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SESSION 1947

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1

FRIDAY, MAY 9, 1947

MONDAY, MAY 19, 1947

WITNESSES:

A. Davidson Dunton, Chairman of the Board of Governors,
Dr. Augustin Frigon, General Manager, Canadian Broadcasting Corporation.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1947

ORDERS OF REFERENCE

WEDNESDAY, 2nd April, 1947.

Resolved,—That a Select Committee 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; and that the said Committee shall consist of the following Members: Messrs. Beaudoin, Bertrand (*Precott*), Bowerman, Coldwell, Diefenbaker, Fleming, Fulton, Gauthier (*Portneuf*), Hackett, Hansell, Knight, Langlois, Laurendeau, Maloney, Maybank, McCann, Mullins, Nixon, Pinard, Robinson (*Simcoe East*), Reid, Ross (*Hamilton East*), Ross (*St. Paul's*), Smith (*Calgary West*), and Winters, and that the presence of at least nine members shall be a quorum of the said Committee and that Standing Order 65 be suspended in relation thereto.

Attest.

ARTHUR BEAUCHESNE,
Clerk of the House.

REPORT TO HOUSE

FRIDAY, May 9, 1947.

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

FIRST REPORT

Your Committee recommends:

1. That it be empowered 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 permitted to sit while the House is sitting.

All of which is respectfully submitted.

RALPH MAYBANK,
Chairman.

(Concurred in May 9, 1947.)

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MINUTES OF PROCEEDINGS

FRIDAY, May 9, 1947.

The Special Committee on Radio Broadcasting met at 10.30 o'clock for the purpose of organization.

Members present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Gauthier (*Portneuf*), Hansell, Knight, Langlois, Laurendeau, Maybank, McCann, Pinard, Reid, Ross (*St. Paul's*), Winters.—(16)

The Clerk presided over the election of the chairman.

On motion of Mr. Bertrand (*Prescott*), Mr. Maybank was unanimously elected chairman.

Mr. Maybank, in taking over the chairmanship, thanked the members and expressed his confidence that he could count on the collaboration of every member of the Committee.

The order of reference under date of April 2, was placed on the record.

On motion of Mr. Fleming, seconded by Mr. Reid, Mr. Beaudoin was elected vice-chairman.

On motion of Mr. Beaudoin,—

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

On motion of Mr. Coldwell,—

Resolved,—That the Committee ask leave to sit while the House is sitting.

The Committee decided to appoint an Agenda Committee (Steering). The names of Messrs. Fleming, Knight, Hansell, Langlois and Beaudoin were forthwith suggested. The Chairman will designate the other member.

Various suggestions were made for study and report by the Agenda Committee.

After a brief discussion on procedure relating to the evidence to be heard, the Committee adjourned at 11.00 at the call of the Chair.

MONDAY, May 19, 1947.

The Special Committee on Radio Broadcasting met this day at 11.00 o'clock. Mr. Ralph Maybank, the Chairman, presided.

Members present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Diefenbaker, Fleming, Fulton, Hansell, Knight, Langlois, Maybank, Reid, Ross (*Hamilton East*), Ross (*St. Paul's*).—(14)

In attendance: Mr. A. D. Dunton, Chairman, Dr. A. Frigon, General Manager, Mr. Garnett Richardson, Assistant Director, Personnel and Administrative Services, and Mr. Hugh Palmer, Executive Assistant, all of the Canadian Broadcasting Corporation; Senator T. Crerar and Senator Charles L. Bishop.

Mr. Maybank read the First Report of the Agenda (Steering Committee). (*See evidence.*)

Mr. Reid inquired whether copies of the above report had been distributed to all members of the Committee. He thereupon moved that copies of the Steering Committee's future reports be distributed beforehand to all members of the Committee. The question being put it was resolved in the negative.

The Committee discussed at some length the methods of procedure, days of future meetings and dates of the hearing of witnesses, in particular the Canadian Association of Broadcasters.

After some discussion, Mr. Fulton moved, and it was *resolved*, that a letter along the line suggested by the Chairman be forwarded to the President of the Canadian Association of Broadcasters.

It was further moved by Mr. Beaudoin, and *resolved*, that the Committee hold a meeting on Wednesday, May 21 at 4.00 o'clock.

The Committee further discussed the advisability of holding two meetings on one day, starting Friday. The Committee agreed to refer this suggestion to the Steering Committee for a definite report at its meeting on Wednesday next.

The Chairman read a letter to the Clerk dated May 19, from Mr. H. Palmer, Executive Assistant, Canadian Broadcasting Corporation, relative to filing of documents for distribution to members of the Committee. (*See evidence for list of documents.*)

The Clerk informed the Chairman that these would be forwarded to the Members before the next meeting.

Messrs. Dunton and Frigon were called. They read statements consecutively.

In the momentary absence of the Chairman, Mr. Beaudoin, Vice-Chairman, presided.

At 1.05 o'clock p.m., the Committee adjourned until Wednesday, May 21, at 4.00 o'clock p.m.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,
May 19, 1947.

The Special Committee on Radio Broadcasting met this day at 11 o'clock a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: Gentlemen, this being our second meeting, the first one being by way of organization, you will recall that the subcommittee was instructed to get together and line up the business for the committee. We had a meeting a few days ago. A memorandum was prepared by me afterwards which will serve in the nature of a report. It is rather lengthy, comprising more than two or three sentences but, at any rate, it represents what I thought had occurred at the meeting. Other members of the subcommittee will correct me if I am wrong in any place.

May 15, 1947.

The subcommittee of the Parliamentary Radio Committee reports as follows. The subcommittee met today. Any decisions were unanimous. Messrs. Robinson and Hansell were unable to be present but it is believed had they been present they would have concurred.

The subcommittee decided that the first meeting of the Radio Committee should be Monday, the 19th. It was understood that Monday for regular meetings is probably a bad day and the subcommittee only decided on that date as the first meeting expecting that expressions of opinion in the main committee would determine regular meeting dates hereafter. The feeling of the subcommittee is that it would be well to have meetings as frequently as possible to make sure of covering all item of business that may come before the committee.

It was decided that the officers of CBC should appear at the first meeting and make a report respecting the commission's work since the adjournment of the last Radio Committee. The chairman was requested to indicate to the president of CBC that it is considered that the starting point of examination into CBC matters should be the matter dealt with in the Radio Committee's last report to parliament. What the committee had in mind was that it would not be necessary for CBC to go back into past activities to quite the extent that was done at the last Radio Committee meetings because at that time the work of two or three years had been pretty well covered and it is not a long time since there was an examination by the Radio Committee. The chairman was also requested to ask the officials of CBC to endeavour to have sufficient copies of its report typed or mimeographed so that every member of the committee could have the same in advance of it being read before the committee. It was decided that whenever practicable persons who are appearing as witnesses before the committee should be requested to follow the same procedure namely, to prepare a written brief and supply it in as many copies as necessary for each member to have one and to endeavour to place it in the hands of the committee chairman or clerk for distribution in advance of its presentation.

The chairman reported that the manager of Canadian Association of Broadcasters had been in touch with him with a view to arranging a date

at which time representatives of that association might appear and present the association's views, the association desiring to appear some time early in June, and the chairman reported that he had suggested as a possibility that representatives of the association might appear even earlier than that, perhaps in the last week in May.

The subcommittee members were of the opinion that one of the major problems to be discussed here would be the question of Canadian Broadcasting Commission continuing to be a controller and regulator of the radio business in general to the same extent as in the past; in other words, the proposal put forward particularly last year by Canadian Association of Broadcasters that there ought to be something in the nature of an appeal court to which appeals could go from decisions of CBC The members of the subcommittee were of the opinion that Canadian Association of Broadcasters would again bring up this matter this year. Having this in mind it was agreed that a letter should go to Canadian Association of Broadcasters asking them, in case they were going to make representations upon that subject, to be prepared to discuss it very fully and very frankly with examples of objections to the present methods and system of control. It was understood that such a communication would not go until it had been placed before the Radio Committee. Such a communication is now recommended.

In order to assist the committee in working out the schedule of meetings from now on the subcommittee records that as far as the members of it can see there would appear to be about five general headings under which discussion might come. First is such discussion as may arise from the report of CBC; and the second is such discussion as may arise from representations made by C.A.B., this probably including the question of a change in the methods of regulation of the radio industry; it has been indicated already that there should be a discussion as to whether newspapers should be allowed to own radio stations and also a discussion as to whether provincial governments might be allowed to own and operate radio stations.

Mr. REID: May I ask why the members of the committee have not been provided with a copy of that report?

The CHAIRMAN: You mean the one I have read?

Mr. REID: Yes. I am a new member of this committee, but on most committees I attend and have attended in the past the members are presented with a copy of any report from the subcommittee so that they may have it before them while it is being read. There are many matters there. I have grasped what you read but just the same it would be nice to have a copy before one in case matters emanating from that report come up for discussion. I do not know what you have done in the past, but I am going to ask as a member of the committee that when a report is presented from the subcommittee that every member of the committee have a copy of it when we meet here.

The CHAIRMAN: Speaking with reference to that as far as I am concerned if it involves the chairman preparing a copy for everybody then include me out. That will not be done by the chairman. There has always been a copy prepared for each member of the subcommittee so they would be sure to see it. My secretary is able to type out that many copies but I have no facilities at my disposal for doing what you suggest.

Then we come to the next question, the matter of this report itself. I believe there would not have been time for me to have got this into the hands of the clerk or some other person to have it mimeographed in the way that you suggest. If the committee desires to pass a resolution that all such reports must

be presented as you suggest the committee is master. However, there is not much doubt in my mind that such a report will not be as full. I do not know, but that is the way it looks to me.

Mr. REID: I do not want to make this matter too controversial nor do I want to place an undue load on your secretary, but I thought that it was the duty of the clerk of this committee when a report was made to provide the members with a copy of it. I did not mean that it was your special prerogative or responsibility at all.

The CHAIRMAN: That may be. It has not been thought to be necessary on the other occasions when we have had such reports presented, but it is the duty of the chairman or of the clerk if this committee states it to be so.

Mr. REID: I may not get a seconder but I will move that in future copies of the subcommittee's reports be placed before members of the committee when we meet. I do not know whether that meets with the wish of the members of the committee but the best way to find out is to move a motion.

The CHAIRMAN: You have heard the motion of Mr. Reid. Gentlemen, are you ready for the question? Any further discussion? Those in favour of the motion? Those against the motion? The motion is lost.

Mr. REID: How is it lost? Let us have an understanding on this. I am a new member, but I do not want things put over on me that way.

The CHAIRMAN: It was lost for this reason. You voted yes. Mr. Ross voted no. I am the chairman, and I so declared it. My vote made it that way.

Mr. REID: I did not hear it. I had better go to the Indian committee.

The CHAIRMAN: Is there any discussion on the report of the subcommittee? What is your view with reference to what has been placed before you?

Mr. DIEFENBAKER: There is one matter not mentioned in that report concerning which I should like to ask whether or not it can be discussed. It has to do with the powers of the corporation as provided for by section 8. Section 8 of the Canadian Broadcasting Act says:—

> The Corporation shall carry on a national broadcasting service within the Dominion of Canada and for that purpose may:—
>
> (*h*) publish and distribute, whether gratis or otherwise, such papers, periodicals, and other literary matter as may seem conducive to any of the objects of the corporation;
>
> (*i*) collect news relating to current events in any part of the world and in any manner that may be thought fit and to establish and subscribe to news agencies.

I do not know whether this is the proper time to bring it up, but I should like to have that added to the agenda to the end that the question may be discussed as to whether or not the time has not come to amend the Act in this regard by deleting those sections granting powers to the corporation which certainly, while they have not been used up to the present time, might be used in the future to the detriment, as I see it, of the people as a whole in that information in the nature of propaganda might be put out over the CBC or through the instrumentality of the CBC in the establishment of new corporations.

The CHAIRMAN: I might explain a little further what was meant by our report. I believe you have been referring to the last paragraph which I read. If I may explain the genesis of that the subcommittee in order to help the committee to figure out its time said, "Now, let us see what might come up this year?" We said to each other, "Well, there is such and such a question, and there is also such and such a question." We were not preparing an agenda. This committee is now going to be thinking about how often it will meet, when it will meet, and we were trying to help to block out the amount of ore there

is to be got out. What you have said is certainly clearly in order. I should think it would arise either from the report the CBC makes or it might be introduced otherwise by yourself. There was no thought in our minds of laying down half a dozen subjects for discussion and no more. That was not the view.

Mr. KNIGHT: Might I have identification of those sections to which Mr. Diefenbaker referred?

Mr. DIEFENBAKER: The section to which I referred was section 8, subsections (*h*) and (*i*), in so far as they purport to confer upon the corporation power to to publish and distribute papers, periodicals and other literary matter, and also to establish news agencies under the corporation.

Mr. FLEMING: Just along the line of what you have said I think it might be well to add that there were some other points that were discussed, but it was thought that discussion of those would naturally arise out of the report received from the CBC. For instance, there was the question of the annual report for the fiscal year ended March 31, 1947, the matter of the finances of the CBC, the method of granting new wave lengths, licences for new stations, and so on.

The CHAIRMAN: Yes.

Mr. FLEMING: Those are matters that we would expect to be covered in the report which the CBC will make to the committee.

The CHAIRMAN: That is right. When you look at some of the phrases that were used there, such as matters arising out of the CBC report, they are pretty comprehensive. It might be worth while to consider for a few minutes, not with a view to setting definite bounds, but perhaps tentatively to set some bounds, how long should be devoted to the presentation of the CBC reports. Perhaps you would want to have some questioning and then defer it and come back to it. If any member has any ideas along that line it would be well if he would give them now with a view to letting others present have notice of the sort of things that may come up.

Mr. FULTON: Before that is done I wonder if I could ask whether the report of the CBC for the year ending March 31, 1946, has been prepared in English. I am studying French, and sometimes try to speak it, but I am not sufficiently bilingual to understand completely the copy which has been provided for me, and which is printed in French.

The CHAIRMAN: It has been prepared in English. I think probably they were endeavouring to pay you a compliment. I did not know of the compliment that had been paid you, but I am sure everybody is glad that you have brought it up.

Mr. FULTON: I have the English copy now.

Mr. ROSS (*St. Paul's*): The report which was given to us this morning is for the year ended March 31, 1946. We had that last year. What I think we should have as quickly as possible is the report for the year ending March 31, 1947.

The CHAIRMAN: I think that will come up on the presentation of the CBC reports.

Mr. ROSS (*St. Paul's*): I think we ought to have it in our hands as quickly as possible.

The CHAIRMAN: I do not fancy it is in this shape yet. This is the audited report. You will remember at our last committee we had this presented but not in its final form. I do not think any more than that can be given at this stage of the year. I speak subject to correction, but I think that is the situation.

Mr. Ross (*St. Paul's*): I am not so interested in the auditor's report as I am in the operations of the corporation. I think it is very important that we should have that. We cannot discuss these things properly unless we have it.

The CHAIRMAN: You will have noticed what was said about the representatives of the C.A.B. coming before the meeting, and the recommendation that a certain type of letter be sent to them. It was understood that no such letter would go to them until it had been brought before the committee. I should read to you what has come into my hands since. I am sorry, I thought I had a letter here from Mr. Dawson. Mr. Dawson wrote me along the same lines as are mentioned in that report, saying they would like to appear about the beginning of June or possibly the end of May, and gave as a reason—he certainly gave it over the telephone—that they themselves are having a convention at Jasper around the middle of June. I am not sure whether he meant us to infer he was inviting the committee to go to that meeting at Jasper.

Mr. FLEMING: Could we not take evidence there?

The CHAIRMAN: It may be that is a coincidence. The two things were mentioned at the same time. I think they would like to know when this committee will hear them. This is the 19th of May.

Mr. FULTON: I understand that you did not mention it in that report but have you in mind an agenda which you might suggest to the committee as a whole? You have obviously studied these things, and if you can put forward a concrete proposal possibly it will speed things up.

The CHAIRMAN: Well, this is probably right, Mr. Fleming, is it not; if we had been fixing it at that time we would have fixed the date for the C.A.B. for the last week of May or the first week of June, but we did not think it necessary to do so because we were to be here this morning and get the benefit of any other comments that might be made. I think you are right in saying that, Mr. Fleming; but don't you think that is pretty well in line with what C.A.B. wanted.

Mr. FLEMING: Well, Mr. Chairman, I think the steering committee thought we should have the representatives of the CBC give us the background and the foundation, and then at a later hearing if C.A.B. wish to be heard we would bring them on next; but I think if before that the CBC completes its report and brings us up-to-date on CBC matters that would be desirable.

The CHAIRMAN: Well, that was the dispute that we had last year about what lawyers call the "splitting of a case"; and it was consequently agreed to have CBC give a complete report first.

Mr. FLEMING: Will it not be well to acquaint the committee with the discussions in the steering committee on the subject of going back on last year's proceedings. There are some new members on the committee, and as a matter of fact there were two of them at the meeting of the steering committee, and there was a discussion held there as to whether it would be necessary to go back into any questions that were discussed very fully in last year's proceedings; and I think it was the feeling of all that it was their responsibility to read up in full the volume of last year's proceedings so it would not be necessary to go back and take evidence on those matters in detail, unless some specific question arose from time to time for purposes of elucidation. As far as the CBC report itself is concerned they might in the first instance bring themselves up-to-date on the story by going over the reports of the committee last session and that would bring them up to the point where we left off in August of 1946.

The CHAIRMAN: Well, yes. I mentioned that.

Mr. FLEMING: I would not make it a hard and fast rule, Mr. Chairman, but I thought it would expedite the work of the committee.

The CHAIRMAN: Your thought was not to ask the CBC to go any further back than last year's report. You take last year as the jumping-off place.

Mr. FLEMING: We could assume that the new members would have read the report of the proceedings of last year's committee, with the presentations and discussions—they are quite lengthy—without going back and reviewing those proceedings at least. That does not say that we are not to go into the report of last year, but not to go back all over the proceedings again.

The CHAIRMAN: Yes. Well, I rather inferred that the committee was pretty well in agreement on that. That was our report and it was decided that they should so report, and some place in this document which I read it says in effect that the starting point would be the report to parliament of last year. In other words, that they would in their initial presentation—except in so far as questions might bring certain matters up—not go back further than that; and that they would probably be reporting on their stewardship from the time when we adjourned.

Mr. COLDWELL: We have the printed report before us. Would not the logical thing be to deal with this report first?

Mr. FLEMING: That is the report for the fiscal year 1945-46.

Mr. COLDWELL: I know, but even that would give us an outline of what the corporation is doing and the expenditures up to that date.

The CHAIRMAN: I may be responsible for having misled you; but I assure you it was not intentional on my part. The officers of the CBC were asked to submit a report in mimeographed form of the brief that they are to present; they were asked to make it available in advance of this meeting so that members might have an opportunity before CBC appeared here of reading it. They endeavour to do that but the notice I was able to give them was so short that the mimeographed report could not be got into the hands of the members until just this minute. It is here now. That would be the presentation. Of course, it will involve this blue book, you see.

Mr. COLDWELL: Yes.

The CHAIRMAN: It seems to me, gentlemen, that there is only this one point left at the moment to decide before calling on Mr. Dunton, and that is whether you agree with the idea that was expressed with relation to the Canadian Association of Broadcasters. I said to you that we were of the opinion that the Canadian Association of Broadcasters would bring up the question of what I called for convenience a separate court. Having this in mind it was agreed that the letter should go to them then so that in case they were going to make any representation of that sort they would be prepared to discuss it very fully and very frankly with examples of objections to present methods. It was understood that such a communication should go, but not until after this meeting to-day had indicated its approval. Assuming that it might I prepared a very rough draft. I do not recommend it to you precisely as to terms, but generally. It reads:—

> "Draft of letter to Henry Dawson, Manager, Canadian Association of Broadcasters, Victory Building, Toronto.
>
> DEAR MR. DAWSON,—Your letter of May 13th came to hand in due course and since I received it there has been a meeting of the Radio Committee at which time your letter was read. The committee suggests to Canadian Association of Broadcasters that the.....day of ..... at ..... o'clock in the ..... would be a good time for representatives of C.A.B. to present the views of the association.

This year the committee would desire to have persons who are going to make representations submit their written briefs in advance if this is possible and to have same submitted in a sufficient number of copies to allow one for each member of the committee. It is felt that if committee members could have an opportunity of reading such briefs in advance of their presentations they would be able to follow the actual presentation of the brief somewhat more intelligently and it would be for the benefit of all concerned.

Last year C.A.B. made this representation about changes in the system and methods of the regulations of the radio industry. Specifically the recommendation of C.A.B. was that there should be something in the nature of an appeal court to which an appeal could be taken from the decision of the Canadian Broadcasting Corporation. When such representations were made, however, the representatives of C.A.B. did not feel that they could go into details giving examples of the objections to the present methods from which the association desired a change. I am directed to suggest to C.A.B. that if this matter arises this year, if the association desires to make representations along the same or similar lines this year the representations of the association should be prepared to discuss the question very fully and frankly and give such examples as they can of objection which they have or have met with under the present methods of control.

The question I should like to ask is this: do you approve—not, of course, of the precise terms but rather in principle—of a letter of that kind being sent?

Mr. HANSELL: I don't mind a letter of that sort, Mr. Chairman, providing that the terms involved would not tie them down to any particular body. Personally, I do not think an appeal court is the thing we need.

The CHAIRMAN: I am quite sure they will not be tied down to such terms by any letter of this kind or any letter that I would write. What we are asking them is that if they are going to present something more or less concrete to be prepared to go into details. There is a specific recommendation for an appeal court, but it involves the whole question as to where controls should lie.

Mr. FLEMING: Mr. Chairman, I agree with the general terms of the letter but I would suggest that you modify the term "frank" which you read there. You invite them to discuss the matter fully and frankly. I think that might be misunderstood.

The CHAIRMAN: Did I put that in the letter?

Mr. FLEMING: You see, from that there is the inference or the suggestion that there was less than frankness when they appeared before and I am sure that such was not the intention.

The CHAIRMAN: If I suggested that there was anything less than frankness when they appeared here before, I assure you that such was not my intention.

Mr. FLEMING: I know you didn't intend that. I do not think the word is necessary. I appreciate your point where you invite a full statement, because it is a matter of very great importance. We had a discussion on that matter last year and some of us stated our views; and it may be one of the major problems the committee will have to face this year. I think the emphasis ought to be on a full presentation. All such cases as you propose in your letter should be brought before us.

The CHAIRMAN: We get in the habit of coupling words together and sometimes they convey the wrong impression. Certainly I did not have any such intention and I will be careful in drafting the letter not to do so.

Mr. FLEMING: With Mr. Hansell's thought in mind you might consider putting in something with respect to either an appeal court or other regulatory

body. In the C.A.B. submission they used the term "appeal court", but when we got into a discussion it worked out to include other forms of control. If you mention an appeal set-up you want to avoid any danger of their misconstruing what you say.

Mr. FULTON: Would a motion be in order instructing the chairman to write a letter on these lines?

The CHAIRMAN: Yes.

Mr. FULTON: I would so move.

The CHAIRMAN: Along those lines will be sufficient without any reference to specific terms. The committee will have to rely on my trying to convey their ideas. I think I shall succeed.

Mr. HANSELL: So far as dates are concerned perhaps you will not be able to set them now.

The CHAIRMAN: Yes, this is the 19th.

Mr. HANSELL: Could you suggest in your letter that they be prepared then.

The CHAIRMAN: You have heard the motion by Mr. Fulton. What is your pleasure?

Carried.

Now, gentlemen, we shall have to decide on the dates of our future meetings.

Mr. HANSELL: I wonder if it is necessary. Sometimes we have more or less to feel our way in matters of procedure. I think the report here is a good one. We could pretty well follow it out and later determine what future procedure would be. I doubt whether we could set a convenient date now without breaking into something which we might be doing then.

The CHAIRMAN: The members would like to know when we are going to sit.

Mr. HANSELL: I think it depends largely on how often we are going to meet. If it is only going to be once a week as we did last year—

The CHAIRMAN: That is what I wanted to get settled. Until we determine that point we cannot indicate to C.A.B. the date on which we will want them here. Now, gentlemen, when shall we meet again? I might say that we cannot meet Wednesday morning; how about meeting Wednesday afternoon?

Mr. KNIGHT: What about Monday?

The CHAIRMAN: Monday is an excellent day for a person like me, but there are other important people who are not here, and we have got to consider their interests too.

Mr. BEAUDOIN: There are members on this committee who are also on the Dominion Elections Act Committee and they sit Tuesday and Thursday afternoons.

The CHAIRMAN: I thought I should say, gentlemen, that I have requests from some of the members who were not able to be here this morning that we should not meet this afternoon. They are disturbed over the fact that we have met this morning. They do not want to miss any more than they can help.

Mr. HANSELL: My own thought is that we should meet as often as possible, and meet afternoons if necessary.

Mr. FLEMING: Whatever date you chose, Mr. Chairman, I take it that we are going to have both morning and afternoon sittings; because we shall have to bring witnesses from outside the city. For instance, a number of CBC officials have to come here from Montreal, and later we shall have the C.A.B. officials who will come from other points. Whatever date we choose I think we should agree that we will have to sit both morning and afternoon. Perhaps we ought not to be governed by personal preferences. My feeling is that Friday is a

better day than Thursday; and that is attributable to the fact that there are far more meetings scheduled for Thursday than there are for Fridays. The external affairs committee, for instance, affects at least three of us sitting around this table now, and I am quite sure that if we were to meet on Thursday morning we would find many members affected by the large number of committees sitting on that day.

Mr. COLDWELL: Monday is the day when most of the members would be here.

The CHAIRMAN: Before choosing Monday will you give me your opinion on Wednesday afternoon, independent of any other time? I mean Wednesday afternoon of this week. What do you say to that?

Mr. FULTON: Do we have to have afternoon meetings?

The CHAIRMAN: We will have to meet some afternoons.

Mr. FLEMING: We are going to have to meet in the mornings of most days to accommodate people who will be coming here from out of town, and I think we will have to take it for granted that any day we sit we will have to sit both morning and afternoon to accommodate witnesses.

The CHAIRMAN: Well, then, it is agreed that we will hear the witnesses we have with us this morning, but we will not sit this afternoon.

Mr. HANSELL: I think we should meet this afternoon. I do not know whether there will be any actual questioning; it is rather a matter of hearing witnesses.

The CHAIRMAN: As I said, it was practically agreed that we would not sit this afternoon. I think we would do well to start our meetings having regard for the opinions of other members who are not here.

Mr. HANSELL: Good.

Mr. COLDWELL: Would you tell us, please, what objection there would be to our sitting on Monday?

The CHAIRMAN: Mr. Beaudoin might be in a better position to answer that than I am. Several of the members from Quebec are involved in this. Perhaps we could fix on Monday from now on.

Mr. BEAUDOIN: Mr. Chairman, I do not think Monday would be a good day so far as many of our members are concerned. I agree with the observations just made by Mr. Fulton, that we must arrange to accommodate people who come from outside points and be prepared to sit both mornings and afternoons on those days on which we do sit. As you know, there are some important votes coming up in the House this week, and I doubt whether Wednesday would be altogether convenient. However, we might accept Wednesday afternoon for this week.

The CHAIRMAN: You mean we sit Wednesday instead of this afternoon?

Mr. BEAUDOIN: Yes, from four to six; Wednesday of this week. That might be appropriate for our first afternoon meeting and then we can decide future procedure later. As you know, there are many members on this committee who are members of other committees as well.

The CHAIRMAN: Well, then, am I right in assuming that you move that we sit on Wednesday of this week?

Mr. BEAUDOIN: Yes.

The CHAIRMAN: Is that agreed?

Mr. FLEMING: No. Mr. Beaudoin put that day forward as a substitute so as to have a full day's meeting this week. I do not think it is a substitute at all. As far as this Wednesday is concerned we may have heavy votes coming up in the House. But quite apart from that I think we ought to have full day's sittings this year. I think we ought to assume that witnesses appearing before us will want both morning and afternoon sittings.

The CHAIRMAN: I thought that we had just settled that we would have a meeting on Wednesday afternoon of this week.

Mr. COLDWELL: What about this afternoon?

The CHAIRMAN: We had already settled that we would not have a meeting this afternoon because of objections which have been raised concerning members who are not present. We have got to settle this matter, gentlemen. We are going to have no meeting this afternoon, but we shall have a meeting on Wednesday afternoon. Now, that is a postulate.

Mr. COLDWELL: I want to make up my mind. If I knew what we were going to do Friday—whether we would sit on Friday—I would be better able to do that.

The CHAIRMAN: Well, you have that postulate, that we are not going to sit this afternoon and that we sit at four o'clock on Wednesday afternoon. Those in favour please indicate?

Carried.

Now, we are getting to the matter of regular meetings. Is there any suggestion with regard to using Thursday or Friday?

Mr. FLEMING: I move that we meet on Friday at 11 o'clock and 4 o'clock.

The CHAIRMAN: And that that meeting be the regular meeting?

Mr. BOWERMAN: Do you mean for this week only?

The CHAIRMAN: Yes, for this week too; that is what it means so far. We are now deciding on a day, and this motion names that day commencing this week.

Mr. FLEMING: May I ask members of this committee who are also on the External Affairs committee how long they expect that committee will carry on?

Mr. COLDWELL: All session.

The CHAIRMAN: Until they get the world cleared up.

Mr. COLDWELL: Any meeting might become an important meeting.

Mr. BEAUDOIN: If Mr. Fleming will agree, I would suggest that the naming of the day be left to the steering committee, because there are many matters to be considered before we decide on a certain day to be set.

Mr. FLEMING: I try never to refuse Mr. Beaudoin anything, and if he wishes to leave the decision on the final day to the steering committee Iwould be agreeable to that. However, I think we should meet on this Friday. I do not think the steering committee can settle on a day; that matter will have to come before the main committee to be decided.

Mr. BEAUDOIN: If it were left to the steering committee I would have an opportunity to see my fellow members, because some of them are not at this meeting.

Mr. FULTON: I would be in favour of permitting the steering committee to bring in a recommendation giving reasons for a certain selection, but the final decision should be made by this committee.

Mr. COLDWELL: Could the steering committee not bring in that recommendation on Wednesday?

Mr. FULTON: Yes.

The CHAIRMAN: The matter could be referred back to the steering committee and then brought before the main committee on Wednesday of this week.

Mr. COLDWELL: Mr. Fleming is on that steering committee.

The CHAIRMAN: Yes. Now, that matter seems to be settled, and that should complete the preliminaries.

Mr. FULTON: Are we any closer to being in a position to name the day for the hearing of the C.A.B.?

The CHAIRMAN: Yes, I think we are, because the day is clearly going to be either a Thursday or a Friday.

Mr. Ross (*Hamilton East*): What makes you think it is going to be either a Thurday or a Friday?

The CHAIRMAN: I thought the discussion had gone that way.

Mr. Ross (*Hamilton East*): The recommendation does not come in until Wednesday.

The CHAIRMAN: I thought the discussion had indicated that.

Mr. Ross (*Hamilton East*): It may not look like that after they have had their meeting.

Mr. FULTON: It looks to me as though we are going to have to meet twice a day whatever day is decided upon—twice a day once a week.

Mr. FLEMING: As regards our times of meeting we should have something flexible. Last year when C.A.B. were present they had a lot of representatives to be heard and they took at least two full days giving their evidence. In that case we met twice on both Thursday and Friday, and we might have to do that this year.

Mr. HANSELL: It seems to me that the steering committee can pretty well look after this matter. We are wasting a good deal of time. The steering committee can look over the personnel and times of meetings of other committees and make the best possible arrangement for all members. It does seem to me that there is a tendency to meet once a week. I do not agree with that. I think we should meet more often. It is true that somebody is going to be affected, but if I have two committees meeting on the same day I shall have to choose which is the more important. I think that is the only way that matter can be handled.

Mr. BEAUDOIN: What I had in mind was the matter of availability of rooms for our meetings. There are so many meetings being held on certain days that the rooms are all taken.

The CHAIRMAN: We have got to get this matter settled. We want to know when to tell C.A.B. to come here. We will receive a recommendation with regard to meeting days on Wednesday and that matter will be settled on Wednesday. Surely we will be able to tell them that we can hear them in the first week of June as they requested, and if we run out of work by that time I am sure there are other people that can be heard.

Mr. FULTON: Will they be notified of the actual date later?

The CHAIRMAN: We will explain that we have not fixed a definite date, but they will be heard during that week.

Carried.

Now, there is nothing for me to do at the moment except read a letter which is addressed to Mr. Plouffe, clerk of this committee, and written by Hugh Palmer, executive assistant, Canadian Broadcasting Corporation. The letter reads as follows:—

> DEAR MR. PLOUFFE,— I think it would be of convenience to yourself and to members of the committee if copies of CBC regulations, etc., were filed with you at this time. I am accordingly enclosing under separate cover the following documents:—
>
> 25 copies Canadian Broadcasting Act, 1936
> 8 copies Canadian Broadcasting Act, 1936 (French)
> 25 copies CBC Regulations
> 8 copies CBC Regulations (French)
> 25 copies Handbook on Political and Controversial Broadcasting (White Paper)
> 8 copies Handbook on Political and Controversial Broadcasting (White Paper) (French)

25 copies CBC Annual Report for year ended March 31, 1946
8 copies CBC Annual Report for year ended March 31, 1946 (French)
20 copies Annual Report for CBC International Service for year ended March 31, 1947 (unbound—subject to revision)
20 copies "Promise of Performance Form" for Existing Broadcasting Stations
20 copies "Promise of Performance Form" for New Broadcasting Stations.

That material will be distributed into the hands of the committee prior to Wednesday. We can now call on Mr. Dunton to present the report of the Canadian Broadcasting Corporation. I presume that as in other times we will withhold questioning until after the presentation. That does not bar questions which are asked for clarification during the presentation of the brief.

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

The WITNESS: I wish to thank the committee for this opportunity of appearing before you.

Not many months have elapsed since the last committee ended its sittings. In any case, I imagine you would wish any opening statements not to be too long-winded since particular points can be taken up later. I do not propose, therefore, to go over general ground covered before the last committee or to try to describe the many activities of the corporation during recent months. But, on behalf of the Board of Governors, I should like to report to you briefly on several matters.

Community Service

One of the recommendations of the committee last year was that the corporation should discharge its duties under section 24 of the Broadcasting Act and review the activities of private stations before making recommendations regarding the renewal of their licences. It was also recommended that as a condition of the issuance or renewal of its licence, a private station be required to submit 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.

The corporation devoted considerable study to methods of carrying out this recommendation. It was decided first to send out questionnaires, known as "promise of performance" forms, to be returned by stations before the board made its recommendations regarding the renewal of licences in March. These forms, copies of which have been filed, were designed to cover the undertakings and statements of intention mentioned in the recommendation of last year's committee.

Returns were received from all stations, except one. The majority of stations provided a satisfactory amount of information. There were a number, however, which, while they supplied information, some of it quite voluminous, did not cover the specific points asked in the questionnaire. After consideration the board decided to recommend the renewal of all licences this year, and next year to carefully consider reports on the actual performance of stations. Stations from which incomplete information was received were warned that this will be taken into account when the board is considering its recommendations on the renewal of licences for 1948-49.

Draft forms were also drawn up for reports by licencees on their actual programme performance during the present year.

I think there are also copies in the secretary's hands.

The private stations have been asked for their opinion about these and for any suggestions they may have. They have also been asked for their views about the timing of the reports—whether they be sent out to cover sample weeks, and if so, how many; or to cover a whole year's operation. We have not yet heard back from the Canadian Association of Broadcasters. On the basis of these reports on actual programme performance, checked by the corporation where necessary, the board will make recommendations for the next licensing year. The board recognizes that it is difficult to reduce programme performance to any set formula, and that conditions and possibilities vary greatly from locality to locality. All the variations in circumstances and opportunities of different localities will be taken into account in any recommendations of the board.

