CHAIRMAN: You are not on common ground with me owing to my ignorance. It may be so, but I do not know. I am not prepared to admit that 2 and 2 make 4 until I see what use is going to be made of it.

Mr. BEAUDOIN: In the cases to which Mr. Hackett is referring the licences are sometimes issued subject to the condition that if any infraction is committed the licence will be suspended or terminated.

Mr. HACKETT: I do not think there is anybody familiar with government practice who will deny my statement very seriously.

By Mr. Fleming:

Q. You may not have any knowledge on this point, Mr. Browne, but do you know whether the CBC board passed on the matter of that endorsement? You received the letter of May 7, 1941, from Donald Manson, the chief executive assistant. Have you any personal knowledge of whether that matter came before the CBC board?—A. I have not, Mr. Fleming.

Q. Thank you. I have just one other question, I think. Is it a fact that the spectrum is much more filled now in 1946 than it was in 1941?—A. Well, it is beginning to be more filled, I should say. In 1941 you could not fill it very much more because you had nothing to fill it with.

Q. We are not speaking of what you have to fill it with. We are speaking of the picture presented to us. I think you will recall the evidence given to us by Colonel Bayly. You would agree, I take it, with what he said that the spectrum now in 1946 is much more cluttered up and more filled than it was in 1941?—A. I do not agree with that. I do not agree with the adjective. I should say it is slightly more filled, but not much more cluttered up; because during the war years the manufacture of broadcasting transmitters was at a standstill, and I think it is only now that the manufacturers are just starting to produce broadcast transmitters.

Q. It is a question of degree with you?—A. Yes.

Q. You do agree that it is more filled than it was in 1941, to some extent?—A. Possibly there are some more stations.

By Mr. Hackett:

Q. You contradict Mr. Sedgwick on that matter, because he made the point that he would have been better off had his renewal been denied in 1941 than he would be now because there was a better chance of readjusting himself because there were more openings at that time.—A. Well, possibily to a very limited degree. But there are not many more channels on which you could put a station of the order of the power of CFRB, even in 1941.

By Mr. Fleming:

Q. You spoke about the scarcity of equipment. Do you disagree with the evidence we had from the private stations that they have performed a public service in holding these three class 1A wavelengths in the interval since 1941?—A. I think it is fair to say that that equipment, high-power equipment, 50,000 watt equipment, was not available then. I do not think it is available at the moment. It may be in a few months.

Q. I take it you would agree that they have performed a public service by keeping those wavelengths in the meantime since 1941?—A. They have occupied the channels.

Q. Well, that is not an answer to the question.

The CHAIRMAN: Well, you can hardly ask this witness to pass judgment on those gentlemen, as to whether they have performed a public service or not.

Mr. FLEMING: Mr. Chairman, we have had the evidence. I invite this witness to comment on it, if he has any comment to make, either for or against.

The CHAIRMAN: If he has no comment to make, that of course would be the answer.

The WITNESS: Yes. They have held the channels during that period, to enable Canada to live up to the terms of the treaty.

Mr. COLDWELL: Mr. Chairman, may I ask the witness a question. Does a change of frequency imply the cancellation or failure to renew a licence?

The CHAIRMAN: Does a change of frequency?

The WITNESS: No, it does not.

Mr. COLDWELL: No. The station is still there. The only thing is that it is decided to put it on a new frequency.

The CHAIRMAN: They have to yell in a different direction.

Mr. BERTRAND: That has been done before, Mr. Chairman.

By Mr. Hansell:

Q. I have a question to ask right on that point, or at least it is relevant to that point. In the correspondence, the documents that you have here, Mr. Browne, I wish to refer to the last letter, the one to Mr. Watson, President, Lethbridge Broadcasting Limited, dated November 27. This is in answer to a request they made that should they have to give up their frequency, they should not have to give it up to a private station. In the third paragraph you said that you could not give them the outright guarantee they request because 1060 kilocycles is the channel provided by the Havana Agreement for CFCN. That is what it says here.—A. Well—

Q. Now, there was some little argumentation went on with Mr. Sedgwick over a similar point as to whether the Havana Agreement gave him that frequency. This statement here, unless somebody slipped up in dictating the letter, would indicate that that was so.

The CHAIRMAN: Mr. Hansell, does not that mean as between you and CFCN, that is for CFCN. If that letter had been written to CFCN, I should think they would be able to quote it with some binding force in support of their position. But if I am saying to you. "Well, I cannot give you such-and-such; I have reserved that for Coldwell" that is a statement that is of importance as between you and Coldwell; but I do not know whether he could quite bind me on that.

Mr. HANSELL: Well, that may be.

The CHAIRMAN: I do not see that your question is relevant. You understand that I do not wish to overrule it.

The WITNESS: In table IV attached to the Havana treaty is set forth the class 2 stations. 1060 is shown; location of station, Alberta, Canada; power limitation, 10 kilowatts. When the treaty was drawn up, I think the station in mind was CFCN. I was not there but—

By Mr. Coldwell:

Q. Why? Because it was a 10,000 watt station?—A. Because it was a 10,000 watt station and is the only 10,000 watt station in the province of Alberta.

By the Chairman:

Q. That is not the same as saying "Mr. So-and-so who is now operating it"? —A. No. But by inference the reference was—

Q. To the location?—A. To the location.

By Mr. Hansell:

Q. There is a difference, of course, between the call letters designating a station and the numbers designating a frequency, is there not?—A. Yes; that is right.

Q. I mean, sometimes I think we have got to differentiate between the two in our reading or we become confused.—A. Moreover, stations of 10 kilowatt power are comparatively few in number, you will find, if you refer to the list of stations on the north American continent. You will observe also 15 kilowatts opposite 1080 for Manitoba. Certainly I am not aware of any other 15 kilowatt stations on the north American continent.

Mr. HANSELL: If we are through with the letters, I should like to go to the brief, Mr. Chairman. I can take it we are all through with the letters?

The CHAIRMAN: Yes.

By Mr. Hansell:

Q. On page 1 of your brief, Mr. Browne, in the paragraph following the paragraph marked (*d*), you say:—

> At the time of the Havana conference the future plans of the Canadian Broadcasting Corporation were commencing to take shape and under the treaty Canada secured six channels for high power class 1A stations.

Why do you insert there "the future plans of the Canadian Broadcasting Corporation were commencing to take shape and under the treaty . . ."? Why do you not just say, "At the time of the Havana conference Canada secured six channels"? In other words, suppose there had been no Canadian Broadcasting Corporation; would not Canada have received those six channels just the same?—A. There is no particular significance to the inclusion of that, the mention of the CBC. Perhaps it was due to the fact that officials of the CBC participated jointly in the proceedings at Havana and there worked very hard to secure these clear channels which they required for the national system of the future.

Q. Yes. But you would not say that Canada would not have received those six channels had the CBC not been in existence?—A. No.

Q. You think we would have received them anyway?—A. I feel sure our delegation would have worked equally hard no matter who the representatives were.

Q. I cannot see why that statement was made there.—A. That is the only reason, I assure you, Mr. Hansell.

Q. Throughout this brief you referred several times to recommendations that the CBC have made to the Department of Transport. As far as your knowledge is concerned, has the CBC ever made recommendations to the department that have been turned down?—A. No; and I have checked through all the recommendations.

Q. The Department of Transport generally accept the recommendations?—A. Yes.

Q. What I am trying to determine in my own mind is where the authority of the CBC ends and the authority of the Department of Transport begins. I Cannot satisfy myself which is which. It seems to me that the CBC has some tremendous power over the Department of Transport for some reason or other, and I would say that this entire brief and all these letters indicate to me that there is certainly a sad need of a neutral body.

The CHAIRMAN: May it not be that it is a case of two groups of quite wise people naturally agreeing?

Mr. HANSELL: I should not be prepared to admit that.

Mr. FLEMING: Who are they?

The CHAIRMAN: Or would you say two foolish groups of people agreeing?

Mr. HANSELL: No. I think they are two wise groups. I think they are all wise.

The CHAIRMAN: You rather think that the CBC is sort of overlord of the Department of Transport?

Mr. HANSELL: I think so. As far as wisdom is concerned, I am inclined to think that they are perhaps a little wiser than all the rest of us put together, by the way things are done.

Hon. Mr. MCCANN: Are not their functions very definitely defined, those of the one under the Broadcasting Act and of the other under the Radio Telegraph Act?

The WITNESS: I was going to read section 24 of the Canadian Broadcasting Act, Mr. Minister.

Mr. HANSELL: Well, I agree that in cold, bold-face type as printed in the regulations, that is so.

Mr. COLDWELL: What does the Act say?

Mr. HANSELL: That is what I say.

Hon. Mr. McCANN: Read the section.

The CHAIRMAN: Do you want section 24 read?

Hon. Mr. McCANN: Yes.

The WITNESS: Section 24 of the Canadian Broadcasting Act, 1936, paragraph (1) reads as follows:—

> 24. (1) The Minister shall, before dealing with any application for licence to establish a new private station or for increase in power, change of channel, or change of location of any existing private station, or making any regulations or changes in regulations governing the activities of private stations, refer such application or regulation to the Corporation, and the Corporation shall make such recommendations to the Minister as it may deem fit. The approval of the Governor in Council shall be obtained before any licence for any new private station is issued.
>
> (2) The Corporation shall, each year, prior to the renewal or issue of the licences for private stations by the Minister review the activities of such private stations, and shall make such recommendations to the Minister in regard to their working, broadcasting or any other matter concerning such stations as it may deem desirable.

By the Chairman:

Q. Which minister is that?—A. The licensing authority that is my minister.

Q. That is your minister?—A. Yes.

Mr. HANSELL: I think we will have to change the Act.

The CHAIRMAN: You see, right under the law they are given a great deal of power.

Mr. HANSELL: Yes.

The WITNESS: I should not say, Mr. Hansell, that the recommendations of the board are acted on in, shall I say, rubber stamp fashion. We frequently refer a recommendation back to the CBC for further information and if satisfactory to the department, the action is taken.

By Mr. Fulton:

Q. Mr. Chairman, if that point is finished, I should like to ask Mr. Browne to clear up for me what appears to be a contradiction between the third last letter and the last letter. In the letter of October 15, from Mr. Browne to Messrs. F. R. Carson Limited, it is stated, "Provided that, when this frequency is required by the Canadian Broadcasting Corporation, the station will be assigned a new frequency, if such is available." And in the last letter on this file, dated November 27, from Mr. Rush, controller of radio, to Mr. Watson, it is stated, "I may say that the department is not in a position to give you the outright guarantee that you request because 1060 kilocycles is the channel provided by the Havana Agreement for CFCN." I just want to know what the CBC or the controller of radio had in mind, although he did not say it in so many words, in implying that the channel 1060 kilocycles would be required by the Canadian Broadcasting Corporation. In the other letter they say that 1060 kilocycles is reserved by the Havana Agreement for CFCN.—A. Well,

the letter of November 27th I should say is a more direct interpretation of the treaty itself which, as stated previously, by inference had earmarked 1060 for CFCN.

Q. What I am trying to get at, Mr. Browne, is this. Inasmuch as that letter is subsequent to the letter of October 15th, it appears on the face of it that the CBC there recognizes that CFCN has some sort of interest in 1060 kilocycles, whereas from the letter of October 15th it might be taken that the CBC denied that.—A. Well — —

Q. I mean, I realize that under the Act they have no vested interest.—A. No.

Q. Nevertheless, I am saying that the CBC appeared to have recognized in practice that CFCN had some measure of perhaps customary use in that wavelength.—A. You mean in 1060?

Q. Yes.—A. CFCN?

Q. Yes.—A. Well, it certainly indicates that in the letter of November 27th; but in the letter of October 15th—you mean the reference to the Canadian Broadcasting Corporation, when this frequency is required by the Canadian Broadcasting Corporation?

Q. Yes.—A. Well, of course it does not mean that it is actually required by the corporation itself, but due to the expansion plans of the Canadian Broadcasting Corporation it would be required to give effect to that.

Q. You mean that what was contemplated there was that the corporation may require that?—A. May require it.

Q. Not necessarily for itself but possibly to give to some other station? —A. Yes.

Q. So in that respect there would not be any inconsistency between the two letters?—A. No.

By Mr. Hansell:

Q. Mr. Chairman, there is one other point I have in mind. Would you elaborate, Mr. Browne, and explain to us a little further what the joint technical committee is? Just what is it?—A. I thought I had, Mr. Hansell, in a previous statement; but it consists of administrative officers and radio engineers of the department, the radio division of my department and of the CBC. It was set up back in 1937 or 1938, I forget which, after the Broadcasting Act of 1936 came into effect, to give effect in a practical way to the requirement of that section of the Canadian Broadcasting Act which I read a few minutes ago. It was thought that instead of taking these applications and letters and just sending them over the CBC for a recommendation, it would be more advantageous, especially for the technical people in the department and the CBC, to discuss these matters together across the table.

Q. Yes. How are those men appointed?—A. I beg your pardon?

Q. How are they appointed? How are the men on this committee appointed?—A. Oh, I believe that a letter was written by either the CBC or my department, one to the other, suggesting the formation of such a committee.

Q. How are the personnel appointed?—A. They are nominated from each side, members to that committee. It is strictly informal. It is really an informal committee.

Q. Have the private stations ever been asked to suggest someone on that committee, do you know?—A. Have they been asked?

Q. Have they ever been asked to suggest a name or a member for that committeee—A. No, I do not think so; because it is an interdepartmental committee.

Q. Well, interdepartmental in the sense that part of them are from your department and part of them are from the CBC?—A. Yes, that is true.

Q. The reason I asked the question is this. On pages 5 and 6 you refer to the minutes of the Board of Governors of their 17th meeting and the recommendations that were made. There is no way by which the private stations—and these recommendations affect the private stations—can know what those recommendations are unless they are informed. Had there been a man on that committee who had been recommended by the private stations, the possibility is they would have known this.

Hon. Mr. McCANN: By what private station?

Mr. HANSELL: The C.A.B.

Hon. Mr. McCANN: The private stations are not all in a unit.

The CHAIRMAN: I fancy at that time the organization of C.A.B. was much different from what it is to-day.

Mr. HANSELL: It might have been.

The WITNESS: Mr. Chairman, the technical committee as such does not make recommendations. It only prepares factual information for the information of the board.

By Mr. Hackett:

Q. Would they generally accept it?—A. I cannot answer that.

By Mr. Hansell:

Q. Your title here on page 5 is "General recommendations from the Joint Technical Committee to the Board of Governors." However, I am not quarrelling with you. It is a minor point.—A. Perhaps that is a slip on my part, in referring to them as "recommendations".

Q. That is all right.—A. The technical committee as such avoids making recommendations.

Q. The point I want to put over there is that there seems to have been a lot done in this whole matter of which the private stations, who were the ones involved, knew nothing. It seems to me something could have been done to advise them.

The CHAIRMAN: Yes. The private stations were not kept constantly notified of the government's decisions.

Mr. HANSELL: No.

The CHAIRMAN: And I do not think you would expect that constancy of information would be given.

Mr. HANSELL: Not on everything, but on things that affected them.

By Hon. Mr. McCann:

Q. Is it not a fact, Mr. Browne, that they were notified by the technical committee on the matters that affected individual stations?—A. Well, sir,—

Q. Or kept informed?—A. Not by the technical committee as such.

Q. Not as such?—A. But by either the department or the CBC.

Q. Exactly.

Mr. HANSELL: They certainly were not informed of the recommendation that I have referred to, or we would not be arguing the case this morning.

The CHAIRMAN: Well, of course there is a difference of opinion there; and you are only stating your own.

Now gentlemen, you will recall the letter that went out about our hopes with regard to finishing up. Could we say that we go on with the representatives of the CBC this afternoon?

Some Hon. MEMBERS: Yes.

Mr. COLDWELL: 3 o'clock.

The CHAIRMAN: Is it agreed? We meet at 3 o'clock, you will remember.

Mr. FLEMING: May I ask Dr. McCann if he is likely to be here this afternoon? There is one point I want to clear up at some time or other at Dr. McCann's convenience; it does not matter when. I should like to find out at some time at what date it became government policy to take over the three wave lengths by the CBC.

The CHAIRMAN: Oh, yes. Will you be here this afternoon, Dr. McCann?

Hon. Mr. McCANN: I expect to be, but I am not quite sure.

The CHAIRMAN: Well, when you do come, you can deal with that. If he does not come this afternoon, he will be here at another time and it will be understood that that can be ascertained from Dr. McCann at any convenient time. We will adjourn now until 3 o'clock.

The committee adjourned at 1 p.m. to meet again at 3 p.m.

AFTERNOON SESSION

The committee resumed at 3 o'clock p.m.

Mr. Ross (*St. Paul's*): Mr. Chairman, before we start I should like to ask Mr. Browne one more question.

The CHAIRMAN: I was just getting things quieted down a bit. Gentlemen, we finished with Mr. Browne before lunch, but Mr. Ross has a question he would like to ask him.

Mr. Ross (*St. Paul's*): Have you got any record of the number of new United States station licences which have been granted for radio stations within the United States since 1941?

Mr. BROWNE: We do have that information on file but we will have to make a search; we have not picked out any information particularly.

Mr. Ross (*St. Paul's*): How many new stations would there have been operating in the United States?

Mr. BROWNE: I have no idea.

Mr. Ross (*St. Paul's*): Can you get that?

The CHAIRMAN: Will you get that information?

Mr. Ross (*St. Paul's*): If it is not too much trouble.

The CHAIRMAN: You will get the answer to that question and file it?

Mr. BROWNE: I will provide it.

The CHAIRMAN: We will put it on the record when we get it.

Mr. HANSELL: There is a little correction in No. 9 of the minutes and proceedings and evidence that I should like to make. It is on page 602 down towards the end of the page.

The CHAIRMAN: That is the evidence that came to us this morning?

Mr. HANSELL: Pardon?

The CHAIRMAN: That is the evidence that came to us this morning?

Mr. HANSELL: No, the evidence is printed now.

The CHAIRMAN: That is what I mean, No. 9, is it not?

Mr. HANSELL: It was delivered to us this morning. It is a very minor change. It now reads:—

> The matter of corporation requiring those channels has been intimated over the air.

That should be "over the years".

Mr. FULTON: What line is that?

Mr. HANSELL: The middle of the large paragraph down at the end of the page.

The CHAIRMAN: We will call Dr. Frigon now.

Dr. Augustin Frigon, General Manager, Canadian Broadcasting Corporation, recalled:

The CHAIRMAN: If I understood correctly what Dr. Frigon said to me outside the meeting it is not his intention to submit everything by way of a brief but rather to work from notes taking care of a number of matters as we went along. He felt that would be the most satisfactory way to proceed.

Mr. FULTON: Before we start is this the presentation of the CBC's plans for the future or is this their rebuttal?

The CHAIRMAN: It is pretty well a combination. It is the beginning of the end.

Mr. FLEMING: You are not going to distinguish the two?

The CHAIRMAN: I do not know whether it will be rigidly so.

Mr. FLEMING: It would be pretty hard to draw a line.

The CHAIRMAN: We will leave it pretty much to Dr. Frigon's judgment.

Mr. FLEMING: Let him put it in any way he wants. I suggest you tell him not to go too fast.

The WITNESS: I will try not to.

The CHAIRMAN: If you do naturally the members will not be able to follow it so well.

The WITNESS: I should like to clarify certain statements which were made in the committee in the past, but before doing so I should like to cover a point which was raised by Mr. Hansell this morning. He expressed some surprise or even fear that the CBC's influence over the Department of Transport might be too great. I think what is taking place is extremely simple and normal. We are in constant consultation with the Department of Transport. Our staff and their staff work together. We meet representatives of the private stations, their engineers. Mr. Laport was mentioned this morning. He was in our office very frequently. We have a joint technical committee which is supposed to study all applications from the technical point of view. After so many years this has become more or less routine, so that when our reports go to the licensing authority and reach the Department of Transport all the difficulties have already been ironed out. The same thing applies with the Auditor General; the Auditor General never questions our balance sheet or financial report because he has a man with us every day of the year who audits our books from day to day, so that when the report comes to him at the end of the year he already knows what is in the report and that all the difficulties which may have arisen during the year have been taken care of. It is not surprising that what we do recommend to the licensing authority is accepted by the radio branch of the Department of Transport. It could not be otherwise unless there was a decided clash of opinion between our two groups, and I am sure if that ever happended they would come out and protest, or would not accept our recommendation. Therefore, I submit, it is only natural that what we do recommend is usually accepted by the Department of Transport because it has already been taken care of.

Mr. HANSELL: Are we to question as we go along or are we going to wait?

The CHAIRMAN: I think probably we will use our judgment on that, and if you want to ask a question on that at the moment I think it would be the sense of the committee to allow it.

Mr. FLEMING: May I offer a suggestion? If Dr. Frigon would indicate when he has come to the end of a particular point it would make it possible to ask questions.

The WITNESS: I am through with that point now.

The CHAIRMAN: You will understand in regard to this very point as to when questions will be asked that I am only endeavouring as we proceed to interpret

the sense of the committee on all of these matters. If I can avoid it I do not want to be ruling in and ruling out. It does seem to me, Mr. Hansell, that at the moment the sense of the committee would favour your asking the question you have in your mind.

Mr. HANSELL: Mr. Chairman, you said that this is merely the beginning of the end. My mind is confused on several matters, and we are coming to the time now when we have got to think about formulating some recommendations. It is with that in mind that I want to ask Dr. Frigon a question. The basis on which I asked that question this morning and made the observation was this. I can quite understand your explanation that before you make recommendations there is close collaboration between the government and yourself. What I would like to unravel in my mind is whether the present position of radio in contradistinction to the idea of a separate commission is preferable. In order to do that I have got to determine whether the recommendations that are eventually accepted are the policy of the CBC or the policy of the government. I find it very hard to distinguish between the two. That is why I want to make up my mind as to whether a separate body is necessary and if a separate body is necessary whether it will be based on the fact that CBC and government policy is always the same and is never at variance and is unalterable.

Mr. BEAUDOIN: Is that your question?

Mr. HANSELL: It is an observation I want to make. We are coming to that time now when we have got to decide what recommendations we are going to make. In my question I was not indicating particularly that the CBC bossed the department, but it does seem to me that the government itself would be on the safer side if no such inference could possibly be drawn from the general procedure and development of this whole matter as time goes on.

Mr. COLDWELL: May I ask a supplementary question following that? Are there not two phases of the broadcasting corporation's activities, one giving it control of the programmes, and so on, of the corporation, and the other giving it power to make recommendations to the government regarding wave lengths and other matters which are more or less technical. Is there not a distinction there which Mr. Hansell perhaps has not made?

The WITNESS: That is so. The Board of Governors has the duty of formulating and applying regulations to broadcasting at large, both for the CBC and private stations; and the board is also supposed to advise the minister as to the allocation of frequencies and the power allocated to each station. Those are two distinct functions.

Mr. HANSELL: This is the difficulty I find I am placed in, and I think maybe I might say the same thing for most of the members, as far as I know. Our terms of reference are to review the report of the CBC, and so forth and so on. Are we now to make recommendations on the basis of CBC's policy or on the basis of government policy? If both are one and the same our committee is more or less futile. Surely the committee is not set up to go to the government and say, "Here you are not doing right." The committee is not here for the purpose of reviewing government policy as far as I can see.

Mr. COLDWELL: Is it not reviewing the policy of parliament as laid down in the Radio Act of 1936?

The WITNESS: So far as I am concerned we have only one authority, and that is the Radio Broadcasting Act. We do not even have to follow government policy.

By Mr. Smith:

Q. Has the government ever refused to follow a recommendation of yours? —A. No, they have not, but I might cite one case which is not in exactly the

same field. We recommended for years that there should be a short wave broadcasting service in Canada, but that was turned down for seven years in a row.

Q. Merely a matter of money?—A. Money and policy, both as I know it.

Mr. HANSELL: Take the matter of the wave lengths that we are now discussing. The policy of the CBC is, "We would like those wave lengths". Is the same policy applicable to the government? Is that the government's policy? If it is where does that lead the committee? It leads the committee to a place where it has either got to repudiate government policy or accept it, and it is pretty hard for a parliamentary committee to repudiate government policy.

Mr. FULTON: Is not the situation slightly different? Are we not reviewing government policy in the light of CBC recommendations, and if we do not agree with the CBC recommendations I see no reason why we should not be free to say that we do not agree with them. Then the government may accept either the CBC policy and recommendations or act on the recommendation of this committee.

Mr. HANSELL: I agree with that entirely, but it places the committee in rather a peculiar position.

The CHAIRMAN: I do not know that you are right about that. I do not think this committee is bound by the government policy. There may be members of one side of the House who consider that they have a duty to support it.

Mr. HANSELL: I just was not that frank, Mr. Chairman, to say that.

The CHAIRMAN: I am surprised to hear that. I think that you of all members ought to recognize the virtue of candour, because in your own case you would not be one of those whom I have mentioned. There cannot be any doubt about it; in every committee those who sit on the government side of the House come in with a feeling that in all probability the government that they were elected to support has the right policy. I am not even arguing with you that that is so. We do not need to try to hang any curtains down between ourselves. Those are the facts of parliamentary life. Nevertheless, there is not any member of this committee who is not an absolutely free agent if he desires to avail himself of any measure of freedom. We can repudiate any government policy by a majority.

Mr. BEAUDOIN: Any member of this committee may try to improve what has been the policy of the government. That is what we are all trying to do.

The CHAIRMAN: And there have been committees in my time that have done that.

Mr. BERTRAND: Year after year, Mr. Chairman, we have been making recommendations which were more or less a change of government policy. We have made recommendations as far as policy is concerned and even as far as the regulations are concerned and many of these recommendations have been approved by CBC. Our good friend, Mr. Hansell should not be so critical of this committee. We made some concessions to his own party regarding the White Paper in so far as political speeches are concerned over the CBC.

The CHAIRMAN: He is not really critical of this committee.

Mr. HANSELL: I am trying to save the committee.

The CHAIRMAN: Perhaps I should interject something here. A few minutes ago I said it was my sense of the feeling of the committee that Mr. Hansell should be permitted to ask a question at that time. I say now that I think it would be better it we move on.

Mr. FLEMING: I have a question arising out of what he said.

The CHAIRMAN: Mr. Fleming says he has a question.

Mr. FLEMING: Do you want to reverse the policy and let Dr. Frigon go right through?

The CHAIRMAN: Just let the thing be as I said a few moments ago; I will try to interpret the sense of the committee and follow that.

Mr. FLEMING: I have a couple of questions to ask here. It has nothing to do with the matter which we have just been discussing.

The CHAIRMAN: All right.

By Mr. Fleming:

Q. Dr. Frigon, you spoke about a representative of the Auditor General being in the CBC office all the time. Is he taking a running audit of the CBC books?—A. Yes.

Q. That will facilitate the rendering of the annual report of the CBC?—A. That is right.

Q. It may save time to ask it now. You indicated in your first testimony before this committee that the report for the year ending March 31, 1946, would probably be available for the committee. Are you going to be able to let us have that?—A. It is available now.

Q. It is available now?—A. Yes. But of course it is a tentative report because it has not been approved formally by the Auditor General. It is going to be submitted to the Auditor General. It will not be audited or it will not be accept officially until, I suppose, September or later.

Q. But you are going to put that before the committee to-day or to-morrow, are you?—A. Yes.

Mr. KNIGHT: Mr. Chairman, you said you would be guided by the sense of the committee. I think we should hear what Dr. Frigon has to say, because if these questions are going to checkerboard the thing we are not going to get any coherence.

The CHAIRMAN: We will make haste but slowly if we break in very much like this.

Mr. KNIGHT: I think so. I should like to hear Dr. Frigon's statement.

The CHAIRMAN: Your suggestion is that Dr. Frigon proceed now?

Mr. KNIGHT: Yes. We can spend two days at this sort of thing, and we can do it after Dr. Frigon has gone or after the session is over.

The CHAIRMAN: You are telling me! We all agree with that, I am sure.

The WITNESS: I should not like to open a discussion at this point on what has been discussed this morning and I suppose you may wish to take this up again to-morrow with our chairman, Mr. Dunton. But if I am permitted, I should like to submit a few short remarks on the situation of CFRB and 860. As I see it, there are three distinct phases to this question. First, there is the question as to the meaning of the law and regulations. I think that everybody agrees on the meaning of the regulations and the law. There is a second phase, the interpretation given to those laws and regulations. I should like to leave it to you to decide whether the CBC's interpretation or the private broadcasters' interpretation is the right one. I should not like to reopen the whole question here. The third phase is the action taken under the law and regulations. Here is the way I see it. Prior to 1941 CFRB operated on 690; by international agreement, and so that the frequency would fit in the frequency allocation plan of the north American continent, that frequency of 690 had to be moved to the province of Quebec. Therefore CFRB had to be given another frequency. In 1941 the agreement had to be implemented and CFRB was assigned 860 which was and still is a class 1A channel or, to be more precise, a frequency for class 1A station. At the time we could have used that frequency for station CJBC in

Toronto. At that time if that frequency was unacceptable to CFRB, they could have raised the question as to what was the future of their station. That question was not raised to my knowledge by CFRB. We did not assign, or the government did not assign 860 to CJBC because CJBC was about to be raised to 1 kilowatt only, and it did not seem to be the proper thing to operate a 1 kilowatt station on a channel which could stand a minimum of 10 kilowatts. In 1941 a special endorsement was put on the licence issued to CFRB. I do not think that is a fundamental question. The CBC has always had it in mind to occupy with high power stations all regional frequencies. CFRB was notified of the final decision of the CBC in that respect when the CBC was ready to go ahead. The CBC could not, previous to 1945, notify CFRB that it needed 860 because our own policy was not final. We did not even know whether we would exist in a year. So when we saw our way clear, and we knew we would be able to build a 50 kilowatt station in Toronto on the remaining class 1A channel, CFRB was notified of that move. One year later CFRB was told—that is this year, 1946—that the date of transfer would be June, 1947. CFRB has had, strictly speaking, a notification of two years to take whatever steps they have to take to move over. I suppose they have been busy analyzing the question from a technical point of view. They are supposed to submit to the Department of Transport a technical brief giving their views on the matter. I do not think that has been done yet. Now in 1947 we are supposed to have a station operating on 860, and it was indicated to one of CFRB that they might study the possibility of using four frequencies. If they are clever enough to find another frequency, they are at liberty to suggest any frequency they may wish to use.

By Mr. Smith:

Q. You know they cannot do it, of course. You know that.—A. We know they cannot do it.

Q. Sure.—A. But I am saying this to show that they were not told that they must use one of the four. In practice that is what it amounts to, I will agree; but in theory, or under the regulation, it is not quite so. We thought for a while that 640 would be available. It may yet be available. Our own opinion, from a purely technical or operating point of view, is that we think that 1550 is a better choice. 1550 is a clear 1B channel and when CFRB is operating on that channel at 10 kilowatts, the power remaining the same, they will still have the most powerful private station east of the prairie provinces, operating in the largest single-language market in Canada; and their closest private station competitior will be a 1 station operating at night on 1 kw. and also operating at 5 kilowatts in the daytime. That is all I have to say now, and as I said at the beginning, I do not wish to start a long discussion in the matter. Mr. Dunton may be the man with whom you would like to discuss that, but of course I am at your disposal. As far as I am concerned, I am through with that field.

Mr. FLEMING: What about questions, Mr. Chairman?

The CHAIRMAN: Well—

The WITNESS: I just want to put on record these three or four thoughts which I think are important in studying this problem.

The CHAIRMAN: The situation there is that this will come up again and Dr. Frigon will also be here at that time when Mr. Dunton is questioned. They can be asked jointly.

Mr. FULTON: I move we go on to the next point.

The CHAIRMAN: Very well.

The WITNESS: May I say one thing that I forgot. There are about 6 stations operating in the United States on frequencies between 1,500 and 1,600 kilocycles. We do ourselves operate successfully a station in the Lake St. John

district at 1,580 kilocycles. We were told here by Mr. Marsh Porter that 540, which is at the other end of the scale and outside the broadcast band, is heard all over Alberta. So operating at one end of the scale, which is in a sense a handicap, is not a disaster. You can, and stations do, operate on these frequencies successfully.

Now I should like to come to the main body of my remarks and I should like to start by commenting on the many remarks which were made about our rates, wire line rates, subsidiary hook-up rates, station rates and so on. It is difficult to discuss rates, because if you want to discuss them generally you do not get the real view of the situation; and yet if you discuss specific cases, they may be very misleading. I should like to say as an overall statement which I hope you will accept before I am through, that private broadcasters, or more exactly sponsors, cannot obtain lower rates than those which we quote to them for the same service, except possibly in the case of provinces where the telephone system is operated by the provinces themselves. Mind you, I specify "for the same service", and I will come to that later. Naturally we charge a higher rate for lines used per occasion or for short periods than we pay ourselves for a service which we keep operating 16 hours a day every day of the year. That is only natural. That is why rate structures are adopted. But besides the fact that it is natural, I should like to point out that we give a service in respect of those lines. For instance we carry on so-called frequency tests once a week which are available to all stations in Canada and which permit them to check their equipment as to fidelity and quality of transmission. That is done at our expense and the lines we use for that service, of course, are paid by us under the basic agreement we have with the wire line companies. We bill the sponsors for all accounts in respect to the use of commercial broadcasting lines. Naturally we charge nothing for the lines we use to bring sustaining programmes to the private stations. Our basic programme calls for the connection to our lines of a number of stations which we use very seldom. We know that they must be available under short notice in case of national requirements and we carry the cost of linking those stations to our network, whether they are on our network or not, and whether we use them once a year or every week. We maintain a very efficient supervision of all line faults and failures, and action is taken within a few minutes if anything happens on the line. Before we organized our networks, the cost of network lines from coast to coast which is now $289 per hour used to be $936 per hour. The reduction is possible because we have organized the service and guaranteed to the wire line companies a return of possibly $1,000,000 a year.

By the Chairman :

Q. Who used to pay that larger sum?—A. The sponsors.

By Mr. Smith:

Q. If they had organized, they would do just as you have done, of course?—A. Yes, but before they did, they would have to guarantee to the wire line companies to pay $1,000,000 a year. If you buy the lines per occasion, at the rate of one hour or of fifteen minutes a week, the rate will be very much higher than it is now.

Q. Certainly there is no doubt about that.—A. We also charge higher rates for subsidiary networks, and you were told that because of that we favour large advertisers. We do encourage sponsors, to buy whole networks and to encourage them we apply discounts; if they use a whole region, say the whole of Ontario, the discount is five per cent; if they use two regions, they enjoy a ten per cent discount. The line rates are lower in the case of networks than for subsidiary hookups because, when a sponsor buys only a few stations, he then chooses his stations and he can buy, for example, Toronto, Montreal, and Hamilton alone; but when he buys a network, he has to buy the whole service. So it is only fair

that the rate should be lower, not the cost, but the rate should be lower. You have been given a specific case of the cost of lines between CKAC and CHRC. We might use this case to illustrate the problem. For a half-hour period to carry a programme between CKAC and CHRC, the Bell Telephone Company will charge $22.60. We will supply the same service for $19.90. But when it comes to the sponsors of our basic French network, we require that they should extend that network to Chicoutimi and for a line between Montreal, Quebec and Chicoutimi, we charge them $24.00. It is therefore, evident that in that specific case we are not charging too much for a hookup between these two stations.

The discussion becomes misleading when you are told that CKAC could buy from the Bell Telephone Company four solid hours at a cost of $836 per month, and when this figure is compared to our rate of 8 successive one-half hour periods. That is where our rate structures come into operation. We presume that the Bell Telephone Company rate is for one-way traffic.

CKAC is owned by *La Presse*, Montreal. Everybody knows you could not buy one eighth of a page in *La Presse* at one eighth of the rate of a full page. That is why rate structures are set, in order to establish the differential.

Now, suppose CKAC bought four hours, they would logically have to adopt a rate structure similar to ours. That is the practice followed in the United States and Canada. Some time ago agencies could buy one page in a paper and retail it by fractions of a page, and make money out of the deal. That is not permitted any more. In other words, communication companies and newspapers have rate structures which call for a higher rate for a smaller use of the facility.

Now, you are told that the arrangements between private stations in the States and American networks are better than in Canada. We deny that. We deny that affiliated stations in the United States have a better deal than the network stations in Canada. In the United States there are different ways of handling the problem, but somehow every affiliated station must pay the cost of the line serving the station, as well as its share of the cost of the sustaining programme.

One particular method is where a certain amount of money is retained each month from the amount owing to the affiliated station; the money so retained is to pay for the line costs and part of the sustaining programmes. In other words, before an affiliated station receives money from its network, it must first guarantee payment of those two charges. That is the case of one American network at least.

By Mr. Smith:

Q. Which one?—A. N.B.C. In our case, instead of asking for a monthly contribution from the station, we ask it to give us reserved time at the rate of about two and a half hours per day. Originally it was intended to use all the reserved time for sustainers, but we found out this was not possible. As a result, about 60 per cent of the time reserved on private stations is used for revenue-producing commercials and about 40 per cent for non-revenue sustainers from the CBC. Because of this, we think we have the right, which stations grant us, to ask for more reserved time in the daytime, for such things as farm and school broadcasts, and so forth. In our case the station does not contribute a cent to sustainers or wire line rates, but they must put at our disposal at night a number of periods for our own national service.

Q. Now I shall ask Mr. Brodie to distribute a couple of tables which will help you to follow what I have to say. These pages cover the first phase of my remarks. You were given the figures on the actual payments received by a typical member station of the CBC network.

By Mr. Beaudoin:

Q. Received by?—A. Received by; well, it is the same thing. The station referred to is station CFNB, Fredericton. Here are the figures:

CFNB Basic night one-hour rate—$45.00.

By the Chairman:

Q. That is the figure you pay to CFNB for that period of time?—A. That is the rate charged to the sponsors for the use of CFNB.

CFNB—Basic day one-hour rate 60 per cent of night rate	$27.00
CFNB—Basic day fifteen-minute rate	10.80
CFNB—Day fifteen-minute rate applied when one sponsor buys one full hour which he divides in four consecutive fifteen-minute periods to advertise four of its own products. (This practice is followed in the U.S.A.)	6.75
One-hour daytime rate	27.00

Now it is the practice in the United States and in Canada, that when one sponsor buys one hour, he may break the hour into four fifteen minute periods for different products that he wants to sell, and he pays the one-hour rate on that basis. The fifteen-minute period is charged at a quarter of the one hour rate. In this case, $6.75. Let us consider the one-hour day-time rate.

Frequency discount for 52 or more programmes as applied by the station itself—15 per cent or	$4.05	
	$22.95	
50 per cent paid to CFNB by CBC	$11.47	
CBC retains		$11.47
CBC pays 20 per cent regional discount, on $22.95 for the use of the complete network, or	4.59	
CBC pays 15 per cent agency commission on $22.95—$4.59 or $18.46		
CBC pays 15 per cent American Network commission on $18.36—$2.75, or $15.61	2.34	
		$ 9.68
CBC has for itself on the one-hour daytime program		1.79

That remnant ($1.79) is supposed to pay for what the CBC has to do to maintain the network, to look after network commercial business, etc., on the commercial programme involved.

In the case of one in four consecutive fifteen minute periods to one sponsor we have:—

CFNB rate 15 minutes	$6.75
Frequency discount for 52 or more programmes as applied by the station itself—15 per cent or	1.01
	$5.74

50 per cent to CFNB	2.87		
CBC retains			$2.87
CBC pays 20 per cent regional discount	1.15		
CBC pays 15 per cent agency commission	.69		
CBC pays 15 per cent American network commission		.58	
			2.42
CBC has for itself on that type of one one-quarter hour daytime programme			.45

It was also stated that on the Trans-Canada network seven CBC-owned stations receive their full card rate for network business, while of the seventeen independent stations on the network only one receives even one-half of its card rate. Such a statement is quite misleading. Here is the breakdown of what the CBC receives on one of its stations, CBO, Ottawa.

CBO basic card rate	$80.00	per night hour
Deduct frequency discount 15%	12.00	
	68.00	
Deduct 20% regional discount	13.60	
	54.40	
Deduct 15% agency commission on $54.40	8.16	
	46.24	
Deduct 15% American network commission on $46.24	6.94	
CBC retains	39.30	

Thus, CBC receives 57% of its network rate after deduction of frequency discount, while a private owned station on CBC network receives 50 per cent of its network rate after deduction of frequency discount. That is the overall picture of the way the rates operate.

There is one factor which has not been stressed enough, and that is the importance of commercial spot announcements. For instance, in the case of CKOC, Hamilton, which was reported to you that station is well within the service area of CBL. Nevertheless it is offered to sponsors as a supplementary station to the network. CKOC received from the CBC during the fiscal year 1944-45 $24,010.45 of sponsors' money. That is for affiliation with our networks. This, however, is only a small portion of its full revenue. You were told that the average rate for spot announcements on the station is $5.60. The station may carry 50 such announcements or more daily which means $280 per day for spot announcement business alone, and this is primarily due to the fact that the station has the prestige which goes with affiliation with our networks. The siuation is the same for Mr. Soble's station in Hamilton, CHML.

I should like to deal now with network station rates. I should like to say that contrary to statements made before this committee these rates are in every instance thoroughly discussed by our commercial manager with the broadcasters concerned and are based on several factors, the most important of which is the relative coverage in radio homes or population of each station. No station is obliged against its will to be on the network.

In all the discussions which took place here there was one party ignored, and that is the sponsors who pay the bill for commercials. It is our job to sell them time on networks, and the rates we are forced to adopt are those which,

in our estimation, will bring business to private stations and the networks. As indicated by the president of the CAB for a similar case, this is a selling job.

The rates for network programmes are in some cases lower than the local card rate, because of the necessity of maintaining an overall balance amongst network stations across the country. We may put it the other way round. Network station rates are set on a uniform basis across the country, taking into consideration the population served, and so on. Some stations may have a higher local rate, and that may be due in certain cases to the fact they have a monopoly locally. According to CBC policy we try to limit competition in an area to a proportion which will not create undue hardship to individual private stations. If CFNB, Fredericton, were in the United States, American practice would permit other stations to operate in the same district. We do not. We think that Fredericton has enough with one station. As a result that station controls the radio broadcasting business locally, and it is because of that factor that they may command a higher rate.

For instance, Mr. Rogers told you that his station covered about fifteen important localities, if I remember correctly. That is why he can demand a $60 basic rate for his station. However, when community stations operate in those fifteen localities he will not be able to charge $60 because his effective coverage will be smaller. It is because he enjoys a privilege in that district that he can set his rate at a certain level.

The fact is that stations on the CBC network do not know when they are well off. They are in a very privileged position. When they say that they are not satisfied with half a loaf and would like to have one loaf, I submit they want two loaves when they already have one. If they have real reason to be dissatisfied, why have they insisted on being added to our networks and complain of discrimination when other stations in their localities enjoy that privilege? It is a fact in every locality where there are two or three stations and one of them is on the network, the others kick or complain because the other fellow has something they have not got. They claim discrimination.

The institution of the Dominion network some years ago meant that 19 more private stations have had the benefit of more commercial revenue. I say "more" because some of those stations which were "supplementary" to Trans-Canada were made basic on the Dominion network, and there were 6 or 7 stations which were not on any network at all. If one looks at the promotional literature of a large number of privately owned stations one sees that it is concentrated almost entirely on their network affiliation. You will read advertisements stating that such a station is affiliated to Trans-Canada or Dominion. That is their feature publicity point.

I should like to call attention to a list of payments made to private stations in 1944-45. This can be distributed so that it may be followed more easily.

NETWORK REVENUES, 1944-45

		Watts	
CFAC	Calgary	1,000	$ 30,084 24
CFAR	Flin Flon	250	1,966 85
CFBR	Brockville	100	7,649 62
CFCF	Montreal	500	11,642 50
CFCN	Calgary	10,000	29,700 48
CFCO	Chatham	100	9,797 78
CFCY	Charlottetown	5,000 (day) 1,000 (night)	20,246 39
CFGP	Grande Prairie	1,000	3,548 99
CFJC	Kamloops	1,000	10,577 26
CFNB	Fredericton	1,000	21,229 69
CFOS	Owen Sound	250	1,829 23
CFPA	Port Arthur	250	4,185 90
CFPL	London	1,000	27,164 13
CFPR	Prince Rupert	50	560 61

NETWORK REVENUES, 1944-45—*Concluded*

		Watts	
CFQC	Saskatoon	1,000	$ 30,570 14
CFRB	Toronto	10,000	14,487 72
CFRN	Edmonton	1,000	14,533 89
CHEX	Peterborough	1,000	12,476 98
CHGB	Ste. Anne de la Pocatière	250	3,511 71
CHAB	Moose Jaw	1,000	19,435 33
CHGS	Summerside	100	346 46
CHLN	Three Rivers	250	4,352 18
CHLP	Montreal	250	6,757 18
CHLT	Sherbrooke	250	12,895 04
CHML	Hamilton	1,000	16,274 08
CHNC	New Carlisle	1,000	11,090 77
CHNS	Halifax	1,000	19,277 72
CHOV	Pembroke	250	7,399 15
CHPS	Parry Sound	....	165 32
CHRC	Quebec	1,000	5,772 23
CHSJ	Saint John, N.B	1,000	23,598 51
CHWK	Chilliwack	100	4,024 68
CJAT	Trail	1,000	12,356 96
CJBR	Rimouski	1,000	12,947 94
CJCA	Edmonton	1,000	39,060 52
CJCB	Sydney	1,000	21,314 58
CJCJ	Calgary	100	537 20
CJCS	Stratford	50	2,179 93
CJFX	Antigonish	1,000	3,875 30
CJGX	Yorkton	1,000	8,737 80
CJIC	Sault Ste. Marie	250	8,327 22
CJLS	Yarmouth	100	4,939 91
CJOC	Lethbridge	1,000	14,634 76
CJOR	Vancouver	1,000	11,735 45
CJRL	Kenora	1,000	7,209 54
CJVI	Victoria	1,000 (day) 250 (night)	7,829 76
CKAC	Montreal	5,000	13,041 49
CKBI	Prince Albert	1,000	19,210 91
CKCH	Hull	250	4,590 85
CKCK	Regina	1,000	31,890 46
CKCO	Ottawa	1,000	13,160 91
CKCR	Kitchener	250	4,939 99
CKCV	Quebec	250	3,250 71
CKCW	Moncton	250	11,783 86
CKEY	Toronto	5,000 (day) 1,000 (night)	9,468 22
CKCB	Timmins	1,000	
CJKL	Kirkland Lake	1,000	50,937 01
CFCH	North Bay	100	
CKLN	Nelson	250	2,993 18
CKLW	Windsor	5,000	17,179 30
CKMO	Vancouver	100	747 07
CKNB	Campbellton	1,000	6,390 38
CKNW	New Westminster	250	357 65
CKNX	Wingham	1,000	5,292 56
CKOC	Hamilton	1,000 (day) 500 (night)	24,010 45
CKOV	Kelowna	1,000	12,248 70
CKPC	Brantford	100	3,034 24
CKPR	Fort William	1,000	21,498 53
CKRC	Winnipeg	1,000	20,456 52
CKRM	Regina	1,000	10,247 91
CKRN	Rouyn	250	
CKVD	Val d'Or	100	8,006 88
CHAD	Amos	100	
CKSO	Sudbury	1,000	23,734 59
CKTB	St. Catharines	1,000	8,299 20
CKWS	Kingston	1,000	29,508 59
CKWX	Vancouver	1,000	1,750 05
CKX	Brandon	1,000	17,946 10
CKY	Winnipeg	15,000	56,854 48
			$ 975,669 82

This, as you will see, gives you the amount which stations affiliated to CBC networks have received through us from sponsors in that year. I would suggest that this might be printed in the proceedings. I do not know whether I should read the whole list.

The VICE-CHAIRMAN: It will be taken as read and incorporated in the proceedings. You may proceed with your explanation.

The WITNESS: I will proceed. These figures represent the net network revenue to private stations against which there are no charges of any sort except their own technical operating charges. Of course, this revenue is only part of the total revenues of the stations. Although there is no direct connection between the two sets of figures you may compare those figures with the total net revenue for the CBC-owned stations. The revenue of those stations is listed below.

		Watts	
CBF	Montreal	50,000	$ 132,136 31
CBL	Toronto	50,000	161,517 93
CBM	Montreal	5,000	71,036 81
CBO	Ottawa	1,000	53,994 89
CBR	Vancouver	5,000	53,142 13
CBV	Quebec	1,000	46,243 95
CBJ	Chicoutimi	1,000	56,934 57
CBA	Sackville	50,000	28,709 99
CBK	Watrous	50,000	48,522 50
CJBC	Toronto	5,000	37,903 91
CBH	Halifax	100	7,813 78
			$ 697,956 77

Against this revenue we have the same technical operating charges that private stations have, but whereas in their case they only have to turn a switch to get our programmes and the corresponding revenues, the CBC has to provide studio facilities and generally supervise programme production for programmes originating in Canada.

It may be interesting to note also that sponsors' money paid to CFRB for subsidiary hookups amounted to $34,832.71; the corresponding amount for CKAC, Montreal, being $62,070.48 and for CHRC, Quebec, $26,578.69. I do not think that these figures indicate that private broadcasters are deprived of the right to set up networks of private stations.

By Mr. Hackett:

Q. Is that not bound to grow less?—A. If it grows less it will be on both sides. The proportion will be maintained. I do not want to stress this point too much, but it is interesting to note that the net revenue for CBL—a CBC 50-kw. station in Toronto—was $161,517.93 against the $542,177.47 gross reported by CFRB or, if you want, against $69,787.04 net profit. I know that those figures have to be explained and analysed, but I think they illustrate the general point involved. That is all I would like to submit on the matter of rates.

By Mr. Fulton:

Q. There is just one question on this table. Are the figures opposite the station names the amounts paid to the stations by the CBC for carrying CBC programmes?—A. No, that is the amount paid to the station through the CBC from sponsors. If sponsors buy the network and use CFCN, Calgary, then in that year 1944-45 CFCN got $29,000 which was paid to the CBC by the sponsor and which we paid back to the station. That is the proportion that the station was entitled to. It is based on the break-down I discussed for CFCN, Fredericton. That is their commercial network revenue obtained for them by the CBC. It is not CBC money. It is the sponsor's money going through our books, collected by us, and paid to them according to the formula established.

By Mr. Coldwell:

Q. That goes to them after you have paid commissions and line charges?—A. As you know, we pay them 50 per cent of network cash rate after frequency discount; that is the amount they receive on that basis. We keep the other 50 per cent, and we pay commissions, and so on.

By Mr. Hansell:

Q. Could you explain a point here? I think perhaps it arises because these two stations are on different networks. CFRB, Toronto, a 10,000-watt station, has $14,000, but here is one in Saskatoon which is only a 1000-watt station. Perhaps I should not have taken CFRB because they take the Columbia network. —A. There is a difference between CFRB and the other station. CFRB carries in Toronto all Columbia programmes going to our networks.

Q. What I want to bring out is that the more powerful stations sometimes get less than the less powerful ones. Here is Saskatoon, 1000 watts, getting $30,570.— A. Some stations are supplementary; they are not basic. In other words, a basic station must be bought by the sponsor. With the supplementary station the sponsor has a choice. In the case of CFRB which is not affiliated with the CBC network but carries in Toronto all Columbia programmes going to CBC networks, it is paid for that service.

By Mr. Fleming:

Q. Would you make it a little clearer as to how the proportions going to the private stations of that network time are arrived at?—A. As I said before, there is a network card rate, and they get 50 per cent of that card rate after frequency discount.

Q. To go back to the card, who establishes the card in the first place? —A. The network card rate is established after discussion with the owner of the station. I will not say they always agree with us, but the rate is discussed and arrived at, as I said before, on the basis of uniformity across the country.

Q. The CBC establishes the network card rate, and it is done after consultation with the private station?—A. Yes.

Q. And if they are not satisfied with your decision on the rate then they do not take the network programme?—A. That is the alternative, yes.

Q. That is the alternative. If they do not like it, they do not come on the network.—A. That is right.

The VICE-CHAIRMAN: I think the understanding was that Dr. Frigon would go on and cover all the points, and that questions would be held off until after he is through. I am trying to feel the sense of the committee. Go on, Dr. Frigon.

The WITNESS: If I am to carry on, I should like to cover another statement which was made.

Mr. DIEFENBAKER: I have not interfered very much, but there was a question I should like to ask in connection with this.

The VICE-CHAIRMAN: Mr. Diefenbaker, if I may, I should like to point out that the committee decided previously that the witness, Dr. Frigon, would be allowed to cover all the points before we ask questions.

Mr. DIEFENBAKER: That is fine.

The VICE-CHAIRMAN: If you would be guided by that, I should appreciate it.

Mr. DIEFENBAKER: That is fine.

The WITNESS: The next statement I should like to clarify is this. You were told that we were trying to practically steal away the Columbia affiliation of CFRB. If that is to be taken as meaning that we are going to take business away from CFRB, it is absolutely wrong. Here are the facts. CFRB is unquestionably the most privileged station in Canada—

By M. Fleming:

Q. You say "unfortunately"?—A. No; I did not say either fortunately or unfortunately. It is.

Q. I thought you said "unfortunately".

Mr. BEAUDOIN: No, "unquestionably".

Mr. FLEMING: I beg your pardon.

The WITNESS: It is affiliated to the Columbia Broadcasting System and it has no responsibility to Canadian networks. It can be sold by Columbia in the United States without consideration of Canadian network requirements. Because of that its business is easy with its American network. In our case, for instance, we have CBL in Toronto, the key station of trans-Canada. The first loyalty of the station is to the trans-Canada network. It is also connected to NBC, but NBC cannot sell CBL before it finds out whether CBL is free for them to use. While CFRB is carrying a Columbia network show in Canada, if the show is carried on the trans-Canada network, CBL during that period has to be filled by us with a sustaining programme. A couple of years ago we had difficulties with a couple of broadcasters who went down to the States and negotiated tentative agreements with the American networks, which were absolutely not acceptable to us and asked us to ratify them, which was refused. Furthermore, in 1942 the parliamentary committee suggested that the time had come for a review of the conditions, and I quote: "Outlets are still allowed for United States chains in Canada through stations CKW, CFCF, CKAC and CFRB. Your committee recommends that the corporation should consider if the continuance of such outlets is in the interests of broadcasting and of the corporation." With this as a background we tried to devise some means to improve operating conditions.

By Mr. Fleming:

Q. What is the reference?—A. That is the parliamentary report of 1942.

Q. What page?

The VICE-CHAIRMAN: I suggest it may be found at the end of the last number of the proceedings.

Mr. FLEMING: I thought he might have it there.

By the Vice-Chairman:

Q. You do not have the reference there?—A. No, I do not have the reference here. Mr. Brodie will find it. As I said, with this background we tried to devise some means of improving operating conditions and to give equal treatment to all American networks, the Columbia Boradcasting System alone enjoying the privilege stated above. We thought that if we could contract with all American networks and distribute American programmes in Canada it would improve the situation all around. This would have meant that a station like CFRB, although it would have been earmarked especially for available CBC programmes, might also carry other American network programmes; and we were positive that over a period it would have meant at least the same revenue from American programmes to CFRB, or even more. I went down to New York and consulted with all the highest officials of all the networks—

Mr. FLEMING: Have you got the page reference, Mr. Chairman?

The VICE-CHAIRMAN: It is page 1095 of the minutes of proceedings No. 13, 1944.

Mr. COLDWELL: Is that the final report?

The VICE-CHAIRMAN: It is 1942, I should have said. It is page 1095 of No. 20, 1942.

By Mr. Coldwell:

Q. The final report of the 1942 committee?—A. Yes. As I was saying, I went down to New York and consulted with all the highest officials of all the networks and told Mr. Sedgwick of our plans. Nothing has been done yet. The main difficulties are, first, that different American networks have different ways of paying affiliated stations for station time; and second, because our suggestion was decidedly different from American practice and would have introduced a certain degree of difficulty in selling Canadian networks to American sponsors.

For instance, as I said, Columbia agents may sell CFRB Toronto without even consulting CFRB—within certain limits, of course.

A VOICE: No.

By Mr. Pinard:

Q. What about CKAC?—A. I am talking about CFRB.

By Mr. Smith:

Q. Are you sure of that statement?—A. I will explain. I do not know the details of the understanding between Columbia and CFRB. I must admit that. My understanding is that if Columbia wants to sell a show to CFRB in Toronto, they may request CFRB to clear time for that show. A station may always anywhere in the States or Canada refuse to take the show for reasons of importance. It is not a "must" without any reservations; but in fact, I am told by Columbia that CFRB is at their disposal in Toronto.

Q. Who told you that in Toronto?—A. Well, I met so many of them — —

Q. I was down there at Easter. Who told you?—A. Should I say that, Mr. Chairman?

The VICE-CHAIRMAN: I think that the rules which have been followed should continue to be followed.

The WITNESS: I will tell you personally, if you want me to.

The VICE-CHAIRMAN: Just a minute, Dr. Frigon. I think the rule that questions should not be asked until all the points are covered should be followed. Go ahead.

The WITNESS: That is the understanding I was given, that Columbia did not like this arrangement proposed by us because it would deprive them of the relatively free use they have now of CFRB. That does not apply to NBC or other networks because those other networks have affiliated stations in Canada, whose first loyalty is to a Canadian network. If NBC want to send a programme to CBL, Toronto, and if CBL is already used for a programme on trans-Canada, NBC cannot have CBL. We may at times make a recording and delay the broadcast; but NBC is far from having the same freedom in using their affiliated station CBL, in Toronto, compared to Columbia in respect to CFRB. The way the matter stands now, the project has not been adopted. We are still trying to find a way of taking care of these difficulties. But I maintain we are not trying to take business away from CFRB, and I am positive that if we go through with this and find a proper formula, CFRB will be getting at least as much business as it is getting now, because they would be able to carry any network programme which might be available. That is a fact.

By Mr. Smith:

Q. Well, all right.—A. All right.

Q. Timeo Danaos et dona ferentes; did you ever hear that?—A. It is all right with me.

The VICE-CHAIRMAN: Order.

(Mr. Maybank resumed the chair.)

The WITNESS: You may ask why our stations are affiliated to American networks. One of the reasons is the fact that with our stations affiliated to American networks it will permit the use on our continental network, regional networks, of any sustaining programme on any station which may come from the American networks. The Americans have been very generous in that way, very generous. Programmes coming from Columbia to CFRB, or to CBL from NBC and so on, once they have entered Canada we can help ourselves to any sustaining programmes they have to offer; and that is very important, not only for private broadcasters but for us and for Canadian the listeners.

Another statement was made, and that is that CFRB and CKAC were located where they are now—that is, at Aurora and Ste Hyacinthe—because they were to give extensive rural coverage. That is not correct, because the location of the station does not modify the size of the area covered by the station. It may change the position, but the same area is maintained. The reason why at that time the stations were requested to build quite a distance out of town was that at the time receivers were not as selective as they are now, and stations too near big centres were blanketing reception. Therefore CKAC and CFRB were requested, as was every other station in north America at the time, to locate at a certain distance. Now the distance is shorter because receivers are better; but it was then strictly a technical reason, not a coverage reason.

By the Chairman:

Q. Not which?—A. Not a coverage reason.

Now, I do not want to appear to be too critical of what was said, but much credit was claimed by CFRB for being a pioneer station. CFRB was there early in 1927, I think it was. But you must not forget that the first stations in Canada were operated by such organizations as CFRB, Rogers Batteryless, Canadian Marconi or Northern Electric ——

By Mr. Fleming:

Q. What is that?—A. Or Northern Electric, or La Presse or the Toronto *Star*. I think it is fair to state that at that time those stations were meant a good deal to support other business. In other words, CFRB was operated to provide a market for Rogers batteryless sets, which is quite normal and logical. It was so in the United States, all over the United States; as a matter of fact, the N.B.C. network was organized there for that purpose, to create a market for transmitters and receivers. So far as being in there early is concerned, there is no doubt about that. CFRB was there in 1927. As to the pioneering idea, well, that may have some weight; but again, another organization—and probably the most influential in introducing broadcasting in Canada, especially network broadcasting—was the C.N.R. The C.N.R. had stations in Moncton, Montreal, Ottawa, Edmonton and Vancouver, and especially networks, as early as 1927. The C.N.R. was the pioneer of network broadcasting in Canada. There is no doubt about that. Their system was replaced by the old commission C.R.B.C.; and we took over from the C.R.B.C.. That is the general aspect of pioneering in broadcasting in Canada. I do not want to deprive CFRB of any credit they should have, but I think that things should be placed in the proper light. They have done a good job, and are still doing a good job.