Second French Network

Last year's committee recommended that the corporation consider the establishment of a second French network to provide alternative network programmes to the French-speaking audience as is provided by the two English-language networks. This question has been studied. The chief obstacle found is that of costs. The financial position of the corporation does not permit of undertaking the expenditures that would be entailed, according to the studies.

New Transmitters

The corporation is proceeding with plans for the development of the national system as laid before last year's committee. The manufacturing of technical equipment is well under way for the new 10 kw transmitter at Chicoutimi, the 50 kw for CJBC near Toronto and the new 50 kw transmitters in Manitoba and Alberta. Construction work at transmitter sites is going on at Hornby for CJBC and near Lacombe for Alberta. A site has been purchased near Chicoutimi and work will begin there shortly. The Manitoba project is not quite as far ahead, partly because of the need for some staggering of the work of the engineering department, and partly because we still do not know whether or not we shall be able to make arrangements to take over station CKY from the Manitoba government. In any case the corporation is going ahead with its project of a 50 kw station for Manitoba. A site has been bought for the new 50 kw transmitter near Carman, and construction operations will go ahead shortly. It will be a considerable advantage to the corporation if it is able to arrange for the transfer of station CKY at a reasonable price and conditions, because it will be taking over a going station which has been carrying many CBC programmes, and because the CBC has for years been using the facilities of station CKY in Winnipeg. It is our understanding that in any case, under the policy announced by the licensing authority against the holding of commercial licenses by provincial governments, the Manitoba government must make some disposition of its stations. Presumably they could be transferred to some approved private ownership, if not to the CBC. If suitable arrangements can be made we believe it will be advantageous all around for CKY to be transferred to the CBC. Discussions along these lines have been held with the Manitoba government during the past eight months. So far there has been no concrete result. At the present time we are waiting for word from the Manitoba government and we hope the matter will be cleared up shortly.

There have been some delays in obtaining equipment and materials and in construction work, but it is expected that the new transmitters will be completed early next year. Since the conference of the signatories to the Havana treaty which is to be held to discuss revision of the treaty is now scheduled for January,

instead of September, we feel that the position of Canada regarding rights to the clear channels to be used by the new stations will be protected by the completion or advanced stage of construction of the stations at that time.

Frequency Modulation

The corporation has continued to devote much study and consideration to the question of frequency modulation broadcasting. It feels that the development of frequency modulation broadcasting in Canada would be to the benefit of radio in general in the country and to the benefit of listeners. It foresees that if frequency modulation gains wide acceptance and success the time might come when there would be much less broadcasting on amplitude modulation, and therefore a clearing of the AM channels which are now in such a crowded state.

At the present time FM poses a question something like the old one: "Which came first, the chicken or the egg?" Which comes first in this case, receivers that can pick up FM signals or transmitters that can broadcast them? There is not any incentive to buy a receiving set with an FM band if there are no FM stations in your area. And a broadcasting organization tends to hold back spending money on FM transmitting equipment if there are no receiving sets about.

So far there have been no FM receivers on the market in Canada, unless there have been a very few during the last few weeks. The corporation, however, has taken the attitude that some initiative should be taken on the broadcasting side. The CBC itself has had FM stations on the air in Montreal and Toronto for several months, and is planning others before long in Winnipeg and Vancouver.

It has also adopted a policy of ecouraging FM transmission by private broadcasters. Its policy has been to recommend licences for FM transmitters for present AM stations applying for them. In this connection it is the policy of the corporation that any present AM station operator obtaining an FM licence should carry all the same programmes on his FM transmitter as on his AM transmitter. The thought here is that one operator should not have the special privilege of operating two separate stations, with separate business on each, but should be able to put out his signal and programmes by two means of transmission. FM as well as AM.

In view of the many questions that are still unanswered in connection with FM the board has not thought that it could wisely make recommendations up to the present time regarding licences for other than present AM operators. It adopted a policy of waiting until after July 1 of this year to make recommendations on any such applications that might come before it.

So that there can be an orderly approach to the problem of using FM frequencies to the best advantage of the public and of different communities, the board is considering a plan regarding power and coverage of FM stations.

This is a tentative plan of board policy in making these recommendations. This would be on the following basis:

1. A commercial FM station is intended to render community service to the urban centre and surrounding area to which it is assigned.

2. The total area served shall not be more than that obtained with the effective radiated powers and antenna heights, above average terrain, as follows:

(*a*) For a centre having an urban population of 30,000 or more:

20 kw e.r.p. with an antenna height of 500 feet above average terrain.

The CHAIRMAN: What does e.r.p. mean?

The WITNESS: Effective radiated power.

By Mr. Fleming:

Q. Can you explain the significance of that technical term?—A. I cannot in detail. It is the power that goes out at the aerial, not necessarily the power of the transmitter. It is the power that effectively goes out on the air at the aerial.

Q. It is a different element altogether from the ordinary kilowatt strength of the station?—A. It may be quite different. It will vary with that strength, but it is a different thing from the normal kilowatt strength of the station at the transmitter. It is the power that goes out at the aerial. I had better get an engineer here if you want a fuller explanation than that. It is a technical matter, but under FM it has been found in the United States and by the technical people here to be much the best standard to use effective radiated power.

(*b*) For a centre having an urban population of less than 30,000, but more than 10,000:

5 kw. e.r.p. with an antenna height of 250 feet above average terrain.

(*c*) For a centre having an urban population of less than 10,000:

0·25 kw. to 1 kw. e.r.p. with an antenna height of 250 feet above average terrain.

(*d*) Antenna heights greater than those prescribed above may be employed, provided that the e.r.p. is proportionally reduced to obtain the same radius to the 1 mv/m contour as with the prescribed values.

(*e*) Effective radiated powers and antenna heights above average terrain, greater than stated above may be recommended where it is shown that such increases would better serve the public interest in the areas concerned and are necessary either for the protection of the stations concerned from interference by U.S. stations or to provide for adequate service to such areas and that such increases would not prevent or interfere with the establishment or operation of stations in nearby or surrounding centres which have or are likely to have FM stations.

3. Populations shall be taken from the latest census figures of the Dominion Bureau of Statistics.

4. The main studio of an FM station shall be located in the city to which the station is licenced and the transmitter shall be located as near as practicable to the centre of the city in order to provide the best possible signal to the entire area under consideration.

There have been productive consultations with private stations on these questions of FM and I think it is right to say that the Canadian Association of Broadcasters is in accord with the policies I have outlined.

In the United States the musicians' union has refused to allow a programme using any of its members to go out on an FM transmitter as well as on an AM transmitter. This stand is greatly retarding the growth of FM in the United States and will have the same effect if applied in Canada.

It is impossible to tell yet how fast or how far or how well FM broadcasting will develop in Canada. We have had a policy of encouraging private broadcasters to go into FM, but only a handful have applied so far. We have felt that all present broadcasters should have a chance to have FM transmitters. So far we have not been able to work out an overall approach to making recommendations on applications from others than present operators. We do not know how many there will be. The number of FM frequencies technically available will be greater than the number of AM frequencies which now can be used. But the number will still be limited. Apart from the question of technical limitations we may be faced with the question of how far the

number of stations in an area should be increased in the interests of listeners. Any radio station licensee has duties and obligations as the trustee of a radio frequency. If there are too many stations in an area, some or all of them may find they have not the means to carry out these obligations, and the broadcasting in the area may suffer severely. On the other hand we feel that FM may and should be the means of injecting some new ideas and different programme methods into broadcasting. We also hope it will give opportunity to a number of communities now without stations of their own, to have their own local broadcasting organization.

Television

The corporation has also devoted some study to the question of television. The great problem here is that of high cost. The obstacle of high cost is intensified by the widely dispersed population of Canada and the limited range of television transmitters. With its present revenues it is quite impossible for the corporation to undertake any television operations. Nor do we as yet see an economic basis for sound development of television in Canada in the public interest. We are, however, continuing to study the question and to closely watch developments in the United States and in Great Britain.

Regulations

There have been two changes since the last committee in CBC regulations for broadcasting stations. The first is in that dealing with advertising by liquor, beer and wine companies. The regulation formerly prohibited all such advertising except that in the province of Quebec beer and wine companies had been allowed to sponsor programmes under definite restrictions which did not allow them to mention their product, but did allow mention of the name of the sponsoring company. The wording of the regulation has been changed and made more specific. It now provides that beer and wine companies may sponsor programmes, under very restricted conditions, mentioning their name, but not their product, in any province, where the general advertising of beer and wine is allowed. It was the feeling of the board that its regulation regarding such programmes should bear a relation to provincial laws or regulations on the subject.

Another change in regulations prohibits the appeals on the air for agents to represent the sponsor of a programme or to handle the goods and services advertised. This had been found to lead to undesirable practices and had been formerly covered by a circular letter to stations.

At a meeting following last year's committee, the board adopted an amendment to its white paper on political and controversial broadcasting providing that a party which has no representation in the House of Commons shall not qualify for free political time on national networks between election campaigns.

By Mr. Fleming:

Q. What was the date of that change in the regulations?—A. That was the September meeting, shortly after this committee. I think it was September 16.

Programmes

I shall not take the time of the committee to review the general programme activities of the corporation during the present season. There have been no important changes in policy. I hope the committee will agree that the organization has done a good programme job within the means at its disposal.

I should like to say a word here about what the board considers to be extremely fine work by the management and the staff of the organization in the work it did this year with the means at its disposal.

Mr. COLDWELL: Last night I heard one of the best things I have heard for many a long day, The 39 Steps. I thought it was very good.

The WITNESS: There is one particular development I should like to mention. CJBC has been a second CBC station in the Toronto area for years. Since the establishment of an alternative national network service, it has been the key station of the dominion network which is made up otherwise of 28 private stations across Canada. It has been felt for some time that CJBC offered a very good selection of programmes, but it has not appeared to have had an audience within its coverage area in proportion to the quality of programmes available on it. It was thought that this condition was due in good measure to the large amount of publicity centring on other programme services available. It was decided to make some changes in its programming in non-network time and to put out some lively publicity material about the station. The purpose was to draw to the attention of the public the good programme service available on station CJBC. So far the results have been very encouraging and there is evidence of a number of listeners thinking of listening to CJBC for the first time, and liking what they hear. This is to the general benefit of national service, because increased appreciation by listeners of the key station is a strengthening of the whole dominion network right across the country.

Finances

The most serious concern of the corporation is that of finances. The Canadian Broadcasting Act in 1936 set for the corporation the vast and complicated task of providing a national broadcasting service in Canada. The means were to come from radio licence fees, together with moneys the corporation might receive out of its business.

The corporation started with only the beginnings of the machinery to fulfill the aims laid down by parliament. During the years it grew at a moderate pace in the direction of adequately meeting its purposes. And all the growth entailed expenditures. Programmes cost money, and each new type of programme service meant staff and expense. Each extension of broadcast coverage meant expenditure. And the whole life of the corporation has been a period of steadily rising costs.

In 1936 the licence fee for receiving sets was $2.00, which was raised to $2.50 in 1938. Actually the corporation receives only an average of $2.15 per licence. During the late thirties and early forties the number of licence holders increased steadily so that revenue went up as the system developed and service improved. In 1944-45, however, licence fee revenue actually fell off slightly from the previous year, and was off again a little in 1945-46. Although there has been a certain rise in collections during the past year, the salient fact is that the former rise in total licence fee revenue was checked during the past three years. At the same time costs in nearly every phase of the corporation's activities have climbed steeply.

The other source of income is that from commercial revenues. The corporation developed its commercial broadcasting for two reasons: first, because it provides many well-liked programmes which many listeners want to hear, and which it has been felt their national system should give them a chance to hear; secondly, because commercial programmes have provided revenues to supplement licence fees and make possible the maintenance of the general service of the system. From its licence fee resources the corporation could not have even come close to duplicating many of the commercial programmes on its networks.

The corporation is not a commercial organization, and does not operate as one would. Its object is not revenue for the sake of revenue or of profit. Its whole purpose is to provide the best national broadcasting service it can. A certain amount of commercial programmes and commercial revenues contribute

to this purpose. On the revenue side commercial income has grown and has been of some assistance in trying to meet the growing costs. During the past three years commercial revenues have continued to rise somewhat and this rise has helped the corporation from being in an even more difficult financial position than it is at present. But commercial revenues are only supplementary to the main revenues from licence fees. They are small in relation to the size of the system as a broadcasting operation. The total revenue from all CBC stations is probably little more than the revenue of one private station in Toronto. The total amount available in commercial revenues from all sources to help meet expenditures as shown in our financial statement last year was $1,684,000—just about 30 per cent of all revenues.

By Mr. Fulton:

Q. Would you explain what you mean by that, 30 per cent of all the revenues?—A. Of everything we have to spend in the year,—30 per cent of all the corporation's revenue which is available for expenditures.

Q. Where does the other 70 per cent come from?—A. From licence fees and a few miscellaneous items.

Q.—Have you such detail now available from all sources?—A. That should be "from all commercial sources".

The question might be asked: If the CBC needs funds why doesn't it smarten up and get some more business? The answer lies in the purpose of the corporation to provide a good national broadcasting service. In any case there is a physical limit on broadcast time available. But more than that the corporation feels, and I think most licence payers feel, that an excess of time should not be taken up by commercial programmes. We feel that at present, need for revenues has pushed the corporation into accepting too many commercials in some parts of the schedules in the interests of good broadcasting. If we had the funds we should like to replace some commercials with good Canadian non-commercial programmes. The corporation has refused the sale of time and a number of programmes in the interest of keeping a good balanced schedule and avoiding over-commercialization. Financial necessity has pushed us into taking a very restricted amount of non-network commercial programmes on some CBC stations. Anything done along these lines is arranged so as not to interfere with network service and is on a very limited scale. It is a development that has been forced only by necessity, and which we would sooner avoid.

It is an axiom in the radio business that the really remunerative side is not network broadcasting, but non-network business. The real money lies in the spot announcements and spot, or non-network programmes. The great Columbia network in the United States with its huge audience and business, actually lost money last year. The financial mainstay of the U.S. networks is their owned and operated stations and the spot business on them.

The corporation presumably could go out on a major effort to increase commercial revenues. At the most, however, this would bring only a limited revenue; and such a course would seriously affect the service which the corporation is now rendering. We do not want to attempt this course, and feel it would not be in the public interest.

While revenues have levelled off during the last three years, costs have risen sharply. The cost of nearly every article and every service needed has increased. Fees paid to musicians, artists and performers of all kinds, which form a large part of our budget, have leapt upwards. A comparison between the artists' fee cost of a group of typical programmes in 1940 and the same programmes at to-day's rates shows an increase of 60 per cent.

There has been no general increase in salaries since the end of the war, but the corporation has a system of small annual increments for employees within

the specified range for their job. This means an inevitable rise in the salary bill each year, apart from any question of other adjustments. The corporation is now faced with the situation in which increases have been fairly general in private industry, and a number have been made or are coming, in government salaries. The result has been that a number of employees have left to take positions at higher salaries elsewhere, others have or are getting offers weekly. The efficiency of the corporation may suffer seriously if it does not become possible to make some adjustments where they are merited under present day conditions.

Prices and costs of just about everything have gone up in Canada. This is reflected in an acute form in the costs of the corporation. But the corporation's main selling price—the licence fee—has remained the same.

The overall result is that the CBC is caught between the anvil of limited revenues and the hammer of increasing costs. At the same time, it is prodded to maintain and improve and extend its services.

In 1944-45 the CBC had an operating surplus, with a deficit after depreciation. In 1945-46, in spite of careful management, unavoidable increases in expenditures brought a deficit on operating account for the first time. Last year we asked that provision be made for the corporation to obtain the full amount of the licence fee, without the subtraction of the costs of collection and administration. This was not, however, acted on by parliament. Stringent economies were necessitated in the management of the corporation. Since so many costs are fixed much of the reduction had to be borne by the allocation for program costs—performers' fees. The result was a reduction in the standard of programming below what would have been possible without the cuts.

In the face of greatly increased costs for the year, cuts in expenditure where possible and careful management, aided by some increase in licence fee and commercial revenue, made it possible to keep the deficit for this last year from being too serious a drain on the reserves of the corporation.

Now the corporation is starting another year in which costs will again be higher. It must have further revenue if its service is not to be seriously impaired. We hope, therefore, that this year parliament will make provision for the payment of the full amount of licence fees to the corporation.

Basic Costs

I believe it is seldom realized how great are the basic costs of operating a national radio system in Canada. The very reasons that impelled the setting up of a national system are in themselves cost factors. Important reasons were the scattered population of Canada, the proximity of the United States and the need for producing Canadian broadcasting and linking Canadians through it from coast to coast.

Operation of a nation-wide radio system in Canada is basically more expensive per capita than in any other country we know that has a nation-wide system. First there is the relationship of listeners and area. No matter how it's done it costs money to cover a given area with a radio programme. The greater the distances the greater the cost. Canada has a huge area and a relatively small population. Thus costs per head are very high.

One single station in New York, for example, can cover a population as great as that of the whole of Canada. But to cover the same number of people in this country we have to have thirty or more stations and thousands of miles of expensive wire lines. The cost per head is many times greater. In the United States the broadcasting industry has huge sums to spend. Their country is about as big as ours, but their population is far greater and their economy wealthy. So per head it is not nearly as expensive as in Canada to reach the great mass of the nation.

The basic cost of covering the tight little island of Great Britain with a radio signal is obviously only a fraction of what it is to cover the inhabited part of Canada. Yet to provide its service the British Broadcasting Corporation has the revenue from the one pound licence fees of over 10,000,000 people. On its home services this year, including television, the BBC has over $40,000,000 to spend. The CBC with vast and expensive area to cover, had some $5,800,000 last year from all sources.

In Australia where national broadcasting faces some of the problems of distance and scattered population centres that we have, the licence fee is also one pound. The Australian Broadcasting Commission, which operates without commercial programmes, is finding that it needs more revenue, and this question is now being considered by the Parliamentary Standing Committee on Broadcasting. We understand there is considerable likelihood of the licence fee being raised. In New Zealand, the rate is 25 shillings, and in South Africa an average of 28 shillings.

Neither Britain nor Australia face the need of broadcasting service in two languages. In Canada this increases our basic cost by a very considerable proportion. It means in part of the country duplicate facilities and technical costs, extra administration costs and large extra programme costs.

Another factor that increases the basic cost of a national service in Canada is that of time differentials. Our networks have to operate in five time zones, one more than even in the United States. There is a full four hours between one end of a network and the other. This greatly complicates network operations, and necessitates extra costs for programmes in different regions arising solely from these time differentials. Thus the nature of our country and the composition of our nation make basic costs per head of operating a national radio system extraordinarily high. Yet our licence fee is only $2.50 compared with higher fees in other countries.

Revenue and Service

The financial basis of the national system is the licence revenue. But income from the $2.50 licence fee alone is nothing like enough to maintain even one national network service at present day costs. The national system has only been able to build up and maintain so far the level of service it has because of the supplementary aid from commercial programmes and commercial revenues.

Commercial revenues, though important, are still only supplementary. Sometimes people ask the question of why the CBC needs licence fee money when it takes commercial revenue. The answer is that the contributions from the public are and must be the basis of the national system because of the nature of our country, and our nation. Commercial revenues only supplement direct public support. Because of the geography of Canada, commercialism alone cannot be enough to support a worthy national broadcasting system in Canada.

The national system is in an economic squeeze. Rising costs are pressing it inexorably against a wall of limited revenues. It is not in the power of the corporation to do anything about licence fees. A portion of the rising costs has been met by increasing commercial revenue somewhat. As it is we shall probably be criticized for steps taken in this direction and such increases could at best meet only a proportion of increased costs. The pressure of financial necessity toward increasing commercial revenue is great. We do not feel, however, that increase in commercialism is in the interests of the national system or its listeners.

The position is that the corporation needs further revenues even to maintain services at the present level. Unless further revenues come there is bound to be a serious deterioration and reduction of service. This would come from

cutting down some services and programming which the corporation provides, and from increased commercialism, which would also have a bad effect on the service.

I think the committee will agree that the national broadcasting system is providing important and valuable service for the Canadian people from coast to coast. Unless further funds come in, it will be impossible to keep the present level of service; it will be impossible to produce as much broadcasting by Canadian artists as it is doing at present. And this is apart from the question of needed improvements.

We know that there are many things which the national system should do if it had the means. It should provide more good programmes by Canadians for Canadians. It should play an even greater role than it does today in the development of the cultural life of Canada. It should do still more to develop and hold Canadian talent. It should improve many of its services. It should have better means of finding out what listeners want to hear and what they think of programmes on the air. But all these things cost money. The national system can carry out its duty of serving Canada only so far as it has the means to do so.

The CHAIRMAN: Thank you, Mr. Dunton.

Gentlemen, Dr. Frigon is here and it has been suggested that he present his side of this report before adjournment. He would be able to do that if questions are withheld for the moment. There is one advantage in doing that. Dr. Frigon assures me that he will be able to complete his presentation in the time we have left this morning. I am sure it strikes you as it does me, that if he were to do that each member of the committee would be in a better position to go over these briefs and be prepared for questioning on Wednesday afternoon. Is it your pleasure that we have Dr. Frigon proceed?

Mr. FLEMING: Yes, we will have the briefs before us and we can study them before asking questions.

The CHAIRMAN: We will go ahead and have him now. Copies of his brief are being distributed.

Mr. FULTON: Just before Dr. Frigon starts—is the financial statement for 1946-47 available? Can we have it to study along with the brief?

The CHAIRMAN: That was in that letter which I read. I read out quite a number of things to be filed, and it was mentioned in that, subject to revision. Then, Dr. Frigon is going to deal with that too. It will be in your hands before Wednesday. Mr. Plouffe is arranging to get that around as quickly as possible.

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

The WITNESS: Mr. Chairman, I propose to jump some of the sections of this brief which have been covered quite adequately by Mr. Dunton. That will save some time.

The CHAIRMAN: All right, Dr. Frigon.

The WITNESS: It seems not so long ago that I had the opportunity and the honour of submitting to you a brief on the operations side of the CBC. As I hope to have the privilege of answering questions which you may wish to ask on management, I will limit myself, today, to very brief notes on points which I believe worth mentioning at this time. What I have said last year still holds, and if some of you gentlemen wish to refer back to the proceedings of last year's committee, I will be only too pleased to add whatever information you may need.

The financial affairs of the corporation continue to show cause for concern, mostly because of the constant increase in costs. Our books of account will remain open for some time yet in order that all the accrued and deferred charges can be included, and the final report duly approved by the Auditor General of Canada will not be available before the beginning of August.

Operational expenditures for the fiscal year again exceed the revenues by an approximate amount of $70,000 (before allowing any provision for depreciation and obsolescence).

Revenues and expenditures for the fiscal year 1946-47 will be approximately as follows:

Revenue	
Licence Fees	$3,910,000
Commercial Broadcasting	1,786,000
Miscellaneous	112,000
	$5,808,000
Expenditures	
Programmes	$2,966,000
Engineering	1,212,000
Wire lines	965,000
Administration	391,000
Press and Information	193,000
Commercial	149,000
Interest on loan	2,000
	$5,878,000
Operating deficit	$ 70,000

Our board has not yet had an opportunity to decide what figures should be adopted for depreciation and obsolescence. I must remind you that our depreciated assets are already much below the real worth of our plant, so far as efficiency of operation and obsolescence are concerned.

As shown above, our total net revenues in 1946-47 from licence fees will probably be approximately $3,910,000, which is $137,000 more than the preceding year.

The CHAIRMAN: Pardon me, Dr. Frigon, if I interrupt you for the purpose of making a correction which may be desirable for the committee to have now. I said to Mr. Fulton a little while ago that in that letter which Mr. Palmer wrote me and which I read out it was stated that the 1946-47 financial report was there in a form that would still require some revision. I find that I am in error about the terms of that letter, that refers to just the CBC International Service; the other is not yet quite ready for distribution so you won't have it as I told you you would. I am mentioning it for this reason. In very large measure that same financial report is right here before us now, and I understand from Dr. Frigon it is dealt with about as fully as the corporation can deal with it at the moment. Is that right?

The WITNESS: That is right.

The CHAIRMAN: I did not want to mislead you, Mr. Fulton, by that other statement. Continue.

The WITNESS: Overall so-called commercial revenues, including sale of time, wireline and network operations, etc., will be approximately $1,786,000, that is about $100,000 more than last year.

As you can see, we have not increased our commercial revenues materially. We are still keeping away from the strictly local merchant business and from the very lucrative business of commercial spot announcements.

Our total expenditures of $5,878,000, not including international service, exceed last year's by some $245,000. The total cost of the international short wave service will be approximately $890,000 for 1946-47.

By Mr. Fulton:

Q. As to these sections which you are omitting are we to take it they are perhaps not accurate or that you do not want them to be a part of the brief, or are you omitting them for the sake of brevity?—A. There are very minor corrections as to the language only, and as to this last sentence there was a repetition.

Q. Generally speaking can we adopt this brief as being correct and giving the whole picture?—A. Yes, with a few exceptions which I will tell you about as I come to them.

As you know, our station CJBC in Toronto is the key station of the dominion network. It may, therefore, be said that the success of the network business of the 28 private stations, which, with CJBC, constitute the dominion network, depends a good deal on the success of that key station itself, as it operates in the largest single language market in Canada. It is, therefore, imperative that CJBC should have a sufficiently large audience in the Toronto area. Although that station has an excellent schedule, it seems that too many listeners were attracted to more active stations in Toronto and in the United States. To the great satisfaction of the dominion network station owners, we have, therefore, decided to promote CJBC, and to that effect, after consulting our principal officials, it was agreed that someone should be put in charge of its management during a promotion period of six months. A well-known broadcaster, Mr. Bob Kesten, was retained for that promotion work. We have modified the program structure, launched a number of publicity features, and it seems that quite a number of listeners are now discovering CJBC. I would like to make it clear that, although we badly need the money, our main purpose is not to increase very materially the commercial revenue of CJBC and that is why my instructions to Mr. Kesten and his colleagues have been, first, that we must not solicit accounts belonging to other broadcasting stations, second, we must not cut rates to attract business to CJBC, third, by the very nature of our operations, and in order to protect our sustaining service, we do not want to accept more than between $100,000 and $150,000 gross per year on that station. Compared to the business available and actually carried by other stations, this is indeed a very small figure.

Because our commercial division was exeremely busy and had staff difficulties, we decided to give to a well-known agency the business of advising Mr. Kesten on programme structure and also to canvass a number of firms who might be interested in buying time on CJBC. This, of course, could have been done by our own staff, but for many good reasons which absolutely have nothing to do with the intensity of our commercial campaign, we thought that Mr. Horace Stovin, who has been on our staff for years before he opened an agency, could be very useful to us, and he has been appointed our representative for a period of one year.

Budget

When we budgetted for the year 1946-47, we had hoped that the cost of collecting licence fees would be absorbed by the government. Because parliament did not amend the Radio Broadcasting Act last year, our predictions did not come true and as a result we had to make drastic cuts in our operating

expenditures for the months of September to March inclusive. This has resulted in the necessity for us to take a few more commercial programmes, and it has also reduced very materially the quality and quantity of our own sustaining service.

With increased costs of almost everything, no material increase in licence fees, our commercial revenue relatively stabilized and with no guarantee that the cost of collecting licence fees would be taken care of by the government, we were faced with an almost impossible position when time came to prepare a budget for 1947-48. Reducing our services to a strict minimum, holding back very essential improvements, we had to adopt a budget with an anticipated deficit of $265,000 of expenditures over income, before depreciation. Indeed very conservative estimates indicated that the deficit should have been $450,000 if we were to be permitted to carry on normally. Only drastic cuts made it possible to budget with a deficit of only $265,000. This we can manage this year by spending all our reserve. But unless parliament authorizes the government to take care of the cost of collecting licence fees, we will have to modify our fundamental operations completely for the year 1948-49, by revamping downward our present organization. This is not a very encouraging picture for a service which is efficiently organized and gives better results every year, and at a time when it is so important that our national organization should help Canada to become more and more conscious of its importance as a nation. We must, therefore, again request that the licence fee, paid by listeners, be remitted to us, entirely.

Staff

We had important negotiations with our staff councils last year, and as a result, working conditions for technical operators have been materially improved. We have also adopted a five-day working week for an experimental period of four months. This applies to all but a few employees, especially in certain positions of the programme division and at transmitter stations where it was agreed that such a system could not work. Every employee is giving us the same amount of service given in the past, but working hours have been rearranged to make life a little more pleasant for most of them. Indeed we expect greater efficiency under the new system by replacing the short day on Saturday, not very efficiently used, especially in summer, by longer morning hours throughout the week.

We have also adjusted our salary ranges for positions in the lower groups in order to meet conditions prevailing almost everywhere else. We have also come to an understanding in the matter of special employees whose salary must be adjusted to take care of expert knowledge useful to us outside of their basic work. The fact remains, however, that because of our restricted financial means, we are unable to pay adequate salaries in the higher brackets. This has resulted in our losing nineteen qualified employees this year, in salary groups above $3,000 a year, who have found more lucrative positions outside. It is evident that employees who have reached a certain level and find that there cannot be any promotions for them within a reasonable period will try to better their position by seeking employment elsewhere. We believe that we do pay adequate salaries to most employees but it has become impossible to retain a number of qualified young men who would like to remain with us.

We are taking steps to make more efficient than in the past everyday relations between management and personnel. One might think that we have done too much in that direction, but with our type of operations, and the fact that our staff is scattered all across the country, the matter requires constant attention on our part. I must say that our relations with the staff have been most happy.

A national meeting of staff council representatives has taken place again this year, with the result that the staff council itself has adopted a new constitution which, it is hoped, will materially increase the efficiency of that staff organization.

Our personnel is at present as follows:

Executive	16
Personnel and Administrative Services	144
Treasurer's	51
Programme	311
Engineering	272
Broadcast Regulations	6
Station Relations	7
Commercial	43
Press and Information	28
International Service	119
	997

I should like to omit the next section which has been covered very fully by Mr. Dunton. I go now to "office space, Toronto and Montreal."

Office Space (Toronto and Montreal)

The need for office and studios in Montreal has reached the alarming point. We occupy space in four different buildings and at least at one of them we are threatened with eviction within a couple of years. As it would take possibly 12 months to design and equip studios anywhere in a building already existing, you can see what predicament we are in. Not only our operations are extremely difficult because of our present inefficient layout, but we may find ourselves without studios at all in Montreal if we do not take steps without any further delay to obtain new accommodation. In Toronto, although the situation is not good, it is better than in Montreal. At least our activities are all centered in one property which belongs to us. We have moved to the Jarvis Street site on a five-year financing plan which still has a few years to run. But the problem of providing permanent facilities in Toronto will also come up before long.

I should also like to skip the section on FM and television which were covered by Mr. Dunton.

Second French Network

As recommended by the parliamentary committee last year, we have studied the possibility of establishing a second French network. We have found that undertaking to do this in Quebec would be too expensive under our present financial position. If our revenues should increase materially, we would be prepared to organize such a network which is really needed in Quebec. This should normally involve the production of sustaining programmes to give that second network its own personality, and such a service would be too expensive for us to undertake at the present moment. In the meantime, sponsors are taken care of somehow, but, of course, the listeners do not get the full service that English speaking people get from the two networks across Canada.

INTERNATIONAL SERVICE

Response to Programmes

GENERAL

The popularity abroad of CBC international service programmes is accounted for by two main factors. In the first place, the quality and strength of the signal from Sackville are such as to make listening to Canada's shortwave voice both easy and pleasant for listeners in all the areas to which programmes are directed. In Europe, the signal is the strongest to be heard from North America and reception there frequently equals mediumwave stations.

Secondly, there is in the world a widespread friendly interest in Canada which was intensified by this country's war effort. Thousands of shortwave listeners in many lands turn to the CBC shortwave programmes to satisfy that interest.

The 25,000 letters which the service has received in its first two years confirm that these are the basic reasons for the popularity of CBC international service programmes. Nearly every letter received touches on both points. Moreover, the letters are a plain demonstration of the service's ability to produce programmes which attract, stimulate and satisfy listeners, and muster goodwill for the Canadian point of view.

General commendation of the engineering and programme accomplishments of the service is also expressed in the readiness with which foreign radio organizations accept Canadian radio programmes from the CBC international service for domestic relay in their respective countries. Last year, more than 1,000 separate CBC programmes were relayed in other countries.

News bulletins and other informational programmes beamed from Canada by shortwave have provided newspapers throughout the world with newspage and feature material about Canada. Papers and periodicals alike, in most of the countries served, have proven eager to give space freely to publicity material describing the service and giving details of its programmes.

As you already know, the international service is under the general supervision of an advisory committee composed of members of the Department of External Affairs, the Department of Trade and Commerce and the CBC. Very close contact is maintained between External Affairs and our international service for the purpose of clearing all matters of diplomatic significance.

AUDIENCE MAIL

In little over two years of operation, the service has received more than 25,000 letters from listeners in 53 countries. In terms of letters, this would be considered more than satisfactory response for an established domestic radio service over the same period. When the difficulties of post-war communications are considered, the figure is remarkable.

The letters come from men and women in every walk of life and without exception express the friendliness and goodwill with which Canada is regarded abroad. International voice broadcasting from Canada has proven to be an effective way of telling the story of a young and vigorous country.

From its audience correspondence the service has built up lists of regular listeners which form the basis for distribution of monthly programme schedules and other promotion material.

The monthly programme schedule goes out regularly to more than 10,000 individual addresses throughout the world. In addition, approximately 4,000 copies are distributed by bulk mailings to embassies and by other means.

RELAYS

Direct listening to Canadian shortwave programmes seems to be on the increase everywhere (125 letters in one week from Great Britain, for example) and, where established, seems to increase the readiness to offer relay and exchange courtesies.

The following facts concerning Canadian programmes relayed to listeners in their home countries constitute an impressive picture of Canadian projection abroad:

UNITED KINGDOM

Programmes relayed to the BBC during the last fiscal year totalled approximately 175, including:—

Scottish Newsletter (monthly)
The Old Songs
Special sports broadcasts
Women in the New World
Christmas and Easter programmes
Interviews with war brides
Reports on ICAO
Excerpts from Canadian Chronicle
Farm forums
Interviews with English County Associations in Canada.

FRANCE

For two years, the French section has been preparing "Les Actualités Canadiennes", a weekly programme relayed to France by the BBC. Radiodiffusion Française has now accepted the idea of relaying this programme regularly direct from Sackville on its Chaine Nationale. O.I.C., New York, relays a weekly five-minute commentary prepared by the French section and R.D.F. will soon be relaying a half-hour weekly variety programme from the CBC international service. In the five-month period ending April 30, the section sent to France 15 special exchange programmes ranging from variety programmes to commentaries and special events broadcasts. We have received numerous compliments on the quality of musical programmes produced in our studios and transmitted to France via our shortwave transmitter, and rebroadcast on the national network in France. French people, as well as those of many other countries, are impressed by the artistic achievements of our artists and musicians they can now hear with the help of wireless transmissions.

EUROPE

During the last fiscal year, a total of 357 rebroadcasts were arranged in European countries other than the United Kingdom and France. These included some 84 relays in countries not served by regular programmes.

CZECHOSLOVAKIA

During the United Nations first general assembly, the Czech radio depended on daily commentaries by Dr. Walter Schmolka, head of our Czech section. These commentaries were relayed regularly throughout Czechoslovakia. Canadian performances of two operas were rebroadcast in full by the Czech radio.

Holland

The first radio drama produced by the Dutch section, dealing with the discovery of the Mackenzie river, was rebroadcast throughout Holland. A special two-way broadcast was arranged with the Dutch radio at Christmas to enable war brides and their relatives to exchange greetings.

Germany

Radio Hamburg is rebroadcasting a series of dramatic programmes on the geography, natural resources and social composition of Canada.

Denmark

A special broadcast on the death of King Christian recently was rebroadcast throughout Denmark and the material was used editorially in leading newspapers.

Sweden

The death of the Prime Minister in January was commemorated by a special broadcast which was relayed throughout the country.

Norway

The Norwegian radio rebroadcast a programme consisting of interviews with Norwegian sailors visiting the port of Montreal.

Yugoslavia and Poland

Programmes commemorating national anniversaries of these countries were rebroadcast.

CARIBBEAN AREA

Fifty per cent of all programmes directed to the Caribbean area are relayed over one or more stations. Programmes rebroadcast regularly are:—

Sundays	Canada to the Caribbean
Mondays	Concert from Canada
Tuesdays	This is Canada
	Canadian Chronicle
	Lord Caresser
Wednesdays	Canadian Commentary
Thursdays	News and Campus Chatter
	Thursday Evening Concert
	Canadian Chronicle
Fridays	Canadian Notebook
	Canadian Chronicle
Saturdays	Canadian Chronicle

Mr. COLDWELL: You do not mention the services rendered by these stations to the U.N.O.

Mr. DUNTON: These are only relays here.

Mr. COLDWELL: Oh, these are only relays the ones you are dealing with. I think the other is worth mentioning.

The WITNESS: During the United Nations session the station was used two hours and a half per day by delegates to the U.N. assembly and sent from New York, from Lake Success. We are now carrying a short period every day. In other words, the U.N. are using our facilities to reach European countries, to permit those who attend the U.N. meetings to reach their countries through shortwave.

Mr. FULTON: Do we get paid for that?

The WITNESS: No. They pay the cost of the line from New York to Montreal. We pay the rest.

Mr. COLDWELL: I thought it was something which should be noted. It is a very important service.

Mr. FLEMING: Is that service acknowledged over the air?

The WITNESS: Yes. We get credit for broadcasting through CBC facilities —so-and-so speaking for Denmark through the facilities of the Canadian Broadcasting Corporation; whatever it is.

Mr. BEAUDOIN: And they use our transmitter at Sackville as much as they can?

The WITNESS: Yes, they do. During sittings of the assembly they have a regular two and a half hour per day service.

Mr. FULTON: Do we get paid for that?

The WITNESS: No, we don't get paid. We supply our own studios at Lake Success and they pay for the line from New York to Montreal. They produce the programmes with their own announcers and speakers, of course, but we take care of the rest.

LATIN AMERICA

The Portuguese-language programmes are relayed each Sunday night in Brazil by the Roquette Pinto government station. On special occasions (national holiday broadcasts, visiting national artists, etc.) programmes have been relayed in Cuba, Mexico, Argentina, Peru, Uruguay, Venezuela, Guatemala and the Dominican Republic.

PRESS

Foreign newspapers monitor CBC international service programmes and often reprint excerpts, quoting the CBC as the source. Moreover, promotional material of all kinds is accepted willingly for publication by foreign editors and publishers.

Editors abroad reflect the wide, general interest in Canada and the CBC by printing details of Canadian shortwave programmes as a service to readers. During the last fiscal year, some 250 news releases were sent out, many of them with matrices or photographs. Generally, this material was well used. Clippings arrived back in Montreal at the rate of about six for each release, a most satisfactory return when paper shortages and other publishing difficulties are considered.

Programmes and news released frequently stimulate friendly editorial comment in the foreign press. In many countries radio magazines and newspapers carry details of our programmes regularly and dozens of foreign periodicals have used illustrated feature articles describing the International Service.

The oustanding recent success in the news release field was in Sweden, where five releases sent out during a six-week period made nearly 100 appearances in the daily press.

By Mr. Ross (St. Paul's):

Q. The cost of the short wave operation is paid for by the government?—A. Yes, sir.

Mr. FLEMING: I move we adjourn until Wednesday at 2 o'clock.

Mr. BEAUDOIN: Wednesday at 4 o'clock.

Mr. FLEMING: Mr. Beaudoin suggested 4 and 2.

The CHAIRMAN: I do not remember the hour of 2 being mentioned.

Mr. BEAUDOIN: Four to six.

Mr. FLEMING: Mr. Beaudoin mentioned 2 this morning.

The CHAIRMAN: Gentlemen, we will meet on Wednesday afternoon. I will put the hour to you. Those in favour of 2 o'clock raise their hands? Those in favour of 4 raise their hands? We will meet at 4 o'clock on Wednesday.

The committee adjourned at 1.05 p.m. to meet again on Wednesday, May 21, 1947, at 4 o'clock p.m.

SESSION 1947

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2

WEDNESDAY, MAY 21, 1947

WITNESSES:

A. Davidson Dunton, Chairman of the Board of Governors.
Dr. Augustin Frigon, General Manager, Canadian Broadcasting Corporation.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1947

MINUTES OF PROCEEDINGS

WEDNESDAY, May 21, 1947.

The Special Committee on Radio Broadcasting met this day at 4.00 o'clock. Mr. Maybank, the Chairman, presided.

Present:—Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Diefenbaker, Fleming, Fulton, Gauthier (*Portneuf*), Hansell, Knight, Langlois, Laurendeau, Maloney, Maybank, McCann, Mullins, Pinard, Robinson (*Simcoe East*), Reid, Ross (*Hamilton East*), Ross (*St. Paul's*), Smith (*Calgary West*), 22.

In attendance: Messrs. Dunton, Frigon, Harry Bramah, E. L. Bushnell, Olive and Howard Chase, all of the CBC; Mr. W. A. Caton of the Radio Division, Department of Transport.

The Chairman read the second report of the Agenda Committee (*see evidence*). On motion of Mr. Beaudoin, this report was accepted.

The Chairman informed the Committee that a letter from him to the Manager of the C.A.B. was going out suggesting June 5 as a hearing date. A telegram being then received asking to advance this date to June 3, the Committee agreed to this request and the Chairman forthwith informed C.A.B.

Copies of a mimeographed letter to the Chairman from Mr. G. H. Langley of Toronto were distributed. A distribution was also made of the following:—

1. Annual Report for CBC International Service for the year ended March 1947 (subject to revision).
2. Promise of performance for licencees.
3. Promise of performance for licence applicants.
4. Report of performance for radio stations.

Messrs. Fleming, Coldwell, Smith, Reid, Hansell, Fulton, and Beaudoin requested the tabling of certain informative statements.

The CBC officials and Mr. Caton of the Department of Transport undertook to meet these requests.

A motion of Mr. Diefenbaker for the production of correspondence was allowed to stand.

Messrs. Dunton and Frigon were recalled, consecutively, examined and retired.

In the absence of Mr. Maybank, the vice-chairman, Mr. Beaudoin, took the chair.

At 5.55 o'clock the Committee adjourned until Thursday, May 29 at 11.00 o'clock.

ANTONIO PLOUFFE,
Clerk of the Committee.

89690—1½

MINUTES OF EVIDENCE

HOUSE OF COMMONS,
May 21, 1947.

The Special Committee on Radio Broadcasting met this day at 4 p.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: I see a quorum, gentlemen; come to order. The first order of business, I grant you'll agree, is the report of the subcommittee.

Your subcommittee reports as follows:

"May 21, 1947.

To House of Commons Radio Committee

Your sub-committee reports as follows. It is recommended:

A. That the radio committee meet regularly on Thursdays at 11 a.m. and 4 p.m. after this week.

B. That the representatives of Canadian Association of Broadcasters be heard on Thursday the 5th day of June 1947 at both sittings.

Respectfully submitted,

RALPH MAYBANK.
Chairman"

Is there any discussion on that, gentlemen?

Mr. HANSELL: I suppose, Mr. Chairman, that it was found impossible to meet more than on one day each week?

The CHAIRMAN: I think it would be fair to put it this way: this committee thought that was all that should be recommended as a regular thing recognizing, of course, that this committee naturally had control of its procedure from day to day and thinking that in all probability at times an additional day would be taken. I think that is the way the thinking of the subcommittee was.

Mr. BEAUDOIN: I move the adoption of the report.

Mr. SMITH: I am pleased to second the motion.

The CHAIRMAN: Is there any further discussion?
Carried.

That leads me to say to you that I prepared a letter to Mr. Dawson in accordance with what was said at the last meeting. Mr. Dawson is manager of C.A.B., and the letter is one telling him that they will be called on that particular date, expressing the views that have been stated here about going fully into questions that might be raised and asking them to be prepared to go fully into such questions. Of course, I did not release that letter, but I shall release it now. It is written and ready to go to him.

There is only one other matter which I think I should mention to you. A gentleman wrote me a letter at the beginning of the parliamentary session, February 24. This gentleman, Mr. G. H. Langley, was in communication with me about the end of the last parliamentary committee; and as I recall the correspondence at that time I told him the committee had by that time risen. He therefore addressed a letter to me in February to which I had to reply that the

committee had not yet been set up and that while I was chairman last year I naturally was not chairman this year, not at any rate until it should be so declared. This correspondence was sent by me to Mr. Dunton and he has returned it. He has sent in twenty copies of the letter; that would be sufficient for every member of the committee. In general, I may say that it deals with the use of English by the Canadian Broadcasting Corporation.

Mr. SMITH: Governs the use of what—?

The CHAIRMAN: English as it is used by the C.B.C. In general language he complains of expression and so forth. I think probably what you will want me to do is to give a copy to each member of the committee. I am merely expressing his desire to bring this subject before the committee. It expresses his views and, of course, everybody is a free agent.

Unless some person has other views I fancy the first item on the agenda today would be to begin such questions as you may wish to address to Mr. Dunton and Dr. Frigon. Last year you remember we asked questions and sometimes they were answered by one person and sometimes by another. Some of the members said to me this year that they thought that would be the best plan to follow again. Unless you have a contrary view that is the way we will do it.

Mr. FLEMING: Mr. Chairman, may I mention two matters, not with a view of asking specific questions on them to-day but rather with a view of asking Mr. Dunton and Dr. Frigon to bring in reports to the committee on them. The first has to do with the vote of $2,000,000 by way of supplementary appropriation, a loan given for extension purposes. It was in the nature of a capital grant for extension purposes.

Hon. Mr. MCCANN: It was a capital loan.

Mr. FLEMING: It was a capital loan?

Hon. Mr. MCCANN: Yes.

Mr. FLEMING: I would like to ask for a full report on the use made of that loan; of the expenditures made for that purpose; and also the minutes of the board of governors in relation to it.

The second matter on which I would ask for your report has to do with the three wavelengths, or the assumption by CBC of the three wavelengths which received a good deal of time and attention at our sittings last year—CFRB, CFCN and CKY (Winnipeg). I would ask for a full report of what has been done since the meeting of this committee last August in respect to those three wavelengths. We had a long file on those three stations last year. I would like to have any correspondence which passed between those other stations and the CBC; the correspondence exchanged with the Department of Transport with reference to them, if any; and the minutes of the board of governors of the CBC in relation to them. I am suggesting a report because I do not think it would be a fair thing to ask questions on this matter today. I would ask that the full report be brought in so that we could have it for consideration at our next meeting.

Mr. COLDWELL: If you are taking notice of reports we would like to have, I would also like to suggest something.

The CHAIRMAN: Yes, just a moment Mr. Coldwell, if you don't mind. I suppose, Mr. Fleming, what you have in mind is this: I suppose you would have put this in the form of a motion if necessary, but there does not seem to be any objection and we will just take it as accepted and so order. Is there any objection to my requesting that? If not, Mr. Dunton, you will be able to do that, please.

In regard to the documents that you are asking for there, Mr. Fleming, that is not a copy of all the letters, but a report; the story if I might put it that way.

We had asked that submissions wherever possible would be made so that they could be handed to the members of the committee in advance of meetings. I think that would be desirable here, would it not?

Mr. FLEMING: Entirely, Mr. Chairman.

The CHAIRMAN: Could you do that, Mr. Dunton—mimeograph that part that is your own narrative? I do not think you can mimeograph copies of all correspondence; but get the report out and into the hands of the clerk early so that Mr. Fleming and others can see it before the next meeting?

Mr. DUNTON: Yes.

Mr. FLEMING: There is no great volume of correspondence, perhaps, that could be included in the mimeographed submission; and when I mentioned minutes of the CBC I did not mean to put the board of governors to the trouble of producing all the minutes of the board. Mr. Dunton would put extracts of the minutes in his mimeographed report dealing with this matter.

The CHAIRMAN: Oh yes; I think that was understood.

Now, Mr. Coldwell?

Mr. COLDWELL: I was going to ask if you could prepare a report for the past year of the amount of free time broadcast given on the Ontario network—the amount of time the speaker and so on—and if there is any correspondence in the office between the CBC and the premier of Ontario, or memoranda regarding those broadcasts; I wonder if that could be attached to any report that is made. The second thing I would like to ask about is whether the corporation can prepare for the consideration of the committee a report on the newspaper ownership of radio stations, particularly the extent of that ownership, beginning in the year 1936, by years, so we can see whether it has increased or not. Those are the two topics that I would like to have covered.

The CHARIMAN: Would you mind if I deal with them separately?

Mr. COLDWELL: No, not at all.

The CHAIRMAN: I suppose with respect to the first one there is no objection at all.

Mr. DUNTON: Could I ask what it is intended to cover; the free time given—

The CHAIRMAN: Free time.

Mr. COLDWELL: I would say any broadcast that is granted to speakers.

The CHAIRMAN: You mean, political speakers?

Mr. COLDWELL: Yes; time not paid for by a political party. That would include addresses that were given under the auspices, we will say, of the sponsor of a broadcast, or something of that sort, and which were not paid for.

The CHAIRMAN: The Ontario network, you said.

Mr. COLDWELL: The Ontario network, or any private station or any station owned by the CBC.

Mr. REID: I wonder, Mr. Chairman, if I might ask—

The CHAIRMAN: I just want to clear this up first, please, Mr. Reid. That is not objectionable, I fancy.

Mr. FLEMING: Should it be confined to Ontario?

Mr. COLDWELL: I do not mind having it for all the provinces.

Mr. FLEMING: It would appear to me better to get the information all together rather than to have it brought in one at a time.

Mr. COLDWELL: I would be glad to extend it.

The CHAIRMAN: You want to extend it to cover the whole of the network?

Mr. COLDWELL: Particularly Ontario.

The CHAIRMAN: The amount of free time on the network.

Mr. BEAUDOIN: All the free time given political leaders of whatever province.

Mr. COLDWELL: That is right; together with any correspondence or memoranda relating thereto.

The CHAIRMAN: Yes; and as much of that as can be given in advance to be mimeographed, and that which cannot be because of volume or some other reason fixed up that way to be brought before the committee.

Mr. HANSELL: Are you going to limit that to political leaders?

Mr. COLDWELL: I would say, anyone speaking officially for a party. I use the term leaders generally.

Mr. GAUTHIER: Do you include members of parliament in that ?

The CHAIRMAN: I believe you will get a pretty complete story without cutting it down too fine as to definition. If we don't, Mr. Hansell, we can get more later.

Mr. HANSELL: We have to cut it off somewhere.

Mr. COLDWELL: All the CBC stations.

The CHAIRMAN: Just the CBC stations?

Mr. COLDWELL: That is all.

The CHAIRMAN: The other matter on which you wanted a statement was with respect to newspaper ownership, Mr. Coldwell. I separated them for the reason that it was not clear in my mind. As I understand what you are asking for, it is a factual statement as to the ownership of radios by newspapers?

Mr. COLDWELL: Or organizations, subsidiary organizations associated with newspapers.

The CHAIRMAN: Directly or indirectly associated with newspaper organizations.

Mr. COLDWELL: That is it.

The CHAIRMAN: A factual statement as to the ownership of stations, and you want these to be given year by year?

Mr. COLDWELL: Yes, starting with 1936.

The CHAIRMAN: For how long?

Mr. COLDWELL: That would be for a period of ten years, starting with 1936.

The CHAIRMAN: That is clear enough to me now. Is there any objection to that?

Carried.

Will you please try to cover that, Mr. Dunton?

Mr. DUNTON: Yes.

Mr. SMITH: Mr. Chairman, I have an addition I would like to make.

The CHAIRMAN: Yes?

Mr. SMITH: I want a report for the last year on what new licences have been granted, what transfers have been made; by whom and to whom; and the amount of money paid.

The CHAIRMAN: Oh, well, yes; that is a little different, Mr. Smith.

Mr. SMITH: I know; it is in addition.

The CHAIRMAN: Yes, it will be another. The reason I am stopping you now is because Mr. Reid was on his feet.

Mr. SMITH: Oh, I beg your pardon.

The CHAIRMAN: That is clear enough now, is it?

Mr. DUNTON: Mr. Chairman, I am in a little doubt, especially in regard to that last question. I really think that is a matter of licensing and one for the Department of Transport to deal with.

The CHAIRMAN: Yes, it is.

Mr. COLDWELL: It is not, really; it is a matter with which they have to deal.

Mr. SMITH: That is done under the recommendation of the CBC?

The CHAIRMAN: You recommend them even though you do not grant the licences?

Mr. DUNTON: Yes.

The CHAIRMAN: And since you know the facts it will be sufficient for you to bring in what you do know.

All right, now, Mr. Reid.

Mr. REID: In relation to Mr. Coldwell's question, could we not only get the information regarding the free time in the province of Ontario but for all provinces?

The CHAIRMAN: He did extend it.

Mr. REID: Oh, he extended that?

The CHAIRMAN: Yes.

Mr. REID: That is what I started out to ask because it was my intention to ask that further information be given at a later date by the CBC.

The CHAIRMAN: If there is anything else you would like to have in the way of information this would be a good time to bring it to attention.

Mr. REID: I am not sure whether this is under their authority but I would be interested in knowing for the last four years the number of radio licences issued and the number in each province. I have a particular reason for asking you that which will come up later.

The CHAIRMAN: Well, it is not their business to grant these licences, but they do have something on it as a matter of record.

Mr. DUNTON: I would suggest that more properly might come from the Department of Transport.

The CHAIRMAN: Mr. Caton is here for the Department of Transport. We could ask him to supply that information. Would you do that, please, Mr. Caton; and get that mimeographed for us and arrange to have it in the hands of the clerk in advance of the next meeting so it can be passed along to the members of the committee.

Mr. CATON: We put a document in on that last year.

The CHAIRMAN: That is right.

Mr. REID: I would suggest that if the CBC haven't got that they should get it and give it to us.

The CHAIRMAN: You want to add something there, Mr. Smith?

Mr. SMITH: I did. These licences are granted on the recommendation of the CBC and are rather automatic on the part of the Department of Transport. I want to know the reason these licences were transferred or issued to these various people; and between them they know what we want.

The CHAIRMAN: I think you could work out a very fair answer to that between you.

Mr. HANSELL: Might we ask for the number of applications that have been made?

The CHAIRMAN: The number of applications to the Department of Transport?

Mr. HANSELL: Not merely the number, but who applied for them.

The CHAIRMAN: The number, and the name and the place.

Mr. SMITH: For example, I want to know how many people wanted this new station in Ottawa. That makes it pretty plain what I have in my mind.

Mr. FULTON: Could we ask for that? I understood that they would include in this table with respect to new licences, transferred licences for broadcasting stations or frequencies, a list of those that were refused, and the correspondence in connection with those applications.

The CHAIRMAN: Let us see now. The only addition there is the question of correspondence. I am not suggesting for a moment that correspondence is not producible or should not be produced. I am not suggesting that for a moment. But there may be some cases—I am guessing—there may be some cases of very voluminous correspondence and much of it probably very formal. Would you like to let that rest until the other material comes in?

Mr. FULTON: I will put it this way; perhaps the chairman or whoever is responsible would be prepared to summarize the reasons which were given for the refusals, for any refusals; that is what I mean.

The CHAIRMAN: I think that can be done.

Mr. FULTON: Yes, rather than to bring in all the correspondence.

The CHAIRMAN: Yes. I know you do not want a dictionary-sized document in every case. Well then, that is understood, Mr. Caton, is it?

Mr. CATON: Yes.

Mr. FULTON: May I just make this reservation? Summarize the reasons given in each on each occasion.

Mr. SMITH: Why not just say, prepare this. If we want the correspondence later I am sure it will be available.

The CHAIRMAN: Oh yes, Mr. Smith; and I think all such correspondence is producible too.

Hon. Mr. McCANN: If you get the minutes the records dealing with the application will give you the essential information.

The CHAIRMAN: I think that would take care of it.

Mr. DIEFENBAKER: In that connection, Mr. Chairman, would it be possible to ascertain what letters were received by any official of the CBC from the Minister of Transport or any other minister, whether those letters were marked "confidential" or not, regarding the desirability of any certain application being granted.

The CHAIRMAN: Well, I doubt very much if that is in order.

Mr. DIEFENBAKER: I beg your pardon.

The CHAIRMAN: I doubt very much if that is in order.

Mr. DIEFENBAKER: I thought possibly no minister would object even if he had written a letter recommending any particular application. He certainly would not have any objection.

The CHAIRMAN: I do not think the matter is one which rests in the hands of the minister.

Hon. Mr. McCANN: I can answer that as far as I am concerned.

The CHAIRMAN: Just a minute, Dr. McCann, if you don't mind. I do not think the matter is in the hands of the minister. I think it is a question of it being in order or not in order. If it is my responsibility I cannot put any person on the spot to declare whether he is willing or whether he is not. You see, it is not only a question of today, it is a question of the future, too. I do not think a motion to that effect, Mr. Diefenbaker, would be in order.

Mr. DIEFENBAKER: Well, I won't make a formal motion. Last year there was certain correspondence. I was shown that correspondence last year dealing with certain transactions with one radio station in which material there was a letter or letters from the minister pointing out the desirability of this company receiving certain bands, and there was no objection raised at that time. It was filed—

The CHAIRMAN: I fancy it might often be the case that that is done, but each time it is without prejudice.

Mr. DIEFENBAKER: Yes. One other thing. I would like to have the correspondence produced regarding arrangements with any radio station in existence whereby such radio stations received benefits which other radio stations did not receive. I refer particularly to the Chicoutimi station. There was some mention of that last year. It seems to me there was reference to the situation respecting the Toronto *Daily Star*, and a change has been made in the Toronto *Star's* arrangement since. I also would like the correspondence produced and the minutes relating to the cancellation of the privileges the *Star* has enjoyed over a period of years.

The CHAIRMAN: Is that clear to you, gentlemen?

Mr. DUNTON: Yes.

Mr. CATON: Yes.

The CHAIRMAN: Is there any objection to that?

Mr. DUNTON: Mr. Chairman, I am not clear in my mind as to what period you want covered. Last year?

The CHAIRMAN: Oh yes; this last question about correspondence.

Mr. DUNTON: I was thinking about the other?

Mr. FULTON: From January 1, 1946, was my request.

The CHAIRMAN: That was introduced first by Mr. Smith. I think what he had in mind was last year, because we have before us our last committee.

Mr. SMITH: Of course, 1946. I don't want to go back before that.

The CHAIRMAN: I did not think you did because it was before us last year.

Mr. FULTON: Last year it was only in connection with the three wavelengths that they were taking over.

The CHAIRMAN: I thought Mr. Brown of the Department of Transport filed that other information last year. I think he did, gentlemen; and all you want is the information with respect to 1946.

Mr. SMITH: Yes.

Mr. DIEFENBAKER: Also any correspondence that may have passed between the Minister of Transport and any of the officials of the CBC regarding the issue of licences which were not produced.

The CHAIRMAN: I do not want to make so general a statement. I think if you were to put your proposition in that form I would definitely have to rule it out. I have not definitely ruled it out yet; but as I said I think it is out of order. I think I will ask you to give me an opportunity of thinking it over before I make a ruling. I don't want to have to make a ruling if I can avoid it.

Mr. DIEFENBAKER: You want time in which to consider it before giving your ruling?

The CHAIRMAN: You want to know whether such a motion would be in order?

Mr. DIEFENBAKER: Whether such a motion would be acceptable to the committee?

The CHAIRMAN: Yes, I suppose we can consider it. Do you now move that you want a certain type of correspondence?

Mr. DIEFENBAKER: Yes.

The CHAIRMAN: We will just reserve decision on it for the present.

Mr. BEAUDOIN: I should like Mr. Dunton or Dr. Frigon to prepare a report as to the cost of establishing a second French network in Quebec to provide alternative network programmes to the French speaking audience. I should also like a report as to the cost of a network covering what is generally called

French Canada, that is a group of stations handling programmes originating from CBF, through the actual CBC stations in Quebec, linked to a station in Bathurst or Moncton, New Brunswick, to a station in Sudbury in northern Ontario, to another station in Winnipeg, Manitoba, in Regina, Saskatchewan, and Edmonton, Alberta.

The CHAIRMAN: If that is all of that type of notice at the moment, we are in a position to commence questioning upon the reports which were made at the last meeting. I do not know whether you will desire to ask your questions in order, that is, in sequence, but I think that probably would be the better way. Shall we turn to the first page of Mr. Dunton's report.

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

Mr. BEAUDOIN: Today, we were given this report on the international service. Is it the intention to have this report read later?

The CHAIRMAN: There are some other documents before you today which may also form the basis for questions, I fancy.

Mr. BEAUDOIN: This document has not been read before the committee.

The CHAIRMAN: Do you not remember, it was said these documents would be handed out in between meetings and it is pursuant to that understanding that you have received them.

Are there any questions which arise out of this first page of the report?

By Mr. Coldwell:

Q. What about the community service? I thought Mr. Dunton was going to file some material in connection with that?—A. I think the secretary of the committee has those sample forms, both samples of the forms sent out and samples of the forms we are proposing to send out on the performance during the year.

By Mr. Reid:

Q. I have two questions on the first part of the report. Who outlined the duties of a private station as mentioned on page 1? Would you mind explaining what is meant by the, "Promise of performance"? Just what does that mean?—A. The secretary has those forms.

Q. I beg your pardon?—A. The second paragraph is based on the recommendation of last year's committee. The forms were drawn up after a good deal of consideration to try to obtain this information. It was contained in the recommendation of last year's committee.

Q. Could copies of the questionnaire concerning the promise of performance be supplied to the committee? I should like to see them.—A. They are being distributed now.

By Mr. Beaudoin:

Q. To carry out the recommendation of the committee, you discovered, after study that this form which is called, "The promise of performance" was the best method you could devise in order to meet your objective?—A. It seemed to us to be the effective way of doing it. This just covers the undertaking in advance of the beginning of the licence year. Then, during the year, we shall obtain reports on what the stations actually do.

Q. Is this the "draft form" to which you refer on page 2?—A. Yes.

Q. It is now being distributed to the members?—A. Yes, I think so.

Q. From the replies you receive, do you think the method you have selected has given you the expected results?—A. I think it is a useful beginning. Frankly, we feel that it is a very difficult matter to set up definite standards of good service. We feel we have made a beginning in getting reports in this form. We believe we will know a good deal more after getting the reports on what the stations really do during the year. I do not think we feel ourselves that we know of any actual limit as to what is actually good service and what is not. Conditions vary from one place to another.

Q. When did you send the promise of performance forms to the private stations?—A. They went out in February. I have forgotten the exact date.

Q. Were these stations asked to return them before a certain time?—A. Yes, before the renewal of the licence came up. They all did that except one.

Q. Which one was that?—A. The station at Summerside, Prince Edward Island.

Q. Did you have enough time to study these reports which you received from the various stations?—A. Yes.

Q. Are you in a position to make a judgment as to the manner in which the stations fulfilled their responsibility as holders of a licence?—A. Frankly, I do not; not too definite a judgment. I said in my submission that some of the stations did not seem to try to give us the information in the form in which we asked for it. The majority, however, did so. After considering all the returns we thought we should recommend renewal of all licences this year, and then during the year, to gather more information from these questionnaires on actual performance. Then, by next March, we would be in a better position to make recommendations.

Q. From the information you have gathered on your "promise of performance" form and the information you will receive from the "draft form" returned during the year, you expect to be in a better position to form a judgment?—A. Yes, much better.

Q. You will be able to check up better on the activities of private stations?—A. Yes.

By Mr. Hansell:

Q. What is the particular purpose of question No. 1. I will read it for the purpose of the record.

> "Do you undertake to operate your station in compliance with the provisions of the Canadian Broadcasting Act (1936) and regulations made thereunder and to conform faithfully to all the duties of a trustee of a radio frequency?"

Is that question not superfluous?—A. It was based on the recommendation in the report of last year's committee which said very specifically 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 the CBC an undertaking that it would faithfully perform its duties as a trustee of a radio frequency. This question was meant to be a definite statement that the station would undertake its duties as a trustee of a radio frequency.

By Mr. Smith:

Q. Whose was the word "trustee"?—A. That was taken from the wording of the report.

Mr. HANSELL: I thought it superfluous because nobody would dare to ask for a licence without complying with that.

By Mr. Coldwell:

Q. Is it not useful as a reminder to the station that it is a trustee of a radio frequency?—A. That is exactly what the committee of last year suggested. It was a useful reminder to the station.

By Mr. Reid:

Q. Were these questionnaires sent out to radio stations already operating or just to those applying for a new licence? If they were sent out to those stations already operating, what was the purpose in asking if the station had been in business for years?—A. The committee of last year specifically recommended that we obtain an undertaking along this line.

Q. Had you no information regarding private stations before this?—A. Yes, we had some.

Q. Why was it necessary to put those questions to a station in business?—A. It was suggested we do it.

By Mr. Coldwell:

Q. Was not the committee of last year supplied with a number of logs of private stations, some of which did not seem to be very satisfactory to the committee?—A. Yes. The committee of last year recommended that the CBC should discharge its duties, which it apparently had not been doing, in making a proper review of the activities of stations. We have been endeavouring to do that along the lines suggested by the committee.

By Mr. Reid:

Q. Did you suggest that question regarding church services in this questionnaire which I have?. Was that an outline of duties suggested by the committee, or did you add to it?—A. It is outlined in general terms on page 847 of last year's report. Some of the things we put in ourselves to try and obtain a proper picture. For instance, the committee mentioned other public service broadcasts and we thought it would give a better picture to know how much time is devoted to religious broadcasts.

Q. I know of one station which has frowned on commercial church broadcasts. I know considerable money was offered by churches across the line in the United States to put on pressure campaigns and this station made it a policy not to take that type of programme. To be safe, the station has soft-pedalled the other churches. This was not because they were unreligious. Now, the answer to that question may be held against that station if the answer is "none". These questions are very important when you commence looking them over. Heaven only knows what you can hold against a station.—A. We felt very strongly that there are a lot of different circumstances. We feel we must take into account different conditions. If a station does not seem to make any showing, our idea is to write and ask the owner to come along and explain what the difficulties are; why there are no talks or discussions on public affairs, why there is no use of local talent whatever, or why they have no local religious services at all.

Q. Are you rating these stations according to the answers given after you look over the questionnaires? How are you using this information? Do you give the station a pass mark if so many questions are answered correctly?—A. On this advance form, we recommended the renewal of licences. Then, we are going to gather information during this year. From that, we will make recommendations for next year. Perhaps there will be some division into classes.

Q. We had better give some study to this thing. I can see some danger to some stations if they do not obtain a pass mark.

By Mr. Beaudoin:

Q. Your objective is not to make anything in the nature of charges against a private station?—A. No, our objective has been—we have discussed this with the private stations—to bring out the service which they are performing, to give a full opportunity for the revelation of the services they are performing.

Mr. REID: I am drawing the attention of the chairman and the committee to these promise of performance forms. These are promises of performance. They may be very easily held against some private station. Otherwise, what is the use of sending them out? What is the use of compelling answers on promises of performance? Who is going to study all these questionnaires?

By Mr. Beaudoin:

Q. Of course, Mr. Dunton, if the questions which are put in these "promise of performance" forms do not give an opportunity to the private owner to make a full report as to his activities, he is permitted to discuss the matter further with yourself or to send in a memorandum which would explain the reason why he cannot give, for instance, more programmes of church services. He could make an explanation if he were operating under conditions described by Mr. Reid?—A. We invite these stations to send in special comments where their circumstances are different or to draw particular attention to special services which do not appear in the number of hours given. We realize perfectly the number of hours is not a final standard, by any means.

Q. You are only trying to find a method by which you can carry out your responsibilities?—A. Yes, sir.

By Mr. Ross (St. Paul's):

Q. I think the listening public are the people who ought to be considered as well. I do not see anything in this form which says anything about the estimate of the listening audience. You might have a promise of performance and have no listening audience. Of course, the station would not make any money then. After all, the listening public, it seems to me, are the people who have to be taken care of before anyone else?—A. I agree, Mr. Ross.

Q. Also, I would like to ask this, just while I am talking, if you decide you are not going to renew a licence for a private station is that final or is there any appeal?—A. We only make a recommendation.

Q. Who makes the decision as to whether you are going to give a licence?—A. The licensing authority.

Q. You are responsible for the recommendation but there is no appeal from the licensing authority who takes his cue from you?

The CHAIRMAN: I do not think he would, I think that is usually found.

Mr. SMITH: The record is that they have always been in agreement. After all, is not this just a fact-finding thing?

Hon. Mr. MCCANN: I think, Mr. Chairman, although it is worded that it is a promise of performance, it is more like a record of performance.

The WITNESS: There are two reports which we receive. One report is this promise of performance; the other is a report on activities, and we get a good deal more out of the latter report.

By Mr. Beaudoin:

Q. Do the stations not send you in their logs which give you information?—A. Yes.

Q. That is, it is a breakdown?—A. Yes, but it is hard to get a general picture from the logs, and this record of performance is just to try and fill out the picture.

Q. With this form you have a complete assessment of what is going on.

Mr. REID: On page 2, and I am not jumping to that, it says "On the basis of these reports on actual programme performance, checked by the corporation where necessary, the board will make recommendations for the next licensing year". That is why I raised my question.

By Mr. Hansell:

Q. Does this questionnaire apply purely to non-network broadcasting?—A. You will notice that the report of performance indicates what the station is doing. It gives a record of what they actually do and provides for a summary of local live programmes, network programmes, and recorded programmes, so that we feel the report should give a fairly complete report of activities.

Q. Would the CBC stations themselves, such as the Watrous station and the proposed Lacombe station, which are away from urban centres, come under some such performance as this? Would they not sometimes do broadcasting of a community nature?—A. Yes, sometimes. Usually, however, it would be more of a regional nature rather than a community nature. They are primarily network stations but most of our stations do some special regional service.

Q. I am suggesting, Mr. Dunton, that the same questionnaire might be given to the CBC stations as well?—A. I think, if the committee wishes a report along those lines, it would be a difficult thing because previous committees have emphasized to the CBC that it is primarily a network operation.

Q. Quite so, but I fancy most of the information set out here on this promise of performance is in respect to their local broadcasting. You know what they are doing on the network; they simply broadcast what the CBC sends out?—A. They have a lot of choice Mr. Hansell. That choice is in the non-commercial network programmes which they take.

The CHAIRMAN: I suppose a station of the type you are mentioning would really just blame their headquarters anyway, and with these others it would be looked upon as something due to local management. Take the Lacombe station for example, it would have no record of performance yet.

Mr. SMITH: Oh yes, it has, don't you worry.

The CHAIRMAN: Not in the sense that the word has been used here.

Mr. HANSELL: You might find, if the same questionnaire was answered by Watrous and Lacombe that it might not compare as favourably as you would expect with some of the private stations, for example, Saskatoon, Regina or Edmonton.

The WITNESS: It certainly would not under the heading of local live programmes because the others are community stations.

Mr. FULTON: I question the advisability, in spite of the report from the parliamentary committee of last year, to require a broadcasting station to promise to do something of which it is not informed. It reads here "Do you undertake to operate your station in compliance with the provisions of the Canadian Broadcasting Act (1936), and regulations made thereunder and to perform safely all the duties of a trustee of a radio frequency". It reminds me of the days when we used to take the Scout oath, except that the Scout oath is much more clearly defined than is "a trustee of a radio frequency". I do not think it is necessary for people to promise to live up to the regulations of the Broadcasting Act and regulations made thereunder. You are seeking to bind him with some nebulous burden of trust and I think if I was a station operator I would be wondering what I was supposed to do. I also wonder what Mr. Dunton would do if the answer came back that "I am prepared to operate my station in accordance with the regulations but I cannot promise to do the other part because I do not know exactly what is expected"?

The WITNESS: Our attitude is that under the recommendation of the committee we are trying to build up a volume of knowledge of what they should do in as specific terms as possible. I think in the committee last year there was a good deal of discussion that took place on the duties of holders of radio station licences.