I have a few notes here about producing programmes. You were told that CJOR of Vancouver has produced and is producing programmes for the Dominion network. You should know that the CBC assumes the full cost of paying for the talent.

By the Chairman:

Q. What is that?—A. You should know that the CBC assumes the full cost of paying for the talent, and that we supervise the production. The same thing applies to Winnipeg. We asked a local station there to produce sustainers for the network, but we had to provide all the producer services; so their contribution is indeed very limited. The same thing applies to the Maritimes. You were told about the clinic that was held in the Maritimes. We were connected with the project and we made offers to the local broadcasters to carry the programme free of charge and give them full credit, but nothing was heard from them. So there again their actual contribution was limited in some cases to talking about it, rather than to acting.

Now, another thing that was said in reference to the famous snowstorm in Toronto. You were told that station CFRB did a marvellous job in those days.

But we too did a good job locally. We did notify the public in the same way as station CFRB. Our people were on the job all day long. I think our public service to the city of Toronto in those days was just as important as CFRB's contribution.

By Mr. Fleming:

Q. They did not throw any reflection on the CBC.—A. Oh yes, they said that "only a community station could do full and effective service in such an emergency". That is what we claim is wrong. Quoting from the evidence—

Q. What page is that?—A. It would be only a community station not a national-operated one that could possibly give full and effective service in such a community enterprise.

By Mr. Smith:

Q. Give us your comparison. We know what they did. What did you do? —A. The same thing. Mr. Bushnell is here and he can give you the details.

Q. You are making the statement, but you have nothing to support it.—A. Oh yes, I have our staff to support it. Only this morning I received a report from Vancouver.

Q. What I meant was that you did not have all the details. I apologize for my interruption.—A. I received a report this morning from Vancouver which shows that during the celebration at Vancouver, we played a very important part there, producing and supplying equipment to the community for their broadcasts in connection with the celebration.

By Mr. Fulton:

Q. Is that possibly because they wanted the celebration to go over the national network?—A. No, simply because we are equipped for that purpose, while most stations are not.

Q. I suppose they wanted to get on the national network and that had something to do with it?—A. There are many stations which do not even have a producer. The celebration at Vancouver was the one hundredth anniversary.

By Mr. Smith:

Q. Of the return of Gerry McGeer?—A. Not as large as that. If you want more details about local operations, Mr. Bushnell is here to answer you. The same thing applies to pioneering. Mr. Manson and Mr. Olive, our chief engineer, were here long before me. They can give you the facts. I am just giving you an outline of the argument.

Now, I have only one more point to cover. At the end of his submission, Mr. Porter made a statement to the effect that our coverage network maps indicated that we covered Alberta completely. Those network maps are not technical maps; they are graphics, based on the formula adopted by some American networks, the NBC particularly. It is said plainly in the preamble, that when within a province or political riding there is a percentage of 50 per cent or more of potential listeners listening to networks, the riding must be coloured red. It does not mean that everybody within the area can hear reasonably well. The map deals with the network stations' combined coverage. Now, the proof of that is very simple. You only have to look at the map. Listening was never limited by a line on a map. You cannot make me believe that because there is a line on a map people beyond that line cannot listen to a certain station or network, or that people within that line can do so. So, those maps are graphics; they are not coverage maps in the sense you may have been led to understand.

In Alberta it means that as a result of tests—mail response and other methods—it is indicated that the network in that province is heard by 50 per cent or more people in the province. There may be 49 per cent listening in the cities, and only one per cent listening in rural districts, still the map will be

painted in red. So do not take that too seriously as an indication of who can hear a programme.

By Mr. Smith:

Q. Is that right or is it wrong?—A. It is right for the purpose for which they are used, they are used for a comparison and they are accepted by advertising agencies and by operators, who know what they mean.

Q. If it is right, you are getting money under false pretenses?—A. That is what everybody does; they use those maps to obtain money. I did not say it was false pretenses.

Mr. SMITH: That was my idea.

By Mr. Diefenbaker:

Q. In connection with your figures as to the earnings of CBF and CBL, in one case the earnings are $132,000 and in the case of the Toronto station, $161,000. You said that in order to understand those figures they would have to be analyzed. My first question is: What part of each day over CBF is not being utilized as earning time? In other words, is there any part of each day over CBF that is available to any person without charge?—A. Well, there is the political broadcast on Wednesday evening.

Q. Anything other than the political broadcast?—A. If I may answer this way: Those figures indicate that our stations are not over-commercialized.

Q. What is that?—A. I said that those figures would indicate that our stations are not over-commercialized. We could double this amount if we accepted spot announcements, but we do not.

Q. And if you fill in all the time available, you could double?—A. Exactly, but no station can fill all its time.

Q. You have a news distribution service through Canada through the Canadian Press and through the British United Press?—A. Yes, sir.

Q. Have you in addition to those services which are available, the Canadian Press, and the British United Press, any station operated by the CBC over which, without charge, newspapers may broadcast the news of the day?—A. Yes.

Q. What stations are they?—A. CBL carries the Toronto *Star* news bulletin; and CBJ in Chicoutimi carries the local paper bulletin as well.

Q. What is the latter one you named?—A. CBJ, Chicoutimi, in the Lake St. John district.

Q. So the only two in Canada are the one at Chicoutimi and the CBC station in Toronto?—A. That is so.

Q. And over the Toronto station the Toronto *Star* has how many periods a day?—A. Two, I think.

Q. Two periods a day, is that right?—A. Is that right, Mr. Bushnell?

Mr. BUSHNELL: Two periods a day, Monday to Saturday, but not on Sunday.

Mr. DIEFENBAKER: Not on Sunday.

Mr. FLEMING: I suppose that is because nothing happens in Toronto on Sunday.

By Mr. Diefenbaker:

Q. What would be the value of those two periods? Would $40,000 a year less the discount, the frequency discount, be a fair charge for those two periods? —A. I would like to figure that out. I would not like to commit myself to it.

Q. Would you let me have it?—A. Mr. Weir says $27,000.

Q. What were the circumstances under which that service was made available to CBL instead of using the ordinary facilities through the Canadian Press and the British United Press?—A. Well, that service existed before the

Commission. Frankly I would like to look into the files and find out the exact reason.

Q. Then, even before the CBC came into existence, this scheme was in existence?—A. Yes, sir. Is that right, Mr. Bushnell?

Mr. BUSHNELL: The Toronto Star owned station CFCA back possibly as far as 1932 or 1922; and when the *Star* closed down its station—and remember I am speaking just from memory, and I would also like to see the files—an arrangement was made, I believe, within the Canadian Radio Broadcasting Commission.

B. Mr. Diefenbaker:

Q. When was that?

Mr. BUSHNELL: I should think that would be in the year 1932 or 1933. Possibly 1933, and that service so arranged has been honoured since that date by the successor to station CRBC.

Mr. DIEFENBAKER: Was it an arrangement that was binding on the assignees?

Mr. BUSHNELL: I could not tell you that. You will have to ask one of the former Commissioners.

Mr. DIEFENBAKER: Would you be able to produce the file tomorrow?

Mr. BUSHNELL: We shall try.

The CHAIRMAN: No files are here, Mr. Diefenbaker. Montreal has much in the way of records. I do not know whether it would be possible to get them by tomorrow.

Mr. COLDWELL: We could get them by next week.

Mr. DIEFENBAKER: We could get them by next week.

The WITNESS: I know. I do not think you would find any specific reasons for doing it except they asked for it, and were given the permission.

By Mr. Diefenbaker:

Q. They must have asked the CBC?—A. That is my interpretation although I am not positive.

Q. No, but you continued it since you have been the general manager; it has been continuing under you as it had in the past?—A. I have always taken for granted because they abandoned their station, that they were given the time on a station in Toronto to do their broadcast.

Q. That agreement is in existence, the agreement to which you make reference, that extended certain rights to the Toronto *Star*?—A. We will have to look it up, sir.

Q. Would you be able to have that available to-morrow?—A. If it is available in our files, we will have it to-morrow.

Q. And there is no payment made for that service?—A. No, sir.

Q. It is just the Toronto *Star* broadcast for itself during those two fifteen-minute periods?—A. That is right.

Q. And there is no agreement from the CBC granting an extension of that right and extending it from year to year?—A. There was some correspondence some years ago. I do not recall the details.

Q. That is while you were general manager?—A. No, before I was general manager.

Q. Then it is a fact that during your period it has just been accepted as a fact and as a circumstance that these two periods are available to the Toronto *Star*?—A. Right, sir.

Q. In the case of the Chicoutimi station what is the arrangement there? —A. The arrangement there is that we have always operated CBJ, Chicoutimi, as a semi-commercial station. It is the only station in the region and we do

accept types of programmes we would not accept on CBF, Montreal, or CBL, Toronto, because of the fact nobody has at their disposal any other station in the region.

Q. Are there any other newspapers in Canada that lost their rights, or whose stations ceased to exist, which were broadcasting news items over the air before the CBC stepped in?—A. I do not know any.

Q. You do not know of any. I do not want to press you at this time because you are just speaking from recollection, but would it be possible for you to have this file for to-morrow?—A. Yes, sir.

By Mr. Coldwell:

Q. Is the Chicoutimi station of which you spoke the station which broadcasts in English as well as French—A. Both languages; it is a bilingual station, but mostly French.

Q. The news bulletins are given in—A. French.

By Mr. Fulton:

Q. Do you recollect for what reason CFCA was closed?—A. No, I have no knowledge, why?

Q. Would that appear on the file?—A. As I said, we will look at the file, but these are C.R.B.C. files and Department of Transport files. The reason why they abandoned broadcasting would be found in the files of the radio branch of the Department of Transport.

By Mr. Diefenbaker:

Q. Is the news that is broadcast over the CBC station during those two periods passed by the CBC or is it chosen by the Toronto *Star* radio staff?—A. Chosen by the Toronto *Star*.

Q. You have nothing to do with it?—A. Except if they did something we did not like we would tell them and probably stop them.

Q. But they do not use Canadian Press news nor British United Press news?—A. I would suppose their sources are mostly C.P. and B.U.P.

By Mr. Bertrand:

Q. But sponsored on the responsibility of the *Star?*—A. Yes.

By Mr. Beaudoin:

Q. Are these newscasts supervised by your staff?—A. Supervised in the usual way that has been explained before. They are supposed to live within certain regulations, and if they did not we would decidedly step in and correct the situation.

Q. Are they given on the air by your own announcer or by someone who comes from the Toronto *Star?*—A. I do not think there is any specific understanding there, but at the present time I think it is one of our announcers who reads the news bulletin.

Mr. BUSHNELL: The actual fact is that at one time it is given by a man who is employed by the Toronto *Star* and at the other time it is an announcer of the CBC for which he is paid a certain sum each week by the *Star*.

Mr. FLEMING: Does that go through the CBC books or CBL?

Mr. BUSHNELL: I think the general manager can answer that.

Mr. FLEMING: Is that just a private arrangement between the Toronto *Star* and the announcer?

Mr. BUSHNELL: It is not. It is in conformity with the arrangement we have with our announcers where their services are sold to a sponsor. They get 85 per cent and we retain 15 per cent.

The WITNESS: Our announcers are not permitted to contract without our knowledge; it must be done through us. We pay them 85 per cent of whatever we collect and we get 15 per cent.

By Mr. Beaudoin:

Q. That is the general rule?—A. Yes, and that would apply there as to any other programme.

By Mr. Coldwell:

Q. Is this a news broadcast or a news commentary?—A. It is a news broadcast.

By Mr. Beaudoin:

Q. Straight news?—A. Yes.

By Mr. Diefenbaker:

Q. What you are saying is it is a means of repaying the *Star* for the fact at one time it had a station which was closed down?—A. Well, I do not know whether "repay" is the proper word.

Q. Compensate?—A. It is an understanding.

Mr. BEAUDOIN: May I interject a remark here? Dr. Frigon has been answering all these questions from memory. He is supposed to look for the file. I do not think we should ask him to draw on his memory any longer if he is supposed to get the file.

The WITNESS: I should like to make it clear that this is a matter which has been in existence for years. I was never a party to any agreement or decision in that respect. The thing was on and it is still on. That is all I know, but after looking at the files I will be able to give you more details.

By Mr. Fleming:

Q. I turn now to something Dr. Frigon said a little earlier this afternoon. He said with reference to CFRB's wave length—and I took it that his remark applied equally to the two other class 1A wave lengths under discussion—"our own policy was not final until 1945"?—A. Right, sir.

Q. Do I take it you are saying there that your policy of taking over these three wave lengths for the CBC was not finally decided on until 1945?—A. If I used the word "policy" I was wrong. Our policy was adopted a long time ago, and I shall prove it to you this afternoon or to-morrow, but the decision to implement that policy was not taken before 1945. In other words, from the very beginning we knew we wanted to build a 50 kilowatt station, a class 1A station, in Toronto in addition to the one we already have, but we were not ready to go ahead with the project. We did not know until 1945 whether our finances would permit us and what conditions we would have to face. The war is responsible for the fact we could not make a decision before that date.

Q. "Policy" was the word you used. I made a note of it at the time. What you are saying now is that the policy of assuming these three wave lengths existed before that?—A. Decidedly so.

Q. When was that policy determined on by the CBC?—A. In December, 1936, as I will show you.

Q. That is something you are saving for to-morrow?—A. Or this afternoon.

Q. It is in the statement you are bringing to-morrow?—A. It is in what I propose to give you with respect to our plans for expansion.

Q. I do not want to anticipate something if you are going to deal with it to-morrow. If you are going to go into it then I do not want to duplicate it, but we want to get that cleaned up. Now, you also said this afternoon that the CBC determined at some time or other to take all regional wave lengths. What did you mean by "regional wave lengths"?—A. I really meant frequencies capable

of giving regional coverage, which amounts to all class 1A frequencies and others.

Q. That is not quite as illuminating as we would like to have it. You say everything that is in the class 1A category and others?—A. Yes. For instance, our station in the maritimes operates on a class 1B channel at 50 kilowatts.

Q. Is that regional?—A. Yes.

Q. You did not follow up the line of distinction as to "others", your class 1A and others?—A. A class 1A station has a clear coverage over a wide area without interference. A class 1B is protected over a very wide area but it has to accept interference at a certain distance.

Q. Is this a correct understanding of the line of distinction between what is regional and what is not? Taking a 5,000 watt station anything above that is regional and what is below that is not?—A. Well—

Q. I am still not clear as to your definition as to what is a regional wave length because you said that the CBC reached the determination to take all regional wave lengths.—A. But I added after that class 1A also; I think I did.

Q. I do not think so. You can add it now if you wish.—A. A class 1A station or a class 1A frequency, if you want to call it that, operates at a minimum of 50 kilowatts, and there is no ceiling. You could build a 50 kilowatt station in Alberta and rise up to 500 kilowatts later on if you wanted to. A 1B must operate at a 10 kilowatt minimum and not more than 50 kilowatts. That is why when you want to have a station which will give you the widest possible coverage you want to use a class 1A channel. In the maritimes we could not get a class 1A and we had to be satisfied with a class 1B which gives us wide coverage, as much as we really can hope to give to people in the maritimes because of the sea which surrounds the station. In other words, if we had more power it would practically mean that a good deal of power would be lost to the fish.

Q. I am still not clear as to what you meant when you said that the CBC determined to take over all regional wave lengths. Do I correctly understand what you are saying now is that the CBC determined to take over the three class 1A wave lengths, and that is all?—A. And others we already had. In 1941 we already had made use of three class 1A channels.

Q. But you meant to convey by this you were going to take over the remaining class 1A wave lengths?—A. That is right.

Mr. COLDWELL: That would not be the limit of the CBC's power to take over any other wave lengths at any other time that it might be necessary in the public interest.

The WITNESS: Under the Act the government may assign to us any frequency it wants.

By Mr. Fleming:

Q. Talking of the Columbia connection for CFRB you say you are not trying to take business away from CFRB. Are you still interested in getting that Columbia connection for any CBC station?—A. No, we never were unless we could pool all incoming American networks under one control and distribute the programmes. We do not want a Columbia outlet in Toronto, because in Toronto we have two stations, one an NBC affiliate and one an American Broadcasting Company affiliate. We cannot accommodate any more American networks there.

Q. And if you took over CFRB's wave length, 860—A. It would become ABC.

Q. It would not continue to be a Columbia network outlet?—A. It has never been and it would not become a Columbia outlet.

Q. Why do you say it has never been?—A. I am sorry; you are talking about frequency?

Q. CFRB.—A. It would remain a Columbia outlet We have no reason whatsoever to take Columbia away from CFRB, Toronto, to use it for one of our stations.

Q. I think we are at cross purposes. I say if the CBC takes over CFRB's wave length, 860, are they going to try to take over with that the Columbia connection?—A. No.

Q. You do not want the Columbia connection?—A. No.

Q. On any CBC outlet either presently or after you have taken over the three class 1-A wave lengths?—A. That is right; when we take 860 it will be used for CJBC, our station in Toronto, which is an American Broadcasting Company outlet and will remain so.

By Mr. Coldwell:

Q. What about the recommendation of the parliamentary committee of 1942 which recommended that the corporation should consider whether it was in the public interest to continue these American outlets in Canada?—A. That is why we would like to proceed as I explained before. We believe it is in the interests of all concerned, including CFRB. If it were not for the difficulties we have with American practice we could very easily have all American networks controlled by a central organization which normally would be the CBC and from there distributed to private stations. In other words, if a Columbia programme came to Toronto and it was to be a Trans-Canada network programme it would go to CBL and if an NBC programme were to come to Toronto and the period they needed on CBL was occupied by a Trans-Canada programme that NBC programme could go to CFRB. In other words, instead of having stations affiliated exclusively to one American network, all stations could receive any American network programmes as the case might require.

By Mr. Hackett:

Q. That would necessarily interfere with arrangements between the private station and the Columbia network?—A. Decidedly so, yes.

By Mr. Fleming:

Q. It comes down to this; the CBC wants to have control of all American networks coming into Canada?—A. That was the recommandation of the committee in 1942 as I understand it.

By Mr. Coldwell:

Q. Is that not one of the reasons why the original braodcasting commission was set up? I read Mr. Bennett's speeches very carefully and he expressed great alarm at the danger to Canada of having a station affiliated with American network broadcasting over Canada without supervision. Is not that right?—A. It is right. And the reason, as I think I said before, for this centralized distribution of American programmes would be to make it easier to operate networks in Canada and to make it more uniform for American networks to have an outlet in Canada. In other words, some American networks are deprived of coming into Canada because stations are occupied on Canadian networks, while at the same time other stations may be free to take the American network programme if they were allowed to do it.

Q. How many American network outlets are there in Canada?—A. Eight, I think. There is one in Vancouver; there are three in Toronto; there are two in Montreal—three in Montreal.

By Mr. Pinard:

Q. What are the three? There is the NBC and Columbia.—A. In Montreal you have CBM, and NBC outlet; CFCF, and ABC outlet and CKAC a Columbia outlet; and CBF also connected to NBC or ABC for French programmes.

By Mr. Coldwell:

Q. Are they under the same kind of contract?—A. And Windsor.

Q. Windsor—is that Detroit?—A. That is a Mutual outlet in Windsor.

Q. Is the station CKLW a Windsor station or a Detroit station?—A. If you ask them, they will say they are a Detroit station. If you look at their business, you will find they do a good deal of business in Detroit.

Q. That is what I had in mind. They described themselves mainly as a Detroit station.

By Mr. Beaudoin:

Q. You said, if you asked them they would describe themselves as a Detroit station. You did not mean that, did you?—A. No.

By the Chairman:

Q. Did you not make a mistake?—A. I made a mistake.

Q. You said, if you asked them they would say they were a Detroit station. You meant a Windsor station?—A. A Windsor station.

By Mr. Beaudoin:

Q. If you asked them, they will say they are a Windsor station?—A. They claim that they operate in Windsor; but in practice they are a Mutual outlet for Detroit.

By Mr. Fleming:

Q. I should like to go back to Dr. Frigon's answer to my last question. I was not asking you where the idea originated of CBC taking over or having control of American network outlets in Canada. But is that the policy of the CBC at the present time, to secure control of all American network outlets in Canada?—A. We are trying to find a way which would make that possible. We have not yet found it.

Q. That is the policy of the CBC at the present time?—A. Yes.

Q. And you attribute that to the recommendation made by the parliamentary committee?—A. Partly that.

Q. In 1942.—A. And also because we are satisfied that it would be better for all concerned, including the private stations and American networks.

Q. How long has it been the policy of the CBC to secure that control?—A. Well, we have been studying this problem I suppose more especially during the last 4 or 5 years.

By Mr. Coldwell:

Q. Does it not antedate that? Was not that policy really originated by Mr. Bennett when he was Prime Minister?—A. I could not tell you.

Mr. HACKETT: I do not think so.

Mr. COLDWELL: If you read his speeches, you will find that it was.

By Mr. Beaudoin:

Q. Do you deal with that particular phase in your brief on future policy?—A. No.

By Mr. Hackett:

Q. Dr. Frigon, you have said that in your opinion the control of all United States outlets in Canada by CBC would be beneficial to the CBC and to the private interests. Will you state if the private stations which now control these American outlets share your opinion?—A. I do not think they do.

Mr. FLEMING: Mr. Chairman, we had a statement from those who represented CAB and also CFRB and CFCN that in their opinion—

The CHAIRMAN: Just a minute; you two gentlemen at the end of the stable here are making it difficult to hear what Mr. Fleming is saying, even though he is close.

By Mr. Fleming:

Q. They made a statement to this effect, that the private stations and CBC are in competition one with another. What comment have you to make on that?—A. You cannot answer that with a single phrase or a single sentence. We do take some commercial programmes and we get some commercial revenue. In that sense we are competing with private stations. But the way we operate our networks means that some stations get networks they might never get if it was not for us. If you mean competition in the way of producing programmes, I claim that we have now all the competition that we ever wish to have by reason of the fact that we carry on our own stations programmes produced by other people. In other words, if you have at 8.30 on Sunday evening Charley MacCarthy, and we come next with a piccolo player, we will not stand very well. We have got to meet that competition. We have got to keep the network at a level comparable to the programmes we get from others so far as programmes are concerned.

Q. I am not speaking about competition between the different programmes. I am speaking about the programme competition between the CBC on the one hand and the private stations on the other. Their statement was that there was competition. I take it that you are in agreement with them that there is competition in some form?

The CHAIRMAN: Your question goes to the idea of competition for revenue, does it not?

Mr. FLEMING: Well, I meant competition in different ways. The representatives of the private stations instanced different things: they were competing for talent; they were competing for listeners; they were competing for commercial revenue.

The CHAIRMAN: Yes.

Mr. FLEMING: I do not know that that is exhaustive, but they made mention of those points.

The WITNESS: We compete for listeners, because we want listeners. But the consensus of opinion generally among private broadcasters seems to be that our own programmes are not that good; and when we put on the Farm Forum or the Citizens Forum or, if I may say so, political broadcasts, there is no competition to their commercial programmes. That is one thing. We like to have listeners when our programmes are what we call a public service feature. In other words, we want people to listen to the Farm Forum or the Citizens Forum; and to have them listen, we must have listeners. We must get them into the habit of listening to our stations and in that way we are a competitor.

By Mr. Fleming:

Q. Well, you are competiors too, for commercial sponsoring?—A. Well, we are in a sense. We do not deny that. But not in the full sense that this implies. In other words, we are not out to get all the commercial business we would like, and we are almost entirely out of local business. This year we have decided to take a very limited number of local programmes. But as I said frequently before, one of the fields which is most beneficial or most important is the spot commercial announcement. That pays well. When it is stated that a station might get $2.57 for 15 minutes, it is true; but the fact that it gives that particular soap opera makes the station a popular station with listeners; then they can sell spots at $5 for 15 seconds or 30 seconds. If they sell 15 minutes for $2.57 or whatever it is, they also sell quite a number of 30 seconds and 1 minute programmes at $5.

Q. What you are saying is that the element of competition varies with the different private stations; that is, competition between the CBC and the private

stations. For instance, there is more competition between the CBC and some of the high-power privately-owned stations than there would be between CFRB and a low-power station serving a small local area?—A. Yes. And I would be glad to know that our service is competing with theirs, to the limit that they can see it.

Q. With that element of competition being keener, if I might put it that way, between the CBC and the high-power private stations, it is a fair statement that these three stations that are now on class 1A wavelengths are CBC's closest competition in Canada?—A. Well, let us put it this way. Again going to the Toronto area, the most serious competitor of CFRB is not CBL. It is a private station operating in the same area. Everybody knows that.

Q. What is that?—A. CKEY. We have 50 kilowatts. CFRB has 10 and CKEY has 1 kilowatt. The competition of CFRB comes mostly from CKEY and some from CBL also.

Q. Let us keep on this point if we can. I think we are all agreed. We have had it before in evidence more than once that the private stations compete with one another. I am not talking now about competition between private stations because I think that is patent for all to see. I am speaking now about competition offered to the CBC by these high-power stations on these class 1A wavelengths, and we get back to the three that have occupied our attention here. They are, I take it, CBC's closest competition in Canada?—A. I would not say so.

Q. What is closer competition?—A. For instance, in Alberta, we have no stations in the Alberta region proper to receive competition. We have no station in Manitoba to receive competition from the local station CKY. That leaves you with Toronto. In Toronto you know the situation very well. Stations CFRB, CKEY, CHUM, CBL and CJBC all in the same way.

Q. We are talking about the CBC on the one hand and these private stations on the other. I am putting it to you that CBL does face its keenest competition —and we are talking about Toronto—from CFRB for listener interest?—A. Maybe that is right. But we never looked at it in that way.

Q. You did not look at it in that way; but it is the fact, is it not, that there is the keenest competition you face in the Toronto metropolitan area?—A. They compete for listeners; there is no doubt about that. And if they do compete for listeners they do compete for commercial revenue.

By Mr. Hackett:

Q. Which is going to be eliminated by the policy you are going to put into force?—A. It is not going to be eliminated by a long way. They will still have a powerful station operating in the largest single-language market in Canada.

Q. But not in a location that is as favourable to its interests as the one you are taking from them?—A. Possibly not quite so favourable.

Q. Thank you again for always being frank.—A. There is no denying that nobody likes to abandon a frequency in the middle of the scale to go to the outer edge. But as I said before, that is not sudden death, because there are many stations operating successfully at the end of the scale.

By Mr. Fleming:

Q. You do not mean it is slow death, do you?—A. No, it is not even that. I am not quarrelling about it, because I know that CFRB can hold their own at 1550 or any other frequency.

Q. Dr. Frigon, is it not going to make quite a difference to the overall competition picture across Canada between the CBC on the one hand and the private stations on the other if these three stations go under CBC operations?—A. I do not believe so. There will be plenty of business in Calgary for the other stations and plenty of it in Toronto. I am perfectly satisfied that five years from now, or even one year from now, you will see that CFRB revenues are just as high as they are now.

Q. Perhaps you are an optimist. However, that may be a matter of opinion. —A. Maybe I am.

Q. That is your opinion?—A. Yes.

Q. Somebody else's opinion may be just as good and you cannot produce figures to prove it.—A. To prove it. I will repeat that we operate a station at 1580 in the Lake St. John district and we operate a station outside of the broadcast band, on 540, in the prairies, with success.

Q. You will agree that these conditions are rather different from those you face in the metropolitan area in Toronto?—A. There is more money in Toronto than in Saskatchewan.

Q. No, the broadcasting conditions on the band are different?—A. They certainly are.

Q. Yes.—A. Anybody will come to Toronto from anywhere in Canada if they want to have a chance.

Q. I do not blame them.—A. I mean, commercially speaking.

By Mr. Hackett:

Q. Dr. Frigon, those programmes which are brought in from the United States are the equivalent of or better than anything we can produce here or do produce here?—A. What do you call better? Is a soap opera better than a Toscanini symphony?

Q. I am leaving it to your own judgment and discretion to answer. I assume you are going to put it on the basis of the number of listeners that they have interested.—A. There will always be more listeners to easy programmes to listen to. There will always be more listeners to a soap opera than to the Metropolitan opera. There is no doubt about that.

Q. Take the Metropolitan opera. Can we produce here in Canada anything that is the equivalent of that beautiful programme that you produce on Saturday afternoons in the winter?—A. For one thing, we cannot produce the same names, and there is a lot in that.

Q. The names grow out of the superiority in production.—A. I beg your pardon?

Q. The names grow out of the superiority of the production, do they not? —A. Well, somebody claims that is not quite so; that is a matter of opinion.

Q. Let us not get into a controversy over the excellencies of the Metropolitan programme. It is a wonderful programme, and a great treat to listen to it. We can all concede that.—A. I know many private stations which would not carry it because it was not good until it was sponsored.

Q. The point I wanted to come to was that all these Metropolitan programmes are the product of a privately owned station in the United States.— A. Well if you think of the Metropolitan, you will have the help of the Metropolitan sponsors.

Q. But they are all privately owned?—A. Oh yes, it is the only operation in the States.

By Mr. Coldwell:

Q. Is it in the public interest, as far as Canada is concerned, that we should rely on the excellent programmes in the United States and not try to develop our own programmes and get our own people listening to our own artists and so on?—A. We do try, and I think many of the programmes we have compare with—and at times are even better than—the American programmes. I have in mind certain dramatic programmes which are first rate, but if you tell people that they are not from New York, they do not go so far.

By Mr. Fulton:

Q. Are you referring to the group of writers' programme originating in Toronto?—A. No, I am thinking of a group in Montreal in French. I can give

you a typical example where a number of CBC governors, many years ago, were listening to a programme which, after it had been started, they thought was a marvellous programme. They started to discuss who was the leader, and they considered all big names; but when the programme was finished, and it was said that it was conducted by J. J. Gagnier of Montreal,—up to that time it was a wonderful programme, but after that it was not so good. That happens very frequently.

Q. I would like to suggest that the CBC to a large extent fosters a monopoly even amongst the private stations. You gave an illustration, CFNB which is in Fredericton, and you said that under the policy of the CBC only one station is allowed, and therefore it could command a higher rate because it is the only station in the district and has the only coverage.—A. Yes, sir.

Q. I would say, following that, the the CBC sponsors a monopoly.—A. We are not in favour of allowing as many stations as technically possible in any area because we believe that, when competition is too keen, it results in depreciation of programme value; when stations have to fight against each other to make a living, they spend as little as possible on programmes which thereby deteriorate. There is a limit to what private stations can spend, comfortably, and we are trying to maintain it.

Q. I am not quarreling with the policy at the moment, but that is the policy and you then would say that by regulating and by prescribing the number of stations allowed in given areas, you can maintain an eventual standard which would be higher than if you allowed competition to have the play; and eventually produce a number of stations which the traffic will bear and eventually get the quality of programmes back again. Your point is that you get higher quality through your policy than you would otherwise?—A. We believe so.

By the Chairman:

Q. What formula have you for determining, or is there a formula by which you can determine whether you will allow one station in Saskatoon or four stations in Vancouver, or six in Toronto? Is there any formula that you have laid down?—A. That is a very important question. Up to this time, in most places, at least in eastern Canada, a limitation has been imposed by technical reasons. At other points, it was not so. We have actually refused an additional commercial station in certain areas where we thought there was enough already. The coming of F.M. will permit the use of a greater number of stations and we will have to find a formula. We are working on it, and we have had a committee working on it for months. We intend to call a meeting of broadcasters including equipment manufacturers fairly soon, as soon as this committee is over—probably early next fall—to devise some formula. It is a difficult problem and we fully realize it won't be very easy to say whether there should be five or twenty stations in Toronto.

By Mr. Fulton:

Q. Would you admit that one result of that thing is that as far as advertising rates go, they are higher than they might otherwise be because you make it easy for a station to maintain a monopoly?—A. In certain cases, no doubt it is easier for a station to charge a higher rate if they have no competitors.

Q. What about programme rates? Would the opposite follow that fees paid to artists would possibly be lower because the lack of competition?—A. That is an accusation we have had to stand at times. Some private broadcasters claim we pay too much for an artist.

Q. Your own CBC stations?—A. Yes, that we pay our artists participating in our programmes too high a remuneration.

By Mr. Hackett:

Q. There is no complaint from the artists on that ground?—A. No, sir, never. I would state that they may not apply in very large centres such as Toronto, but it does decidedly apply in the smaller centres.

By the Chairman:

Q. I want to ask you this: You are saying that you are still searching for a formula and that you are going to call in the broadcasters generally to assist you in finding a formula?—A. Yes, sir.

Q. Suppose you let it run wild, and do not exercise that, shall I call it, paternalism? What would be the attitude of the private broadcasters to removing all these restraints and letting competition run wild?—A. The big ones?

Q. Do you know?—A. Oh yes, the big ones operating in profitable markets would not mind competition; they are already established and going strong; but in the smaller centres they would ask to be protected.

Mr. FULTON: Naturally they have got a good thing, and that is another result of the CBC protecting a monoply.

By Mr. Coldwell:

Q. Does Dr. Frigon regard the CBC as being a public utility?—A. Decidedly so.

Q. Is it not the basis of the operation of public utilities that you do not permit several gas companies or several electric companies to enter a community because the multiplicity of them would deteriorate the services generally and consequently these public utilities had to be controlled in that respect? Isn't that true in the case of radio as well?—A. I think so.

By Mr. Diefenbaker:

Q. You refused a French language station in Prince Albert and Gravelbourg? —A. That is right.

Q. Applications were made and they were refused?—A. No, they were not refused, they were postponed. It can be said that consideration of them was postponed.

Q. Was not the reason given that the areas were already served, and that therefore there was no available area?—A. There was no reason given except that those promoting these stations were told: You can try out your station at St. Boniface and if it works well we will consider your application in due time.

By the Chairman:

Q. They were the same applicants?—A. There were four different companies sponsored by the same people.

By Mr. Fleming:

Q. I have followed what you said about monopoly and competition. Is it a fair summary that there has been as much competition in radio broadcasting in Canada as the CBC, with its regulatory power, has permitted?

The CHAIRMAN: Will you give that question again?

By Mr. Fleming:

Q. There has been as much competition in radio broadcasting in Canada as the CBC, with its controlling powers, has permitted?—A. I think that is a fair statement.

Q. There has been that and no more?—A. No more, and as I said and as I think it is important to repeat, in the most populous portion of Canada, which is Ontario and a part of Quebec, you can have no more stations at the present time.

Q. As the situation stands to-day, the CBC has the sole voice as to the degree of competition that shall exist between it on the one hand, and private stations on the other hand in the same field?—A. In theory that is right, but in practice no.

Q. What is the difference?—A. In practice we do not add to any district more stations than it can stand.

Q. That is the policy you apply in exercising these over-riding powers that you have?—A. Right, sir.

Q. Is it fair to conclude that the reason you have not gone farther in reducing competition, the competition offered by private stations to the CBC, is that the Board of the CBC is convinced that there is a benefit to the CBC from competition from private stations?

Mr. DUNTON: I think that is more of a question of Board policy.

The CHAIRMAN: Mr. Dunton's point is that the Board's policy will be dealt with more by him. He has spoken to me about that.

Mr. DUNTON: On this question it might be clearer after I have gone over the Board's policy. I think it is important to differentiate between the policy of the CBC management and the overall policy of the Board as it looks over the whole radio picture in Canada.

The WITNESS: A lot of these questions will be taken care of after we have submitted our plans for expansion.

Mr. FLEMING: Perhaps we had better have them now.

The CHAIRMAN: I was going to suggest, if Dr. Frigon had further material, that he submit it. I was going to suggest a break in the questioning and have Dr. Frigon go on with his next section. It is Dr. Frigon and not Mr. Dunton at the moment.

The WITNESS: The sequence for me now would be to show you the map and what we propose to do. Then Mr. Dunton could go on and give you the policy angle.

By Mr. Hansell:

Q. I have not asked many questions, but I would like to ask a question concerning rates.—A. May I add this, at this point. I forgot to say something before. We have at the present time a man who is giving full time to the survey of rates both wire lines and station rates. I believe he is in New York to-day consulting with different experts there, and when his report is in—and it will take a couple of months more—we will decide whether we must modify certain of our rates or whether the rates are all right as they are. He has been on the job for two months. It is a four or five months job full time. That is all I have to say.

Q. You have a breakdown of the rates charged by CFNB. That was the station you rather singled out. The basic night one hour rate was $45; that is the amount that is charged to the sponsor. Is that the total amount that the sponsor pays?—A. The sponsor pays for the use of that station $22.95 for one hour in the daytime.

By Mr. Fulton:

Q. If he runs more than 52 programmes?—A. That is right.

By Mr. Hansell:

Q. It does not make any difference for my purpose whether you take night or day time. I will ask this question; are the line charges included in this figure?—A. No, sir.

Q. So they pay this figure plus line charges?—A. That is right.

Q. What I should like to get is a similar breakdown of the line charges?—A. This is a rate book issued by the C.A.B. which we use ourselves, of course, because it lists all the rates on all stations. This is the Fredericton rate card. You will see they have a rate which is higher than the network rate, but you have here the rate for 26 times, 52 times, 104 times, 156 times, 260 times. That is their rate. It is not our decision. You will see in the day time that the rates are lower and with the same frequency discounts. That is the starting point. Does that help?

Q. No, what I wanted was a breakdown, if possible, of the line charges. Perhaps it cannot be figured out, but the line charges on an hour programme or a half hour programme for a certain station may be so much. It does not make any difference what it is. I have no idea of rates, but we will say it is $20 that the sponsor pays. How much of that goes to the railway, how much goes to the CBC, and does any part of it go anywhere else?—A. I believe that was submitted at the beginning of the inquiry. I can give it again.

Q. If it is there I will look it up.—A. I do not know how I can answer except by saying again we buy the service all day long and then we sell the network for a certain period of time, and it is not really possible to segregate from the total cost of the network the cost of a line to a specific basic station. It is an overall cost. I cannot tell you to-day what is the actual cost of feeding Fredericton. I can tell you on the average our charge from wire line companies to maintain service across Canada would mean that on a per mile per hour basis Fredericton may be allocated a part of the cost, but I do not think that is a satisfactory answer.

Q. Well, I will try to look it up.—A. I will verify that.

Q. There is another question. These rates are not necessarily permanent rates, are they? Do they change from time to time?—A. Oh, they can be changed but they are practically permanent.

Q. Suppose a station steps up its power; what happens then?—A. That is a good question and I am glad you raised it. There are a number of stations operating at present at 1 kilowatt. Of their own volition they have applied to operate at 5 kilowatts. As a result of that they will increase very slightly in many cases their total coverage. In other words, they will reach a few more homes on a percentage basis. For instance, they may multiply their power from 1 to 5 and only add 5 per cent of homes to their coverage. Their cost of operating will be higher than what they had to face at 1 kilowatt. They will all be coming for increased rates to meet their extra expenditure. We are told by sponsors and agents that they are not willing to pay much more to the stations because they claim that the cost of advertising over the station per radio home would be too high. Therefore we expect that many broadcasters will be quite dissatisfied by the fact that we cannot raise rates ourselves as much as they would like.

By Mr. Hackett:

Q. Would competition have no bearing there?—A. In what sense? I do not understand

Q. I understood you to say that a station having 1 watt, for instance, might ask for 5?—A. Yes.

You said, incidentally, Mr. Sedgwick's most serious competition was a 1 watt station, if I understood you correctly.—A. 1 kilowatt.

By Mr. Fleming:

Q. It is 5 kilowatts now?—A. Day time.

By Mr. Hackett:

Q. If a man increases the cost of operating his station is he not exposing himself to the competition of a rival whose costs are lower than his own?—A. Yes.

Q. Is that not an equalizing factor, and a deterrent? Everybody would like to have a high powered car but some people have to drive a very low powered car because they cannot afford it.—A. That is what I say; in many instances the decision of moving from 1 to 5 kilowatts may not be a good one from the point of view of commercial revenues, and I am afraid many of them will find it out.

Q. But they will find it out as a result of losing business to a competitor who has a less expensive station to operate?—A. Oh, no, they will not lose it because if they are on the network we have to sell the network, and the overall cost must be within certain limits. That has nothing to do with local competition. We cannot go to an agency and say that a network costs so much if the cost is much more than they can afford to pay and if the cost per radio home is too high. They would simply say, "We will not use radio; we will use some other medium of publicity". Therefore, these stations on the network which ask for higher rates may not have their rates increased as much as they like to meet their additional cost; but that has nothing to do with competition. It has to do with the facility or possibility of selling their station as a network outlet to the sponsors.

Q. That really is competition because the advertiser may go to another medium?—A. Yes, from that point of view, yes.

By the Chairman:

Q. Competition by a substitute?—A. That is right.

By Mr. Hansell:

Q. I cannot quite understand why a station would want to increase its power if it did not believe that it could increase its revenue and reach more homes?—A. I am afraid many have made that mistake That may be a remnant of the old practice when sponsors were willing to pay a good deal for the prestige of a higher power station. In other words, they were willing to pay more for a 5 kilowatt station than for 1 kilowatt station simply because it was 5 kilowatts, and it did probably give a little higher signal in certain regions, but nowadays they are coming more and more to pay on a basis of so much per radio home, in other words, so much per radio home reached.

Q. Now, if you allow a certain card rate and the station is not satisfied with it what happens? Do they just simply object?—A. They object, and I will say that in most cases they finally understand we cannot do more. Some are a little more stubborn and they keep on protesting.

Q. There is no appeal though when once you have decided; is that so?—A. The appeal is the sponsor who pays for the station. If they can go to the agency and convince them they should pay more for their station it would not take very long before we would change the rate. We do not benefit by a high rate or a low rate. It does not mean anything to us except that the higher rates make it more difficult to serve the station and the network.

By Mr. Fulton:

Q. Have you got a basic rate for a fifteen minute period day and night for CBL?—A. Yes.

Q. Can you give us that just as a basis of comparison with CFNB.

Mr. HANSELL: Before that question is answered would you mind if I finished so as to keep it in proper sequence?

Mr. FULTON: I am sorry; I thought you were finished.

By Mr. Hansell:

Q. Is this not the situation that the CBC is really in the position of being able to say to the stations, "We will pay you so much regardless of what you might charge?"—A. It is not quite so. We say to the station, "Our experience

with sponsors or agencies shows us that we cannot ask more than such a rate for your station." It is difficult to make one station understand that; because all they are interested in is getting revenue for their station, but when you have to deal with 25 stations all asking for a raise it is very important from the point of view of the selling possibility. If you were to increase all stations by $10 or $20 per hour then you would increase your rate not by $20 but by 20 times $20, and that makes quite a difference. I think our rates are uniform, and I do not think anybody has ever proven to us that we adopt much higher rates per radio hour for certain stations than for others, any more than private stations do themselves. It is all based on a uniform policy across the country.

By Mr. Coldwell:

Q. Outside of your own card is a station permitted to charge what it likes?—A. Oh, yes, they can ask any rate they want for their local clients.

Q. I notice that CKLW has two rates. One is the American rate and the other the Canadian rate for the same hours. The top American rate is $400 for a quarter of an hour down to fifteen seconds at $30. Then we turn over and look at the Canadian rates for the same period, 7.00 to 10.30, and we find that one hour costs $160 and five minutes $32.

Mr. HACKETT: Based on volume of population.

Mr. COLDWELL: I do not know why a station should have two different rates.

By Mr. Coldwell:

Q. Would they be charging one rate to an American sponsor and the other to a Canadian sponsor?—A. I do not know exactly what the rates are, but I judge they charge more to sponsors who want to appeal to the American population. It is a bigger city. That confirms what I have said. We have to establish the rate on the number of homes you reach. If you reach more homes you can charge more.

Q. More homes are in Detroit than in Windsor so that when they broadcast to Detroit they charge a higher rate?—A. Yes.

By Mr. Fulton:

Q. What is the basic 15 minute rate for CBL, day and night?—A. The basic 15 minute rate for CBL for one time?

Q. Yes.—A. It is $120.

Q. Is that for one 15-minute period?—That is one 15-minute period.

Q. Day?—A. Day, $90.

Q. Day, $90; and night, $120?—A. Yes.

Q. Is that subject to the normal frequency discount?—A. Pardon me, I should have said day $90 between certain hours; but during other hours which are not quite as profitable, $72.

Q. And night, $120?—A. $120, $90 and $72 according to the time of day.

Q. Is that subject to the frequency discount?—A. Well, you apply that discount when you have more than one time. If you buy for 52 times, instead of $120 you get a rate of $108; instead of $90, you have $81.

Q. That is the 15 per cent discount?—A. That is right.

Q. That 15 per cent discount applies to any time of the day, does it not?—A. Yes.

By Mr. Diefenbaker:

Q. What is the largest number of times in the year you quote for?—A. Well, the card rate goes up to 260 times a year.

Q. At 260 times, what would the rates be, day and night?—A. $90 and $67.50 and $54. I am reminded that on network time the frequency discount is never higher than 15 per cent.

Q. You see, that really changes the figures that were given here a while ago, on that estimate of the value of those two 15-minute periods over the Toronto station. Even on the basis of the last figure, and averaging them, it would show at least $45,000 as the value of those two periods during the day, each day, for the broadcast, instead of $27,000 as suggested by yourself a while ago.—A. In between the two figures there may be a matter of commissions to agencies. If you want that to be analyzed, I would rather go through the figures and give you an exact answer.

Q. There would be no commissions for agencies in this.

Mr. WEIR: There might be. There almost inevitably would be.

The VICE-CHAIRMAN: Was it not previously stated that Dr. Frigon would get the figures?

Mr. DIEFENBAKER: Yes. He has referred to the figures.

The WITNESS: You asked me what would be the normal cost of buying two 15-minute periods to be put on daily. I am telling you on the average it would be $27,000, because usually that time would be booked through our agency. If you assumed that they paid directly to us without going through the usual routine, it would be what you just mentioned.

By Mr. Diefenbaker:

Q. I see. It would average about $65 per 15-minute period, night and day, for these periods that are taken for these news broadcasts and there would be about 620 broadcasts per year. There would be about $40,000 less commission.—A. Both broadcasts are day periods. The evening rate is from 7 to 11 p.m.

Q. Oh yes, that is right.—A. But the answer of $27,000 was in the usual course of dealing with such an account.

By Mr. Fleming:

Q. Dr. Frigon, has the CBC ever made any attempt to review the charges of private stations for their time?—A. I can tell you that two months ago we put a man full time on that—he is still working on it, and we expect him to be for another two months—to give us a complete survey of the station rates and the wire line rates in Canada.

Q. That is the first time you have done that?—A. That is the first time we have done a general survey of the whole picture.

Q. Dr. Frigon, you remember—and I am looking at page 120 of the proceedings of the committee—that we had some extended questioning about billings by the CBC and you undertook at that time to bring in at Mr. Smith's request the figures for the fiscal year ending March 31, 1946?—A. That is available.

Q. If you have that, I would suggest that be filed now so that it can be studied overnight and we can save some time to-morrow.

Mr. SMITH: When it gets around to me, I have some questions about that.

Mr. FLEMING: I was not through.

Mr. SMITH: I was asking about that.

Mr. FLEMING: It is for Mr. Smith's benefit.

The WITNESS: I have here some notes I have prepared, to clarify the whole question. Would you allow me to file that?

Mr. FLEMING: It should go on the record, I think. Mr. Smith has some questions on it.

The WITNESS: It is a break-down in the form I gave it before the committee earlier in the proceedings.

By Mr. Fleming:

Q. Have you got that?—A. These are some comments on it.

Q. Have you copies to circulate?—A. No.

Q. Then you had better read it.—A. Very well.

Reading over the Proceedings of the last Meeting (June 20), I note that there was much confusion in the discussion of our commercial revenues. May I be permitted to sum up that discussion in order to concentrate in one statement, and in a concise form, what I then said.

I would like to repeat here in a tabular form the figures I gave on our commercial revenues in 1944-45.

Gross Billings

(After Frequency and Regional Discounts)

Private Stations		1,762,968 86
Lines		804,674 00
Miscellaneous		58,302 00
CBC Stations		$ 821,932 75
		$3,447,868 61

Deduct Commissions

CBC Stations	$123,966 98	
Private Stations	358,058 98	
Lines	162,191 14	
	644,217 10	
Payments to Private Stations	$1,164,491 54	$1,808,708 64
		$1,639,159 97

The outstanding figure which will strike anyone trying to interpret this tabulated statement is that of $3,447,868.61. This, by mistake, could be taken as the gross revenue to the CBC from its commercial activities. It is not so. The figure includes:—

(*a*) Commissions to commercial agencies, handling sponsors accounts, on station time, either CBC or privately owned, and line charges.

(*b*) $1,164,491.54 paid to private stations due them by the CBC in its capacity as agent.

(*c*) Money collected from sponsors by the CBC, acting as an agent, for time bought on private stations which are affiliated to the network.

(*d*) Money collected from sponsors for time bought on CBC stations.

(*e*) Money collected from sponsors for the use of lines making up the network.

(*f*) Miscellaneous revenues, such as announcers and producers commissions, commercial recordings, loop charges, etc.

The CBC therefore kept as revenue a total of $1,639,159.97. That amount is not a profit. Direct counter charges must be met. First, of course, a large share of the $1,000,000 odd we pay to wire line companies to maintain a network service, sixteen hours per day, must be charged against our commercial networks operations. It is difficult to segregate from the total the portion attributable to commercial programmes because the very nature of network operation in which are involved commercial programmes, very important public service and sustaining programmes, and other programmes of less importance.

The cost of maintaining a commercial division is also an important item. A good deal of our overhead cost belongs to the commercial side. There is also, of course, the maintenance of studios and studios staff and of transmitters, which are all essential to commercial programmes.

Therefore, the only figure which truly represents the commercial revenue of the CBC proper, comparable to that of private stations, is the total amount collected for the sale of time on CBC stations after deductions of the usual commissions. That, in 1944-45, was as follows:—

CBL	$161,517.93
CBF	132,136.31
CBM	71,036.81
CBO	53,994.89
CBR	53,142.13
CBV	46,243.95
CBJ	56,934.57
CBA	28,709.99
CBK	48,522.50
CJBC	37,903.91
CBH	7,813.78
	$697,956.77

This $697,956.77 will not keep going eleven stations and the commercial service in eight studio centres, let alone give a profit. To make its commercial broadcasting profitable the CBC would have to accept commercial spot announcements and much more local spot business which is now left almost entirely to private stations. Strictly speaking, the result of CBC commercial business is therefore a financial loss. Of course our over-all commercial activities bring us a much welcome revenue which helps to carry our overhead and permits us to give excellent commercial programmes to Canadian listeners.

May I ask you to remember also that even if the CBC did not exist, there would be commercial broadcasting networks in Canada, so that we are fully justified to say that our share of commercial broadcasting is really what we actually receive for the use of our own facilities. All other charges going through our books, or even those retained by us in our capacity as agents for the network, are really part of the broadcasting industry at large and cannot be considered, but must be segregated from direct revenue for the sale of time mentioned above.

I believe this is a complete and clear statement of our commercial picture. June 21, 1946.

Does that meet the situation?

By Mr. Smith:

Q. No. I think it confuses it, but I am very happy about it anyway. Would you mind looking at this statement you filed to-day?—A. Yes.

Q. I merely want to ask you some questions in order that I may understand it. You took a typical station, I gather, in Prince Edward Island—CFNB. —A. Fredericton.

Q. I beg your pardon. I apologize to all good Prince Edward Islanders. That is $45. You break that down a little later to $22.95 and you give 50 per cent or $11.47 to the station and $11.47 to yourself.—A. Yes.

Q. That is about the middle of the page there. Are line charges included there?—A. No, sir.

Q. In other words, this is not correct, because you make a good deal of money on line charges, do you not?—A. This is correct.

Q. Wait a minute—in direct commercial advertising over your lines; in other words, you have much more than $11.47 because you have made a profit on your line charges, have you not?—A. Yes.

Q. All right. So that $11.47 is an incorrect figure?—A. No, sir. It is a correct figure in answer to the figures which were submitted to you on the same basis.

Q. All right. I do not want to have to keep catching up with you all the time. On top of the $11.47 you have the profit you make on your line charges. Is that correct?—A. If you call it profit, selling part of the time we buy the lines for. If we did not have the commercial business we would have to pay more of our own revenues for lines. We admit that. There is no secret there at all.

Q. All right. Let us put it this way. You say that 20 per cent of your business is commercial and 80 per cent in non-commercial?—A. Yes.

Q. What portion of your total line charges do you charge to that 20 per cent commercial?—A. We do not do that, sir. We do not segregate the cost of lines because it would not be fair, and I will tell you why very simply. Because you cannot charge 20 per cent of a line service with a 16-hour service, or 100 per cent service.

Q. You rent those lines for 16 hours a day?—A. Yes, sir.

Q. And you pay, let us say, $1,000,000, just to use a made-up figure?—A. Yes, sir.

Q. And 20 per cent of that time is used for commercial business?—A. Yes, sir.

Q. Which would be $200,000, I think. The balance would be $800,000 for your other endeavours, your non-commercial endeavours. Now then, of that $1,000,000, what percentage do you charge to your commercial people to your advertisers?—A. We make no charge in our books. If you consider it on a pro rata basis, it is 20 per cent of $1,000,000, and you could not buy two hours a day for $300,000 a year.

Q. I agree with you; but are you better than any other network? There are lots of networks in the world, are there not?—A. Yes, sir.

Q. I think you are an excellent network, but what I am saying to you is this: that you are making a large profit on disbursements of your own; you charge commercial people so much for lines, do you not?—A. Yes, sir.

Q. And you make a profit on that disbursement, a large profit?—A. We would make a large profit if we were to sell 16 hours a day to commercial broadcasts, but we do not.

Q. You need 16 hours, whether you have commercial broadcasts or not?—A. Yes, sir.

Q. This is a great cultural organization and we are going to cover all of Canada. I agree with you; I am not arguing with you about it at all; but you used 20 per cent of that time for commercial broadcasting?—A. Yes sir.

Q. And you charge at least 80 per cent of your line charges to these commercial operations, do you not?—A. Not that much.

Q. That is the one that confuses me; I could not understand it. You do make a very considerable profit on the basis—I am putting it at 20 per cent commercial, and 80 per cent sustaining; you make a large profit on the line charges. So this $11.47, we must have some addition to it; let us put it that way; wouldn't that be correct?—A. Well, I do not think we can say it is or it is not correct. You were given a breakdown of money paid to a station and we have done the same thing. Now, as to network operation, you cannot segregate one station and one network and one line.

Q. But you have done that. I did not do it, you did; you took this particular station and wrote this $22.95 and showed yourself with a mere pittance of $1.79 which I submit is a false figure, not deliberate, but a wrong figure.—A. It is not deliberate and it is not false.

Q. You are supplying a station in New Brunswick, so that must be over a wire line?—A. Yes.

Q. So the wire thing must come into the picture?—A. Yes.

Q. And if in supplying that station in New Brunswick with that programme you make a profit on the line charge, it is money in your pocket, the same as

anything else?—A. All the money we charge for that line is all profit because we have the line just the same.

Q. You are not going to suggest to me that you charge all your line charges to the commercial people are you? That is just what you said?—A. We could.

Q. We will let that go.—A. If you want to extend that reasoning further, it would mean that we should give the line free of charge to commercial broadcasts because the lines are already paid for.

Q. I do not know what you and I have been drinking recently, but I would not go that far. I would ask you about CFRB in Toronto. You have offered them 1550, I think?—A. We suggest that is the best bet for them to take.

Q. All I said was: You had offered?—A. All right.

Q. Is that right?—A. Yes, that is right.

Q. Surely we can agree on a simple thing like that?—A. Yes, but so long as you do not take this as meaning that we imposed 1550 on them.

Q. I think that we are all right now.—A. I think so, so far.

Q. Then, can you tell me at what power?—A. Ten kilowatts is the present power considered.

Q. Have you offered them any more than 10,000?—A. No, sir.

Q. If we are to retain 1550 in this country, must it not be operated at fifty?—A. No, sir.

Q. Isn't it one of the stations which must be operated at fifty?—A. No, it must be operated between ten and fifty.

By Mr. Fleming:

Q. But no more, is that the maximum?—A. It can go to fifty, between ten and fifty.

By Mr. Smith:

Q. It can go between ten and fifty?—A. Yes, sir.

Q. You have not offered it to them on a basis of fifty?—A. No, sir.

Q. I want to get this from you, because you are an expert while I am just a humble fellow trying to get along. Are we not required to operate that wavelength at 50,000 in order to maintain our position under the Havana agreement?—A. No, sir.

Q. I am quite wrong about that; but the most you have done is to offer them 10,000?—A. Yes, sir.

Q. Why?—A. That is a matter of policy.

Q. Perhaps I had better ask Mr. Dunton.—A. I think you should.

Q. As long as I can find somebody who can tell me about it.

The VICE-CHAIRMAN: Gentlemen, it is six o'clock. We will now adjourn until tomorrow at ten o'clock.

The committee adjourned at six p.m. to meet again tomorrow, August 2nd, at 10 o'clock a.m.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

August 2, 1946.

The Special Committee on Radio Broadcasting met this day at 10.00 o'clock a.m. The Chairman, Mr. R. Maybank, presided:

The CHAIRMAN: Gentlemen, I was out of this committee at 6.00 o'clock last night, and from my own knowledge do not know precisely what question was on at that time; but I understand that the situation is such that Dr. Frigon can go ahead now and give the story of developments intended and deal with it, of course, from the technical side and Mr. Dunton can follow him and give us a general expose from the other side, shall we call it, the policy side.

I would like to suggest to you that we allow them both to proceed, saving questions, excepting clarification questions, and I understand that it will not take very long for them both to finish, and then questions, as usual, would be addressed to either of them as might be appropriate. What do you think of that?

Mr. FLEMING: Mr. Dunton will conclude his part of the evidence, part of which he had given hitherto.

Mr. SMITH: I am anxious to get it clear. I thought that Dr. Frigon yesterday had dealt with, to some extent, with policy. Did he not attempt to prove the CFRB would be better off? I have a lot of questions to ask someone.

The CHAIRMAN: I believe you are right, Mr. Smith. But it was not complete. That is why I suggest that we proceed in this way.

Mr. SMITH: I have arranged to take this morning off from another committee that you also know about. I do not think I can take the afternoon off from that committee.

The CHAIRMAN: No, but we should be able to get their conclusions in front of us in pretty good order this morning. In making my suggestion I had that in mind.

Mr. SMITH: I think they should both be allowed to answer questions.

The CHAIRMAN: The way I was reasoning was that if we were to start in questioning Dr. Frigon too freely we would not get to Mr. Duncan this morning. Is that correct?

Some Hon. MEMBERS: Yes.

The CHAIRMAN: Will you carry on, Dr. Frigon, and bear in mind that the questions, very largely, will be reserved.

Dr. Augustin Frigon, General Manager, Canadian Broadcasting Corporation, recalled:

The WITNESS: I would like to-day to show you, with the help of a map I have here, the expansion plan of the CBC as it stands at the present time. I would like to go back and show you what we took over. This map represents a survey of the station handed to us. At that time we had a 500 watt station in British Columbia which was being transformed to 5,000 watts. We had small studios in the C.N.R. station with two or three rooms in the Georgia Hotel which were used as offices. In Alberta we had nothing; in Saskatchewan we had nothing; in Manitoba we had nothing. In Ontario we had a 5,000 watt station

owned by Gooderham and Worts on lease to us. We had some studios in the manufacturing plant of the National Carbon Company on Davenport Road and a 100 watt standby transmitter in Toronto. We had in Ottawa a 1,000 watt station and some studios in the Chateau Laurier. In Windsor we had a 1,000 watt station and some studios in the local hotel. In Montreal we were using a 5 kilowatt station operated by the Canadian Marconi Company. We had an office and some studios in the Kings Hall Building. In Quebec City we used a 1 kilowatt station owned and operated by the Canadian Marconi Company, and we had a couple of rooms at the Chateau Frontenac used as offices and one studio. We had a 100 watt station and small studios in Chicoutimi owned and operated by the Canadian Marconi Company. In the maritimes we had no broadcasting station. We had some rooms and studios in the Nova Scotian Hotel. Our stations in Vancouver, Ottawa and Toronto were operating 16 hours a day. Those in Montreal and Chicoutimi operated 6 hours a day. A network had been set up by the C.N.R. and C.P.R. Telegraphs across the country which could operate 6 hours per day. The total budget for the first year of operation of the CBC was $2,000,000. In December, 1936, after our engineering division had made a complete survey of the situation, different plans were submitted by myself in my capacity as assistant general manager to the board of governors. This (pointing) is a photostatic copy of the actual plan I used on that occasion. This is a copy of this photostat, so this is an exact copy of the map I used to show to the board—what should be our technical expansion to provide coverage from coast to coast.