Mr. FULTON: Are they not defined in the Canadian Broadcasting Act?

The WITNESS: No.

Mr. BEAUDOIN: As a matter of fact last year the committee was blaming you for not keeping close enough watch on things.

The WITNESS: Yes.

Mr. COLDWELL: I cannot see any objection to the use of the word trustee because these people are operating these stations in the interests of the public, as well as their own interest, and they are trustees of a public utility. They are not owners of the stations.

The CHAIRMAN: I do not wish to break in on you too soon gentlemen, but you will recall that we are questioning rather than giving expressions of opinion at the moment. If you intend to have the report within limits would you please keep to questions. I do not think it has gone too far in argument yet but will you bear that in mind.

Mr. FULTON: May I ask Mr. Dunton a question?

The CHAIRMAN: I think Mr. Coldwell is ahead of you.

Mr. COLDWELL: I was going to ask Mr. Dunton if this winter in any given week they made a check of the logs of any number of the radio stations? For instance, last year there was a check of the stations made in January. I have not looked up the date and just what the apportionment of time was, but this year has there been any record of the commercials, the spot announcements and so on?

The WITNESS: No specific check has been made, partly because of pressure of work and because we had to do a lot on this question of community service. It was interesting, however, to note the number of stations which seem to be doing a great deal more this year than before because of last year's committee recommendations. A number of stations took it upon themselves to send us reports which showed much more interest than they had taken previously.

Mr. REID: May I ask a question?

The CHAIRMAN: Mr. Fulton is ahead of you.

Mr. FULTON: I just want to know whether Mr. Dunton considers the second part of that question as essential, or whether it already includes the things which you think they ought to do?

The WITNESS: I do not know, Mr. Fulton. I think it is fairly important to emphasize this business of being a trustee. The licensee is using something belonging to the public and therefore he has a duty to the public.

Mr. SMITH: Have you ever got a legal opinion on that word? He is no more a trustee than the man who holds a liquor licence.

The WITNESS: No, we have not had an opinion.

By Mr. Reid:

Q. I wonder if Mr. Dunton would give an explanation of question number 9 which reads "What percentage of your total revenue do you intend to pay in fees for live talent performing locally". Now there are a lot of radio stations that use records, mainly, for their music. That applies to places where there is no local talent. I am wondering what you would do if you received this and you could see there was very little set aside for local talent? Just what is the object of a question of that kind?—A. That question, again, was suggested by

the committee last year. We realized fully, however, that circumstances vary a great deal. One station is in a city where there is lots of local talent and another is in a small town where they is very little talent.

Q. Is the listening public not considered at all? After all, the public would rather listen to good records than poor talent.—A. My impression, received from previous parliamentary committees and their decisions, is that a local station using a frequency should do something about local talent. They should do something, even if it is not very much. At times, people of the community should have some of their own talent and not just recordings.

Mr. SMITH: After all, Mr. Chairman, you are merely asking how much you are willing to spend and if there is no population there you do not spend much.

By Mr. Beaudoin:

Q. Have you received any letters from the stations which received these "promise of performance" forms, indicating that they did not like the idea of answering such a form?—A. Yes, quite a few stations objected to the idea of what we have called loosely the promise of performance. The stations, however, all say they are interested in trying to report their activities and we have discussed the form of the record of performance with them. They have not yet come back to us with their own ideas. The whole thing is that we want to get, as far as possible, a picture of what they are doing.

Q. In other words there was no resistance.—A. There was no resistance to the idea of reporting their activities, no.

Q. Referring to page 2, about the "draft forms", you say that you did not hear back from the C.A.B.?—A. We have not so far. We showed them the draft forms and asked for their opinion as to how they might be modified, in their opinion, and particularly at what times covering what periods, the performance reports might be sent in.

Q. Did you send these forms only to the headquarters of the Canadian Association of Broadcasters or to stations which are members of the C.A.B.?—A. We sent them to a few of the individual operators as well as to the Canadian Association of Broadcasters.

Q. To the big operators?—A. Yes, but we have not sent them to all stations.

Q. You are only feeling the ground about these draft forms?—A. We feel that they are pretty useful but we want to discuss with the operators any ideas they might have.

Q. Now I am going to go back to the stations which have received this promise of performance and the matter of stations to which you have sent warnings. I am reading from the second paragraph of your brief which says "Stations from which incomplete information was received were warned that this will be taken into account," etc. After this warning had been sent, what reaction did you get from the stations that received the warnings?—A. I do not think there was anything very much except that we received one or two personal remarks from the station and they wanted to know how serious the warning was.

Q. What were the stations to which the warning was sent?—A. I have forgotten the names but I think there were about thirty.

Q. Could you give us the list?—A. Yes, but I have not got it now.

Q. Can you get the information and put it on the records?—A. I might say this was only regarding the amount of information they provided, not any question of whether their undertaking seemed to be sufficient. Some stations just did not try to give an indication of what they were going to do. They gave us a lot of information but not as it was asked for.

Q. They might have thought they were doing good enough, but in your own opinion it was not complete information?—A. Because we were trying to build up some body of information, and some stations were not at all helpful in assisting to provide that information.

By Mr. Hansell:

Q. I do not know how to designate this form we have here, but it commences:—

> The following information is required by the Board of Governors of the Canadian Broadcasting Corporation in connection with your application for authority to establish a private commercial broadcasting station,

and so on. Is this sent out each year to those who have already been licensed?—A. That form will go to new applicants. It will go out from the Department of Transport when they send them the other application forms.

By Mr. Beaudoin:

Q. Will you be able to give us the names of the stations which have received these draft forms?—A. I am not sure I could because I think it was done informally by our station regulation men who just discussed it with them.

By Mr. Fulton:

Q. Are the duties of the trustee of a radio frequency defined and laid down anywhere?—A. I do not know of any definite definition.

Q. What would you do if the answer to that question was, "No, I will not promise it because I do not know?"

The CHAIRMAN: You can hardly force that question.

Mr. FULTON: Pardon?

The CHAIRMAN: I believe you cannot ask what a person would do.

Mr. FULTON: What would your recommendation be?

The CHAIRMAN: I still think that hypothetical question is not permissible.

Mr. FULTON: On what grounds?

The CHAIRMAN: "What would you do in certain circumstances".

Mr. FULTON: I am trying to get at the value of the question, whether it is not just a waste of time, and I think we should have some opinion on it.

The CHAIRMAN: You see what it leads to if the person says "I do not know".

Mr. FULTON: Then one would be in a strong position to indicate the question is valueless. Perhaps I will leave it with that.

Mr. BEAUDOIN: It is only the preamble.

Mr. COLDWELL: Is the inference as to what the duties of a trustee are not contained in the following questions? It raises immediately in my mind that a person looking over these questions as to community activities, talks, discussions, church services, and so on, would say, "Well now, I have an obligation to the community to see that I undertake these things. They are a part of my duties as a trustee of a public radio wavelength".

Mr. FULTON: That may be the case. If that is the case then is this an attempt to define the duties of a trustee, and if so, is this a complete definition?

The WITNESS: I do not think it is a complete definition. As I say, we are going largely on the recommendation of the committee last year which I think is pretty much as Mr. Coldwell said. The committee said: "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 faith-

fully 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". I would take from that sentence those things were included as a part of the duties of a trustee of a radio frequency.

Mr. FULTON: I appreciate you sent this form out following the wording of the report of the committee. I was not suggesting criticism on those grounds, but I think it is open to us to consider whether our report last year was 100 per cent accurate or 100 per cent valid. As far as I am concerned there is sufficient evidence of a lack of clarity as to what is understood by the duties of a trustee to indicate to me, at any rate, that question is not a fair question, that promise is not a fair promise, to expect a radio station operator to make. I am content to leave the matter there.

Mr. COLDWELL: Would not the corporation instead of adopting a legalistic interpretation of what trustee means adopt a common sense interpretation?

The WITNESS: That is what we are trying to do.

Mr. COLDWELL: It seems to me Mr. Fulton is trying to get a legal definition of something that cannot be defined legally.

Mr. FULTON: You are asking a man to promise something over his signature. I do not think it is fair to expect him to do that unless you can tell him exactly what it is he is promising.

The CHAIRMAN: Gentlemen, I draw to your attention we have somewhere in the neighbourhood of 18 to 20 pages and we are on page 2. We have said to each other that we know we are going to have a lot to do this year.

Mr. HANSELL: I have just one question.

By Mr. Hansell:

Q. I understand that these questionnaires are just draft forms. They have not been used so far?—A. The promise of performance forms have been used.

Q. My next question in that connection is have you received any reaction as to how the private stations feel about receiving one of these forms and having to fill them out?—A. Yes. Quite a number of stations said they did not like it.

Q. Would that not indicate that they would be a little better pleased if it were sent out by a separate body rather than the CBC?—A. I do not know.

Q. I will leave it at that. There is one more question. It was proposed by Mr. Ross but I do not think it has been entirely answered, and perhaps cannot be. What are you able to do to determine what the public reaction is to the performance of a station?—A. Not very much.

By Mr. Smith:

Q. You get the Haynes reports on them?—A. On most stations, not all stations.

By Mr. Ross (St. Paul's):

Q. Is it not the duty of the trustee to give the listening audience something they like?

By Mr. Hansell:

Q. It is all right to ask a station these questions, but can you get something similar from the public? Are the public satisfied with the performance of this or that station?—A. It would be very interesting. I would not know how it can

be done. I think that is one of the big problems in radio, to know what the public wants, and what different sections of the public want, since different people want different things.

By Mr. Beaudoin:

Q. Experience has shown that the public wants a well balanced programme of different things? You have listed them all here.—A. Taken as a whole. I think part of the idea is, if you like, to see that the tastes of larger groups who may like popular records all the time should not completely submerge the tastes of other people who want discussions on local events, who want to hear some of your local singers, who want religious broadcasts.

By Mr. Hansell:

Q. Would it not be possible that such a thing as this could happen on the basis of something of this sort, that a licence is received or not renewed while the general public are perfectly satisfied with the performance of the station? —A. I think it would be possible that non-renewal could be recommended when a number of people did like listening to a station, but which presumably under the recommendations of the committee last year would not be carrying out its responsibilities as a holder of a radio frequency.

By Mr. Reid:

Q. Do you place any reliance on the Haynes reports?—A. Some. We think they are some indication of relative interest in different programmes.

By Mr. Smith:

Q. Do you place any reliance on the report prepared by the University of Denver for the Columbia Broadcasting System?—A. Yes.

Q. That showed that a majority of the people want advertising?—A. Yes, they do in the United States. We give them some on the CBC.

The CHAIRMAN: Are you suggesting they go and seek more commercial programmes?

Mr. SMITH: They are.

The CHAIRMAN: Are there any other questions on that line? If not, the next section deals with the French network. At the top of the page there is a reference to the French network. I do not know whether any questions arise there.

Mr. BEAUDOIN: I have already asked for a report, and it may be better to wait until that report comes along to ask questions on this subject.

The CHAIRMAN: That is right. The next section deals with new transmitters, a report on what the corporation has done in that regard.

By Mr. Hansell:

Q. The report reads:

> The Manitoba project is not quite as far ahead, partly because of the need for some staggering of the work of the engineering department, and partly because we still do not know whether or not we shall be able to make arrangements to take over station CKY from the Manitoba government. In any case the corporation is going ahead with its project of a 50 kilowatt station for Manitoba.

It seems to me that you are rushing things a bit if you do not know whether or not you can take over that station.

The CHAIRMAN: That does not mean not take over the wavelength.

Mr. HANSELL: I realize that.

By Mr. Hansell:

Q. Why not wait until negotiations are complete? Would there be anything wrong with that?—A. The big danger is of losing that frequency as a clear channel for Canada. We have to get those transmitters on those wavelengths before very long or there is a great danger of them being lost as 1-A frequencies.

Q. Have you tried to lease CKY and run it as a 50 kilowatt station? —A. We have been negotiating with the Manitoba government for the transfer of that station to the CBC, and we have not come to any end of the negotiations.

By Mr. Smith:

Q. I saw in a paper that an offer of $600,000 has been made. Is that right? —A. Very much not right.

Mr. COLDWELL: Is that not a matter in which government policy is involved in connection with the Manitoba station? I understood government policy was such that it was decided that provincial governments would not own and operate radio stations. If this station is allowed to remain in the hands of the Manitoba government and to be operated as it is now is that not causing an injustice to other provincial governments, Quebec, Saskatchewan, and so on?

Mr. SMITH: Alberta.

Mr. COLDWELL: Yes—where they have applied for the transfer of an existing licence to the government or for projects to establish stations themselves?

Mr. BEAUDOIN: You have the explanation on page 4.

The WITNESS: As we understand it the only question is what Manitoba does with its station. They are not forced to sell to us. They can dispose of it in some other way. If we can get it reasonably enough we would like to have it because it is advantageous to the corporation, but since they have to do something with it, as we understand it under the policy of the government, they may decide to sell to someone else.

Mr. COLDWELL: Perhaps Mr. McCann can tell us whether there is any cut-off date so far as the federal government is concerned.

Mr. REID: Have you answered Mr. Coldwell's question? Mr. Coldwell has asked if it is fair to allow one provincial government to own a radio station and not others, but you have not answered the question.

The CHAIRMAN: That is not a question for the chairman of the Canadian Broadcasting Corporation. That is a question for the government.

Mr. COLDWELL: That is why I asked Mr. McCann if there was any date.

Hon. Mr. MCCANN: The policy has been enunciated by Mr. Coldwell. The government do not propose to issue licences in the name of any provincial government. Negotiations are under way with the government of Manitoba, and as I understand it at the present time there has been no objection on the part of the government of Manitoba. It is a matter of price.

Mr. HANSELL: Does that policy apply to all licences or just commercial licences? CKUA in Edmonton is a university station operated by the government, I understand.

Hon. Mr. MCCANN: By the provincial government? It is not a commercial station. It is an educational station.

Mr. HANSELL: Yes. So your policy is to grant licences to governments?

Hon. Mr. MCCANN: No, it is not.

Mr. COLDWELL: To the university.

The CHAIRMAN: I should like to inform the committee that the position of Manitoba is really this. They know they have to give up the business. They expect a reasonable lag in order to permit them to dispose of their station. That

is the understanding there at the present time but they have to get the same treatment as every other province. It is not unreasonable, I suggest, that an organization which has been in existence for quite some time should be allowed any reasonable period to liquidate itself.

Mr. Ross (*St. Paul's*): What have they got to dispose of?

The CHAIRMAN: They have a plant, CKY; they may sell it to Jones Brothers or somebody else, unless the Canadian Broadcasting Corporation want to make a deal with them.

Mr. Ross (*St. Paul's*): Could they get any more from anybody else?

The CHAIRMAN: I cannot tell you that. Premier Garson would know better. I suppose it is just the same with him as it is with Mr. Dunton in that he wants to get as much as he can for the station. I have no doubt that he has told Mr. Dunton that if the CBC does not want it he will sell it to the Jones Brothers—of course, the Jones Brothers are a purely fictitious party—who would, perhaps, offer him something to get a wavelength, no doubt. But it is an ordinary case of horse trading going on between the Manitoba government and the CBC.

Mr. Ross (*St. Paul's*): The value of the station would be that they would get a wavelength.

The CHAIRMAN: Premier Garson cannot hold that out to anybody; but I suppose a stranger would know from looking over the dial or air map that there is some possibility of getting a wavelength. Of course, as far as CBC is concerned they have a wavelength.

Mr. COLDWELL: All really that Manitoba has for sale is the physical equipment.

The CHAIRMAN: Yes, that is all.

Hon. Mr. McCANN: The wavelength is of no value; that is stated in the Act.

By Mr. Reid:

Q. I would like to ask what effect it would have if you had a 50 kilowatt station in Manitoba and the Manitoba government sold it to a private individual? Another question: Is the 50 kilowatt station under CKY?—A. Your first question was: What would happen if we went ahead with our 50 kilowatt station?

Q. What would happen to CKY? You are using it now. Suppose the Manitoba government transfers it or sells it to a private individual?—A. It can go ahead and operate as CKY owned by someone else.

Q. And you new station of 50 kilowatts would not interfere?—A. No.

Q. How close are you to it?—A. Our transmitter will be at Carman.

The CHAIRMAN: It is 50-odd miles away.

By Mr. Hansell:

Q. For the purpose of the record, CKY, I understand, now has a commercial licence?—A. Yes.

Q. And is owned by the province?—A. By the Manitoba Telephone system.

Q. And yet commercial licences are refused to other provinces; is that so? —A. That is the policy, but I think the minister explained that the policy covers all provinces, including Manitoba.

Q. It does not, though; CKY has a commercial licence. How long have they had this?

Hon. Mr. McCANN: They have been in operation for years.

The CHAIRMAN: CKY?

Hon. Mr. McCANN: Yes.

The CHAIRMAN: CKY as a government machine has been in existence for a long time.

Mr. HANSELL: With a commercial licence.

The CHAIRMAN: Yes, the policy to which you refer is one which has not been in for a long time—I could not tell you when—but the representative of the government, Dr. McCann, I suppose, could tell us when, approximately, this policy was decided upon.

Mr. SMITH: The chairman has given us some useful information as he comes from Winnipeg, and that is that there was a time lag. That time lag is over a year since the notices were sent out to these various stations whose wavelengths are being taken; and for more than that time the other provinces—certainly the province of Alberta—have been endeavouring to get a commercial licence, which has been refused. Is there any time limit set as to when the Manitoba station has got to cease having a commercial station?

The CHAIRMAN: I do not know. I think Dr. McCann said it was a short time. There had not been a specified date mentioned. Personally I have no knowledge, but I think I heard Dr. McCann say that a moment ago.

Mr. SMITH: Let him tell us now what he thinks is a reasonable time.

Mr. BEAUDOIN: It would be a matter which the licensing authority could answer.

Mr. SMITH: That is what I want to know.

Hon. Mr. MCCANN: That has not yet been determined.

Mr. HANSELL: My point was that this station has been operating for quite a number of years with a commercial licence, during which time other provinces have applied for commercial licences that have been refused.

The CHAIRMAN: That would undoubtedly appear to be correct, although that is not within Mr. Dunton's province; it is none of his business, in fact.

Mr. SMITH: I agree with that; I was asking Dr. McCann.

The CHAIRMAN: Yes. I know. I do not want any misunderstanding. I wonder if you would allow me to interrupt for a moment. I have received a telegram from the manager of the Canadian Association of Broadcasters. You know that earlier we had fixed a date for meeting them, and this telegram suggests a different date. The telegram I received reads as follows:—

> Further to our telephone conversation re date of our appearance before your committee we respectfully request consideration of June second or third if at all possible since annual meeting commitments make later date very difficult. We are most anxious that our full delegation be able to attend to insure that complete information on all points will be available for your consideration.

Now, the date we fixed fell on a Thursday. That is the 5th. I must say again what I said to the committee on another occasion, that I told Mr. Dawson by telephone that I personally felt pretty sure we would be able to hear them in the first week of June. I think that is what he said in his letter was the date he would like. Of course, we gave him a date in the first week of June, but it is two or three days earlier that he mentions here. I am not recommending any change, but I think it is a duty to you and a courtesy to them that I should, as quickly as possible, inform you about this telegram.

Mr. COLDWELL: What is the date of their convention?

The CHAIRMAN: I do not know, but I thought it was around the middle of June. I do not like to speak with any definiteness, because it was not something that I had to remember.

Mr. SMITH: If it does not make any difference to us why can we not oblige them?

Mr. COLDWELL: I am told that June 9 to 12 is the date set for their convention which, of course, would make the time we have allotted them rather short.

The CHAIRMAN: We have certainly taken the position that we want to accommodate them as much as possible. I think we decided before that Monday was not very good as a day of meeting.

Mr. COLDWELL: We are to meet on Wednesday of that week.

The CHAIRMAN: We were to begin our meetings on Thursday of next week.

Mr. FULTON: They have asked for the 2nd and 3rd of June.

The CHAIRMAN: I do not know whether we will finish with them in one day.

Mr. COLDWELL: I think we should try to accommodate them.

Mr. BEAUDOIN: We could have three sittings on Tuesday if necessary to finish with them.

The CHAIRMAN: What is the general view of the committee? Is it that we should accommodate them by giving them the 3rd of June?

Carried.

Very well, I shall send a telegram immediately to that effect and set the date as 11 o'clock on June 3.

Mr. ROBINSON: In order that there shall be no misunderstanding, we will not sit on Thursday of that week?

The CHAIRMAN: We have not decided that. Would you care to decide that now, or would you care to wait until another time to determine that matter? That means that the decision to meet on Thursday still stands, and this is an extra meeting unless we change our minds about it.

Mr. COLDWELL: We shall sit on Tuesday and probably on Wednesday, and we can make up our minds on Wednesday afternoon when we shall sit again.

The CHAIRMAN: That is right. Now, will you please continue from where you left off?

By Mr. Fulton:

Q. It seems to me that it has been a question whether it is advisable for you to go ahead and make any definite plans to establish a separate site if there is still a possibility you might get this station and its facilities in Winnipeg?—A. It is for a technical reason. The 50 kilowatt transmitter will have to be on a different site.

Q. Is it not a 50 kilowatt transmitter?—A. No, a 15.

The CHAIRMAN: It is one of those cases where the international convention permits a 50, but they have not got a 50.

By Mr. Fulton:

Q. In other words, you will develop it to a 50 kilowatt, but you have to find a different site?—A. Yes.

Q. Why do you want to take over this particular site and its facilities instead of building a new one?—A. Chiefly because we have been working very closely with it and we use their studios now. We have our regional production unit and we use the CKY facilities and studios, and they do a lot of engineering work for us, and it would be much more convenient.

Q. You would use this as a studio and you would build a new transmitter? —A. Yes. We would sooner do that than get new offices and studios.

By Mr. Smith:

Q. Why would that not apply to Alberta?—A. Taking over which station?

Q. CFCN, for example?—A. I do not think he would sell at the price we could buy. He is also on the Dominion network, not on the Trans-Canada network.

The CHAIRMAN: I do not suppose there has been any particular offer from Alberta.

Mr. Ross (St. Paul's):

Q. Does the 10 kilowatt transmitter at Chicoutimi give sufficient coverage?—A. Pretty good. Perhaps Dr. Frigon could add something on the technical side.

Dr. FRIGON: The reason is that we hold the frequencies in class 1-B, and if we went up to 50 kilowatts it would cost a lot of money. The territory is not densely populated. Later on we may go up to 50 kilowatts, but at the present time we only want to protect the frequency.

Mr. ROSS (*St. Paul's*): How much is it going to cost for these transmitters?

Dr. FRIGON: All of them?

Mr. ROSS (*St. Paul's*): Each of them?

Dr. FRIGON: We have estimates as we go along, and they prove to be good. I can give you these figures: Alberta, 50 kilowatt, $510,000.

Mr. BEAUDOIN: So that we will not have a duplication on the record I wonder if Mr. Ross (St. Paul's) is aware that Mr. Fleming has asked for a full report of those figures?

The CHAIRMAN: It was understood that information was going to be mimeographed and distributed at our next meeting.

Mr. ROSS (*St. Paul's*): I did not hear that.

Mr. SMITH: Might I ask a question about Chicoutimi? Is that one of the 50's?

Dr. FRIGON: It is at present class 1-A. This would call for a 50 kilowatt station if it is to remain in class 1-A. It is located away up in the woods. It does not seem economical to spend the money to build a 50 kilowatt station at that point.

Mr. SMITH: In other words, we are giving up one of our free channels?

Dr. FRIGON: We are keeping the channel for a 50 kilowatt station when we are ready.

Mr. SMITH: Under the Havana agreement have we not got to have these 50 kilowatt stations started and operating by a given time?

Dr. FRIGON: Yes. To protect the channel.

Mr. SMITH: How will you protect the channel unless you build the station?

Mr. BEAUDOIN: They are building a class 1-B station.

Dr. FRIGON: As reported last year we had the choice of spending a lot of money to protect the channel by building a 50 kilowatt station. Instead of that, because of the location of the station and the fact that the population is very scattered, we thought it would not be advantageous to do that; so we decided instead to build a 10 kilowatt station with the possibility of raising it to 50 kilowatts. In doing that we are degrading the channel from class 1-A to 1-B.

Mr. SMITH: You are not holding the 1-A channel.

Dr. FRIGON: Not for that channel.

Mr. SMITH: In other words, we are giving up one channel?

Dr. FRIGON: Yes, as a 1-A.

Mr. SMITH: Can you later increase it to a 1-A?

Dr. FRIGON: No, you could increase it to 50 kilowatts. Fifty kilowatts is the minimum with no maximum limit, on a class 1-A. For class 1-B it is 10 k.w. to 50 k.w.; the minimum is 10 and the maximum is 50.

Mr. BEAUDOIN: Doctor, by making a station a class 1-B channel, are you not protected in this way, that ultimately you can go back to your class 1-A?

Dr. FRIGON: No, we can go to 50 kilowatts. We cannot go above 50 kilowatts. We would not need more than 50 kilowatts in that region. If the frequency could be used anywhere else it would be worth while protecting the 1-A channel, but the location of the station makes it not worth while. We do not expect it will ever be economically sound to spend money to build a station of more than 50 kilowatts at that point.

Mr. SMITH: What we are doing is giving up a free channel which will go to some other country under the Havana agreement?

Dr. FRIGON: No, it will be used somewhere else as a class 2 or 3.

Mr. SMITH: Why?

Dr. FRIGON: Because that is the way it goes by the international agreement.

Mr. SMITH: There are only so many free class 1-A channels under the Havana agreement?

Dr. FRIGON: Yes.

Mr. SMITH: Of which we have a number?

Dr. FRIGON: Yes.

Mr. SMITH: We are now giving one up?

Dr. FRIGON: We are giving it up as a class 1-A channel but we are making the best possible use of that frequency.

Mr. SMITH: We are giving it up and that channel does not go into the waste paper basket. Somebody else will use it?

Dr. FRIGON: Nobody else will use it as a class 1-A channel.

The CHAIRMAN: Although we are not using it as a class 1-A channel, no other person can use it as a class 1-A.

Mr. COLDWELL: That is, if we use it as a class 1-B.

The CHAIRMAN: We are the only country entitled to use it.

Mr. SMITH: Let us suppose we gave up all our channels in Canada, are you telling me no one else can use them?

Dr. FRIGON: As class 1-A channels.

Mr. SMITH: So, they are just gone?

Dr. FRIGON: No.

The CHAIRMAN: In the interest of clarity let us repeat that. Mr. Smith said, "Are you telling me, so and so"? Dr. Frigon's answer was, "Yes, I am telling you that." I think there was a misunderstanding about it.

Mr. BEAUDOIN: How about Dr. Frigon recapitulating his statement to give us a clear picture?

Dr. FRIGON: A class 1-A channel is a channel on which a station of a minimum of 50 kilowatts may be built. There is no limit to the maximum power. A class 1-B is a frequency on which a station must have at least 10 kilowatts and not more than 50 kilowatts. We have, in that region of Canada the right at present, or we had the right, to use a class 1-A channel; that is, to build on the 1580 kilocycle channel a class 1-A station with a minimum of 50 kilowatts and a maximum of anything we want. We claim it would not be efficient to build on that channel at that point any station of more than 50 kilowatts. Therefore, we say we will not spend, at the present time, $500,000

or so, we will spend less than half of that for the frequency and degrade to a class 1-B. Later on, if we want to bring it up to a 50 kilowatt station, we can do so. In the meantime, other countries will use the frequency as a class 2 or 3 station, in so far as power is concerned, and there will be no interference to us. Is that clear?

Mr. SMITH: I am sure it is to you, Doctor. Let me get this straight. The frequencies which we have, the nine of them, nobody else can use them?

Dr. FRIGON: Oh, yes.

Mr. SMITH: At what distance?

Dr. FRIGON: That depends on the frequency.

Mr. SMITH: I meant, what "frequency"?

Dr. FRIGON: If it is a class 1A channel the frequency cannot be used anywhere else by a station which would cause, at the border of Canada, interference above a certain degree. Therefore, a class 1A channel used in Canada gives perfect performance anywhere in Canada. A class 1B channel gives you first class performance without interference over a wide area, but the area may be within the limits of the country. In other words, any country could perhaps send a signal into Toronto which would interfere with the reception there of the Chicoutimi station, but it could not interfere at that point with CBF which is a class 1A channel. Other frequencies, class 2 and class 3 have power limitations and the operators of these stations must expect interference from other stations, as defined under the Havana agreement.

Mr. SMITH: Now, what were the kilocycles or whatever you call them, of the Chicoutimi station?

Dr. FRIGON: What it is at present, you mean? You mean the kilowatts?

Mr. SMITH: I mean the number on the dial of your radio?

Dr. FRIGON: 1580.

Mr. SMITH: Can any other country, the United States for example, build a station on 1580 above 50 kilowatts if we give it up?

Dr. FRIGON: No.

Mr. SMITH: Then, it just disappears as a free channel?

Dr. FRIGON: No, they could perhaps put a low power station some place in the west or in Mexico.

Mr. SMITH: But the United States could not build a big station?

Dr. FRIGON: No.

Mr. SMITH: So, it disappears as a class 1-A channel.

Dr. FRIGON: It does.

Mr. COLDWELL: While we are talking about this national coverage, has any change been made in northern British Columbia with regard to the use of booster stations? Have they gone out of business since the war ended?

Dr. FRIGON: No, our so-called relay stations, which are really low power stations, are operating at all points where they were during the war.

Mr. ROSS *(St. Paul's)*: The situation will remain the same after the first of January next year when there will be a revision of the Havana treaty?

Dr. FRIGON: When the North American countries meet, probably in January of next year or a little later, they will review the whole situation and decide what should be incorporated in the new treaty which will be signed the year after. It is important at that time, when these countries meet, that they know we are actually using these channels so that they will not put in the draft agreement anything which can interfere with our coverage.

Mr. SMITH: We are not the trustees for that channel, we own that?

Dr. FRIGON: I do not think anybody owns frequencies. We are the trustees of frequencies as a North American country. These were all distributed in Havana according to a well-defined policy.

Mr. HANSELL: I understood, Dr. Frigon, you wanted to take over the frequencies of CFCN, CFRB and CKY, in order that you would not lose them. They were class 1A channels. The argument was you wanted to take them over because if you did not, you would lose them. Would not the same thing, therefore, apply to this other Chicoutimi station? Will you not lose that, too?

Dr. FRIGON: What you say is not quite correct. We must use the frequencies because we needed them for our regional coverage; that was the first reason. We have to use them now to meet the conditions I have just explained in respect to the North American agreement in Calgary, Toronto and in Manitoba. If we were to do as we are doing in Chicoutimi, we would lose very valuable frequencies which are needed there. You would not give up 990 in Manitoba because it gives a service which is required. It does not serve the same type of territory which we have in the Chicoutimi region.

Mr. ROSS *(St. Paul's)*: You are likely to lose the Chicoutimi wave length.

Dr. FRIGON: All we are losing by doing what we are doing is this; we are abandoning the idea of using in Chicoutimi a station with a power above 50 kilowatts.

Mr. Beaudoin, Vice-Chairman, took the chair.

The VICE-CHAIRMAN: That is because it is not economical.

Dr. FRIGON: Because it does not seem to be very efficient or economical to spread signals all over the northern St. Lawrence district where there is hardly anyone living. Those people who are living there are away from any power lines or any interference and they will get a signal from Chicoutimi with rather good efficiency. It is easier to reach people who are away from power lines and disturbing interferences with a low signal. It is more difficult to reach people who have electrical appliances and so on.

Mr. REID: You have mentioned that a station was not economical. How do you judge whether a station is economical or uneconomical?

Dr. FRIGON: It is simply the fact that you may have to spend say $500,000 to reach 200,000 people and it would be therefore less economical than if you could reach 5,000,000 people with the same money.

Mr. REID: When you say 200,000, is that the population in a given area?

Dr. FRIGON: I am just taking a guess there.

Mr. SMITH: The fact is we are losing one of our 1A channels.

Dr. FRIGON: I have tried to answer that question before.

Mr. SMITH: The fact remains one of our 1A channels, that is right.

Dr. FRIGON: Yes.

Mr. PINARD: But nobody is taking it.

Dr. FRIGON: We are not losing a frequency, we are giving up the right to build one at above 50 kilowatt power.

Mr. PINARD: Until the next agreement is decided upon.

Dr. FRIGON: If the other countries do not want to use that frequency but they probably will.

The VICE-CHAIRMAN: In other words up in that area we cannot afford to use a class 1A channel.

Dr. FRIGON: We do not need that channel.

Mr. SMITH: But who gets it?

The VICE-CHAIRMAN: Anybody who wants it. Now shall we pass on to frequency modulation? We are on page 4, frequency modulation.

Mr. SMITH: I am not on page 4 yet.

The VICE-CHAIRMAN: I am sorry I thought we were.

Mr. SMITH: I want to talk about Alberta now. We are through with Manitoba and I want to talk about Alberta. I want to know when the construction began at the station outside of Lacombe?

The VICE-CHAIRMAN: Are you addressing your questions to Mr. Dunton?

Mr. SMITH: I will address them to Mr. Dunton or to Doctor Frigon.

Dr. FRIGON: It began about December.

The VICE-CHAIRMAN: Would you please repeat the question?

Mr. SMITH: When was the construction commenced on the Lacombe station?

Dr. FRIGON: I cannot give you the exact date but it was early in December.

Mr. SMITH: Is it true that you burned a lot of coal in thawing out the ground in order to dig the foundation?

Dr. FRIGON: I do not think so.

Mr. SMITH: Would you mind checking that up because I know that it is a fact?

Dr. FRIGON: All right.

Mr. SMITH: Can you tell me how much work has been done at that place?

Dr. FRIGON: We have poured the foundation slab and the building foundations forms and we have called for tenders to complete the building.

Mr. SMITH: Do you pour cement there in the middle of the winter?

Dr. FRIGON: Yes.

Mr. SMITH: At what temperature?

Dr. FRIGON: Oh, I do not know, sir.

Mr. SMITH: How much coal did you use to thaw out the ground?

Dr. FRIGON: I do not know, sir, but it is a common thing in construction practice.

Mr. SMITH: It is very expensive is it not?

Dr. FRIGON: Well it is done.

Mr. SMITH: In Alberta it is expensive to put foundations in in the winter time.

Dr. FRIGON: We did not put the foundation in, we just put the foundation slabs in but not the walls.

Mr. SMITH: But you thawed out the ground by burning coal.

Mr. ROSS (*Hamilton*): Was it contracted for?

Dr. FRIGON: That was done with our own people supervising the work.

Mr. SMITH: Will you find out Doctor? I would like you to get for me the date they began work there and the history of what was accomplished in the winter time. Would you mind doing that?

Mr. COLDWELL: Have you assembled any material for this station, Doctor?

Dr. FRIGON: Yes, we have reserved the material required which we will pass on to the contractor now.

Mr. COLDWELL: And what about the equipment for the transmitter and so on?

Dr. FRIGON: That was ordered a long time ago.

Mr. COLDWELL: You have ordered it?

Dr. FRIGON: Yes.

Mr. COLDWELL: Have any deliveries been made?

Dr. FRIGON: No deliveries have been made yet. It will be delivered however, when we are ready.

Mr. COLDWELL: It will be delivered when you are ready to receive it?

Dr. FRIGON: Yes.

Mr. SMITH: Why was not a contract let in toto for the building? Why did the department go and spend all this money and then let the contract?

Dr. FRIGON: I will answer in this way. The over-all cost of construction is within our estimates and therefore we made no mistake.

Mr. SMITH: The over-all what was what?

Dr. FRIGON: We made no mistake and we wanted to start in before the frost, so that we could get an early start this spring. We had the idea we might be able to build the station ourselves as we had done at other points and then we thought we might be criticized and then tenders were called for. I am happy to report that it will all be within our estimates.

Mr. SMITH: I do not care whether you are within your estimates or not.

Dr. FRIGON: But I do, sir.

Mr. SMITH: All right, well I do too. But you adopted this very expensive method of working in the winter time.

Dr. FRIGON: I would not say it was an expensive way. We built Watrous under more difficult circumstances. In Watrous we had to build a whole shed to build the building within it.

Mr. SMITH: Yes, I know, but will you get me those details that I asked for?

The VICE-CHAIRMAN: Do you not think, Mr. Smith, that before you express your opinion that the CBC has adopted a very expensive method that we should have the report which Doctor Frigon has promised?

Now, Mr. Fulton did you have a question?

Mr. FULTON: Since Doctor McCann is here I wonder if he could make some comments on the policy of the licensing authority not allowing provincial government holdings of commercial licenses. I take it you have received a number of complaints that this policy should be changed.

Hon. Mr. MCCANN: I have received none.

Mr. FULTON: Then the licensing authority has received some complaints.

Hon. Mr. MCCANN: I do not know.

Mr. FULTON: Has there been any consideration given to changing that policy as the result of representations made?

Hon. Mr. MCCANN: Absolutely none, and I understand the policy still stands.

Mr. FULTON: I will have to ask the chairman whether this question has been gone into by previous committees, that is with regard to the holding of a licence by provincial governments.

The VICE-CHAIRMAN: I know that we did not go into it last year but I understand that in previous years this matter has been dealt with and I understand that it is the intention of some of the members of this committee to go into it again.

Mr. FULTON: What witnesses would we want to call?

The VICE-CHAIRMAN: I imagine, since it is the policy of the licensing authority, the best man to hear would be Mr. Howe.

Mr. FULTON: We will leave it now and take it up later.

The VICE-CHAIRMAN: That is what I would think.

Mr. COLDWELL: The great difficulty is once the policy has been decided upon and announced by the government, and the provincial governments have already failed to claim stations that were desirable stations that they could have claimed, the reversal of policy now to meet the Manitoba situation is still unfair to the governments of the other provinces which have failed to make arrangements they otherwise would have made.

Mr. FULTON: The policy might be reversed, and they might all be allowed to own stations within certain frequencies and power classifications which would put them all in the same position.

Mr. Ross (*St. Paul's*): I want to ask one question of Dr. Frigon. What power has the CJBC in Toronto? Is that a 10 kilowatt station?

Dr. FRIGON: Five.

Mr. Ross (*St. Paul's*): Roughly what is the effective range of coverage of CBL, Toronto?

Dr. FRIGON: I will have to show you a map of it. I cannot tell you that way.

Mr. Ross (*St. Paul's*): What would be the increase in the effective range of coverage between a 10 kilowatt station and a 50 kilowatt station?

Dr. FRIGON: Quite substantial.

Mr. Ross (*St. Paul's*): about how many miles?

Dr. FRIGON: Frankly I would rather check on our maps before answering that.

Mr. Ross (*St. Paul's*): The reason I am asking the question is that very often in the north country in Ontario you get better reception from a 10 kilowatt station than you do from a 50 kilowatt station.

Dr. FRIGON: I can answer that easily. It is because the aerial used by the 10 kilowatt station is different to the aerial used by us. The aerial used by the 10 kilowatt station sends out quite an important part of its power on sky waves which broadcast at long distance but, on the other hand, the coverage within a certain range is not as good.

Mr. Ross (*St. Paul's*): I should like to have that information.

Dr. FRIGON: Information as to the coverage?

Mr. Ross (*St. Paul's*): Yes.

—Mr. R. Maybank resumed the chair.

Mr. BEAUDOIN: We are ready to pass on to frequency modulation.

Mr. HANSELL: I have quite a few questions on that.

The CHAIRMAN: On frequency modulation?

Mr. HANSELL: Yes. I would therefore suggest that we adjourn.

The CHAIRMAN: It is getting pretty close to the adjournment time. I declare the committee adjourned at the call of the chair.

The committee adjourned at 5.55 p.m. to meet again on Thursday, May 29, next.

SESSION 1947

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3

THURSDAY, MAY 29, 1947

WITNESSES:

A. Davidson Dunton, Chairman of the Board of Governors.
Dr. Augustin Frigon, General Manager, Canadian Broadcasting Corporation.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1947

MINUTES OF PROCEEDINGS

THURSDAY, May 29th, 1947.

The Special Committee on Radio Broadcasting met this day at 11.00 o'clock a.m., in room 277. Mr. Maybank, the Chairman, presided.

Members present: Messrs. Bertrand *(Prescott)*, Bowerman, Coldwell, Diefenbaker, Fleming, Fulton, Gauthier *(Portneuf)*, Hansell, Knight, Langlois, Laurendeau, Maloney, Maybank, McCann, Nixon, Robinson *(Simcoe East)*, Reid, Ross *(Hamilton East)*, Ross *(St. Paul's)*, Smith *(Calgary West)*, Winters. (21).

In attendance: From the Canadian Broadcasting Corporation—Messrs. Frigon, Dunton, Palmer, Manson, Bushnell, Bramah. From the Transport Department—Messrs. Caton and Irish.

The Chairman read the following communications:

1. A letter from Mr. Marcel Provost, Director, *Radio World*, which was referred to the Steering Committee, on motion of Mr. Ross *(Hamilton East)*.
2. A letter from the Canadian Daily Newspapers Association.
3. A letter from the Canadian Association of Broadcasters.
4. A letter from the Canadian Chamber of Commerce.
5. A letter from the Boy Scouts Association.

After discussion on the last mentioned communication, and on motion of Mr. Smith, the above were referred also to the Steering Committee.

A motion of Mr. Diefenbaker asking for the production of certain correspondence between cabinet ministers and the Canadian Broadcasting Corporation was further allowed to stand after discussion.

Additional information was requested by Messrs. Reid, Smith, Diefenbaker, Hansell and Fulton.

Mimeographed copies of the following documents were distributed, these having been ordered produced:—

1. List of Private Commercial Broadcasting Stations in Canada as of April 1, 1947, together with appendices, etc.
2. Statement containing statistics covering the issue of Private Receiving Station Licences, etc.

   (In answer to Mr. Reid's request).
3. Copies of correspondence with Stations CKY, CFCN and CFRB respecting change of frequency. These letters constitute the continuation of the correspondence submitted last year.
4. List of Private Commercial Broadcasting Stations in which the licensees are associated, directly or indirectly, with Newspapers, showing additions and deletions from 1936 to March 31, 1947.

89893—1½

5. Application form for authority to establish a private commercial broadcasting station, together with technical specification Nos. 1 to 4 in connection therewith.

6. Application for authority to transfer a private commercial broadcasting station licence to a company or partnership.

7. Application for authority to transfer stock in a company licensed to operate a private commercial broadcasting station, sections A and B.

8. List of applications for new broadcasting station licences and changes in existing licences from January 1, 1946, together with disposal thereof as recommended by the Board of Governors of the Canadian Broadcasting Corporation up to and including their 52nd meeting March 24 to 26, 1947.

9. Special statement with respect to the establishment of the new Station CFRA in Ottawa.

The above were produced by the Department of Transport.

10. Report on $2 million loan.

(In answer to Mr. Fleming's request).

11. Report on negotiations regarding frequencies for CFRB, CFCN, and CKY.

(In answer to Mr. Fleming's request).

12. Report on Lacombe, Alberta.

(In answer to Mr. Smith's request).

13. Report on CBJ, Chicoutimi.

(In answer to Mr. Diefenbaker's request).

14. Report on Toronto *Star*.

(In answer to Mr. Diefenbaker's request).

15. Report on estimated cost of 2nd French network.

(In answer to Mr. Beaudoin's request).

The above were produced by the Canadian Broadcasting Corporation.

Items 1 and 2 were mailed by the Clerk on May 27. Items 3 to 7 were mailed on May 28. Items 8 to 15 were distributed at this day's meeting.

Information relative to free time broadcasts, requested by Mr. Coldwell, is in the course of preparation.

The Canadian Broadcasting Corporation is also preparing a statement dealing with present and future coverage of CJBC. This information was asked by Mr. Ross (*St. Paul's*).

Mr. A. D. Dunton and Dr. A. Frigon were recalled and their examination resumed.

In the momentary absence of Mr. Maybank, Mr. Ross (*Hamilton East*) presided.

At 12.50 o'clock p.m., the Committee adjourned until 4.00 o'clock this day.

AFTERNOON SITTING

The Special Committee on Radio Broadcasting met at 4 o'clock. Mr. Maybank, the Chairman, presided.

Present: Messrs. Bertrand (*Prescott*), Bowerman, Coldwell, Diefenbaker, Fleming, Fulton, Gauthier (*Portneuf*), Hansell, Knight, Langlois, Laurendeau, Maloney, Maybank, McCann, Mullins, Robinson (*Simcoe East*), Reid, Ross (*St. Paul's*), Smith (*Calgary West*), Winters.—20.

In attendance: Same as at the morning sitting.

The Chairman called the attention of the members to some corrections in documents distributed previously.

The Committee resumed its examination of Messrs. Dunton and Frigon. They were assisted by Mr. E. L. Bushnell, Director General of programmes.

Mr. Bushnell made a statement relative to various awards to CBC and to the departure of some CBC personnel.

At 5.30 o'clock Mr. Winters took the chair.

Mr. Fleming placed on the record a list of private stations authorized to broadcast on F.M. up to May, 1947, as tabled by the Department of Transport.

At 6 o'clock, the Committee adjourned until Tuesday, June 3 at 11 o'clock when the Canadian Association of Broadcasters will make their presentation.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,
May 29, 1947.

The Special Committee on Radio Broadcasting met this day at 11 a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: Last week we had gone a certain distance with the briefs of Mr. Dunton and Dr. Frigon. It was understood that we would proceed from there. There are a couple of preliminary matters. There is a letter from Mr. Marcel Provost of *Radio World*. I will read the translation.

> I solicit the privilege of appearing before the Parliamentary Committee on Radio Broadcasting to make representations relating to the question of unjust competition of which the radio artists and musicians are the object.
>
> 1. On the part of American Networks.
> 2. On the part of manufacturers of radio transcriptions.
> 3. Of the necessity of exchange of programmes called sustaining being made on a more equitable basis.
>
> Of this, the Canadian manufacturer and announcer is also the object of an unjust competition on the part of his American competitor and the Canadian government loses also an important source of revenue.
>
> *Radio World*, a publication of which I am also the director, seems to have arrested the attention of some members of the committee, who no doubt would be happy to put questions to me.
>
> I would be ready to appear on any day save Tuesday, although this condition is not "sine qua non".
>
> Hoping to hear from you soon, believe me, dear sir,
>
> Yours truly,
> (Sgd) MARCEL PROVOST.

I may say that this gentleman wrote last year asking to be heard but his letter came in so very late that it could not be dealt with. After a little correspondence he withdrew it. I am making those remarks from memory. That is the way I think it was. Do you think that the steering committee might take that up?

Mr. ROSS (*Hamilton East*): I move that it be referred to the steering committee.

The CHAIRMAN: You have heard the motion that the letter be referred to the steering committee to be dealt with by them.

Mr. REID: As a point of information may I ask the chairman who are the members of the steering committee? I should like to know who they are.

The CHAIRMAN: Messrs. Robinson, Langlois, Beaudoin, Fleming, Hansell, Knight, together with the chairman. Are you ready for that question? Those in favour?

Mr. ROSS (*St. Paul's*): What is the question?

The CHAIRMAN: It is to refer this letter to the steering committee. Those in favour? Opposed, if any? Carried.

The Canadian Daily Newspaper Association has likewise been asking for a time to appear. All I could say to them in response to their letter was that

I myself could not at that time name a date. I told them what the probabilities were, that it would come to this committee, and that this committee might decide it more quickly than anybody else and tell them when we could meet them. They would like to come before us before long. I rather had the idea from their correspondence that their representation would not be a lengthy one.

Mr. Ross (*Hamilton East*): I move that go to the steering committee.

The CHAIRMAN: You have heard the motion. Are you ready for the question? Those in favour? Opposed, if any? Carried.

The only other communication of that sort which I have had is from the Canadian Association of Broadcasters. You will recall that a hearing for them has been fixed for next Tuesday at 11 o'clock and 4 o'clock. I have an acknowledging letter thanking us for consideration, and so forth.

There are two other letters here which are expressions of opinion. One of them is from the Canadian Chamber of Commerce. It is addressed to me.

May 22, 1947.

Mr. R. Maybank, M.P.,
Chairman, Select Committee on
Radio Broadcasting,
Ottawa.

Dear Mr. MAYBANK: At its last meeting the executive committee of The Canadian Chamber of Commerce expressed concern at the mounting criticism of the system of regulating radio broadcasting in Canada. This criticism takes various forms. It is said, for example, that the regulatory powers given by statute to the government and the Canadian Broadcasting Corporation are too broad; that the publicly owned CBC is both regulator and competitor of the privately owned stations; that the CBC enjoys unreasonable advantages over its privately owned competitors in the way of exemption from taxation and so on; and that the right of free discussion on the air, essential to democracy, is given no legal protection and in practice is being whittled away.

The executive committee appreciates that there must be a degree of control over a medium with such possibilities for good and evil as broadcasting. At the same time we believe that the privately owned stations have an essential role to play and that, in order to fulfil their responsibilities, they must have security of tenure. In no type of enterprise is compulsion and uniformity so dangerous as in the dissemination of information and opinion.

The executive committee suggests that, in the public interest, there should be a thorough, public and non-partisan inquiry into the whole problem of radio broadcasting in Canada, with a view to such legislative and administrative changes as may be found necessary. In particular we believe that consideration should be given to placing radio broadcasting under the jurisdiction of a body independent of both the C.B.C. and the private stations, responsible directly to parliament.

I should be grateful if this letter could be drawn to the attention of your committee.

Yours very truly,

IRVING P. REXFORD,
Vice-Chairman of the Executive.

I have another letter from the Boy Scouts Association dated May 20.

May 20, 1947
Our file No. 501-1

Mr. RALPH MAYBANK, M.P.
House of Commons,
Ottawa, Canada

Dear Mr. MAYBANK:—On behalf of the Canadian General Council of the Boy Scouts Association, I wish to express appreciation for the support given this Association by the independent commercial radio stations of Canada. Throughout the years we have always received generous support whenever we have asked for time on the air to tell the people of Canada about the Boy Scout Movement.

We are particularly grateful for the co-operation which the independent stations extend during the annual Boy Scout-Girl Guide Week in February. Despite the fact that radio stations must be swamped with demands, they have always given generously of their free time to feature Boy Scout-Girl Guide Week material which we have supplied them. The Association is grateful for the support it has received in informing the public of our endeavours. I am

Very sincerely,

D. C. SPRY,
Chief Executive Commissioner.

That is Major-General D. C. Spry.

Mr. COLDWELL: Is that not a rather singular letter to come from a public organization of that description? Does he mean to suggest that he has received treatment which he appreciates from the private stations and by inference not from the C.B.C.? After all, this is a committee dealing with C.B.C. affairs. I should like Mr. Spry to explain that.

Mr. REID: That is possible. I can cite instances in my own city where organizations have received courtesies of a like kind from private broadcasting stations and not get them from the C.B.C. I think that is a very reasonable letter.

The CHAIRMAN: Were you finished, Mr. Coldwell?

Mr. COLDWELL: I was going to say I think there is an inference in the letter, coming from this somewhat public body, to which one should draw attention and try to get an explanation from Mr. Spry.

The CHAIRMAN: I suppose the truth of the matter is—and I suppose we might as well face it—that General Spry is using his organization to support one side of something which is in the nature of a controversy.

Mr. COLDWELL: That is what it looks like.

Mr. FLEMING: Mr. Chairman, I take exception to that.

The CHAIRMAN: I thought something ought to be said to get this started, and I have said it.

Mr. FLEMING: I do not think it ought to be suggested General Spry is using the Boy Scouts Association for any purpose.

The CHAIRMAN: It is on their letter paper.

Mr. Ross *(St. Paul's)*: I do not think you should impute motives to General Spry without him being here.

Mr. FLEMING: The suggestion that he is using the Association carries with it something that is rather odious. As I followed you the letter purported to come on behalf of the Boy Scouts Association.

The CHAIRMAN: Yes.

Mr. FLEMING: Why should it be said then that he is using the Association to support either side of a controversy?

The CHAIRMAN: Let me put it this way. The Association is throwing its weight into the scale in favour of the private stations.

Mr. COLDWELL: That is what it would seem.

Mr. FLEMING: It is a free country. If they want to do that they can.

The CHAIRMAN: Sure it is a free country.

Mr. ROSS *(Hamilton East)*: It is all inspired by propaganda.

Mr. REID: If they have received service why wouldn't they say so?

Mr. COLDWELL: Why did he not also say that he had received service from the C.B.C.? I know he has because I have heard Boy Scout programs over the C.B.C. network. He is taking part in a controversy if he takes one side.

The CHAIRMAN: Let me try to explain what I said. I do not think there is any doubt in the world that the private broadcasting stations are behind that letter, whether or not General Spry realizes it. I do not think there is any doubt of it, but that is just my opinion.

Mr. ROSS *(St. Paul's)*: I do not think you have any right to say that. I think it is quite improper for you to say it.

The CHAIRMAN: Certainly he has a perfect right to say it, but I have a perfect right to say what I think also.

Mr. ROSS *(St. Paul's)*: I do not think you have. I do not think you have the right to say that the private stations were behind it.

The CHAIRMAN: Surely by becoming chairman of the committee I am not to be gagged so that I cannot express any idea that occurs to me.

Mr. FLEMING: Do you not think that it is not proper to suggest that a letter like that is inspired unless we have some information? If you have information that the letter was inspired then we should have the information, but I do not think there ought to be intimations or accusations that the letter was inspired by someone who has an axe to grind unless there is information to back it up. So far as the letter being extraordinary in its terms or singular it is not half so singular as a good many letters we received at last year's sessions of the committee.

The CHAIRMAN: I think you are right. I think they were inspired, too.

Mr. WINTERS: The letter has a purpose or it would not have been written.

Mr. ROSS *(St. Paul's)*: I do not think the chairman has the right to say that any of these letters were inspired.

The CHAIRMAN: I do not say they were all inspired. Hold your horses there. Do not take in too much territory.

Mr. ROSS *(St. Paul's)*: The chairman said a great many of these letters were inspired.

The CHAIRMAN: Last year. You do not think that?

Mr. ROSS *(St. Paul's)*: I think these people have a perfect right to express their own opinions. I do not think they are inspired by the C.A.B.

The CHAIRMAN: Everybody is in agreement with you that they have the right to express their opinion. The only point of disagreement is you do not think they were inspired and I do. That is all.

Mr. REID: I think Mr. Coldwell is reading into that letter something that is not there.

The CHAIRMAN: Sure.

Mr. REID: That is what he is doing. He is drawing an inference.

The CHAIRMAN: Yes, that is right.

Mr. REID: The man's statement is there giving some praise to the private stations. It should be taken as written.

Mr. DIEFENBAKER: In any event, we have not come to the place in so far as the C.B.C. is concerned that there cannot be two sides to everything.

The CHAIRMAN: Why certainly.

Mr. DIEFENBAKER: That is one of the great dangers in which we are liable to find ourselves in this country, namely, when anyone in the interests of keeping the record clear makes representations that are not acceptable to the C.B.C. those representations are designated as propaganda. Of course, none of us want that.

The CHAIRMAN: Since I expressed the opinion, and in order to make it clear, these representations of General Spry are perfectly acceptable to me. I think (*a*) he had the right to express himself and (*b*) that the letter is probably completely true, but I think that it arose at this particular time by reason of a number of somewhat similar things I have noticed. I think there is inspiration behind them, but he may not even have known that. In any event, he has a perfect right.

Mr. COLDWELL: I was not objecting to the presentation of the letter. I am merely pointing out it is a singular thing that the private stations are thanked and not the C.B.C. I have heard programmes having to do with the boy scouts and girl guides and so forth, over C.B.C. stations and on the national hookup.

Mr. DIEFENBAKER: We should not restrict the inspired utterances only to one side.

Mr. COLDWELL: It looks one-sided.

Mr. HANSELL: Last session we not only received a few letters but we actually received representations and briefs from other organizations, most of which were on behalf of the Canadian Broadcasting Corporation.

The CHAIRMAN: And we will be glad to receive more.

Mr. HANSELL: It does not make any difference.

The CHAIRMAN: I am quite sure everybody is agreed now that we might pick up where we left off last week.

Mr. Ross (*St. Paul's*): I should like to say one thing further in connection with that. The chairman said these letters were inspired. I should like to know what he means, inspired by whom?

The CHAIRMAN: I said at the time I thought they were inspired by some of the private broadcasting interests. I said that at the time.

Mr. HANSELL: Would you say the briefs that were given last session on behalf of the C.B.C. were inspired by the C.B.C.? What is sauce for the goose is sauce for the gander.

The CHAIRMAN: I think sometimes they may have been. I do not remember what ones you are referring to.

Mr. HANSELL: Perhaps the word "inspiration" was unfortunate.

The CHAIRMAN: No, I think quite fortunate. I am quite satisfied with it. I let it stand. I have nothing to retract.

Mr. SMITH: What you really meant was they were conspired. I am going to move that it be referred to the steering committee.

The CHAIRMAN: I do not think you should be so sure that you know what I mean when I assert definitely that I know. I used the word intentionally and I know its meaning.

Mr. SMITH: I know you do but you meant conspired. That is what you meant.

The CHAIRMAN: I am quite sure you are ready to proceed now where we left off. I am sure you are, are you not, Mr. Smith?

Mr. ROBINSON: Under the inspiration of the chairman.

The CHAIRMAN: Last week we were asking questions on the briefs presented by the C.B.C.

Mr. Ross (*St. Paul's*): Before you start that at the last meeting a lot of information was asked for which was to be tabled. Some of it has come in. At the last meeting I asked for the financial statement of the C.B.C. as it is at the present time. I think I was told the statement had not been audited but we were to get whatever statement they have at the present time. We have not had it yet. I wonder when we can get that.

The CHAIRMAN: Have you any idea when that would be ready?

Dr. FRIGON: The full financial statement will not be ready before late this summer because the books have to be closed and the Auditor General has to look into it and give his approval. Usually that only happens late in August or in September, but the figures I gave you are very close to what they will be when the books are closed.

Mr. Ross (*St. Paul's*): Can we not have a statement which is not audited but which you think is O.K?

The CHAIRMAN: Something more than what is in your brief, I presume.

Dr. FRIGON: I am at your disposal to answer any questions you would like to ask.

Mr. Ross (*St. Paul's*): I would like to have a statement.

Dr. FRIGON: On what?

Mr. Ross (*St. Paul's*): A statement of the C.B.C.'s operations.

Dr. FRIGON: That has already been submitted.

Mr. Ross (*St. Paul's*): Where is it?

The CHAIRMAN: In Dr. Frigon's brief.

Mr. Ross (*St. Paul's*): That is not a statement. That is what Dr. Frigon said.

Mr. COLDWELL: When Dr. Frigon is answering questions I wonder if he could face the committee instead of across the room. It is rather difficult to hear in this room.

Dr. FRIGON: I will.

The CHAIRMAN: It would appear then that not much more can be given at this moment in the way of a financial statement than has already been supplied in the brief, except that it can be amplified by statements resulting from questions; is that the situation, Mr. Dunton? Is that the way it is?

Dr. FRIGON: Yes, sir.

Mr. Ross (*Hamilton East*): That was understood.

The CHAIRMAN: Yes, that was understood. I don't think there is very much done about it.

Mr. Ross (*St. Paul's*): Your year ends the 31st of March?

Dr. FRIGON: Yes.

Mr. Ross (*St. Paul's*): You have a statement in your office at the present time, but as far as the committee are concerned, it has not been audited?

Dr. FRIGON: It is already in the proceedings of the committee.

Mr. Ross (*St. Paul's*): Where?

The CHAIRMAN: In Dr. Frigon's brief.

Mr. Ross (*St. Paul's*): I didn't see it there. I may be wrong.

The CHAIRMAN: I was only trying to make clear what I understood him to be saying, Mr. Ross; don't think it is my say-so.

Oh, there is one other matter arising out of the last meeting. Mr. Diefenbaker, you asked for the production of any letters by ministers (or, I think, members of parliament) to the C.B.C.; (ministers, I think it was), making recommendations respecting the issue of licences, and I said at the time I was not certain that the request was in order. I have been thinking it over since and I am glad I did not rule one way or the other at the time because if I had ruled it out of order I think I would have been wrong. I think this corporation is independent of the government and if I wrote them a letter I do not see why it should be produced; and in this respect the minister is the same as any other member of parliament. So I think your motion, if you want to put it, asking for production would be in order.

Mr. DIEFENBAKER: I do wish to put it.

The CHAIRMAN: You did put such a motion.

Mr. DIEFENBAKER: Yes.

The CHAIRMAN: That any letters—I suppose you would like to go some little way back, a year or two?

Mr. DIEFENBAKER: Yes, that is all.

The CHAIRMAN: The last couple of years.

Mr. DIEFENBAKER: We might as well have it for the period of time since 1937, and whether they are marked confidential or not.

The CHAIRMAN: Yes.

Carried.

Mr. REID: May I ask for the minutes—

The CHAIRMAN: Would you mind waiting until we deal with this, Mr. Reid?

Mr. REID: All right.

Mr. DUNTON: It is going to be a terrific job having to go through hundreds of files to see if there is a letter there.

Mr. DIEFENBAKER: I would not think there would be any difficulty about finding such letters because I would think they would be rather unusual and these confidential letters do not find their way on general files, do they?

Mr. DUNTON: I know, Mr. Chairman, there have been no letters from ministers in the last year and a half recommending or not recommending an application. I know that.

Mr. DIEFENBAKER: Possibly; I will put it this way.

Mr. DUNTON: It will be a terrific job to give assurance all the way.

Mr. DIEFENBAKER: I will settle for this, I will make my motion a little different now that Mr. Dunton has spoken; any letters from ministers giving suggestions to the C.B.C. regarding any matter. That will not be as difficult as the other one because it will be general enough that ministers' letters will be available without the difficulty of a search.

Hon. Mr. MCCANN: May I ask Mr. Diefenbaker if he has in mind ministers charged with responsibility for the C.B.C., or any ministers?

Mr. DIEFENBAKER: No, any ministers of the Crown. You see, that does away with the difficulty of searching one type of file. That would be different; it would not be so difficult.

Mr. DUNTON: I would like to suggest that we are quite prepared to do it if the committee so orders, but I do not think it could be done without searching every file. You might find a letter on any file on any subject.

Mr. DIEFENBAKER: I suggest, Mr. Dunton, with all respect, that there should be someone there who could make a search. I hear that explanation given the House so often, about the difficulties. This is one matter in which there should be no difficulty.

The CHAIRMAN: If a letter were written in 1938, Mr. Diefenbaker, upon some subject and it went into that file and that file has long since been filed away, they could not say there were no letters on it.

Mr. DIEFENBAKER: Well then, Mr. Chairman, I will restrict it some more and they can take the letters from Dr. Frigon or the chairman of the C.B.C. Letters of that type would not be in unused files.

Mr. DUNTON: Excuse me there, Mr. Chairman, that would include before my time.

Mr. COLDWELL: I was going to say, "or to Mr. Murray."

The CHAIRMAN: That would be filed in the file relating to the subject, would it not?

Mr. DIEFENBAKER: Well, Mr. Chairman, there is one letter of which I know that did not find its way into any general file. It was found last year. I just happened to run on that letter.

Mr. DUNTON: May we ask when that was?

The CHAIRMAN: That related to the *Star*, perhaps?

Mr. DUNTON: That was on the general file.

The CHAIRMAN: That is just where it was, you see.

Mr. DIEFENBAKER: It was not on a general file, it was on the *Star* file.

Mr. DUNTON: That's what I mean, the subject file. That is an example, Mr. Chairman, of how we would have to search thousands of files, separate files. During the war, for instance, I imagine, I don't know, there must have been a good deal of discussion and correspondence about things relating to the war.

Mr. DIEFENBAKER: It is either usual or it is not usual, it is not general. Either Dr. Frigon in his official capacity, or his predecessor, know whether they got letters from ministers, and unless there are so many that it is a general thing they certainly would remember if they had received confidential letters from a minister regarding the operation of the C.B.C. in any particular; because it either would be usual or it would be unusual. Both Mr. Dunton and Dr. Frigon can tell us whether that was the usual thing or not, and I suggest it would not be difficult to find if it is unusual. The very fact that it is unusual would make it easy to locate. I make my motion in that way.

The CHAIRMAN: Gentlemen, you have heard the motion.

Mr. Ross (*Hamilton East*): If it is going to be done, going back to 1937, I would like to have it go back to 1930.

Mr. DIEFENBAKER: There was no C.B.C. in 1930, you would have to go back to the beginning.

Mr. Ross (*Hamilton East*): I don't care; let's have it all if we are going to have any of it.

The CHAIRMAN: Gentlemen, I think that if you take another look at this you will realize there is a very great deal of work involved. I wonder if it would not be possible for Mr. Diefenbaker and Mr. Ross to confer with the officials first and then bring in a motion covering something which is according to their

judgment reasonable with respect to the particular search and then make the motion. The motion is in order. There is no question about that; but I do not think any member of the committee wants to try to effect a search into thousands of files in which there might be such letters and, possibly, might not be.

Mr. DIEFENBAKER: Possibly the simplest way would be if I were to ask Dr. Frigon, did he ever get any letters from ministers?

Dr. FRIGON: I cannot recall any letter of unusual significance.

Mr. DIEFENBAKER: Oh, I am just asking for the minister in charge of the department; did he receive any letters from ministers of the Crown?

Dr. FRIGON: Yes, we did.

Mr. DIEFENBAKER: Those are what I want.

The CHAIRMAN: Would you start it like this, Mr. Diefenbaker . . .

Mr. DIEFENBAKER: Mr. Chairman, possibly if I asked Mr. Dunton a question: Have you received any, Mr. Dunton?

Mr. DUNTON: Oh yes, I have.

Mr. DIEFENBAKER: Within your time, you have no difficulty in recollecting; is it usual, or unusual to receive them?

Mr. DUNTON: We get them very seldom.

Mr. DIEFENBAKER: How many would you have received since you have occupied your present position?

Mr. DUNTON: I cannot say; I can remember some.

Mr. DIFENBAKER: Would there be a dozen?

Mr. DUNTON: I do not know. I can think offhand of half a dozen fairly recently about radio business.

Mr. DIEFENBAKER: Those are what I want.

Mr. DUNTON: To be sure to give a complete answer we would have to search in every file that I have dealt with in the last year.

Mr. DIEFENBAKER: You might start with those which you remember.

The CHAIRMAN: That is what I was going to suggest. Now, will you leave it this way: that all letters that these gentlemen know of or can think of will be produced by them?

Mr. DIEFENBAKER: Yes.

The CHAIRMAN: That will suffice for the moment at any rate.

Mr. DIEFENBAKER: That would be a start. I still want my motion put.

The CHAIRMAN: Pardon?

Mr. DIEFENBAKER: I still want my motion in general terms put.

The CHAIRMAN: Of course, if you put your motion then you have no right after that to say, "Now I will be satisfied with something different," because that becomes a committee order.

Mr. DIEFENBAKER: That is right, I would like to have it put.

The CHAIRMAN: Why not just talk it over for the time being, reserving the making of the motion until later. I think we are all agreed that we are going to avoid as much unnecessary work as possible.

Mr. DIEFENBAKER: Now, Mr. Chairman, this is very necessary; if there has been any correspondence with ministers, or letters from ministers.

The CHAIRMAN: I want you to understand clearly what I mean, and I felt that you yourself would think a search of thousands of files was unnecessary work; yet, if your motion is put, in the form in which it is, that is what it will amount to. I am just suggesting this as a starting point, do you see. Why not talk it over for a moment without prejudice to making the motion later; they will

produce all the letters at the moment of which they can think back over the years, and perhaps they would confer with you to see if there is anything else you can think of. Then you would still be able to make your motion.

Mr. DIEFENBAKER: I know, but if it is going to take so long later on, as we are now getting into the closing stages of the session; I do not wish to take up the time of the committee—

The CHAIRMAN: There is no suggestion of that.

Mr. DIEFENBAKER: I will refrain from doing anything like that if you will let them work on it now and get this information. Last year I found this, and I did not force production because of the fairness of Dr. Frigon in his relationship to it; and still would like the motion to be put.

Mr. COLDWELL: I can visualize 50,000 to 60,000 files having to be searched I think the request Mr. Diefenbaker is a reasonable one and I support it. We might get over the difficulty by having Mr. Diefenbaker consult with the chairman and general manager in regard to this matter.

The CHAIRMAN: Without prejudice to your motion.

Mr. DIEFENBAKER: Well, Mr. Chairman, I am prepared to let it stand till the next session. We can do that in the meantime.

The CHAIRMAN: That is exactly what I was suggesting.

Mr. DIEFENBAKER: I know. I desire to meet your views; and, in the meantime, we can get whatever is available.

The CHAIRMAN: All right; then your motion stands for the moment.

Mr. DIEFENBAKER: I would like to ask that what are available be produced at the next meeting.

The CHAIRMAN: That is understood; whatever is available will be produced the next time, yes.

Mr. REID: I would like, Mr. Chairman, to have the production of the minutes of the reports of the C.B.C. with respect to station CKNW and the subsequent application for change of wavelength and the permission to instal directional antennae; and a copy of the minutes including the time when I myself appeared before them on behalf of CKNW. I am interested in knowing what happened on that occasion.

The CHAIRMAN: Including, you said—?

Mr. REID: Yes, "including".

The CHAIRMAN: Well, that sort of thing has been going without any motion. We passed several of those. There is no objection, that is ordered.

Mr. FLEMING: May I ask if some of the reports that were asked for at the last meeting and which the committee approved have all been supplied? I may say, Mr. Chairman, that we received just yesterday afternoon in our mail from the C.B.C. some of these documents asked for but not others. I have three files containing copies of correspondence from April 18, 1946, forward.

The CHAIRMAN: That was from Transport, wasn't it?

Mr. FLEMING: It may have been; dealing respectively with the changes in the frequencies of these three stations, CFRB, CFCN and CKY. And then there were some C.B.C. frequencies that were reported also. I just want to say about these reports that the committee directed at the last meeting that they should be brought in, and I was just wanting to know when they are likely to be ready.

Mr. DUNTON: I think most of the material is now in the hands of the clerk of the committee. There are some with respect to which we had a little difficulty in getting all the information ready to send to you yesterday because it involves a great deal of work. We have been getting it out as fast as we could. The report to which you refer is now in the hands of the committee.

I think there are only two reports, perhaps it is only one, that are not yet complete. The others are all in the hands of the committee now.

Mr. FULTON: Mr. Chairman, may I ask if members of the committees would raise their voices slightly so that we can hear them?

The CHAIRMAN: Yes; if you would speak a little louder, please, gentlemen.

Mr. FLEMING: Does the report which was sent out this morning include an extract from the minutes of the C.B.C. dealing with those wavelengths?

Mr. DUNTON: Yes.

Mr. FLEMING: You also deal with that matter of the $2,000,000?

Mr. DUNTON: Yes.

Dr. FRIGON: There is one report which has not yet been filed. That relates to the question asked by Mr. Ross. I took a note at the meeting but unfortunately I find my notes and correspondence do not correspond with the proceedings, so that the document is being redrafted to answer the exact question asked by Mr. Ross and will be ready to-morrow morning.

Mr. DUNTON: I think the other thing still not complete is the request by Mr. Coldwell for a report on all speeches made by political leaders in different parts of the country. That is taking a good deal of time. I think we will have it for you by next week.

Mr. REID: Does the list of the various political parties include the time each was given, and does it go back to the time of the last election?

Dr. FRIGON: I think the request, Mr. Chairman, was roughly for the last year; and I understood it would include a report both on the regular free time and political free time in connection with whatever political speakers happened to be on the air.

Mr. REID: Has that been submitted to the committee yet?

The CHAIRMAN: No, not yet. And there is still the one on radio licences, Mr. Reid.