By Mr. Coldwell:

Q. What date did you submit that?—A. December 1936.

The areas in blue represent the service areas of stations that we should have. Those in red represent the stations for a French network. The small red dots are repeater stations which we envisaged at repeater points, on connecting wire lines—at points such as Revelstoke, Prince George and so on. We have thirteen of them operating now. We also saw the importance at that time of improving our studio facilities at Halifax, and the need for building a high power station in the maritimes to cover what we could of Nova Scotia, New Brunswick and Prince Edward Island. In the Province of Quebec we planned to take over the Montreal five kilowatt station, then operated by Marconi and replace it by a high power station. In Quebec we also planned to take over the one kilowatt station also operated by Marconi, and in Chicoutimi the 100 watt station operated by Marconi. We planned to operate a second high power station in Montreal, and we planned the building of a new station in northern Quebec, in the Abitibi region. That was the plan adopted in December of 1936 by the board.

In Ontario we planned then to have a shortwave transmitting station near Ottawa. That has been changed to a shortwave more powerful transmitting station at Sackville. We thought we would improve our receiving station at Britannia Heights, here in Ottawa. We planned to replace Bowmanville by a high powered station in the Toronto area and we had in mind a second high powered station at that point. These stars on the map indicate those stations at Toronto. In other words, in December of 1936 we planned to have two high powered stations in the Toronto area.

Mr. FLEMING: What do you mean by high powered station?

The WITNESS: At the time we thought it might be 15 kilowatts or more. Since that time this has been stepped up to 50 kilowatts. To-day when we talk of high powered stations we start at 50 kilowatts, we really mean a 50 kilowatt station.

And now, we also plan to improve our studio facilities in Toronto; and, as I said, have a more powerful station in Windsor. In the prairies we planned

to have a high powered station in Manitoba, one in Saskatchewan and one in Alberta; with studios at different points such as Edmonton, Winnipeg and so on. In British Columbia we planned to improve the power of the local station and to instal new studios.

Mr. FULTON: Where did you plan to have the new studio?

The WITNESS: At that time we were constructing new studios in the Vancouver Hotel.

Now, in respect to those plans, we have already adjusted certain things. We have taken over the three Marconi stations. We have built one station in Toronto of 50 kilowatts. We have built a 50 kilowatt station in Saskatchewan. We have built one 50 kilowatt in the Maritimes. We have built one 50 kilowatt in Montreal. We have improved our studios in Halifax. We have in Halifax a station with 100 watt power which we plan to build up to 5 kilowatts as soon as possible. We have improved our Quebec studios, having moved them from the Chateau Frontenac to a better location in the Palais Montcalm. We have remodelled our Ottawa studio. We have moved our studios in Toronto, to which we have added offices, to the Jarvis Street site. We have closed down our station in Windsor but we intend to have another station there as soon as possible.

In the Abitibi district a request was received from people for quick action and we allowed a local hook-up of three stations at Amos, Val D'Or and Rouyn, operating from studios at Rouyn under the direction of Mr. Roland Beaudry. We have built thirteen repeater stations. We have improved the Vancouver transmitter and studios. There are many things yet to be done. In order of importance, or urgency if you like, three 50 kilowatt transmitters, one 10 kilowatt transmitter must first be built. We should build a new 50 kilowatt station in Alberta, another one in Winnipeg and one in Toronto.. We should use the class 1-A channel in the Chicoutimi area. However, in that case, we do not propose to build a 50 kilowatt station because the region is very sparsely populated and it would be a waste of money to build a 50 kilowatt station to serve a region in which there are not very many people. We want to use 1580 kilowatts in Chicoutimi as a class 1-B channel, and put in a 10 kilowatt station.

Mr. COLDWELL: How far would you reach with a 10 kilowatt station in that area.

The WITNESS: It would go to the south shore of the St. Lawrence and about an equal distance the other way—to the Lake St. John area.

Mr. BEAUDOIN: Will it reach Baie Comeau.

The WITNESS: No. Again we get into the question of coverage, and a lot of related technical details.

Mr. COLDWELL: What is the population in the area which will not be covered?

The WITNESS: Frankly, I could not tell you; but it is a very difficult region to cover because it has some of the same characteristics—mountains and that sort of thing, as you find in the Maritimes and in the interior of British Columbia. So putting in more power would only mean that the signals would simply be stopped by the mountains and would not go very far.

Mr. COLDWELL: So if you wanted to serve the whole area you would have to put in repeater stations?

The WITNESS: Either repeaters or low power stations with line facilities. It is a very expensive problem.

Now, as was stated in my submission, action must be taken now to make use of these channels because of the fact that Canada must show that these channels will be used before April, 1949. In the fall of 1947, if Canada has not indicated its desire of using the frequencies provided under the Havana treaty,

the nations may decide to degrade the channels and transfer them into lower grade channels.

Now, in order of importance, we would also like to increase the power of the station at Halifax from 100 watts to 5 kilowatts, which would improve immensely the coverage in the region here.

The CHAIRMAN: Excuse me there a moment. You said it would improve the coverage and you pointed to the map and you said, "here".

The WITNESS: In Halifax.

The CHAIRMAN: That is the point. I was thinking of the record you see.

The WITNESS: We need new studios and a second high-power station in Montreal. Our leases for floor space expire on May 1, 1948, and we will have to make provision for adequate accommodation before that time. It would not be economical to stay where we are now. We have also started and intend to add to our F.M. broadcasting facilities. As you know in Toronto we have just signed a new lease for space in the Bank of Commerce building and we will have a station there probably early in October. And about the same time or a little later we will have one station in Vancouver and one in Winnipeg, and we will have more of the same as we go along. We would like to have a new outlet in the Windsor area with corresponding improvement in studio facilities for the production of programmes. One thing which makes improved facilities more important at that point is that our Windsor station would not be permitted to carry many of the programmes on the American network, with the result that we will have to fill in Windsor with local programmes.

Mr. COLDWELL: Would that be because the Detroit station carries these programmes?

The WITNESS: Because NBC, Columbia and ABC stations in Detroit want protection in their own area. They would not allow a station on the Canadian side to carry a programme which is at the same time being carried by the Detroit stations of the network. They do that to protect their own outlets there. I do not know whether the networks will change their ideas on that subject, but that is the way it stands now. Then we must increase our Vancouver station to 50 kilowatts to give better coverage in B.C. around Vancouver; and also to, what should I say, hold our own against American stations at Seattle. We want to increase the power of the Quebec station to 5 kilowatts and the power of Ottawa to 5 kilowatts. We want to organize an efficient shortwave receiving station in the maritimes and another one on the Pacific coast, because experience has shown us that the Ottawa site is not the best we could desire for the reception of shortwave signals from Europe, and certainly not from Asia or Australia and New Zealand. We must have permanent studios and offices in Toronto and we may have to provide new studios in Winnipeg. The Vancouver studios are getting small; and as we operate in the Vancouver Hotel, some day we may be asked by the hotel to move because we are always asking for new floor space and they cannot give it to us. So that is the general plan as it stands to-day. It is all part of the original plan adopted by the board in December, 1936. This is not a last-minute decision. We need these stations. Our chairman, Mr. Dunton, will cover that for you, but that is the picture of the technical expansion we require to reach as many listeners in Canada as we possibly can within reasonable limits.

By Mr. Hansell:

Q. As many what?—A. Listeners in Canada as we possibly can within reasonable limits.

Q. If you want another explanation on the map, here is what we have now. This is our network. We buy from the wire line companies a service of programme transportation, you may call it; in other words, the wire line companies have contracted to transport our programmes from any point to any other point. In other words, we can originate a programme in Regina and put

the programme on the network, and that programme will reach Sydney and Prince George and so on. We can originate a programme anywhere else and it will go out across Canada. That is why when we have special programmes we can say, "Come in, Brandon", or "Come in, Sydney" or "Come in, Yarmouth". The line is there. That line is a service. We may not need the Prince Albert station for certain purposes; we may not use certain other stations, but they are there on the network ready to operate at a few moments notice when we need them. That is our network. On this map the black lines connect stations on the dominion network and the red lines connect stations on the French network. The large rectangles here in red are the four 50 kilowatt stations we have at present.

By Mr. Coldwell:

Q. What are the broken lines in the west?—A. The broken lines are the stations not reached by solid wire lines but by a wireless link. There is no physical line between here and here (pointing); or they may be lines which are not on the basic network. In other words, Windsor may be added to either of the two networks when required. The same applies to the Abitibi region. It is connected to Quebec City and we may feed this region programmes whenever we feel like it. As a matter of fact, these lines are kept alive all the time either with commercial programmes or sustaining programmes. These smallest squares are stations which we want to transform from 5 to 50 kilowatts in Montreal and Vancouver and Toronto. The green stars represent new 50 kilowatt outlets in Alberta and Manitoba.

By Mr. Fleming:

Q. You mean those are the ones you contemplate?—A. Those are the ones you have been discussing for two months. So that is the general plan of our present set-up, shown with the broadcasting line set-up and indicating as best we can the expansion planned. These little red triangles represent repeater stations. I might make that clear. A repeater station is a low power station installed at a repeater point on the wire line unattended. It is a box we put on the racks of the C.P.R. or C.N.R. telegraph office at repeater points and the local attendant just turns the switch on and off. If anything goes wrong with the box he lets us know and we send a man to put another box in or repair whatever may be the trouble. It has no local connection. No local programmes can be placed on those stations locally. They float on the line.

Q. Is their purpose to relay or reamplify?—A. No. Their purpose is to cover isolated spots which otherwise would not get proper service. For instance, I think the first one we installed was at Revelstoke.

By Mr. Coldwell:

Q. That is in B.C.?—A. Yes, at Revelstoke. You know the place. It is in a mountainous region. It did not get good service before and people used to go in the street next to the repeater office of the C.P.R. and listen through the windows to the loudspeakers playing in the office. At the present this repeater simply takes that programme and puts it on the air so that the people out 7 or 8 miles or so can listen to the programme. That is at Revelstoke. The same applies to Prince George, Quesnel, Kimberley, Cranbrook, Creston and Williams Lake, etc.

By Mr. Fulton:

Q. They have a station at Prince George now, have they not?—A. They have a station at Prince George now. Since we installed a repeater station, a new station has been installed.

Q. Is that your station? Is the station your station?—A. No; it is a privately owned station.

By the Chairman:

Q. Just a minute, Dr. Frigon. I was wondering if you might not be able to help us. Are you able to help us get the maps down in the record as an appendix, just in black and white?—A. These here?

Q. Yes.—A. This photostat copy is an exact replica of the map. We will have it coloured if you want it.

Q. What I was thinking of was this. I was thinking that members of the committee would like to have that as an appendix in the record. Do you not agree with me, gentlemen?

Some Hon. MEMBERS: Yes.

Mr. BEAUDOIN: It would be very interesting to have that.

Mr. FLEMING: If you can do it without too great cost.

By the Chairman:

Q. Your words may be lost as to their meaning without something like that. Do you think your organization could work with the clerk with a view to trying to get the printing of these done?—A. What do you mean, Mr. Chairman? Do you want a number of copies or just one copy?

Q. Oh, no. I am thinking of the record.

Mr. HANSELL: Put it right on the record.

The CHAIRMAN: I am wondering if it cannot go right into the record.

The WITNESS: Into the proceedings?

The CHAIRMAN: Yes.

The WITNESS: It could be done but not very quickly.

The CHAIRMAN: Oh, I know. It would take longer than a printing job; but this record that you are giving is going to be in a large measure lost unless the graphic picture to which you are referring is there also.

The WITNESS: We will do that.

Mr. BEAUDOIN: You mean reproduction of the two maps?

The CHAIRMAN: Well, there are three.

Mr. BEAUDOIN: The three, then.

The CHAIRMAN: Yes.

The WITNESS: We will do that.

Mr. COLDWELL: Mr. Chairman, if you are going to put those into the record on this size of page, it will be too small. Why not have something that you can fold in?

The CHAIRMAN: That is what I thought.

Mr. COLDWELL: You had that in mind?

The CHAIRMAN: I was thinking it would be in the record but on a page that would swing back.

Mr. COLDWELL: Oh yes, it should be large enough so that we can see it.

Mr. FLEMING: Mr. Chairman, it would be pretty difficult to reproduce any of the colours.

The CHAIRMAN: It would be a black and white job.

Mr. FLEMING: This last map depends for its significance on the colours.

Mr. COLDWELL: There should be an indication as to each of these rectangles.

The WITNESS: We could use broken lines to represent them.

Mr. COLDWELL: There should be a key to it.

The CHAIRMAN: There would have to be a key. He would have to have narrow lines pointing to it, saying, this is red. Very well, carry on.

The WITNESS: I would like to explain that the purpose of this submission, this morning, is to show first what we propose to do now to carry on a programme adopted in 1936, an idea adopted by the Board of Governors in 1936.

By Mr. Smith:

Q. You never change your mind.—A. No, sir, not in this respect. We carry on the original plan. That is what we have been working on for ten years and what we are working on now. The next thing I want to explain to you is what we have in mind as to what should be done in the next five, six, seven or it may be eight years to complete our present plan of expansion and coverage to give us facilities to serve the public properly and reach as many Canadians as we possibly can through our own facilities. That is all I have to say. I shall now turn over to Mr. Dunton, who will talk to you about the policy angle.

Mr. A. D. Dunton, Chairman of the Board of Governors of the Canadian Broadcasting Corporation, recalled:

The WITNESS: I am speaking as representative of a body, the Board of Governors of the Canadian Broadcasting Corporation, who are trustees on behalf of the radio listeners of Canada. It is our duty to co-ordinate and supervise all broadcasting, to guide the work and development of Canada's national radio system. Our decisions are taken in what we conceive to be the best interests of Canadian listeners, of listeners in different parts of the country, of listeners all over Canada, and of listeners generally. Our actions have been taken to carry out policies recommended or approved by parliamentary committees.

There are no new policies or changes in policies to report. Some decisions have been made to further implement policies long laid down and many times reaffirmed.

What I would wish to discuss with you are some steps which have been decided on to implement and further implement the policies which have been long laid down and consistently reaffirmed by parliamentary committees. I wish to review the background of these policies. And I want to try to explain just what is involved in the steps to carry them out. I would like first to go back to that very wise body, the Aird Commission.

The Aird Commission in its report (page 7) said:—

> We would like, therefore, to recommend as a matter for consideration, the establishment of seven (7) stations, each having an aerial input of say 50,000 watts; one station to be suitably located in each province, except in New Brunswick, Nova Scotia and Prince Edward Island, where one station could be centrally located to serve these three provinces. The proposed high-power stations could form the nucleus of the system and as each unit were brought into operation it could be ascertained what local areas, if any, were ineffectively served and stations of smaller power could accordingly be established to serve these places.
>
> We would also suggest that the high-power stations might be so designed as to permit, in time, an increase of power to an economic maximum and of being so modelled as ultimately to provide for two programmes being broadcast simultaneously on different wavelengths.

Even in those days, the Aird Commission saw the possibility in the future of alternative national network programmes being broadcast across the country for the choice of listeners.

The parliamentary committee of 1932 in its report (page 729) recommended "a chain of high-power national stations, operating on clear channels, located at suitable intervals, the location to be determined by a careful technical survey of Canada". The Committee recommended the public ownership of all high-power stations under a national system of broadcasting, with low-power stations individually operated or co-ordinated in relation to the dominant system.

The 1936 committee on the basis of whose report the present Canadian Broadcasting Act was passed, said in its report (page 785):—

> We regard it as a fundamental requirement that complete cooperation be established and maintained at all times between the minister and the corporation, and that the minister before taking any action towards the authorizing of any new private stations, changing the power of such stations, assigning wave-lengths and other co-related questions, shall first consult with and obtain the recommendations of the corporation to the end that if and when it is decided to extend the national system, the location and organization of private stations will be such as to permit of the efficient absorption of any or all of them into the national system.

The committee also said it reaffirmed the principle of complete nationalization of radio broadcasting in Canada.

By. Mr. Hansell:

Q. When you quote from the minutes, have you got the page numbers?—A. I can get them for you very quickly. These were taken from the 1932 and 1936 final reports. I am sorry I have not the pages.

The CHAIRMAN: We will let Mr. Dunton go on without mentioning the page numbers and they will be located and supplied and will find their way into the record. Can you arrange to do that later, Mr. Dunton?

The WITNESS: Yes, I could do it in two minutes now I could give you the 1936 one right away. These are from the final reports, and they are usually a page or two in length at the end of each volume.

It added:—

> Your committee recommends that the corporation immediately consider ways and means of extending national coverage, either by linking additional existing private stations to the corporation's network or by the establishment of new stations.

In line with these recommendations and with the provisions and intentions of the Broadcasting Act, the CBC immediately after its establishment in 1936 worked out a plan of national coverage through publicly owned stations and providing that all high power stations should be owned by the Corporation. Dr. Frigon has outlined this plan for you.

That is, the technical details of the plan have been outlined to you by Dr. Frigon.

One of the first things the corporation did after its establishment was to apply to the federal government for the institution of a conference between other nations on the continent regarding the use of air channels. A primary purpose was to obtain the allocation to Canada of clear channels for the publicly owned high power stations built or to be built in the future.

After very difficult and complicated negotiations the Canadian delegation obtained agreement to certain clear channels allocated geographically in very close conformity with the Corporation's plan of national coverage.

The general policy of the corporation was made very clear in published statements of the corporation at the time. I think you would be interested in the minutes of the second meeting of the board. I think it is this minute. I think you will be interested in the actual minute from the second meeting of the

board. I think it is this minute that Mr. Browne mentioned which was approved back in 1937 by the Department of Transport as the basic principle of public ownership of high power stations with community stations all kept at a lower power. I am not reading anything new because this minute was quoted in the brief which was produced by the Canadian Association of Broadcasters in 1941 which shows that not only had the general policy been very clearly stated in a number of public statements, some of which I will indicate, but that the actual wording of the corporation's minute was known. That was in 1941. The minute is this.

By Mr. Fleming:

Q. What is the date?—A. The second meeting of the board, December 17th, 18th and 19th, 1936.

> It was resolved that the Minister of Transport be advised that the Board of Governors of the Canadian Broadcasting Corporation recommend that as a basic principle all clear channels should be reserved for and allocated to stations of the corporation and that no new private station should be licensed and no existing private station relicensed after the next licence period, to operate on a power in excess of 1 kw. provided that existing private stations in excess of this power be, for the time being and until the corporation's system is developed, authorized to continue to operate on power in excess of 1 kw. in such cases as may seem desirable.

I say that general basic policy of the corporation, which had the approval of the Department of Transport, was made the subject of a number of public statements. For instance, in the report of the parliamentary committee of 1938, the first committee after the establishment of the corporation, the chairman of the Board of Governors said on page 5 of the proceedings of the committee of 1938:—

> Without relying solely on the terms of the Aird report itself, but on what we believe to be the absolute essential interest of broadcasting in Canada, the Corporation has determined that it will retain in the name of State control of high power facilities within Canada; that no new station will be given a licence in excess of 1,000 watts and that no existing station of 1,000 watts or over will have its power increased. We do not seek a monopoly; that would be ridiculous, but we have determined, and the Government has approved, that high power broadcasting in Canada should be controlled by the CBC for the benefit of the people of Canada.

Mr. Brockington reiterated this policy at other points in his testimony (pages 27 and 54), emphasizing that all high power facilities should be retained for the national system.

The Committee of 1938 said in its report, at page 194 of the proceedings:—

> With respect to the Corporation's plan of national coverage involving the ownership of high power stations and the extension of CBC coverage to reach all parts of Canada, your Committee wishes to indicate its approval. It is considered that the development of this plan is of great importance in the national interest. Your Committee is of the opinion that while private stations will continue to serve a useful local purpose, the Corporation urgently requires its own comprehensive facilities for distribution.

Before the 1939 Committee the Chairman of the Board of Governors reiterated the same principles. He said (page 5):—

> The CBC plan of national coverage is in essentials the same as that recommended by the Aird Commission and by the parliamentary com-

mittee of 1932. It predicates the ownership by the corporation of all high power stations. It assigns to private stations, except in so far as they are used for network purposes by the corporation, a purely local function.

He went on (page 6):—

> The CBC's plan of national coverage was outlined subsequent to its survey of the coverage of all stations in Canada. It was summarized by myself and also by the Honourable Mr. Howe in a speech at Moncton in October, 1937. These are the Minister's words:—
>
> > The Broadcasting Corporation has adopted, as a policy, government ownership and operation of the larger stations. In future private stations will not be allowed to expand beyond one thousand watts, while existing larger stations will not be permitted to increase their present power. The Corporation will, however, proceed as rapidly as funds will permit to build a series of high-powered stations, which will in themselves give full coverage.

Mr. Brockington continued:—

> With that policy, which I submit is incontrovertible, unified control is essential if the plan of national coverage, necessarily carried out by stages, is to be achieved and if broadcasting generally is to be co-ordinated in the public interest.

The Committee in its report noted with satisfaction the development of this plan of national coverage. That is on page 363 of the proceedings.

By Mr. Fleming:

Q. 1939?—A. 1939; that is in the period between the Havana meeting and when the allocation of channels under the Havana Agreement came into effect.

The matter of the 1A clear channels came up very specifically at the 1942 committee. That was the first committee following 1939. That was just the year after the Board had recommended that three of the clear channels be allotted provisionally to three private stations.

On page 333 of the proceedings of that Committee Mr. Coldwell is questioning Dr. Frigon about the 1A clear channels. This is part of the passage:—

> Q. I wanted to ask you something about the apportionment of channels, Dr. Frigon. I believe that under the Havana Agreement some dispositions of channels were made. Then I think there was some agreement, was there not, with Mexico regarding the clearance of channels, or am I wrong in that?—A. Well, they have an agreement to take care of the whole of the North American and South American countries.
>
> Q. How many clear channels were allotted to Canada?—A. Well, in the class 1A channels, that is, on which stations operate with protection to the border of the dominion, there are six.
>
> Q. There are six?—A. Six what you might call free channels.
>
> Q. What stipulations are attached to the allocating of these clear channels to Canada?—A. Well, I do not know just what you mean.
>
> Q. Well, are they not to be used in a certain period of time by the corporation?—A. Oh, yes. They are to be used within five years after the implementing of the agreement.
>
> Q. After the implementing of the agreement?—A. Yes.
>
> Q. What date was the agreement implemented?—A. That is March 28, 1941.
>
> Q. 1941?—A. Yes.
>
> Q. So that we have till 1946 to use those channels?—A. Right, sir.
>
> Q. What power may be used on those channels?—A. Fifty kilowatts.
>
> Q. They are all 50 kilowatts?—A. Yes.

Q. What is being done with those channels now?—A. Well, some have been used. Of course, this is really a matter which is in the hands of the radio division. At the present time we have used 50-kilowatt stations at four points: Watrous, Toronto, Montreal and Sackville.

Q. Yes.—A. We are occupying frequencies at all points where we have class 1A channel. For instance, we have at present a 1A station, CBF of 50 kilowatts, at Montreal; CBL, Toronto, of 50 kilowatts; CFRB Toronto, operating a 10-kilowatt; CKY of Winnipeg, operating a 15-kilowatt and CFCN Calgary, Alberta operating a 10-kilowatt and CBV, Quebec, of 1,000 watts, or 1 kilowatt. So we are occupying those frequencies now and we can increase the power of those stations which are not up to 50 kilowatts up to 50 whenever we feel like it.

Q. Those are not all corporation stations?—A. No. There are two that are not corporation stations.

Q. What two are they?—A. CFRB, Toronto and CFCN, Calgary.

Q. I understood there was another.—A. CKY, Winnipeg; that is owned by the Manitoba Government.

Q. That is three stations that have been allotted clear channels?—A. Yes.

Q. That can be occupied up to 50 kilowatts?—A. Right.

Q. Have they an understanding with you that they will be required to vacate those channels?—A. First of all, the frequencies are allocated annually and the Minister of Transport has always the right to make a transfer in each year.

Q. And there is no possibility of any misunderstanding that these stations have a vested interest in those channels?—A. No.

Q. None whatever.—A. No.

Q. So that they can be renewed at any time that the corporation needs those channels?—A. They can be turned over to the CBC.

Q. For its own purposes?—A. Yes.

The committee took a recess.

The committee resumed at 11.30 a.m.

The CHAIRMAN: Come to order, gentlemen. I see a quorum. Mr. Dunton will continue now.

The WITNESS: Mr. Chairman, I had just finished referring to a passage from the 1942 committee about class 1A channels which ended up:

> Q. So that they can be renewed at any time that the corporation needs those channels?—A. They can be turned over to the CBC.
>
> Q. For its own purposes?—A. Yes.

It is interesting to note—

By Mr. Fleming:

Q. What is that you are reading from?—A. That was the quotation I was making from the proceedings of the 1942 committee. I gave you the reference before.

The CHAIRMAN: The references are going on the record.

Mr. FLEMING: That is the proceedings, not the report?

The WITNESS: It is the proceedings. I think it is interesting to note that later on in the sittings of that committee representatives of the C.A.B. appeared before the committee, Mr. Bannerman and Mr. Joseph Sedgwick—

By Mr. Fleming:

Q. This is 1942?—A. 1942 still—and various references showed that they had carefully perused the report of the proceedings of the committee. That

1942 committee in its final report, at page 1088 of its proceedings, reaffirmed the principle of—

> the public ownership of all high power stations under a national system of broadcasting with low power stations individually operated or co-ordinated in relation to the dominant system.

The Committee's report also said (page 1095): —

> The private broadcasting stations have no vested interest in the sound-waves they are allowed to use. The Government and the Corporation should not hesitate to terminate any licence when it is in the public interest to do so. Any increase in power considered necessary and desirable to occupy the channels allowed under the Havana Agreement should be made in stations owned or taken over by the Corporation.

The next committee was that of 1943. That committee said in its report, at page 261—and this was a reference that Mr. Ross brought up earlier—as follows, and I quote the full passage:—

> Last year your committee recommended that "any increase in power considered necessary and desirable to occupy the channels allowed under the Havana Agreement should be made in stations owned or taken over by the corporation". Evidence was presented to the effect that there may be danger of losing the full use of channels now assigned to Canada by the Havana Agreement. We believe that the corporation should safeguard these channels and, if necessary, consider increasing the power of all stations to the limit of the agreement.

In case there is any doubt about the meaning of those sentences, it should be noted that on the first page of its report, at p. 257 of its proceeding the committee of 1943 specifically reaffirms the principle of "the public ownership of all high-powered stations under a national system of broadcasting . . ."

The principle of the public ownership of all high power stations and the use of the clear channels for this purpose again came particularly to the attention of the 1944 committee.

By Mr. Fleming:

Q. What do you mean by clear channels?—A. Clear channels under the Havana Agreement for high power stations.

By Mr. Beaudoin:

Q. Class 1A?—A. Clear channels for 1A and 1B.

By Mr. Fleming:

Q. That is what you mean, 1A and 1B stations?—A. Yes.

Mr. BEAUDOIN: You should know that by now.

The WITNESS: There are also references on pages 335, 336 and 337 which I will not read to the committee, but which the committee might find of interest.

In its report the committee reaffirms the list of main principles set out by previous committees, and the second is that of the public ownership of all high power stations under a national system of broadcasting.

It has been a basic public policy of radio in Canada for the past 15 years that all high-power stations should be owned by the national system. It is a policy that has been stated again and again by the Corporation, that has been publicly approved by the Government, that has been stated and reaffirmed by each successive parliamentary committee. It is a policy that must have been well-known to the operators of three stations allowed in 1941 to use class 1-A channels, which were for eventual use by stations of 50 kw or higher. The war

prevented action for several years. But the policy has been always there, perfectly clearly. There seem to be no grounds for genuine surprise when peacetime brings a chance to carry out the policy.

In the series of high-power stations of the national system, as Dr. Frigon has pointed out, there are two big gaps—in Alberta and Manitoba. The Board of Governors has decided that the plans always contemplated should be carried out and that 50 kw stations should be built to bring a full national service to the people of Alberta and Manitoba, on distant farms just as well as in towns and cities.

The planned location of the Alberta station, between Calgary and Edmonton, and the design of its aerial, will be such as to bring good service to just about the whole population of the province, in the north as well as in the south, in a shape like that (indicating on map) right down to the border well north of Edmonton.

This will mean making a full array of the programmes on the Trans-Canada network available to the listeners of the province, as in other parts of Canada. At present outlets for the Trans-Canada network in the province are the private stations CJCA in Edmonton, CFAC in Calgary and CJOC in Lethbridge. But these stations, of course, can carry only a limited number of network programmes. Their own commitments prevent them from carrying many non-commercial programmes which the CBC puts on the network. And their listeners miss the chance to hear these programmes. The new station will bring a far fuller national network service to Alberta; it will bring it to more listeners and will bring it on a far better signal to many than the partial service they now can get.

By Mr. Smith:

Q. In what part of the settled area do you suggest there is not a good signal coming in now?—A. From the trans-Canada outlet, the farther you get from Calgary to the south; that area between Calgary and Edmonton, north of Edmonton; as you leave the more concentrated service area of those stations in Edmonton, Calgary and Lethbridge.

Q. It is perfect from the boundaries north of Edmonton now. I know that from personal experience and knowledge.—A. Our technical survey showed that it is not perfect. I was emphasizing two points: one was better coverage, but also that better coverage carrying a much fuller broadcasting service, particularly of the non-commercial programmes.

The CBC station at Watrous, Saskatchewan, carrying a full network service, can be heard in parts of Alberta, chiefly in the east. But we do not regard it as providing anything like an adequate service in Alberta. We feel the listeners of Alberta deserve a proper service, which their licence fees help to provide, as can be heard in other main parts of Canada.

The establishment of a station with studio facilities in Alberta, will also enable the CBC to do some regional programming for the province. Other parts of the country get a share of CBC regional broadcasting, fitted in with the national network pattern. In British Columbia some programming, particularly suited to the wants of the area, is carried on. And programmes from that region are carried on the network to other parts of Canada. It is planned that some of the same sort of thing be developed in Alberta.

I think in radio matters we must constantly remember the nature of our country. We of the board believe it is a prime purpose of the CBC to be a force in the development of Canada as a nation. But we do not think that just means delivering programmes from one part of the country to the other. We feel it also means providing opportunities at times for each different region of the country to talk with itself. And it very much means opportunities for each region to talk to other parts of the country. The establishment of the new facilities will contribute to those aims, particularly from the point of view of

Alberta. It will bring a much better national radio service to the Albertans, it will give the CBC much more chance to communicate among themselves, and it will give them more chance to talk to the rest of Canada. It will help national radio carry out its function helping to bring all Canadians closer together.

I suggest we might look in more detail at what will happen in the Alberta broadcasting picture. CJCA Edmonton, CFAC Calgary and CJOC Lethbridge, now outlets for a partial trans-Canada service, will be relieved of their network obligations. Thus they will have more time free to devote to Alberta community service. Station CFCN shifts from the clear channel of 1010 kc to that of 1060. This frequency specifically for a 10 kw station in Alberta was obtained at Havana with CFCN in mind. On this frequency CFCN cannot have quite as good coverage as on 1010 kc, a Class 1-A channel. Our engineers estimate that in daytime it will be able to have better coverage in the south than it now has. At night-time it will probably lose coverage in a section to the south east of Calgary, largely in the lightly populated area north of Medicine Hat. Its coverage straight south at night will actually be extended further beyond Lethbridge to the border, although it will have to accept occasional interference in the most southernly part. The estimate is roughly that it will still cover as far straight north as it does now.

The important point is that CFCN will still have a power of 10 kw., which is twice the ceiling for private stations. It will still have the greatest power and greatest coverage of any private station west of Winnipeg. It will still be able to cover a very vast area of western Canada.

We feel that, as a result of CBC plans, Alberta will gain greatly in radio service. The listeners of the province will be better served, and more on a par with areas in the east where population is heavily concentrated.

I think we all have to remember—we do very much in the board—that those listeners of Canada who own the national radio systems and every radio listener in Alberta will have a share in the ownership of the new station in Alberta.

I should like to turn for a few moments to the alternative scheme suggested by Mr. Porter. I think it is noteworthy that the idea of CFCN at 50 kw. being owned by a widely controlled company was not suggested when application was made two years ago for higher power. I think it is noteworthy, too, that Mr. Porter now says there is real objection to the ownership of a 50 kw. station by a privately-controlled company.

We think the type of radio station ownership suggested is an interesting one. We think there is much to be said for it. A concrete proposal for such ownership of a station at its proper power should be well worth considering. But our Board must view the particular suggestion made in relation to the structure of radio in Canada, and I think this committee will wish to do the same.

Mr. Porter has suggested that the organization he proposes should take over CFCN and own it as a 50 kw. station, operating on the Alberta clear channel. But the organization, although the shares would be very widely held, would still be a joint stock company. It would still be in the commercial broadcasting business. We have been given to understand that it would very possibly have the same management as the station has at present. It must be remembered that if the station were assured of going to 50 kw. on a clear channel its commercial value already great, would rise sharply. Under the proposal this particular commercial broadcasting organization would occupy a class 1-A channel obtained for the national system; it would cover a whole region of Canada; it would spread far over the fields of other community stations. Such a development would violate the principles laid down consistently by parliamentary committees. It would break down the division of functions between those of the national system and community stations, and it would cripple the development of the national system in that part of Canada.

Widely spread ownership of CFCN at 10 kw. would not run into these objections. The new kind of control would be tried on the commercial station having the widest coverage in that whole part of the country, and the results would be very interesting to watch.

Mr. Porter suggested that CBC might take the frequency of 1060 and establish a 50 kw. station in the extreme south of the province away down near the border, if the other signatories of the Havana Treaty would agree to this higher power. But this idea, even if agreement were obtained, ignores the need for national coverage in the northen sections of the provinces. Even with its radiation directed north, such a station from near the boundary, would not cover the listeners of a large proportion of the population of Alberta.

The CBC, in its plan is thinking of listeners all over Alberta, north as well as south. And it is thinking of the future, and the likely further extension northward of the Alberta population. I think it is interesting that the proposal for CFCN is that it be at Calgary. Our proposal is for a station out in the country to get the widest possible coverage for Alberta.

It must be remembered that 50 kw. will be a minimum power on the 1010 frequency. That is another reason for keeping the frequency for its original purpose and the use of the national system. The power later can go up to 500 kw's. That is another and important reason, we feel, for keeping the original frequency for the national system. Mr. Porter spoke of the eventual extension of the service further north.

Mr. Porter spoke of particular needs of the people of Alberta to have means of communication among themselves. Under the CBC plan the province will have a very good structure of radio facilities that can serve this purpose.

First there will be high-power CBC station covering just about the whole population of the province and available for a measure of regional programming.

Then there will be four stations under one management between them covering pretty well all the province—CJCA at Edmonton, CFAC at Calgary, CFGP at Grande Prairie and CJOC at Lethbridge.

There will be CFCN covering a large percentage of the population from the south up to beyond Red Deer. And there will be CFRN covering area around Edmonton.

And there is the educational station CKUA reaching the area around Edmonton. There is a new station going in at Medicine Hat.

If there is desire for regional programmes of a valuable kind beyond what the CBC will be able to supply it should be perfectly possible to work out various plans to meet such a need. For instance broadcasts of CFCN and CFRN will cover most of the province. Again if there are non-commercial broadcasts of a useful nature for the whole rural population CFCN could carry them in the south, and undoubtedly, if such a large part of the population want them as Mr. Porter suggests, Alberta authorities would probably be glad to have them carried on the educational station CKUA for the area round Edmonton. Some possible schemes might require modifications of usual policies. But if the need is strong it could certainly be met. The board would be very glad to examine any suggested modifications to meet special needs of the Alberta rural population

In Manitoba the decision of the board so far has been that the CBC should build a high power station on the clear channel obtained at Havana for use in that province, and to recommend another good frequency obtained at Havana for the purpose for station CKY owned by the Manitoba Telephone System. The aim of the new station was to make full trans-Canada network service available to Manitoba listeners and also to bring this fuller service on a better signal to more outlying areas of the province. It was also designed to enable greater broadcasting in Manitoba of regional programmes coming from the CBC production centre at Winnipeg.

With the three stations in the prairies, there would be much greater flexibility for regional programming to suit particular needs of western Canada.

In the interval since that decision, however, there has been an announcement of policy by the federal government regarding the ownership of commercial broadcasting stations by provincial governments. Arrangements may be made by agreement for the transfer of CKY to the CBC. There has not been an opportunity to carry on negotiations regarding such a possible transfer. These will be taken up as soon as there is time.

In its first years the CBC found it necessary to have a second station in the Toronto area in addition to station CBL covering a large part of southern Ontario. This was needed because of pressure of programmes both commercial and non-commercial seeking the air from Toronto and because of a need of service in the most concentrated area of population in English speaking Canada. Two stations were also found necessary in Montreal for similar reasons and on account of the additional factor of languages.

The CBC-owned station CJBC has been operating for years in the Toronto area. Its power is 5 kw. It gives good coverage of the city of Toronto and a considerable surrounding area. As far as I know, there has been no objection over the years to the operation of this station. Although, as has been pointed out, the signal strength of CJBC is as strong in the city of Toronto as that of CFRB. I do not know of any complaints about competition from it coming from any other Toronto private station. CJBC carries a good and full programme service. Some people regard it as the best programmed station in the Toronto area. It certainly does provide good alternate broadcasting for the listeners who can hear it.

By Mr. Fleming:

Q. I was wondering on what you based that statement. Are there some studies you are going to produce?—A. No, the surveys do not show that CFBC, in many periods, is the most popular station or has the greatest number of listeners. We do not hold that at all. We do not argue, by any means, that it is the most popular station in the area where it may be serving.

The question of providing alternative network broadcasting came before the Parliamentary Committee of 1942. At the time there was an increasing demand for alternative network facilities. Alternative to the trans-Canada network operating right across the country, listeners in certain areas would be able to hear the same network programmes for different stations.

And also in some areas there was duplication of broadcasts—that is listeners in some areas would be getting the same network programmes on different stations. The committee recommended in its report, page 105, "that every effort be made to obviate duplication of broadcasts in the same areas and to provide listeners with alternative programmes."

Following that recommendation the CBC made extensive studies of the question. An alternative network had been operating previously, but not on a regular basis. After careful investigation it was decided to set up in 1944 a second national network to be known as the Dominion network. The structure of the network was based on the CBC station CJBC, Toronto, as the key station. Stations in areas where there had been duplication of Trans-Canada programmes were shifted to the Dominion network and other private stations across the country added to form a national network reaching from coast to coast.

The following is then the basis network picture in Canada. There is the Trans-Canada network shown in black lines. There is the Trans-Canada which is at present composed of 7 CBC and 17 basic affiliated private stations together with some supplementaries which are added on occasions. The 7 CBC stations carry a full network service. The 17 basic affiliated private

stations carry a partial service consisting of commercial programmes and some non-commercial programmes. The French network consists of 3 CBC stations and supplementary private stations. The Dominion network consists of only one basic CBC station and 28 private stations.

We have got this picture. That means: a commercial programme or any programme in reserved time on the Trans-Canada network will reach a very large percentage of the English speaking population of Canada. Such a programme on the Dominion network will also reach a large percentage, although not as great as on the Trans-Canada network. Through the operation of the two networks most listeners have opportunities of choice between two national network programmes. The establishment and growth of the Dominion network has been an important development in broadcasting in Canada. It has been of great benefit to listeners who have been given the choice of a number of periods of two good network programmes. It has made available to these listeners additional non-commercial as well as commercial programmes. It has also been to the decided benefit of a number of private stations whose operations have been greatly assisted by the revenue and programme service derived through this network.

So far the Dominion network is operating in the evening hours only. It is desirable, however, that its operation be extended to daytime hours as well. The affiliated private stations have been pressing for such a development and it would obviously be to the benefit of listeners. You will remember that Mr. Love in his evidence said he had emphasized that the Dominion network could provide a service fully comparable to the Trans-Canada network service. He is one of the many managers of Dominion network affiliated stations who have been pressing for a further expansion of the service of the network.

The CBC would like to meet this need and extend the operation of the Dominion network to daytime hours. This expansion, however, would involve substantial wireline costs, but chiefly wireline costs. Full 16-hour programme service is already available on the key station CJBC. It is a question of making this service available on wirelines to stations, and through them to listeners all across Canada, instead of just in one area. To help meet the cost of keeping these wirelines open many more hours a day, some daytime commercial programmes on the network are needed.

On any network the importance of key stations owned and operated by the network organization itself is very great. It is on such stations that a network must rely for a good part of its basic strength. It is from the key stations that a large part of the network programmes originate and from them that operations generally are controlled. On the Dominion network there is only one such key station, CJBC.

The clear channel of 860 kcs was obtained with great difficulty for Canada with the other clear channels at the Havana Conference in 1937. Like the others, it was for the use of the national radio system of Canada. By the treaty it was allocated for use in Ontario. The Board of Governors has decided that the power of CJBC should be raised to 50 kw and it recommended that the frequency of 860 kcs be made available for this purpose of the national system.

This increase in the power of CJBC will make the programmes on this station available to a far greater number of people in outlying parts of southern Ontario outside the Toronto area where they cannot now be well heard. The changes will not add anything to the listening in the Toronto area itself. Nor will it take anything away. The broadcasting service on station CJBC is provided through licence fees of listeners. It is only logical therefore that it should be made available to the greatest possible number, particularly in more outlying districts. It is already available fully to the people in the whole metropolitan area.

The increase in the power of the key station will directly make available Dominion network programmes to many more listeners outside the Toronto area. This additional coverage of the basic station will also improve the coverage of the whole Dominion network and strengthen it as a national broadcasting facility. It will make it more worthwhile to put good non-commercial programmes on this network. It will make the network more worthwhile for good commercial programmes. This strengthening of the Dominion network and an extension of its hours of service will in turn mean more and better programmes for listeners in all parts of Canada through the 28 affiliated stations. I should like to mention briefly our views as to commercial programmes in relation to the national system. The purpose of the CBC is not to make profits through business operations. Our purpose is to provide the best broadcasting we can all across Canada. We regard commercial programmes as one means of assisting to this end. They provide many broadcasts which a great many listeners like very much. They also contribute to the heavy costs of running a nation-wide radio system in this immensely complicated country of Canada. They are an important factor in meeting the varied needs of listeners in the country.

In this matter of a Dominion network and station CJBC, there is no question of getting business for the sake of getting it or for profits. There is no question of taking business from anyone else. The aim is entirely one of service to listeners. If the Dominion network is strengthened, there is a better national radio facility. It may also encourage more sponsors to develop or provide more programmes for broadcasting over this national network which in turn would help support its cost. I know the CBC management, for instance, would be more than delighted if the revenues from added commercial programmes on the Dominion network covered the cost of extending the wireline service in the daytime. That would be doing extremely well. The CBC would not be any better off, but listeners all across the country would have a better service. The business advantage would go to the 28 private affiliated stations on the network who would have added revenues and more good network programmes. At the same time more good non-commercial programmes which can now be heard only in the Toronto area, and others which may be developed, would become available all across the country. And in spite of what has been said, we believe that many CBC produced non-commercial programmes are at least of as much and we think more value than many commercial programmes.

The move to increase the power of CJBC will be carrying out the public policy consistently maintained and reaffirmed of the public ownership of all high power stations under a national system. It will also be carrying out the purpose of the CBC of extending national programme service to outlying areas. It will reinforce the facilities for providing the best possible national broadcasting right across Canada. In this case, by aiding the sound development of alternate national network service to all parts of the country.

I think we should consider in more detail what will happen in the broadcasting picture of southern Ontario. Station CJBC will go on a power of 50 kw on the frequency of 860 kcs. That will make broadcasting on this station available to a large area of the province where it cannot now be heard. It must be remembered, too, that 50 kw will be the minimum on which a station may operate on this Class 1A channel. The possibility of higher power in the future is another reason why this frequency should be occupied by the national system.

The Board suggested four frequencies as having possibilities for station CFRB so that its engineers would have wide opportunities of making the most satisfactory possible technical plans. Since the frequency of 860 kcs is the best possible class of channel available, some listeners in outlying districts will not be able to hear station CFRB or hear it as well on its new frequency. But CFRB will continue to cover not only the whole Toronto area, but also a wide area further out in the province. It will continue to have the privileged position it

now has, with its power double that of any other private station in eastern Canada. It will still have the greatest coverage of any private station in eastern Canada and that in the area of heaviest concentration of the English language population in the country. In power and coverage it will still be far above competing private stations in the Toronto area, one of which is limited to 5 kw in daytime and only 1 kw at night; and the other of which is limited on account of the frequency it is on to only daytime operation. Figures show that the income of station CFRB is about two-thirds the commercial revenue of all the CBC stations in Canada. We are quite confident that in its position station CFRB will continue to thrive and also that is should be able to do good community service not only in Toronto, but in a wide area around. That is the very strong desire and wish of the board.

It has been suggested that there is a desire to steal the audience of station CFRB. If this were the aim, then the corporation would be moving to expropriate the station. This the corporation with the approval of the board could do, and such a move would be quite within the bounds of recommendations of parliametary committees. But there is no thought of such expropriation.

I should like to mention the little discussion yesterday about cancelling licences and changing frequencies. There is a vast difference between cancelling the licence, and changing the frequency of a station and maintaining its licence. In this case there has been no move by the board or anyone else to cancel the licence of CFRB. There has been a move to change its frequency. Frequencies have been changed in this country on private stations dozens, scores and perhaps hundreds of times. I think station CFRB has been changed three or four times in its history. Mr. Browne produced earlier an example of some changes in frequencies. It is a common practice in broadcasting to change a frequency. It is less common to cancel the licence of a station, and the board has not the slightest desire to do that nor any suggestion of expropriating.

By Mr. Beaudoin:

Q. Why do you not expropriate CFRB?—A. We think it is doing good service in the Toronto area.

Q. How can you say today you do not want to do that? You may want to do it in a month or two months from now?—A. It is possible. I am really explaining what the thinking of the board has been, and there is no thought of expropriating or taking its licence at all. Our thinking has been that we want CFRB to keep on thriving and doing at least as good service as it is doing now.

By Mr. Coldwell:

Q. You mean—

The CHAIRMAN: Mr. Coldwell, I was going to break in on Mr. Beaudoin, and if you can hold back it would be better.

Mr. BEAUDOIN: I will refrain from asking any more questions.

The CHAIRMAN: He did get away with that one.

The WITNESS: There is no desire to get the large Toronto area audience of CFRB. The place of CFRB on the dial will change to another frequency number. We believe that the listeners, as they have done on other occasions in the past, will quickly find on what frequency the programmes to which they listen to are being broadcast. Listeners who like the programmes of CFRB will undoubtedly quickly get accustomed to the change. The management of the CBC will be glad, for instance, to co-operate in publicity plans to announce and publicize on CJBC that there has been a change in the frequency of CFRB. If somebody thinks they are listening to CFRB on CJBC they will very quickly realize what to do if they desire to tune in to radio station CFRB.

Nor does the CBC plan in any way to take away business from station CFRB. Station CJBC is a key station on a Canadian national network. CFRB is a community station which has the special privilege of a link of its

own with a United States network. The operations of these two are quite different in character.

Nor is there any thought connected with these plans of taking the Columbia network affiliation away from the station CFRB. It should be noted that the Board has year by year given approval of this affiliation, as it is our duty to do, in spite of a recommendation of the 1942 Parliamentary Committee "that the Corporation should consider if the continuance of such outlets is in the interest of broadcasting and of the Corporation". It would be hard to say that the continuance since then has been in the interests of the Corporation. Under the present affiliation arrangement, as we explained to you, Columbia programmes carried on either the Trans-Canada or Dominion networks are broadcast in Toronto by CFRB while the CBC station in the area, either CJBC or CBL has to provide a special programme to fill the period, although these programmes are on CBC network across the country. The Board has also in effect a policy against the granting of any further such affiliations of Canadian stations with non-Canadian networks. But in spite of these considerations the affiliation of CFRB has been allowed to continue and the present plans are in no way a move to take away the affiliation.

It is the aim of the Board that the clear channel of 860 be used for the purpose for which it was obtained—for the development of national broadcasting in Canada. If this aim were not carried out the usefulness of the national system of broadcasting to listeners would be considerably reduced.

Mr. Sedgwick has suggested an alternative; that is that station CFRB stay on the 860 frequency. It must be considered just what this would mean. If the frequency were not to be lost to Canada as a Class 1A channel it would mean that CFRB would build a new 50 kw. transmitter. And 50 kw is only the minimum power at which this frequency may be used under the Treaty. At 50 kw. CFRB would have ten times the power of any other private station in eastern Canada. It would invade the service areas of a number of more community stations scattered throughout southern Ontario. The commercial value of the station, of course, with such a wide coverage, would rise sharply. Allowing one private station to have high power would cut across the long established public policy of divisions of functions between the national system and private community station. The station would not be covering a community or group of communities, but would be covering a whole region of the country. It has been a long established public policy, consistently-affirmed at Parliamentary committee, that the national system should provide the high power regional coverage, while private stations gave service for community areas.

The Board of Governors believes that the Canadian radio system is particularly well-suited to the needs of the country. We believe there is not only a place, but a very great need, for both a national system and for community stations. We wish to see community stations flourish, and the record of the Corporation bears this out. We wish to see private stations do more and better good community service of the kind reported to you. We wish to see good relations between the national system and community stations, as on 95 percent of radio matters there is. But we do not think these aims will be served by private stations leaving their field to break into the field of the national system.

The other project on which action has been urgent is the raising of the power of the CBC station at Chicoutimi from 1 kw to 10 kw.

I think the Committee will understands the need there has been for concerted action on the part of the Corporation. Normally the projects I have mentioned would have been spread over several years, but now we have been faced by the condition of international agreements regarding the clear channels. In February of this year, at a meeting in Washington, the Havana Agreement, and therefore the time limitation for the use of clear channels, was extended. But as Dr. Frigon has explained a meeting of the signatory countries will be held in the

Fall of 1947 to work on a new agreement to go into effect before 1949 or by March, 1949, at the very latest. By the time of the meeting in 1947, if the Canadian delegation is to be in any reasonable position, it will be necessary that the clear channels be occupied, or at least high power stations just about to go into operation on them, otherwise there will be very serious danger of their being lost to Canada. And high power stations take a considerable time to plan and to build.

The General Manager has outlined briefly the technical developments beyond these 4 projects I have mentioned which are foreseen as probably needed during the coming five or six years. The Board has studied these and approved the plans on a tentative basis, but no definite decisions have been made. I think it is important to note in those proposals Dr. Frigon went over, that they are all to bring improved service. I am speaking now of the proposals for raising the power of different stations. They are all to bring an improved service or a service for the first time to outlying areas. There is a need in the peninsula down in western Ontario towards Windsor where there is at present almost no Canadian radio to be heard. I think it is important to note that none of those increases of power mentioned would cause any disturbance in any frequencies to private stations. The question of a frequency for a new station in the Windsor area is being looked into.

The last parliamentary committee, at page 556, said this:—

> Your Committee are of the opinion that this money (the operating surplus) should be devoted to improving programmes and that capital expenditure should be provided from moneys granted by Parliament or by loans rather than taken from fees collected from licences and commercial earnings. Looking to the future of radio much costly preliminary work and expenditure will have to be made to develop television, frequency modulation and facsimile. The Canadian Broadcasting Corporation should keep up-to-date and be prepared to make effective any advances in modern radio. To meet this need your Corporation should have appropriated by Parliament to its use for these specific and other purposes sufficient moneys to meet their needs so that the general radio services to the country should be uniform.

It is proposed that the capital expenditures now envisaged be covered by loans from the Government to the Corporation. It is estimated that the revenues arising from the carrying of network programmes on the new stations will cover their operating costs and interest on the capital involved together with an extra for the general amortization to which the Corporation will be obligated. Thus it is estimated that the establishment of the new stations at present projected should not affect the overall balance between the Corporation's income and revenue.

At present the Canadian Broadcasting Act sets a limit of $500,000 on the amount which may be on loan from the Government to the Corporation. During the gap caused by the war these construction needs as outlined piled up. The whole development of the national system was held up for six years and there is now this six years to catch up. The $500,000 limit on loan does not provide latitude to permit the improvements in service now needed. It is proposed that provision be made allowing for loans for capital expenditure above this amount sufficient to permit of the financing of the projects required over the next few years. Each project, of course, will be subject to individual study and to specific approval.

As has been pointed out, costs of maintaining a national radio service in Canada and programming it have been rising sharply in recent years. On the other hand, income from licence fees and at present also from commercial revenue is off. As pointed out the position should not be affected by the establishment

of the new high power stations which it is estimated should just about pay their own way.

The Committee of 1942 (page 1095) said:—

> It is recommended that discussions be entered into between the Corporation and the Department to see if the amount retained by the Department out of licence fees could not be reduced so as to make available more money to be used by the Corporation on pragrammes.

To aid the Corporation in providing good national broadcasting service to the people of Canada, it is proposed that the Canadian Broadcasting Act be amended so that the Corporation will receive for broadcasting purposes the full amount of licence fees paid by radio listeners. This full amount is needed to help maintain the standard of Canadian programmes produced by and for Canadians in the face of rising costs.

By Mr. Fleming:

Q. Would you explain that last remark? It was not clear to me. Would you explain what you are proposing about the licence fees?—A. At the present time, Mr. Chairman, the Department of Transport in effect retains the cost of collecting and administering the collection of licence fees.

Q. They pay you the net?—A. The corporation receives only the net amount after all those costs, although actually I believe there is an item in the departmental estimates covering at least part of that, but actually that apparently only permits the financial authorities to hold back that much from the licence fees in the Department of Transport, although parliament votes the item each year in the Department of Transport estimates. What is suggested is that the full amount of licence fees which we feel the radio listeners think they pay for radio service, should go to that purpose.

Q. And the taxpayers pay the cost of collection and administration?—A. Yes; that is right.

Q. Which is quite substantial?—A. Yes; a total of about $500,000, I think.

By Mr. Coldwell:

Q. What is your proposal, Mr. Dunton, regarding the financing of the new projects of the CBC? Would you kindly just summarize that again?—A. We have to borrow money.

Q. Yes?—A. The government would have to loan us the money to do it.

Q. Yes?—A. There would be, of course, a charge on the corporation to be amortized.

Q. Over a period of years?—A. Yes. It is estimated by the management, considering our internal bookkeeping, that the revenue arising from the use of those facilities would just about pay the way of those facilities. We do not count on making any profit out of them but to just about cover operating cost of the facilities, maintaining them, pay the interest on the money and allow for amortization. Therefore it is estimated they would not affect our operating picture between revenue and income.

Q. What you are actually proposing now is interesting from this point of view. There was some discussion as to that in the House in 1936, when the Radio Broadcasting Act was before the House. I happen to have looked through the discussion very carefully and I remembered that Mr. Bennett had said this, which will be found at p. 3711 of *Hansard*, 1946:—

> . . . It is better to provide in the estimates for a loan to them so that they will be free as a corporation to spend it, than to leave them in a position where they will have to make application for the purpose of securing loans; for then there will enter into the question the many factors that have brought disaster to many of our enterprises of a public character, and it

> will certainly not enure to the benefit of this institution if we are to maintain it as it now is, a publicly owned facility operating for the people at no cost at the present time except the licence fee of two dollars.

So there was consideration given to that at the time; and as I remember it, it was contemplated that out of the licence fees and so on the expansion might not be possible. So I was interested in that proposal this morning, and that is why I asked you to repeat it.—A. I see. We look forward still to regular revenues of the corporation paying this off over a period of years. It would still be a loan.

Q. Yes?—A. But there is no possibility under present conditions of us financing the project out of our own surplus, or above the $500,000 loan limit.

Mr. HANSELL: Mr. Chairman, might I suggest—

The VICE-CHAIRMAN: Mr. Smith will have the floor.

Mr. HANSELL: Mr. Smith has an important committee meeting to attend. I would suggest that we allow him to have the floor now.

Mr. SMITH: I am sorry, Mr. Chairman, but I have to be at another place.

The VICE-CHAIRMAN: I understand. Go ahead.

By Mr. Smith:

Q. Mr. Chairman, going back to the Aird report, it is true that that is the foundation of everything in Canada with respect to broadcasting; I mean, there were some private stations, but we seem to be all building up from there.—A. Yes.

Q. And good as it was under the circumstances, we have departed a long way from that report since, have we not?—A. I should say the chief departures from those principles have been in the direction of more privileges for and more development of private stations.

Q. I think it was suggested that we should completely nationalize the whole business?—A. Yes.

Q. That that might be possible?—A. Yes.

Q. But from that has come the present corporation which has a monopoly on network broadcasting in Canada. Is that correct?—A. Right. I put it this way: we have a control. We do not use it in the form of an entire monopoly. I think it was intended that the monopoly was to be complete. But we have allowed a certain amount of network broadcasting outside of our own.

Q. Let me put it this way, that if you wish you have a complete monopoly? —A. Yes.

Q. Of chain broadcasting in Canada.—A. Yes.

Q. And so far as coast to coast broadcasting is concerned—that is, chain network broadcasting,—you do have and exercise a complete monopoly?—A. Yes.

Q. So that the things that you have said with respect to the benefits which private stations receive from this network of yours, would be equally true if your network was owned otherwise?—A. It would depend how it was being operated, I think, a good deal.

Q. I want to ask you this question to start with. A private station probably would be better off with some of the United States commercial networks if they never received a cent for them—and I am going a long way with you there—because they are the audience builders, are they not?—A. They are important audience builders. We do not rate them as high as some other people do. They are certainly important audience builders.

Q. Let us put it this way. You cannot sell a commercial programme against Lux Radio Theatre, can you?—A. I think it can be done; but it is tougher going, I think.

Q. That is what I am coming at.—A. Although I think we have done it. Yes, we have "Information, please".

Q. Well, that is a good one, too, is it not? I have had occasion to visit that. But what I have in mind broadly speaking is this, that if you have some of these famous commercials like Fibber McGee and Molly, Jack Benny and Information, Please, and Lux Radio Theatre, it is difficult to sell any programme against them during the time they are on the air?—A. I imagine it is harder, but it is certainly done a good deal. They do attract a pretty large audience.

Q. Let me put it to you in this way. We have an advertiser like the Lux soap people with Lux Radio Theatre, and we know they occupy most of the listening sets which are turned on at that time, so that any sale against that would be at a lower price and for a minority interest?—A. I do not think any station that I know of would cut rates.

Q. All right. Let us go the whole way.—A. I understand it would be a harder period to sell, but it is often sold.

Q. Well, for special reasons. But I mean, it is very tough to buck. There is no doubt about that.—A. It is a good deal harder, yes, from a commercial point of view.

Q. We have departed a long way from the Aird report which did say—

(Mr. Maybank resumed the chair)

Mr. BEAUDOIN: You are going into another subject, now, Mr. Smith. Would you permit me to ask a question before you do so?

Mr. SMITH: Yes.

Mr. BEAUDOIN: I should like to ask a question on the previous subject.

Mr. SMITH: Very well.

By Mr. Beaudoin:

Q. On this matter of programmes such as the Lux Radio Theatre being hard to buck, for instance, what was your reply? Was your reply "yes"? —A. I gathered Mr. Smith was speaking of a private station with the same audience as a station carrying Lux Radio Theatre. My understanding is that it would be probably a harder one to sell, but that it still can be sold, and, as I understand it, often is sold. It is true that anyone in the commercial business looks at what programme will be opposite the one they are planning to put on.

Q. Would you tell the story of your own experience over CBF, for instance, while the Lux Radio French Theatre was on CKAC, Montreal? Was it hard to buck?—A. I think Dr. Frigon would know that.

Dr. FRIGON: I can answer that one. We had a programme against Lux Theatre in French. Since then Lux Theatre has been cancelled in French and the result of our programme was to bring the rating of Lux French Theatre down from about 27 to 14. In opposition to other programmes on the national network we have such programmes as the Simpson Symphony, which can buck any commercial programme anytime.

By Mr. Smith:

Q. Which symphony?—A. The Simpson Symphony on Friday.

Mr. FLEMING: Put the words in there, please, "the Toronto Symphony Orchestra."

The CHAIRMAN: One of the Toronto programmes. I would like to make a suggestion with which I think you will all agree. Mr. Smith indicated this morning that he could not be here this afternoon, so would you be agreeable to leaving the field as free as possible to Mr. Smith?

Mr. SMITH: I do not want anything special.

The WITNESS: We are trying to provide a good broadcasting service on the two networks, if you like two programmes to compete with each other. Often we have in good commercial listening hours non-commercial programmes such as the "Citizens' Forum", which we think should go to a place where listeners

would find it less hard to listen. The Canadian Broadcasting Corporation is trying to do an over-all service.

By Mr. Smith:

Q. Where you have a continent-wide popular programme, I think you will all admit that anyone selling against that is in trouble, isn't he?—A. He would have a harder time.

Q. I will accept your statement that he would have a harder time, which would amount, sometimes, to an impossibility.—A. I would not agree with that. A lot of stations seem to do very well, yet those stations have no network facilities.

Q. But they would have nothing to buck, because there are no network facilities.—A. I mean a station where there is a network in connection with the other stations.

Q. Very well, and you will also add that a station which is unable to buck "Fibber Magee and Molly" has to buy a programme very often.—A. Let me say that I am not familiar enough with commercial operations of stations. As I understand it, there are many programmes sold at the same hours as well known popular programmes on the network.

Q. Oh yes; I have had to make a distinction between "Information, please" and the "Lux Radio Theatre" several times in my own home because out there they, at least did, come on at the same time. Now, to go back to the Aird report, part of that report was that this national system was not to be in the advertising business except indirect advertising.—A. The Aird Commission suggested that the new corporation should have a $3 licence fee and $1,000,000 a year from the government and that it should have advertising revenue from indirect advertising which might begin at $700,000. They saw big revenue from advertising.

Q. Yes, but we have made a departure because the corporation is now in the direct advertising business, and plenty of it.—A. Yes, but I think we discussed before—I wonder if it is terribly important—the division between direct and indirect advertising.

Q. I do not think it is, but I want you to go with me: that we have made a departure from what the report says.—A. I would agree that there is a slight departure, perhaps.

Q. From indirect to direct; that is correct?—A. There is some direct advertising, yes.

Q. There is some direct advertising; that is, at least, accurate, is it not?—A. Yes.

Q. We also heard something about the power from some committee recommendation; I did not make a note of the year; but as a matter of fact, in the past few years you have increased the power of thirty to forty stations across Canada?—A. Yes; the ceiling used to be one kilowatt but there were special representations from private stations, and the one kilowatt ceiling was raised to five kilowatts on account of technical developments.

Q. I want to go home to Alberta for a little visit. I have not been there since the 1st of March and I want you to go out there with me. The building of this station at Red Deer will remove the Lethbridge station and the station at Edmonton from the network.—A. That is right.

Q. You do not think that will do their business much good?—A. No.

Q. They will lose a good deal of business, won't they?—A. I think they will lose some; but please remember that when the private stations were here, there was some talk about network obligations. On the other hand, they have got a splendid opportunity to develop more community service and private appeal.

Q. Let us be practical. You will gain from that loss of business, won't you, with your station? You will gain it?—A. Our station will be directly carrying those commercial programmes on the network.

Q. You will gain that loss, won't you?—A. Yes, we will be. I would not say it is a loss, but rather a new way of carrying the programmes, which was always contemplated.

Q. Did you not say in your advertising that you cover 94-point-something per cent of the listeners in Canada?—A. I do not think we say that in our advertising; that was a figure used at previous parliamentary committees, not for the trans-Canada network but for a national network which could be hooked up. The trans-Canada network can carry a good percentage of the population.

Q. Less than a month ago you published an advertisement saying that you covered 94-point-something of the listeners in Canada.—A. I do not know what one you are referring to.

Q. I will find it; I have it upstairs. I have read it. Dr. Frigon will agree with it. It is not arguable. I have read your ad and that is what it says.—A. I would like to see what it says we cover with, whether it is two networks or what it is.

Q. I want Dr. Frigon to admit that I have read this thing.

Dr. FRIGON: I can admit it, but it is not right, sir. 94 per cent applies to all stations combined, not necessarily just Canadian Broadcasting Corporation stations, but all co-operating together as, for instance, when His Majesty the King would be speaking.

Mr. SMITH: Is this true or not true, Dr. Frigon, that within the last month you have advertised that with your present facilities that you cover 94. something per cent of the listeners of Canada? Did you or did you not make that advertisement?

Dr. FRIGON: I do not think we have.

Q. All right, I will bring it to you and we will settle that. I thought you would at least admit that now.

Mr. COLDWELL: Dr. Frigon said that he did not know.

Mr. SMITH: Well, either he is wrong or I am wrong.

The CHAIRMAN: The comment is permissible, if the member desires it to be upon the record.

Mr. SMITH: I will withdraw any comment; I am not that kind of a fellow. If anything is said that is unfair, let us wipe it out.

The CHAIRMAN: In any event, the responsibility of anything you say is your own.

Mr. SMITH: All right.

By Mr. Smith:

Q. Now, Mr. Dunton, you have said, if I understood you correctly, at least, you have inferred that you think CFCN might be somewhat better off under the new arrangements.—A. No, I said definitely that they would have to lose somewhat in the way of coverage, and that the new channel is not the best quality of channel available, that is a 1-A channel. I said they would not be better off than any other private station west of Winnipeg.

Q. That power was granted to them by the same government which created you, was it not?—A. Yes.

Q. No doubt they must have had good reasons at the time.—A. Probably they did, and the Canadian Broadcasting Corporation Board has recommended that they be permitted to continue in that power.

Q. You have continued that right along?—A. Yes.

Q. Now, I am anxious to get, as precisely as I can, and you think you need—by the way, Manitoba did not appear here, the Manitoba station?—A. No.

Q. Why, have you got a deal with them?—A. I said there may be an agreement to transfer it to the Canadian Broadcasting Corporation.

Q. Tell us what the deal is?—A. We do not know whether there will be a deal or not. We have been so busy with this committee, but as soon as we are finished here, we will go back and talk to Manitoba again.

Q. I cannot understand it all.—A. We have told them that we would like to discuss it with them.

The CHAIRMAN: I can tell you something, Mr. Smith. It is this: that so far as I have ever heard, there is no objection in Manitoba to the development which is apparently contemplated.

Mr. FLEMING: Is that part of the Dominion-Provincial agreement?

Mr. SMITH: What is the price; that is all I am interested in.

The CHAIRMAN: I have never heard, in talking with anybody, what the price was in the picture at all. I have not heard there was any price.

The WITNESS: There is no price, so far as we are concerned. They might conceivably, for the good of the listeners, give it to us; but probably they will want something.

By Mr. Smith:

Q. Santa Claus only comes at Christmastime, not only in Manitoba but everywhere else.—A. As far as any policy of the Board of Governors is concerned, there is no obstacle, from our point of view, from them selling to somebody else, to some other suitable interest.

Q. I did not hear you?—A. As far as any policy of the Board of Governors is concerned, there is no obstacle on the part of the Board of Governors to that station being sold to some other suitable interests.

Q. On a different channel?—A. Oh yes, that is part of the Board of Governors' policy.

Q. Your suggestion is for this station to be located at Red Deer. What will you cover that is not covered now by affiliates or connections?—A. According to the estimate of our technical people, it won't add much that is not already reachable now through affiliates. On the other hand, there will be a better signal in a number of the more outlying areas and stronger and better coverage, and there will be a much fuller programme service.

Q. With CBC material?—A. Yes.

Q. Yes, and perhaps someone, not being critical, might think that the other stations might have a fair share in the programmes as well?—A. We have no desire to stop them. The listeners in Alberta will have a greater choice of programmes.

Q. Aside from the original ideas conceived back in 1936, the benefit which we Albertans will obtain will be that we have another choice of services?—A. A fuller choice, yes.

Q. Another choice?—A. And from the CBC point of view more regional service than can be provided now.

Q. Why more so than provided now? How can you improve on it?—A. Well, we have no studios or any facilities.

Q. I know, but they have.—A. They find now that they cannot carry a great many non-commercial CBC programmes.

Q. Isn't that just as well?—A. I do not agree with you, Mr. Smith.

Q. All right, so you do not agree with me. All right. I shall move now to Toronto—not permanently.

By some Hon. MEMBER: We would like to welcome you in Toronto.

By Mr. Smith:

Q. I want to know from you just what the new service will do there other than the present service you have? As I understood you to say, you

throught the CBC would have a greater coverage at Toronto—I mean, more coverage than you have with your 50 kw. station you have there now.—A. We have now two CBC programme services available in Toronto; there are two, and some people like both of them, or different people will like one of the two. We do not plan to add any programme service in the Toronto area. We want to make the second one of those services available to the people out in the country, another alternative for listeners to listen to. They may not all like it, but they have a choice of it or other things.

Q. They already have that alternative through connections with private stations?—A. No, not at all. There are one or two places that may have, but in the great area which we will be covering they have not. That is why we want to extend the service to places that have not got that chance now.

Q. Where is this great area?—A. Southern Ontario is a very important part of the country, I have always been given to understand.

Q. I have heard that myself, but I thought you were speaking of the north.—A. I do not know what the picture is, but it will be a good wide circle of the main part of Ontario.

Q. Served now by what stations?—A. It will, of course, cover Hamilton and a good deal farther out there.

Q. There are stations in Hamilton, are there not?—A. It will go on down towards London, well north up to Georgian Bay, well east to just about Kingston.

Q. Of course, Kingston is now served by a station there, are they not?—A. Yes.

Q. Ottawa reaches Kingston, does it not? I think I listened to Ottawa the other night down there?—A. That is one reason we want to increase the power of the local station in Ottawa later on to give better service in eastern Ontario.

Q. As to Toronto you mentioned this, and I do not quite understand it. You said you had closed down a station in Toronto, if I heard you correctly, and intended to open it up again?—A. No, that is not right. The corporation has had a second station there from just about the time it was established.

Q. That was Windsor?—A. In Windsor one was closed down.

Q. I got the wrong place. I had the wrong city. I did not understand it. Dr. Frigon, in speaking of the three wave lengths you are going to have—let us put it that way.

Mr. COLDWELL: Restore to the public use.

Mr. SMITH: Mr. Coldwell, you suggested I made a comment a moment ago that might be expunged. I think you should ask that one should be expunged.

Mr. COLDWELL: I do not think so.

Mr. SMITH: All right, let it rest then. Dr. Frigon gave Alberta first, Manitoba second and the Toronto station third. I wondered why it was in that order?

Dr. FRIGON: I did not say that.

Mr. SMITH: With great respect you did; I wrote it down at the time you said that was the order of importance. If there is no importance do not let us bother.

The CHAIRMAN: I think you are mistaken on that last remark. However, it is all right.

Mr. SMITH: I am not mistaken in what he said, but if it is incorrect let us wash it out.

The CHAIRMAN: Would you like it to be cleared up by Dr. Frigon?

Mr. SMITH: If he did not say it, all right, that ends it. I thought he gave us them in the order of importance.

The CHAIRMAN: I do not want to submit that I am any more accurate than you, but I do not think so. He is the man who is able to clear it up.

Mr. SMITH: He has said he did not say it. Let us accept that. That is what you said, Dr. Frigon, that you did not place them in order of importance?

Dr. FRIGON: I said there were four stations to be built or under construction before September, 1947. Whether I named Manitoba first or Toronto first or any one of them first the four are at the same level. They have to be handled in the same manner. In reading I may have read them by geographical order, Alberta first or Toronto first, but the four are exactly at the same level in respect to urgency.

Mr. SMITH: Then you did not name those regions in order of importance. That is the situation.

The WITNESS: I should like to say from the point of view of the board that they are all equally important and there is equal urgency for going ahead.

Mr. SMITH: That is what I heard, but we will say that he did not say that. If anybody wants to bet $5 I will bet that the reporter has got it down.

The CHAIRMAN: I will bet you $5 he has not.

Mr. COLDWELL: Are we immune from prosecution in these matters? Betting is illegal.

The CHAIRMAN: You cannot be charged with anything like he is suggesting within the laws of parliament. You are taking whatever chances there are.

Mr. SMITH: If we are not immune for that I would be in jail every day.

By Mr. Smith:

Q. As to the various parliamentary reports which you have read and which are consistent with a certain policy, I have no doubt that most of those reports, as probably this one will be, are largely based on recommendations of the corporations? That is what you come here for, to make recommendations?—A. I think some of the recommendations were really to spur the corporation to do something the committee thought they were not doing, and should do.

Mr. SMITH: I would not think there would be any criticism of that nature at all, and I went over the reports.

Dr. FRIGON: Why?

Mr. SMITH: Did somebody say "why"?

The CHAIRMAN: That was a side line.

Mr. SMITH: I can tell him; that would not be any trouble.

The WITNESS: My reading is different. It seems to me there has been a good deal of criticism and quite a few of the recommendations are really spurs to get on and do something or not do something that we were doing.

By Mr. Smith:

Q. I understand that, and perhaps you might get another one from this delightful group you see around this table this time, but we are dealing with something that changes rather quickly. The art or business of broadcasting changes quickly.—A. I think it has been a developing thing. I do not think the main principles have changed particularly in the Dominion of Canada.

Q. In other words, the Dominion of Canada does not change. It is a difficult place to broadcast in, but the business does change rather rapidly, does it not?—A. There have been developments, a good many of them.

Q. Well, I thought that was a simple statement of fact.—A. I do not think it is quite correct. You are talking about business. Perhaps I tend to regard broadcasting more from the service side of it.

Q. I said "art or business". Is it an art? I guess it is.—A. There is an art to it, certainly, but I would say that the principles of service have hardly changed.

Q. I want to ask you this very simple question. Do you think that these six wave lengths will give you substantially any more coverage than you have now?—A. I will say that it will not be a great deal more for coverage of commercial programmes. It will be a great deal more for coverage of non-commercial programmes.

Q. I mean you listening group is not going to be added to very greatly?—A. It will be added to some, and some will get better service and quality.

Q. I mean the maximum number of people.—A. The maximum number of people who hear anything at all will be increased but not very greatly.

Q. It will be a rather slight increase?—A. Not very great.

Q. It may not be very great if you have got 94 per cent now?—A. We went into that before.

Q. This is hypothetical, but if I am right about what I read you cannot get very many more, can you?—A. No, but we have pretty good coverage for commercial programmes now.

Q. Now, the plan of the Aird report and of the committees was that the CBC having as it does a portion of the radio fees—and I am all for that; do not misunderstand me—would be in a position to cover the sparsely settled areas of Canada. Am I right about that?—A. That was a very important consideration, as I understand it, in the Aird report.

Q. Now, with these three stations which you are taking over with increased power you are not going to touch the sparsely settled areas scarcely at all?—A. Ours is exactly the purpose of the Aird commission which you have just mentioned. It is our prime consideration to build these stations so as to bring better and fuller service to outlying areas of Canada. That is the main purpose as it always has been, and as the Aird commission recommended, and it is the reason for building these stations.

Q. What I am asking you is this We will take your set-up with the private stations. Are you going to cover any considerable area in the sparsely settled areas which is not covered now?—A. We will cover some but as I said it is not very great. The important thing is that as well as bringing better and clearer service to a number of areas we will bring a much fuller service to many Canadians, including a number of Canadian non-commercial programmes which these people cannot hear. It is partly the difference between partial service and full service which we think these people are entitled to. A number of them may not like the programmes but they are entitled to get a chance to hear the programmes which their licence fees help to pay for.

Q. If you are going to carry out your object why do you not put your station up north of Edmonton?—A. Because it would not cover south. We are taking it away from the city and putting it out in the country so it will have good coverage as calculated by the engineers north and south.

Q. My point is that the south today has excellent coverage and the north has practically nothing?—A. We will be going very far north now, and as I say thinking of the future and the possible needs we may go to a higher power station.

Q. You are only going 100 miles north of Calgary?—A. Yes, but it makes quite a difference in the way you cover that. It means that you cover the whole 100 miles further north and your coverage will go right to the south.

Q. But you are not going to go up to Yellowknife?—A. I do not think with primary coverage, but I understand it will be heard quite often pretty far north by secondary coverage.

Q. I am speaking of that remote area where there are quite a number of people. This movement of yours is not going to benefit them?—A. It will benefit people in definite coverage away north of Edmonton, and in turn you get into the question of secondary reflected coverage by which it would probably also be of great benefit to people well up north of Edmonton.

Q. That is a new word "secondary and reflected coverage".—A. I am not a technical man, but perhaps you were not in Montreal and did not see the little film where it shows the waves at night going up to the heavyside layer, and then at night they are reflected down again. They bounce down. That is where you get secondary coverage.

Q. I was not in Montreal. I was out holding a political meeting at Portage la Prairie when the committee went down to Montreal. Now, would not something of that same thing be true in Ontario?—A. Which?

Q. If you had your station in northern Ontario?—A. That has been considered very carefully. We have a huge area in northern Ontario to cover, and as Dr. Frigon explained one of the worst areas of conductivity is that one. Therefore any high power station placed there would be blasting a great deal of power into rocks and stones. No way has been figured out to have a station there where you could have a high power station with the kind of coverage that would cover the number of people to anything like justifying the great expense. You could not cover anything but a small part of that province. The conductivity is not nearly as good as in the province of Alberta.

Q. We are tops out there in many things, and that is only one of them. I understand that, but I am going to ask you this. Do you think that the acquisition of these three stations in these three provinces is going to create any more advertising dollars?—A. I doubt it.

Q. Then it follows obviously that the revenue you get will be taken from the private stations operating in those areas?—A. I would not think so. When you said it would not create any extra advertising dollars we have to look at the position. They will lose the actual network revenue they get from these network programmes which the CBC is producing for them, but that gives them more periods and pretty good periods to sell. I think they are people with a lot of initiative and they probably can go out and sell a good many of those periods and thus improve their business, and probably at a higher rate. They are complaining a good deal about the network rates. They could sell their stations at any rate they choose without consultation. Maybe that would be better for them.

Mr. SMITH: Thank you Mr. Chairman and gentlemen, for the privilege. It is 1 o'clock now.

The CHAIRMAN: Before the committee rises . . .

Mr. SMITH: May I mention one more thing?

The CHAIRMAN: I also have something to say before the committee adjourns.

Mr. SMITH: Then perhaps I had better shut off.

The CHAIRMAN: No.

By Mr. Smith:

Q. This is perhaps of more interest to members of parliament than it is to you, but I have a report from a clipping bureau, and in case there is any doubt about it I may say it was given to me by Mr. Harry Sedgwick. Have you a clipping bureau or do you subscribe to this clipping bureau service?—A. We get a good many clippings but I do not think it is a full service. I wish it were.

Q. Perhaps this would interest you, that of 120 newspapers in Canada which published editorials on your move with regard to taking over these wavelengths, there are 194 editorials, out of which, 189 were unfavourable to your doing so and 5 were favourable. I have a list of the newspapers, if anybody

wants it. Those favourable to doing so were the *Marmora, Ontario Herald*, the *Owen Sound Sun-Times, Toronto Saturday Night, Toronto Star* and the *Glace Bay Gazette.* —A. That is not a complete list. I have a very incomplete service, but I have seen others favourable to us.

Q. That did not work this way?—A. There were not many.

Q. Surely we would not have two reputable clipping services saying opposite things?—A. As I say, ours is not a complete service at all, but it has some that are not mentioned.

Mr. SMITH: I thank the committee very much for their courtesy to me.

The CHAIRMAN: Gentlemen, before adjourning, may I just say that Mr. Fleming asked the other day if it would be possible to have looked up in the proceedings of other years the number of times that references had been made to power and frequency changes and channels. I have been able to get that looked up. I think that the number of pages which were mentioned in those two years covers them all. There might be some references that are not there, but I think it would be a convenience if you had this put on the record. I think that was Mr. Fleming's idea.

Mr. FLEMING: Yes. I move that it be put on the record.

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: All right. I had this done. I did not do it myself. There is a large number of pages here. This will become part of today's record as though I had now read it into the record.

Some Hon. MEMBERS: Agreed.

(See Appendix)

Mr. FLEMING: May I mention one other matter now, Mr. Chairman? Yesterday at this time I asked Dr. McCann if he would be here at some time before the committee and give some evidence on an item that I wished information on. Have you any information from him as to when he is going to be here?

The CHAIRMAN: No. I have had in mind that request which you made yesterday, and it was my intention during the lunch hour to remind him of what was said then. You will remember yesterday he said he was going to be here some time.

Mr. FLEMING: Yes. Are you going to try to finish this afternoon?

The CHAIRMAN: I should hope so.

The committee adjourned at 1.05 p.m. to meet again at 3 p.m.

The committee resumed at 3.00 o'clock p.m.

The VICE-CHAIRMAN: Gentlemen, I see a quorum. Please come to order. When the committee rose this morning Mr. Dunton and Dr. Frigon were being questioned, and I presume it is the pleasure of the committee that we proceed with that.

A. Davidson Dunton, Chairman of the Board of Governors of the Canadian Broadcasting Corporation, recalled:

By Mr. Fleming:

Q. I have a number of questions I would like to ask Mr. Dunton, which are not related particularly to those we were asking prior to lunch. Mr. Dunton, you heard the discussion yesterday in Dr. Frigon's evidence as to competition? Do you not think that competition as best afforded by the private stations does work to the benefit of CBC, and so to speak, keep CBC on its toes?—A. In any reasonable measure of competition between two people a certain stimulus is given to them. That is one reason the board has advocated that a number of private

stations be approved. The people have a choice of programmes and the element of competition enters into it.

Q. There is a difference in the functions, and we agree that it is to the healthy advantage of each?—A. Yes, remember there are a great many areas where there is no competition and a great many areas where our programmes are going out on different private stations.

Q. You made reference this morning frequently to the rights of parliamentary committees and their recommendations. Have you any particular check as to the extent to which such recommendations are binding on the CBC board?—A. It has always been taken by the board that we should try to carry out the recommendations.

Q. Whether they have been or have not been adopted by parliament? —A. I believe such reports as this one are not adopted by parliament. I understand they are received and tabled.

Q. I think in some cases a concurrence was agreed upon?

Mr. COLDWELL: At the end of the sitting the reports are tabled.

By Mr. Fleming:

Q. I take that the CBC has regarded them as recommendations of parliament?—A. I would not say that. They have tried to carry them out. Here is a section of parliament making recommendations and we try to carry out those recommendations.

Q. You have spoken this morning on the policy which you say was adopted by the CBC board in the fall of 1936. That is to say, as you described it, the policy under which CBC would proceed in the national field and private stations would be confined?—A. Which in turn was largely based, with slight modification, on the parliamentary report of 1936 on whose report the Broadcasting Act was passed.

Q. Have you the minutes of your board meeting at which the policy your refer to was set forth and adopted?—A. I think we can get that. At that meeting in 1936?

Q. Yes?—A. Yes.

Q. Where the policy was finally adopted and laid down?—A. Yes.

By the Vice-Chairman:

Q. Did you not read the precise minute?—A. Yes, that was the formal minute.

By Mr. Fleming:

Q. I did not gather the impression that that was a complete extract?—A. I think it is the complete minute.

Q. It is a little hard to follow unless we have it before us?—A. I have a copy here. Here is an extract copy.

Q. Is this the complete minute dealing with the subject or is there any statement in the minutes preceding the resolution?—A. A very short note to say that discussion took place with regard to plans for improving coverage and it was decided that the chairman should address a communication to the Minister of Transport setting out the view of the board.

Q. And then this resolution follows?—A. Yes.

Q. And that was indicated to the Minister of Transport?—A. Yes.

Q. Did he give his concurrence then?—A. Yes, in Mr. Brown's evidence he said under the date of April, 1937 a policy to that effect had been definitely approved by the Department of Transport.

Q. It is sufficient to say that this statement of policy was approved by the minister shortly after this resolution of the board?—A. Yes.

By Mr. Coldwell:

Q. Was not that policy of the board of governors more or less carrying out a policy laid down in the House by the minister, Mr. Howe who said," . . the aim of broadcasting should be a complete coverage by government facilities and the present situation demands complete control over all forms of broadcasting whether public or private. These conditions are being maintained in the present bill. . ." That is on 3712 of the Revised Hansard, 1936.—A. Yes, I think there was brief communication with the government.

Q. This was prior to the adoption of the CBC policy?—A. I am not sure of the dates.

Q. Have you the date here?—A. June 15, 1936.

By the Vice-Chairman:

Q. What was the date of the minutes?

Mr. FLEMING: December 17 to 19, 1936.

The WITNESS: I think the board put itself on record.

By Mr. Fleming:

Q. There have been departures from the policy set out in these minutes?—A. The principle of the ceiling has been maintained but it was raised to 5 kilowatts two years ago. The principle is the same.

By the Vice-Chairman:

Q. You would not call that a departure?—A. No.

By Mr. Fleming:

Q. The policy has been changed from 1 kilowatt to 5 kilowatts?—A. Yes.

Q. Are you prepared to say that there may not be other similar departures as technical advances are made in the art of broadcasting?—A. I think it would be a mistake to think that everything is going to remain permanently rigid.

Q. This 5 kilowatt is not the standard ceiling?—A. I do not think it is necessarily set for all time.

Q. It is not to be regarded as a permanent ceiling?—A. No, I think it is a policy pretty well understood by everyone concerned. There may be a time when it will be varied. I think it is conceivable that it may be reduced. I suppose that is the position.

Q. That is extremely unlikely. The likelihood is that with technical advances the ceiling will be raised?—A. No, I think most stations could not go beyond 5 kilowatts. I would say there is very little likelihood of it being raised. I do not want to be on record that it is not going to be changed. The Department of Transport has the final say in the matter.

Q. That subject is open, in any event?—A. I would not say it is open now. At some time in the future there might be some reason for changing it.

By the Vice-Chairman:

Q. Is this a fact, Mr. Dunton, that some stations formerly applied for the 5,000 watts then decided to remain at 1,000?—A. I am not sure of the actual situation, but the general ceiling was lifted partly after representations by private stations. I do not think they have all gone to 5 kilowatts. I am quite sure they have not, all the ones who could go to 5 kilowattts.

Q. You are essentially setting a ceiling on the low power stations?—A. Yes, it is really a definition, if you like, of community stations.

By Mr. Fleming:

Q. Mr. Dunton, is it going to be possible for the CBC without financial assistance from parliament to proceed to take over the wave length of CFRB, CFCH and CKY and operate them by the expiry of the Havana time limit,

the fall of 1947?—A. As I explained, it is a matter of financing, a matter of capital. Naturally it involves a considerable capital outlay, and our proposal is that the limit on the amount which might be loaned for capital expenditure should be raised. It cannot be covered by the limit of $500,000 which is the present limit in the Act.

Q. In other words, it comes down to this, doesn't it; that before you can carry out your present agenda it will be necessary for you to go to parliament and ask for financial provision?—A. It is not financial provision. It is asking parliament to take off or raise the limit which is at present there by statute.

Q. It will involve some financial provision by parliament?—A. It has not in the past, because public monies are not spent; they have been loaned in the past and then paid off.

Q. Let us not be at cross purposes on terms.

The VICE-CHAIRMAN: It is a matter of having the amount raised which you can borrow rather than to the extent to which parliament is involved in the financing. I would think that Dr. McCann would be the one to answer that question, and I suggest that it better be left until he is present.

Mr. FLEMING: I will be quite happy to ask Dr. McCann. I want to clear up this point with Mr. Dunton. He is quite capable of answering this question.

By Mr. Fleming:

Q. Under the present set-up of the CBC and its relation to the government, and the power of the government to provide funds without reference to parliament, you cannot go ahead with your plans to take over these wave lengths and operate them before the fall of 1947 unless parliament makes some additional financial provision. Is that not right?—A. I do not know that it is absolutely impossible. It would mean pretty careful looking at all the details of our financial position, and costs, and things like that. But it would seem to be much preferable the way suggested, and our thinking has been in terms of loans for capital expenditures. It would have to be above the amount which can be made available in that way at present under the provisions of the Act.

Q. Is it your intention to make that request to parliament?—A. We would not make a request for funds to parliament, we would make a request for loans to the government. But we are now strictly limited to an amount of $500,000 which we can carry by way of outstanding loans.

Q. Have you made such request of the government?—A. It has been discussed with them.

Q. Has your board made a formal request for a provision of funds for the purpose of acquiring these three wave lengths?—A. Not a formal request, no.

Q. Is it the intention of the board to do that?—A. Certainly.

Q. When?—A. I do not know. Very shortly, I imagine. We will be needing funds pretty soon for this thing.

Q. Pending the provision of funds under parliamentary authority what steps does your board propose to take actually to take possession of these three wave lengths—A. Well, to get things started a move has already been started in that direction. Some equipment has been placed on order, which means in effect starting the design of a high power facilities. That is the usual procedure.

Q. Does that mean your board has made contractual commitments with regard to expenditures looking forward to taking over these three wave lengths? —A. I suppose it does, yes. Orders have been placed for equipment well ahead.

Q. Well then, suppose parliament does not make the financial provision that is required, what would be the position of the CBC then?—A. As I said, that would mean very careful examination of our finances, and I think we could by scraping together all our resources probably get by, but it would place the

corporation in an extremely difficult position. Perhaps Dr. Frigon might say something about the details of that.

Dr. FRIGON: I might say that these orders for equipment were placed to protect us under the Havana agreement. They were placed about four months ago with a view to the renewing of that agreement at that time. We had to be in a position to say that we were taking over these frequencies for particular stations, and as a matter of fact as soon as we told the delegates that we had ordered equipment it wasn't mentioned any more. We told the government of all our plans and explanations and they said they are in sympathy with the idea of having these orders placed. Of course, as you well know, they do not become legally ratified until an order in council approving the expenditure has been passed. As the matter stands now we have to deal with the equipment companies and arrange with them for future delivery in anticipation of an order; failing that we will have to cancel the order or make some sort of a settlement with them. They know the situation perfectly well.

The VICE-CHAIRMAN: What you have done in effect is to put in your order.

Dr. FRIGON: They have received our order on our usual order form, but they know that legally it will not be a formal order until it is confirmed by an approving order in council.

By Mr. Fleming:

Q. Mr. Dunton, I am interested in your suggestion a moment ago that if parliamentary provision is not made, financial provision, that you would have to look about to find some other means of doing it, perhaps scrape the CBC barrel a little bit. Does Dr. Frigon say you are intending to proceed on this scheme of taking over the three wave lengths and making the outlays that will be involved without actually having financial assistance provided by parliament?—A. We haven't really considered that. If that change were not going to be made we would have to look at the whole position again to see just what we could do, and whether or not the capital expenditure could be covered in another way. The method proposed is by loan from the government, which of course would be paid back. That is the way in which we had planned to operate in this case as has been done in the past.

Q. Well, this is a bigger capital project than any the CBC has undertaken heretofore, is it not?—A. Yes, because as I explained this morning, we have been held up for six years now. We are coming right up against the dam of the international agreement, and now the time which we have left is short.

Dr. FRIGON: I would like to explain that the building of the four projects at one time creates a difficult situation, but we could go ahead with one of them at a time. And I might explain that the easiest of the four projects is the Toronto project, because in Toronto we would use the same building and the same mast as for CBL, so that Toronto would be much cheaper than either of the other three points.

Mr. FLEMING: All right, let us follow that Dr. Frigon; we will say for instance that there is some indication that parliament might not be too favourable to the project. Is it within the power and authority of the CBC board to take over the stations one at a time and finance them out of CBC funds?

Dr. FRIGON: I do not know. The way our plan has been working, was on the basis of tackling the four projects at the same time. And now, if that is changed it would involve studying the question a little more closely. As I said, the first thing to do would be to ask the government whether they authorized the expenditure. That would be the first thing. Then, we will have to finance it. And, may I say, we do not propose to enter into any new projects without having first secured completely our financial position.

The WITNESS: Might I add something to that. I naturally do not know what the situation will be, but I am pretty sure the board would not want to go ahead with anything parliament did not approve of.

By Mr. Fleming:

Q. I am not suggesting parliament does approve. I am asking if you propose to go ahead in advance of parliamentary approval. There is a difference there you see. You say you would not want to go ahead if parliament did not approve. Would you go ahead of parliament's approval?—A. We are already in the position of having to take some steps because of the danger if we do not take those steps of losing the frequency.

Mr. KNIGHT: Would that be through expiration of the time limit?

The WITNESS: Yes, and what we are chiefly worried about is the meeting in the fall of 1947. It will not be a time limit but will be an extremely important date when the new agreement has to be worked out.

By Mr. Coldwell:

Q. You feel that if the government has expressed itself as being sympathetic to the recommendation of the board, you will be safe in entering upon negotiations for the equipment?—A. Yes; we felt perfectly safe.

Q. And you feel they are sympathetic?—A. Certainly.

By Mr. Fleming:

Q. That is quite clear, is it? Dr. Frigon mentioned that. The government has given you approval in some form of the project that you are now embarking on?—A. Yes.

Dr. FRIGON: Ever since 1936.

The WITNESS: In general policy, it has always been approved. Specific things have been subject to specific approval. Now, as Dr. Frigon pointed out, there is to be specific formal approval.

By Mr. Fleming:

Q. I am speaking of something more specific than approval given in 1936. I am asking now as to approval you had from the government as to your proceeding with this project to meet the deadline referred to in the fall of 1947. —A. Perhaps I could say that we got approval—it had to go in steps—for building high power stations, carrying out the policy; and then very shortly after that—we had to have one before the other—the Department of Transport formally approved the re-allocation of frequencies.

Q. That would be 1945?—A. No, 1946; the formal approval of the re-allocation—1945 was the more specific notation on the licence. This was in the spring of this year.

Q. That is the way it stands?—A. Yes.

Q. So that we can sum it up fairly in this way, that the government through its proper channels has sufficiently intimated to the CBC its approval of the CBC proceeding now with this project that CBC has issued orders for the purchase of the necessary materials.

Dr. FRIGON: One of the indications of the approval of the government is the fact that they have actually notified the stations that we would require the frequencies in 1947.

Mr. FLEMING: That does not answer my question, Dr. Frigon. Are you answering "yes" to that, Mr. Dunton?

The WITNESS: Yes.

By Mr. Fleming:

Q. Your answer is yes, as I understand it?—A. Yes.

Q. Thank you. I do not want to monopolize the time of the committee with these questions.

Mr. COLDWELL: Go ahead, Mr. Fleming. You are doing very well.

Mr. FLEMING: I will be a long time because I have a mass of material.

Mr. COLDWELL: You go ahead. We will interrupt when we feel that some of us would like to ask questions.

The VICE-CHAIRMAN: I should like to ask a question.

Mr. ROSS: I should like to ask a question while Mr. Fleming is on that. What is the total amount of your prospective expenditures on those four stations?

The WITNESS: I think Dr. Frigon can discuss this.

Dr. FRIGON: Well, with the present state of building construction prices, I would not like to give any figure. I can only repeat what I said before, that we would not enter into any new project before the whole financial position had been perfectly clarified and settled.

Mr. ROSS: Is it what $1,000,000, $2,000,000, $3,000,000 or $4,000,000?

Dr. FRIGON: Nothing like that. Do you mean the four main projects?

Mr. ROSS: The four main projects, yes.

Dr. FRIGON: If you want a general guess, anywhere from $1,000,000 to $2,000,000; probably much less than that.

Mr. ROSS: You have four transmitters on order now, have you?

Dr. FRIGON: Yes.

Mr. ROSS: How much will they cost, the equipment?

Dr. FRIGON: Have you got the figures, roughly, Mr. Bramah?

Mr. ROSS: I am sorry to interrupt you, Mr. Fleming.

Mr. FLEMING: That is all right.

Dr. FRIGON: Well, speaking from memory I think 50 kilowatt jobs are in the neighbourhood of $300,000 per transmitter.

Mr. ROSS: $300,000 for a transmitter?

Dr. FRIGON: Yes, that is roughly; for the transmitter itself, not for the station.

Mr. ROSS: That is for the transmitter itself?

Dr. FRIGON: Those orders already given are at the rate per transmitter of $300,000.

Mr. ROSS: That is $1,200,000 without buildings or studios or anything else?

Dr. FRIGON: Yes. You do not need studios for those jobs.

Mr. FLEMING: When you spoke about being in a position to proceed more easily to take over the wavelength of CFRB you meant you would use the mast of CJBC?

Dr. FRIGON: Yes, the mast of CBL and the building of CBL; the ground system of CBL and the site of CBL; the power line of CBL and the staff of CBL.

By Mr. Fleming:

Q. Now, Mr. Dunton, I should like to turn to a different subject. It has to do with the functions exercised by the CBC, the different functions that it exercises. First it has the duty of actually doing broadcasting itself on a national network basis, with certain obligations in regard to the public interest, education and so on. Then it also has the function of supervising the operation of the private stations, to make sure that they conform with the public interest.

In regard to those two functions, what is the relation to the second class of functions—that is to say, those in relation to the supervision of broadcasting by private stations—exercised by the technical staff of the CBC, and, we will say, the general manager and asistant general manager? Is there any attempt in the CBC organization to carry that division of functions through your organization?—A. Yes, very much so. After all, the board's job is, if you like, to keep its eye on the operation of the whole national system; also to keep its eye in a measure on the operation of private stations, to see that they are keeping within the regulations, to set the regulations and so on. Actually, I think one of the great advantages of having a permanent chairman, whoever he may be, is that that means there is a representative of the board permanently available for questions such as that; questions of regulation or what material comes within the regulations or general matters having to do with the second category—supervising of stations. Actually the division has been fairly clear-cut and has become much more clear-cut. For instance, the regulations division, for administrative purposes, is part of the organization. In practice, any decision, apart from a small one which can be made by the head of the division, comes to me as a repreesntative of the board. The board is not meeting all the time. If the board is meeting, of course they go to the board, or important questions are held for the board. That is part of the division of functions between Dr. Frigon and myself. His function is directing the actual operations of the CBC as an organization. My function and that of the board, myself being there all the time, is general—supervision or watching over the whole field of radio, both the national system and the private stations.

Q. I think you have made that quite clear, Mr. Dunton, as to the executive organization of the CBC. I am speaking now about your administrative and technical staff from the general manager right on down. Have you got a fairly clear line of distinction there in your organization as between the two functions of the CBC that I have described?—A. After all, there are not many ordinary administrative things that would deal with the function of supervision. Our powers over the private stations are pretty distinct. One is control of all network broadcasting. That naturally has to go through the regular machinery. But if that involves a question of policy, then it can come up to me. The other one is the question of passing and enforcing regulations about the content of broadcasting. That does not need to go in the usual course anywhere near our usual administrative practice at all. It is entirely in the regulation division and in which, as I say, if there is any question, it comes right to me, or to the board.

Q. There is some division of functions in your administrative and technical staff as between the two general functions I have indicated.—A. Yes, certainly.

Q. And it is carried through to the top where you have indicated there is that division between you and Dr. Frigon.—A. Yes, but it is not clear cut because many questions will come up; for instance, we have a station relations division and a lot of that work will be straight operational work; but out of that may arise questions of policy, questions of supervision, say, where some station objects, or something; that would come to me.

Q. There is some element of distinctness between the two functions?—A. There is a certain element and there has to be, inevitably, because the organization is operating the whole national system, involving all these other radio elements; there cannot be a distinct separation; and out of operations will arise questions of policy.

Dr. FRIGON: When a private station requires to have some regulation interpreted, they will apply directly to our regulations division. When our staff, running a station, have a problem similar to that of a private station, they also refer it to the regulations division. If I am asked whether we can do certain

things in our station, I always refer that to the regulations division; so, in that manner, regulation of broadcasting is done by the same body and the same people in the case of the CBC as in the case of private stations.

The WITNESS: It is very important that you get a unified control or authority over all radio so that the body at the top is in a position to do its best to see that all radio in the country is operated in the public interest.

By Mr. Coldwell:

Q. Isn't that carrying into effect the recommendation of the Aird Commission in that respect, and carrying through the resolution which foreshadowed the very first bill moved by the Rt. Hon. R. B. Bennett:—

> Resolved, that it is expedient to bring in a measure to provide for the constitution of a commission to be known as The Canadian Radio Broadcasting Commission, for the purpose of acquiring, operating, regulating and controlling radio broadcasting in Canada.

Isn't that the basis?—A. Yes.

Mr. HACKETT: I want to enter an objection to the interpretation of Mr. Coldwell. Several times in the course of the hearings he has expressed a view that the Rt. Hon. Mr. Bennett favoured the policy of the board as expressed here. I can say that, in so far as I know, at no time was the Rt. Hon. Mr. Bennett favourable to a monopoly by the board.

Mr. COLDWELL: I do not want to go into any lengthy discussion, but as a matter of fact, I have made it my job to go through the Rt. Hon. Mr. Bennett's speeches and read them carefully, and I have the extracts here which I would be glad to put upon the record—to the effect that this resolution carries out what the Rt. Hon. Mr. Bennett had in mind at the time. I have here the relative statement and I should be pleased just to put it on the record if that is permitted.

Mr. FLEMING: I take it that whatever the Rt. Hon. Mr. Bennett said is a matter of record and will speak for itself. I do not know whether Mr. Coldwell is asking me for my interpretation of what the Rt. Hon. Mr. Bennett said.

The VICE-CHAIRMAN: I have not myself heard Mr. Coldwell express that the Rt. Hon. Mr. Bennett's views were to that effect, but I have heard him ask questions based on certain statements made previously by the Rt. Hon. Mr. Howe, by the Rt. Hon. Mr. Bennett, and by others connected with parliament or with this committee.

Mr. HACKETT: At no time did the Rt. Hon. Mr. Bennett envisage a monopoly by the CBC or by its predecessor.

By Mr. Fleming:

Q. If we are to have supervision in the public interest of whatever radio broadcasting is done in Canada, and bearing in mind what you said about a certain division of functions, the two main functions of the CBC.—A. "Certain division" but a great deal of interlocking.

Q. All right; I am inviting you to make a complete statement of your views on this subject in all frankness. What do you say as to the proposal made here, which has been discussed elsewhere, first in connection with assigning the supervisory functions exercised by the CBC and vesting them in another body similar, let us say, to the Board of Transport Commissioners for Canada which has, as you know, broad powers of supervision over railway operations in Canada, whether it be the Canadian Pacific, a privately-owned company, or the Canadian National, a publicly-owned company.—A. Are you referring to the suggestion put before this committee of an appeal board?

Q. No, I was not thinking seriously of an appeal board. We will come to that perhaps later in the course of the question. I asked you to give us your

views, before the committee, as to whether the functions, the supervisory functions now exercised by the CBC over private stations can, or could just as well, be exercised by some body which would stand aside from both privately-owned stations and the CBC and would exercise supervisory functions similar to those exercised by the Board of Transport Commissioners with respect to all railway operations in Canada, whether privately-owned or publicly-owned? I am not trying to tie your answer down in any way.—A. In the first place I think it is the basic principle of the Broadcasting Act as well as it was the basic principle of previous parliamentary committees before that.

Q. I am not asking you now for an interpretation of previous reports or the statute as it stands. I am inviting you to give a statement of your opinion which might perhaps involve an amendment of the statute or a reversal of policy or anything else.—A. My opinions are naturally based to some extent on the legislation.

Q. I want you to feel free to give an opinion on the main question, bearing in mind that things can be changed.—A. As I was saying, I think it is a basic and fundamental principle of the Canadian Broadcasting Act that you should have one single national authority on radio in Canada. That principle has been specifically reaffirmed by parliamentary committees since, I think, and it is my own opinion that that principle is completely sound in radio. I think it is erroneous, in my view, to compare radio with something like the railroads. The Canadian National and the Canadian Pacific, let us say, provide physical means of transportation for certain people and certain goods that want to use those services. But the radio is quite a different thing. It is a means of communicating thought and entertainment among people; and the important thing is that it is not just for a few people who happen to be travelling, to use the services of a thing like a railroad. Radio provides service for the home and it speaks right in every home. Therefore it is a very big national and social force in the country. Let me put it this way: If the Canadian National were charged with the duty of bringing a service to every home in the country, and those homes paid a specific fee for that service, and that service were something that entered into the daily life of the people in that family, then I think whoever was in charge of the Canadian National, its Board of Directors, would be the best people to exercise supervision over any supplementary services, any services that were supplementary to that over-all service which the Canadian National had to do. I am drawing a long hypothesis to try to make my distinction completely clear between a vehicle like the railroads or the transportation companies and a thing like radio which is a means of exchange of entertainment and thought among the people, and using, of course, publicly-owned facilities of the airways to do that. First of all I think they are separate questions. As to the idea of any regulatory body—

Q. Do you mind if we deal with that separately in a later question? You have completed your answer?—A. No, I have not.

Q. All right, I beg your pardon; I thought you were going on to talk about an appeal board?—A. No, I have not completed on the general body.

By Mr. Hansell:

Q. May I interject here? You have pictured the C.N.R. going into the homes of every person in Canada with something or other and therefore they would be able to be the best authority. Would you say that was also true if the C.P.R. also went into the same homes of the people in Canada?—A. If the C.P.R. had that terrific power to go into every home in Canada with some kind of very personal service I would imagine that parliament would keep a pretty close watch on the C.P.R. and it would be a form of public body of some kind.

By Mr. Fleming:

Q. You have given two reasons. I do not want to interrupt you. You have given two reasons so far?—A. I was trying to get down to a little more practical things. If you had a separate body having the two main regulatory powers of the CBC over network connections and over the content of broadcasting then I think there would be bound to be a great deal of confusion. The CBC is charged as a corporation with this really fantastic job of bringing national service across this amazing country of ours with all its variations and difficulties, lack of population in some places and concentration in others. If this body, with that heavy responsibility, did not have control over network connections coming into stations, stations dropping out or going on American networks, stations forming networks themselves and not forming networks, then it would probably not be in a position to do the job which has been laid down for it. That is the end of my first answer on the general idea of an overall body.

Q. As I understand it you base your opposition to the idea of vesting the regularly powers in some outside government body, that is, a body appointed by the government—and I have used the illustration of the Board of Transport Commissioners—on the two main grounds. First of all it is a different kind of service from that offered by the railways?—A. Yes.

Q. In the second place there are more people concerned because radio is going, as you intimate, into practically every home; it affects everybody whereas railway transportation does not?—A. And it affects them in a different way. It is not taking them from one place to another; it is giving them things to think about or not to think about, or to entertain them.

Q. Sometimes the railways give you things to think about, too, but that is the basis of your opposition to the suggestion which has been made?—A. That is one. I put it in my own words. It is on the record.

Q. Are there any others? I thought I understood you to give those two the different kind of service and secondly that radio affects everybody whereas the railways do not?—A. Yes, and more than that. It is the whole use of the airwaves, of one medium, to carry out this service. Therefore you need one body, responsible to parliament, for seeing that the best use is made in the National interest of that means of communication.

Q. You say that it is on medium, but you agree that the air is filled with different channels just as the surface of the earth is covered with different lines of railways?—A. They are different channels, they cannot all go right across the country. They are different channels which form this complicated pattern we have of radio in Canada.

Q. I suggest this to you for your comment, Mr. Dunton, that in the field of radio you are going into the field of ideas. I think you will agree that the thinking of people in this country is going to be influenced as much by what they hear over the air as by what they acquire in any other way, press, schools, churches, any other way?—A. It is certainly an important medium.

Q. I guess it is as influential in shaping people's thoughts as almost any other?—A. It is very influential.

Q. I would have thought that is all the more reason why we should try to avoid in relation to radio broadcasting anything that even suggests the danger of centralization and putting all the power in one group of people, namely, a board, that is to say, with reference to the operation of the CBC as a broadcasting organization and secondly as to regulating the functions of all the other stations in Canada in private hands. Let us be quite clear on this. We agree there has got to be supervision in the public interest of all this by some government appointed body, but I am asking you in the light of these facts, with which I think we are in agreement, if it is wise to risk centralization by having the regulatory powers over private stations exercised by the same body that is

conducting the actual business of broadcasting on a national scale?—A. Of course, to me I do not see much risk of centralization. First of all you have this body, and it is responsible to parliament. It comes here and has to answer a lot of questions about what it is doing and what is happening.

Q. Of course, it does not come every year. It only comes when the decision is made by parliament to invite it.—A. And we are glad to come.

Q. We are glad to see you. Did I interrupt you? Can I bring you back?—A. Would you mind repeating it?

Q. It was on this question of centralization in one body, that there was a danger.—A. In the first place we have to come before parliament and report. In the second place I think we must realize that radio as a whole medium is a form of monopoly or partial monopolies. It is a matter of monopoly, and it seems to me better that you have one body responsible for that medium and for keeping supervision over the different sections or degrees of monopoly and answering for it all. It is not only the positive thing of freedom as against centralization. It is also a question of positively developing this medium we have of communication in the national interest. That, to me, is much more important than any negative kind of regulation work. It seems to me that it is more important to stimulate better broadcasting right across the country, better broadcasting in the different sections, and better service all across the country, which I think we need. I think we need one authority which can do that and which can look at the whole picture both in the different sections and right across the country.

Q. I am open to conviction, but I fail to see why that cannot be just as well done where you have got a set-up with the CBC carrying on its national broadcasting and yet the regulatory functions in relation to all broadcasting, certainly as to private stations, being exercised by some other body than CBC? —A. I am trying to explain it is not just a job of operating where it wants to operate. It has got a duty to operate and provide service to every place it can do so reasonably. With that very vast responsibility it also needs the powers to carry it out. You ask for my opinion. I feel that among those powers it must have all the powers to control network connections in the country. Otherwise we would have all sorts of breakdowns, gaps, and confusion, and the organization would not be in a position to carry out the function laid down for it.

Q. Whatever the situation may be you have given your reasons for the view you hold in opposition to this suggestion. In saying what you have said do you contemplate as one of the functions and duties of the CBC influencing the mind of Canada by the type of broadcasting you do? We have heard reference made to the educational functions of radio?—A. I put it this way. I think we feel that it is our job to give opportunities for the people of Canada to be influenced; not for us to do it. We are not superminds to say that people should or should not hear this or that. It is our job to give opportunities for ideas and material to such people.

Q. That will come down in the last analysis to what?—A. All kinds of cultural programmes, and not so cultural.

Q. That will come down to the people who are administering CBC as to what thoughts are entitled to be expressed over the air waves?—A. Yes, but remember—

Q. I am not turning it down. There is some basis of selection and that is left—I think we are on common ground—that is left to the decision of those who are administering CBC?—A. On the national networks. That is one reason the board has encouraged community stations.

By Mr. Coldwell:

Q. Is it not a fact that where you have a citizens' forum that you ask different parties to choose people?—A. Certainly.

Q. Do not the officials decide who and what views shall be broadcast, but when they are adverse views they decide not to represent that point of view?

By the Vice-Chairman:

Q. Sometimes you have an educational broadcast. It is done in connection with the persons who are vested with educational positions in the province?—A. Yes; someone has to take personal responsibility for doing that.

By Mr. Fleming:

Q. You are indicating that that is one of the reasons why you have encouraged private stations because it has, I take it, greater opportunity for expression of ideas?—A. Yes, there are many different sections of Canada that have different problems and that should have a chance to develop their ideas. We think it is very healthy.

Q. Does it come down to this, that you think that private broadcasting should be encouraged because it affords more opportunity of expression of the ideas of free people?—A. I would not say that. I think, first, that the CBC is one of the greatest protectors of free expression in this country, and we would like similar things to flourish on the community scale.

By Mr. Coldwell:

Q. Is it not a fact that private stations, however, charge fees for the expression of views over the air which limits some persons or organizations from expressing contrary views?—A. They do at times. Sometimes they put people on free; they do not charge for them all.

By Mr. Hansell:

Q. On this point, Mr. Dunton, I take that the CBC should be regarded as the custodian of peoples' rights to freedom of expression on the air?—A. That we have taken as one of our duties. I tried to emphasize in my earlier statements that in relation to private stations these men in charge of these stations are responsible. They are responsible men. We do not want to, and very seldom do step in to do any urging in such matters. It is their responsibility to do something.

Q. We hear a good deal about freedom of speech. I am just wondering if there is such a thing as an interpretation of what freedom of speech is. Do you believe that freedom of speech and freedom of expression would include the propagandizing of such ideologies as would encourage Canadians to become more loyal to the philosophy of a foreign power than to that of our own democratic way of life?—A. I think that is a question that parliament should decide. I do not think it is up to CBC to decide it.

Q. Let us get this right. The Canadian Broadcasting Corporation with its networks, with the opportunity that it has of putting commentators on the air is unquestionably the most powerful medium—I am going to use the word "propaganda" although it may be a harsh term—of propaganda that you could possibly have. Does that not carry with it the responsibility to guard against such expression as would be contrary to our way of life?—A. That becomes a very difficult question, Mr. Hansell, to know what is contrary to our way of life. In other words, it becomes a question of decision as to what kinds of things should not be allowed to be said under our freedom of speech in Canada, and as I said before, I think if it is a question of certain organizations or expressions of views that have been decided are harmful or dangerous to Canada and should not be expressed, I think the parliament should make that decision and the CBC will follow it. In the meantime CBC is allowing opportunity for discussion on different points of view which are held by reasonably large groups of people in this country and which are not prohibited by parliament, which is

surely the body that determines what things are harmful and should be prohibted in the country.

Q. Well, I am not going to comment on your answer beyond simply saying that I do not think parliament can be the judge of a manuscript. I cannot see how that could be done. They could be the judge of an organization, of whether an organization should exist or not, they have done that in the past because they have banned some organizations. But to say that parliament should render judgment on thousands of scripts, that certainly is not possible. I do not see how you can do that. It seems to me, Mr. Dunton, that you have evaded the question. The Board of Governors of the CBC are responsible for the functioning of the most powerful organization for the dissemination of information and the moulding of public opinion. Now, I simply ask this, that in the carrying out of this responsibility to guard the minds of the people of Canada against absorbing a philosophy that is contrary to our way of life, what do they do?—A. I think, Mr. Hansell, it carries a very big responsibility. I do not think it is for the corporation to decide what philosophy is contrary to or dangerous to our way of life and therefore should be prohibited.

Mr. COLDWELL: Would not the acceptance of that suggestion mean that there would be a danger of the corporation suppressing the views of the minorities just because the corporation didn't consider that the views of certain minorities didn't conform to our way of life?

Mr. HANSELL: You would certainly not have to suppress any manuscript which would appeal to the people to be loyal to their king and country.

The WITNESS: There may be different versions as to what is loyal and what is not. I take it from your suggestion that you will be asking us to act as censors. As I have endeavoured to say before, we do not censor these things. We try to put on the air people who are responsible, who have something worthwhile to say, and we take them from different sections, different points of view, giving all an opportunity to find expression.

Mr. HANSELL: I take it then that you do not regard the corporation as having any responsibility in that respect?

The WITNESS: I think we have a certain responsibility for what goes on, responsibility to the people of the country to give a chance for freedom of expression, and to carry out the wishes of parliament if any specific kind of things are to be prohibited in Canada.

By Mr. Coldwell:

Q. I take it, Mr. Dunton, that there is a law of sedition in this country, is there not?—A. So I understand.

Q. And anything which would be in violation of that law would not be allowed on the air?—A. Certainly not.

By Mr. Fleming:

Q. May I interrupt you right there, Mr. Dunton. As long as a manuscript complies with the law of sedition, whether it be good, bad or indifferent, so long as it does not offend the law with respect to sedition, defamation or blasphemy; as long as those three things are absent you would consider that there was no further responsibility on the part of the CBC?—A. We have responsibility with respect to anything contrary to the law. There is a responsibility for what goes on the air; therefore, in picking people I think we are responsible for seeing that different points of view have a chance to be expressed fairly and equitably. What we do not want to do is to be put in the position of censoring anyone who is a responsible speaker. We do not want to be put in the position of having to say; you shall say this, you shall not say that.

Q. That is the very thing I had in mind when I said what I did about what the CBC did in Toronto a couple of years ago when they cut a speaker off from the air just a minute and a half before he was to have gone on.—A. Could I give you that case right now?

Q. That is the incident before the Canadian Club in Toronto where Watson Kirkconnell was to have gone on the air, and just a minute and a half before he was to go on the air instructions were received that he could not broadcast because the subject matter was construed to be anti-communist.—A. That, Mr. Fleming, was a case which came up as far back as 1943. It was before the last parliamentary committee. At that time censorship regulations were in effect. The script to be given was turned in by the secretary of the Canadian Club and sent to the censors. That was in Ottawa. It came up to the censors here and after examining it they said they found nothing objectionable under the defence of Canada regulations that they hadn't any objection to the broadcast. Then it went back to Toronto where it arrived just on the morning of the speech. It happened that the general manager was there.

Q. Who was the general manager of the CBC at that time?—A. It was Dr. Thomson at that time It went to the talks department and they looked at the script and they were a little bit worried about it because they thought—and I think they had every reason to think—that while apparently it did not legally violate the defence of Canada regulations they thought it seemed to be defamatory under the CBC regulations. It was beginning to be late in the morning and they wanted to discuss it with the general manager so they sent a message, I think it was a telephone message.

Q. It was a telegram which was handed to me just a minute and a half before we were to have gone on the air.—A. And it said in effect that this script contained defamatory references and therefore it could not be allowed under the CBC regulations regarding defamatory material. I would like to say that in matters of that kind you often find yourself faced with the necessity for quick decisions, and it is not always easy to make the right ones on such short notice. In this particular case Dr. Thomson wanted to have his opinion checked he wanted to be sure of the decision he had made, so he sent the script to the Department of Justice. He ordered a recording to be made so that it could have been broadcast at a later time if it was found to be all right; so that it could be put on the air afterwards.

Q. Did they make a record of it?—A. They made a record of it so that it could be played for broadcast at some later time if released. However, the Department of Justice gave its opinion that it would be inadvisable to broadcast this statement, backing up Dr. Thomson.

Mr. HANSELL: Were the statements seditious?

The WITNESS: No, they were ruled to be defamatory.

Mr. FLEMING: The statement had to do with the exposure of communistic propaganda appearing in some foreign language newspapers in this country.

The WITNESS: I should like to say that in cases of that kind—I do not happen to know of any other case just like that—it is the policy of the corporation to get legal advice, particularly where material has to be held up.

By Mr. Fleming:

Q. But the point is this, here is a case in which the CBC is exercising a responsibility which it considered devolved upon it, rightly or wrongly. This is a case in which apparently they said—such and such a thing shall not go over the air. Is the provision for such action in your regulations?—A. Yes. These things are specifically laid down.

Mr. FLEMING: All I am saying is that having heard that address all the way through, and having followed it intelligently, I do not think there was any

matter in it which could not have gone over the air. You have seen it. Is there any comment you have to make?

The VICE-CHAIRMAN: Before you go any further, Mr. Fleming, may I comment; is it not possible that what you heard yourself was not the complete text of the speech which Dr. Thomson had under review?

Mr. FLEMING: The speech was read from the script, Mr. Chairman. I was where I could see it.

The VICE-CHAIRMAN: You were standing behind him?

Mr. FLEMING: I was seated next to him, I was presiding at the meeting, and I followed what he said line by line.

The VICE-CHAIRMAN: You say that you could follow it line by line?

Mr. FLEMING: Certainly, I was reading the scrip. I could easily do that because I was sitting right beside him and he had his script up in front of him on a pedestal. I could read it just as well as he could.

The VICE-CHAIRMAN: I would like to have seen you reading the speech.

The WITNESS: I do not think it is a question of Dr. Thomson's opinion, I think it is a question of the opinion of the Department of Justice.

By Mr. Fleming:

Q. What I am getting at is this, Dr. Thomson may have been right in his opinion of the script, and I may be right in mine. We cannot both be right. The fact of the matter is, Mr. Dunton, that it indicates the necessity of freedom for broadcasting and I take it that that applies in full force to the broadcasting of opinion.—A. That is why I am so worried about this suggestion of censorship.