Mr. FLEMING: Mr. Chairman, I want to say one thing and I hope those who are representing the C.B.C. will understand that I am not being the least bit critical of them in what I am about to say, because I can appreciate there may be a good deal of work in getting out some of these reports. It is not of much help to us to receive reports just the night before a meeting. You will recall that we asked that reports be made available to us in advance of meetings. When we did that I think we had in mind a couple of days, if possible, in advance.

The CHAIRMAN: Yes.

Mr. FLEMING: And because of the heavy work in the House at the present time getting reports in the mail box at six o'clock the night before a meeting does not give us any opportunity or reading them in advance.

The CHAIRMAN: I do not think they were ignoring the request of the committee at all. I think what they were trying to do was to be helpful by producing this material just as soon as they could get it completed.

Mr. FLEMING: I would not say that it was the result of any fault or delay on the part of the C.B.C. I am just mentioning that arrangement so that it might be borne in mind with respect to future occasions.

Mr. FULTON: There was a request made at the last meeting and I think there were two or three members associated with the request, as I recall it, asking for correspondence in connection with applications for new transmission stations or transfers from one group to another, with particular reference to any

correspondence and the reasons for refusing such applications, and I could not find that among the material which came to hand yesterday. I wonder if that report is ready?

Mr. DUNTON: I think, Mr. Chairman, it is included in the report from the Department of Transport which has come over to-day.

The CHAIRMAN: The Department of Transport have a representative here now; is that so, Mr. Brown?

Mr. BROWN: Yes.

The CHAIRMAN: He is evidently here now. That is not the C.B.C. that is the Department of Transport.

I think we are dealing with—

Mr. SMITH: Mr. Chairman, before you go on; I know we are giving the C.B.C. a lot of wark, but I would like to know if they can give us a report as to the number of commentators engaged by the C.B.C. and the amount paid to such commentators. I do not think that is very onerous.

Mr. FLEMING: Would that include the time that has been given to the commentators in the past year?.

Mr. SMITH: I think that could be handled orally.

The CHAIRMAN: Could that be handled orally? Could you answer Mr. Smith's question now?

Mr. DUNTON: There is quite a list of commentators; we could get that very quickly.

Mr. SMITH: All I want to know is, say, for the first of January; the tenure of office and the amount that was paid; in other words, if it is so much a broadcast, say so.

Mr. DUNTON: I would like to say there is quite a number of commentators used by the C.B.C. It will be a fairly long list since the first of January. There is no tenure of office, and they are commissioned for separate occasions. I believe it has been taken in previous committees that the C.B.C. did not make public any amount paid to specified individuals because that is a handicap to the running of its usual business.

Mr. ROSS (*St. Paul's*): That information has been given in the past, Mr. Dunton.

Mr. DUNTON: I think not; not the amount paid to individuals.

Mr. ROSS (*St. Paul's*): Yes.

Mr. DUNTON: We will be glad to show those who are paid. Some people who speak in the nature of a comment might not be paid on some programmes. There are some who are paid as professional people and some who are not.

Mr. REID: Did you ever realize any request from commentators who want to do the work for nothing?

Mr. DUNTON: I do not think we could say who wants to do it for nothing. We do not know.

Mr. SMITH: I think I accept his suggestion.

The CHAIRMAN: That is sufficient for the present, is it, Mr. Smith?

Mr. SMITH: I merely wanted to give notice that we would go into it.

Mr. DUNTON: I have here, Mr. Chairman, a list of the commentators for the past season on commentary programmes. It already runs to about eight pages. I could start to read that to Mr. Smith, if he wishes it.

Mr. SMITH: Perhaps you could let me have a copy of it and I will look at it. We do not need to bother about it now.

Mr. DIEFENBAKER: Mr. Dunton made the statement that it would be rather dangerous to furnish the committee with the amounts paid these individuals. Certainly, that argument could not apply so far as commentators are concerned in our country. I am going to ask for the following information: a list of all who write programmes and broadcast them; those who write programmes; those who broadcast as commentators although they do not write their own programmes, from Montreal, Vancouver and Toronto.

Mr. DUNTON: Could I get that clear in my mind? Those who write programmes and broadcast them and those who write programmes?

Mr. DIEFENBAKER: Yes, those who write programmes as commentators.

Mr. DUNTON: Those are all commentary programs?

Mr. DIEFENBAKER: Yes, Mr. Dunton, because there could be no possible reason for not giving us the salary in those cases. There would be no competition so far as the private stations are concerned.

Mr. DUNTON: I would hope there would be some competition. I would hope the private stations do have some commentators.

Mr. DIEFENBAKER: That is it; if it is fear of competition, that the private stations might pay more...

Mr. DUNTON: It is not only the private stations, it is the general writing field. It is more a question of the principle involved here. We are competing for the professional services of writers and so on with other media. I think it handicaps us in that competition if anybody else would like their services to know exactly what the C.B.C. pays them.

Mr. DIEFENBAKER: How does it? Naturally, you want to pay Canadian talent the very best return you could.

Mr. DUNTON: We should like to pay it as much as we can, but we are trying to use the public's money as best we can.

Mr. HANSELL: Last year there was submitted to the committee a list of commentators, together with the number of times they had spoken during past year. I do not know if that is what Mr. Smith would like. I called for that return last year and got it. I asked that the amounts paid to these men be given. I did not press for that because the answer was that the officials were reluctant to give the amount paid by reason of the fact the various commentators could compare what they had received. It might lead to the impression there is some unfairness about it. One commentator might think he was worth just as much as another. Therefore, I did not press for that and perhaps I would not press for it to-day. Rather than have Mr. Smith look at what Mr. Dunton has regarding commentators, I should like to have the same return made, giving the names of the network commentators during the past year together with the number of times each one has spoken.

Mr. ROBINSON: Without remuneration being mentioned?

Mr. HANSELL: Without the remuneration being mentioned. If anyone wants that information, he can press for it. I do see there is a problem connected with it.

The CHAIRMAN: Everyone seems to be agreed upon the question with the exception of one point. Mr. Diefenbaker desires the remuneration be tabled as well. It is represented to the committee this imposes a business hardship upon the corporation. "Hardship" is not quite the right word to use. It is not a question of being in order or not in order, you know.

Mr. COLDWELL: I think Mr. Hansell's suggestion is one I could follow. I can see there may be some difficulty in publishing the amounts paid to the various commentators.

Mr. DIEFENBAKER: If that information is not to be made public, could the members of this committee see it?

Mr. DUNTON: We would be glad to show it to any number.

Mr. REID: I should like to see it because there are some commentators to whom I would not pay a plugged dime. Are there no commentators of high calibre who will give their services to the country just for the privilege of being on the radio? I think I could provide you with the services of some in British Columbia just for the privilege of being on the radio.

The CHAIRMAN: Are there any other questions you want to raise to elicit information?

Mr. FULTON: Yes, Mr. Chairman, I had a question put on the order paper which reads as follows:

> What is the actual amount of money expended by the C.B.C. in a full year under the present arrangement for the broadcasts of the 'nation's business' on the national and French networks, covering such items as pay of staff involved, cost of recording, proportion of charges for line service for that period of time, etc.?

I received the following answer from Doctor McCann yesterday:

> It is impossible to make any calculation of costs chargeable to this programme. No staff is employed exclusively on this programme and no accurate assessment can be made of incidental or part time employment involved.

It was suggested that I bring this question up before the radio committee where the officials of the C.B.C. might be able to give the information on more detailed questioning. What I am trying to do is to make a comparison of the cost of this service with certain other services which I had in mind. It seems to me, although it is only a quarter of an hour once a week on the national and French networks, the payment of the staff involved must be set according to the day or hour, and a proportion of the amount of salaries necessary for that quarter hour period might be estimated.

Mr. DUNTON: I think it is really impossible to produce because you have a network service working sixteen or more hours per day and speading over a great many people. People of all kinds contribute, in one way or another, towards the maintenance of that service for sixteen hours. We could estimate the direct cost of getting that programme to the microphone. Once it gets to the microphone, then it becomes part of the general service. Everything else is overhead. We could very well say we save money by carrying political broadcasts because, if we did not, we would have to pay money for a programme to fill that same period. The cost is really all overhead.

Our accountants cannot conceive how you could break down the overhead cost and allot so much to one particular programme because there would be no means of estimating the amount any one person contributed to the programme. Most people in the service would be contributing to it. I might have spent some time on it and most of the people in the programme department, in one way or another, as well as a great many engineers contribute in some way to keep the network going.

Mr. FULTON: Could we take a corresponding case? Take for instance, your Sunday broadcast of the New York Philharmonic Symphony Orchestra which is a two hour broadcast. Have you any figures showing how much it costs you to arrange for that broadcast?

Mr. DUNTON: It is quite impossible. We cannot decide how much it costs to carry the New York Philharmonic because the network is operating anyway.

We can figure out how much it costs to maintain the whole service, the whole corporation, but if you carry the philharmonic it saves money because we have to have something else. There is no direct cost involved.

The CHAIRMAN: Would it not involve a cost accountant assigning, arbitrarily, a certain proportion of the total cost to that particular item which I believe is done sometimes. In cost accounting, some of the figures are arbitrary.

Mr. FULTON: Yes, they would have to be. I cannot actually suggest a method for arriving at the cost but perhaps the C.B.C. would be prepared to hazard a guess simply by taking the cost for the year and saying we devote a certain amount of time to that programme and it would be a certain proportion of that total cost.

Mr. DUNTON: I think it would have no reality.

Mr. FULTON: You must have some method at arriving at cost. How do you make an estimate of what you have to spend each year?

Mr. DUNTON: We know the amount necessary to keep the wire lines going day in and day out; we know the amount needed to keep the transmitters going; we know the amount needed for administration, programme administration and so on. We know the amount needed to produce any program and get that programme on the air, but I know of no means by which any radio organization can break down its overhead and say so much may be charged to any particular programme.

Mr. FULTON: I have this answer to an earlier question, Mr. Chairman. I broke my question down a bit because I understood this last one would be difficult to answer. I asked,

> What is the value of this time in terms of money?

The answer I received was,

> If this time were sold for a commercial programme the charges would amount to $54,328.

Would you say, Mr. Dunton, that is the closest estimate you can make of the value of that time, the cost of the time to the C.B.C.?

Mr. DUNTON: I would not say necessarily it is the cost, it is what we could get for it if we sold it. That is as near as we can come to it.

Mr. FULTON: I have an estimate from the Association of Private Broadcasters of the cost to them of a particular broadcast they carry. I want to make a comparison of this programme with the "nation's business". I want to be fair in the figures which I use in making that comparison. It was for this reason I was interested in securing this information.

Mr. DUNTON: I wonder if they give you the value of the time on their station, and not the cost of carrying that transcription on that station, because I do not see how they could figure it out. They probably quote the commercial price of that time; and we have given you that figure, too.

Mr. FULTON: They give me the amount of time set aside and the estimated cost of this time per month and per year. Now, I take it that would be comparable to the return I have here of what the C.B.C.'s time would realize if it were sold for a commercial program?

Mr. DUNTON: I do not think so.

Mr. FULTON: Then, they give me also their express charges in sending out the records and the cost of operating their office. For the purpose of that programme, it would appear to be a substantial item. I wanted a comparable cost for the C.B.C. staff presently involved in the "nation's business".

Mr. DUNTON: I do not see how we can do that because it is part of our full service. We do not have specific people working on the programme, so it comes in as part of the duties of the station employees or the department

employees. I think the only direct cost of which I can think is the recording. It is a delayed programme in the west and if the speaker wanted a recording, there would be the cost of the recording. I cannot see how we could give any other cost.

Mr. HANSELL: Is not that similar to trying to discover how much it costs to take one passenger to Winnipeg when the train is running just the same?

Mr. FLEMING: Or the cost of a forty minute speech in the House of Commons, for instance.

Mr. Ross (Hamilton East): Or what it costs for this fifteen minute discussion.

Mr. HANSELL: In reply to Mr. Fleming, I may say that can be worked out because I did it.

Mr. COLDWELL: May I ask Mr. Fulton, through you, Mr. Chairman, if he is referring to one station or two stations?

Mr. FULTON: They have given me this break down for all the stations. It is said to be an estimate which covers the value of the time of all the stations.

Mr. DUNTON: The value of the time is the important thing. We have given you what the commercial value would be. I do not think they could, any more than anyone else, tell you what it costs them to have that, outside of the transcription cost. I do not think they can separate it any more than we can.

Mr. COLDWELL: I do not know whether it works the same way. The private stations are carrying, "reports from parliament hill," I take it on the grounds it increases their listening audience. It might work out that way with the C.B.C.

Mr. SMITH: I thought the C.B.C. was rendering a public service.

Mr. COLDWELL: I rather suspect they are thinking of the listening audience they gather around these stations when they do that.

Mr. DUNTON: We think of it chiefly as a public service.

Mr. FULTON: I will have to be satisfied that it is impossible to produce that particular break down. Later, when I come to these figures I will bear that in mind and I hope the members of the committee will bear it in mind, too.

The CHAIRMAN: The understanding is that you are asking now for a break down of a particular programme, so far as this can be given. It is already known there are some figures which cannot very well be broken down for that purpose, but you want to get the best information you can on it?

Mr. FULTON: Yes.

The CHAIRMAN: Certainly, the cost up to a microphone can be given.

Mr. SMITH: You can get the return from the sale of time, but I think that is all you can get.

Mr. DUNTON: We have given that.

The CHAIRMAN: Are there any further questions?

We had reached the heading of "frequency modulation" which is on page 4 of the printed brief.

Mr. HANSELL: Mr. Chairman, I know we reached frequency modulation but Mr. Fleming asked some questions on the matter of new transmitters.

The CHAIRMAN: Yes, that is farther back.

Mr. HANSELL: I did not ask the questions I had in mind at that time because I thought perhaps I would get the information I wanted from the answers to Mr. Fleming's questions. I have not got the information I desired from those answers and I wonder if I could, without detaining the committee, ask the following questions and they could be answered later.

The CHAIRMAN: I feel sure that is quite agreeable.

Mr. HANSELL: In respect to the expansion programme involving the new 50 kilowatt transmitters—I have written these questions out, Mr. Chairman, so as not to detain the committee. I do not expect to get the answers immediately.

1. What is to be the first cost of this expansion programme; that is, land, buildings, transmitters, etc.? I have these questions written down, Mr. Dunton, and I can give them to you.

2. What is to be the additional yearly cost of operating these stations?

3. Does the C.B.C. have separate accounts or funds from which they pay for the operation of their stations—

I refer now particularly to the 50 kilowatt transmitters, but it would apply to their general operations such as programming building expansion, and so forth.

—or are expenditures made from consolidated revenue fund?

In other words, are receipts from radio licences for instance put in a fund that is used for programming or something of that kind?

4. Who is expected to pay for the additional cost of this expansion programme?

5. What advantage is to be obtained by the additional expenditures over and above the service now given to the people of Canada?

I have a sixth question here but I do not know that it can be answered. I will put the question for the purpose of discussion, anyway.

6. Is the advantage worth the expense or would the people be better off financially by continuing the present services?

The CHAIRMAN: Probably you might bring those up for the reporter, and Mr. Dunton will see what he can do with them.

Mr. COLDWELL: Did we not get a great deal of that information last year?

The CHAIRMAN: We may have.

Mr. COLDWELL: Dr. Frigon had maps showing the coverage, and so on. I think we had quite a long discussion on a part of that. I am not objecting to it being answered again.

The CHAIRMAN: That information will be dealt with and tabled if possible.

Mr. HANSELL: There may be new members on the committee who do not have last year's reports.

Mr. FLEMING: Before you leave page 4 it seems to me that since most of what appears on page 4 revolves around the disposition of the wavelength of CKY, and we have the correspondence in relation to that matter tabled, it will be necessary to decide whether we are going to go into that now or later. What would your direction be on that? Apart from that I would particularly like to get from Mr. Dunton or Dr. Frigon a statement about the plans made for the holding of conferences with reference to the Havana treaty. That is referred to on page 4. Something was said about that at the last meeting.

The CHAIRMAN: I would not give any direction on it at all. It is entirely up to the committee. I should like to point out to you, gentlemen, that I think there have been some questions asked to be answered in writing where probably we could have done better by examination on them here. I am wondering if we are not getting into the danger of a very considerable mass of typed material being asked for, some of which will not be available for some little time, and the result will be we will not have time to deal with it, anyway. Would it not be desirable to carry on with questions now as much as possible, and when they cannot be answered then the information might be tabled later.

Mr. FLEMING: I am prepared. It happens that the CKY correspondence was the shortest folder. There are about half a dozen letters in it. I had a

chance to read those over last night, but perhaps other members of the committee have not. I do not want to go into that if it is not fair to other members. Perhaps we could come back to it later.

Mr. COLDWELL: I think that point should be left until we have a chance to read this voluminous correspondence which was delivered to us late last night.

The CHAIRMAN: Is that agreeable?

Mr. COLDWELL: I have not read it.

Mr. FLEMING: I am quite agreeable to that. I think the members want to read this before we start questioning on it.

The CHAIRMAN: After to-day we will not be in the position of being able to question the officials of the C.B.C. for a couple of weeks, or possibly ten days. Is that not right?

Mr. FLEMING: May I turn to the other matter? Perhaps it is a question for Dr. Frigon. Will he make a statement about the plans made with reference to the resumption of negotiations under the Havana treaty? Reference is made to the fact that the conference of the signatories to the Havana treaty is now to be held in January instead of in September. That is January, 1948, not in September, as we were given to understand when the committee met a year ago. Could Dr. Frigon or Mr. Dunton bring us up to date on what has happened with reference to the Havana treaty since we last met?

Mr. FULTON: Are we on Dr. Frigon's brief or Mr. Dunton's?

Mr. FLEMING: We are on Mr. Dunton's brief, but Mr. Dunton refers to this matter on page 4. Last year, if I remember correctly, it was Dr. Frigon who had the most to say about the Havana treaty.

Dr. FRIGON: The date of any meeting of this sort is set by common agreement between the countries. The next meeting which will deal with the North American agreement will take place probably in January, 1948, in Canada. It is quite possible that some change will be made if Cuba, Mexico or the United States ask that the date be changed. At the present time the prospects are that the countries will meet in Canada in January, 1948. That will lead to redrafting, modifying or continuing the present agreement. When the countries have agreed on the terms under which the agreement may be renewed there will be another meeting for adoption of one of three methods, renewing the agreement, modifying it or writing a completely new agreement. That has to take place before the end of March, 1949. That is the way it stands now.

Mr. FLEMING: What was the reason for deferring the date of the conference?

Dr. FRIGON: There are a number of international meetings taking place now. There is a big meeting taking place in Atlantic City at the present moment which will be followed by another meeting in August. The specialists of each country were so busy preparing documents and working on these international meetings that they simply had not the time to deal with the North American part of it.

Mr. FLEMING: Since the Havana treaty and the policy under it affects so directly the wavelengths of stations CFRB, CKCN and CKY, I take it the effect of the postponement of the date of the conference is to give more breathing time to review the position and policy of the C.B.C. and the government with reference to those three wavelengths?

Dr. FRIGON: It does, in fact, but it means that even at the present moment in January, 1948. Canada will have to give proof of its decision to implement certain parts of the agreement. Up to four or five months ago we thought that would have to be done by September, 1947. Now we have up till January, 1948. In other words, when the countries meet again they will review the situation as it will exist then and take steps.

Mr. FLEMING: And you here in Canada have another four or five months to review the situation?

Mr. KNIGHT: Three, is it not?

Mr. FLEMING: It will be four months from September to January—to review the policy with reference to the assumption of these wavelengths by the CBC?

Dr. FRIGON: Do not forget that it takes a long time to occupy those frequencies and to build stations. You cannot decide that over night.

Mr. FLEMING: I did not ask that. I said you have another four months to review your policy with reference to the assumption of the C.B.C. of these three wavelengths?

Dr. FRIGON: No. The policy was settled some time ago so that we may be prepared to demonstrate or to prove to other countries in due time that Canada is using the frequencies.

Mr. FLEMING: What you are saying is that the C.B.C. has settled its policy or had previously settled its policy which was to assume those three wavelengths, and that they are going through with it, and that the additional time allowed now in view of the postponement of the negotiations under the treaty is not going to have any effect and is not going to be used by the C.B.C. to review or reconsider that policy?

Dr. FRIGON: So far as we are concerned that is a fact.

Mr. DUNTON: Perhaps I might add from the policy side that we are still going to be fairly squeezed for time to have the stations near enough to completion by January to be sure of holding the wavelengths. It is not a question of having time to review the policy. It is hoped we will have enough time to carry out the policy in time to hold Canada's interests.

Mr. FLEMING: That is all based on the assumption that you are going to take over these wavelengths and build them up to the strength of 50,000 watts?

Mr. DUNTON: That was all decided last year.

Mr. FLEMING: I understand your position. I regret it but I understand it.

Mr. DUNTON: It takes some time to carry out construction.

Mr. FLEMING: It would not take those stations themselves as long to carry out any changes in the direction of raising their power from 10,000 to 50,000 watts if they were allowed to retain their present frequencies.

Dr. FRIGON: It would be the same length of time. They would have to build new stations, new aerials and find new sites. It would be the same problem exactly, no difference.

Mr. FLEMING: Do you not think they could do that faster than the C.B.C. could do it if it is taking over the wavelengths?

Dr. FRIGON: No.

Mr. FLEMING: Well, we will hear from them on that in due course.

Mr. ROSS (*St. Paul's*): In connection with that situation I think that brings up this matter, too. It is away along on page 10 but I think this is the place to bring it up. Mr. Dunton said this:

> This is to the general benefit of national service, because increased appreciation by listeners of the key station is a strengthening of the whole dominion network right across country.

How in the world can that strengthen the whole dominion network? How can a station which is more or less local, strengthen the whole dominion network? I cannot understand that.

Mr. DUNTON: Naturally the key station is very important to the network. A lot of the strength of anything depends on the foundation. If that station is strong and well worth while if it is putting on good programmes and tends to be attractive to good commercial programmes, then it strengthens the whole network because programmes of that kind will tend to come to the network partly because of the key station. If the key station is weak, the most essential stone in the structure, then the whole network itself will be weak.

Mr. Ross (*St. Paul's*): You say in another place that you are not anxious to have commercial programmes on that station, that you only want a small amount of commercial programmes. I do not see how that strengthens the whole network.

Mr. Ross (*St. Paul's*): We are talking about two different things. How does it strengthen the whole network? A small 5 kilowatt station would be just as good under the circumstances if you are not going to have ocmmercial programmes, because it only effects the city of Toronto.

Mr. DUNTON: If more network programmes are attracted to the station—

Mr. Ross (*St. Paul's*): If you are not going to have commercials on it it does not affect the whole system.

Mr. DUNTON: Network programmes include network commercial programmes.

Mr. Ross (*St. Paul's*): I still cannot see how just because one station goes up to 50 kilowatts it is going to strengthen the network.

Mr. DUNTON: Because it makes the whole network a better machine for carrying programmes across the country, both commercial and non-commercial.

Mr. Ross (*St. Paul's*): It does not make any difference to the carrying of programmes across the country.

Mr. DUNTON: Yes. Take the sponsor of a good commercial programme Naturally he wants to make sure that a lot of people will hear it in Toronto, the most thickly populated English area in Canada, or let us say the whole of southern Ontario. If he knows that the key station of the network has good coverage over southern Ontario he will be much more anxious to put his programme on the whole network than if the key station in the most highly populated area does not cover the area or is not listened to by many people.

Mr. Ross (*St. Paul's*): You said in another place you did not care much about commercial programmes.

Mr. DUNTON: No, I was talking about non-network commercial programs, and they do not contribute to the building up of a network. We are taking some non-network programs simply because we need the money so badly.

Mr. Ross (*St. Paul's*): And that is the reason why you want to be in competition with private stations by means of a big station in Toronto?

Mr. DUNTON: No, it is because we want to build up alternate national network listening across Canada.

Mr. HANSELL: On the matter of frequency modulation, which is referred to on pages 4 and 5 of the original brief, I should like to ask Dr. Frigon if there has been any treaty signed, or is there a treaty in process of negotiations between the United States and Canada.

Dr. FRIGON: There is an understanding between the United States and Canada on the use of frequencies for frequency modulation in whatever sections of Canada and the United States they may interfere with each other. In other words, we have to know and the United States have to know which frequencies will be used say in southwestern Ontario so that stations on both sides of the border will not interfere with each other. That has been discussed with the

F.C.C. in Washington and an agreement has been arrived at. It is not an official document in that sense. It is an understanding rather than an agreement.

Mr. DUNTON: It is a Department of Transport matter, Mr. Hansell.

Mr. HANSELL: Maybe we will be hearing someone from the Department of Transport.

Mr. Ross (*St. Paul's*): May I ask this question about frequency modulation? First of all take a city like Toronto. What is your opinion as to how many stations of the frequency modulation type the city of Toronto can support?

Mr. DUNTON: I would say we do not know yet. We do not know what our opinion is. We would be glad to receive any assistance or advice we could get from the Committee to assist us in making our recommendation.

Mr. Ross (*St. Paul's*): I suppose what you want to do is to have a variety of stations. I have in mind one outfit that wants to get a frequency modulation licence for the purpose of broadcasting high class material, and so on. That would be one type. Maybe you would have some others, but you do not know how many Toronto could support?

Mr. DUNTON: No, we just do not know.

Mr. Ross (*St. Paul's*): You do not want to have too many or you would have too much competition?

Mr. DUNTON: Quite right. The present private broadcasters say, "If you put too many stations in here you put us all in the position where we cannot provide a proper public service."

Mr. Ross (*St. Paul's*): You will wreck the whole thing?

Mr. DUNTON: Yes. That is the kind of balance we are trying to figure out, and we just do not know the answer.

Mr. Ross (*St. Paul's*): I have another question I should like to ask Dr. Frigon. With frequency modulation can you put directional antennae on the stations near the border?

Dr. FRIGON: Yes.

Mr. Ross (*St. Paul's*): It can be done?

Dr. FRIGON: Yes.

Mr. Ross (*St. Paul's*): And I suppose what you would have to do would be that in conjunction with the United States you would have to make arrangements whereby those stations near the border would have to instal directional antennae?

Dr. FRIGON: Not under the understanding to which I referred a minute ago. Under that understanding we simply will not use frequencies which will require directional antennae, and the United States will do the same thing. In Detroit and in Windsor we will not use frequencies which will interfere with each other.

Mr. Ross (*St. Paul's*): In Windsor you will not use a frequency which will interfere with Detroit?

Dr. FRIGON: No. We will not need to use directional antennae to protect the American stations, because the United States will not have stations which will be interfered with by our stations.

Mr. Ross (*St. Paul's*): Is there not a very much wider range of frequency which can be used in frequency modulation than there is in amplitude modulation, a bigger band?

Dr. FRIGON: No, there is a possibility of using more stations because FM stations have no appreciable sky wave which will interfere with broadcasting

far distant from the station. The question is not that there are more frequencies available but that the frequencies may be used more frequently over a territory.

Mr. Ross (*St. Paul's*): You can put them closer together than you can with amplitude modulation?

Dr. FRIGON: That is right.

Mr. HANSELL: Do I understand you to say that one radio station broadcasts on both FM and AM?

Dr. FRIGON: Well, the radio station may have two transmitters, one AM and one FM. In that case they would broadcast programs on the two. What we call stations are studios, possibly transmitted from a building in which there is a transmitter and aerials; that is a station's combined hook-up. In the station, let us say CBL, Toronto, there is an FM transmitter and an AM transmitter. That makes it possible for CBL to broadcast under the two systems because it goes out on different transmitters

Mr. HANSELL: You say on page 5, it is the policy to encourage FM transmission by the broadcasters; does that mean that they would have to build FM transmitters?

Dr. FRIGON: Yes.

Mr. HANSELL: Would they retain their AM transmitter also? What form has this encouragement taken particularly?

Mr. DUNTON: The board has adopted a policy of more or less automatically recommending applications by the stations for an FM frequency transmitter. We have had a number of discussions with private stations about it and I have obtained their attitude on it. We do not think that because an AM operator gets an FM licence he should have two stations. He has one station already, but we do not think he should have a second station even though he has two transmitters.

Mr. HANSELL: I see.

Mr. SMITH: Why not?

Mr. FULTON: You say you are trying to encourage FM broadcasting by private stations. On page 5 of your brief you say:

> It has also adopted a policy of encouraging FM transmission by private broadcasters. Its policy had been to recommend licences for FM transmitters for present AM stations applying for them. In this connection it is the policy of the corporation that any present AM station operator obtaining an FM licence should carry all the same programs on his FM transmitter as on his AM transmitter.

It would appear to me that if you put in an FM station you should have a separate wavelength for it. Would you explain that?

Mr. DUNTON: I think it is more a question of initiative, a matter of policy; but if the committee thinks we are wrong, we would like to have an expression of opinion on it. We feel that if a man has an AM transmitter he already enjoys a very great privilege; he has the big privilege of being a part of a monopoly, of having a frequency that can be used in that area, and that if you were to give him another chance you would be defeating the possibility of other people coming in and broadcasting in that area.

Mr. SMITH: Why give him FM if he can't use it?

Mr. DUNTON: He can make use of it?

Mr. SMITH: On the same station?

Mr. DUNTON: Yes.

Mr. SMITH: Where do you specify that?

Mr. DUNTON: Just by his saying we want to encourage it. We think it would be a good thing if private operators do go into it and we do not feel—and again I say, perhaps this committee thinks we are wrong in this—we do not feel that the AM operator should have the further privilege of operating two stations, particularly where his FM transmitter can be operated on another wavelength, improving the reception in the local area through the use of the FM transmitter.

Mr. FULTON: Surely, that would not follow if you give him a preference in obtaining an FM licence in addition to the AM privilege which he holds. Why do you give him that preference?

Mr. DUNTON: We have given him a preference of this kind because we felt that to get something going in Canada we should give preference to the extent that stations which already operate on AM would have some inducement to enter the FM field; and we thought that we would follow that probably up to July first. It would give us an opportunity to see how it would work out, and if it was not satisfactory for that time then we could rewrite our policy.

Mr. FULTON: Why is it then that at the same time as you are trying to encourage the introduction of FM transmission do you adopt the policy which you indicate here at the bottom of page 5, of requiring them to carry the same programmes on both outlets on both systems? If you adopt the first policy, of giving a preference to the holder of an AM licence in obtaining an FM licence, why do you also adopt a policy of requiring him to carry both programmes on both outlets.

Mr. DUNTON: Perhaps we have been wrong. We thought it was important to stimulate FM transmission because there was very little happening in FM. We felt by doing that we might get something going; obviously, once you get something going you have others who want the right to broadcast.

Mr. ROSS (*St. Paul's*): I know of one up in Toronto that would ask for an FM station licence to-morrow if they thought they had any chance of getting it.

Dr. FRIGON: There is a technical point which may help here. An AM station must be built somewhere out of town. For instance, a 5 kilowatt station may have to be 12 miles out of twon, where a 50 kilowatt station probably would have to be anywhere from twenty-five to thirty-five miles out of town. An FM station can be built right in town, practically all you have to do is build a mast on the top of the building in which your studio is located, a transmitter; one which in most cases needs only to be relatively low power, and which would permit you to broadcast over the town in question the same programmes which you are putting out on your AM transmitter which transmits over a wider area. That is a very important point. In other words, the present AM broadcasters with the equipment they have can, at little extra cost, add to their services an FM transmitter. You see my point. Another thing is that, this is a thing which people generally forget, there are no FM receivers in Canada, I mean to any practical extent, and there won't be any for a long time to come; and, particularly, there will not be if there are no FM's on the air.

Mr. FULTON: Well, are you not still inconsistent when you say that they are part of a private monopoly in broadcasting if at the same time you turn around and give them priority in using FM; I mean, to those who already have AM. Do you think that affords encouragement?

Mr. DUNTON: That has only been our policy for the past six months during which time we have only issued seven licences.

Mr. FLEMING: What are the seven stations to which you refer?

Mr. DUNTON: I have forgotten them; offhand, one of them is CFCF, Marconi, Montreal; I think there is one in Saint John—

The CHAIRMAN: Perhaps you would give us a list of those this afternoon.

Mr. DUNTON: Yes.

Mr. HANSELL: Is there any suggestion of FM superseding AM eventually and AM going out of business?

Mr. DUNTON: As I say here, we have the hope that perhaps in the future if FM really develops it will be because of improved conditions in transmission, and it may be of advantage to the broadcasters to use FM in a good many instances instead of AM to give their listeners a better service.

Mr. HANSELL: I mean, if there is danger of FM taking the place of AM, then the proper policy would be to let those who are now under AM turn over into FM.

Mr. DUNTON: That is one of the reasons why we felt they should be encouraged to go into FM.

Mr. ROSS (*St. Paul's*): How many applications have you had from Toronto?

Mr. DUNTON: I don't know that any have come to us.

Mr. ROSS (*St. Paul's*): None have come to you?

Mr. DUNTON: They go to the Department of Transport first.

Mr. ROSS (*St. Paul's*): They go to the Department of Transport first?

Mr. DUNTON: Yes.

Mr. ROSS (*St. Paul's*): What effect has 25-cycle power in Ontario got in respect to this question of FM transmission? Would our receivers, our receiving sets, have to be 25-cycle sets?

Mr. FRIGON: That is right.

Mr. ROSS (*St. Paul's*): That would mean that all sets supplied for FM transmission in Ontario would have to be made specially to use 25-cycle power in that area?

Dr. FRIGON: That is right.

Mr. FLEMING: Is it likely to be an expensive matter for these stations to equip themselves for FM broadcasting?

Mr. DUNTON: No, it is not as expensive to put in an FM transmitter as it is to put in one of the present AM transmitter outfits.

Mr. FLEMING: Would it be much less expensive for the present operator of an AM station to equip his station to operate with FM than to set up a new station?

Mr. DUNTON: I think it would. As Dr. Frigon pointed out the present operator would just have to put up a small set and aerial on the top of his building in order to be able to broadcast.

Mr. FLEMING: It is a relatively inexpensive undertaking to supplement the existing AM station with equipment necessary to broadcast FM?

Dr. FRIGON: That is right.

Mr. ROSS (*St. Paul's*): What is the cost of an FM station, roughly?

Dr. FRIGON: Oh, I would say that it would cost $45,000 to put in a 3 kilowatt station. That would give you a good deal of power.

Mr. ROSS (*St. Paul's*): That is pretty good power?

Dr. FRIGON: Yes, and it would require a certain amount of structural work on the roof to locate an aerial there.

Mr. Ross (*St. Paul's*): And what coverage would you get; would that cover a good many miles? Could you give us that roughly?

Dr. FRIGON: With a 3 kilowatt station you could get I suppose easily 20 to 25 miles.

The CHAIRMAN: That is the radius?

Dr. FRIGON: Yes, the radius.

Mr. SMITH: Coming back to my question, if I may; at the bottom of page 5 you say:

> The thought here is that one operator should not have the special privilege of operating two separate stations, with separate business on each, but should be able to put out his signal and programmes by two means of transmission, FM as well as AM.

What I want to ask you is this, would this involve the use of new receiving sets?

Dr. FRIGON: The bulk of the receivers which are on the market now are for AM only, but some of the new receivers have both AM and FM.

Mr. SMITH: I mean, they are being made; they are constructing sets now?

Dr. FRIGON: Yes.

Mr. SMITH: What advantage then has a man who has an AM station now to gain by putting in an FM station if he is limited to the one program on both?

Mr. DUNTON: I would say he is able to give better service, particularly to listeners who will be wanting to buy FM sets. They will get much better service on them.

Mr. SMITH: Yes; I have an FM receiver and also an AM receiver?

Mr. DUNTON: Yes; but as Mr. Hansell pointed out there may be a definite swing in the future to FM, therefore perhaps it might be wiser to go in for FM now.

Mr. SMITH: The answer then is this, the desirability of a man showing himself against something which may happen in the future?

Mr. DUNTON: Maybe; also he may want to be in a position to get better service, or to give better service to his listeners.

Mr. SMITH: All right, he is receiving the same program he is receiving now on his AM, so I can't possibly see what he has to gain.