Q. All right, but putting it on the ground of a mere broadening of the rights of CBC to be the sole judge of interpretation—you have given your opinion and I take it there is nothing more to add to what you have said about the suggestion of another body to take over the regulatory functions of CBC. There was a reference also I think to this, you used the expression appeal board; what is your view on that?—A. I understood that suggestion as saying that the CBC would keep all powers and functions of a regulatory nature regarding network connections and the content of programmes, but that any decisions about those matters, and I think it also mentioned practices of the CBC, should be subject to appeal. Again, I think something of the same argument applied. Parliament has made this Board of Governors responsible for the coordination and control of broadcasting. If an appeal board was put in, the Board of Governors in effect would have responsibility to it. They have been given a big job to do by parliament. We would be responsible to it because it would make amending decisions on any broadcasting matters. You would have another body added to the CBC and the Department of Transport which deals with technical matters. I do not think the corporation would know where it stood, and how it could carry out the very heavy responsibility put on it I do not know. I do not think parliament would know whom to hold responsible for things. I think there would be division of responsibility that would be quite unhealthy and I think a lot of ridiculous situations probably might and probably would arise. Very often the board does not agree with the management side of the CBC. The board is looking at things from what it considers to be the interests of the listeners and sometimes it does not agree with suggestions put forward by the management on other things that would obviously be in the operating interest of the CBC. You cannot have a position where you would have private broadcasters and the management of the board all coming with different views on a subject, on one matter.

By Mr. Hansell:

Q. Before we get away from that, I should like to ask a question.—A. May I add a little more to that, first, Mr. Hansell?

Q. Yes.—A. I think in all these things we sometimes tend to forget a little the most important people of all, the listeners of Canada. We have got a job to try to serve their interests as best we can; and parliament reviews the policies, the actions, the regulations and so on that we do under our powers and under our trust. I think certainly there should be an appeal from the Board of Governors. We certainly are not all-wise and should not be absolute. I do think that since any part of radio matters probably is of general interest to the public, the listening public, that the appeal should be to parliament and not to another body presumably less representative than the Board of Governors. I do not know whether they would be a wiser or less wise. In any case, they would be just another body, and another body not having our responsibility to the listeners. Another thing that I think is worth pointing out is this. I think anyway that the system in Canada has worked pretty well, the general radio system we have. I think very careful consideration should be given to changing it—and I certainly see great dangers in doing so—without very specific complaints. In this committee, for instance, there were all the opportunities in the world for specific complaints about the misuse of its powers by the board, and I did not hear very much.

By Mr. Fleming:

Q. Perhaps we are not through yet, Mr. Dunton. I take it that your objections are stronger to the suggestion of an appeal board than to the other proposal to vest the present regulatory powers of the CBC in a different organization, a different government body?—A. No. I think my opinion is equally as strong that either would be extremely detrimental to the interests of the listeners and to the public in general in Canada.

By Mr. Diefenbaker:

Q. Mr. Dunton, I have listened to you make your declaration of responsibility of the CBC to parliament. I am very interested in hearing that expression of opinion. Only a matter of two weeks ago I launched a motion in the House for the production of a list of the advertisers who had been refused the privileges of the CBC in the matter of advertising. The reply that I received was that it was not in the public interest to publish that information. That is not unusual, either. That reply has been given on a number of occasions. I should be inclined to agree with a lot of what you have said to-day if you would make a declaration to this parliamentary committee that, when information is asked for in parliament, "it is not in the public interests" would not be resorted to as a means of defeating the request to parliament. I should like to get an expression of your ideas on that. And I should like to follow it up immediately by a request, just to test out the degree to which you give adherence to your expression of opinion as to the responsibility of the CBC to parliament.—A. Mr. Chairman—

The VICE-CHAIRMAN: Before you answer that question, may I just say this. From my own interpretation of the case you have been referring to, it seems to me that whatever answer Mr. Dunton may give this committee, it cannot change whatever decision may be taken in the House.

Mr. DIEFENBAKER: Oh, no, Mr. Chairman. I appreciate that very well. The decision was not made by the House. The answer was given by the CBC to the House that it was not in the public interest. Surely, Mr. Chairman, when I put before Mr. Dunton an example of the operation of this principle,

you are not going to be the one to suggest that it is not a proper question to ask.

The VICE-CHAIRMAN: Oh, no. I took it that the minister had answered you, on his own responsibility, that it was not in the interest of the public to answer the question the way you wanted it to be answered, and that on that a decision had been taken by the House.

Mr. DIEFENBAKER: Oh, no.

The VICE-CHAIRMAN: As you explained it, it was advice given by the CBC to the minister.

Mr. DIEFENBAKER: Mr. Chairman, I will make it more direct, so that there will be no misunderstanding about the application of this. Yesterday I asked for the file in regard to CBL and the use of the facilities for newscasts by the Toronto *Star*. I now ask Mr. Dunton: will you produce to the committee that file? That is all I ask. That is a very simple question.

The WITNESS: Could I deal with those two questions, Mr. Chairman?

The VICE-CHAIRMAN: Yes.

By Mr. Diefenbaker:

Q. Yes, the two questions.—A. I am very glad Mr. Diefenbaker brought up this matter. We are extremely glad to provide any information that parliament wants. I do not think or I had not that thought that parliament would want information to be made public that would interfere with the operation and effectiveness of a public corporation. In our judgment—I think I would be glad to place our views on this before this committee—we were asked to make public the instance in which advertising programmes had been refused. I should like to say just a word about policy in connection with that and why we refused the programmes. In the first place, any radio organization has to use its judgment in what programmes to put on the air. Any private station or any network, public or private, turns down some programmes. There are some programmes which are not up to its standards. You heard about the standards of private broadcasters. In the same way on the network in Canada we try to have certain standards. I think a good deal has been said at this committee about the amount of commercial broadcasting and so on. We think, as I have tried to explain, that commercial broadcasting can serve a very useful purpose. We do not think that any and every commercial broadcast does serve or could serve a useful function by being broadcast to all Canadian listeners. In the first place, of course, a number of programmes for which application may be made, may not find a period or there may be some operating reason why they cannot go on. The time is taken up for something else, or a sustaining programme has to stay there or another commercial programme is there ahead of it and that sort of thing. Then, there are other reasons which are questions of standards, programme standards. We believe in trying to carry out our trust to the listeners of Canada. Different things may come up; questions of actual good taste of the programmes; questions of not having too many or too intense crime programmes on the air; questions of not carrying paid-religious or commercial-religious programmes; questions of advertising, sometimes of drug products which we do not think make very suitable network advertising right across Canada, and general considerations of maintaining sensible and useful programme plans for the different tastes of listeners of this whole national facility. We do that. Cases where they are turned down are discussed usually privately between the agency and the officials in Toronto. Decisions on the cases may go higher up, right to the top of the corporation.

If it is to be made public, whenever those things have been turned down, then the corporation will be placed in an extremely difficult position in dealing with any advertising agency. Any agency will feel that any discussions which it had about a suggested programme and the reasons for it being turned down

would be made public, and the advertising agency probably would not want those reasons to be made known; and it is possible that the sponsor for whom the agency was acting would not know of the suggestion, and it might place the agency in an extremely difficult position. I think the committee can see that if people with whom these discussions are going on feel that those discussions can at any time be made public, they will be very leery of dealing with this public organization; and therefore we feel that the operations of the corporation would be hurt by making such things public, and that it might be quite unfair to a number of different private business people, if they were made public. I would like to leave that question to the judgment of this committee.

Q. What recourse has the advertiser who believes that he has been discriminated against by your board by the decision that has been made? He has not got any right of appeal at all. If he appeals, he appeals to his own judge.—A. If he is turned down by a private station, there is no recourse; he is just turned down.

By Mr. Fleming:

Q. There is an appeal to the CBC?—A. Not on questions of advertising.

By Mr. Diefenbaker:

Q. This is a national matter and this is parliament trying to look into a national institution. I ask what right has the individual who says: "I have been discriminated against, some other corporation has been preferred to me; I am entitled to have my advertising taken. There is available space, yet you have decided that another party shall have the right and you have denied me the opportunity to which I am entitled. I have not offended against any regulation in connection with blasphemous material, or in connection with the sale of commodities that ought not to receive general advertising on the radio." Has that person any recourse except to parliament?—A. He has the right of appeal to the board in the first place; and otherwise, to public opinion; and the board, if it wants to take that up—

Q. Is he notified as to the reasons why he was turned down?—A. Certainly; they are discussed with him.

Q. I thought you told us a few moments ago that many of those advertisers who have been turned down are not even told that they have been turned down.—A. I did not say that.

Q. I thought you said that advertising agencies were not told.—A. No, I meant the sponsors in question.

Q. Yes?—A. Because, quite often, I think it is the practice that an advertising agency will have an idea for a programme on the CBC and will come to the CBC to see if it can get it on before the advertising agency goes out to try to sell the sponsor or a firm for whom he acts; and if his idea is turned down by the CBC, it might be extremely embarrassing to that agency if the sponsor, of whom he was thinking, did not even know of the approach to the CBC. That is a question of dealing between the sponsor and the agency, not the CBC.

Q. There is no method of appeal whereby such a person, regardless what the decision was that the board made, has the right to have his case decided.—A. There is no recourse to a private company, to a private network in the States.

Q. We are not dealing with private networks. I have been following you very carefully to-day and the whole basis of your answer to Mr. Fleming was that you were impartial?—A. Right.

Q. In any dispute between private stations?—A. Trying to serve the interests of the listener.

Q. I know, but impartiality is still a consideration; you would not admit that you would become partial in any way?—A. To one firm? Certainly not. We would be partial—and it is definitely the policy on the part of the board—towards an advertiser who had a better programme.

Q. You say you are impartial, that the CBC is impartial. I cannot see your reasons for objecting to an appeal body. You make decisions against competitors whom you permit to exist.—A. Whom we encourage to exist.

Q. And encourage sometimes; but nevertheless permit; and disputes arise. Are you not in the position of being judge, litigant, policeman, and competitor?—A. I think that is a different conception. My conception is that of responsibility. For instance, you brought up the question of an advertising agency, whose programme had been turned down, not having an appeal. Would not the board, the CBC as a whole, be in an extremely silly—and I would say impossible—position, if some other board which did not have any responsibility could say: such and such a crime programme is a good programme and should go on at such and such a time. How could the CBC, which has the responsibility for trying to maintain a good network series of programmes—how could it carry out its responsibility if some other body without responsibility is going to say: we think that crime programme is a good programme.

Q. Is not parliament in a position of having responsibility?—A. Certainly.

Q. And you do not deny parliament the right to determine?—A. I think if this committee wishes, actually, to go into cases, it is up to the committee. I would advise very strongly against doing so because I think it is not in the interests of the corporation, and therefore not in the public interest. But if there are any particular cases to be discussed, or if you wish to bring up certain cases, we are ready to do it if it is your judgment.

Mr. COLDWELL: Is it Mr. Diefenbaker's thought that parliament should operate utilities like the CBC?

Mr. DIEFENBAKER: No, not at all.

Mr. COLDWELL: If parliament is going into the internal management of a Crown company which it has established, then parliament is undertaking the responsibility of operating that company and it seems to me that that defeats the whole purpose of corporations such as this, as far as I am concerned. I want to make it abundantly clear. I do not believe that parliament is an institution which can run anything of this type.

Mr. FULTON: Mr. Dunton has said if there is any matter of CBC policy which may be brought into the question, then parliament can decide this matter of policy. Now, the question of discrimination between competitors or between advertisers, or with respect to the type of programme—it seems to me that this is a matter of policy.

The VICE-CHAIRMAN: Order, please. I do not think we are at the stage of argumentation. I let this thing go, thinking it would not last very long. I would like to remind this committee that our objective is to conclude this questioning of the CBC officials by six o'clock. It is our objective, as I understood it. Now, Mr. Fulton, I understand you have one or two more questions to ask on this subject. With respect to the one you have asked, in which I am myself very much interested, I would like to ask Mr. Dunton if we could not explore very briefly the reasons, for instance, why the CBC could possibly refuse advertising.

The WITNESS: I did try to give that very briefly. Some of the reasons are non-availability of time, or time may be available but we consider it should be kept for a good sustaining programme at a good listening hour. Then there is the question of actual good taste of the programme. There are questions, for instance, of not having too many crime programmes. There is the sort of question of policy of not having paid religious broadcasts.

Q. Is there anything also in programme balancing?—A. There is a good deal. We try to work this out as best we can to maintain a balance of different kinds of programmes to suit the different tastes of listeners so that you do not have a complete overload of soap operas or of crime programmes or any particular kind.

Q. Would there by any specific cases which fall outside of the category—

By Mr. Diefenbaker:

Q. Take the Cantor programme. It was turned down. I mentioned that. You get it from the American networks, and it was turned down in Canada. I just wondered why.

By the Vice-Chairman:

Q. Can we find out why?—A. Yes, I would be glad to discuss that. It is the Time to Smile programme. I think that is the name of the programme. I think this case was given publicity from the agency concerned. I think there has been some misunderstanding arising from the publicity about this. There is no ban on the Time to Smile programme in Canada at all. It was the considered judgment of the CBC—and the corporation as a whole takes responsibility for that decision—that it was the kind of programme which a great many listeners in Canada would not like to have coming into their family circle. That is putting it briefly. That is an example, and we do not mind discussing it. It was the people concerned themselves who decided to make it public. I would be glad to leave it to the judgment of this committee if we did wrong in turning that programme down.

Q. If a newspaper refuses an advertiser is there any other appeal board?—A. No, and it is quite often done.

By Mr. Fulton:

Q. Mr. Dunton, in the cases you have given you have given the type of reason for which you turn down or refuse certain commercial advertising. Is there any reason implicit in those reasons themselves why you should not disclose them to parliament?—A. We would be glad to give the reasons. What was asked for was the names of the programmes and the details of them. We are glad to discuss all reasons and the policies behind them. I think this committee may wish to tell us whether we were right in the policies. I do not think it is in the interests of either the business people or the corporation as an operating body that the actual names should be made public of the people concerned who were turned down.

Q. Does that not put parliament in the position of being asked to judge without being able to obtain the necessary information on which to pass judgment?—A. As I say, we are reporting now to parliament through this committee. If this committee thinks that these names should be produced and the instances we will do it. It is against the judgment of the corporation that it should be done. We think it will hurt our working arrangements.

Q. I am not pursuing the point of that particular question. I am interested in the principle involved. You have said several times you do not think your decisions should be subject to any independent board because if they were questioned they could be subject to the decision of parliament, and yet the CBC, quite rightly in your view, reserves to itself the decision as to whether it will allow the information to be given to parliament on which parliament might base a decision. That is the principle.

Mr. ROBINSON: Mr. Dunton is offering us the information now.

Mr. FULTON: He is offering it now to this committee but are you going to call a radio committee and go through all this procedure every time you want to make a decision?

The WITNESS: We are given a responsibility and we take it. That was our judgment. If we are wrong and it should be produced I would be glad to do so.

Mr. FULTON: I am not questioning your judgment in that case. What I am asking for now is your comment, and I think it would be interesting to hear whether you would like to make a further explanation as to whether there should not be an independent board to which appeals from your decision can be taken because it seems this is the sort of procedure we have got to go through in order to have Parliament pass judgment.

The VICE-CHAIRMAN: And if that special board advises the minister who is responsible that it is not in the public interest then the minister will not give the information to the House any more than we have it now.

Mr. FULTON: Quite so, but I think the advertiser would feel that he had had the benefit of an appeal to an independent board which was not concerned with the actual operation of the CBC.

The WITNESS: Surely that leaves a corporation such as ours in a stupid position of being responsible and told to provide a good national broadcasting service and then having some other body, whatever it is, telling it what is and what is not a good programme. If we are not capable of making pretty good judgments and defending them here and being told we are wrong then we should not be given the job.

Mr. COLDWELL: Is it not a fact that if someone has a grievance and wishes to come before this parliamentary committee facilities will be given for them to appear and present their case?

Mr. FULTON: I imagine that is so, and I quite agree if Mr. Dunton could not justify his decisions all he has just said would be true, but I am putting forward the suggestion that this is a pretty cumbersome procedure through which to go, to have to call the committee and then decide whether or not you were right in refusing the information. If we decide you were not right that puts you right on the spot; if we decide you are not right then the information has to be produced and then the case is tried. I say it is practically denying the right of appeal although you say that the corporation itself is subject to the judgment of parliament.

The VICE-CHAIRMAN: Are there any more questions? I mean questions.

Mr. FULTON: A question, yes.

Mr. DIEFENBAKER: I did not get an answer yet to my other question and that was whether they would produce that file now.

The VICE-CHAIRMAN: What is the question?

Mr. DIEFENBAKER: Whether they would produce the correspondence as between the Toronto Star and the CBC since 1937.

The WITNESS: Frankly I am not in a position to give an answer on that now. I have not been through the material. There is a file of correspondence.

By the Vice-Chairman:

Q. Is that file with your department or with the Department of Transport as was intimated yesterday?—A. Since the CBC was set up we have material.

Q. You are having someone working on searching the file now?—A. Yes, we are.

Q. When do you expect it to be available?—A. A lot of the material is right here now. I would be glad to produce it if it is the wish of the committee, but I think the position has always been taken—and I think it is only just to the corporation—that internal communications in the corporation should not be produced. We tell you what we do and wo do it.

Mr. FLEMING: I do not hold with that at all. We are a parliamentary committee, and the CBC is professing to be responsible. Surely it is responsible to parliament.

The WITNESS: Oh, yes.

Mr. FLEMING: Surely nothing should be withheld from a parliamentary committee.

The VICE-CHAIRMAN: It has been decided before, not only during the sittings of this committee but also in previous committees—and I know that from reading the proceedings of the committees—that even the minutes of the corporation are not available to the members. They are not available to be filed or anything like that. You question the witnesses on whatever you may want to ask them. They bring the files here and the minutes in order to help themselves in answering your questions, but they have never been filed. There were rulings on that.

Mr. COLDWELL: I should think that letters between the corporation and the newspaper or any department of government should be produced. I am not saying that letters between two employees of the organization—chits that are passed, as we sometimes call them—should be produced, but I think that it is a reasonable request that Mr. Diefenbaker is making.

Mr. DIEFENBAKER: As a matter of fact, I do not want to have anything passing as between employees making observations on any decisions made or the basis of decisions. So we will not be arguing it all out, I will move that the file be produced to the committee of communications between the Toronto *Star* and the CBC since the 1st January, 1937.

Mr. COLDWELL: That is fair.

Mr. FLEMING: May I ask, Mr. Diefenbaker, what about communications between the CBC and a department of government in relation to that same matter?

Mr. DIEFENBAKER: Well, at the moment I am just narrowing it down to this one question so that there can be no dispute about the right of this committee to have it.

The VICE-CHAIRMAN: I think, Mr. Diefenbaker, that there is no objection to the request that you are making. I take it from Mr. Dunton's previous answer that someone has already started to put this file together. It is spread between two departments, the Department of Transport and the CBC; and also we were told there might be some material on the files of the commission which they took over when the CBC was created.

Mr. DIEFENBAKER: Mr. Chairman, I just want to be clear on that, so that we will know what we are going to get. I am not going to reveal any personal conversations at the moment.

The VICE-CHAIRMAN: Oh, no.

Mr. DIEFENBAKER: I just want a declaration, I think, that this committee is entitled to that, if we just have the communications that were passed between the Toronto *Star* and the CBC since 1937.

Mr. COLDWELL: That is fair.

Mr. DIEFENBAKER: And the correspondence passing between them, with a view to ascertaining just what the situation is and how from year to year this plan is renewable, if it is.

Mr. COLDWELL: Would you not go back right to the beginning, if it is possible to get the correspondence?

Mr. DIEFENBAKER: Yes, but they have only certain correspondence here now; so I thought I would just go back as far as the correspondence is available.

Mr. FLEMING: The witness said he just had it from the commencement of the CBC.

Mr. COLDWELL: I see. I think it should go back right to the beginning.

The WITNESS: I should like to say that I do not think that anything much can be found on the commission's files, from the search that has been made so far.

By Mr. Coldwell:

Q. You do not think so?—A. No.

The VICE-CHAIRMAN: See what you can do in order to satisfy the committee.

Mr. DIEFENBAKER: Is that understood, that this will be produced?

The VICE-CHAIRMAN: It will be produced in committee, I understand.

Mr. DIEFENBAKER: No, produced for inspection by members of the committee.

Mr. COLDWELL: Yes, brought here and produced.

The VICE-CHAIRMAN: What was your comment?

Mr. FLEMING: There is a motion.

The VICE-CHAIRMAN: Yes, but I did not hear the last remark.

Mr. HANSELL: Will it be filed for the use of the committee?

Mr. FLEMING: Produced.

Mr. ROBINSON: Not filed; produced here.

The VICE-CHAIRMAN: Oh, yes.

Mr. FLEMING: Produced for the inspection of the committee.

The VICE-CHAIRMAN: Oh, yes. We are on common ground there.

Mr. DIEFENBAKER: Is that correct, Mr. Dunton?

The WITNESS: Yes.

Mr. DIEFENBAKER: That is okay.

The VICE-CHAIRMAN: Go ahead, Mr. Hansell.

By Mr. Hansell:

Q. Mr. Chairman, I got cut off on this matter of freedom of speech and I should like to come back to it. I have no criticism, Mr. Dunton, of the exercise of your authority in putting a commercial programme off the air, which programme is musty, smutty or suggestive, even though you lose revenue. I think that is a commendable thing, personally. I cannot quite make up my mind though how you could be so conscientious in that respect and yet seem to absolve yourself from responsibility for safeguarding the loyalties of our people. I want to read a little piece here and then ask a question. I am reading from the report of the Royal Commission on espionage, page 44:—

> It became manifest at an early stage of this Inquiry, and has been overwhelmingly established by the evidence throughout, that the Communist movement was the principal base within which the espionage network was recruited; and that it not only supplied personnel with adequately "developed" motivation, but provided the organizational framework wherein recruiting could be and was carried out safely and efficiently.
>
> In every instance but one, Zabotin's Canadian espionage agents were shown to be members of or sympathizers with the Communist Party . . . Zabotin found already in existence in Ottawa, Montreal and Toronto numerous study groups where Communist philosophy and techniques were read and discussed. To outsiders these groups adopted various disguises, such as social gatherings, music-listening groups and groups for discussing international politics and economics.

I am not going to read any further.

My question is: in the light of those findings, do you now contemplate permitting the Communist party, known as the Labour Progressive Party, to continue to broadcast over the national networks?—A. Mr. Chairman, under the White Paper policy on political and controversial broadcasting which was approved at the last parliamentary committee, it gives a definition of national political parties which shall be allowed time and allowed time in between election broadcasts. The Labour Progressive Party qualifies under the provisions of the Paper. With the agreement of the other political parties and on the specific suggestion of all the opposition parties together, who allocated their share of time among themselves, the Labour Progressive Party has been given one period in the current series of 15 weeks.

By Mr. Fleming:

Q. That is because of your definition, though?—A. Yes.

Mr. COLDWELL: Is not your trouble, Mr. Dunton, really that the Communist Party is illegal and therefore would not be permitted on the air; but the Labour Progressive Party, which as we all know is the Communist Party, is perfectly legal, and is it not a matter for parliament to decide? I do not want it to be inferred, while I have no use for the Communist Party or the Labour Progressive Party, that I think it should be declared illegal, because I believe to drive something underground and cause it to disguise itself is infinitely worse than bringing something out into the open where you can fight it. My view is that the old British principle of freedom of speech as set forth by Milton years ago in the Areopagitica and subsequent writings is far better.

The VICE-CHAIRMAN: But you will admit, Mr. Coldwell, that this is not a question for the witness to answer?

Mr. COLDWELL: Oh, yes, I do, Mr. Chairman. I am sorry I made the comment.

By Mr. Hansell:

Q. Was the agreement about the coming schedule of political broadcasts between the parties not agreed to before the royal commission presented their report?—A. Yes, it was.

Q. I asked for a list of commentators, together with the amounts that were paid to them. Has that been filed?—A. Mr. Bushnell has that here, Mr. Chairman.

Mr. HANSELL: I have not, of course, at this late date had an opportunity of studying it.

The VICE-CHAIRMAN: I presume that Mr. Bushnell will answer your question, Mr. Hansell, on that subject.

Mr. HANSELL: Are you going to read it or to file it, Mr. Bushnell?

Mr. BUSHNELL: I think it can be filed, sir. I would mention, however, the fact that we have not included in specific terms the amount of money that has been paid to each of these speakers. I think your question was that we should file the list of speakers who were heard on the CBC talks and public affairs programmes on the regional or the national network on six occasions or more during the period from April 1st 1945 to May 31st 1946. Is that correct?

Mr. HANSELL: I guess that is right.

Mr. BUSHNELL: I would like also to make it clear that this list which I am about to file does not include reporters who were heard on the "News Roundups" nor participants in "Citizens' Forum". A complete list has already been tabled with the committee for this latter programme. The fees for these speakers varied from $15 to $50 depending upon the time of day, the network,

the length of the programme and the experience or ability of the individual concerned.

Mr. HANSELL: That fee is per broadcast?—A. The fee is per broadcast; however, you will note that we have not put beside the name of each speaker listed here the fee which he was paid for each broadcast.

Mr. HANSELL: Is there any particular reason for not giving that?

Mr. BUSHNELL: No, there is not too much work involved, but our feeling is that these people are professional people and we are not—I do not think it is particularly desirable that we should go into that too deeply, when everyone would know just how much each speaker is paid, because the simple fact of the matter is, that one speaker might be paid $15 on one occasion as a fee, let us say, for a four-minute broadcast, and be paid $35 as a fee for a fifteen-minute broadcast, or $25 for being broadcast on a regional network, and it would be extremely difficult to give you the correct position of the amounts that had been paid to each of those speakers. It might also, if it becomes part of the record, be embarrassing to us because we might find that one speaker on one occasion had been paid $25 and another speaker $35; and the chap who was paid $25 would want to know why he was not given $35.

The WITNESS: I am afraid I did not think of something earlier. In these matters we would be perfectly glad to produce for the committee itself a list of programmes turned down, not for publication. I am sorry I did not think of that before. The same thing applied with respect to Mr. Bushnell's list of prices. We would be glad to do it in both cases; it is just a question of not being public information.

By Mr. Diefenbaker:

Q. I appreciate that. I would not argue with the course you have followed, so long as there is an admission of responsibility on the part of the CBC to this committee, representing parliament, to discharge the responsibility that rests on the CBC.—A. I am sorry I did not think of that before. We are perfectly glad to put that in for this committee to examine for itself. What we are worried about is for business matters to become general information.

By Mr. Fleming:

Q. You do not want it to go on the air?—A. No.

Mr. HANSELL: I am a reasonable man, Mr. Bushnell.

Mr. BUSHNELL: I realize that, because I have sat on committees with you before.

Mr. HANSELL: And I think your reason for not wanting to produce the amount is sound. But will you tell me how often Mr. Philpott spoke over the air?

Mr. BUSHNELL: Yes. In the period, referring to April 1st 1945 to May 31st 1946, Mr. Philpott was broadcast on the national network twenty-three times.

Mr. HANSELL: You distinguish between the national network and the western network, do you?

Mr. BUSHNELL: In this particular reference here, we refer to the national network and to Week-end Review. It may well be that on some occasions Mr. Philpott also spoke on the regional network in connection with a News Summary or a News Roundup. That I have not looked into, but it could be done. I shall read the list of speakers heard on the CBC network on six or more occasions from April 1st, 1945 to May 31st, 1946. The list reads as follows:—

Speaker—Network—No. of Occasions

Allen, R. G.—National—Nine.
Anderson, Allan—National—Six.
Aitken, Margaret—National—Daily.
Bloom, Chester—National—Twenty-one.
Booker, Susan—Local—Daily.
Bowman, Bob—National—Eleven.
Beamish, Royd—National—Eleven.
Brockington, L. W.—National—Eight.
Bene, Dr. Eva—Regional—Six.
Clarke, Andy—Regional—Weekly.
Colquette, R. D.—Regional—Weekly.
Clark, Gregory—National—Thirty-one.
Carey, John—National—Six (Scriptwriter and Chairman).
Edwards, Capt. R. G.—National—Ten.
Eggleston, Wilfred—National.—Twenty.
Fisher, John—National—Sixty.
Ferguson, G. V.—National—Fourteen.
Fraser, Blair—National—Twenty-five.
Frances, Anne—Regional—Twenty-five.
National—Six.
Good, Bill—Regional—Weekly.
Gregory, John—Regional—Weekly.
Golden, Lou—National—Six.
Hambleton, Ron—National—Eleven.
Hobbes, Ethelwyn—Local—Daily.
National—Weekly.
Hunter, Laura—Regional—Fourteen.
Hill, Harriet—National—Thirteen.
Herbert, Bill—National—Seven.
(Overseas)
Hinds, Jen—Regional—Tuesday and Thursday.
Harris, Ellen—Regional—Monday, Wednesday and Friday.
Halton, Matthew—National—Thirty-five.
Kritzweiser, Kay—Regional—Six.
Kemp, Hugh—National—Eleven.
Kimble, George—National—Six.
Langdon, Eustella—National—Twenty-three.
Laycock, S. R.—National—Sixteen.
Leslie, Christine—Regional—Ten.
Marven, Ralph—National—Forty-one.
Michie, Charles—National—Thirty.
Miller, Orlo—National—Eleven.
Marshall, Joan—Regional—Daily.
Miller, Hal—National—Six.
McGeachy, J. B.—National—Six.
(Overseas)
McLennan, Terry—Regional—Eight.
(Anne Terry)
McKinnon, Bruce—National—Six.
Northway, Mary—National—Ten.
Ness, Idabelle Melville—Regional—Six.
Nixon, Doug—Regional—Twenty-eight.
Percival, Lloyd—National—Weekly.

Philpott, Elmore—National—Twenty-three.
Pattison, Mary—Regional—Six.
Richardson, B. T.—National—Eight.
Rotenberg, Mattie—National—Twelve.
Rawson, Mildred—Regional—Six.
Russenholt, Kay—Regional—Ten.
Redmond, Gerald—Regional—Weekly.
Stewart, H. L.—National—Twenty.
Sedgewick, G. G.—National—Thirteen.
Smith, Edgar, D.—National—Six.
Stevenson, Hazel—National—Eighteen.
Terry, Pat—Regional—Nine.
Tweed, Jean—National—Seven.
Thomas, Isabel—National—Fourteen.
Wood, Kerry—National—Eleven.
Weston, Jane—Local—Daily.
Wilson, Violet—Regional—Seven.
Wright, H. R.—National—Eight.
Woodside, Willson—National—Six (Talks), 119 (News Roundup).
Way, Less—Regional—Weekly.

Mr. HANSELL: Elmore Philpott is on the western regional network every night.

Mr. BUSHNELL: Mr. Morrison is here and he is more familiar with those matters.

Mr. MORRISON: That programme was concluded a year ago last May, at the end of May. Mr. Philpott has not been broadcast regularly on the western network following the news, as was previously the case. Mr. Philpott now broadcasts over a private station in Vancouver, on a commercial programme.

Mr. HANSELL: If that is the case, then I will have to get after that private station. It does not make any difference to me whether it is a private broadcasting station or the CBC when it comes to talks that I believe are disloyal to Canada. I am just as vehement in my denunciation of private broadcasters as anyone else because it is the principle I am after. I see Mr. Philpott has got his picture in this paper which is known as *Canadian Tribune*. That is not my picture there; that is Mr. Philpott's picture, and it says:—

> Saskatoon, Saskatchewan.—"If there is one country in the world that does not want war, that country is the Soviet Union," Elmore Philpott, well-known radio commentator, declared at an overflow meeting in the Tivoli theatre here last week.

Now here is a communist party disloyal to Canada, from which they have recruited their spies; and here is an official organ of the same party advertising —not in display advertising, I did not mean that—but advertising or propagandizing this man as a radio commentator.

Mr. COLDWELL: What paper are you reading from?

Mr. HANSELL: The *Canadian Tribune*.

Mr. COLDWELL: I never see it or read it.

Mr. HANSELL: You should read it, you will get some ideas.

Mr. COLDWELL: Evidently Mr. Hansell has got some ideas.

Mr. HANSELL: I cannot imagine this paper boosting a radio commentator who is not loyal to the same communist organization that is condemned in the Commission's report.

By Mr. Fulton:

Q. I would like to ask Mr. Dunton a couple of questions. Supposing I, as a private citizen, object to a programme or a series of programmes being broadcast over the CBC or a national network, what would be my course of action? —A. I would suggest that you would do as a great many people do, both condemning and approving—probably more when they have criticisms—they write to the CBC. Actual expressions of opinion are taken into account.

Q. To whose attention would they go?—A. Some go to the director-general of programmes, Mr. Bushnell, and I think the general manager gets some, and I get a good deal here in Ottawa, and they are all followed up.

Q. Supposing the programme continues and I am not satisfied; I would lodge an appeal and I would be heard; and suppose some other programme is more suitable?—A. I suppose you could write to the Board of Governors and ask for it to be brought before the Board of Governors. I do not know what more you can do except to protest before a parliamentary committee.

By the Vice-Chairman:

Q. Is it not a fact that if you listened to all the people who protest against programmes, you would be in continuous session?—A. As they come in now, the letters vary between letters praising and letters condemning.

By Mr. Fulton:

Q. I am sure of that. I am just trying to follow up the appeal system, and I gave you that instance to assess the opportunity which exists to protest a policy or practice of the CBC. I understand in the last analysis it would go to the Board of Governors?—A. That is right.

Q. Just to get the position clear, the Board of Governors is also the body ultimately responsible for having approved of a programme, is it not?—A. Yes, ultimately responsible.

Q. So that you have an appeal to the same body which is executively responsible for carrying on?—A. Surely it is a question of responsibility. We are given the job of being responsible for what goes on the network.

Q. I am not arguing that. I am trying to make it quite clear it is your responsibility and that is the way it works?—A. Yes, and presumably somebody can come to this committee—

Q. If Parliament is in session or if the committee has been called I agree they can, but from the process that you have outlined and the policy which you have followed in exercising responsibility—and I am not questioning that at all; I am trying to establish whether or not it is a fact—you feel free to deny certain information to parliament on the ground that you do not consider it in the interests of the CBC to disclose it?—A. I do not know whether I have made myself quite clear enough. It was the publicity we were worried about on the question of advertising programmes. We would be glad to give the information to this committee for its own consideration.

Q. Please, Mr. Dunton, I would ask you to understand I am not criticizing your decision, and I am not criticizing you for the way the policy works. I am just trying to establish to my satisfaction how the policy works. It seems to me it does result in your making decisions, saying then that the only appeal is to parliament and then saying that because we do not consider it in the public interest we will not disclose certain information to parliament, and then I put it to you is it not a fact that parliament is not in a position to judge the merits of the case which perhaps a broadcaster has asked it to investigate?

Mr. Robinson: I do not think that is the case. Mr. Dunton has not at any time refused to give the information to parliament or this committee. What he has said is, "Let the committee take the responsibility whether it wants that

information." He says, "I consider certain things are not in the public interest to reveal but if you want it we will give it to you, but it is your responsibility if you are reviewing it."

Mr. FULTON: There is no denying that is the case now that the committee is sitting and that parliament is sitting. Perhaps I should qualify my remarks by saying that if parliament is not sitting or if the committee has not been called I think the position is as I have outlined it. I think that is the way the policy works.

Mr. COLDWELL: Does Mr. Fulton think if there were another body that they would consider it in the public interest to reveal these details which Mr. Dunton considers it not to be in the public interest to reveal?

Mr. FULTON: If I am called on to answer that question I would say I could not look into the minds of the people of that body. I am just trying to establish how the policy works. I intend to ask one or two more questions. I will go back to the suggestion that a board of appeal be established. You said that radio is a form of monopoly. You said that in Canada, therefore, you felt that it was perhaps inevitable, or certainly most desirable, that there should be one body charged with the formulation of regulations, the administration of those regulations and the enforcement of them. You thought that was the proper process. I put to you the other situation. That is the one that prevails in the United States where you have four fairly large networks and the Federal Communications Commission. Is not the situation there that you have four competing networks and an impartial referee who imposes the general standard and then simply supervises to see that it is carried out?

The WITNESS: I think there is a very basic difference in radio in Canada and in the United States. In the United States you have very big distances as also in Canada, but you also have a very big population. Therefore you can, as you say, support four, or in some areas even more than four, competing networks. In Canada it was found necessary years ago to set up a public body with funds from licensees to get even one national network going. To get a national system public steps had to be taken. I think that is a very basic difference.

By Mr. Fulton:

Q. I think that is quite true, but the point I am trying to make is that although the parallel which exists is not perfect in Canada where we have private stations on the one hand and the national network on the other and thus we do not have two competing networks yet you do have competition between private stations and the government network whereas in the United States you have competition between four national networks. I am saying this: you say it is inevitable for the Canadian commission to impose regulations and to act as referee, and it should do that, and that is an appropriate trend. I put to you the other case in the United States where the person who acts as referee is independent of the actual administration of the networks, and therefore can be impartial. I ask you why that system cannot be achieved in Canada by setting up an independent commission which will not be in any way charged with the administration of the government network?—A. Because it was found necessary in Canada to set up a public body to carry on Canadian national broadcasting without which it was thought you would have none. As I have tried to say, it seems only logical in a medium such as radio reaching all homes if you have a body charged with the responsibility of doing that all across Canada that body is the logical one to make any regulations governing any supplementary service to that national service. I think you have two completely different sets of conditions there.

Q. I am dealing now with where disputes arise between the national service on the one hand and the other service on the other hand. I do not see why it

should not be possible to set up an appeal board, whatever you want to call it, to carry out the same function as the F.C.C. does in the United States. In other words, I do not see why your arbitrator should also be responsible for administering government policy?—A. I do not want to criticize anything in the great country of the United States, but I would think that our radio system in relation to the difficulties and conditions of our country is a good deal better than in the United States.

Q. I am not criticizing the technical administration or operation of the CBC. I hope this is the last time I will make my suggestion. I suggest that it might be fairer if you would set up an impartial body to arbitrate disputes between the two systems that you have in Canada, and I merely draw on the parallel in the United States.—A. My answer to that is it seems to me—and perhaps we are wrong—that the paramount interest is that of the listeners, and in my view the listeners' interests should be best served by having one over-all responsible body, a body responsible to parliament. To me that is the best way in which the interest of the whole listening public and all of Canada is likely to be best served.

Q. I think this is my last question. A dispute arises, and unless it is submitted to parliament the body which decides between the disputants is also the body which has an interest in one of the networks? Is that correct?—A. You have to remember that the Board of Governors is composed of nine people who come from all across Canada and who serve in an honorary capacity, whose only interest is in—

Q. They will try to be fair. I do not think there is any question about that. They will try to be fair and certainly in 99 cases out of 100 they will be fair, but the hundredth case is going to arise, and it is the hundredth case with which I am concerned where one of the disputants thinks they have not been fair, and then he has not any recourse except to go to parliament. Then you have to go through all this procedure.

The VICE-CHAIRMAN: The same condition may present itself with any sort of board that you may establish.

Dr. FRIGON: May I offer a further remark? The F.C.C. is the Federal Communications Commission. It regulates the issuance of frequencies to broadcasting stations, to all communications organizations. It has no control of programme content. It does not regulate rates on stations. It is trying to get action on the part of the stations and networks to get better programmes in the United States, and there is a discussion as to whether it should have a lot of these powers you have been talking about this afternoon, but it has not got them yet. They are trying to impress on the minds of the broadcasters that they should produce better programmes because in the United States the programmes are not controlled at all and they find it is getting to a rather disturbing position over there. They have not got the system you are talking about in the United States at all.

Mr. COLDWELL: Was every member supplied with a copy of the Federal Communications Committee report?

Mr. FLEMING: We have the summary.

The WITNESS: I do not think we were able to get enough copies.

Mr. COLDWELL: It contains a devastating criticism of the radio in the United States.

By Mr. Fleming:

Q. May I take up some questions now? Mr. Dunton was referring to the White Paper in reply to some question of Mr. Hansell. May I ask if the board of the CBC is satisfied with the policy on political and controversial broadcasts laid down in the so-called White Paper?—A. Yes, we find it works pretty well.

Q. In the light of what you know, are you well satisfied with the terms of the White Paper?—A. We have been so far. It has not been considered by the board recently.

Q. When did the board last meet?—A. Late in June.

Q. Nothing has risen as to modification of any of the terms of the White Paper?—A. No. You mean to do with this question of national political parties? There is one thing we amended. I will be glad to read it to you. That is in another part of the White Paper.

Q. It has nothing to do with the political broadcasting?—A. No.

Q. Are you still satisfied with the definition of national political parties?—A. As I say, the board has not considered it.

Q. Are you yourself satisfied with the definition of national political parties? —A. It has worked pretty well so far. It was approved by the last committee.

Q. Do you suppose that the board will wait for some recommendation from this committee before undertaking a revision of that definition?—A. I think that in a matter like that, we would be very glad to have a recommendation from the committee.

Q. I think the committee, probably, owes some duty to help you, and I think the committee will make some suggestions to trim down this definition so that parties like that one who got 61 candidates in the field will not be mentioned there?—A. We will be glad to have any recommendations.

Q. You are not going to say that the board will amend this without such a recommendation?—A. No.

By Mr. Hansell:

Q. You would be agreeable to letting the political parties decide that? I believe that has been the practice in the past?—A. Yes, we shall wait until the White Paper provisions have been rejected or approved by the parliament committee.

By Mr. Coldwell:

Q. The thing I am in favour is this. I do not think anyone will accuse me of wanting the Communist party to be more influential, but we might as a committee try to formulate a definition to suit the situation but we might find out that that would rule out some other minority opinion. I do not think we should try to cut our cloth to meet the present necessity for a certain garment.

The VICE-CHAIRMAN: I suggest that we keep this matter out of our discussions.

Mr. COLDWELL: Yes, leave it to the parties themselves.

By Mr. Fleming:

Q. Whatever has been done by political parties it has been as it is in this White Paper. I think the definition needs some revision. According to No. 4 simply by putting 61 candidates in the field, regardless of whether you get one elected, I think that that is something this committee should consider very carefully. I am going on to another subject in regard to political broadcasting. You said in your earlier appearance before this committee that it was the purpose of the CBC board to give the people of Canada a fair expression of the ideas of representative groups on subjects of current political interest?—A. That is right.

Q. You will remember, I think, that the Dominion-Provincial Conference was a subject of leading current political interest?—A. Yes.

Q. Of very great importance to the people of Canada?—A. Right.

Q. I will be frank about this. I am coming to the matter of the desire of the premier of Ontario to obtain certain time on the air for the purpose of rendering an account to the people as to what occurred in that conference as he viewed it and as to the position taken there by the government of Ontario in the course of its responsibility to the people of Ontario. Now, if I recall the

events correctly, he was denied access to any network?—A. Sorry, that is not correct, Mr. Fleming.

Q. Then the matter came up and the CBC said they would give a specified time to him. And now, perhaps I will let you go ahead and make your statement before I go any further.—A. Just to summarize very briefly: an agency applied on behalf of Mr. Drew to buy time, three half hours, on the national network of the CBC, to buy that time. That is against CBC's policy which prohibits the sponsorship of opinion broadcasts on a network. That is the policy which was actually first recommended—certainly approved by several parliamentary committees.

Mr. COLDWELL: 1938 was the first.

The WITNESS: I think it goes back to 1938, that networks of the CBC hook-ups would not be sold for money for any opinion broadcasting. The request made on behalf of Colonel Drew was turned down for that reason. The Board of Governors was meeting at that time and authorized the offering to Colonel Drew, and also of course to any other similar request, of a half hour free on the national network to discuss the matter. Of course, naturally that might have been a beginning, if he had taken it up, and other premiers had taken it up. It might have gone across; it might have caused various other premiers to request a free half hour on the national network.

By Mr. Fleming:

Q. And you say the request came from some agency?—A. Yes, from an advertising agency in Toronto.

Q. If he had made the request himself would your decision have been in any way different?—A. Not if it was for paid time.

Q. Your decision would not have been any different?—A. Not if it was for paid time, to buy time.

Q. In other words, you would not have sold him time even if he had made a personal application?—A. Any application for the purchase of time for such a purpose would have been turned down.

Q. So there is no significance to the request having been made through an advertising agency—A. Except just showing what is very definitely commercial business, for the sale of time.

Q. Oh well, yes. It would have had the same result if he had made personal application—A. For buying time?

Q. Yes.—A. He made no personal application saying would you give me time, might I have time. The first request came in the form of a request from an agency to buy time.

By the Vice-Chairman:

Q. Was this request for time on a national network or provincial?—A. On a national network.

Q. Is it not a fact that provincial premiers may have time free on a provincial network?—A. That was offered to Premier Drew, the same as to other premiers when they have something about which they want to speak pertaining to their own province. We have a general practice of putting on at times when it is necessary leaders of government to report to their people about something which has actually been done. That was offered to Premier Drew and all the other provincial premiers to do that in their own provinces.

Q. And that would apply to leaders of the opposition in the provincial House?—A. No, that would be political.

Q. I mean, touching general questions?—A. We try to keep a difference between political and opinion broadcasts; for instance, there are times when a governing authority should report to the people about something that has been going on which is of general interest.

By Mr. Fleming:

Q. Might I ask why you did not deal with the request for the three half hours when it was made?—A. Well, Mr. Fleming, you get another factor in there. You have to consider that when you authorize three half hours that you have sewn up twenty seven half hours of broadcasting related to the dominion-provincial conference, and that is an awful lot of time.

Q. Is there any objection to that about an issue which is probably as important as any except possibly the war since Confederation?—A. If we authorized it for one and other people called for it, we would naturally be under obligation to give them an equal amount of time. There certainly had to be some limit.

Q. Could you not have given him what he asked for and then if you found sufficient listener interest you would be justified in continuing it?—A. Well, we offered him a half hour.

Q. Did you put it in such a way as to leave him with the impression that that was your final offer?—A. No. The letter just said in effect, we offer you half an hour.

Q. Was the letter written to him or to the agency?—A. The communication was addressed to the agency and then to him later—this corporation is offering to make available to you one thirty minute period on the national network.

Q. That is all you said to him?—A. Yes. There was no indication of the necessity for a further period. But as I say, you think of the limitations. You see, 27 half hours allocated to the discussion of dominion-provincial relations every night for four weeks. That is a heavy broadcasting commitment.

Q. You have contacted all the other premiers who wanted to go on the air?—A. Yes. You have to know that first before you can ascertain the number of periods involved. If you find there is sufficient interest, that there is a demand for further time on the subject, you can of course go on again.

The VICE CHAIRMAN: That would apply to all the premiers?

The WITNESS: Certainly.

By Mr. Fleming:

Q. Well now, when the Board of Governors of the CBC are dealing with questions of this kind, important questions of policy that affect the public, such as the one I have just mentioned, has the board of CBC ever considered sitting in public, so the people of Canada can know exactly what is going on within the confines of the board of the CBC on these important public questions.—A. I do not know if the board has as a whole. I know I have personally been turning the idea over in my own mind of some kind of session, and I personally think the board as a whole, favours the greatest possible publicity of what we are doing, when it can be done; except where it might be we are dealing with internal matters of co-operation and checking up which would not be very suitable, and it would hamper the work of the whole corporation too much if they were public. I think it is a subject that might be considered.

Q. I do not know whether I understood you to say it had been discussed or had not been discussed in the board?—A. No. It has not been discussed in the board that I know of.

Q. It has not been discussed?—A. Not that I know of, no. As I say, I have been personally turning over in my own mind, and mentioned it to some others, the possibility of doing something in that direction, of having perhaps some open sessions on some matters.

Q. I can appreciate that there may be matters that affect certain people where you might not want to have public sessions on.—A. Yes.

Q. But I am suggesting that an important public question like the one we are dealing with, where you have turned down the request made by a provincial premier to discuss on these three periods a matter of very great importance—

The VICE-CHAIRMAN: He was not turned down.

The WITNESS: There was no discussion.

By Mr. Fleming:

Q. Let us not quibble about it. His request was turned down. It is true there was an alternative given by the CBC, but his request was turned down.—A. There was no discussion about it. It is clearly stated. We could not grant that.

Q. All right. He is turned down. I am suggesting it would be a good thing in cases of that kind for the CBC board to hold its sittings in public so the public could be fully advised on the way the mind of the CBC Board of Governors is working in dealing with that subject.—A. That is the rule or principle laid down in the White Paper by a parliamentary committee. There was not any discussion and could not be any discussion. They could not give that. I think Premier Drew knew it pretty well, that you cannot have paid news broadcasts on the network in Canada.

By Mr. Coldwell:

Q. That is a regulation?—A. That is a regulation.

By Mr. Fleming:

Q. All right. We may have to consider the whole policy involved in your White Paper. But I am still suggesting to you that in this matter and similar matters where you receive an application of that kind and you do not accede to it for reasons that appear to you to be sufficient, and then you go on for other reasons which appear to you to be sufficient to offer some alternative time, that it would be a very good thing for the board to hold its meetings in public. It would avoid a lot of misunderstanding.—A. I agree that probably some effort should be made to get the ways of thinking and acting of the board better known. I do not know whether the committee would like to make any suggestions about that. One complication, of course, is that since the board is representative of the people all across Canada, they give up a good deal of time for it and they come from all parts of the country. The meetings are usually three-day meetings and they are pretty strenuous sessions; and partly it is just a matter of pressure of time. A public session would probably take a good deal more time on a lot of matters.

The VICE-CHAIRMAN: Personally I do not see how it would help to hold public meetings in the cases which have been mentioned by Mr. Fleming.

Mr. FLEMING: That is a matter for discussion.

The WITNESS: As I say there was no discussion. The only matter was the question of offering time. The board happened to be meeting. It might involve a fairly heavy demand by a number of other provincial premiers.

Mr. KNIGHT: I do not want to deprive Mr. Fleming of a fair share of his time, but I should like to know if the questioning of this committee is to come to an end at 6 o'clock tonight; because if it is, it is time I asked a question at least, because I have not said a word to-day.

The VICE-CHAIRMAN: Go ahead.

Mr. KNIGHT: For good reason.

Mr. FLEMING: May I interrupt—

Mr. KNIGHT: Surely I may ask a question?

Mr. FLEMING: We are not going to finish at 6 o'clock to-night.

Mr. KNIGHT: Surely I can go on with my question?

Mr. FLEMING: Dr. McCann is here.

Mr. KNIGHT: All day long I have listened to Mr. Fleming. Surely I may ask one question without interruption.

The VICE-CHAIRMAN: Mr. Knight, go ahead with your question.

By Mr. Knight:

Q. I am sorry. I just want to sum up this thing, if this is the last appearance. I want to sum it up for my own satisfaction because I may go away a little confused. I wish to ask Mr. Dunton a question. The CBC is the present custodian of the power to put over all sorts of views before the public and to act as a judge as between private stations. I think that has been established. Am I right in assuming that power is given to them by statute?—A. I do not think it is quite as wide as you say. Our powers are pretty definite. One is to control network broadcasting. The other is to make regulations regarding the content of broadcasting. Our regulations are published and are known. We do not interefere with the usual operations of private stations.

Q. But such power as the board has is given to it by statute?—A. Yes.

Q. And they cannot evade it?—A. No.

Q. Even if they so desired?—A. No.

Q. I presume it is your opinion that you are as capable of making this judgment as perhaps another body would be?—A. Well, that is a hard question. I think the board as a whole is pretty representative of all across Canada and, I might say, includes a lot of individual minds who do their own thinking about radio matters.

Q. Looking back on the discussions of the committee I saw one or two things of importance. First, is the CBC to have that dominant position on the air that it has enjoyed up to the present? The second one is, are these three private stations—they have been called that—to be deprived of their wavelengths and did the three private companies have knowledge that they were to vacate these channels? Now I come to a point upon which I am confused. The evidence that was given this morning confused me because I find that in the committee report of 1942 this whole subject was the matter of open discussion. Now it would appear that Mr. Joseph Sedgwick, whom I do not know, was present and gave evidence at that committee in 1942.

By Mr. Knight:

Q. Might I ask, is that the same Mr. Sedgwick who gave evidence before this committee?—A. I think that was Mr. Joseph Sedgwick who was counsel for station CFRB and for the Canadian Association of Broadcasters.

Q. Then Mr. Joseph Sedgwick has an interest, himself, in this station?—A. I am not sure. He is counsel for the station, I have always understood that.

Q. He is counsel for the station so he would be well informed on matters connected with the corporation.—A. He has always seemed to be very well informed.

Q. That is the point about which I am confused. I mean, I cannot understand that. I simply want to point that out because it has to me a distinct bearing on the whole situation whether or not these stations should be deprived of their channels. Because, if it is a matter of acknowledgment that they were to lose the stations, I do not think they could complain about losing them. Now, to come to my last point, I would ask one or two questions in regard to the contribution which has been made by the CBC to educational broadcasting in certain provinces as compared to the contribution made to other provinces. Is there an answer prepared on that? If so, I would like to have it before the period ends.—A. I think, Mr. Knight, the official gave about as good an answer as could be given before. I do not know if Dr. Frigon could get any more on it.

Q. I take it it was because of the difficulty of the breakdown?—A. Yes, our costs could not be broken down any more than they were. I think it was indicated what we paid for, and what the others paid for.

Q. Perhaps, seeing that the questions were put in a rather definite form of (*a*), (*b*) and (*c*), it would be better to have such answer as you have on the record in answer to it.

Dr. FRIGON: I have a memorandum which was prepared in answer to your question, Mr. Knight. Should I file it or read it?

The ACTING CHAIRMAN: File it as read.

Mr. HANSELL: Put it on the record.

Dr. FRIGON: The answer reads as follows:—

Answer for Mr. Knight

School Broadcasts

The division of expenses for school broadcasts as between the CBC and the provinces can best be explained by a statement on the way in which the system works.

English

There are three types of school programmes.

(*a*) The national broadcasts which are produced and paid for entirely by the CBC and broadcast over the trans-Canada network.

(*b*) C.B.S. American School of the Air is either produced by the Columbia Broadcasting System and fed free of charge to the CBC or produced by us and sent to C.B.S. These programmes are broadcast in those provinces in which the Department of Education expresses a desire to have them.

On these two types the provinces made no financial contribution.

(*c*) With regard to provincial broadcasts the system is different. The CBC places its facilities—studios, equipment, producers and announcers—at the disposal of the Department of Education. Each department, whether in Ontario or Saskatchewan, arranges a series of programmes in close co-operation with the CBC. Working presumably to their own budgets, the provincial departments finally decide upon their own programmes and pay all programme costs—writing, acting and music, etc. The CBC is responsible for the production of the programmes and for broadcasting them; these services it performs free of charge.

In short the provinces, in conjunction with the CBC, present and pay for the programmes. The CBC and the affiliated stations broadcast them free of charge to the provinces.

Two apparent exceptions may be noted. In the spring of this year the CBC produced and paid for an experimental series consisting of a full length performance of Shakespeare's "Julius Caesar" which was broadcast in Ontario, Quebec, and the maritime provinces. The performances were rebroadcast later on the national network at a time suitable for high school listeners in the west.

This season, too, the Ontario Department of Education paid for a series of concerts by the Toronto Symphony Orchestra, which was broadcast on the Dominion network from coast to coast. This was not strictly speaking a school broadcast, though intended for high school students.

French

Radio College is presented and paid for entirely by the CBC. It is not a school broadcast, and is not necessarily broadcast in school hours. It is a CBC feature, educational programmes of College Arts standard, designed for the public at large, not restricted to a school audience, but particularly useful to arts and normal school students.

Financial

The CBC is organized in five regions, and our figures are not broken down and shown against the various provinces. The five regions are British Columbia, the prairie region: Alberta, Saskatchewan and Manitoba, Ontario, Quebec, the maritime region: New Brunswick, Nova Scotia and Prince Edward Island.

It is believed that the Canada and Newfoundland Education Association have submitted a brief to the parliamentary committee, and that they have authority from the provincial departments to release departmental figures. Dr. Phillips of the CNEA has these figures up to date for the current year, and includes them in his brief.

The WITNESS: Before leaving the White Paper, I would just like to mention to the committee a change, in drafting which the board is considering but which it has not passed. I thought the committee might wish to know about it, and that the committee might have some views about it. It would be on page 16, part 2, of the White Paper and it would replace all those nine sections. I might say that the chief purpose of it is to make it a little easier, a little clearer, and also to clear up what seems to us to be a bit of anomaly in these various sections. You will see that non-commercial organizations or societies may purchase subsidiary hook-ups for opinion broadcasting, That is a privilege that an individual cannot have and which a political party cannot have between elections; I think it was originally put in as I said so that educational or philanthropic associations could occasionally buy a subsidiary hook-up for purposes of their own. So it seemed to us that this anomaly might develop in connection with organizations which are really of a more quasi political or quasi propaganda nature, taking advantage of that provision. The change would, in effect, put any such organizations on the same basis as individuals or as political parties; that is, they could buy time at any time on private stations, and go on at appropriate times free on national networks. We are told they might avoid misunderstanding. Let me read them:—

1. No time will be sold on any CBC-owned or operated station whether individually or as part of a subsidiary hook-up for the broadcasting of opinions with the exceptions of the corporation's station at Chicoutimi and the station now under lease at Prince Rupert in which districts there are no privately-owned stations which can provide for local broadcasting.

2. With the exception of subsidiary hook-ups during Dominion or Provincial election campaigns there shall be no sale of network facilities for the broadcasting of opinions.

3. Broadcasts of opinions on single, privately-owned stations must be preceded and concluded by appropriate announcements making clear the nature and substance of the broadcasts and the sponsorship under which the broadcasts are presented. Equal facilities must be available for the expression of opposing views.

Those are the three clauses.

By Mr. Coldwell:

Q. I think we should think those over.—A. Perhaps the committee will wish to look at them.

By Mr. Fleming:

Q. I am sorry; I did not intend to give the impression that I was trying to butt in on his question. I was just going to ask a question about Dr. McCann's plans. Can you tell us the answer to that question, Dr. McCann, the question I

asked you yesterday, about when it became government policy to allow the CBC to proceed to acquire the three wave lengths we have discussed here, namely, that of CFCN, CFRB, and CKCY?

Hon. Dr. McCann: That has been a matter of government policy for years. My recollection of it is that it was announced in March of 1941. I remember very distinctly hearing it announced by Mr. Howe when he had charge of Canadian broadcasting.

Mr. Hansell: Is that the announcement at Moncton that was referred to?

Hon. Mr. McCann: Pardon?

Mr. Hansell: Is that the announcement that Mr. Howe made at Moncton that was referred to?

Hon. Mr. McCann: He made it in the House. I think it was on either the 15th or 17th of March, 1941.

Mr. Coldwell: It was the 19th.

Mr. Fleming: Is that the first government decision to give approval to this policy?

Hon. Mr. McCann: You say is that the first announcement or first decision?

Mr. Fleming: Either one.

Hon. Mr. McCann: It has been my understanding that it was always the policy of the government, and of former governments.

Mr. Fleming: We are speaking of these three particular wave lengths.

Hon. Mr. McCann: Yes, exactly.

Mr. Fleming: When do you date that as a matter of policy?

Hon. Mr. McCann: The 19th of March, 1941.

Mr. Fleming: That is the date you give as to the government decision to give approval?

Hon. Mr. McCann: That is the first positive recollection that I have personally of this being announced, but my information is that it has been a matter of government policy for years and that when the time arrived that the Broadcasting Corporation felt that it was in a position to take over these channels that they would go ahead and develop them for the national use.

Mr. Hansell: Might I just make this observation, that when Mr. Dunton read Mr. Howe's statement at Moncton—

Hon. Mr. McCann: What date was that?

Mr. Coldwell: 1937.

Mr. Hansell: I distinctly noted he said it was the policy of the corporation. That is the thing we have got to get, whether it is the policy of the corporation or whether it is the policy of the government.

Hon. Mr. McCann: The way that works is that the corporation enunciates and determines their policies and then they ask for the approval of the government. The function of the minister is to convey to the government what is the policy of the broadcasting corporation and get the endorsation or refusal of the government as to their policies. The government does not make the policy of the broadcasting corporation. The broadcasting corporation makes its policy and asks for the endorsation of the government.

Mr. Fleming: The minister receives copies of the minutes of all meetings of the board of the CBC?

Hon. Mr. McCann: That is right.

Mr. Fleming: Does this reference that Mr. Hansell gave you now to a statement in 1937 assist you to date the government approval of any CBC board decision to take these three particular wave lengths?

Hon. Mr. McCann: I was never interested in the minutes of the corporation and the administration of it until I became Minister of National War Services on the 18th of April, 1945. I never saw the minutes of the corporation previous to that except in instances when they were brought here before the radio committee of which I was chairman in 1942, 1943 and 1944.

Mr. Coldwell: May I follow with a supplementary question? Would there be any reference to the three particular stations when under the Canadian Radio Commission in 1933 it was stated that it was the policy to take over the stations that were needed to cover the country, and subsequently on numerous occasions that it was the policy to take over all stations that would be needed by the CBC for its purposes? Would there be any reference to the three particular stations?

Hon. Mr. McCann: There would not be, no.

Mr. Coldwell: The policy was comprehensive?

Hon. Mr. McCann: The policy was comprehensive enough to include what they wanted.

Mr. Fleming: The government did give approval within the past year to the specific proposal of the board of the CBC to take these three wave lengths. That is correct. Now, did the government consider matters of cost on the part of the CBC in acquiring these wave lengths and putting up of three stations of 50,000 watts?

Hon. Mr. McCann: Yes, they did.

Mr. Fleming: Has the financing been considered?

Hon. Mr. McCann: Yes, it has.

Mr. Fleming: Is it going to be possible to finance this project, the assumption by the CBC of these wave lengths, without coming to parliament for an appropriation for the purpose?

Hon. Mr. McCann: It will be necessary to come to parliament and to change the Broadcasting Act so that the borrowing powers of the Canadian Broadcasting Corporation can be augmented to such an extent that they may proceed with the developments they have in view, and that they ultimately will pay back that loan to the government as they have done on all occasions.

Mr. Fleming: That amendment of the Act will be necessary before this project can be carried through to completion?

Hon. Mr. McCann: Exactly; at least, that will be one method of doing it.

Mr. Fleming: What do you mean by that?

Hon. Mr. McCann: If you change the statute and empower the broadcasting corporation to borrow from the government it can be done that way. If it cannot be financed that way other methods would have to be canvassed.

Mr. Fleming: Such as what?

Hon. Mr. McCann: I cannot give them to you at the present time.

Mr. Fleming: I should like to be clear on that.

Hon. Mr. McCann: I have not canvassed them myself.

Mr. Fleming: I would like to be clear if we as a parliamentary committee can be assured—because it will make a difference in our report—that before the project is carried through parliament will be asked to give approval to an appropriation or an amendment to the Act in such a form that this will go before parliament.

Hon. Mr. McCann: I will tell you very frankly that that is the intention.

Mr. Fleming: At this session?

Hon. Mr. McCann: Although I have not been at the meetings of this committee, I think it is the intention of Mr. Dunton and Dr. Frigon to outline

what the CBC will do regarding expansion and policy. I might say in that regard it would facilitate the matter if this committee will make a recommendation to parliament in its report that the amendment should be carried through.

The VICE-CHAIRMAN: It was the objective of the steering committee should conclude at 6.00 o'clock to-day. It seems that everybody is through asking questions excepting, perhaps, one member of the committee.

Mr. HANSELL: I had a few questions, but I could forego them.

Mr. FLEMING: I think, Mr. Chairman, that it was the recommendation of the steering committee that if we did not finish at 6.00 o'clock that we would hold a meeting to-night.

Mr. KNIGHT: No, it was decided by the steering committee that we should not put in any more than two sessions to-day.

The VICE-CHAIRMAN: I think we can bring in those other matters later.

Mr. FLEMING: I would like it finished to-day.

The VICE-CHAIRMAN: Do you not consider yourself satisfied that it is finished?

Mr. FLEMING: Mr. Hansell has some questions to ask.

The VICE-CHAIRMAN: He has already said he would forego those questions.

Mr. HANSELL: I would write the questions and the corporation can answer them, and they would be on record.

The VICE-CHAIRMAN: Would you be satisfied, Mr. Fleming to follow the same procedure? I am not doing this on behalf of anybody. We have taken the time of the officials of the CBC and during all this time they are not attending to some business they should attend to.

Hon. Mr. MCCANN: When the amendment to the Broadcast Act comes before the house there will be ample time to ask questions at that time. So that if it is done here and duplicated there then at the time the Act is amended you will only be doubling it.

Mr. HANSELL: You assume that the committee will put in a certain type of report?

Hon. Mr. MCCANN: I am not making any such assumption on that.

The VICE-CHAIRMAN: The only member that seems concerned about whether there is going to be another meeting seems to be Mr. Fleming.

Mr. FLEMING: I say that I thought we could finish in half an hour as far as the questions I have to ask are concerned. I am disappointed that we are not finished.

The VICE-CHAIRMAN: We cannot sit to-night. We will adjourn until 10.00 o'clock on Tuesday morning.

The committee adjourned at 6.10 o'clock p.m. to sit again at 10.00 o'clock a.m. on Tuesday, August 6, 1946.

SESSION 1946

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 11

TUESDAY, AUGUST 6, 1946

WITNESSES:

Dr. Augustin Frigon, General Manager.

A. Davidson Dunton, Chairman of the Board of Governors, Canadian Broadcasting Corporation.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

MINUTES OF PROCEEDINGS

TUESDAY, August 6, 1946.

The Special Committee on Radio Broadcasting met at 11.15 o'clock, Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Diefenbaker, Fleming, Fulton, Hackett, Hansell, Knight, Maloney, Maybank, McCann, McCulloch, Pinard, Ross (*Hamilton East*), Ross (*St. Paul's*).

The Chairman tabled a copy of the correspondence between CBC and The Toronto *Star* requested by Mr. Diefenbaker.

Dr. A. Frigon and Mr. A. D. Dunton were recalled and further examined on political broadcasting and on the correspondence referred to above.

Messrs. Neil Morrison and E. L. Bushnell supplied some answers.

Mr. Beaudoin, vice-chairman, took the Chair at 11.55 and the Chairman resumed same at 12.10.

A discussion on procedure followed.

On motion of Mr. Beaudoin, the Committee adjourned at 1.05 o'clock to meet again at 3.00 o'clock this day.

AFTERNOON SESSION

The Committee resumed at 3.00 o'clock, Mr. Beaudoin, Vice-Chairman, presiding.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Diefenbaker, Fleming, Fulton, Hackett, Hansell, Knight, Maloney, Maybank, McCann, Pinard, Ross (*Hamilton East*) and Ross (*St-Paul's*).

The Chairman tabled answers to questions previously asked by Messrs. Coldwell and Fleming.

Dr. A. Frigon was recalled and his examination of the correspondence tabled concluded.

Mr. A. D. Dunton was recalled and questioned.

At 3.45 Mr. Maybank took the Chair.

In response to Mr. Fleming, Mr. Dunton undertook to supply, at a later date, the Committee with a breakdown of a typical weekly time log of Station CJBC.

Dr. A. Frigon filed a tentative financial statement for the year ending March, 1946. This is incorporated in the evidence. Dr. Frigon was interrogated thereon.

Messrs. Frigon and Dunton were retired and witnesses discharged.

The Chairman placed before the Committee a memorandum of the Clerk summarizing all correspondence received. (*See* appendix A to these minutes of proceedings.)

After a discussion on future procedure and on motion of Mr. Beaudoin, the Committee adjourned at 5.20 o'clock to the call of the chair.

ANTONIO PLOUFFE,
Clerk of the Committee.

NOTE: For the purpose of their tabling, Exhibits filed in the course of the proceedings are renumbered consecutively 1 to 20 inclusively.

ANTONIO PLOUFFE,
Clerk of the Committee.

APPENDIX A

MEMORANDUM TO CHAIRMAN *RE* CORRESPONDENCE

(Radio Broadcasting Committee—Session 1946)

A considerable number of communications such as letters, resolutions and telegrams were addressed to the Chairman and the Clerk. Some of these were forwarded to the Chairman by Cabinet Ministers and Members of Parliament and each was acknowledged. They may be grouped as follows:—

A. Opposing any change of wavelengths for stations CFRB or CFCN.

B. Commending present set-up of the CBC and favouring the Corporation's programmes relating particularly to farm radio programmes.

(*a*) *From Radio Farm and Citizens' Forums.*

(*b*) *From Agricultural Associations.*

(*c*) *From Associations other than Agricultural.*

(*d*) *From individuals*—Some of these were critical of CBC policy or its method of administration, or of some of its programmes.

ANTONIO PLOUFFE,
Clerk of the Committee.

August 6, 1946.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,
August 6, 1946.

The Special Committee on Radio Broadcasting met this day at 11.15 a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: Order, gentlemen; I see a quorum. As I understand it, questions were being asked of Dr. Frigon and Mr. Dunton at the close of the last meeting, and I believe you had the floor, Mr. Fleming.

Mr. FLEMING: Yes, Mr. Chairman. I have arranged the questions I wish to ask so as to conserve the time of the committee and without sacrificing the effect of my questions.

Mr. A. Davidson Dunton, Chairman of the Board of Directors, Canadian Broadcasting Corporation, recalled:

By Mr. Fleming:

Q. Last Friday, Mr. Dunton, we were discussing this matter of political broadcasts, and you referred to the fact that time is assigned to the government from time to time to make announcements of public interest?—A. Yes, both to the federal government and the provincial governments.

Q. Is there a statement anywhere on the minutes of the CBC as to the policy it followed in that respect?—A. I do not know of any. I wish to mention this matter came up at the last meeting we had with the representatives of the various parties and they all said they understand that any responsible government should have time, not to speak on anything of a political nature, but to report on important matters in connection with the administration that should be told to the people. I do not know of any actual written policy as to that.

Q. You say that applies also to the provincial governments? You say you do not make any distinction between provincial governments and the federal government?—A. No, at times we have put a provincial network at the disposal of a provincial government. We take it that the broadcasts are not supposed to be of a political nature, and we take it that the people who go on understand that perfectly. They are reporting some development that the people should be informed on. There were a number of cases during the war, particularly in cases of emergency, when the Prime Minister or federal ministers were put on the air to make reports to the people.

Q. Is there a policy laid down by the CBC in regard to the amount of time to be assigned to broadcasts of that nature?—A. No, there is not; it is a matter of the importance of the subjects.

Q. Who is the judge of that?—A. I suppose we are. I might say that I think both federal and provincial authorities have not been at all excessive in their demands and we have judged that the subjects presented have been very well merited.

Q. In each case it has begun with a request from the dominion or provincial governments for time from the CBC; and has the request been granted in each case?—A. I cannot remember hearing of any case that has been turned down. Possibly, in some cases, the CBC may have asked someone to report.

For instance, Mr. Claxton reported from Paris on the developments of the Peace Conference. I imagine that our representative there would ask him to do that. Last year during the meetings of the United Nations in London we definitely asked different members of the Canadian delegation, including Mr. Graydon and Mr. Knowles, to go on the air, but not to give political opinions.

Q. Have you ever had an occasion to refuse such a request?—A. I cannot remember of any case. I think the requests have not been at all excessive and always very reasonable.

Q. Unless you can turn up something else, we can take it that there have been no refusals?—A. No.

By Mr. Hackett:

Q. I want to ask you a question, and so that we may be quite clear about it, I may tell you what I fear so that you can supplement, if necessary, the words of my question. I fear that the broadcasting of CBC may become a monopoly which will deny political parties the right to use CBC equipment for the presentation of views and opinions of the party making the request. I have understood that in 1942, I think it was, when the plebiscite was in progress, the parties which wanted a negative answer given were denied the use of CBC for that purpose. I am going to ask you if that is a fact?—A. I am not sure. Dr. Frigon says that is so.

Q. I am not going to criticize, but I would like to know what the basis of refusal of that type is. The people of Canada were asked a question to which the answer was yes or no, and why should the political group that favoured the "no" answer have been denied an opportunity of putting forward their point of view?—A. Perhaps Dr. Frigon can tell you.

Dr. FRIGON: That was in 1942, four years ago. We have changed our policy somewhat since then and I can say that, perhaps, we made a mistake in 1942. That is all I can tell you.

Mr. BEAUDOIN: Mr. Chairman, my understanding was that time had been given to political parties to express their views on the plebiscite at the time, and political groups who wanted to speak in favour of the negative had no status then. They had not been formed at the time this question was being discussed and, therefore, they could not be accepted on the same level with the other political parties with which CBC had come to an agreement.

Mr. ROSS (St. Paul's): This is the party that was denied the opportunity of speaking—

Mr. BEAUDOIN: You are referring to the Bloc Populaire.

Mr. ROSS (St. Paul's): —which might have interested people who voted in the negative, and this party was represented in the House by Mr. Raymond and by some others who supported him from time to time; but I do not wish to go into the details. I was merely trying to get a statement of policy, and Dr. Frigon has said that he now thinks it was an error of policy to have denied to the group full expression of those views. I am satisfied with the answer.

Dr. FRIGON: Mr. Chairman, I might add this. I am referring now to what happened on the French network. There was no interference on the part of the CBC to the fact that the "no" side, as we called it then, did broadcast in Quebec. In fact, there were many more broadcasts on the "no" side in Quebec than broadcasts on the "yes" side. The people who wanted to advise the voters to vote against the plebiscite had all the opportunity to express their views on private stations, and they did; so if there was any mistake it was for us not to accept certain groups belonging to political parties to go on CBC stations. At that time I must admit I was not a party in the negotia-

tions and there might have been very good reasons that I do not know of. At the present time it looks as if it would have been better for us not to have set a ruling against one group. I would insist, however, that people in Quebec heard all they wanted to against the plebiscite.

The WITNESS: You said you were trying to get at the policy. The policy is as it is laid down in the White Paper. We still stick to that: that in important matters of public affairs in Canada, every important viewpoint should have the opportunity of expression on national networks.

By Mr. Ross (St. Paul's):

Q. You will remember that much earlier in the meeting of the committee I devoted some time to the same questions. Then Communism was under discussion. I was not entirely satisfied with your answers because I did not think they were comprehensive or complete; it seemed to me that your answers were astute but they were not definite. If you can do anything at this time to make clear the policy of the board as regards broadcasts by persons who are putting forth views that the majority of the board does not share I will be very glad to hear that expression.—A. I thought I had made that pretty clear. I tried to, and certainly I think I made myself extremely clear. You said first of all something as to the question of someone putting forward points of view which the majority of the board do not share. I should like to emphasize at no point do the views of the board come into the question. Regardless of whether the individual members of the board think a view is good or bad we feel it is our duty to try to see that all differing important points of view, represented by a reasonable body of opinion in the country, have a fair and equitable chance to express that point of view on the air. It seems to me that is extremely clear. We understand that as being freedom of the air.

Q. I asked the question in an indirect way. I asked if the owner of a private station had the right to refuse a communist, for instance, the right to broadcast over his station provided he paid the charges and met the requirements, and in so far as I was able to appreciate your answer I did not get a definite reply to that question.—A. I tried to give you as definite and as clear a reply as I could. It is that the station operator is responsible for everything that goes on the station and he can at any time schedule what will or will not go on the station at a certain period; but at the same time we believe that he has an overriding responsibility, a share of the responsibility that all radio has, to give a fair chance to all different important points of view represented, in the case of a local station, in his community. We believe that is freedom of the air. Certainly the man controlling the station has the right at any particular time to say "yes" or "no" as to whether a programme will go on. Naturally he is responsible, but at the same time there is an overriding responsibility on him to give all differing points of view a fair chance. We believe that is freedom of the air.

Q. I am not going to pursue that question any further because I do not think the answer is definite. It may be that you cannot give a more definite answer. I want to ask you another question, Dr. Frigon has said that even when a refusal—

The CHAIRMAN: Would the gentlemen at the end of the table try not to talk so much? It is hard to hear.

Mr. Ross (*Hamilton East*): We have as much trouble down here hearing what is going on up there.

The CHAIRMAN: If you had indicated that we would have tried to cure it, but the way to cure it is not to start another conversation.

Mr. Ross (*Hamilton East*): We might as well do that.

Mr. HACKETT: Do you not hear what I am saying? Is that it? I will speak louder if that is the difficulty.

Mr. Ross: (*Hamilton East*): I do not know whether it is the Bloc Populaire or Communism which you are hitting at.

Mr. Hackett: I am not hitting at either. I am trying to get at the policy of the board.

By Mr. Hackett:

Q. Dr. Frigon said that even if the agency to which I was referring a few minutes ago was denied the opportunity of expressing its views over the CBC it still had access to the private stations. Taking that as a fact is it not the policy of the CBC to gradually take over the private stations?—A. It is not the policy of the CBC.

Q. Well, in effect, the policy of the CBC is curtailing the usefulness of the private stations in that they have not privileges of hitching up with other stations which are at all comparable to those of the CBC. Is that not a fact?—A. I would not agree with that. We work very specifically under the Act, and particularly under the recommendations of the 1936 committee on whose recommendations the 1936 Act was largely written. We have been given the control of all networks. We have allowed increasing privileges, privileges which were never envisaged at that time, to private stations to have subsidiary hookups. I do not think there was ever the shadow of an intention that one particular group of private people, or one particular interest, would be allowed to have the terrific power of controlling a whole national network in Canada. I would not think we have moved to constrict private stations. I think the whole development over the years has been to give them a good deal more freedom, more latitude, more privileges than was originally envisaged.

Q. Well, the Toronto incident would seem to indicate—

Mr. Bertrand: What is the Toronto incident?

Mr. Hackett: I am talking of the station operated by Mr. Sedgwick.

Mr. Hansell: CFRB.

By Mr. Hackett:

Q. —would seem to indicate that the CBC is expropriating or taking over stations that have been developed—A. Mr. Hackett, I should like to make it very clear—I tried to the other day, and I think it is very clear—under the law and the regulations on the subject we are not expropriating station CFRB; we are not taking it over. What is being done is the suggestion of changing its wave length so that a wave length got originally for the national system is assigned to that national system. We have the right, with approval, to take over CFRB. We are not doing that because it is the policy of the board that CFRB continue to operate. We have expressed our wish that they lose as little coverage as possible. As I say, it is the policy of this board although it would be well justified under the recommendations of parliamentary committees in taking over that station or asking that its licence be cancelled. We have on the contrary done nothing of the sort. Our policy is to encourage CFRB to operate so it will be able to do a good business. It will still be, as I pointed out on Friday—and I think you were absent—the most privileged radio station certainly in eastern Canada. It will have double the power of any other station in eastern Canada. It will have the widest coverage of any private station in eastern Canada, and that in an area of the greatest concentration of English language population in Canada.

Q. But in the result it is curtailed in its coverage?—A. It may lose a little coverage or some coverage which it now has, but since 1941 it has been enjoying very special privileges having the highest and best class of wave length made available to it.

Q. I was endeavouring to point out that if the private stations be curtailed in their coverage the refuge of the party or the group which cannot find an outlet for its views through the CBC is likely going to be curtailed likewise? —A. I cannot accept the suggestion, Mr. Hackett, that any important body of opinion in this country will not find a reasonable outlet for its views on the CBC. If not, we are not doing our duty, and parliament should tell us so. I cannot accept that statement.

By Mr. Hansell:

Q. Along that line, Mr. Dunton, we have been confining our questioning to points of view which, of course, involve subject matter. I should like to ask a few questions on persons rather than points of view. It is very seldom, I take it, that an individual broadcasts over a national network more than one view; an individual holds a certain view or a certain philosophy and naturally what he broadcasts must be coloured by his own convictions. And now, it is all very well to talk in terms of political broadcasting because of divergences of views of political parties. I am not so interested in that I am interested rather in another type of broadcasting of which I think you are aware. And now, in respect to people who broadcast news—for instance, commentators—I will not say news announcers but I will say news commentators, such as News Roundup and talks of that kind. How are the people chosen to do that work?—A. They are chosen with a good deal of what you have just said in mind. First, we agree with you that if anyone is going to comment on, say, current affairs, it is likely his personal view will colour what he says to some extent; it will, perfectly naturally. That is the reason, as I have said, that we feel it our duty to see that different points of view are represented on the air; therefore, more care is taken to try to have commentators, whom we are discussing now, who would not necessarily be tied in with political parties, because most commentators deny that they have any connection with political parties, but are observers or from groups of observers holding generally different points of view. And I think if you look at our various commentators whom we have on our different programmes over a period of time you will see that that policy, which is a very basic one, is pretty well carried out. There will be a man on one day who perhaps broadcasts from the viewpoint that is generally accepted as being progressive-conservative; another will be a man who is thought to be not too critical of the government; then there will be another person who would be more progressive in his views, one whom we might classify definitely as being more to the left. That is the policy of trying to maintain a balance of opinion and judgment amongst commentators.

Q. Would you carry that a little further and say that the policy is to divide the time more or less equally among the same individuals?—A. It is not quite as rigid as that because there are different programmes, different talks, different forums. We try to maintain a reasonably impartial balance between the different points of view. One example is "Week-end Review". The regular pattern on that throughout the winter would be Elmer Philpott one week, George Ferguson of the Winnipeg *Free Press* another week, and Dr. Stewart of Halifax another week. From these three commentators you get three different approaches to public affairs and international affairs, and I take it, a pretty good balance. The same applies to other programmes on other subjects that are discussed. I think it is the kind of thing that cannot be worked out completely arithmetically because there are different factors to be taken into account. That is our policy. That is what our people try very hard to do.

Q. I mentioned Mr. Philpott the other day and I did not say so at the time but I do not know this (and I think your records will prove it), that Mr. Philpott follows the news broadcast form Vancouver, which I think covers the western

regional network—you will correct me on that if I am not right— —A. Perhaps I should say a little more. I think that the way it worked, and perhaps someone here could explain it—is that for some time, ending about a year or two ago at least, Mr. Philpott would follow on one day and the next day Mr. Wilson Woodside would follow.

Q. Is that on the western network, do you mean?—A. Perhaps I should ask Mr. Morrison or Mr. Bushnell to give you the details on that.

Mr. NEIL MORRISON (CBC Supervisor of Talks on Public Affairs): Mr. Philpott was on the western network following the western news bulletin. Mr. Wilson Woodside was on daily following the national news summary on the whole network, so that both Mr. Philpott and Mr. Woodside were heard at any rate in the west. For a time Mr. Philpott was a day to day commentator while Mr. Woodside was heard three days a week and Mr. Grattan O'Leary, for a number of months, two days a week. Each of the latter was heard on the national network.

Mr. HANSELL: I think generally from the statement of policy we have heard that we may take it that Mr. Philpott might be the extreme on the one side and Mr. Wilson Woodside would be the extreme on the other. And now, I do not want to split hairs on this matter, but I do not think that is the way it works out in practice. I used to listen to the Vancouver news nearly every night, and it is a good broadcast—it is well written—but Mr. Philpott would follow regularly; and it was on the choicest time because the Pacific coast news comes over at ten o'clock, with Mr. Philpott following—where I was it was eleven o'clock. There was an audience already established for him; and either my wife or I nearly went crazy—I think maybe it was my wife—not because she heard Mr. Philpott but because she saw me listening to him. And now, I think this, if I might suggest: I am conscientious about this; it was not a matter of political view with me at all, it was a matter of a very vital thing; that Canadians must be Canadians. And I resent anything that would mould public opinion in such a way as to make them anything else. And I would suggest the CBC should be a little more careful in the guarding of views and the right of free speech; in guarding—I will use the word here "patriotic" even if that word has fallen into disrepute over the years—the patriotic rights of the people.

Mr. DUNTON: Mr. Hansell perhaps I, and the CBC as a whole, have more faith than you have in the opinion and common sense of Canadian democracy—

By Mr. Hansell:

Q. I do not think so.—A. We believe very much in what is commonly known in the world as British democracy—that is, that people having a chance to hear the different points of view will make up their minds and make pretty good decisions on them. We believe it is our duty to try to see that, as far as radio goes, they have a fair chance to hear the different points of view and make up their minds.

Mr. HANSELL: I do not think you have any more faith in British democracy than Hansell has. I do not think so.

The VICE CHAIRMAN: Gentlemen, I believe Mr. Diefenbaker has some questions to ask now.

Mr. DIEFENBAKER: Mr. Chairman, if my hon. friend is through, I wonder if I could ask a few questions now?

The VICE CHAIRMAN: Yes. But speak louder, please.

Mr. DIEFENBAKER: It is in regard to the production of the file that was asked for the other day.

Mr. BERTRAND: Is that following along the same subject?

Mr. DIEFENBAKER: No.

Mr. BERTRAND: I should like to ask a few questions before we leave the present subject, if you do not mind, Mr. Diefenbaker.

Mr. DIEFENBAKER: No, I do not mind. Go ahead.

By Mr. Bertrand:

Q. Mr. Chairman, may I just say that I was very much interested in the questions asked by Mr. Hackett, one of the exponents, shall I say, of the old type aristocratic politics, and I compliment him for it. I think what was referred to in his questioning this morning was the free period of time on the C.B.C. with regard to the controversy on the plebiscite of 1942. Is that correct?

Mr. HACKETT: Yes.

Mr. BERTRAND: Was that controversy considered by the C.B.C. as a political controversy?

Dr. FRIGON: You mean party politics?

Mr. BERTRAND: I mean the plebiscite in 1942. Was it considered as a political controversy?

Dr. FRIGON: Well, that is very difficult to answer at this time, especially by myself.

Mr. BERTRAND: All right.

The VICE CHAIRMAN: I do not think it is a fair question.

By Mr. Bertrand:

Q. That is all right. I will not press that question, then. But apparently there is a White Paper controlling the free time to be given on the CBC on political controversies. Is that correct?—A. That is right. It lays down the principles.

Q. Was there a standard by which the C.BC. could justify itself in giving free time to other parties than to the parties that were given time during that controversy?—A. I am afraid, Mr. Chairman and Mr. Bertrand, that I am rather at a loss, not being familiar with that, not knowing this was coming up and not having looked into the background of the whole thing. The White Paper does lay down—I think it was in a different form at the time—the principles governing broadcasting by political parties. Perhaps Dr. Frigon could answer that.

Dr. FRIGON: I think the answer there might be this, that there were different parties who pleaded in favour of an answer "yes", and certain groups in Quebec who wanted the voters to vote "no". Whether you call it political or otherwise, I do not know. It was not a party political issue. It was an issue as to a measure to be taken by the country. Whether it was voted down or sustained, it did not affect any particular political party, to my understanding.

Mr. HACKETT: I should like to say this, Dr. Frigon, if you would permit the interjection, and I do not object to your not wishing to define what is a political issue. I think we must realize that it was put forward by the government of the day and admit that fact. It probably is not necessary to go any further. It did constitute an issue.

Mr. BERTRAND: Then I want to put one further question. Was the C.B.C. justified, according to the standard of the White Paper, in giving free time to any other organization than the one it gave free time to during that controversial period on the plebiscite?

Dr. FRIGON: Would you repeat that question, please? I did not quite catch it.

Mr. BERTRAND: Yes. According to the White Paper and the standard established there, was the C.B.C. able to give free time to any other organization than the one it gave it to during that controversial period of the plebiscite of 1942?

Dr. FRIGON: I think so; and I think it did.

The VICE CHAIRMAN: Dr. Frigon, is it not a fact that since 1942 there were two radio committees; there were two committees that sat on radio broadcasting?

Dr. FRIGON: That is right.

The VICE CHAIRMAN: Were those questions brought up in 1943 and 1944?

Dr. FRIGON: Not to my recollection.

The VICE CHAIRMAN: There was one in 1942.

Dr. FRIGON: Yes, after the plebiscite.

The VICE CHAIRMAN: After the plebiscite in 1942.

Dr. FRIGON: Yes. There were two committees sitting since the plebiscite was taken.

The VICE CHAIRMAN: And this matter was not brought up. There was one in 1943?

Dr. FRIGON: I am sorry. There were three committees which sat.

Mr. BERTRAND: Was there any request made by those who were in favour of the "no" vote, asking for free time on the C.B.C. at that time?

Dr. FRIGON: There was.

Mr. BERTRAND: Was it granted?

Dr. FRIGON: Not in Quebec.

Mr. BERTRAND: Not where?

Dr. FRIGON: Not in Quebec.

Mr. BERTRAND: Was it granted elsewhere?

Dr. FRIGON: I do not know whether there was a request anywhere else to use the CBC for the "no" side.

Mr. BERTRAND: Would you tell us why it was refused in Quebec?

Dr. FRIGON: I just told you, I do not know why. If you asked me my opinion now, I think it might have been a mistake. That is all I can say.

Mr. ROSS (*Hamilton East*): Who would ask you in the province of Quebec for that right, Dr. Frigon?

Mr. BERTRAND: I do not think we should ask that.

Dr. FRIGON: The right of broadcasting on a given station?

Mr. ROSS (*Hamilton East*): In 1942.

The VICE-CHAIRMAN: Order.

Mr. ROSS (*Hamilton East*): When the plebiscite bill came in in 1942, it was a federal matter. Am I right?

Dr. FRIGON: Yes.

Mr. ROSS (*Hamilton East*): It had to do with this parliament?

Dr. FRIGON: Yes.

Mr. ROSS (*Hamilton East*): And at that time there were only four parties represented in this House?

Dr. FRIGON: Yes.

Mr. ROSS (*Hamilton East*): Liberal, Conservative, C.C.F. and Social Credit. They were the only ones that had a right to ask for time on the CBC. Would I be right on that question?

Dr. FRIGON: Yes. If the broadcast was assumed to be political, then it would come under the division of time as provided for in the White Paper, yes.

Mr. Ross (*Hamilton East*): It could not be political when each of these parties voted in the House for that bill and they were all in favour of it. Why would there be anybody from this parliament who would want to speak against that bill in any province?

The VICE-CHAIRMAN: Oh well, Mr. Ross. You do not need to answer that, Dr. Frigon.

Dr. FRIGON: Any individual had a right to speak, I suppose, if he had a good case to submit.

Mr. BERTRAND: According to the White Paper you claim that you were able to give some time to those who had that view?

Dr. FRIGON: I think we could have, yes.

The VICE-CHAIRMAN: Gentlemen, I wish to tell the committee that the file which was requested by Mr. Diefenbaker the other day about the time of the Toronto *Daily Star* on a CBC station in Toronto has been tabled by the CBC as requested.

Mr. DIEFENBAKER: Possibly I might ask some questions on that now.

The VICE-CHAIRMAN: Yes.

Mr. DIEFENBAKER: I do not know whom to direct my questions to—possibly to Dr. Frigon. Possibly if that was cleared up, it would help the situation.

Dr. FRIGON: I will try to answer them, if I know the answers.

Mr. DIEFENBAKER: I will try to follow the file of which you were so kind as to give me a copy. On August 18, 1937, the Toronto *Star* asked for the privilege to broadcast over CBL in Toronto, did it not? I refer you to the letter of August 18, 1937, from Mr. Hindmarsh to Mr. Murray, in which he said:—

> You were good enough to remark that in your opinion we seemed to have a moral right to this privilege and I greatly appreciate the fair view you took of the matter.
>
> Immediately following the closing of our veteran station CFCA, we were given newscasting privileges over the commission station CRCT and have maintained the newscast regularly since that time. Our present hours are from 8.00 to 8.15 a.m. and from 6.15 to 6.30 p.m.

Dr. FRIGON: Yes.

Q. Yes.

Mr. BERTRAND: What was the date?

Dr. FRIGON: As a matter of fact, it was a renewal of the privilege that they had before.

Mr. DIEFENBAKER: As a matter of fact, at one time the Toronto *Star* owned a station CFCA and it closed it down; then CBC established station CRCT.

Dr. FRIGON: That was established by the CRBC.

Mr. DIEFENBAKER: Yes, and following that, the *Star* did broadcast over CRCT.

Dr. FRIGON: Yes.

Mr. DIEFENBAKER: Then, in 1937, upon the establishment of CBL the *Star* asked for the privilege of broadcasting on free time for two periods of 15 minutes each day. Is that correct?

Dr. FRIGON: Yes.

Mr. DIEFENBAKER: Now then, there was some considerable discussion regarding the subject and finally I refer you to the letter of May 17, 1938, a letter from the general manager to the Toronto *Star*:—

> As you know, I have had to bend over backwards to keep the *Star* identified with the new 50,000 watt Ontario regional transmitter. I have felt that your zealous support and your pioneering have deserved special treatment.

Do I quote the letter correctly?

Dr. FRIGON: Yes sir.

Mr. DIEFENBAKER:

> Nevertheless, it has to be kept in mind that sooner or later the situation will have to be regularized in terms of the press as a whole. By this, I do not mean the exclusion of the personality of the *Star* from the air, but rather its transfer to a 1,000 watt transmitter which we contemplate installing for the provision of a service alternative to that of the 50,000 watt regional transmitter.

Do I summarize this properly, that the arrangement between the *Star* and the CBC was never regularized by any resolution of the CBC board of governors, or by any agreement between the *Star* and the CBC. It has continued ever since on a verbal basis.

Dr. FRIGON: I do not know of any resolution. I think it has been carrying on ever since.

Mr. DIEFENBAKER: And from time to time there have been objections raised by the Canadian Press and others to the continuation of this privilege.

Dr. FRIGON: I do not think so, not that I know of.

Mr. DIEFENBAKER: I will come to the letter in a moment.

Dr. FRIGON: All right.

Mr. DIEFENBAKER: One of the reasons given for the granting of this right, and I refer you to the letter of April 19, 1938, to the *Daily Star* from the general manager, page 2: one of the reasons given is that the broad general support which the *Star* had given to the corporation and to the principles for which it stands, is a consideration that the CBC had before it in agreeing to the free time. Do I read correctly, from the top of page 2?

> We are not unmindful of the many courtesies and the broad general support which the *Star* has given to the corporation and the principles for which it stands. That has meant much to us and the whole plan of nationalization.

Do I read correctly?

Dr. FRIGON: Yes, but I am trying to get the meaning of the whole letter from that one paragraph.

Mr. DIEFENBAKER: Yes.

Dr. FRIGON: I would like to comment on the fact that this is from the commercial manager of the CBC, not the general manager.

Mr. DIEFENBAKER: I beg your pardon; it is from the commercial manager, Mr. Weir, to the *Star*.

Dr. FRIGON: That is right.

Mr. DIEFENBAKER: Well, Mr. Weir would not write without the consent and approval of the general manager, would he, in a matter such as that?

The VICE-CHAIRMAN: That is not appropriate for this witness to answer. You may draw that inference, if you like, and argue it, of course.

Mr. DIEFENBAKER: Possibly I had better put it this way: is it customary for the commercial manager to be authorized to write a letter such as that?

Dr. FRIGON: I am trying to read the letter now and find out what it means.

Mr. DIEFENBAKER: I see.

Dr. FRIGON: One paragraph may have a different meaning from the letter taken as a whole.

The VICE-CHAIRMAN: Is that the letter dated April 19, 1938?

Mr. DIEFENBAKER: It is the letter dated April 19, 1938.

Dr. FRIGON: You will notice, in the first paragraph, that the commercial manager there raised the commercial question as to whether there should be compensation from the Toronto *Star* for the time they use on CBL.

Mr. DIEFENBAKER: That is right.

Dr. FRIGON: So this paragraph is just kind of a courtesy paragraph which has not the importance that it might have if read alone.

Mr. DIEFENBAKER: So that we may understand each other perfectly, when Mr. Weir wrote that letter, one of the matters that the corporation considered worth while mentioning was the granting of free time to the Toronto *Daily Star*. He said that its support had meant much to the whole plan of nationalization. That was just a courtesy. Now then, going on down—if there are any letters in between that you care to refer to in order to clarify the matter, I would be glad to have you do so. The next important letter is dated October 20, 1938, a letter to the managing editor of the Toronto *Star* from Mr. Gladstone Murray. It says, "With the establishment of the two new 50,000-watt transmitters next year, that is CBA and CBK, there is likely to be a comprehensive new arrangement with the Canadian Press which might affect the Toronto *Star* newscasts on CBL". With the establishment of these stations did you have correspondence with the Toronto *Star* with reference to the continuation of the broadcasts on free time? Did you finally decide that you would just let the relationship continue without having that formalized or approved?

Dr. FRIGON: I am sorry I did not quite get the meaning of your question.

Mr. DIEFENBAKER: The *Star* insisted on a continuation of the free time.

Dr. FRIGON: Yes.

Mr. DIEFENBAKER: The reason the *Star* gave was in its letter of October 24, 1938, that Mr. Atkinson felt that the *Star* should not be placed in any position inferior to that of the other Toronto papers; that was the attitude of the *Star*.

Dr. FRIGON: Yes.

Mr. DIEFENBAKER: The other Toronto papers, one or the other of them, had space on private stations?

Dr. FRIGON: Yes.

Mr. DIEFENBAKER: The reason that CBC continued giving the *Star* this free time was because of the fact that the other newspapers had outlets on other private stations?

Dr. FRIGON: That could be one of the reasons.

Mr. DIEFENBAKER: That was the reason that was given? On July 3, 1939, the CBC asked the *Star* to give up one fifteen-minute period a day to be taken over by the Canadian Press, did it not?

Mr. HACKETT: Who wrote that letter?

Mr. DIEFENBAKER: Mr. Gladstone Murray.

Dr. FRIGON: Yes.

Mr. DIEFENBAKER: And an appeal was made to the Toronto *Star*, it being a member of the Canadian Press, to permit this compromise being arrived at?

Dr. FRIGON: Yes.

Mr. DIEFENBAKER: Then taking the letter of October 5, 1939, Dr. Frigon, with the outbreak of war the CBC asked the *Star* to allow the Broadcasting

Corporation to regain control of ten minutes on one of the broadcasting hours—6.15 to 6.25—and pointed out that this would mean much additional revenue in view of the heavy emergency commitments which the CBC would be bound to carry during the period of the war?

Dr. FRIGON: Yes.

Mr. DIEFENBAKER: And at that time, apparently, the CBC felt that it was losing considerable revenue, and having regard to the demands of war, that everything should be done to assure that all available revenue should come into the CBC coffers?

Dr. FRIGON: Yes, that is what the letter says.

Mr. DIEFENBAKER: What attitude did the *Star* take with regard to that; they refused it, did they not?

Dr. FRIGON: On October 11 there is a letter from Mr. Wheeler to Mr. Murray saying, "We are in receipt of your letter of October 5, and are quite agreeable to confining our evening broadcast to ten minutes, that is, from 6.15 to 6.25 p.m."

Mr. DIEFENBAKER: They accepted a reduction of five minutes?

Dr. FRIGON: Apparently they did.

Mr. DIEFENBAKER: And is it not a fact that again on December 10, 1940, in a letter dealing with the whole question, the CBC pointed out to Mr. Atkinson of the Toronto *Daily Star* that, "The co-operation of the *Star* has been invaluable to us at all times and I hope that the future will offer us many opportunities to work together for common purposes."

Dr. FRIGON: Yes.

Mr. DIEFENBAKER: That spirit of co-operation has continued right up to the present, has it not?

Dr. FRIGON: Yes, it is written there.

Mr. DIEFENBAKER: It has continued all the way along up to the present.

Dr. FRIGON: Correct.

Mr. DIEFENBAKER: I notice, too, that there is a memo attached to the telegram of March 26, 1941, pointing out the advantages of the 5.45 p.m. period: "I spoke to Mr. Hindmarsh on the telephone and put to him the suggestion that the *Star* be restored to CBL . . ." The *Star* must have been removed for a period from this free time?

Dr. FRIGON: Perhaps Mr. Bushnell will help me.

Mr. BUSHNELL: I believe that is correct. I would think it was for a few months.

Mr. DIEFENBAKER: The reason for its continuance was that the CBC felt they ought to have their period for their own use?

Mr. BUSHNELL: That particular period in which the *Star* had been broadcasting.

The CHAIRMAN: I wonder if you would permit this observation with reference to your question relating to the letter of December 10, 1940? That letter was the one you were referring to when you referred to the co-operation of the *Star* having been invaluable to CBC Mr. Murray dictated it. I suggest to you that to extract that paragraph relating to the co-operation generally it is probably not conveying adequately the whole intent of Gladstone Murray at the time he wrote that letter. I draw to your attention that he has been asking Mr.

Atkinson for some concession and Mr. Atkinson has agreed and he says in answer to him, "your co-operation is invaluable and thank you very much for the consideration given." I will read this letter:—

CANADIAN BROADCASTING CORPORATION,

December 10th, 1940.

Dear Mr. ATKINSON,

I hope very much indeed that you will see your way clear to allowing Gregory Clarke to co-operate with us on the series discussed with you yesterday on the telephone. I recognize, however, that it is only right that you should convince yourself first of all of the value and substantial nature of the series. If we could get Gregory Clarke occasionally on the air on worthwhile subjects, it would do something to offset the loss which you will sustain from the introduction of the new contract with the Canadian Press on January 1st. Under this contract we are bound to refrain from the acknowledgment of any news agency or newspaper in connection with any news broadcast on CBC stations and networks.

The co-operation of the *Star* has been invaluable to us at all times and I hope that the future will offer us many opportunities to work together for common purposes.

With kind regards,

Yours sincerely,

(Sgd.) GLADSTONE MURRAY,
General Manager.

J. E. Atkinson, Esq.,
President,
The Toronto Daily Star,
80 King Street West,
Toronto, Ontario.

Mr. DIEFENBAKER: I was pointing out a moment ago that in the memorandum attached to the telegram dated March 24, 1941, Mr. Murray says:—

I would have to have a letter from the Canadian Press confirming the verbal assurance that this was not contrary to their understanding of the new arrangement with us.

Then a little later on it says:—

Mr. Hindmarsh seemed delighted, his only misgiving being about the 5.45 p.m. period. He thought it was too early in the evening. I assured him, however, that it was the best we could do and that he should keep in mind that the *Star* newscast would be the first of the Toronto group of newscasts, morning and evening.

Is that correct?

Dr. FRIGON: Yes, sir.

Mr. DIEFENBAKER: So that the 15-minute periods in question both morning and afternoon were particularly good periods as far as the distribution of news is concerned?

Dr. FRIGON: I would not say that.

Mr. DIEFENBAKER: You would not say that?

Dr. FRIGON: No.

Mr. DIEFENBAKER: The fact they were the first of the newscasts morning and afternoon would not convince you of their value?

Dr. FRIGON: No, sir; I do not think 5.45 is a good time for a newscast on any station.

Mr. DIEFENBAKER: What about the question as to whether or not they were the best available periods for newscasts?

Dr. FRIGON: No; I would repeat that 5.45 p.m. is not the best time for a newscast on any station.

Mr. DIEFENBAKER: But was it the best available one having regard to the times that were open to be taken up?

Dr. FRIGON: I could not tell you.

Mr. DIEFENBAKER: Now then, Mr. Bushnell mentioned that for a period of time the *Star* was off the air. There is not anything in the record at all, is there, to show what took place or what arrangement was made between the *Star* and the CBC which resulted in the *Star* once more securing these periods?

Dr. FRIGON: I do not find anything, and I cannot recall from memory because I did not handle these deals personally. As you know, Mr. Murray is not with us any more, and he transacted all these matters.

Mr. DIEFENBAKER: All you are doing, as a matter of fact, is giving the record as you find it?

Dr. FRIGON: I am trying to follow you as best I can.

Mr. DIEFENBAKER: There is, however, a reference that the Canadian Press finally approved of the return of the *Star* to the air, is there not, on the 26th of March, 1941?

Dr. FRIGON: That appears in the telegram from Mr. Hindmarsh to Mr. Murray.

Mr. DIEFENBAKER: Yes. Again you are depending entirely upon your examination. There is nothing anywhere in this file to show any agreement or any other arrangement?

Dr. FRIGON: May I point out that in the same telegram there is a sentence which seems to indicate that the Toronto *Star* was not very pleased with the arrangements. It says:—

> After considering very carefully the change of hours we find that our audience is still looking for us at our old times of 8 a.m. and 6.15 p.m., and we do not believe that we and they could be satisfied if we came on the air at other times.

Mr. HACKETT: What is the date of that telegram?

Dr. FRIGON: March 26, 1941.

Mr. DIEFENBAKER: Now then, finally on the 26th of March, 1941, the terms of the arrangement were set forth, were they not, in a letter from the general manager to Mr. Hindmarsh?

> Your telegram to Ottawa has been repeated to me here to-day and now we have a letter from Mr. McNeil giving concurrence of the Canadian Press subject to the condition that our own news service is not interfered with.

Then after dealing with the hours it says this:—

> Keeping in mind that it is important as much from our point of view as yours that the arrangements now entered into should be reasonably secure and should be able to stand up to attack from various quarters, not excluding the *Globe and Mail*, I would like you to consider a kind of quid pro quo in terms of the publicity in the *Star*. A rough basis might be equivalent value at card rates. This, of course, would not affect the customary free time which you get for your fresh air and Christmas funds

or any other patriotic or charity effort you might undertake. Would you consider for example giving the CBC a special spread at the top of your radio page?

Is there any reply to that letter on the part of the *Star*?

Dr. FRIGON: I do not see any.

Mr. DIEFENBAKER: On April 1, 1941, the general manager in the last paragraph of his letter used these words, did he not, not having received any reply to the previous letter:—

> We are ready to proceed with the arrangements as soon as you accept the proposal.

Is that correct?

Dr. FRIGON: I should like to read the rest of the letter and see what it means. The letter starts this way:—

> Further to my letter offering to restore the *Star* to CBL at 7.30 a.m. and 5.45 p.m. If this offer is accepted, as I hope it will be, the following standardized formula should be used. This is exactly parallel to the formula which the Toronto *Evening Telegram* in future will use over CFRB. It is presumed, of course, that your news will be sustaining and carried by us at no cost.

Then it gave the announcements to be read.

Mr. DIEFENBAKER: They also suggest a theme song in that letter:—

> Incidentally, it has crossed my mind that you might care to develop some characteristic theme song which the public would learn to associate with your newscast.

He did not give any suggestion as to what the theme song should be?

Dr. FRIGON: No, sir.

The CHAIRMAN: A bas the *Globe and Mail.*

Mr. DIEFENBAKER: What is that?

The CHAIRMAN: A bas the *Globe and Mail.*

Mr. DIEFENBAKER: Now, before you leave that, there is no other letter in the file that in any way sets forth any other arrangement, or any arrangement other than those to which you have referred?

Dr. FRIGON: No, sir.

Mr. DIEFENBAKER: And this service therefore has continued since the 23rd of August, 1937, to date?

Dr. FRIGON: Yes. Of course, you will note that these newscasts were on the station operated by the CRBC.

Mr. DIEFENBAKER: They were put on over the CRCB station?

Dr. FRIGON: Yes, sir.

Mr. DIEFENBAKER: Wasn't that up until 1937?

Dr. FRIGON: It is the same continued service as we have now, but the station has moved to a new location and has higher power. It is the same service continuing.

Mr. DIEFENBAKER: What was the power of CRCB?

Dr. FRIGON: Five kilowatts.

Mr. DIEFENBAKER: And CBL is 50?

Dr. FRIGON: That is right.

Mr. DIEFENBAKER: Were your advertising rates the same on CRCB as they were on CBL?

Dr. FRIGON: No.

Mr. DIEFENBAKER: How much did you increase the rates when you established CBL?

Dr. FRIGON: I could not tell you the proportion, but it was in proportion to the rate of increase in coverage I suppose.

Mr. DIEFENBAKER: It would be about six to one, would it?

Dr. FRIGON: Oh, no, nothing like that.

Mr. DIEFENBAKER: Have you got the figures with you at all? You have not got those figures?

Dr. FRIGON: No.

Mr. DIEFENBAKER: It was tremendously increased anyway?

Dr. FRIGON: It all depends on what you call a tremendous increase. It was such an increase as you might expect for a station increasing in power from 5 kilowatts to 50 kilowatts. It was not anything like six, or even five, or even four times. It was not a considerable increase.

Mr. DIEFENBAKER: Would you mind looking that up for us?

Mr. HACKETT: It was more than doubled was it not, Dr. Frigon?

The CHAIRMAN: While Dr. Frigon is looking up the material with which to answer that question I should like to say for what it is worth, in my judgment we cannot finish this morning. Do you agree that it would be appropriate to fix a time for a meeting this afternoon?

Mr. BEAUDOIN: We should be able to finish this morning.

The CHAIRMAN: I would be happy if that were so.

Mr. HANSELL: I have a few questions which will not take long to get answered, almost yes or no.

The CHAIRMAN: Well, there are twenty minutes yes. What is your judgment there, have you finished, Mr. Diefenbaker?

Mr. DIEFENBAKER: I am just about through.

The CHAIRMAN: Mr. Hackett?

Mr. HACKETT: Mr. Fleming who has been called away has some questions that he is very anxious to put and I am sure the committee will be glad of any assistance that might come through his questions.

The CHAIRMAN: I didn't make any answer.

Mr. HACKETT: No. I did not want to be put in the unenviable position of asking questions for someone else.

Mr. BEAUDOIN: Would it not be possible for Mr. Fleming to put his questions on the record and have the CBC answer them later to him directly?

Mr. HACKETT: No, it would not.

The CHAIRMAN: Well, gentlemen, we might as well consider this now. There are twenty minutes left this morning. Mr. Fleming wants to ask some questions. Let us assume for purpose of argument—and it is a pure assumption, a gratuitous assumption—that this committee would not decide to accord that time to Mr. Fleming; and that being the case that some person for him would ask questions until one o'clock and Mr. Fleming would thus have an opportunity of coming in. We might just as well face that—and I am not looking at any particular person when I make that statement.

Mr. HACKETT: Of course not, but I have been looking at you most earnestly.

The CHAIRMAN: Yes. Well, now, if you do not agree that we can finish by one o'clock then I think we may as well decide right now what time we will sit this afternoon.

Mr. HACKETT: What is a convenient time to you, Mr. Chairman?

The CHAIRMAN: I am tied up here and elsewhere anyway. Any time. It really does not matter. I shall have to arrange to be here rather than elsewhere so time does not matter.

Mr. BEAUDOIN: Is it your contention, Mr. Chairman, that if we cannot be present at a meeting we can keep the committee from closing its sessions and letting the witnesses go?

Mr. CHAIRMAN: What was that, again?

Mr. BEAUDOIN: I say, is it your contention that if members have questions to ask and are not present they can keep the committee in session until they have an opportunity of appearing and completing their questioning? I happen to know two members who are not here to-day but who have questions they would like to ask; is it your contention that if they are not able to be here to-morrow the committee's sessions could be held open until they are here?

The CHAIRMAN: I was not suggesting that I would make any ruling on the subject. I was just discussing the thing in a realistic way. Every person in the country will agree that it is possible to keep a committee in session past adjournment time, and such being the case I do not think that you could close off the committee. That is the point. Just realism, I am afraid.

Mr. BEAUDOIN: I know for a fact members who could not be present to-day told me they would have questions to ask. I reminded them that we were trying to finish up to-day. We almost finished last Friday, as a matter of fact. So they said all right, let it go. But if this committee goes on this afternoon because Mr. Fleming is not here to ask questions, I am going to put forward my request that the committee sit to-morrow for these two other members who could not be here to-day and who have questions they want to ask.

The CHAIRMAN: Again, such a request would be in the hands of the committee and would be dealt with.

Mr. HANSELL: Let's not take up so much time discussing procedure.

The CHAIRMAN: I will ask somebody to move one way or the other, that the committee conclude its sessions at 1 o'clock or that it shall sit this afternoon, or, make some sort of motion. Or if you like, I will propound a question to you and ask you to vote on it, whichever you think is the shortest way of proceeding.

Mr. HACKETT: I am willing to accept your suggestion, Mr. Chairman, as far as I am concerned.

The CHAIRMAN: Take this as a motion and decide upon it: that the committee will sit this afternoon at 2.30.

Mr. HANSELL: That is too soon. It gives us only an hour and a half.

The CHAIRMAN: That is too soon, it is said. Then at 3 o'clock.

Mr. Ross (*St. Paul's*): That is all right.

The CHAIRMAN: I do not desire it, but that is not the point. At 3 o'clock this afternoon. That is like a motion. It is open for discussion. Those in favour of the suggestion of meeting at 3 o'clock this afternoon, hands up. Opposed, if any?

Motion negatived.

That motion is lost. That means that we do not sit at 3 o'clock this afternoon.

Mr. HANSELL: Then I will ask my questions now.

The CHAIRMAN: I will put the suggestion the other way, that this committee will conclude its meetings, except in camera meetings, at 1 o'clock to-day.

Mr. BEAUDOIN: Oh well, if there are a few more questions and we have a few moments now, I do not object. We could go on to 1.15 if necessary.

The CHAIRMAN: We will conclude at 1.15, it is suggested.

Mr. HACKETT: Well, Mr. Chairman—

The CHAIRMAN: This is just like a motion, you know.

Mr. HACKETT: I know, but we have fixed hours for sitting and it is hardly fair to upset that practice. I do not see any reason to depart from the 1 o'clock adjournment hour.

The CHAIRMAN: The suggestion I am making that you should vote upon is that this committee's open hearings will conclude at 1 o'clock to-day. Is there any discussion?

Some Hon. MEMBERS: Carried

Mr. HACKETT: No.

The CHAIRMAN: All right. No discussion. Those in favour? Opposed, if any?

Motion agreed to.

Mr. HACKETT: I wish to say, Mr. Chairman—

The CHAIRMAN: I think some person ought to regularize that by making it a motion.

Mr. HACKETT: Mr. Chairman, I wish to point out at this time—

The CHAIRMAN: Order, please, gentlemen. Mr. Hackett has the floor.

Mr. HACKETT: Mr. Chairman, I wish to point out at this time that the committee has been advised that a particular member who has been most consistent in his attendance here has been called out of the committee for a few moments. He has questions to ask and it is going to be rather unfortunate, I think, if he is not permitted to ask them. He has prepared these questions. We have reached the adjournment time, the time we have always adjourned throughout the sittings; and to deny him the privilege of putting his questions is not in the best spirit or in accordance with the spirit which has dominated these sittings for the last few weeks. I think if that were done we should be closing upon a note that would be discordant.

Mr. BEAUDOIN: Mr. Chairman, I think the remarks of Mr. Hackett should have been made before the first motion was put.

The CHAIRMAN: I think you are right about that. I think I may have been remiss in not calling him to order.

Mr. HACKETT: I was given no opportunity.

The CHAIRMAN: I will not permit two mistakes on my part by allowing response to it. Dr. Frigon was looking up some information and is prepared to answer the question put by Mr. Diefenbaker.

Mr. HACKETT: There is no chance of going on. You are going to conclude at 1 o'clock.

The CHAIRMAN: Yes. But it is not 1 o'clock yet. Mr. Diefenbaker has an unanswered question and has a right to receive an answer to it.

Dr. FRIGON: You asked what might have been the increase in rate between CRCT and CBL.

Mr. DIEFENBAKER: Yes.

Dr. FRIGON: I have not the figures here, but I might answer that by saying that, generally speaking, a 5 kilowatt station operating, say, in Toronto, may have a rate of something like $150 per hour as a basic rate and a 50 kilowatt station in the same market may have a basic rate of $300 per hour or more.

Mr. DIEFENBAKER: In other words, it is more than two to one?

Dr. FRIGON: It is about that.

Mr. DIEFENBAKER: It is an increase of more than two to one when the station was raised from 5,000 to 50,000 watts.

Dr. FRIGON: It is about two to one.

Mr. DIEFENBAKER: When the station was raised from 5,000 to 50,000 watts. Now, have you had a search made of the records with a view to ascertaining whether there was any correspondence with the Canadian Press relative to this matter?

Dr. FRIGON: We have not found any correspondence on this matter respecting the press.

Mr. DIEFENBAKER: Take an ordinary advertising programme regardless of what the rate may be, do you have any regular agreement executed by both parties?

Dr. FRIGON: All commercial agreements, of course, are signed on the regular form.

Mr. DIEFENBAKER: How would you show this on your books, how would you show those two 15-minute periods, when you were giving free time?

Dr. FRIGON: It would be classified as a sustaining programme and therefore would not go in the books, not any more than our own broadcasts are accounted for in the books.

Mr. DIEFENBAKER: I see; it would appear on your books in the same position as if it were a CBC programme.

Dr. FRIGON: It would not appear at all in our accounting books because sustaining programmes are not charged anything, of course; in the case of news, the personnel does the work and there is no special entry in the books.

Mr. DIEFENBAKER: Over the last few years, is it not a fact that a very strong objection has been taken by your own officials to this matter?

Dr. FRIGON: Well, the matter has been discussed at different times, as shown by one of the letters here, as to whether the *Star* should not give us some space by way of payment. Now, as to how frequently this came up, I could not tell you.

Mr. DIEFENBAKER: But during your period as general manager it came up on several occasions, did it not?

Dr. FRIGON: No, I would not say so. We discuss all sorts of matters pertaining to programmes; that must have been one of the matters discussed, but I do not recall anything specific.

Mr. DIEFENBAKER: You do not recall any specific instance?

Dr. FRIGON: No.

Mr. DIEFENBAKER: Would a matter such as this be brought before the board of governors?

Dr. FRIGON: Not officially. I do not think there is any reference to this particular broadcast in the minutes of the board meetings, not that I remember.

Mr. DIEFENBAKER: You would remember whether, since 1937, any reference was made to the question of the maintenance or continuance of this scheme?

Dr. FRIGON: I cannot recall any minutes pertaining to this particular broadcast.

Mr. DIEFENBAKER: Then, my difficulty is this, Dr. Frigon; there being no minutes, who in your body, who in the corporation made the decision in 1941 that the *Star* should be reinstated? You have not any official documents; you have not any official minutes.

Dr. FRIGON: Whether the decision originated with the programme division or not, I do not know; but ultimately the general manager must approve of the move.

Mr. DIEFENBAKER: So, as I understand it, then, under your business practice, the general manager, without any resolution on the part of the board of governors, or any other body, may dispose of the time and dispense a period of 30 minutes to any person in this country without payment?

Dr. FRIGON: Well, of course, he is responsible to the board.

Mr. DIEFENBAKER: I beg your pardon.

Dr. FRIGON: Well, of course, he is responsible to the board; and if the board notes any decision on his part which it does not like, then it is up to the board to call his attention to it.

Mr. DIEFENBAKER: But if the board does not get the opportunity! Otherwise there would be a notice or a resolution covering the matter. You do not, seriously suggest that the board of governors did not know of this decision?

Dr. FRIGON: I have told you that the minutes of the meeting do not carry anything about the decision with respect to the Toronto newscast. As to whether the members of the board knew about it, I am sure that those members of the board who lived in Toronto knew about it, for one thing.

Mr. DIEFENBAKER: So it was a matter of common knowledge?

Dr. FRIGON: No, I would not say it was "common knowledge", to our governors living in Vancouver or living in Halifax; but it would be common knowledge for those who, for any particular reason, would be aware of these broadcasts.

Mr. DIEFENBAKER: Who, in the board of governors in Toronto, would have a particular reason for knowing about it?

Dr. FRIGON: The governors who lived in Toronto since 1942.

Mr. DIEFENBAKER: And there has never been any complaint raised by the board of governors regarding this matter?

Dr. FRIGON: That is a diffcult question to answer because all sorts of matters are discussed between individual governors and the general manager. As to whether they made an issue of this or not, I do not know.

Mr. DIEFENBAKER: Take Mr. Dunton's position; would this matter be brought to Mr. Dunton's attention?

The WITNESS: It did come to my attention; I heard about the thing just several months ago and I made some inquiries when I was told there was an old arrangement made which had just gone along; the old arrangement went back to the days of the old commission; and I would have investigated the whole basis of the thing if it had not been for the pressure of the work of this parliamentary committee.

By Mr. Diefenbaker:

Q. How long ago was it that you just found out about it?—A. As I remember, I heard about it during the winter at some period when I was in Toronto. It was just a local thing in Toronto; and then, sometime during the spring, when I was looking over notes about things I wanted to check up, I noticed this thing and I began to make some inquiries. Then I found out that there was an old arrangement going back to the days of the commission and I made a further note to go back after the parliamentary committee to try to get the whole story.

By Mr. Bertrand:

Q. Could you tell us how many years the arrangement went back?—A. Apparently it dated back to the commission in 1932 to 1934, some time.

By Mr. Beaudoin:

Q. It started in 1933 or 1934.—A. I think there is a reference in this correspondence to its starting in 1933.

By Mr. Bertrand:

Q. Why were the arrangements made?—A. So far we have not been able to find anything apart from this file. The files of the old commission are pretty well dispersed.