The CHAIRMAN: Am I to understand that the same programme is broadcast in two waves at the same time?

Mr. SMITH: Yes. That is what he says at the bottom of page 5.

The CHAIRMAN: Yes.

Mr. SMITH: It says here to limit a man on an FM transmitter to the same programme as he carries on his AM transmitter. I am wondering why that regulation was made.

Mr. DUNTON: We tried to explain Mr. Smith; it is because we thought, and it has been our view—perhaps the committee will think we have been wrong in it, we invite their help—we have thought that the present AM operator should not have the very exceptional privilege of a second station, because there might be a lot of other people who might like to get into radio.

Mr. SMITH: What encouragement does that offer the best operator; how do you justify that?

Mr. DUNTON: I take it you are suggesting that FM transmitter should be given a different wavelength and put on a different program. The point as I see it is that using the FM transmitter he is enabled to put on a better programme;

that is, his listeners get better reception on that programme. We do not feel that merely because a station operator added FM to his present AM transmitter he should be given an additional station.

Mr. SMITH: And you say your receiving apparatus will permit you to pick up both FM and AM?

Mr. DUNTON: Yes.

Dr. FRIGON: But if a listener has a good FM receiver, well installed, he will enjoy the FM program much better than the AM program because of quality. In some locations his reception will be very much better, and he will get more enjoyment out of the same programs because they are broadcast over FM. The facilities of the same station are used.

Mr. SMITH: Well, all right; take my own home, I have an AM receiver and I get perfect reception. I do not know how you could make it any better. Of course, that may not apply to some areas such as those in which most of us do not live. You have a receiving set which brings in both FM and AM and no matter which you use you get the same program from either transmitter.

Mr. DUNTON: He can choose whichever he likes.

Mr. SMITH: Whatever in the world the listener has to gain through that, I do not know.

Dr. FRIGON: If you have an FM set in your own home and you listen to CBL, to both the AM and the FM, you will have the answer.

Mr. SMITH: I get AM programs on my set just as well as you can get FM on yours.

Mr. DUNTON: With respect to the question of FM, a good many people find that it gives them better reception, particularly in areas where there is local interference.

Mr. SMITH: Well, I know the kind of reception I get on my set. I do not know how you could make it any better.

Mr. DUNTON: As I say, there are some places in which you get a good deal of interference and that is where FM has a decided advantage.

Mr. HANSELL: It depends largely on the territory in which you are living?

Mr. DUNTON: Yes.

Mr. HANSELL: I would like to pose this question, Mr. Chairman. Can an FM broadcasting station link up with the present networks?

Mr. DUNTON: Yes, sir.

Mr. HANSELL: So it wouldn't make any difference, they could be a station affiliated with a network whether they transmit by AM or FM?

Mr. DUNTON: Yes.

Mr. FLEMING: Does the matter of FM not relate to the Havana treaty at all?

Dr. FRIGON: No, definitely; that does not cover FM transmission at all. When the North American committee met, the major countries, FM did not exist.

Mr. FLEMING: And so the matter of the employment of wavelengths for FM is completely open; is that right?

Dr. FRIGON: Yes.

Mr. FLEMING: All the signatories confined themselves in internal assignments of wavelengths to the terms of the treaties so far as FM is concerned?

Dr. FRIGON: No, FM has nothing to do with the North American agreement.

Mr. FLEMING: Is it only related to the countries which are immediately adjacent to each other, such as Canada and the United States?

Dr. FRIGON: And Mexico and the United States, and Cuba and the United States.

Mr. FLEMING: Let us carry this through to an understanding. Do I understand that at the present time the licensing body in Canada in the matter of FM is completely free of any international restrictions in its allotment of FM frequency?

Mr. DUNTON: Subject to the terms of whatever agreement is made between the United States and Canada.

Dr. FRIGON: At the present time it is a matter of self-protection between Canada and the others.

Mr. FLEMING: What?

Dr. FRIGON: It is a matter of self-protection. We do not intend to do anything which will interfere with any transmission by FM in the United States. There is a mutual understanding. It is not in the form of international agreement. At the present stage it is merely an understanding.

Mr. FLEMING: What are the terms of the understanding?

Dr. FRIGON: It relates to the allocation of frequencies over territories according to technical conditions which have been approved—

Mr. DUNTON: That is really a Department of Transport matter and I think you should ask them that.

Dr. FRIGON: In other words, it is a matter of the assignment of the frequency, let us say, of 100 megacycles, and Canada agreed to use it within certain territorial areas because it might interfere with a station operating on that frequency over certain territory in the States.

Mr. FLEMING: When you speak about a station operating over a certain territory, you mean then, in effect, that you are operating in accordance with the Havana treaty?

Dr. FRIGON: No.

Mr. FLEMING: Does it not come down to this; that in so far as Canada, the United States, Mexico and Cuba are concerned, they are respecting in the FM field the conventions established by the Havana treaty in the AM field?

Dr. FRIGON: No.

Mr. FLEMING: It does not?

Dr. FRIGON: No.

Mr. FLEMING: I am bound to say that has not been made clear to me yet. However, if that is not a matter for you to deal with then we can take it up with the officers of the Department of Transport when they are here. I suppose Mr. Brown of the department will be available, Mr. Chairman?

The CHAIRMAN: Yes. That being a governmental matter and the Department of Transport being the authority indicated by the government and parliament to deal with it, it is a matter which can be taken up with them later on.

Mr. FLEMING: Will we be calling Mr. Brown some time?

The CHAIRMAN: Yes, and we can get an answer to that from him.

Mr. SMITH: When I get my new receiving set, do I have to have an additional licence?

Mr. ROBINSON: But, Mr. Smith you have said that you are perfectly satisfied with AM as you have it now?

Mr. SMITH: Yes, I stand by what I said; but I was just wondering in the case of those who have the two receivers for both FM and AM, if they will be required to buy two licences, or if they will only need just the one.

The CHAIRMAN: They cannot answer that, that is fixed by regulations which they do not make.

Mr. SMITH: They do not make them, but they recommend them.

The CHAIRMAN: I do not think they do on that; although, Mr. Smith, I remember that you said at the last meeting, referring to certain recommendations they make, they are accepted 100 per cent; and I think you are quite right; but that referred to the assignment of wavelengths. I do not fancy these people have much to do with the setting up of the $2.50. That is a matter of government policy.

Mr. SMITH: If you increase the receptive capacity of your set, I would be inclined to think that would have some bearing on the licence fee required?

The CHAIRMAN: I do not think so. Of course, you may be right.

Mr. WINTERS: On the question of relative coverage of AM and FM, I think you mentioned that the major part of a signal on FM went out as groundwave, not skywave, and that there was less skywave with FM than there is with AM.

Dr. FRIGON: There is still a lot to be learned about skywaves in relation to FM transmission. It is generally recognized that they are what causes a good deal of interference with AM.

Mr. WINTERS: For a given frequency would you not get as much skywave with FM as with AM transmitting the same power signal?

Dr. FRIGON: No. Any frequency using AM reflects rather easily a given sort of skywave.

Mr. WINTERS: For a given frequency you get as much skywave for FM as for AM?

Dr. FRIGON: Oh, you mean in a given frequency for either FM or AM?

Mr. WINTERS: But if you were broadcasting on both AM and FM bands, you would get the same amount of sky wave?

Dr. FRIGON: No, you would be sending your programme over two distinct paths, one over the frequency of the AM band and one over the frequency of the FM band.

Mr. WINTERS: If you were broadcasting on AM and FM frequency and if you were modulating the frequency into an AM band—

Dr. FRIGON: Oh yes, if you were modulating on the AM band by frequency modulation—

Mr. WINTERS: You would get the same skywave?

Dr. FRIGON: No, the skywave is only controlled by the frequency used, not by the modulation.

Mr. WINTERS: That is what I mean, the electro-magnetic waves are the same?

Dr. FRIGON: Yes, but they have different characteristics.

Mr. WINTERS: Yes, I know.

Dr. FRIGON: If I may sum it up; if you were using the high frequency which is used for FM, you have no skywave. Whether the frequency is modulated by frequency modulation or amplitude modulation makes no difference.

Mr. FULTON: Would you be prepared to concede that there would be greater encouragement offered to the installation of FM equipment if the person installing it was free to broadcast different programmes over his AM and FM equipment?

Mr. DUNTON: I would not think necessarily, Mr. Fulton. There might be some more.

The CHAIRMAN: Might I ask this supplementary question? I was thinking of that situation as Mr. Smith put it, and if I had a machine which could receive both, would it not simply mean I would stop listening to, in my case, CKY on the AM and that everybody else would do the same. If CKY had both broadcasting systems, the station would only be received on the one as soon as this idea became general. Consequently, the AM equipment would be of very little use shortly, by reason of their own FM transmitter.

Mr. FULTON: That might be so eventually.

Dr. FRIGON: Perhaps this will answer the question: who would be induced to have an FM transmitter when there are no receivers to receive that transmission at the present moment?

Mr. FULTON: According to this brief you are trying to encourage people to install FM transmitting systems in the hope, I presume, people will be buying FM receiving sets. My point is this: are we not limiting the possibility of the installation of that type of equipment by making those people carry the same programme on both stations?

Dr. FRIGON: As the chairman has said, there is a definite limit, up until the first of July of this year when any AM operator who applies for an FM transmitter will get a permit rather easily. On the first of July of this year, within one month, anyone can apply for a station and he will be considered.

Mr. FULTON: You are still going to compell the man who has both types of equipment to carry the same programme over both stations.

The CHAIRMAN: Just a moment, gentlemen. Mr. Fleming, when he was sitting here was trying to signal me and I presume he was trying to tell me there was a luncheon and the members desired to adjourn a few minutes before one o'clock. We will adjourn now and resume at four o'clock this afternoon.

The committee adjourned at 12.50 a.m. to resume again at 4.00 p.m.

AFTERNOON SESSION

The committee resumed at 4 o'clock p.m.

The CHAIRMAN: Gentlemen, in the memorandum which has been supplied dealing with the report on the $2,000,000 loan Dr. Frigon has made a correction in the copy which I have with a view to it being passed on and put in the record. On page 3, the first line in paragraph 3, it says, "The balance of $349,214", and so on. That should be changed to read, "The balance of $395,000", and so on.

There is also a correction in the return of the radio division, Department of Transport, as to the list of broadcasting stations in operation in Canada as of April 1, 1947. It is appendix 5. There is a copy of the sheet which gives the correction for everybody and it is being passed around.

There is also a correction from the Department of Transport in its return called "Statistics covering the issue of private receiving station licences." On appendix 2, radio receiving licences, in the first column of figures of licences for the years 1946-47 it gives 1,807,824. That is an error because it includes those that were issued free which is in the next column, 8,931. The corrected figure for 1946-47 should read 1,798,893.

Mr. ROSS (*St. Paul's*): What page is that?

The CHAIRMAN: It is in appendix 2 of this return which happens to be the second page.

Mr. ROSS (*St. Paul's*): What are those figures again?

The CHAIRMAN: You have the place?

Mr. Ross (*St. Paul's*): Yes.

The CHAIRMAN: The figure first supplied was 1,807,824. That should be 1,798,893.

Mr. REID: Does that change the percentages?

Mr. CATON: No, sir.

Mr. REID: Are the percentages correct and the figures given in appendix 2 wrong?

The CHAIRMAN: That is the only change in that.

Mr. Ross (*St. Paul's*): The 8,931 stands?

The CHAIRMAN: The 8,931 is all right, and all the rest of that is correct. It is just that one figure that requires changing. The other figures are correct. I suppose that if you had gone through the arithmetic of those various other figures in the way this sheet was first you would have found it was not correct.

Mr. Ross (*St. Paul's*): Most of us will get to that about next Christmas.

The CHAIRMAN: Yes, or perhaps boxing day. When we rose I think Mr. Fulton was engaged in asking a question, but he is not here. You all remember where we were. We were on page 4 of the brief.

Mr. HANSELL: Mr. Chairman, as to frequency modulation we were talking this morning about the encouragement that had been given for stations to become equipped with FM transmitters, and so forth. There seems to be in a part of the report here—and I refer to page 7—something that might discourage the installation of FM. That is the reference that is made in the second paragraph to the United States musicians' union. It says:

> In the United States the musicians' union has refused to allow a program using any of its members to go out on an FM transmitter as well as on an AM transmitter. This stand is greatly retarding the growth of FM in the United States and will have the same effect if applied in Canada.

Perhaps that is something over which we in Canada have very little control, but I wonder if I might ask if there is any union or body of similar artists in Canada who are affiliated with Mr. Petrillo's organization?

Mr. DUNTON: Yes, the Canadian Federation of Musicians is affiliated with the American federation.

Mr. HANSELL: Then that would affect us here in Canada considerably, would it? Perhaps this is not a fair question to ask Mr. Dunton, but it would occur to me that any decisions made by Mr. Petrillo would apply to the musicians' union here.

Mr. DUNTON: I think it is really more for the union to answer that.

Mr. SMITH: There is no doubt about it at all. It is a fact.

The CHAIRMAN: Your question did not arise out of this paragraph on page 7, did it?

Mr. HANSELL: Yes.

The CHAIRMAN: All right. I wondered whether it was something further back.

Mr. HANSELL: No. You see the point is on pages 4 and 5 we encourage the installation of FM transmitters, but the statement on page 7 would not encourage them very much because if they install FM and find that they cannot broadcast anything that the Musicians Union in the United States do not want to put over FM then they would be in a rather awkward situation.

The CHAIRMAN: I think perhaps in fairness to the Canadian section of that union we should not say that decisions are wholly made in the United States. They are a thoroughly democratic body as to their manner of carrying on

business and the decisions made I have no doubt are as equally Canadian membership as American membership. Of course, there is a much larger number of them in the United States, but like most of the international unions there is complete representation from Canada.

Mr. HANSELL: Of course, my small voice does not reach very far, but I think there is a good deal of opinion in Canada that militates against the apparent power that this one man, Mr. Petrillo, seems to have in the United States. I think I am right in saying that we in Canada do not like it.

Mr. BERTRAND: Frequency modulation will mean better reception to the radio set owners, will it not?

Mr. DUNTON: Where the signal can be heard, yes.

Mr. BERTRAND: Where the signal is heard, so that in the long run is it not a fact that frequency modulation will be used in spite of all unions because the public will demand it and the union surely will not be able to resist that demand?

Mr. DUNTON: We feel that it should be a forward development in the art of broadcasting.

Mr. BERTRAND: In spite of the fact some union might not favour it at the moment is it not a fact it should be developed just the same because people will demand it for better reception?

Mr. WINTERS: Is not the union referring to the case where it is broadcast simultaneously over FM and AM?

Mr. DUNTON: I think that is the situation in the United States on that.

Mr. BERTRAND: Is it not a fact it will give better reception and people will demand better reception?

Mr. DUNTON: It will give better reception, but we do not know very much about public demand.

Mr. HANSELL: It is a question which is the most powerful, the wishes of the listeners or Mr. Petrillo.

Mr. BERTRAND: I do not think there is any doubt about that. The listeners would be.

Mr. SMITH: Is that so?

Mr. HANSELL: I would disagree there at the present time.

Dr. FRIGON: There is another reason as to FM which is important. If FM develops as it might in a number of years AM frequencies may be used for clear channels only. In other words, frequencies which permit wide coverage may be used for clear channels and FM for local coverage which would make in a sense a better use of the frequencies which can reach far out. That is another technical aspect of FM which is worth considering.

Mr. DIEFENBAKER: I have before me a report, "A Free and Responsible Press." You will remember that the University of Chicago gathered together a group under the chairmanship of Robert Hutchins to look into the question of communication. This commission has dealt with that matter and I wonder whether these facts are correct.

Frequency modulation radio is now mechanically ready for general use.

The CHAIRMAN: I did not get that. I do not know whether the reporter did. Would you say it again?

Mr. DIEFENBAKER: I will move up a little.

The CHAIRMAN: It was not clear enough to me, and I presume it was not clear enough to the reporter.

Mr. DIEFENBAKER: I am reading from this report because I intend to base certain questions on it after I have asked Mr. Dunton a number of questions that there is no dispute about, as I see it. In this report issued by the com-

mission on freedom of the press under the chairmanship of Robert Hutchins, to which much reference has been made in recent weeks, the following appears, and I am asking Mr. Dunton whether this is a fact.

> Frequency modulation radio is now mechanically ready for general use. It is expected to replace the standard broadcasting systems, except for high powered clear channels reaching sparsely settled areas.

There is no dispute about that, is there? Is that correct?

Mr. DUNTON: I would think so, except I do not think our board would be as positive in its statements.

Mr. DIEFENBAKER: This board was composed of Robert M. Hutchins, chairman, of the University of Chicago, a professor of law in Harvard, a professor of economics in Columbia, a professor of philosophy, the former United States Assistant Secretary of State, Archibald MacLeish, Beardsley Ruml, chairman of the Federal Reserve Bank, and so on. They are outstanding men. Then a little later on it points out this, and this is what I am coming to.

> Frequency modulation provides an opportunity for more stations, each serving its local community on equal terms as to volume, and makes possible new and more widely distributed station ownership.

Is that correct?

Dr. FRIGON: Yes.

Mr. DIEFENBAKER: What I am coming to is that with the development of frequency modulation it is expected, is it not, that facsimile newspapers will be very practicable?

Mr. DUNTON: As I understand it it is easier on the whole to broadcast facsimile on an FM station than on an AM station. Do you agree with that, Dr. Frigon?

Dr. FRIGON: I suppose so, yes. That is the way it is developing now.

Mr. DIEFENBAKER: It points out this fact, that we are coming to a time when under frequency modulation the thought of a nation could be governed not only through the medium of the ear but also through the eye in the publication of a facsimile newspaper. Is that correct?

The CHAIRMAN: Well, you are getting—

Dr. FRIGON: Those are very broad and very positive statements.

Mr. DIEFENBAKER: If you disagree with broad statements then reduce them to the proper perspective. I will read this to you and then I will ask you because I am going to read to you the section of the Broadcasting Act when I am through.

> The facsimile newspaper is equally practicable now. Such a newspaper would go to press at the local radio station at 5 a.m., say, would be broadcast from FM transmitters, and would drop, automatically folded, from the home radio receiver ready for the family breakfast table. It can be distributed more quickly and more frequently than the standard newspaper. No expensive power presses will be required to print it and newsstands, news dealers, trucks, trains or airplanes to distribute it. The farmer and the city dweller will have access to news of the same quality.

Then it goes on to point out that it can be provided even at present cost for 4 cents for a four page facsimile edition, and that the receivers will cost from $100 to $400. If the conclusion of these men be so has consideration been given by the C.B.C. to the issuing of facsimile newspapers?

Mr. DUNTON: No, it has not. We have not considered the question.

Mr. DIEFENBAKER: You have the power under the Act, have you not? I will read you section 8, subsection (*h*).

> (*h*) Publish and distribute, whether gratis or otherwise, such papers, periodicals, and other literary matter as may seem conducive to any of the objects of the corporation.

Subsection (*i*):

> (*i*) Collect news relating to current events in any part of the world in any manner that may be thought fit and to establish and subscribe to news agencies.

Mr. DUNTON: I think that section was simply written with the idea of ordinary publication by the usual methods and relating to the business of the corporation.

Mr. DIEFENBAKER: But it is wide enough to cover any publication, is it not?

Mr. DUNTON: I would like to have legal advice on that.

Mr. DIEFENBAKER: Well, you don't want the power to publish a facsimile newspaper on the C.B.C.?

Mr. DUNTON: We haven't thought of it.

Mr. DIEFENBAKER: You don't want it?

Mr. DUNTON: We haven't made a move in that direction.

Mr. DIEFENBAKER: The point is this; is there any reason why you should want to retain the power not only to direct the thought of the individual by ear but also to invade the field of newspaper publication. Do you want that authority?

Mr. DUNTON: In the first place, I would say we do not try to direct anybody's thinking.

Mr. DIEFENBAKER: Well, sometimes even though one does not try the result is of equal effect. I believe you do not profit, but do you want that power as chairman of the C.B.C. board of governors?

Mr. DUNTON: You mean the power to publish?

Mr. DIEFENBAKER: To issue facsimile newspapers.

Mr. DUNTON: I cannot say because the board has not even considered it.

Mr. HANSELL: The fact is though that they have that power. I think perhaps, Mr. Chairman, the important point is this; facsimile newspapers are directly the result of radio and not the result of any mechanical press; and, as the C.B.C. have the power over radio in the issuing of licences and so forth, therefore they have the power over facsimile. I pointed that out last year on the floor of the House.

The CHAIRMAN: I think that is common ground.

Mr. HANSELL: And the danger that I see in it is that facsimile newspapers when they come into their own as a regular thing will mean that the present newspaper business will just be put out. That is my view; there is a possibility there.

Mr. DIEFENBAKER: As a matter of fact, Mr. Dunton, as Mr. Hansell has said, you have in your power under that section practically to wipe out the press.

Mr. DUNTON: I would say certainly not, Mr. Diefenbaker; absolutely not.

The CHAIRMAN: I am sure you will both agree it does not make any difference whether the C.B.C. want the power or whether they don't. The important thing is whether we parliamentarians desire them to have it. That is the important point.

Mr. DIEFENBAKER: Yes.

Mr. COLDWELL: There is another point, too; would Mr. Dunton desire to give this power up at this time?

Mr. DIEFENBAKER: That is what I want to find out.

Mr. COLDWELL: Whether it would be a wise thing or not, who can foretell what scientific development may be. May I point this out; if it is dangerous for the C.B.C. to have the power to issue a newspaper is it not equally dangerous for the newspapers to control radio? We had this morning placed before us a list of 39 private radio stations in this country, 38 private radio stations in this country are already controlled by newspapers, and one licence pending. Now, if there is the inference that it would be dangerous for a publicly-owned organization controlled by this parliament to issue a newspaper, is it not much more dangerous to have these private institutions issuing newspapers in control of radio?

Mr. DIEFENBAKER: I think it is much more dangerous when you place in the hands of the state power over radio to issue facsimile newspapers, place them in control of that without any competition.

Mr. COLDWELL: Supposing we agree on this, that any monopoly on any service is a danger to the public.

Mr. DIEFENBAKER: Yes.

Mr. COLDWELL: Then we are on common ground with respect to setting up these newspaper interests in charge of radio.

Mr. HANSELL: No, there is another important point there, Mr. Chairman.

Mr. COLDWELL: Oh, no.

Mr. HANSELL: As we progress in science, in the field of radio, my argument is that the newspaper has a perfect right to a radio licence by reason of the fact that facsimile, if we are to accept what the authorities tell us, eventually will displace the present medium for the publication of news. All that a newspaper is doing when they look for a radio licence is keeping an eye on the future to protect themselves. Now, the urge that seems to prevail in some quarters is to divest the newspapers of any possibility of being able to have a radio station. I do not agree with that. I believe this is carrying on the newspaper business, if you like, with a long-range view.

Mr. COLDWELL: In any event, we are discussing a rather hypothetical question.

Mr. HANSELL: It surely is not hypothetical, because it is being done to-day in the United States.

The CHAIRMAN: You know, Mr. Hansell, as a matter of fact, we haven't actually done much debating as we went along, just a little bit now and then; that does not matter. I had this idea in mind and thought I might throw it out now; that at some stage I thought I would ask the committee to have a special session for this; not so much for the representatives or anything, or the asking of questions, but rather to take up seriatim, one, two, three, questions which we know have to be taken up and perhaps settle them as for this year; one being this problem of newspaper ownership.

Mr. HANSELL: I am for that.

The CHAIRMAN: And this other point you are mentioning this newspaper-owned radio.

Mr. DIEFENBAKER: The reason I brought it up, Mr. Chairman, was because it goes naturally with frequency modulation. I am one of those that believes that these powers in the hands of corporations to publish and distribute papers, periodicals, and so on, is a dangerous one and should not be in their hands at all.

The CHAIRMAN: I appreciate that; and, of course, as Mr. Diefenbaker said, the question arises quite naturally. I am only asking that we consider a special session on these few things.

Mr. HANSELL: If we have special sittings I am going to insist on a record being kept.

The CHAIRMAN: You are a free agent.

Mr. COLDWELL: You don't mean a sitting in camera; you mean a special session.

The CHAIRMAN: I just meant, let us discuss these things among ourselves.

Mr. COLDWELL: But a record will be kept?

The CHAIRMAN: I thought we should have a special session in which we could discuss matters of this kind, not necessarily to take evidence on them. That will depend on what you want.

Mr. DUNTON: May I say a word?

The CHAIRMAN: Yes.

Mr. DUNTON: It certainly is my opinion that before the corporation even thought about facsimile transmission it would be a matter of public policy which certainly should be considered by a parliamentary body. This is something new which has come in since the Broadcasting Act was written. Then, too, I would like to suggest that the section to which you refer, I do not think has any relation to facsimile broadcasting at all; it relates to the usual work of the corporation, to what any radio organization does, in putting out publicity matter in connection with its broadcasts.

Mr. DIEFENBAKER: That is not what it says. I read all the speeches, and I know what Mr. Bennett himself said when the bill was up in the House; and it was Mr. Howe, I believe who dilated on what Mr. Bennett said at the time when the matter was being discussed in the House. True, at the time that discussion took place in the House there was never any thought of facsimile production; but it is a very different thing when you come to read it. To-day you can publish and distribute a complete newspaper which is ready for you at the breakfast table when you come down in the morning. Nevertheless, this section gives you the power to publish and distribute such papers, periodicals and other printed matter as may be conductive to any project of the corporation.

Mr. DUNTON: I would be afraid if it were taken out—I don't know what the legal language would be—that we would not be able to put out the usual material about programmes. Some of those are papers and periodicals which go out once a week or once a month; it might be what you would consider to be a literary matter. I would be awfully afraid of taking it out as it would place a terrible handicap on us as a broadcasting corporation.

Mr. DIEFENBAKER: But as long as you retained that right, to publish your own publicity and service material; as long as that was retained would you be prepared to forego the other powers?

Mr. DUNTON: I do not see how you can separate it; I mean that is what this sub-section covers.

The CHAIRMAN: I think perhaps you are really not so far apart. One man wants to stop you from having a newspaper; you on the other hand want to be sure to have the power to issue such publicity material as may serve your organization. I think if the two of you got together you could very easily reconcile your differences.

Mr. COLDWELL: Might I ask Mr. Diefenbaker through you, Mr. Chairman; is he opposed to having the C.B.C. publish material which is necessary and useful for its own operating purposes?

Mr. DIEFENBAKER: That is quite a different thing. I have no objection to that. That is quite a different thing. As is pointed out very clearly in this summary, if you allow the state to control the medium of communication, to my mind you are giving them the right to exercise a power which they should not have.

Mr. COLDWELL: I agree with you, but I go beyond that. Say that it is a danger to the state to allow any group of private individuals to control radio and the newspapers, newspapers which in fact exercise a wide measure of public control. Take, for instance, the newspapers in my area, in Saskatchewan. You come from Saskatchewan and you know as well as I do that the news service in the province is controlled—there are two stations in Regina, one in Saskatoon, I believe, and one in Winnipeg; and they are all controlled by the one newspaper—Saskatoon, Regina and Winnipeg. I think at the moment one paper controls them.

Mr. DIEFENBAKER: But they do it with fairness.

Mr. COLDWELL: Yes, but you never know when they might disappear and others take over who would not have the same point of view.

The CHAIRMAN: I suppose, as a matter of fact, a lot of this objection that is being referred to arises out of what one might call a fear in the minds of some that some other party may at some time get control who would use the power for, shall I say, socialistic purposes?

Mr. COLDWELL: There is no fear of that, surely—

The CHAIRMAN: As I said, I suggest that we might be able to settle matters of this kind in a special session.

Mr. REID: I was one of the members who listened attentively to the discussion which took place in the House at the time to which reference has been made, and I am quite sure that no reference at that time was made to this matter of facsimile, nor at that time was there the slightest thought that it might become a fact; and, as a result, it was not considered at the time the Act was before the House. I would say this: that was the fact, and I believe it is about time the committee should study the policy of the C.B.C.; because, after all, it is a centralized body, and if there is a danger in the new system we should check it before it goes too far. That is my view of it. I realize that Mr. Dunton could not very well give a yes or no answer; because, I know if anybody decided to take the power, it is there; they could print that paper. I have no doubt, if it was government policy to make a newspaper under that system they have the power there under which to do it. I am not a lawyer.

The CHAIRMAN: But, Mr. Reid, if that were government policy, if the government decided to use it, I suppose they could always change it back to do it.

Mr. REID: That is something worthy of thought. I remember that Mr. Bennett predicted some day the transmission of electricity over the air. I am sure nobody ever thought this would arise. I can say, speaking for myself, that it never entered my mind.

Mr. COLDWELL: I was a member of the committee the year we had a demonstration of facsimile broadcasting right here in this room. Do you remember what year that was?

An Hon. MEMBER: 1941.

Mr. COLDWELL: I know it is not so very long ago.

Mr. DIEFENBAKER: Now, we are in position where they issue a paper folded and laid down ready for you to read at the breakfast table.

Mr. DUNTON: It seems to me, Mr. Chairman, that the very important clause in this subsection is this: "as may seem conducive to the well-being of any

project which the corporation has the power to carry on." Of course, that applies to a national broadcasting service. That to me seems to be the important safeguard in the thing.

Mr. REID: That, including news.

Mr. DUNTON: This subsection says that we can publish papers, periodicals, —conducive to carrying on a broadcasting service.

Mr. REID: And that includes news.

Mr. DUNTON: The subsection reads:

> (*h*) publish and distribute, whether gratis or otherwise, such papers, periodicals, and other literary matter as may seem conducive to any of the objects of the corporation;

Mr. COLDWELL: But it also provides for the broadcasting of news.

Mr. DUNTON: Yes, as part of the broadcasting service. I do not think that the dissemination of news necessarily means publication of a newspaper for the sake of publishing a message. I do not think that would be the proper function of the corporation at all.

The CHAIRMAN: How would it be, gentlemen, if you would take a rain check on further discussion with a view to continuing it on day to be set aside for the purpose as I suggested earlier.

Mr. HANSELL: Yes.

Mr. REID: Can we go back to that. I am suggesting that for the past few years we have not had a review of the Canadian Broadcasting Act. Our discussions have been pretty well confined to the brief which has been submitted by the C.B.C., the Association of Canadian Broadcasters—or whatever you call them—and others; and perhaps the time has come when we should have a session or two to review the Act itself and the regulations to see if it would not be wise to recommend some changes in them.

The CHAIRMAN: It is quite apparent though that unless we proceed we will not do that this year. We are piling up a great many things now, you know.

Mr. HANSELL: Perhaps we had better proceed then.

The CHAIRMAN: Well, if you think that, I agree. I think Mr. Smith wants to ask something.

Mr. COLDWELL: Might I make a correction? If I conveyed the impression just now that I was referring to all the stations in Saskatchewan being owned by one group—I am not sure, I do not think I said that.

The CHAIRMAN: No, I do not think you did.

Mr. COLDWELL: I do not think I did either. I should have said "the dominant papers."

Mr. SMITH: I want to revert to FM for a moment.

The CHAIRMAN: Yes.

Mr. SMITH: On page 5 of the brief Mr. Dunton says:

> The thought here is that one operator should not have the special privilege of operating two separate stations, with separate business on each, but should be able to put out his signal and programmes by two means of transmission, FM as well as AM.

Is that not essentially the same programme?

The CHAIRMAN: That is right. The thought there is that the one operator operates the two stations but he only gets the one programme.

Mr. SMITH: It says in effect, then, that while you may have an FM station and an AM station that you cannot send out different programmes on them; you must send out the same programme on each.

The CHAIRMAN: Yes.

Mr. SMITH: Then if you will look at the first five lines on page 7, beginning "In the United States":

> "In the United States the Musicians' Union has refused to allow a programme using any of its members to go out on an FM transmitter as well as on an AM transmitter. This stand is greatly retarding the growth of FM in the United States and will have the same effect if applied in Canada."

Now, that means if attitude of the Musicians' Union in the United States is to control or direct the attitude of the Musicians' Union in Canada then you cannot encourage the use of FM, you cannot do anything at all.

Mr. DUNTON: May I point out, Mr. Chairman, as I said, that has been the policy of the board in the formative stage. We realize that in its application there may be difficulties, there may be need for changes in this policy. We thought that was a good principle to establish, but you will notice that it is tentative. If the committee have any suggestions about this we will be very glad to hear them.

Mr. SMITH: I want you to agree with me on this; that if the last five lines on page 5 are your policy, and if the fact is as stated in the five lines beginning with "In the United States" on page 7; if that is true, then the FM broadcasting stations cannot broadcast at all.

Mr. DUNTON: Oh, yes, they can broadcast records or speeches.

Mr. SMITH: I know; but they cannot hire live talent. They are limited.

Mr. DUNTON: Yes.

Mr. SMITH: The man who owns the station is up against a solid stone wall, he cannot do anything. That is the way I understand it.

Mr. DUNTON: I do not think it is a complete stone wall. One thing is public policy, another thing may be—

Mr. SMITH: Then, let's get down to cases, so there will be no doubt about it; if they rule in the United States they will also rule in Canada and the result will be that we cannot get frequency modulation. There is nothing we can do about it.

Mr. DUNTON: Oh yes, we have a great deal to do about it. Discussions are now going on between the managers of the C.B.C. and the Musicians' Union. We are always hopeful.

Mr. SMITH: I wonder. As I understand it Mr. Petrillo has no objections to musicians broadcasting for an FM station, but he does object to their broadcasting when the broadcast goes out simultaneously over an FM station and an AM station at the same time.

The CHAIRMAN: Of course, anyone who has the money and wants to put it up can do it.

Mr. Ross (*St. Paul's*): Are you broadcasting the same programmes on your FM and AM stations now?

Mr. DUNTON: Yes.

Mr. Ross (*St. Paul's*): Do you have any difficulty in doing it?

Mr. DUNTON: There are discussions going on.

Mr. Ross (*St. Paul's*): That means that you have difficulties.

Mr. DUNTON: Yes.

Mr. HANSELL: Do the Musicians' Unions in the United States have any power over recording; or, would their power extend to recordings?

Mr. DUNTON: As I understand it, they set down the conditions under which recording is done. They make agreements with regard to records.

Mr. HANSELL: I mean, if they do not permit their members to broadcast over both AM and FM, would that apply to records made by union members?

Mr. COLDWELL: They get a royalty.

The CHAIRMAN: They take that into account in fixing their fees.

Mr. DUNTON: I believe if a record is released for use, it is governed by the conditions under which it is released for use.

Mr. COLDWELL: Is there not something in the nature of a royalty on recordings made by the Musicians' Union? I think there is another side to this question which we should not overlook. We may feel opposed to the idea of control. What the musicians are doing is fighting for their daily bread. They realize that they could be exploited and they are trying to protect their own interests just as every group in our society does. Take lawyers with their rules and doctors with their rules, they are protecting their own profession or trade. The Musicians' Union is doing the same thing for its members; that is all there is to it. It may appear to be objectionable, but we live in that kind of a society.

Mr. SMITH: Perhaps you will answer it, Mr. Coldwell. You read those five lines.

Mr. COLDWELL: I think what Mr. Winters says is quite right. The objection is to broadcasting over AM and FM at the same time. There is no objection to musicians' organizations broadcasting over one or the other, but not both at the same time. I think that is the interpretation.

The CHAIRMAN: That will be taken care of by money. Their position is they are putting on two programmes and they want to be paid for two programmes.

Mr. SMITH: The thought here is that one operator should not have the special privilege of operating two separate stations, with separate business on each, but should be able to put out his signal and programmes by two means of transmission. This refers to presenting the same programme by two means of transmission. It is as plain as can be. If the assertion on page 7 is correct, he just cannot do it.

Mr. FULTON: It says on page 7 this will have the effect of retarding the growth of FM if applied in Canada. That appears to be the opinion of the musicians.

I wonder if I can ask Mr. Dunton a question in regard to the paragraph numbered 2 on page 6.