By Mr. Beaudoin:

Q. Right from 1937, immediately following the closing of station CFCA we were given newscasting privileges over station CRCT. It would date back to 1932 to 1933. You are referring to newscasting privileges given over station CRCT following the closing of the Toronto *Star* station.—A. That is right.

Q. And that would date back to 1932-1933.—A. Yes; I am not sure of the exact year.

Q. Should the committee feel that the moral right of which Mr. Hindmarsh speaks in his letter of August 18, 1937 to Mr. Gladstone Murray does not exist to the same extent now as it did before, why would you be prepared to continue the broadcast?—A. A thing like that is something I would like to take up with the board.

Q. It has been considered before as a sustaining broadcast.—A. Yes.

Q. Which came within the jurisdiction of the director of programmes.—A. Yes, and the general manager.

Mr. HACKETT: Inasmuch as, under the resolution or motion which was passed, the hearings of this committee come to an end at one o'clock and inasmuch as it is now one minute to one, and inasmuch as this present matter cannot be concluded, and inasmuch as Mr. Hansell who has been here faithfully, has asked questions and has intimated that he wanted to ask some more questions, I am going to move, seconded by Mr. Ross (*St. Paul's*), that the committee revise these decisions which it reached some time ago, and consent to reconvene at an hour to be fixed, this afternoon.

The CHAIRMAN: I am sorry for the ruling I feel I have to make. I do not think that the motion is in order. I think such a motion would be in order if it were moved and seconded by persons who voted in the affirmative for that motion, but I do not think that one who voted on the losing side can, in the same session, make a motion such as you have made reversing the decision. I rule your motion to be out of order.

Mr. BEAUDOIN: Under the circumstances, in view of the remarks that we made previously to the second motion of Mr. Hackett, I wish to revise the stand which I took before and move now that we consider holding a session this afternoon.

The CHAIRMAN: I will accept that motion.

Mr. BERTRAND: It is now close to the hour of 1.05 and we can see that there is still some work to be done and I revise my attitude in regard to the motion.

The CHAIRMAN: Those in favour of the motion please signify?

Carried.

The committee adjourned to meet again at 3 o'clock p.m.

AFTERNOON SESSION

The committee resumed at 3 o'clock p.m.

The VICE-CHAIRMAN: I want to file with the clerk an answer to a question put by Mr. Coldwell and another answer to a question put by Mr. Fleming. You may proceed, Mr. Diefenbaker.

Mr. DIEFENBAKER: Dr. Frigon, I had just finished asking you whether there were any records whatever in the minutes of the corporation in relation to this matter, and your answer was that you had not been able to locate any?

Dr. FRIGON: That is right.

Mr. DIEFENBAKER: And that is correct?

Dr. FRIGON: That is right.

Mr. DIEFENBAKER: Now then, I have done a little bit of computing. According to your evidence the other day these two 15-minute periods are worth, on the basis of the number of periods in a year, $67.50 each, and there being two a day that would bring the value of those two periods to $42,250 a year. What is the deduction by the advertising agencies, 15 per cent?

Dr. FRIGON: Two 15 per cents, one after the other, 15 after 15.

Mr. DIEFENBAKER: Two 15s one on top of the other. Now, there being no record in regard to this question and the awarding of this advantage, was there at any time any direction from any of the ministers in charge of the department with reference to this matter?

Dr. FRIGON: There were no directions given to the corporation to my knowledge. There may have been some suggestions. I do not think the corporation has ever received any directive relating to it.

Mr. DIEFENBAKER: Did the corporation or any representative receive from 1937 to date any letter from any minister in regard to this matter?

Dr. FRIGON: I think there were one or two letters.

Mr. DIEFENBAKER: What dates would those letters be?

Dr. FRIGON: I know there is one from a minister. I do not remember the date now.

Mr. DIEFENBAKER: Would you find the date of that?

Dr. FRIGON: Apparently we have not got the complete file here, only the file we compiled for you.

Mr. DIEFENBAKER: You have the regular file with you here?

Dr. FRIGON: It is in the office.

Mr. DIEFENBAKER: Where do you mean in the office?

Dr. FRIGON: In the CBC office in Ottawa here. The last time I understood it was agreed we would file copies of letters exchanged between the Toronto *Star* and the CBC and that has been done.

Mr. DIEFENBAKER: That is true, but I am not asking about filing. I am just asking if there have been letters from a minister to the CBC. You say there are only two of them?

Dr. FRIGON: I can recall when looking through the files I found two letters. Both of them were to the CBC suggesting that we might review the possibility of having a newscast by the Toronto *Star*. One of them suggested we might also give the same offer to the *Globe and Mail*.

Mr. DIEFENBAKER: Was there any letter from any minister directing the CBC, or suggesting to the CBC, that this free time be allotted to the Toronto *Star*?

Dr. FRIGON: No, not directing or suggesting; as I said before one of the letters made the suggestion that the request of the Toronto *Star* deserved to be considered.

Mr. DIEFENBAKER: And favourably considered? Is that not correct? It says "favourably considered"?

Dr. FRIGON: I cannot recall the exact words, but what I remember of the letter is it simply calls the attention of the general manager to the advisability of reviewing the question. I do not recall that there was any suggestion of what should be done.

Mr. DIEFENBAKER: That letter was dated in what year?

Dr. FRIGON: I think it was 1941.

Mr. DIEFENBAKER: And that minister then would be Mr. Thorson?

Dr. FRIGON: In 1941 Mr. C. D. Howe.

Mr. DIEFENBAKER: Now then, who wrote the other one? When was the other letter written?

Dr. FRIGON: By Mr. Thorson.

Mr. DIEFENBAKER: And what was the nature of that letter?

Dr. FRIGON: Of the same nature if I recall properly. I do not remember the exact wording, but glancing through the letter I took it that Mr. Thorson, the same as Mr. Howe, was calling the attention of the general manager to this request and asking what could be done about it. I do not think in any of these letters there was any direct suggestion as to what we should do with it.

Mr. DIEFENBAKER: Possibly I will put it this way. Getting back to 1937 was there a letter in August of 1937 from the minister?

Dr. FRIGON: I cannot recall the dates. I only recall these two letters I have just referred to now, but I must admit I do not recall the dates and would have to consult the general file which is not in this room to-day.

Mr. DIEFENBAKER: I am just asking these questions without going into the direct wording. Is there a letter in August, 1937, from Mr. Howe to the CBC directing the CBC to honour the moral arrangement under which the *Star* had these two periods?

Dr. FRIGON: That would be the letter I have just referred to, and instead of 1942 it would be 1937.

Mr. DIEFENBAKER: Pardon?

Dr. FRIGON: That would be the letter I have just referred to. I made a mistake in the date; that would be 1937 instead of 1942. I can recall only one letter from Mr. Howe and one from Mr. Thorson.

Mr. DIEFENBAKER: When you said 1941 or 1942 I could not quite follow it.

Dr. FRIGON: That was my mistake.

Mr. DIEFENBAKER: And in consequence of that letter of 1937, was there any correspondence thereafter between the CBC and the Canadian Press in regard to the question of renewing this arrangement?

Dr. FRIGON: I cannot recall that, but I am told there might have been correspondence between the Canadian Press and the CBC on the matter.

Mr. DIEFENBAKER: You have two press services, the Canadian Press and the British United Press?

Dr. FRIGON: That is right.

Mr. DIEFENBAKER: And you pay Canadian Press how much a year?

Dr. FRIGON: $70,000.

Mr. DIEFENBAKER: And how much to the British United Press?

Dr. FRIGON: $25,000.

Mr. DIEFENBAKER: And in addition to that, with regard to the supply of news for the shortwave station at Sackville, is there some further payment?

Dr. FRIGON: Yes, there is; to the Canadian Press.

Mr. DIEFENBAKER: How much is that?

Dr. FRIGON: $40,000.

Mr. DIEFENBAKER: And have you, through the Canadian Press and the British United Press, sufficient facilities for securing all the news you need in order to satisfy your listeners?

Dr. FRIGON: Well, we have through the Canadian Press and the British United Press all the news that the newspapers receive from those two agencies. We do not subscribe to the Radio News Service, the radio service. We subscribe to the Daily Press Service. In other words, we get everything from those two agencies that the newspapers get. According to our present mode of operation, this is sufficient to give us all the material we need to write our newscasts.

Mr. DIEFENBAKER: As far as the demands of the listening public or the needs of the CBC for dissemination of news are concerned, there would be no demand for any additional news service such as that provided through the *Daily Star* over CBL.?

Dr. FRIGON: There would be a demand and there is a demand in certain cases for more strictly local news, and that could be best covered by a local station unless we ourselves go into that field.

Mr. DIEFENBAKER: And you say it would be economical and proper to give up time, the total cost of which would be some $42,000 a year in the city of Toronto, so that the people of Toronto may secure local news?

Dr. FRIGON: I should like to refer that to the board.

Mr. DIEFENBAKER: What would your opinion be as general manager? Or would you sooner not answer that question?

The VICE-CHAIRMAN: What was the question, please?

Mr. DIEFENBAKER: Having regard to the news services that now exist, there would be justification to lose $42,000 a year in revenue, in order to supply the city of Toronto with local news services.

Dr. FRIGON: I should like to have local news on all our stations; but if we start in that field it would mean quite an outlay of money, and I do not think we can afford it now.

Mr. DIEFENBAKER: I see. You made reference this morning to one letter in which it was stated that the *Daily Star* should not be in any inferior position to the other two papers in Toronto.

Dr. FRIGON: Did I? I do not recall that.

Mr. DIEFENBAKER: No. I say there was a quotation from one of the letters.

Dr. FRIGON: Oh, yes.

Mr. DIEFENBAKER: Which you made reference to. As far as other papers are concerned, any news services that they have are through arrangements with local private stations?

Dr. FRIGON: Yes.

Mr. DIEFENBAKER: I was very much struck with one letter here in regard to the Toronto listening audience, in reference to one man.

The VICE-CHAIRMAN: What is the date, please?

Mr. DIEFENBAKER: It is the letter of September 30, 1938. The portion I refer to reads as follows:—

My own feeling is that he is a little too unusual, perhaps too eccentric, for the more sophisticated audience of Ontario. His remarkable success in British Columbia and the prairies certainly earns him consideration.

Having regard to the sophistication of the Ontario audience, do you think the present services are sufficient without the facilities of CBL being used by a private station under these circumstances?

Dr. FRIGON: I am sorry. I was not able to read the letter and listen to your question at the same time.

Mr. DIEFENBAKER: I only picked out the sophisticated portion of the letter because it appealed to me.

Dr. FRIGON: What is your question? I have just read the letter.

Mr. DIEFENBAKER: I said, having regard to the sophisticated nature of the audience in eastern Canada as compared with those in the prairies—

The VICE-CHAIRMAN: In Ontario, sir.

Mr. DIEFENBAKER: Yes, in Ontario. Having that in mind, would you consider that the additional facilities provided in those two broadcasts by the *Star* you mentioned were needed?

Dr. FRIGON: I must admit I am no judge in the matter.

Mr. DIEFENBAKER: You cannot qualify as did your predecessor in office. I think I am through, with one exception. Possibly this question might be directed not to you but to Mr. Dunton.

By Mr. Diefenbaker:

Q. Mr. Dunton you said that you had this matter under consideration since the winter and made a notation on one of the files in the spring in reference to this matter.—A. I should like to correct that. It was not on a file; just on my own scribbles of things to do and look into.

Q. I see.

By Mr. Fleming:

Q. Personal agenda?—A. Yes.

By Mr. Diefenbaker:

Q. I think as a matter of fact, you did put it on file.—A. Perhaps I did. I did not remember having done that.

Q. And having regard to the notation and the apparent doubt that you had, the mental doubt, as to the continuance of this matter, have you brought the question to the attention of the board as well?—A. I have not yet, because as I explained this morning, I wanted first to get myself a good deal more familiar with the background of this arrangement that goes back into almost pre-historic times; try to get the background of it and then bring it forward to have a good look at it.

By Mr. Hackett:

Q. You have not been in your position for a very long time, have you?—A. Since last November.

By Mr. Diefenbaker:

Q. And you have not had a chance since last November to check that up? —A. As I say, it really came on—I really made enquiry about it just in the spring before this committee began. That is one of the things I noted to get before the board when the committee had finished.

By the Vice-Chairman:

Q. Will it be on your agenda at the next meeting of the board of governors? —A. I should imagine so, particularly after the discussion in this committee, Mr. Chairman.

The VICE-CHAIRMAN: Mr. Fleming.

Mr. FLEMING: Thank you, Mr. Chairman.

Mr. HANSELL: I think I can be through in about five minutes.

The VICE-CHAIRMAN: Very well, then, Mr. Hansell.

By Mr. Hansell:

Q. This is going back, Mr. Dunton, over some of the loose ends I have been sort of anxious to clean up in my own mind. You compared the work of the CBC in respect to community service which CFRB gave at the time of the big snowstorm in Toronto. Do I gather that your argument is that the CBC can give community service equal to that of private stations?—A. Mr. Hansell, I think that is mentioned by Dr. Frigon in just reviewing some of the things put before the committee. I think he made it pretty plain.

Q. I am not concerned now about the snowstorm.—A. Yes, that was an emergency; and in a case like that, the CBC station was trying to help out in the area covered. It is not the function of the CBC to try to give community service. Our job is to run a national broadcasting system; but in doing that, we feel we should try to give a certain amount of regional service. We do not claim that it is our function to do a regular community service. We feel, very strongly that is the job of the private stations which can do it much better.

Q. Yes; now, during the course of your brief and during the questioning, you have used the term "national radio system." What do you mean by that? Is that term inter-changeable with the CBC?—A. I would say, in my conception, it is the whole system of broadcasting used by the CBC which means, actually, publicly-owned facilities of the CBC plus the system of co-operating with other privately-owned facilities. For instance, various private stations at times form a part of our network. Therefore, to that extent, they are a part of the system, and the system reaches out through those stations at those times.

Q. It seems to me that when you use that term, "national radio system," or "Canadian radio system", your remarks seem to me particularly to apply to the CBC; and my question is: Are not the private stations, even at the present time, so co-ordinated as to form a part of the national system?—A. Yes, I had hoped that I had brought that out more clearly. We regard private stations, particularly those affiliated to the network, very much as part of the national system for these purposes; and we are glad of their co-operation.

Q. Now, referring to the notes I made as you were going along; you said: "This is the picture of what we required; and it is important, in that picture, to reach as many listeners as possible in Canada." What do you mean by "we"? Maybe I should have interrupted you at the time. Do you mean the CBC now, when you say "we"?—A. I would say the national broadcasting, the CBC broadcasting, put on largely through the revenue provided by the listeners, through the licence fees.

Q. There was another statement you made: "to bring good service to the whole populated areas of Alberta."—A. I think I was trying to differentiate there and explain that now a certain amount of broadcasting on the trans-Canada network reaches a good part of the population through the facilities of the private stations in Alberta, but that means on the whole commercial programmes plus reserved time programmes and certain others which they may carry; but we are trying to provide the area with full service which is available on the network and which would be carried by the CBC operated stations.

Q. I was wondering if the inference was that the people of Alberta were not getting good service now?—A. Yes, the inference is that they are not getting as nearly as full service as they will get under our plan; then they will have a much greater choice of programmes on a good signal.

Q. I do not know that they are aware of that or not, but we will leave it. Have you any letters on file at all from listeners, or any requests from listeners that they are not getting good service now?—A. We have had some. One happened to come to my desk the other day. Somebody living in the eastern part of Alberta who could hear a certain trans-Canada programme from Watrous but could not hear it well; and she said: "Couldn't you get this programme on another station, a local station which I could hear much better?" I think it is also fair to point out that I think the people of Alberta have not had much chance to know about our plans until now. I hope they will have a better realization of them after our plans have been put before the committee, such as they were the other day.

Q. Personally, I have not heard many complaints in respect to the service they are getting unless it is something along the line of some little technical interference or something of that sort.—A. We have had, I think, a number of requests, on suggestions, or notices that people are not getting certain programmes which they like and which they know are available on the network. I think the people in the province have not been in a position to hear many things and do not know just what to ask for.

The CHAIRMAN: The local stations are not constantly telling them it would be better if the CBC came in.

Mr. HANSELL: I can quite understand that, Mr. Chairman.

By Mr. Hansell:

Q. What I am trying to get at is whether or not the listeners of Alberta are reasonably satisfied. I live in Alberta and I travel over quite a bit of it. I have heard no complaints myself that they are not getting good radio service. There is one other question here. Have you had any requests at all from Alberta that the corporation take over the wave length now occupied by station CFCN?—A. I do not think we have had any very direct requests; on the other hand, I do not think, from anything I know—

Q. Then the pressure is not coming from the people?—A. That the public have had no great chance to understand the plans or what is involved.

Q. There has been no particular pressure come from the people. Now, there is another line I would like to pursue just for a moment.

The VICE-CHAIRMAN: Would you let me give you a statement here, Mr. Hansell. A little later I shall draw the attention of the committee to a considerable number of letters received. I am just glancing at them as I speak. There have been a large number of letters come in. I think the majority of them are commending the CBC, coming from all parts of Canada; and there are some others which are critical. They will all be before the committee. I think it is only fair to say that the numbers here from out that way, on the other side of the case, seem to be very much smaller than from any other section of the country, either condemnatory or laudatory.

Mr. HANSELL: Perhaps we will hear more of the correspondence later.

By Mr. Hansell:

Q. Now, there is this angle I would like to pursue, and I think it is something with which the committee should be perhaps a little more aware. When the networks compete with private stations, they do so for an audience and the impression I think that some may have is that the local stations can very well

serve the community needs even though the networks of the corporation are on the air. Now, I want to make this clear that that is not so, my reason of the fact that the people who are the audience cannot listen to two stations at the same time. I have a note here, and I think I took it down accurately from either you, Mr. Dunton, or from Dr. Frigon. "We do not think the community can best be served by private stations breaking into the national system."—A. I think what I said was, "Breaking into the field of the national system". My thought there was to encourage more community service; it was to establish part of the background of it. As I have said earlier this afternoon, they have a big job of community service to do. But, for one thing, if they are going to be breaking into the high-powered field and covering whole regions, I think that would be bad for the whole system.

Q. That is a little more enlightening, but we have been talking in terms of dollars; we have been talking in terms of business; we have been talking in terms of stations, and we have rather forgotten that the public cannot tune in to two stations at the same time. Therefore I repeat when there is a national network on the air the community station cannot serve the community if it does not have the audience listening to it.—A. From our point of view the audience is better served. Let us say there is a station now which is affiliated with a network. If a network programme comes in and the station carries that particular programme it cannot carry the community service one. We feel there is some advantage in the listener being able to choose whether he will have the network programme from the CBC station or the community programme put on by the local station.

Q. That is all right in theory but it does not work out in practice. I would disagree there for this reason. How can they serve the community if the community is listening in to another station? They might serve a few who do not want to listen to the network but that certainly is not the community. What I am afraid of in this whole thing is that the time may come when community service is looked upon as advertising the local grocer down at the corner who tomorrow morning is going to put on a special can of peas at a cent cheaper, and he is putting on a programme where Mary Mulligan, the local piano teacher, is giving a recital. I do not think that can be called serving the community at all. The poor little station is in competition with the big network programme, and the community itself is interested in the network programme. I wish I could get an assurance—and I think the committee would like to, too—more or less in the form of a guarantee that private stations in Canada co-ordinated with the corporation will always remain as a part of the national system giving service to the nation and not depreciating the value of the private station at all. I rather visualize, and perhaps I am—

Mr. BEAUDOIN: On a point of order, is Mr. Hansell putting a question or is he arguing?

The CHAIRMAN: I think Mr. Hansell was really putting a question. He was posing a situation that he feared might develop, and I apprehended he was going to ask whether it might be possible for Mr. Dunton to assure him as to that condition. At any rate, that was what I was thinking as he went along. Go ahead.

By Mr. Hansell:

Q. I will put my question. Is it possible that the CBC may come to a place where they operate two networks and private stations are not affiliated with them at all?—A. I would see no likelihood of that in any foreseeable time.

Q. Would you want that to happen?—A. From anything I can see now I personally would not. It is not a matter that has been considered by the board at all. It just is not in the realm of possibilities that can be envisaged now.

Q. I think there is a feeling that the corporation is working towards that end?—A. No, I would put it more the other way, that what we are working for in the greatest degree we can is the policy that has always been laid down for us and approved by parliamentary committees; that there should be coverage of the greatest number of Canadians possible through publicly-owned stations. That is what we are trying to do now, but beyond that, and beyond what we have explained to this committee, we see no possibility or need for going.

By Mr. Hackett:

Q. Is that not almost a necessary result of the policies as you have defined them that the privately-owned station dies down, drones and ceases?—A. I do not think so at all. I think the reverse, if anything. We are extremely anxious, as I emphasized on Friday, to see the private stations not only continue to exist. We feel there is not only a place for them but also a need for them; we want them to exist and to flourish and to do business, and to do an even better community service than they are doing now.

Q. It seems to me the position you are assigning to them must inevitably become one of inferiority. People need retainers in their homes to do a certain type of drudgery. I do not want to be offensive but it seems to me that the privately-owned station is, under the policy enunciated, inevitably reduced to that status?—A. I should like to say first that there is nothing new about our policies. It has been explained, laid down and approved over the years that you should have a national system plus low power privately-owned stations performing community service. That is still our policy. There is no change in it at all.

Q. The only change is you are making it effective.—A. Is that a great sin that we are carrying out the policy that has always been laid down and approved over the years? We are not putting anybody out of business. We are leaving two or three stations still in very privileged positions above other private stations.

Mr. KNIGHT: Are we not implementing the policy as laid down by the Rt. Hon. R. B. Bennett when the broadcasting system was first brought into effect that there should be a dominant system with which the private stations should work. We know what the word "dominus" means.

Mr. HACKETT: Even if that were true I do not think it would alter my opinion.

Mr. KNIGHT: Pardon me; I rather resent that, "even if it were true". If the gentleman would like me to I can read him long extracts from speeches of the Rt. Hon. R. B. Bennett.

Mr. HACKETT: There are many extracts that could be read.

Mr. KNIGHT: But I shall not inflict that upon him.

The CHAIRMAN: I think perhaps the truth is that the magic of a name does tend to diminish as the years go by. None of us to-day justify a policy on the ground that Pitt the younger or Pitt the older was favourable to it.

By Hon. Mr. McCann:

Q. May I ask you this question, Mr. Dunton, following Mr. Hackett's? In the light of experience has it not been exactly the opposite to that? There has been a continuous growth and expansion of private stations, each and every one of them?—A. I was going to add that to my answer.

Hon. Mr. MCCANN: That is the experience, and I think it is an entire reversal of your view, Mr. Hackett. I do not think what you are suggesting is coming into effect.

Mr. HACKETT: I sincerely hope it is not, but as I see the picture while the amount of work done by the private station, and possibly the revenue derived, has grown, its efficiency and its capacity as a broadcasting medium is restricted to a lowly level.

Hon. Mr. McCann: That is not their contention.

The Chairman: What about this thought, Mr. Hackett and Mr. Hansell? Are you not in danger of tying yourselves up to a proposition that the taste of people is always just of two kinds, that the taste of the listener is either one network or the other network?

Mr. Hackett: I am not criticizing the excellent service of the CBC. You understand that.

The Chairman: I am thinking that the taste of people is such that even if you have this expansion which will bring on a situation where everybody is covered by the two networks all the time there will still be a large outlet for the others because tastes are so varied.

Mr. Hackett: What I am fearful of is the monopoly which is going to crush out the private stations.

The Chairman: I understand that.

The Witness: Mr. Hackett, I should like to point out this. You talked about monopoly. But over the years since it was formed, the corporation has recommended the establishment of dozens of new private stations. We have actually recommended that, said it is a good thing. That is not stamping them out or trying to degrade their situation.

By Mr. Hackett:

Q. I agree with that, but the rules which obtain with regard to their operation keep them in a lowly state. They have not the possibility of a hook-up. They have not the possibility of doing the grand things that the CBC does. It seems to me that they are relegated to a minor role and a weak role.—A. I do not think, after listening to the private stations presentation here, you would think that was a very weak role or a very unimportant one. They are reaching huge audiences.

Q. They came here and were resisting something you were doing to them, and said that when it is done they will not be as powerful as they are now.—A. I do not remember much about that in the brief of the association of private broadcasters. Two or three independent stations came and made strong resistance about the particular frequencies. But there was not anything much in the general presentation of the private broadcasters. If you will just look at the picture of the privileges of these stations operating on these frequencies, you will see that it is a very valuable franchise to have. They reach great numbers of Canadians. It gives them a chance to do an immense commercial business. We feel it also gives them a chance to do a real community service, to become a real and vital part of the life in the community. We feel strongly, and I do not think it could be disagreed with, that they have a superb chance to do business and to be of service.

Q. It does not seem to me that any privately-owned station could, under the administration of the C.B.C., develop the programmes that come to us from Columbia or some of the other great stations.—A. But Mr. Hackett, we would be delighted if they would. We have a standing offer.

Q. I know.—A. May I point this out?

Q. Yes—A. We have a standing offer to all the stations on the dominion network. We say, "You produce a sustaining programme, and if it is good enough we will put it on the whole network, and we will pay all the talent costs of that programme." That is a standing offer. We are delighted to encourage them and to help them to produce more and better good programmes. And remember, they have huge resources, as I pointed out the other day. In point of fact, CFRB has about a little over two-thirds of the total commercial revenue of all the CBC stations in the country. That is a big amount of money to build with, and that is just one station. There are many others that could do

that. Quite frankly, we feel that a number of the stations could and should use a little more of their pretty large resources to produce more good programmes.

Q. They are not perfect.

By Mr. Hansell:

Q. Mr. Chairman, I wonder if I might now ask a question on another matter, and that is on the matter of line charges. No, it is not on charges, but rather what I want to ask is this. When two or three stations in a certain area in a province, we will say, desire a hook-up for a small chain, for some particular programme that is applicable say to a province or to a region, are they allowed to negotiate with the line companies for their lines in that case?—A. Mr. Hansell, I think Dr. Frigon went into that pretty fully the other day. We have been given the job of controlling any network connections and that is partly done through any such hook-ups being arranged through the CBC.

Q. I see. The private stations cannot do that themselves, then?—A. No.

Q. They are not allowed to do that themselves, then?—A. No. It goes back to the basic thing, that the CBC which is a public organization has been given this immense job of running the national radio service across the country and involving, as you pointed out, not only the publicly owned stations but privately owned stations; and if there is not control of the network connections, then it becomes impossible to keep that service on an orderly basis.

Mr. BEAUDOIN: May I ask a question?

Mr. HANSELL: Along the same line?

Mr. BEAUDOIN: Yes, along the same line.

Mr. HANSELL: Very well.

The CHAIRMAN: Yes, Mr. Beaudoin.

By Mr. Beaudoin:

Q. Did the CBC consider entering into an agreement with the telephone companies, for instance? I understand that now you have an agreement with the C.P.R. and C.N.R. May be Dr. Frigon could answer that.—A. I think Dr. Frigon knows those negotiations very well.

Dr. FRIGON: Yes. We have tried to interest at least one important telephone company and they said, "We are not interested." I should tell you that our agreement with the line companies is due for renewal in September, 1947. Next year we will have to discuss with them on what terms the contract will be renewed. That is all I can say now. But it is an important factor in our picture.

Mr. BEAUDOIN: You see, Dr. Frigon, the point I want to arrive at is this. I do not dispute your contention that the CBC should control all the lines, all the network connections; but some of the privately owned stations which buy lines from you claim that, should you buy Bell Telephone lines, for instance, they could get them from you at a cheaper price. When these contracts which you have now expire, would you consider negotiating with the Bell Telephone, together with the C.P.R. and the C.N.R.?

Dr. FRIGON: We claim, as I said the other day, first that private stations, or I should say sponsors, cannot get any better rates from the communication companies than we are giving them. Second, we would not have the same terms from the wire line companies, with which we deal now, if we were to split the business between three or four different firms. It is because we buy the whole service from them from coast to coast, amounting to the use of some 14,000 miles of wire line connections, that we get a very cheap rate. People seem to forget about that, in speaking about the control of networks.

Mr. HACKETT: Before you go into that, would you consider the other aspect of Mr. Beaudoin's question?

Dr. FRIGON: What is that?

Mr. HACKETT: Suppose the whole line rented were taken not exclusively by the CBC but by the CBC and some of the private stations. In that way the total line rentals would be cheaper to the owner and I should think you would get as good a figure as you would otherwise, and probably a better figure because there would be greater use of them.

Dr. FRIGON: If you can indicate the break-down of that contract in the way indicated there, I should like to consider it; but I claim it is not possible. You cannot expect stations to buy 1,000 miles between two points, and 500 miles somewhere else, and so on. You have to buy the national network. And the reason for controlling the network set-up is because we want to make sure that stations are available for the national service. For instance, they could be very well asked to connect two or three stations together and maybe the third one is on our own network. We want to make sure that when we have a programme to send to that station, it is not connected to another network, which would make our position impossible. If we have out of 30 stations, possibly 20 committed to other programmes through their local networks, we could not operate the national network. It would be impossible. That is what we must control. Now, if it can be shown that sponsors can actually get better terms than we charge them, then the matter is worth consideration; but we claim that if they go to the communication companies and ask for the same service they get from us, they will get the same quotation or maybe a higher one. Our rates are set in order not to undercut the normal price set by the communication companies and in order not to make our broadcasting corporation an unjust competitor to other mediums of publicity. Suppose we sold the lines very cheaply for broadcasts, we would have no end of protests from magazines and from newspapers to the effect that we were taking business away from them by charging less than we should. Then again, immediately the Bell Telephone Company would accuse us of breaking the rules by not charging enough; that all comes into the picture.

By Mr. Hansell:

Q. Now, here is an illustration. If Lethbridge, Calgary, Edmonton, and Grand Prairie wanted to put on a programme simultaneously, the same programme on that little network of four stations, then, as I understand it, they would have to apply to the CBC for the lines.—A. That is right.

Q. And in the charges made, you would act as a wholesaler, charging them a retail price.—A. That is right.

Dr. FRIGON: We would charge them at the rate which would be comparable to the other communication companies doing the same service; and you have to take into account the quality of the service. You may buy a line between two points at a cheap rate, if you are satisfied with the quality. You can buy a line between New York and Montreal at half the price we would charge, but it would be no good for music and for the singing voice. Our companies have to guarantee to us a minimum standard of transmission, which is not necessarily the case with communication companies.

By Mr. Hansell:

Q. But you would sell lines to those four stations at a profit?—A. If you call the fact that once we pay for the lines we sell them to another party, and call it a profit or velvet or whatever you want, that is the fact. We sell lines for which we have already paid whether we sell them or not. If we have a line to Fredericton, the line is paid for, for the whole year, whether we use it or not; and when we sell the line, that means money that we recuperate towards costs of line operation. It is not a profit in the sense that because we sell those lines

we make a profit which is distributed to somebody and used in somebody's particular interests. The lines we sell are just so much more revenue which we use for broadcasting.

By Mr. Hansell:

Q. Just one more question, Mr. Fleming. Mr. Porter and Mr. Love made a recommendation that the CBC occupy 1060 and move north.—A. No, move the station right to the south of Alberta.

The VICE-CHAIRMAN: Move the station to Taber, I think it was, because it had to protect against Mexico, and go north.

By Mr. Hansell:

Q. If you are going to do that, it would necessitate some negotiations with Mexico. Have you negotiated with Mexico at all to find out the possibilities? —A. No, there have been no negotiations.

Dr. FRIGON: No, not yet.

By Mr. Hansell:

Q. You just dropped it. Is it the intention to explore that field?—A. Not at the present time, Mr. Hansell.

Dr. FRIGON: The matter is very much in the hands of Mr. Love when he decides what we can use. When he has made the necessary computations and submitted a brief, we will know what is required; but we cannot start negotations before we know what he wants to do.

Mr. HANSELL: His suggestion was that you take 1060 and that he remain on 1010.

Dr. FRIGON: Yes. We were told by the licensing authority that we would have 1010.

Mr. HANSELL: Yes, but his alternative suggestion was that you take 1060 and leave 1010 with him, the one that he now has; and that you could do the same job by taking 1060 if you negotiated for it with Mexico.

The WITNESS: We do not think we could do the same job even if an agreement could be reached with the other countries.

Dr. FRIGON: 1010 is a class 1-A channel on which he might operate a station at any power. In other words, if later on, we wish to augment the power of the Alberta station to 500 kilowatts or 1,000 kilowatts, we may do so on 1010, but we could not do so on 1060.

By Mr. Fleming:

Q. Mr. Dunton, I understand it is the policy of the CBC not to permit a station to be owned or operated by a provincial government.—A. No, Mr. Fleming; I think there was an announcement about that by the feredal government.

Q. There is no policy in that respect by the CBC. Then it is entirely a matter of the federal government and has no relation to the CBC at all.—A. No.

Q. Has the CBC ever expressed any opinion on that subject to the federal government?—A. No.

By Mr. Hackett:

Q. To what extent has the decision of the Privy Council in regard to the control come into play?—A. I imagine it would, a good deal, but that becomes a matter of federal jurisdiction.

By Mr. Fleming:

Q. Your board has never taken steps?—A. No.

Q. And that matter has nothing to do with the CBC decision to take away the wavelength of CBY?—A. No.

Q. Coming to the matter of fees, you expressed last Friday the hope that the government would assume the cost of collecting and administering the $2.50 licence fee and in that way increase the CBC revenue by over $500,000 per annum.

Mr. HACKETT: The difference between the net and the gross.

The WITNESS: We thought that the CBC should get—

By Mr. Fleming:

Q. Should get the full amount of the licence fee?—A. Yes, the gross fee and not the net fee.

Q. Do you understand that is a fee to compensate for services rendered by the CBC, or is it a fee to be paid by all who hold receiving sets to enjoy the programmes that come to them from any source?—A. I am not quite sure what the legal definition of it is. I have always understood it was decided—

Q. I am not worried about the legal definition.—A. My conception is that it is a means by which the radio listeners in the country may contribute to the very expensive business of running a national radio system in the country.

Q. That means the CBC?—A. Yes, and the whole system we are discussing and it means at times and places programmes through private stations.

Q. That means to clear the expenses of the CBC in either conducting its own broadcasts or conducting network broadcasts which use private stations?—A. Yes, running the whole national system with all that it involves.

Q. At the present time 70 per cent of CBC revenue comes from the licence fee?—A. Just about.

Q. And I suppose that 30 per cent comes from commercial sources?—A. Just about.

Q. Are you anticipating any increase in commercial revenue?—A. It may be said that the new facilities are counted on for an increase in commercial revenue; but in our own thinking, if you like, it will "pay the way" of the new facilities; therefore we do not contemplate any difference in the balance between CBC revenue and expenditure; but it is estimated that they will pay the way of the new facilities.

By Mr. Beaudoin:

Q. The additional expenses you will have to meet?—A. Yes, related directly to those facilities.

By Mr. Hackett:

Q. Does that take into consideration the question put to Dr. Frigon by Mr. Smith concerning the revenue from leased lines? You will remember there was a discussion about that?—A. What was that?

Q. The question was as to where the revenue from leased lines should go, and whether it had a bearing?—A. Yes, I think it has, as Dr. Frigon explained very clearly; we regard revenue from the sale of lines as contributing to the running of the whole system.

Q. Would that not have a bearing on this percentage of 70—30 that you have given?—A. Yes, in the 30 is included the revenue we get from the sale of lines.

By Mr. Fleming:

Q. Do I take it from the answer you gave to Mr. Beaudoin that you are contemplating an increase in your total budget? Should you think, while there may be some variation in the present balance of 70 per cent from fees

and 30 per cent from commercial revenue, that the balance will eventually be restored?—A. No, because there will be new facilities coming into the picture. What I was saying was that we did not think the new facilities, or any business arising from these facilities, would affect the balance between our revenues and expenditures in operating the system. I think the percentage between commercial revenue and the licence fees might change because of the extra commercial revenue coming through these new facilities.

Q. In any event, you are anticipating as a result of these facilities an increase in your gross commercial revenue?—A. Yes.

Q. Would you just make it a little clearer what the policy of the CBC is in regard to taking spot announcements for commercial revenue?—A. We do not take any spot announcements.

Q. Is there going to be any change?—A. In regard to spot announcements there is a little difference in terms. In the trade there are spot announcements, and the things which are often referred to as spot programmes. These are simply programmes which are not network programmes. As we have explained to you before, we are in need of revenue for our own ordinary running expenses, chiefly for putting programmes on the air, and it was decided a short time ago to make available one or two periods, probably two 15-minute periods a day, on some of our stations, for sale of what are known as spot programmes; in other words, for local programmes—and frankly to get a little extra money. They will be probably early in the morning and at one other time when there is nothing particularly of importance on the network and when it will not disrupt our network operations at all to have these particular recorded programmes, as they probably will be, on these particular stations.

Q. You are aware, Mr. Dunton, that it has been said—I do not know whether it was in this committee—publicly that the CBC has decided to take these three wave lengths with a view to accommodating some advertisers or obtaining some commercial revenue for which there is not now sufficient accommodation on the Trans-Canada network?—A. As you can see it does not make any difference to the Trans-Canada network at all because the network is running sixteen hours a day now, and the fact that there are one or two more stations on it does not make any difference to the amount of programmes that can go on the Trans-Canada. On the Dominion we have said we hope to be able to meet what is partly the wish of private stations on that network to bring better service to listeners and to help to pay some of the costs of bringing that better service. We would be glad to have some extra commercial programmes on the Dominion network which the private stations on the network are very anxious we have.

Q. Have you any estimates of the revenue you anticipate receiving from the Dominion network when you have completed this expansion?—A. No, it will depend on what comes along because, as I pointed out, it would be a very happy situation if any increase in revenue on the Dominion network covers the cost of keeping the wire lines open for more hours per day, and again our net position as between revenue and expenditure would not be any better. We would be delighted if it would not be any worse.

Q. Your answer is you have not made any estimate yet?—A. No.

Q. Speaking of the Dominion network how many potential listeners do you estimate will be reached by the Dominion network, after you have expanded it as you propose, who are not now reached by the Trans-Canada network?—A. I do not think we have an estimate of that. As I explained before Trans-Canada has larger coverage than the Dominion and any expansion in the Dominion network is more to fill out a part of the gap of people who can hear Trans-Canada and cannot hear Dominion. I cannot think of any area where the Dominion can be heard and the Trans-Canada cannot.

Dr. FRIGON: I explained last week that when a station moves from 1 kilowatt to 5 kilowatts the number of radio homes added may be very small, on a percentage basis, which means that the station may not expect a much higher rate for the station. The same applies for our stations moving from 5 to 50 kilowatts. It would not add a great number of homes on a percentage basis. From the commercial point of view, it may not be the best thing, but it means that a whole lot more individual homes will get a service which they do not get now.

Mr. FLEMING: In this case the listeners will get the service because you have raised the power of the station?

Dr. FRIGON: That is right.

The WITNESS: It goes farther out. It is mostly in outlying areas.

By Mr. Fleming:

Q. It comes down to this, that unless you increase the power of the station nobody is going to come within the range of the Dominion network who is not already within the range of Trans-Canada?—A. I do not think in any place, no.

Q. So you do not need any one of these three stations for the purpose of extending the number of listeners to whom service can be given?—A. But the two stations in the west are for the Trans-Canada network, and they will extend better Trans-Canada service to listeners in outlying areas.

Q. You have made that clearer than you had previously. What you are saying is that CKY and CFCN are going on Trans-Canada?—A. No. Let us get this clear. CFCN is now on Dominion and will stay on Dominion.

Q. That is what I understood before.—A. But our new station in Alberta will be on the Trans-Canada network therefore bringing much better Trans-Canada service to Alberta than is now available, and in Manitoba the same thing.

Q. Coming to the station in Toronto, CJBC, you said it is to become your originating station for the Dominion network?—A. That is right.

Q. I think you have made it clear you have found that the CBC must on its networks operate from the large centres because of the problem of talent, and so on?—A. In the first place you must have key stations, stations owned and operated by the network organization; and you must have at least one or some in important centres where talent is available from where you can originate programmes, and so on.

Q. I just wonder if that conclusion, based on actual experience, may not be somewhat at variance with the criticism in the Aird report of conditions existing at that time, the crowding of stations into urban centres. That was the language of the report.—A. As I endeavoured to explain we have for years had a second station in the Toronto area which apparently has been well received, and from now on what we want to do is bring that same service to more outlying areas, and at the same time strengthen the whole Dominion network so that the service right across Canada on the Dominion network will be improved.

Q. I think we are in agreement on that, but it still comes back to this, that you have got to do your broadcasting there and have your big stations located in the urban centres?—A. Well, the one at Watrous is out on the prairie. The one in Alberta will be out in the country. The one in Manitoba will not be so far from Winnipeg. As to the one in Toronto on the Dominion network we certainly have to have a station in Toronto because so much originates from there, and we want to make the programmes which we have available on that station more available to more listeners in more outlying parts of Ontario.

Q. Have you got a typical log there for a week of CJBC? I am interested in getting a breakdown as between four classes; first, Canadian commercial programmes; second, Canadian sustaining; third, United States commercial and fourth, United States sustaining.—A. I think I have one or two.

Q. If you have one handy perhaps you can put it on the record.—A. This is the one for the current week, summer schedule of CJBC.

Q. The present week?—A. Yes, starting August 4th.

Q. Probably you could put it on the record afterwards. I do not want to spend the time. You will give a breakdown under those four headings?—A. Could I get a note of the headings again?

Q. Canadian commercial, Canadian sustaining, United States commercial and United States sustaining in a typical week.—A. We will have that done and sent to the committee.

The CHAIRMAN: Yes.

Mr. FLEMING: And printed in the record.

Dr. FRIGON: I should like to go back to the remark of Mr. Fleming that the Aird report suggested that we should avoid the concentration of broadcasting in large centres. The report is very clear on that point. It said that if we did not have a national system sponsors would buy the cream of the market which is located in Montreal and Toronto and neglect the rest of the country. That has nothing to do with the originating of programmes. The report is very clear on that point.

Mr. FLEMING: Then there is this other point—the fact that, cutting across that, I take it you are always going to have to send your programmes from a big centre?

Dr. FRIGON: They will not have to be sent from there if you have got a national network to carry them across the country.

Mr. FLEMING: You will not have programmes unless you get the talent; and you get the talent in the larger centres.

The WITNESS: Another reason we want stations in the west is to get some programmes from there for listeners in the region and also for listeners to the network across the country.

Mr. FLEMING: I think we understand each other on that. I take it from Dr. Frigon's statement a moment ago that CJBC will have not much more coverage, or will it have much more coverage if it gets 860 and goes off 1010 kilocycles?

Dr. FRIGON: It will have more coverage in area; but no matter how far you stretch the area, if it is in a rural district the coverage in homes does not increase very much on a percentage basis. If you cover a square mile in Toronto you have many more listeners than if you cover a square mile in the Muskoka region.

By Mr. Fleming:

Q. What is going to become of the wave length 1010?—A. We do not know yet.

Q. Assuming it does not go to CFRB, have you any plans for that?—A. Not directly for ourselves, but you will have to look at the pattern; and admittedly in Ontario there is no plan to run a station ourselves with that wave length.

Q. You have not made any plan with reference to the assignment of the wave length 1010 if CFRB does not take it?—A. No, not definitely.

Dr. FRIGON: That is a case where a private station may be very pleased to change its frequency and take 1010.

By Mr. Fleming:

Q. What provision do you propose for the St. Catharines station CKTB at 1550?—A. I think there are various possibilities. I think 1010 might be one. I am not sure. I think 1010 might be a possibility if it is not taken by CFRB.

Q. I should like to go back for a moment to a subject that has been covered pretty fully perhaps; I want to get your reaction, briefly. It has to do with the notice given to these stations. You have heard what has been said about that. I am asking you if, knowing what you do now, you would have given any more warning to these three stations than has been given?—A. The first thing I want to make clear is that there is no place for the CBC to give warnings about frequencies, because we are not the authority on frequencies. We always make recommendations to the Department of Transport; and I think the CBC general policy was very clear on the record, as I have outlined there.

Q. Are you satisfied, looking back, that you would follow the same policy, that you would have made the same recommendations as apparently were made by the CBC on this matter?

The CHAIRMAN: Just a minute. I do not think that is an apprporiate question for this witness. You are asking him to pass judgment upon whether a certain departmentalist acted according to a judgment that would have been his had he been in his place. That is rather too hypothetical for this factual inquiry.

Mr. FLEMING: I submit with respect, Mr. Chairman, there is going to be the same problem before us on this committee, I take it, as to whether there has been complete fairness observed by the CBC with reference to these three stations, in this matter of taking their wave lengths. We have had a good deal of evidence on it. I do not want to go into the details now with the witness because he was not there then, but I am asking for his statement as to whether looking back now and knowing all that we do know now, he feels that there was complete fairness shown to these three stations in the matter of warning them on the policy of the CBC and the government.

The CHAIRMAN: I think that matter is a question for the judgment of this committee. But this witness is not to usurp the function of this committee by passing judgment in advance. I do not think that is an appropriate question, Mr. Fleming; and I am so firm in that view for once, that if it is pressed, I should really be forced to rule it out of order.

Mr. FLEMING: I do that, then, Mr. Chairman. You will have to rule it out of order. I think it is a fair question.

The CHAIRMAN: All right. I do rule it out of order.

Mr. FLEMING: All right.

By Mr. Fleming:

Q. You are familiar, Mr. Dunton, with the records of the CBC in this matter now. I have no doubt you have read them up in the meantime. You recall that among the letters placed before us by Mr. Browne there was, first of all, a letter by Mr. Walter A. Rush, controller of radio, dated April 30, 1941, addressed to Mr. W. Gladstone Murray, general manager of the CBC, in which he proposes that a certain endorsement be put on the licences of the stations CFRB, CKY, CFCN and CKTB. Is that the letter of April 30, 1941?—A. I remember the letter.

Q. It is down at the bottom of those letters, about half way down.—A. It is April 30, 1941. Yes, I have that letter.

Q. The following letter that was filed is a letter of May 7, 1941, from Mr. Donald Manson, chief executive assistant, Canadian Broadcasting Corporation to Mr. Rush in which he says, "The endorsement you propose placing on the licences for the fiscal year 1941-42 is entirely satisfactory to us." Was that letter or the statement in the letter approved by the board of governors of the CBC?—A. I understand not.

Q. Not?—A. No.

Q. Was the CBC board consulted in any way with reference to this correspondence?—A. I could not say. I have seen no record of any when going over the records. I cannot see any indication of its being referred to the board.

Q. On whose authority did Mr. Manson write this letter?—A. I do not know.

Q. Can Dr. Frigon assist us on that?

Mr. FULTON: He has just gone out of the room.

Mr. FLEMING: When he comes back, we could ask him.

The CHAIRMAN: Here is Dr. Frigon now.

Mr. FLEMING: Could you show Dr. Frigon that letter, please.

The CHAIRMAN: Dr. Frigon, the question is with reference to this letter which is dated May 7, 1941. It is understood that decision was not referred to the board before Mr. Manson wrote that letter. It is now asked on whose authority Mr. Manson wrote that letter. Do you know?

Dr. FRIGON: I should not like to answer for Mr. Manson, but I suppose he consulted the general manager.

Mr. FLEMING: Your assumption is that the letter was written by Mr. Manson on consultation with the general manager?

Dr. FRIGON: That is my assumption.

Mr. FLEMING: There is no record on that subject.

Dr. FRIGON: That is the correspondence.

Mr. FLEMING: I mean, there is nothing on the file to bear that out.

Dr. FRIGON: No.

By Mr. Fleming:

Q. In pursuit of this policy that you have enunciated of taking these class 1-A stations, are there any others not within the class 1-A category that you plan taking over—any of the more powerful stations?—A. As I mentioned the other day, in the list of increases of power which we have envisaged as being useful to bring better broadcasts to people in more outlying areas, there is none that involves taking the frequency of any private station; it is just a matter of increasing some CBC stations on their existing wavelengths. I also pointed out that in the Windsor area where we need a station, we just do not know about the matter of frequencies.

Q. Does that come down to this, that once you have these three class 1-A frequencies, you think under the present policy you are through taking wavelengths from private stations?—A. These were class 1-A clear channels which were obtained for the national system.

Q. I should like to ask a question now—

Mr. HACKETT: May I ask there if that completes his entire quota under the Havana Agreement?

The WITNESS: Yes, that would be all the class 1A's.

The VICE-CHAIRMAN: These three are the last.

By Mr. Hackett:

Q. That completes his quota.—A. Of the class 1A's, yes.

By Mr. Fleming:

Q. I would like to ask you, Mr. Dunton, what harm could accrue if the CBC did permit the private stations to increase the strength or power of their frequencies?—A. That question would have to be looked at very carefully; it has been basic policy and has been approved year after year that private stations should be kept at a ceiling.

Q. Dealing with the last point I take it that one factor in the consideration of the CBC board is that if they permit private stations to increase their power, that might be some challenge to the monopoly enjoyed by the CBC over the national field. Is that involved?—A. Yes. I would not put it in those words. Going back to the policy of the former radio committees, and the one implicit in the Broadcast Act, there is a division of functions, the CBC, on behalf of the public, doing as wide a job as possible, and the local stations concentrating on community services.

Q. Will you forgive me if I say this: I am not asking you for an exposition of the policy of the CBC; you keep going back to that so frequently. You answer, "This has been the policy that has been laid down". I am less concerned with the policy as with the reasonableness of what has been done or not done. I am still troubled with this: I speak quite frankly and I expect you to answer the same way. I am still asking myself what harm could accrue to the CBC if those private stations were permitted to increase their strength? We have been told by Dr. Frigon that this was going to extend the area of coverage, but only slightly.—A. He was saying that the percentage of listeners might not be increased greatly.

Q. It means better response for the listeners?—A. Yes, but out in the country you do not have as many listeners per square mile as you do in the more populated metropolitan areas.

Q. All right, this station we are speaking of, and the other more powerful privately-owned stations are, generally speaking, in the larger centres. I take it that an increase in frequency, generally, is not going to mean a tremendous increase in the number of listeners and to bring these stations into keener competition with the CBC?—A. It would mean, particularly in the case of a station going to a higher power, that it would cover a whole area of the country. I do not want to put as much emphasis on the smaller percentage as Dr. Frigon does; however, you cover a much wider area of southern Ontario with an increase in the number of people you are covering. It has never been thought that a community station would try to serve a whole region of the country.

Q. You go back to policy again there.—A. My thinking is naturally very closely related to policy.

Q. We have talked about censorship during wartime. When did the government cease, if it did, to exercise any degree of censorship over broadcasting?—A. I think it was just after V-J day. Dr. McCann would probably know.

Hon. Dr. McCann: It would be about the 11th or 12th of August, I think.

Mr. Fleming: Has the CBC, since that time, received any request?

Hon. Dr. McCann: It seems to me, Mr. Fleming, that all censorship went off; it went off by order in council at a certain date; I think it was within about 48 hours after V-J day.

By Mr. Fleming:

Q. Thank you. Since that date has the CBC received any requests from the government not to broadcast anything particularly?—A. The only one I can recall was one about broadcasting the news of disturbances in penitentiaries.

Q. That was last fall.—A. Yes.

Q. Was that after you came into your present position?—A. I think the request was received before, but it came up at a board meeting late in November, and the board decided there should be no restriction at all.

Q. Would you indicate what was the directive you received from the government and the action taken by the CBC.—A. I am not fully familiar with it; but I understand there was a request received that the CBC, in its

news summaries, should not broadcast the news of disturbances in penitentiaries because the prisoners were allowed to listen only to the CBC, which is, I think, a little flattering to the CBC. That was the request, and it came before the board at the end of November and the board thought it was not proper to put any kind of restriction of that type on the news carried by the CBC.

Q. Was any restriction applied by the CBC in connection with that request? —A. I am not certain. I think that no restraint was applied to any matter.

By Mr. Hackett:

Q. It was delayed until it ceased to be news.—A. I think, actually, nothing had come up. I do not think there was any disturbance in the penitentiaries at the time.

By Mr. Fleming:

Q. I do not think you are right about that. The government just did not anticipate disturbances and then write you that request. Disturbances did occur and they were made known to the public through the press; and then this question arose about the government requesting to the CBC not to disseminate some information that was going out through the press. I would like to know whether there was any restraint applied by the CBC before its board eventually decided to disregard any such request.—A. My understanding was, and I was informed that actually there was no restraint which was actually exercised. That is my understanding.

Q. Could anyone help you to clarify that point?

Dr. FRIGON: I can say this: that this came to us a year and a half ago. I think Mr. Dunton has already told you that we were told that in the penitentiaries only the CBC news was allowed to be heard by the prisoners; and because of that we were asked not to broadcast disturbances in the penitentiaries; but nevertheless private stations could carry the news as any other news. I agreed to that request because I thought it was quite reasonable. That is one of the times when the board overruled me. Maybe they were right.

Mr. FLEMING: How long did that restriction apply?

Dr. FRIGON: Oh about a year, I suppose; a year or nine months, I think, including the time when I gave instructions not to carry that news and the time the board overruled me and said: "We should carry the news." There must have been some nine of ten months, I think.

Mr. FLEMING: Were other things included in the restriction, other than news of penitentiary disturbances?

Dr. FRIGON: No; that was all. The only request was for us not to give that newscast because it would be heard by prisoners all across the country and might encourage them to start trouble in some of the other penitentiaries.

Mr. FLEMING: That ruling occurred in November, did it not? Certainly, I was under the impression that the disturbances that were the subject of these broadcasts, or intended broadcasts, occurred in the early fall. It goes back over a long period.

Dr. FRIGON: I do not recall anything happening while the bann was on. I cannot recall any incident which we did not broadcast because of my decision.

Mr. FLEMING: This was a request that came to you on behalf of the government through the Department of Justice.

Dr. FRIGON: Yes, sir.

Mr. FLEMING: And it came about nine months before November last.

Hon. Dr. MCCANN: It came from the Department of Justice and I think that indicates that the government has not interfered with the policy of the

CBC because there is a difference between a department of government making a request and the government.

Mr. FLEMING: That may be a matter of inference. I am still confused about the length of time that this restriction was in effect and what the restrictions covered.

Dr. FRIGON: If you leave the date out, for the time being, the restriction was: for the CBC not to include in its own news, on its own stations and network, any news of disturbance in the penitentiaries for the reason that that might encourage prisoners in other penitentiaries to cause trouble; and with the understanding that all other broadcasting stations could carry the news because their broadcasts were not heard in the penitentiaries.

Mr. FLEMING: Are we quite clear that the request was confined to news of penitentiary disturbances?

Dr. FRIGON: Exactly.

By Mr. Fleming:

Q. Mr. Dunton, coming to this question of municipal taxes what is the situation at the present time as regards municipal taxation of Canadian Broadcasting Corporation property?—A. Dr. Frigon knows that rather better than I.

Dr. FRIGON: What is that?

Mr. FLEMING: I am asking about the present situation with reference to municipal taxation of CBC property?

Dr. FRIGON: We pay service taxes, such as water taxes. We do not pay taxes on real estate, on property.

Mr. FLEMING: You are going to extend your ownership of property, as you said, by these stations and acquiring property for the purpose?

Dr. FRIGON: Yes, sir.

Mr. FLEMING: And coming back to Mr. Dunton if it is necessary, has the board of the CBC considered the fairness of taking exemption from municipal taxation as it expands its holdings of property?

The WITNESS: I do not think the board has particularly. I think it is a legal ruling.

Dr. FRIGON: It is a legal ruling by the Department of Justice that they are not subject to taxation.

Mr. FLEMING: It has been overcome in other cases by the necessary statutes.

By Mr. Fleming:

Q. Has the board considered that? I take it your answer it that the board has never considered that question?—A. Not that I know of.

Q. It is a fact, is it not, there are great developments anticipated in the field of radio broadcasting in the years ahead of us with frequency modulation and other developments?—A. Yes.

Q. And the decision that you are taking now—and I come back to the three wave lengths—is a decision with a good deal of finality to it?—A. With regard to these particular wave lengths the decision is made carrying out the policy, which I get back to—

Q. I am speaking now of the execution of your policy in your decision to take over. There is a good deal of finality about that?—A. Yes. They are important steps.

Mr. FLEMING: Dr. Frigon, I have a couple of points to clear up with you if I may. You indicated some time ago, and you referred to it once or twice

since, that you could put before the committee a financial statement, not yet completely audited, for the fiscal year, 1945-46?

Dr. FRIGON: Yes, sir.

Mr. FLEMING: Can you give us that?

Dr. FRIGON: I will do it right now.

Mr. FLEMING: Have you an extra copy?

Dr. FRIGON: Yes.

Mr. FLEMING: Without going into this at any great length your revenue, according to this statement, includes your revenue from the international short wave service of $606,000 odd?

Dr. FRIGON: Yes, sir.

Mr. FLEMING: Which is a receipt from the government for the operation of your Sackville station?

Dr. FRIGON: Yes, sir.

Mr. FLEMING: That is a new item in your statement of income and expenditures that has not appeared in previous statements?

Dr. FRIGON: That is right.

Mr. FLEMING: Your income is approximately the same as for the previous fiscal year; is that right?

Dr. FRIGON: Yes.

Mr. FLEMING: You show a decrease in licence fees of about $10,000, an increase in commercial revenue of about $45,000, and a decrease in miscellaneous revenue of about $7,000. Is that right?

The CHAIRMAN: Mr. Fleming, may I interrupt for a moment? I have been discussing this statement with the Hon. Mr. McCann, and it occurs to me in going on the record it ought to have some caption at the top indicating that it is not final. I should like to ask the reporter to put on some such heading as "tentative".

Dr. FRIGON: I have written "tentative" on the copy.

Hon. Dr. MCCANN: The reason for that is that the annual report includes the statement, and the Act says when the annual report shall be tabled in the House. It is usual to give the annual report to parliament before it comes to the committee.

Mr. FLEMING: We are on common ground on this.

The CHAIRMAN: I only wanted to interrupt to make sure that in being placed on the record it will have the word "tentative" or some other word.

Tentative financial statement

CANADIAN BROADCASTING CORPORATION

Income and Expenditure

1st April, 1945 to 31st March, 1946

Income

Licence Fees	$3,773,284 76
Commercial Broadcasting	1,683,838 38
Miscellaneous	68,440 77
International Short Wave Service	606,699 52
	$6,132,263 43

Expenditures

Programmes	$2,939,375 52	
Engineering	1,160,674 80	
Station Networks (Wire Lines)	971,441 00	
Administration	285,301 57	
Press and Information	145,183 73	
Commercial Department	130,903 47	
International Short Wave Service	577,809 07	
		6,210,689 16
Operating Deficit before providing allowance for Depreciation and Obsolescence		$ 78,425 73

H. BRAMAH,
Treasurer.

OTTAWA, Ontario,
July 18, 1946.

CANADIAN BROADCASTING CORPORATION

Balance Sheet

31st March, 1946

Assets

Current			
Cash in Bank, Petty Cash and Treasurer's Cashiers' Funds		$ 155,375 01	
Accounts Receivable	$ 513,549 09		
Less Reserve for Bad Debts	5,000 00		
		508,549 09	
Due from Dominion Government *re* Short Wave Station		259,901 41	
Accrued Bank Interest		630 33	
Department of Finance (Balance owing on Licence Fee Collections)		12,284 76	
Investments			
Dominion of Canada Bonds—Par Value $500,000 —Actual Cost	500,000 00		
(Market Value—$521,875).			
Accrued Interest Receivable	2,424 66		
		502,424 66	
			$1,439,165 26
Fixed			
Real Estate, Buildings, Technical Equipment, Studio and Office Furnishings, Library of Records, etc.		$3,183,768 72	
Less Deduction for Depreciation and Obsolescence November 2, 1936, to March 31, 1946		2,195,661 93	
		$ 988,106 79	
Add International Short Wave Station, Sackville, N.B. (Per Contra Account—Dominion Government)		1,216,169 97	
			2,204,276 76
Deferred			
Inventories			
Expendable Stores	$ 87,901 86		
Stationery and Printing	59,538 81		
Publications	3,279 33		
		150,720 00	
Prepaid Charges		28,326 23	
			179,046 23
			$3,822,488 25

H. BRAMAH,
Treasurer.

OTTAWA, Ontario,
July 18, 1946.

CANADIAN BROADCASTING CORPORATION

BALANCE SHEET

31st March, 1946

LIABILITIES

Current			
Accounts Payable		$ 684,251 23	
Securities Deposited by Contractors		12,150 00	
			$ 696,401 23
Dominion Government			
International Short Wave Station, Sackville, N.B. (Per Contra Account)			1,216,169 97
Proprietary Accounts			
Capital Surplus		494,377 16	
Reserve for Renewals and Replacements		400,000 00	
Operating Surplus			
Balance 1st April, 1945	$1,043,965 62		
Add Transferred from Special Account	50,000 00		
	$1,093,965 62		
Deduct Operating Deficit 1945-1946	78,425 73		
		$1,015,539 89	
			1,909,917 05
			$3,822,488 25

H. BRAMAH,
Treasurer.

OTTAWA, Ontario,
July 18, 1946.

Mr. Ross (*St. Paul's*): Have we got any more copies?

Dr. FRIGON: There are a few more.

Mr. FLEMING: Dr. Frigon, can you give me your answer to that question? What I said was this statement in comparison with your statement for the fiscal year ended March 31, 1945, shows in round figures a decrease in your revenue from licence fees of $10,000, an increase in your commercial revenue of $45,000, and a decrease in miscellaneous revenue of $7,000?

Dr. FRIGON: Yes.

Mr. FLEMING: By the way, you show an operating deficit of $78,000 for this fiscal year ended March 31, 1946, as compared with a net operating deficit of $72,000 odd for the previous year?

Dr. FRIGON: That is right.

Mr. FLEMING: Have you your estimate of what you require of the government to carry on the service of the short wave station at Sackville for this present fiscal year commencing April 1, 1946, as to your maintenance and capital expenditure, whatever you put into your program?

Dr. FRIGON: The money is not voted yet. I do not know what we will have. It is in the estimates but I do not know what we will get yet. I do not know what we will spend yet.

Mr. FLEMING: Perhaps the minister can tell us if the figure in the estimates is the figure that is asked for by the CBC?

Hon. Mr. MCCANN: Yes, but that is a special vote. None of the operating or capital expenditure for that has been taken out of the ordinary revenue of the CBC. That is a special vote that is made both for capital and operating expenses, and will be voted each year for that. Offhand I cannot tell you what the amount is.

Mr. FLEMING: I was not necessarily asking for the specific amount. If the minister can tell us that what the government is asking parliament to provide is exactly what the CBC asks the government to provide them we know whether the figure in the estimates is the same figure.

Hon. Mr. MCCANN: Sure

Mr. HACKETT: Is the figure mentioned here?

Mr. FLEMING: No, it is for the fiscal year commencing April 1, 1946.

Mr. HACKETT: In the Canadian Broadcasting Corporation balance sheet for the 31st of March, 1946, it shows an item of $1,216,169.97.

Mr. FLEMING: Has that figure Mr. Hackett has just referred to any relation to the requirements of the CBC for the short wave station on either capital account or maintenance?

Dr. FRIGON: That has been spent on capital account to date.

Mr. FLEMING: Up to March 31, 1946?

Dr. FRIGON: That is right.

Mr. FLEMING: What relationship has that to what the government will be asking parliament to provide in the estimates for the fiscal year commencing 1946?

Dr. FRIGON: It has no relationship at all.

Mr. FLEMING: I do not think this has been put on the record yet, but I think it should be on the record. While it may not be convenient to do so at the moment, probably you could have it made a matter of record. I refer to the grants received from the government by way of working capital or otherwise and the repayment to the government of all moneys so advanced. I understand you are in the position now of having repaid to the government from time to time in the aggregate everything you have received from the government?

Dr. FRIGON: We have borrowed from time to time a total of $1,250,000 and we repaid it all, away in advance of the time when it was due.

Mr. FLEMING: What about working capital?

Dr. FRIGON: From the government?

Mr. FLEMING: Yes.

Dr. FRIGON: None whatever.

Mr. FLEMING: What working capital you have has been set aside out of operations in earlier years?

Dr. FRIGON: That is right.

Mr. FLEMING: It was not given by the government. Thank you. I am through.

Mr. HACKETT: But there is, Dr. Frigon, is there not, a liability to the government for the amount of advances to erect this shortwave station at Sackville?

Dr. FRIGON: No. That is a grant paid outright by the government. It is not CBC money, so to speak.

Mr. HACKETT: So the government owns the station and the CBC does not. Is that the idea?

Dr. FRIGON: The CBC operates the station for the government.

Hon. Mr. MCCANN: All the capital expenditure, Mr. Hackett, was undertaken by the government and it was not chargeable to the Canadian Broadcasting Corporation. The Canadian Broadcasting Corporation does operate it for the government and expenses in the operation of it are met by a yearly amount which is voted by parliament.

Mr. HACKETT: Are there any other stations that are owned by the government in the same way?

Hon. Mr. McCann: No.

Dr. Frigon: All that is not domestic. Therefore all that is international is paid out of a special subsidy or grant of the government.

The Chairman: It is a little bit like the Canadian National Railways and the Hudson Bay Railway, Mr. Hackett. The Hudson Bay Railway is not owned by the Canadian National at all but it operates it on a fee basis, I guess.

Hon. Mr. McCann: Your international shortwave station is not revenue producing.

By Mr. Hackett:

Q. I wanted to ask Mr. Dunton a few questions, if I could, about the somewhat thorny question of political broadcasting.—A. I should not think it so, Mr. Hackett.

Q. And the allocation of time to different parties. Are you operating under some definite agreement at the present time?—A. Yes. Our general policies are as laid down in the White Paper. We had two meetings with representatives of the parties, I think about the end of May or the beginning of June; and there was actual agreement then on a series of 15 weeks of broadcasting, on the actual detail as to allocation of time then. That is what we are operating on at the present time.

Q. When does that come to an end?—A. In September sometime, I think. It started towards the end of June and I imagine it would end about the end of September.

Q. Has the CBC any policy in regard to that matter?—A. No. Our general policy is laid down. I imagine we will consult with the parties again probably towards the end of this period and see what the parties want to do; ask them about it.

By Mr. Hansell:

Q. Was it not the impression gained at those recent meetings that the revision of the White Paper might be made by this committee?—A. I think, Mr. Hansell, it is not revealing anything to say that there was a difference of opinion about the basic ratio laid down in the White Paper between the government and opposition parties when there is more than one opposition party. There were different views expressed. I think some people suggested it would be brought up in this committee.

By Mr. Hackett:

Q. I beg your pardon?—A. I think some people or some representatives suggested that this basic ratio might come up for discussion in this committee.

Q. And it has not?—A. No, not so far.

Mr. Fleming: Oh yes, I think it has.

The Chairman: I think the Liberal position has been so far to be liberal and perhaps to give the opposition parties a little more.

Mr. Fleming: If I am correctly informed, that is not the case.

Mr. Hackett: If that be the policy of the Liberals—

The Chairman: You will be a Liberal.

Mr. Hackett: —it will be supported by at least one member of the opposition.

The Chairman: Quite.

By Mr. Hackett:

Q. The matter is under revision or under discussion?—A. I should like to make it clear that the CBC's policy is clearly stated in writing in the White Paper. Naturally, if this committee made any recommendations about changing it, they would be considered.

By Mr. Hansell:

Q. You would not change it on your own authority, would you?—A. I think we have been pretty well satisfied from our own point of view. It seems to be pretty satisfactory. I do not see any reason for discussing it or for bringing it up again.

By the Chairman:

Q. Before you make a change it would be brought before the board?—A. Yes.

Q. But you think it will not be changed?—A. No, unless there is some pretty good reason to do so.

Mr. HANSELL: I think it should be changed, all right; but I was just wondering whether it was for this committee to do it.

Hon. Mr. McCANN: Did you not bring it up in 1944, Mr. Hansell, at the end of the meetings, and there was some recommendation with reference to it? I remember it particularly. I think it was at the last meeting of the committee you brought it up.

Mr. HANSELL: Yes.

Mr. FLEMING: Mr. Chairman, I do not think it is correct to say this thing has not been raised in the proceedings. I think we went into that the other day, on Friday.

The WITNESS: What I was referreing to was the basic ratio between the government and opposition parties in the allocation of broadcasts. I do not think that has been raised in the committee.

By Mr. Fleming:

Q. I think, from your answers the other day, that is a matter of policy on which you would be glad to receive any views the committee cared to express, but the CBC does not contemplate any change on its own initiative.—A. Yes. I was referring more to the qualification of national parties. I think we were discussing that at the time.

Mr. FLEMING: I think probably the committee will have to give consideration to that when making its report, Mr. Chairman. At least, I hope so.

Mr. KNIGHT: Mr. Chairman, on a matter of procedure, may I ask if it is the intention of the committee to deal with this correspondence or make some tabulation of it before 6 o'clock to-night?

The CHAIRMAN: That will take only about a minute, Mr. Knight.

Mr. KNIGHT: Oh, I see.

The CHAIRMAN: Are you now ready to adjourn until meetings for consideration of the report and so forth?

Mr. BEAUDOIN: I move that we adjourn.

The CHAIRMAN: Before I put that motion, I should like to just draw a couple of things to your attention and perhaps to file with the committee in the way of exhibits various correspondence, some of it received by me, some of it received by Dr. McCann or another minister of the government, and some of it received by the clerk direct. There is a considerable number of communications such as letters, resolutions and telegrams. These have all been acknowledged. They have been grouped.

Those letters are all here. They have never been, of course, placed on the record before on any occasion; I mean, a list of similar letters have never been placed on the record before.

They are available for any member of the committee at any time. That, I think, is all the duty I have in respect to that. There was another letter that I have here which, by reason of the answer that was given, must be indicated

to you. A writer requests an investigation into all correspondence under Mr Gladstone Murray, Mr. Howe, and Mr. Brockington, with reference to this writer's application for employment with the corporation, and desiring to know why her work was suppressed and destroyed. The writer is one, Caroline Baxfield, of 231 Gilmour Street, Ottawa.

It is agreed by the committee that that matter may very well be left in the hands of the CBC.

Mr. HANSELL: Mr. Chairman, you will recall that it was rather expected we would spend a session or two in summation of the evidence and so forth, and I suggested that it be on the record. I notice that when you were adjourning at noon, you mentioned something to the effect that our next meeting would be in camera. I do not care whether or not it is in camera, but I want a record kept, at least, of what I have to say. I would like to have what I have to say on the record.

The CHAIRMAN: May I recall the situation to you in that respect, Mr. Hansell. Some such reference as you have indicated there was made and I remember responding to you to the effect that that is a matter of which is in the hands of the committee, naturally. You made your position quite clear and I made that answer to you. Now, while I declared before lunch that the next meeting would be in camera, that, of course, does not alter the fact that all things are still in the hands of the committee; in other words, we open in camera; then the committee will decide whether we continue to operate that way or whether we will have a certain amount of material placed upon the record.

Mr. FLEMING: I wonder if the members of the committee might care to express an opinion as to the methods to be followed in writing this report. There has been one method suggested. In your notice with regard to one of the meetings last week, you asked for recommendations. Have you had any response?

The CHAIRMAN: Well, I have had a couple of communcations suggesting things that ought to go into the report.

Mr. FLEMING: Would you care to make a statement to the committee as to the suggestions that have already been discussed in the steering committee as to the method. You may remember the suggestion was made about having a sort of round table discussion to clarify the points in which the committee may be at one, or which may be dividing it.

Mr. BEAUDOIN: Could we not have that at the beginning of the next meeting.

Mr. FLEMING: I think it would be very much better to try to draft a report first and then discuss the draft. I think it would be better to try to get a draft report together and then to discuss the draft report.

The CHAIRMAN: One suggestion was made, that we should get together in a meeting and have a discussion, agreeing in advance that it would be on one item, two items, or three items, certainly on the outstanding items; then a decision would be arrived at for or against; thus we would have a general idea which would then be expressed by way of a motion or otherwise. On the other hand, a further meeting might enable the subcommittee to go right at the business of that report. Now, the subcommittee did not decide on anything at that time; we just talked about it. It is my own view that before the next meeting is called, I should call the subcommittee together and the subcommittee should draw up some recommendation as to how to proceed and come into the next meeting with it.

Mr. HACKETT: Is the subcommittee the steering committee?

The CHAIRMAN: Yes, it is the same thing. Has anybody any suggestion that he would like to offer?

Mr. BERTRAND: The steering committee could submit that report to the committee as a whole and we would have an opportunity to discuss it again.

The CHAIRMAN: You mean report to parliament or to this committee?

Mr. BERTRAND: No, the report provided by the subcommittee is generally submitted to the committee as a whole, is it not?

The CHAIRMAN: Oh yes, of course.

Mr. BERTRAND: Then we could review it.

The CHAIRMAN: All I can comment on that is that you are handing something to the subcommittee without very much consideration here and I think you ought to have a meeting so as to give that subcommittee a little bit of guidance before you turn it loose at making a report on some of the outstanding questions. Why not leave it this way; that the next meeting will be at the call of the chair and you know that the chairman will consult with the steering committee before such a meeting is called. You know that anyway.

Mr. HACKETT: What would happen if you carried out that suggestion and, in the meantime, got your subcommittee together and prepared a draft report; then, when you called your committee together, the whole thing, its members would deliberate whether something had been omitted; they would criticize the draft and if you could not get final approval of it, it does seem to me you would be a step along. Somebody has got to take the initiative in getting the views of the committee. I think it would be more advantageous if you and your steering committee would do that preliminary work and then come here with a skeleton draft from which deviations or additions could be made.

The CHAIRMAN: I am agreeable personally; I did think that probably a little bit of consideration at that first meeting might be desirable; but it will come anyway.

Mr. KNIGHT: I think the chairman's idea is the better one, that we should hear something and have a discussion on it and on the main points; then the steering committee would likely have a lot less altering to do.

Mr. HACKETT: I would debate that. But I think any way is a good way.

The CHAIRMAN: Let me ask you to do this then: let the steering committee simply meet and again discuss this and decide upon a plan and then come back to you perhaps with a report. Is that agreed? The committee is adjourned at the call of the chair.

The committee adjourned at 5.18 p.m. to meet again at the call of the chair.

SESSION 1946

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS

No. 12

INCLUDING

1. Minutes of Proceedings of Thursday, August 15, 1946.
2. THIRD AND FINAL REPORT.
3. Index of Witnesses.
4. Index of exhibits.
5. Index of appendices.
6. Index of documents distributed.
7. Index of documents filed for reference.
8. Reference maps (with explanations)—tabled by Dr. A. Frigon on August 2, 1946—see evidence on page 723 of Number 10.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

MINUTES OF PROCEEDINGS

THURSDAY, August 15, 1946.

The Special Committee on Radio Broadcasting held an executive meeting at 9 o'clock p.m. to consider its report to the House. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, vice-chairman, Bertrand *(Prescott)*, Bowerman, Coldwell, Diefenbaker, Fleming, Fulton, Gauthier *(Portneuf)*, Hackett, Hansell, Knight, Laurendeau, Maloney, Maybank, Mullins, Nixon, Robinson (*Simcoe East*), Ross (*Hamilton East*), Ross (*St. Paul's*), Smith (*Calgary West*).

The Chairman tabled copies of the draft report.

A discussion arose as to procedure and Mr. Fleming moved that this meeting be an open one and that the proceedings be fully recorded. This motion was resolved in the negative.

The Committee then agreed to proceed by reading the whole report and then study it by paragraph.

Mr. Coldwell moved the insertion of the following and this motion was resolved in the negative, namely:—

> Your Committee received evidence that the ownership of a number of stations is in the hands of the proprietors of newspapers and that in some instances several stations are owned or controlled by one company or individual. We desire to record the opinion that this tendency, if continued, will destroy the effectiveness of the community station as such. We urge the Board of Governors to review the ownership and control of private community stations and to prevent the further acquisition or establishment of stations by the publishers of newspapers.

On motion of Mr. Beaudoin, the following paragraph was adopted and inserted, namely:—

> Your Committee recommends that serious consideration be given by the CBC to the establishment of a second French Network programmes to French speaking audiences in Canada, as are provided by the two English language networks: Trans-Canada and Dominion.

On motion of Mr. Hansell, the following paragraph was also adopted and inserted, namely:—

> The Committee noted with satisfaction the desire of both the private stations and the CBC to present all sides and points of view on subjects of public interest and of controversial nature. We are of the opinion that care in this respect should continue. It must be recognized that the national network now under control of the CBC is a powerful medium for the dissemination of information and the moulding of public opinion. We are therefore of the opinion that if the policy of CBC is to continue to have commentators over the facilities of the publicly-owned networks, care should be taken in their utterances to protect at all times the heritage of our free democratic way of life.

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A motion of Mr. Fleming embodying a recommendation stated hereafter was negatived, viz:—

We recommend further that the special privileges enjoyed by the Toronto *Daily Star* on Station CBL for its newscasts be eliminated.

Mr. Hansell tabled and moved alternatively the following:—

(*a*) The Committee in submitting this report wish to say that there was diversion of opinion in respect to its adoption and would point out that the report was not adopted unanimously.

(*b*) The Committee wishes to point out that rather than having a minority report submitted it would state that this report was not adopted unanimously.

The Chairman ruled either of these motions out of order and quoted Bourinot, 4th ed. page 472 and Beauchesne, 3rd ed. page 203.

The Committee having concluded its study of the draft report, it was *resolved*, on division, on motion of Mr. Beaudoin, that the report be adopted as amended and presented in the House.

A unanimous vote of thanks was passed on motion of Mr. Ross *(St-Paul's)*, seconded by Mr. Coldwell, to the Chairman for the efficient and business like manner with which he conducted the deliberations of the Committee.

For his assistance and readiness, the Committee had a word of commendation for the Clerk.

At 1.05 o'clock p.m., the Committee adjourned *sine die*.

ANTONIO PLOUFFE,
Clerk of the Committee.

REPORT TO THE HOUSE

FRIDAY, August 16, 1946.

The Special Committee appointed by resolution of the House on April 16, 1946, to consider the annual report of the Canadian Broadcasting Corporation and to review its policies, aims, regulations, revenues, expeditures and development, begs leave to present the following as its

THIRD AND FINAL REPORT

Your committee has held 28 meetings, including a visit to CBC studios in Montreal, during which it heard the Minister in charge of Canadian Broadcasting Corporation, the Chairman of the Board of Governors of the Corporation, its General Manager, its Director General of Programmes and its Director General of Music and French Network Programmes. Your committee also heard representatives of the Canadian Association of Broadcasters, of Stations CFRB, Toronto, and CFCN, Calgary. It also had representations from the Canadian Association for Adult Education, the Association of Canadian Radio Artists, The Co-operative Union of Canada, Canada and Newfoundland Education Association. Mr. G. C. W. Browne, Acting Controller of Radio, Department of Transport and Mr. Roland Beaudry, M.P., also gave evidence. Your committee was the recipient of a large number of communications from Agricultural Associations and from many other interested organizations and individuals expressing views upon various activities of the Corporation, its policies, its administration, its programmes and its plans.

From time to time, ever since radio broadcasting began to receive parliamentary attention, pronouncements have been made by successive governments and members of governments, by commissions appointed to inquire into radio matters and by committees of this House upon the principles which ought to govern radio broadcasting in Canada. Almost without exception such pronouncements have been in favour of a nationally owned and operated radio system and in favour of full and complete national control over all broadcasting besides that done by the national system itself. In 1936, parliament enacted the Canadian Broadcasting Act giving legislative sanction to these principles. Without any general review of the numerous declarations approving from time to time the said principles your committee desires to reaffirm its belief in them and to express complete confidence in the frame-work provided by the said Canadian Broadcasting Act.

As was the case in other years, your committee heard from the officers of the Corporation a very full story of their work and activities, including a review of the Corporation's programming, and including the story of the operation of the Sackville short-wave station; and your committee believes that the Corporation has been performing its functions well.

The Canadian Association of Broadcasters also gave to your committee a comprehensive review of the work of their member stations. Their own summation of their representations in this respect was as follows:—

1. The community stations of Canada are discovering, developing and rewarding local talent and creative personnel.
2. The community stations of Canada are sensitive to the voice of the listener.

3. The community stations of Canada are developing, producing and featuring worthwhile sustaining and public service programmes.
4. The community stations afford programme diversification, and give special attention to the needs of minority groups.
5. The community stations provide adequate local creative programming.
6. The community stations provide full information on public issues and give full opportunity for presentation of all sides of controversial issues.
7. The community stations are actively and constructively engaged in public service.

Your committee' s opinion might not coincide precisely with the opinions of the Association's repersentatives as just set forth, but your committee feels that it would be less than fair if it did not record its view that private stations are giving good community service.

Moreover, your committee feels, that while in Canada there is a necessity for a publicly owned and supported national system carrying on network broadcasting, and that, while the pattern of broadcasting which has developed under the Canadian Broadcasting Act is well suited to Canadian needs and conditions, there, is nevertheless, in the Canadian radio world, a place for, and a definite need for private community stations supplementary to the national system. Private radio stations can serve particular needs of their community areas. They have and we believe they should have good opportunity for service and for business.

The areas of service of the two types of broadcasting agents are distinct. A national broadcasting system is for one purpose and community stations are for another purpose. Your committee believes that it is in the public interest that the distinction of purpose between the two should be stated, and should be understood by all who are concerned with the question. It is your committee's opinion that network broadcasting and nation wide coverage even to the remotest parts of Canada are the functions of the national system. Service to community areas is the function of the private station. Network operation or coverage of whole regions of the country, are not, your committee believes, the normal functions of the private radio station. Your committee feels it would be good for all concerned if a clear understanding were to obtain upon this point.

Many examples of good community service performed by private stations were given by representatives of the Canadian Association of Broadcasters. These examples were probably typical of the largest number of private radio stations but, naturally, the private stations are not all of the same degree of excellence in this respect. Some are better than others. Your committee desires to record its opinion that the occupancy of radio frequencies confers no permanent right but that a licence to broadcast is in the nature of a trust which ought to be discharged, in part, by making sure that a reasonable segment of every day's broadcast time will be used for the general benefit of listeners in the community. If too many hours are given over to money making broadcasts, such stations are not discharging their trust.

In this connection your committee desires to suggest that it is the duty of the Canadian Broadcasting Corporation and the licensing authority to make sure that the trust just stated is properly discharged. In furtherance of the view now stated we quote Section 24 of the Canadian Broadcasting Act,—

> The corporation shall, each year, prior to the renewal or issue of the licences for private stations by the Minister review the activities of such private stations, and shall make such recommendations to the Minister in regard to their working, broadcasting or any other matter concerning such matters as it may deem desirable.

and also regulation 31A (*d*) made under the Radio Act, 1938:

> The Minister may require periodic or other returns to be made by the licensee of the revenues, profits and expenditures of the station and any other information required by the Minister for the purposes of this Regulation and to ensure that such station is operated in the national interest and for the benefit of the community in which it is located.

We recommend to CBC and to the Minister that they discharge the duties indicated in these quoted sections and we suggest that as a condition of the issuance or renewal of any licence a station should be required to submit to the Board of Governors of CBC an undertaking that it would faithfully perform its duties as a trustee of a radio frequency, and would indicate the amount of time and what proportion of its revenue it is prepared to devote to local community events, the discussion of matters of local interest and the development of local talent and other public service broadcasts. By this means it would be emphasized to all that the right to occupy a frequency is a privilege granted to one who thus acquires a temporary monopoly in the use of an air channel which belongs to the people and it would be a constant reminder also to the Corporation and the licensing authority of their duty to see that all such persons carry out their obligations to their respective communities.

As will be noted from following pages of this report there were certain controversial issues which arose in the hearings of the committee and in view of this fact we should not wish to leave the subject of private broadcasting stations and their relations with CBC without recording with pleasure the fact that good relations on the whole exist between the Corporation and the privately owned stations. In spite of divergent interests to a limited degree at times and at places between the CBC and the private stations there was little criticism of the Corporation by the latter. Nor was there criticism of the private stations by the Corporation. We are of the opinion that private stations should be at all times strongly encouraged and aided to improve their service to their respective communities.

The main controversial subjects before the committee were two. One of these arose from the brief presented by the Canadian Association of Broadcasters. As is well known, Canadian Broadcasting Corporation is not merely the owner and operator of the chief radio broadcasting business of Canada, but it is also the controller and regulator of all broadcasting.

CAB represented to your committee that a change should be made in the methods of broadcasting control. The Association averred that it believed the fundamental principles governing Canadian broadcasting were sound and the Association wholeheartedly supported regulation of broadcasting by a public body. They urged, however, that complete and final regulatory control of broadcasting should not continue to rest in the Corporation itself. CAB did not present their arguments in a manner critical of CBC nor, in fact, did their representations disclose cases of hardship or injustice resulting from CBC decisions. The weight of the argument for a change in the regulating authority rested upon theory or upon principle. The Association felt that, there being competition to some extent at least, between the CBC and the private station that CBC ought not to be the sole and final arbiter of matters relating to itself and the private station. The following sentence taken from the brief of the Canadian Association of Broadcasters expresses, shortly, the idea underlying the brief of the CAB. The sentence is, "We submit that no government with any claim to being democratic combines in one body the legislative, executive, judicial and police powers."

In pursuance of its arguments CAB did not recommend displacement of CBC from the field of radio regulation and control but did ask that it should not any longer be the final authority. In short, it recommended that there should be some appeal from decisions of CBC.

The Corporation recognized that any decision upon such a matter lay not within its own jurisdiction but rather that it, being in the nature of a policy question, was one for the government or for parliament. However, CBC did declare opposition to the proposal for an appeal body.

Despite the quite strong and sincere arguments presented in favour of the change in control method your committee is not prepared to give its approval to the change. On the other hand, your committee is not yet prepared to say that the idea ought to be dismissed at once. Your committee feels that there was not sufficient time to thoroughly study the problem and it recommends that further study of it should be made by both the officers of the Canadian Broadcasting Corporation and by the Department of Transport and further that the whole matter might be specially referred again to a parliamentary committee on Radio Broadcasting when such may be constituted in another session of parliament. But your committee in making these suggestions desires very emphatically to declare that it is not even tentatively giving its blessing to the proposal.

The second main controversy to which we have referred relates to the stations CFCN at Calgary and CFRB at Toronto. Under the plans of the Corporation the frequencies which were allocated during the war to these stations, 1010 in the case of the former, and 860 in the case of the latter, are to be taken over and used by the Corporation for high powered broadcasting stations. The owners and operators of both these stations appeared before your committee and protested against the intended action of CBC.

The two wavelengths referred to are what is known as Class 1-A clear channels. Under international agreement seven such channels were assigned to Canada, two of these being the ones mentioned. Under the Havana Agreement it is necessary that these frequencies must be used with a minimum power of 50,000 watts. No private stations are allowed to be high powered; only CBC stations may be such. The CBC has now four high power stations. It wishes to carry out its original plans to establish high power stations on the class 1-A clear channels of 1010 kc., 990 kc. and 860 kc. allotted for use in Alberta, Manitoba and Ontario respectively.

In deciding to use henceforth for the national system of broadcasting the three wavelengths, the Canadian Broadcasting Corporation is only carrying out a policy long since laid down, a policy which has been declared from time to time to be the approved policy of CBC, and a policy which in all probability would have been carried out sooner had it not been that the Corporation was prevented from doing so by the advent of the war. That the policy has been well understood over a number of years, or should have been well understood, we believe is shown from a number of reports and public declarations of policy from one of which we desire to quote at this time. The report of the Radio Broadcasting Committee which was tabled in the House on July 25, 1942, stated:—

> The principle laid down by previous parliamentary committees that the Corporation should extend its services so as to give a complete national coverage, if necessary by taking over privately-owned stations, should be followed and the Corporation should take over any privately-owned broadcasting stations considered essential for national coverage. The private broadcasting stations have no vested interest in the sound-waves they are allowed to use. The Government and the Corporation should not hesitate to terminate any licence when it is in the public interest to do so. Any increase in power considered necessary and desirable to

occupy the channels allowed under the Havana Agreement should be made in stations owned or taken over by the Corporation. (Page 630, 1942 Report.)

Your Committee believes there is not, and could not be, any argument as to the legal rights of the occupiers of the frequencies mentioned. The law is clear that they could acquire no such right. But it was urged that they had some moral right or that they were entitled to consideration as a matter of equity. It was said that when they were assigned the said frequencies no intimation was given to them that they would be, or might be, at some later time, displaced, and that no adequate notice of such an act was ever thereafter given them. It was admitted that the Department of Transport placed an endorsement upon their licences from 1941, and that that Department intended this as notice of a possible change, but the owners argued that such was not satisfactory notice, and that, in fact, they were taken by surprise only a short time back when they learned that CBC was going to operate stations on these frequencies itself. They were always aware, it is true, that their licences were annual and not subject automatically to renewal.

Aside, however, from any notification that may have gone to these station owners your committee feels that they either were aware, or had reasons to be aware, of the policy of CBC and hence, must have known, or should have known, that these wavelengths would have to be developed in order that Canada might not lose them and that no agency except CBC would be permitted to do so, and that therefore they should have realized at all times that the wavelengths would at some time be taken over by the Corporation.

We consequently approve the application of the Board of Governors for permission to occupy all Class 1-A wavelengths which were allotted to Canada under the Havana Agreement. We believe the government in giving approval to the application is carrying out the intention of the Broadcasting Act of 1936 and recommendations of previous parliamentary committees.

Of course it should be remembered that the station owners are not being refused a licence to broadcast, nor are their stations being expropriated. They will still have the opportunity to broadcast and it is the policy of CBC to assist them in discovering the best wavelength possible for their use and to assign it to their use.

Your committee considered the plans for the development of the national system which has been held up by the war. It approves the decision of the Corporation to use clear channels in Alberta, Manitoba and Ontario for high power publicly owned stations, and to build a 10 kw. station on an additional clear channel in Quebec.

Your committee was pleased to note that the Corporation is looking further ahead in considering the needs for improved facilities. It agrees in general with the need for increasing the power in different CBC stations to bring improved service to more outlying areas. It also agrees with the policy of establishing frequency modulation stations in important centres. It also noted that the Corporation will need its own buildings in Montreal and Toronto to provide proper studio and office facilities.

As did the Parliamentary Committee of 1944, your committee is of the opinion that moneys for needed capital expenditures should be provided by loans and that revenues needed for the regular operation of the broadcasting system should not be used for these capital expenditures. The Canadian Broadcasting Act at present sets a limit of $500,000 on the total amount which may be loaned to the Corporation by the Government for capital works. In view of the present and coming needs, following a long gap in construction cost by the war, your Committee recommends that the Broadcasting Act be amended to admit the necessary loans being made to cover necessary capital expenditures during the coming years.

The parliamentary committee of 1944 dealt at some length with the question of the titular head of the Corporation and after reviewing the duties of the General Manager as distinguished from the duties of the Chairman of the Board of Governors recorded its opinion as follows:—

> Your committee would therefore recommend that there would be a salaried chairman giving all his time to the Corporation and that the Board of Governors submit a recommendation so that the position of General Manager be filled as soon as possible. Such a set up would necessitate an amendment to the Canadian Broadcasting Act and we recommend that an amendment be made to meet the situation.

Your committee is pleased to note that the recommendation of the said committee of 1944 with reference to the appointment of a full time chairman of the Board of Governors has been carried into effect.

Your committee also desires to make some comment and recommendation respecting the position of General Manager of the Corporation.

At its meeting of November 29, 1945, the Board of Governors recommended that the General Manager of the Corporation be given permanent tenure of office until the age of sixty-five. Your committee feels that the recommendation of the Board of Governors is sound and reasonable and recommends that the General Manager should have such security of tenure.

The Department of Transport collects the annual fee payable by owners of radio receiving sets and hands them over to the Corporation. The Department of Transport does not turn over the gross amount collected but deducts collection costs and certain other charges. We believe that CBC should receive the full amount of the fees paid and so recommends.

Your committee recommends that serious consideration be given by the CBC to the establishment of a second French network which would provide alternative network programmes to French-speaking audiences in Canada, as are provided by the English language networks: Trans-Canada and Dominion.

The committee noted with satisfaction the desire of both the private stations and the CBC to present all sides and points of view on subjects of public interest and of controversial nature. We are of the opinion that care in this respect should continue. It must be recognized that the national network now under control of the CBC is a powerful medium for the dissemination of information and the moulding of public opinion. We are therefore of the opinion that if the policy of CBC is to continue to have commentators over the facilities of the publicly-owned networks, care should be taken in their utterances to protect at all times the heritage of our free democratic way of life.

We recommend that the Radio Committee be appointed every year and that it meet early in the session.

A copy of the printed minutes of proceedings and evidence adduced before the Committee, together with exhibits and papers filed by witnesses, is appended hereto.

All of which is respectfully submitted.

RALPH MAYBANK,
Chairman.

WITNESSES	PAGE
Honourable James J. McCann, (Minister of National War Services)	2-14, 609-612, 792-794, 834, 835, 837, 839, 842.
A. Davidson Dunton	15, 35, 99-115, 126, 154, 162, 216-229, 640, 729-794, 795, 819-844.
Dr. Augustin Frigon	44-62, 115-126, 142-154, 206-229, 541, 542, 556, 635, 665, 672, 684-729 750, 751, 758-760, 784, 790, 796, 801-819, 827 830-831, 833, 835-841.
E. L. Bushnell	67-92, 701, 702, 778-781.
G. C. W. Browne, (Department of Transport)	139-154, 163, 206-215, 643-683.
W. H. Brittain, (Canadian Association for Adult Education)	177-196.
Earle Grey and Mrs. Jean Tweed, (Association of Canadian Radio Artists)	196-206.
Harry Sedgwick, (Rogers Broadcasting Company)	267, 268, 302-384, 398-417, 437-459, 463-487.
F. C. Colborne, (Canadian Association of Broadcasters)	268, 302-384.
Frank H. Elphicke, (Canadian Association of Broadcasters)	302-384.
Joseph Sedgwick, K.C.	445, 452.
B. de F. Bayly	417-437.
Ralph Staples, (Co-operative Union of Canada)	488-499.
Charles E. Phillips, (Canada and Newfoundland Education Association)	499-539, 532.
Dr. Jean-Marie Beaudet	534-539.
Roland Beaudry, M.P.	546-558.
Herbert G. Love, (Station CFCN)	559-570, 597-612, 615-620.
M. M. Porter, K.C.	558, 570-583, 587, 614.
J. R. Radford	625-635.

NOTE: Answers supplied by Messrs. Phil Lalonde, of Montreal, Keith Rogers, of Charlottetown, Ken Soble, of Hamilton, Guy Herbert of Toronto, G. R. A. Rice, of Edmonton, will be found on pages 302-384.

EXHIBITS

By Mr. F. C. Colborne of Calgary:—

1. Radio Station CKAC—Montreal—Contribution to Talent.
2. Retirement plan for employees—All-Canada Radio Facilities, Ltd.
3. A list of Talent developed by CKAC—Montreal.
4. Sectional and Service Programmes—Radio Station CFCN and others.

5A. Programmes—British Columbia Member Stations—Programme.

5B. Programmes—CKRC—Winnipeg, March 24-30, 1946.

6. Programme Schedule—Radio Station CJCA—Edmonton, March 24-30, 1946.
7. Original letters from certain private stations (*to be returned as per motion*).

8A. Annual Report (1946) Commercial Radio Research Committee. (Copies distributed).

8B. Release of the National Opinion Research Centre, University of Denver, Col., U.S.A.. (Copies distributed).

9. Programme Promotion Report—CKCK—Regina, Sask., CJCA, Edmonton, Alta., and CKRC, Winnipeg, Man.
10. Public Service accomplishments: 7 stations starting with CJVI and ending with CKOC—Hamilton.
11. Report of Public Service Activities, etc., CKGB, Timmins, Ont., CHEX, Peterborough, Ont., CKRN, CKVD and CHAD of Northern Quebec, and CKEY, Toronto.
12. Public Service of Station CKLW, Windsor and district.
13. Letters of appreciation, etc., of private stations.
14. Edition of *Radio Vision* of July 6, 1946.
15. Photostats—Letters of appreciation.

(The above list was checked by the Secretary of The Canadian Association of Broadcasters.)

By Mr. Herbert G. Love of Calgary:—

1. School Broadcast—1944-45 (Special reference to CFCN).
2. The *Innisfail Province*—Vol 41, July 4, 1946.

By Mr. Roland Beaudry, M.P.:—

1. City of Montreal plan of proposed site of CBC.
2. City of Montreal plan showing means of transportation to Berri Street.

By Clerk of Committee:—

1. Correspondence exchanged with the Committee since its institution (Session 1946).

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A. List of Broadcasting Stations in Canada (As of June 6, 1946)	165
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(*b*) Letter of notification of the Department of Transport dated April 18, 1946, to station CFRB.	

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C. Sessional Paper No. 130B—Channel assigned to Canada under Havana agreement and licensees.	259

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B. CBC Verchères short wave transmitter	No. 7, p. V
C. International Service policy interpretations, etc.	No. 7, p. V
D. Interim agreement between Canada and other powers to regulate use of standard broadcasts band in North America. Regina, (February 25, 1946).	385
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B. Canadian Federation of Home and School.	520
C. Canada-United States Education Committee.	521
(The above are part of brief of Canada and Newfoundland Educational Association).	

A. Letter of notification of Department of Transport relative to change of wave-lengths to Station CJOC.	585
B. Letter to CKY.	
C. Letter to CFCN.	

A. Reference to power and frequency changes and channels in minutes of proceedings of Radio Parliamentary Committees from 1932 to 1938.	No. 10, p. VI

PAPERS DISTRIBUTED IN THE COURSE OF PROCEEDINGS

1. CBC Annual Report for year ending March 31, 1946
2. Canadian Broadcasting Act (1936)
3. CBC Regulations and By-laws
4. Policies and rulings on political and controversial broadcasting
5. Canada's New Voice—by J. A. Ouimet
6. Digest of Report of March 7, 1946, by Federal Communications Commission of Washington, D.C.
7. Editorial in "Variety"—Let's Face It—March 13, 1946
8. RCA Broadcast News—A.M. and F.M. Television
9. CBC National Programme Order No. 25, June 12-16, 1946
10. CBC Monthly Short Wave Schedule, International Service
11. CBC National Farm Radio Forum
12. CBC Chart of Family Needs
13. Young Canada Listens (School Broadcasts, 1945-46)
14. Report of Citizen's Forum Broadcasts—1945-46
15. Publication of the Kitchener Chamber of Commerce—an Address by John Fisher over Trans-Canada network
16. Canadian Panorama—Tuesdays 10.30-11.00 p.m. (EST)
17. Programmes Statistics—Quarterly Report
18. Report of the Royal Commission, 1946 on Radio Broadcasting—1929
19. List of Broadcasting Stations in Canada as of June 6, 1946
20. The Radio Act (1938) and Regulations as in effect on March 31, 1942.
21. Policy, interpretations, rulings, etc. (Printed as Appendix C to minutes of July 5)
22. Reports from overseas listeners
23. Canada's Voice to the World
24. Topics for week ending July 6
25. Canada's Loudest Voice
26. A First Album of Canada's Music
27. CBC Staff Magazine (Vol. 1, No. 5, March 1945)
28. Canada's New Voice (by Gerald Noxon)
29. Broadcasts from Canada
30. Canada Calling—(by Earle Birney)
31. Voice to the World
32. CBC Report Card
33. Comparison of rates for station time (CFNB)—Fredericton, N.B.
34. Mortality among Early Radio Stations
35. Extracts from statements of Messrs. Brockington, etc., before Committees of 1938, 1939, 1942, 1943, 1944 and 1946
36. Summary of Station Log for CFRB, Toronto (Week of May 12, 1946)
37. CBC Charts of certain Radio Station activities
38. Table of rates relating to CFNB and CBC
39. Network Revenues—1944-45—Private Stations.

PAPERS FILED FOR REFERENCE

(Tabled in House with Report)

1. CBC—Job and Wage analysis—No. 6—April, 1945.
2. CBC—Salary Groups and classifications—May 1, 1946.
3. CBC Staff Magazines—"Radio" sample copies from Nov. 1944.
4. Report by Federal Communications Commissions, Washington, D.C., March 7, 1946, relative to Public Service Responsibility of Broadcast Licencees.
5. Network Programme Statistics Report (Sustaining and Commercial), year ending March 31, 1946.
6. List of Broadcasting Stations by provinces to March 31, 1946.
7. List of Member Stations of Canadian Association of Broadcasters.
8. List of Newspapers affiliated stations of Canadian Association of Broadcasters.
9. List of non-members of CAB.
10. Radio-College for 1945-46.
11. School Broadcasts for 1945-46.
12. School Radio Broadcasts (Department of Education of Ontario in cooperation with CBD—October-April, 1945-46.)
13. Manitoba School Broadcasts—January to May, 1946.
14. Maritime School Broadcasts (Teachers' Manual—October-December 1946.)
15. British Columbia School Broadcasts (Teachers' Bulletin, January-April, 1946.)
16. Saskatchewan School Broadcasts for October, November and December of 1945.
17. CBC network coverage.
18. Correspondence exchanged between CBC and The Toronto *Star* since 1937.
19. Answer to Mr. Hansell respecting CBC commentators.
20. Answer to Mr. Knight respecting School Broadcasts.
21. Answer to Mr. Coldwell respecting National Farm Forums and news.
22. Answer to Mr. Fleming concerning private stations leased and Orders in Councils.

MAP No. 1 represents the service area of stations taken over by the CBC from the CRBC. These include:—

British Columbia:—One 500 watts station in the process of being rebuilt to a 5000 watts station, located on Lulu Island, and on the air 16 hours per day.

Alberta:—No Station.

Saskatchewan:—No station.

Manitoba:—Part-time use of CKY, a 15 kw station located near Winnipeg, owned and operated by the Manitoba Telephone System.

Ontario:—One 5000 watts station, located at Bowmanville, owned by Gooderham & Worts and operated by CRBC staff and on the air 16 hours per day.
One 100 watts transmitter as standby on top of the National Carbon Company plant, Davenport Road, Toronto.
One 1000 watts station located near Ottawa and on the air 16 hours per day.

Quebec:—One 5000 watts station located at Laprairie, near Montreal, owned and operated by Canadian Marconi for the CRBC, and on the air six hours per day. One 1000 watts station, located at Charlesbourg, P.Q., owned and operated by Canadian Marconi for the CRBC, and on the air six hours per day.
One 100 watts station, located at Chicoutimi, P.Q., owned and operated by Canadian Marconi for the CRBC, and on the air six hours per day.

New Brunswick:—No station.

Prince Edward Island:—No station.

Nova Scotia:—No station.

A number of private stations were under lease part time and linked into a network to broadcast CRBC programmes.

Other facilities taken over by CBC from CRBC include:—

British Columbia:—Small studios in the CNR Vancouver Railroad Station.
Small offices in the Georgia Hotel, Vancouver. Plans already under way for the construction of studios in the new Vancouver Hotel.

Alberta:—No facilities.

Saskatchewan:—No facilities.

Manitoba:—Part use, under lease, of studios maintained by the Manitoba Telephone System in Winnipeg.

Ontario:—Studios in the plant of the National Carbon Co., Davenport Road, Toronto.
Studios in the Chateau Laurier Hotel, Ottawa.
Headquarters in the National Research Council Building, Sussex Street, Ottawa.
One shortwave receiving station near Ottawa.

Quebec:—Studios and offices in the King's Hall Building, St. Catherine Street West, Montreal.
One studio and two offices in the Chateau Frontenac Hotel, Quebec.
One studio in the Chicoutimi Station building.

New Brunswick:—No facilities.

Prince Edward Island:—No facilities.

Nova Scotia:—Studios and offices in the Nova Scotian Hotel, Halifax.

Department of the Interior
Canada

HONOURABLE THOMAS G. MURPHY, MINISTER W.W. CORY, DEPUTY MINISTER

NATIONAL DEVELOPMENT BUREAU

F.C.C. Lynch, Director J.E. Chalifour, Chief Geographer

CANADA

Scale, 1:3,801,600 or 60 Miles to 1 Inch

50 0 50 100 150 200 250 300 350

1930

LEGEND

CANADIAN NATIONAL RAILWAYS. in operation / under construction

CANADIAN PACIFIC RAILWAYS. in operation / under construction

OTHER RAILWAYS. in operation / under construction

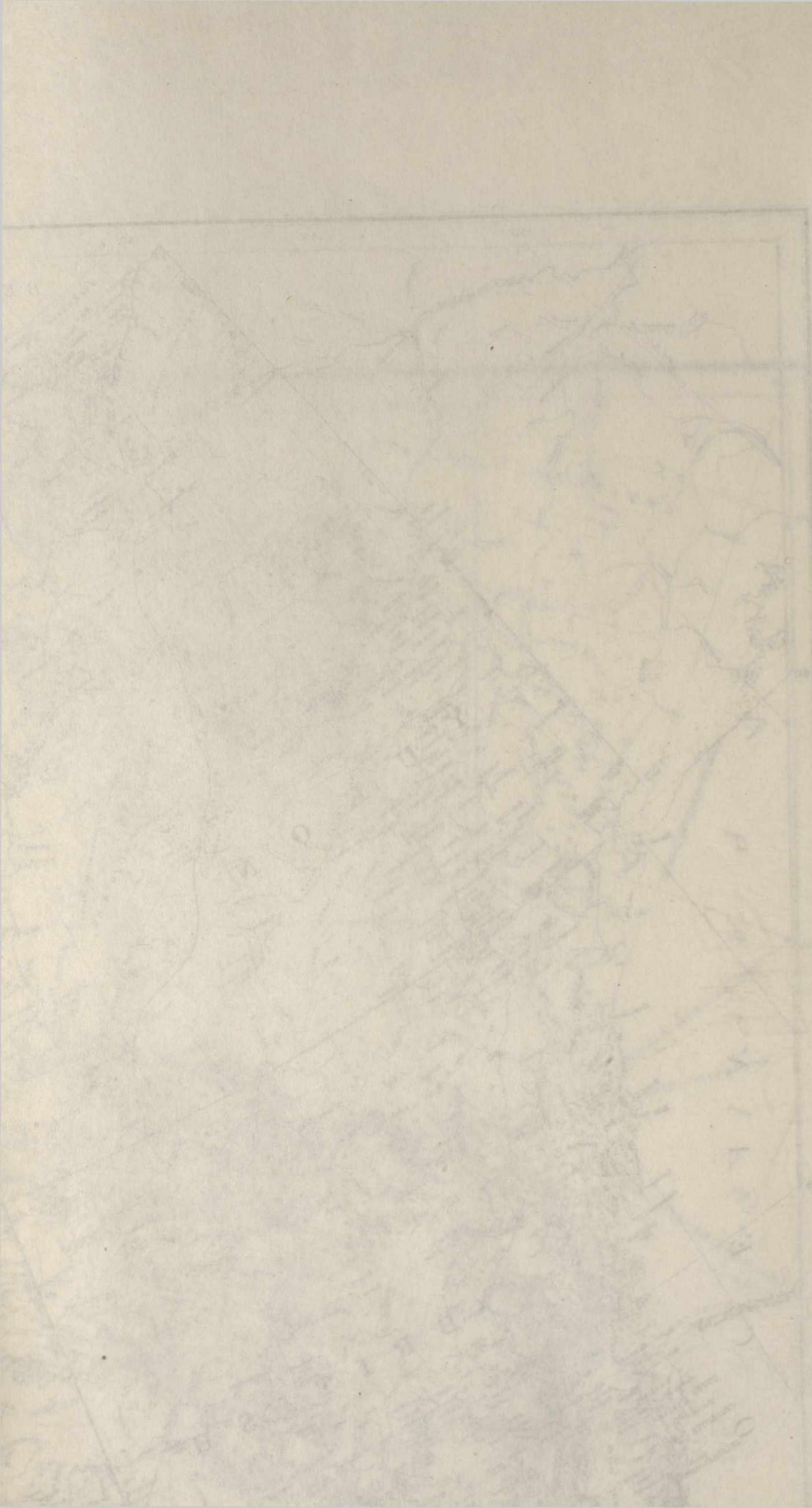
The Northern Alberta Railways and that section of railway running 75 miles southeasterly from Roma-boe, Alberta are jointly owned by the Canadian National and the Canadian Pacific Railways.

CANADIAN BROADCASTING CORPORATION
ENGINEERING DIVISION MONTREAL

TRANSMISSION and DEVELOPMENT DEPARTMENT

DISTRIBUTION OF PROGRAMS BY RADIO
CENTRE ANALYSIS OF RADIO RECEPTION
STATION AS AT NOVEMBER 1, 1936

DRAWN BY F.A.P. DATE JUNE 24, 1936
APPROVED BY F.A.P. No.



70332—2

MAP No. 2 represents the plan of expansion adopted December 17, 1936, of the service areas of stations owned or to be owned by the CBC:—

British Columbia:—One 5,000 watt station at Vancouver then under construction. Relay transmitters at some repeater points on the wirelines.

Alberta:—One high power station near Calgary.

Saskatchewan:—One high power station at an appropriate location.

Manitoba:—One high power station near Winnipeg.

Ontario:—Two high power stations in the Toronto area.
One station near Kingston.
One station at Windsor.
One station at Ottawa.
One shortwave transmitting station near Ottawa. Relay transmitters at some repeater points on the wirelines.

Quebec:—Two high power stations at Montreal.
One station at Quebec City.
One station in Northern Quebec.
One station at Chicoutimi.

New Brunswick, Prince Edward Island and Nova Scotia:—One high power station to serve the Maritimes.
Other facilities in the expansion plan included:—

British Columbia:—New studios in Vancouver then under construction.

Alberta:—Studio facilities.

Saskatchewan:—Studio facilities.

Manitoba:—Improved studio facilities.

Ontario:—Improved studio facilities in Toronto.
Improved shortwave reception facilities near Ottawa.

Quebec:—Improved studio facilities in Montreal.
Improved studio facilities in Quebec.

Maritimes:—Improved studio facilities in Halifax.

Department of the Interior
Canada

HONOURABLE THOMAS G. MURPHY, MINISTER W. W. CORY, DEPUTY MINISTER

NATIONAL DEVELOPMENT BUREAU

F. C. C. Lynch, Director J. E. Chalifour, Chief Geographer

CANADA

Scale, 1:3,801,600 or 60 Miles to 1 Inch

1930

B

MAP OF THE DOMINION OF CANADA
EXCLUSIVE OF NORTHERN REGIONS

SHOWING
DISTRIBUTION OF POPULATION
CENSUS OF 1931

LEGEND

NOTE: DOTS ARE OF TWO SIZES:
EACH SMALL DOT REPRESENTS 1000 PEOPLE LIVING IN RURAL COMMUNITIES OR IN URBAN CENTRES OF LESS THAN 2000 PEOPLE.
THE LARGER DOTS REPRESENT LOCALITIES WITH POPULATIONS OF FROM 2000-5000 PEOPLE.
SIZES OF CIRCLES SHOW THE PROPORTIONATE POPULATIONS AS INDICATED BY SCALE OF TYPICAL CITIES SHOWN BELOW

SCALE I

POPULATION SURVEY BY PROVINCES OF C.B.C. BASIC NETWORK

Province	Population Rural and Urban	Population Rural and Urban Listening Area	Percentage
Prince Edward Island	88,038	88,038	100
Nova Scotia	512,846	338,140	66.1
New Brunswick	408,219	294,508	72.3
Quebec	2,874,255	2,472,079	86.2
Ontario	3,431,683	3,075,138	89.6
Manitoba	700,139	647,187	92.4
Saskatchewan	921,785	887,591	96.4
Alberta	731,605	604,720	82.7
British Columbia	694,263	490,750	70.8
Dominion	10,362,833	8,886,151	85.7

This survey is made in conjunction with the Report of the Seventh Census of Canada, 1931.

LEGEND

CANADIAN NATIONAL RAILWAYS. in operation; under construction

CANADIAN PACIFIC RAILWAYS. in operation; under construction

OTHER RAILWAYS. in operation; under construction

The Northern Alberta Railways and that section of railway running 25 miles southeasterly from Rosedale, Alberta are jointly owned by the Canadian National and the Canadian Pacific Railways.

"B" - PLAN 1

LEGEND

SCHEME - 1

BASIC CORPORATION NETWORK STATION COVERAGE (Corporation owned and operated)

BASIC CORPORATION NETWORK STATION COVERAGE (Corporation owned, operated, and carrying C.B.C. French Programmes)

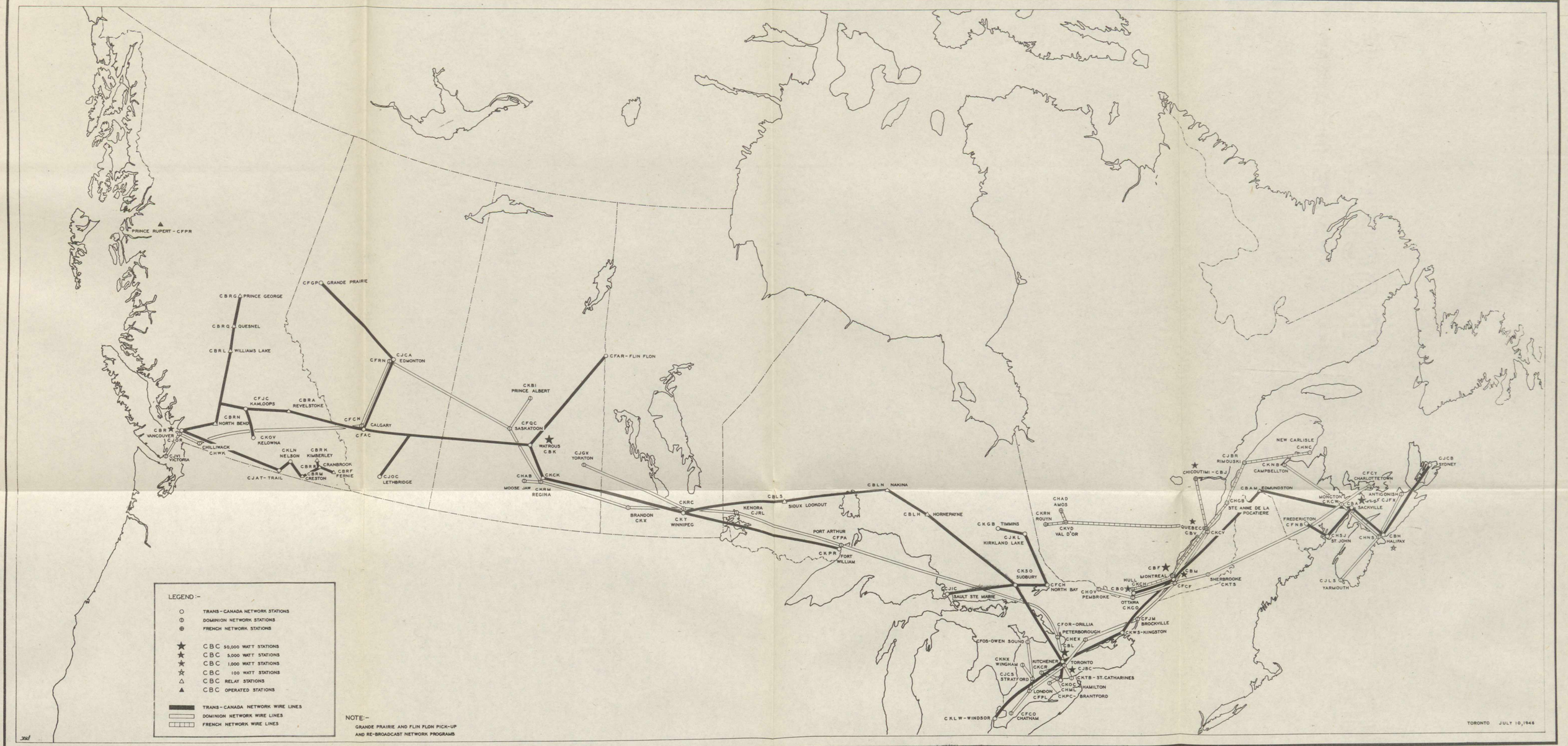
BASIC CORPORATION NETWORK STATION COVERAGE (Privately owned Stations)

REPEATER STATION TRANSMITTERS

NOTE: New Carlisle is privately owned, but it carries C.B.C. French Programmes.

CANADIAN BROADCASTING CORPORATION NETWORKS

NETWORKS STATIONS AS OF JUNE 20,1946



MAP No. 3 represents the three CBC networks and stations affiliated to them.

Since 1936 and as part of the expansion plan, the following improvements to the facilities taken over from the CRBC have been achieved:—

British Columbia:—The power of the station at Vancouver has been increased from 500 watts to 5,000 watts.

Better studios have been constructed in the Vancouver Hotel.

A number of small transmitters have been installed at repeater points on the wirelines.

A 100 watts station has been taken under lease at Prince Rupert.

Alberta:—No additional facilities.

Saskatchewan:—A 50,000 watts station has been built at Watrous.

Manitoba:—No additional facilities.

Ontario:—One 50,000 watts station has been built to replace that originally located at Bowmanville, and operates as the key station of the Trans-Canada network.

New studios and offices for the Programme Division and the Commercial Division have been provided for on Jarvis Street, Toronto.

The 100 watts standby transmitter at Toronto has been transformed into a 5,000 watts transmitter and operates as the key station of the Dominion Network.

The Windsor station and studio facilities have been closed down.

The Shortwave receiving station in Ottawa has been materially improved.

CBC Headquarters have been moved to the Victoria Building, Wellington Street, Ottawa.

Studio facilities at the Chateau Laurier Hotel have been greatly improved.

Quebec:—A 50,000 watts station was built at Montreal to operate as the key station of the French Network, in Montreal. The Canadian Marconi station was taken over and replaced by a better located 5,000 watts station to serve the Montreal area.

Studios and programmes offices in Montreal have been greatly improved.

CBC Engineering Division Headquarters have been organized in Keefer Building, Montreal.

International Shortwave Service Headquarters have been temporarily installed on Crescent Street, Montreal, with studio facilities.

Two FM transmitters have been erected in Montreal. Studios in Quebec City were moved from the Chateau Frontenac to a better location at Palais Montcalm.

Small studio facilities were provided for at Chicoutimi and the station's power was increased from 100 watts to 1,000 watts.

New Brunswick:—A 50,000 watts station was built at Sackville to serve New Brunswick, Prince Edward Island and Nova Scotia.

An important shortwave transmitting station was built at Sackville with antenna facilities to cover the whole world.

Prince Edward Island:—This province is served by the Sackville station.

Nova Scotia:—This province is served partly by the Sackville station.

A 100 watts station was built to serve the City of Halifax.

Offices and studio facilities were provided in the United Services Building in Halifax.

Under the 1936 expansion plan adopted by the Board of Governors, it is now proposed to provide the following facilities within the next seven years. These are listed in the approximate order of their construction except that the first four items are of equal importance and must be put into operation as quickly as possible:—

One 50,000 watts station in Alberta.

One 50,000 watts station in Manitoba.

Increase the 5,000 watts station in Toronto to 50,000 watts.

Increase the 1,000 watts station in Chicoutimi to 10,000 watts.

Increase the power of the Halifax station from 100 watts to 5,000 watts.

Provide permanent studios and offices in Montreal.

Install 3,000 watts FM transmitters at Montreal (2), and Toronto; 250 watts transmitters at Winnipeg and Vancouver; several FM transmitters at various points across Canada (Ottawa, Halifax, etc.).

A station and corresponding studios at Windsor.

Increase the power of the 5,000 watts station in Montreal to 50,000 watts.

Increase the power of the 5,000 watts station in Vancouver to 50,000 watts.

Increase the power of the 1,000 watts station in Quebec to 5,000 watts.

Increase the power of the 1,000 watts station in Ottawa City to 5,000 watts.

Install shortwave receiving stations on the Atlantic and on the Pacific coasts.

Provide permanent studios and offices in Toronto.

Provide studios and offices in Winnipeg.

Provide studios and offices in Vancouver.

Provide sundries, equipment and facilities to keep pace with the progress of the broadcasting art especially in connection with FM.

The introduction and development of television is to be discussed and taken care of separately in due time.

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