> The total area served shall not be more than that obtained with the effective radiated powers and antenna heights, above average terrain, as follows:

There follows a list of figures. Is the reason for that consideration a matter of an engineering technicality or is it a matter of policy?

Mr. DUNTON: It is primarily engineering. Both the United States and the Canadian technical allocation plans are based on that ceiling of 20 kilowatts effective radiated power at 500 feet above average terrain. This was taken as a beginning for the allocation plan.

Mr. FULTON: Is that to prevent interference and overlapping by one station with another?

Mr. DUNTON: Yes, or to make for the best possible use of the various frequencies repeated in different areas.

Mr. REID: Would that be irrespective of the geographical conditions of the earth?

Mr. DUNTON: I think in FM it would. It would be more a question of considering the space.

Mr. Ross (*St. Paul's*): Do not frequency bands on AM and FM correspond?

Dr. Frigon: No.

Mr. Ross (*St. Paul's*): What is the difference?

Dr. Frigon: The AM band is from around 550 kilocycles, in other words 5,550 cycles to 1,600,000 cycles. The broadcast band for FM is from around 100 megacycles or 100,000,000 cycles.

Mr. Ross (*St. Paul's*): Perhaps you could put something on paper which would show the difference between the two bands.

Dr. Frigon: Yes.

Mr. Smith: This private conversation at that end of the table may be very interesting, but we cannot hear it up here.

The Chairman: Are there any other questions? We are only at page 7, so there is quite a bit to cover.

Mr. Reid: As this policy is being laid down for the future, I wanted to ask a question as to the definition of urban population. This may differ in different parts of the country, but I happen to come from a part of British Columbia where urban populations are very dense and close to the city. I think you refer particularly to cities. If you take the district close to my city and from thence into Vancouver, you may designate some of that as a rural area. As this is a proposed policy I am very much interested in how you arrive at your definition of "urban".

Mr. Dunton: The idea there was to try and relate the power of the station and its coverage to the size of the centre. We deliberately did not make it too definite. We just said "urban" to try to have a means of estimating the centre. I think if there is a large population close to the actual main municipality, that will probably be included.

Mr. Reid: There are 25,000 people within seven miles of the city of New Westminster, yet they would be put in a rural district.

Mr. Dunton: They would still be covered, I think, even if the score came to below 30,000.

Mr. Reid: I am trying to clear the way in case we are in trouble in the future.

Mr. Knight: Are we through with that section? Can we go to something on page 8?

Mr. Fulton: I should like to ask one more question on FM. I intended to ask Mr. Dunton if he was able to elaborate upon what is contained in the brief. I understand your difficulty is that you cannot say or you feel you cannot formulate a firm policy as regards granting applications for new licences for FM. Can you give us any indication as to what way your policy is developing at the moment and some of the problems, in elaboration of what you say in the brief?

Mr. Dunton: I think the sort of thing with which we are faced is that there will be, presumably, applications from different centres coming along from different people. We do not feel very confident yet about recommending the total number of new licences or those who should get them if there are a number applying, and how the extra frequencies should be used.

Mr. Fulton: I had in mind the conversation we had before lunch. I do not want to go into that again. As I understand it the difficulty you feel is there is a conflict between the two policies, that of insisting upon the maintenance of a high standard and of preventing monopolies?

Mr. Dunton: I think that is right.

Mr. FULTON: If you allow everybody who applies to obtain a licence because you say we are not going to protect existing licences, then you feel the standard of broadcasting may deteriorate?

Mr. DUNTON: In the first place, it is very unlikely there will be enough frequencies, even stretched to the limit, for everybody who applies. If many people applied, the FM frequencies would be decidely too few. Then the question is, how many new ones would you use in the interests of broadcasting. If there are too many stations on an area, they may not be able to measure up to the standard of good public service, or there is that danger. It is that kind of problem with which we are faced.

Mr. FULTON: What chance of success do you think a policy of this sort would have. You insist upon the maintenance of the present standards which you have so far worked out. You allow nobody to lower the standard. You say we will grant as many new licences as we have frequencies available, and that is the only consideration. We will insist upon the maintenance of standards within those limits. We will open the door to free competition. Would that be a feasible policy to follow?

Mr. DUNTON: That might be. The difficulty is, once a man starts broadcasting it becomes very difficult to do anything about it afterwards.

Mr. FULTON: You have had reasonable success in insisting upon standards of broadcasting, have you not?

Mr. DUNTON: I think it is having some very useful effect, but it is still a hard thing to do. If you were to get too many stations on the air, as there were in Vancouver, it becomes very difficult to reduce the number. When a man is operating and has put money into a thing, it is not easy to say he should get out if he is not up to the standard.

Mr. FULTON: Provided you make it perfectly clear to a man he has to come up to standard within a reasonable length of time, say six months or a year, whatever is reasonable. Within that length of time he has to come up to the standard which everybody else is maintaining. Why worry about his getting into business?

Mr. DUNTON: I think one of the difficulties is to set an absolute standard. If the revocation of a licence is going to depend upon a standard, it is not easy to lay it down in terms of figures. It becomes partly a matter of judgment. It might be an idea to consider. It would not be an easy one to work. We have had quite a lot of experience with applicants.

Mr. FULTON: Could I ask you, is that the opposite direction to the policy or to the tendency which you have at the moment? Would such a policy be opposite to the direction towards which you are tending?

Mr. DUNTON: I do not think so. I think we should like to try to get some balance between injecting new ideas, new opportunities into radio but, at the same time, not creating a condition which would tend to make a lot of bad broadcasting, and tend to reduce the standard of broadcasting.

Mr. Ross (*St. Paul's*): Does it not come back to the question I asked a little while ago?

The CHAIRMAN: In asking your question this time, will you speak up? You remember Mr. Smith said he could not hear you.

Mr. Ross (*St. Paul's*): I will try to make my conversation heard for the benefit of the gentlemen at the end of the table. The question I asked before was, how many stations could a city like Toronto support? In answer, I think Mr. Dunton said he did not know at the present time but there must be some limit to the number of stations which can be supported by the city of Toronto?

Mr. DUNTON: That is right. We do not know the answer to that.

Mr. Ross (*St. Paul's*): Then, I have another question. I do not understand why you limit the power. I do not understand that at all because you have only a certain number of stations in one locality. You limit the power. Surely the rural sections in any of these centres have some rights?

Mr. DUNTON: Yes, Mr. Ross. FM frequencies can be repeated. If you put one in Toronto and gave it a very high power, another station using that frequency cannot be located within a great distance of Toronto. There would be only a few frequencies used in Canada. Throughout most of the United States and Canada, this has been taken as a good standard upon which to work out a pattern of repeating frequencies.

Mr. Ross (*St. Paul's*): You will have one station operated by one outfit in Toronto and a station operated by another outfit in Aurora. The station at Aurora will be repeating the station at Toronto?

Mr. DUNTON: A station at say London, or perhaps a little further out in western Ontario, could be using the same frequency as Toronto. If the Toronto station had too high a power, it could not be used.

Mr. Ross (*St. Paul's*): Your interference would come at how many miles? Take your 20 kilowatt station in Toronto, that would set up interference how far away? Perhaps Dr. Frigon could tell me that.

Dr. FRIGON: A 20 kilowatt effective radiated power at 500 feet in Toronto would probably go to the horizon. It would serve a receiver at the horizon, provided it has the proper aerial and is properly installed. That is one principle. The other principle is this; in a thickly populated section such as south western Ontario if all stations have a high power they will be overlapping each other and operating in each other's market. This is one reason why the power is not unlimited although it could be. Under this set up you could put a station with a higher than 20 kilowatt radiated power anywhere the corporation thinks it is proper to permit it.

Mr. DUNTON: I think the Department of Transport can tell you what mileage separation they are using for repetition of the same frequency. I think it is several hundred miles.

Mr. SMITH: Can you give us an approximation of the greater number of bands with frequency modulation as opposed to AM?

Mr. DUNTON: That would be for the Department of Transport to answer. In the United States it would work out to be about 50 per cent more than the AM bands and that would be my opinion of how it would work in Canada.

Mr. FULTON: Since there is a reference on this page to the musicians' union, I should like to ask a question about that. You remember an incident which took place in Halifax recently where I think it was a group of "teenagers" wanted to make a broadcast. They ran into trouble with the musicians' union.

Mr. DUNTON: I saw about it in the newspapers.

Mr. FULTON: Do you know any of the details?

Mr. DUNTON: I do not.

Mr. FULTON: I was wondering if there was any power under which the corporation could take steps to prevent such a thing occurring again or to regularize matters so such disputes could be brought into the open or prevented from arising?

Mr. DUNTON: I do not know of any power we could use. It did not come to our attention at all.

Mr. FULTON: It was not a case about which you knew very much?

Mr. DUNTON: No.

Mr. KNIGHT: Mr. Chairman, I wanted to go on to another item on page 8, if I might. Under the heading, "Regulations" there is this statement:

> There have been two changes since the last committee in C.B.C. regulations for broadcasting stations.

I take it the Board of Governors makes those regulations under a power in the Act?

Mr. DUNTON: That is right.

Mr. KNIGHT: I was wondering about the wisdom of this one in regard to advertising liquor. I do not want to take a position one way or the other, whether liquor should or should not be advertised publicly. I refer to the following in the brief:

> The regulation formerly prohibited all such advertising except that in the province of Quebec beer and wine companies had been allowed to sponsor programmes under definite restrictions which did not allow them to mention their product, but did allow mention of the name of the sponsoring company. The wording of the regulation has been changed and made more specific. It now provides that beer and wine companies may sponsor programmes, under restricted conditions, mentioning their name, but not their product.

Do you think, Mr. Dunton, we are violating something which is evidently a principle, that is, doing it with our tongue in our cheek? In other words, this thing is childish. We are putting out this emasculated advertising in which we are fooling ourselves but certainly nobody else.

Mr. DUNTON: I do not quite understand. How is it emasculated and is it fooling the people?

Mr. KNIGHT: If you want to advertise beer and liquor, let us go out and advertise beer and liquor. Why should we have some pretty musical programme and then have someone say, "This is sponsored by the so and so brewing company". Everbody knows it is advertising beer. Let us have the advertising of beer if that is the thing to have.

Mr. DUNTON: The board, in past years, has heard a great many representations on the subject. Finally, it was decided there was a good deal less objection to having a good musical programme and then someone saying, "This is sponsored by the A.B.C. Brewery," rather than having someone say, "Buy so and so's beer; it is lovely."

Mr. COLDWELL: I think both are objectionable. I do not want to be hypercritical as I am not a teetotaller myself.

Mr. DUNTON: The regulation allows such advertising only in a province which allows the general advertising of beer and wine.

Mr. FULTON: Is your regulation wider or narrower than the provincial laws?

Mr. DUNTON: Much narrower. Our regulation says that we will permit these broadcasts under these heavy restrictions in provinces where the general advertising of beer and wine is allowed.

Mr. KNIGHT: You would consider that is a proper policy? What would be your end in view in restricting that type of advertising? I used the word "emasculate". If you do not like that then we can substitute the word "restrict." Why should it be restricted? If it is not right to advertise the product it is not right to advertise the company which produces it.

The CHAIRMAN: Is it not a case of trying to hit the public taste, to be in accord with it?

Mr. COLDWELL: I know when I saw this I felt very sorry this was being done. I think there is enough pressure by the liquor interests to get their products in the hands of people without having it advertised over the air.

Mr. DUNTON: It was no particular change really except that before in Quebec these programmes had been allowed and if other provinces allow general advertising we will also allow these programmes to mention the name of the brewery.

Mr. COLDWELL: In a province where they prohibit newspaper advertising of liquor radio stations would not carry it.

Mr. DUNTON: Not even the name is only mentioned, no.

Mr. KNIGHT: Were you influenced in your decision in this matter by the fact that certain prominent national magazines are doing the same thing in what to me is a rather objectionable way?

Mr. DUNTON: In the previous regulation Quebec was specifically mentioned. It was allowed in Quebec because Quebec was the only province allowing general advertising of beer and wine. We thought if the other provinces took the responsibility of changing their laws or regulations about advertising that the same privileges should be allowed in those provinces as in Quebec. That is really the chief reason for it.

Mr. ROSS (*St. Paul's*): I see the Department of Transport man is here and I want to ask him a question. On page 7 it refers to the fact there is only a handful of applications yet for FM. I wonder if I could have the number and the names of those soliciting the applications which have been applied for.

The CHAIRMAN: Have you that now, Mr. Caton?

Mr. ROSS (*St. Paul's*): He can get that any time.

Mr. DUNTON: I have a list in my hand. There are seven which have been recommended.

Mr. ROSS (*St. Paul's*): How many applications have been applied for?

The CHAIRMAN: Is that the same number that has been applied for?

Mr. CATON: That is the number applied for that have submitted the necessary technical information to support the application. There are quite a few who have applied from time to time merely in the form of a letter of inquiry, but that is not the same as a formal application.

Mr. ROSS (*St. Paul's*): I was interested in knowing that the demand for them was.

The CHAIRMAN: The total number of applications?

Mr. ROSS (*St. Paul's*): Yes.

The CHAIRMAN: Whether or not they have given all the material they need to give.

Mr. ROSS (*St. Paul's*): That is what I should like to know.

The CHAIRMAN: You can get that?

Mr. CATON: Yes.

The CHAIRMAN: We will file that list.

Mr. COLDWELL: I was going to ask a question on page 10.

Mr. FULTON: I have not finished with page 9.

Mr. COLDWELL: It has to do with programmes. I was in Windsor a while ago. I notice it speaks of the necessity of national coverage, and so on. Quite prominent people there spoke to me about the lack of coverage by the C.B.C. of Windsor area.

Mr. SMITH: Lack of what?

Mr. COLDWELL: Lack of coverage of the Windsor area by the C.B.C. They criticized the corporation because they could not, for example, always get the 10 o'clock news service. They were relying on American stations to a large extent for their news service. The programmes given over the local station were largely American sponsored advertising. They contended it was not a Canadian station in the sense that other stations were Canadian, and there was no other station there under C.B.C. direction. They also told me that the city council had passed a resolution which was forwarded to the C.B.C. drawing attention to this situation in the Windsor area. I was wondering what steps the corporation is going to take to give the people of that area adequate C.B.C. coverage, because I think they are entitled to it.

Mr. DUNTON: As we mentioned to the committee last year we feel that is one of our big and pressing problems, that of coverage in this area. We should like to put a C.B.C. station to cover that area just as soon as possible, but there are two difficulties. One is to get a frequency and the other is finance, the cost of building a station, and of operating it. We would like to go ahead pretty soon. We have quite a programme of expansion on our hands now, but we would like to go ahead with something to cover the Windsor area as soon as we can because we realize it is probably the most important single coverage problem in Canada.

Mr. COLDWELL: There is a big population there which is not adequately covered. You have a frequency there, have you not?

Mr. DUNTON: I do not think there is one available now.

Mr. COLDWELL: There is not one available, but if it is necessary to give people service the frequency which is being used by the private station there surely could be used by the C.B.C. and the private station could get a wavelength of its own. I know it is allegedly a Canadian station but it advertises in all the American publications.

The CHAIRMAN: Would you not have to make some kind of trade with an American station to get a frequency?

Mr. DUNTON: I think Mr. Coldwell is referring to the station on the Windsor side.

Mr. COLDWELL: CKLW, which is advertised in the American directories of radio as a Detroit station. It is using a Canadian frequency for American purposes, advertising, and so on.

Mr. SMITH: Is it Canadian owned?

Mr. COLDWELL: I could not tell you who owns it.

The CHAIRMAN: Do you know the ownership?

Mr. DUNTON: Yes, Canadian owned.

Mr. Ross (*St. Paul's*): Does the C.B.C. use the private station there?

Mr. DUNTON: The station in Windsor takes very few of our programmes.

Mr. Ross (*St. Paul's*): Is there only one private station in Windsor?

Mr. DUNTON: Yes.

Mr. Ross (*St. Paul's*): What is the next closest one?

Mr. DUNTON: Private station?

Mr. Ross (*St. Paul's*): Yes.

Mr. DUNTON: Chatham, I guess.

The CHAIRMAN: Is there anything else on that page?

Mr. Ross (*St. Paul's*): I should like to ask a couple of questions in connection with programmes. I should like to ask this question first of all. I have two or three letters in connection with it, and I suppose there is a reason for it.

What about the broadcasting from Halifax, for instance, coast to coast of a recorded programme? I suppose that is because you want to fill up the time, is it?

Mr. DUNTON: The networks are running all day, anyway, and there is no extra cost for having them on a wire line. We have quite a few recorded programmes on the network.

Mr. Ross (*St. Paul's*): You have to pay for it anyway because you take them for 24 hours?

Mr. DUNTON: Yes.

Mr. Ross (*St. Paul's*): I should like to ask this question in connection with CJBC in Toronto. I understand they have had to do a lot of advertising in connection with that station I notice in the city of Toronto there are billboards at the present time with the words, "Listen to CJBC", or someting like that on them. It does seem to me rather ridiculous for a radio station to have to advertise on billboards and do all that kind of thing? What is the reason why CJBC is not popular with the people? Is it not because the programmes are not sufficiently attractive to the people?

Mr. DUNTON: We do not think so because we have had a lot of comment, including comment from private operators, that this was a well programmed station. We feel it has just been swamped in all the publicity given to promoting programme services in Toronto from other stations and from American stations. I think it is already showing results. A lot of people have commented, "What is this new station, CJBC", and have begun to listen to it and have liked it. It is a matter of drawing their attention to it.

Mr. Ross (*St. Paul's*): You have had surveys made of the listening audience of CJBC?

Mr. DUNTON: We have been watching the Elliott-Haynes survey.

Mr. Ross (*St. Paul's*): Because of the low record of listening audience I suppose you cannot get commercials on it and it is not attractive commercially?

Mr. DUNTON: We are getting back to the question of the key station which we were discussing earlier. It is not a good key station if not very many people are listening. We feel the programmes are very good.

Mr. Ross (*St. Paul's*): That was one of my reasons for asking what the coverage of CJBC was. Dr. Frigon was going to get that information. I should like to know about how many listeners there are to CJBC, and so on.

Mr. DUNTON: The only estimate of the number of listeners is that of one of the commercial surveys.

Mr. Ross (*St. Paul's*): Is that because it has low power or because it is not a key station now?

Mr. DUNTON: The power and the frequency might have something to do with it. We feel if the attention of people is drawn to it more people will listen, and that is happening already.

Mr. Ross (*St. Paul's*): That comes back to the question I asked this morning, and the question of a key station which has a large listening audience around the station but which is not a key station in connection with the network.

Mr. DUNTON: Yes, it is, because it is a part of the whole network. It is the main link in a chain. If a link, particularly the main link, is weak—it is not a very good simile—then the whole network is weak.

Mr. HANSELL: Is it not so, that the frequency of CJBC is soon to be changed?

Mr. DUNTON: Yes.

Mr. HANSELL: I cannot get the idea of a promotional campaign at this time when the frequency is to be changed eventually. It occurs to me the time

for the promotional campaign would be after the frequency is changed. The other day I saw one of these billboards to which Mr. Ross refers when I was in Toronto. On that billboard emphasis was given to the frequency of 1010.

Mr. DUNTON: We feel it is the character of the station that counts a good deal and the knowledge of the programmes on it. We feel if the people like a station and like what is on it they will know when the frequency change comes.

Mr. HANSELL: That is a different opinion.

Mr. Ross (*St. Paul's*): May I ask another question?

The CHAIRMAN: I think Mr. Coldwell is ahead of you.

Mr. COLDWELL: I notice in dealing with these programmes no record has been made anywhere of any awards that have been given the C.B.C. on account of its programmes. I am not asking for the tabling of another document, but perhaps Mr. Dunton can give us the information now. I think we have far too many documents at the present time.

The CHAIRMAN: They are getting pretty thick.

Mr. COLDWELL: We cannot read them. There is another question I was going to ask along that same line. Did I hear the other day that some of your key people who have been engaged in making these programmes are going over to the Columbia network, or that they are using some of your programmes over the Columbia Network in New York?

Mr. DUNTON: I would answer the first question "yes". The C.B.C. again won several awards at the Institute for Education by Radio in the United States, which is the big radio exhibition where consideration is given to the value of radio programmes. I have not the list here. Perhaps Mr. Bushnell remembers that.

Mr. BUSHNELL: Roughly speaking I think there were four first awards and several honourable mentions. There was one award given for a series of children's programmes. There was another award given to a programme written by Mr. Peterson and produced by Mr. Willis on some matter pertaining to the rehabilitation of veterans. A third award came for a dramatic religious programme which is broadcast on Sunday mornings called the Way of the Spirit. Honourable mention was given to Stage 47. I might mention that for the first time CJOR of Vancouver competed, and so far as I know was the first independent station in Canada to win an award at that institute.

We are not trying to be over-modest but quite frankly these things come along so regularly we do not pay as much attention to them as we did at one time. We expect to go down there and be able to compete on equal terms with any broadcast in the United States.

Mr. COLDWELL: What about the second part of that question as to the Columbia network?

Mr. DUNTON: Perhaps Mr. Bushnell would answer that.

Mr. BUSHNELL: We lost recently, as a matter of fact, two of our prominent Canadian artists, Mr. Ray Derby, a writer from Winnipeg, and Mr. Morris Surdin, an orchestra leader in Toronto. A programme was originated by the C.B.C. in Winnipeg about two years ago called Once Upon a Time, which ran during the summer months replacing Stage 47. The following year during a similar period it was purchased by the Columbia Broadcasting System on an outright basis and we lost to Canada for the time being, at least, both Mr. Surdin and Mr. Derby. The man who was largely responsible for the creation of that programme called Once Upon a Time, the name of which incidentally was changed to Once Upon a Tune by the Columbia Broadcasting System, Mr. S. E. Ljungh, I am very happy to say is still on our staff.

Recently we have also lost one of our prominent young actors who has been engaged by the Columbia Broadcasting System to produce a series of dramatic programmes very similar in character to the Stage 47 series that we have been producing for the last four or five years. I refer to Mr. Fletcher Markle. I may say there is considerable apprehension in the C.B.C. at the present moment that we may lose one or two others of our very best programme people to American networks. I may say, too, that in the last year and a half at least ten or twelve of our professional actors have been weaned away from us and are now participating in radio in the United States.

Mr. COLDWELL: I suppose that is considered a compliment to the programmes of the C.B.C., but it is quite a loss.

Mr. DUNTON: There have been articles in the press discussing the Canadian invasion, particularly to Columbia, of radio people from Canada.

Mr. HANSELL: In respect to the promotional campaign of CJBC the thing that concerns me particularly is that it must cost some money to put on a promotional campaign. The frequency has not yet been changed. It would be all right if we had a lot of money to do it with, but when we are told that the C.B.C. is budgeting for a deficit and yet is spending money on a promotional campaign of that kind I cannot quite reconcile the two. Can you tell us what this promotional campaign has cost so far and what it will cost when it is completed?

Mr. DUNTON: I think Dr. Frigon has the figures.

Dr. FRIGON: We have decided to promote CJBC so that the people in Toronto will know that the station exists. As Mr. Dunton said we have had very good programmes on the station for a long while, but for some reasons, which are spread over a period of six or seven years, the ratings were not very high. We have hired a specialist, Mr. Bob Kesten. He has submitted a plan of promotion which was discussed amongst ourselves. A final plan has been adopted which is now going on. The total amount involved is about $22,000.

Mr. ROSS (*St. Paul's*): How much?

Dr. FRIGON: $22,000. That is being done for the almost exclusive reason of providing the dominion network with a good key station and, as Mr. Dunton said, when a sponsor buys the dominion network he expects to reach the population of the Toronto area. If the station in Toronto on the dominion network does not provide an audience, if they are not interested in a network, it is not of much use because it is not reaching the most important market. We spent that money in promoting the station, trying to build up the listening audience to the point where we will be able to include it on the network. From time to time we repeated some network programmes. We are told that the results of this advertising will be such as to provide increased revenue which will more than take care of what we are spending on publicity.

Mr. HANSELL: In addition to the billboard campaign, I understand that there has been some newspaper advertising.

Dr. FRIGON: The items on which we are spending money for publicity purposes include book matches; cigarette lighters which we use as remuneration to people appearing on the programmes whom we do not pay. There has been a small amount of newspaper advertising. There is postal advertising and street-car advertising. Those are the main items. There is one item I see here, which really does not amount to much.

Mr. ROSS (*St. Paul's*): Do you use your own station, CBL?

Dr. FRIGON: Oh, no, we do not.

Mr. ROSS (*St. Paul's*): Well, why don't you?

Dr. FRIGON: It does not seem very practical to invite people not to listen to your own station. That is what you would be doing, in effect.

Mr. ROSS (*St. Paul's*): I would not say that you would be inviting them not to listen to your station. I think if you looked at it in this way; you might say, we have another station, CJBC, listen to it sometimes.

Dr. FRIGON: Well, you see, we have sponsors on our station who do not like that.

The CHAIRMAN: That is a good reason.

Mr. HANSELL: How long has CJBC been in operation?

Dr. FRIGON: It started as station CBY some years ago when we had a standby transmitter. When CBL was crowded we used it to take care of extra programmes. Later the transmitter CBY was moved to Dixie and the power increased to 1,000 watts. Then, after a time, we again raised its power to 5 kilowatts. That is what it is now. Throughout these years CJBC was fed a number of programmes from CBL in parallel, and as a result the station did not have the personality it should have to establish its identity as CJBC when CBL programmes were being broadcast over it. We used to get a lot of letters drawing our attention to it. There were quite a number of programmes on CJBC which you could not get anywhere else. Apparently our effort is getting results. We are beginning to show a decided turn upwards.

Mr. ROSS (*St. Paul's*): I still do not see why you should not use CBL just the same to advertise CJBC. You should support your own station and get it better before the public.

Dr. FRIGON: It is about the same as advertising. Suppose a sponsor has a number of products he wants to advertise, he usually concentrates his programme on one product for one period rather than using every period for every product. I readily admit that CBL is a good station and gives effective publicity. We don't want to pull CBL down at all, we want to get more people to listen to CJBC.

Mr. HANSELL: Could you next time give us a breakdown of the amount that you have spent or contemplate spending on the different kinds of advertising to which you have referred, billboards, newspapers, street-car display cards, and so on?

Dr. FRIGON: Do you mind if I give you those now?

Mr. HANSELL: Do you have them with you?

Dr. FRIGON: Yes. Book matches, $3,400; lighters, $3,500—as I say, that is in place of cash payment for remuneration for participants in programmes; newspapers, $1,500—and there are some newspapers in the shape of these strips that are used by specific producers, used on the station, $6,000; poster advertising, $3,200; street car advertising, $2,600. The rest are a couple of small items which we possibly may not use, for instance we have sky signs, an appropriation of $600. We have not used any sky signs yet and we may not use them at all.

Mr. SMITH: Since we are all being so moral here, do you think you should give away cigarette lighters at broadcasting stations?

Dr. FRIGON: As I said, we give those in lieu of cash payments.

The CHAIRMAN: Gentlemen, I personally have to keep an appointement which may keep me until six o'clock. Will you please take the chair, Mr. Winters?

(Mr. Winters assumed the chair as acting chairman.)

Mr. HANSELL: Would it be a nuisance to ask if members of the committee might be supplied with some of these cigarette lighters?

The Acting CHAIRMAN: Yes, also I think with some of the beer and wiskey which they are not allowed to advertise.

Mr. DUNTON: Mr. Chairman, may I add something brought to my mind by the mention of whiskey. In connection with the question of regulating programmes sponsored by breweries. It was questionable as it stood so we tightened it up to make no doubt that any programme sponsored or paid for by any such interest could not be broadcast. There has been a good deal of tightening of the regulations in that respect.

Mr. KNIGHT: We are still on programmes, Mr. Chairman—

The ACTING CHAIRMAN: We are still on the item of programmes.

Mr. KNIGHT: I have one or two questions I would like to ask. I would like to ask about the school broadcasts; and, in doing so I should like to pay tribute, if I may, to the staff of the C.B.C. for what they have done in that direction. One programme, referred to on page 47, provides valuable material which can be used in secondary schools. Much of this is now being wasted because of the time at which it is given. I would like to make it clear that I refer to the application of these broadcasts in relation to secondary schools, to the hours of the broadcasts. The fact is that the hours at which they are put on means that they cannot serve the purpose for which they are intended without upsetting the timetable in a major way; and for that reason some people say they lose perhaps 80 per cent of their value. That is their estimate of the broadcasts. Therefore, they don't get full advantage of these broadcasts.

Mr. DUNTON: Well, in answer to that may I say that the hours are worked out as well as we can work them out with the educational authorities. We try to fit them in.

Mr. KNIGHT: I agree with you on that. I was wondering if there could be a solution found for that in the matter of making discs; would that be possible, or would it be too expensive?

Mr. DUNTON: We might, except that I think it is getting a little beyond our field. You can see the terrific expenditure of money in the distribution of transcribed material in that form. I think it might be a very good development, but I rather doubt if it is really our responsibility.

Mr. KNIGHT: I was wondering; there are certain standard things, for instance, Shakespearean plays. They could be used over and over again, and in more than one educational institution. If discs of that kind were made, a charge could be made for them which I am quite sure the people concerned would be glad to pay.

Mr. DUNTON: It seems to me that it would be an excellent thing from the educational point of view, but I think it really is not broadcasting. We would be glad to co-operate.

Mr. KNIGHT: In that way, I think the educational value of the broadcasts would not be lost, the talks would not be lost, and they would be available to the teachers to use at times that would be convenient.

Mr. DUNTON: I think we would be glad to co-operate in any scheme that could be worked out, but I think the educational people would have to take it on.

Mr. KNIGHT: Why don't you give it a trial?

Mr. DUNTON: It seems to me from the practical educational point of view it is simply the matter of developing the use of electronic devices in the schools. You appreciate, of course, that we can only go so far with school broadcasts. As you say, some such scheme might afford a greater amount of flexibility in making the material available.

Mr. COLDWELL: It seems a pity that those Shakespearean plays particularly should be more or less lost. They are exceptionally well done.

Mr. DUNTON: Yes, but of course, there is the question of cost, musicians and so on.

Mr. COLDWELL: What about your wire-recordings, following along the same line, would they not be more economical; is that coming into use very rapidly?

Mr. DUNTON: There will be more of it. I think it has been found rather unsatisfactory for good quality work.

Dr. FRIGON: The quality is not up to the quality of recordings yet.

Mr. COLDWELL: Could you not use wire recordings?

Mr. HANSELL: Judging from the jute boxes they are terrible.

Mr. SMITH: Is it very expensive to cut a record after the first one has been made?

Dr. FRIGON: The matrix is very expensive. Copies are cheaper. What we call records, the ones that we use mostly, are records made from an acetic base. They cost only a couple of dollars as compared with $50 for the first cut such as you would make for a first-class programme. You can't afford to have permanent records cut. We could cut cheaper records on paper, or glass or aluminum base, but they would not be of the same quality.

Mr. SMITH: But you need a special machine to cut these records?

Dr. FRIGON: Also, may I say, that a commercial record runs, I believe, at a speed which is much lower than a home record.

Mr. SMITH: I was thinking about schools.

Dr. FRIGON: If you would have copies of your records on platters, as records as they are sold in stores, all you would need would be a phonograph.

Mr. SMITH: That is the way in which we could use it in schools. I do not see why it would not work.

Dr. FRIGON: One of the problems, you meet it everywhere in the world, is providing the schools with individual receiving sets. Most school boards have not the money to spend for that purpose. In Great Britain they have raised funds through appeals to private subscribers. Special appeals have been made for subscriptions from the public to provide receivers in schools. If you have a hundred schools of maybe five rooms, each provided with a receiver, that would mean 500 receiving sets. The cost of a receiver of the type practical for work of that kind is usually too high to be met by the average school board.

Mr. SMITH: Following up what Mr. Knight said, I think his suggestion of recordings was a good one—that is what you had in mind?

Mr. KNIGHT: Yes.

Mr. SMITH: I may say from my experience that I found the greatest difficulty in playins these special records on an ordinary machine.

Dr. FRIGON: Of course, the quality of the record is different. There is the chance that your phonograph would not work at all because the weight of your needle on the record is too heavy, it will stop your phonograph from turning There are a number of difficult points there which would have to be looked into. Another thing, if you want a record it must be processed. You could not play a record of the type we use in the studios.

Mr. FULTON: Mr. Chairman, I though we had finished with the section relating to programmes, and if such is the case I have some questions I want to ask on the section relating to finance.

The Acting CHAIRMAN: Have we finished with programmes?

Mr. FULTON: If we have not, I have one or two questions I would like to ask about them.

The Acting CHAIRMAN: If we have not finished with programmes could we not leave them until after finance?

Mr. FULTON: I was going to ask you something about programmes; I take it from what I read here that you object to the extension of the use of commercial broadcasts, and I wanted to ask you a question about programmes from commercial records.

Mr. DUNTON: I would like to say that I did not mean to give that impression in my statement at all. We think that commercial programmes have contributed a lot to Canadian broadcasting, with the reservation that we think they might get over-balanced, that we might have too many commercial programmes at one time. If we take on too many, as you know, the thing can get out of balance.

Mr. Ross (*St. Paul's*): Why do you say "get over-balanced?"

Mr. FULTON: I am sorry, Mr. Ross, I want to follow this up.

Mr. Ross (*St. Paul's*): I want to ask him why he said that.

Mr. FULTON: What I want to get at is this; the amount of time and the cost to the C.B.C. of the programme: "The Nation's Business"; and to compare that also with the amount of time and the cost to the private stations of their corresponding service. I have returns here, which I referred to this morning, in which it is stated that the total amount of time made available by the C.B.C. for this programme "The Nation's Business" is twelve and a half hours a year on the trans-Canada network, and twelve and a half hours on the French network; and if that time were sold for a commercial programme is would net $54,328. Now, the corresponding figures for the report "From Parliament Hill", which is maintained by the association of independent radio stations, the total number of hours is 69 per month, which makes it over 700 hours per year, and the total cost is $70,440.

Mr. DUNTON: Yes, Mr. Fulton; but I do not think you can compare the time on individual stations with network time. The networks would be covering just about the whole of the country. I have forgotten how many stations there are, but it gives just about full national coverage. I do not think you can compare that with individual stations.

Mr. FULTON: Oh well, this is the total time made available by individual stations, and they do give practically total national coverage because these stations are spread across the whole of Canada.

Mr. COLDWELL: Would you not have to multiply the twelve and a half hours by the total number of stations?

Mr. DUNTON: And, in addition, you would have to take into consideration that some of these stations are high-powered 50-kilowatt stations covering much wider zones.

Mr. COLDWELL: I am just talking about the number of hours made available.

Mr. DUNTON: I am suggesting that it is difficult to compare the hours on individual stations with the hours on a national network.

Mr. FULTON: I am not comparing the cost or the coverage, I am just comparing the stations that carry them.

Mr. DUNTON: It seems to me that the two are not comparable; on the one side you have a private station, carrying a local programme which on the other you have a nation-wide network.

Mr. FULTON: No, but as a matter of effort, surely if you get the total number of hours on the national network and multiply it by the number of nations carrying that programme, that would give you a reasonably accurate camparison with the number of hours devoted by the private stations.

Mr. COLDWELL: And you would have no include in that the cost of the lines connecting the stations on the network as well.

Mr. FULTON: I am not talking about the cost. I am trying at the moment to arrive at the number of hours made available. Can you tell me how many stations there are on the network which carry this programme?

Mr. DUNTON: On trans-Canada there are 28, with two additional, supplementary stations which I think carry it. I haven't got the figures before me at the moment, but the minimum would be 28 stations; some of these are high-power and give a very wide area coverage.

Mr. FULTON: If we took thirty as a minimum would that be fair?

Mr. DUNTON: I would say it might be higher; that is on the trans-Canada.

Mr. FULTON: Then, if you multiplied the 25 by 30, would that give you the number of hours, taking the combined French and national network?

Mr. DUNTON: But there is the French network too.

Mr. FULTON: It is 12½ hours on the national network and multiply that by 30.

Mr. DUNTON: I think there are eight or ten stations on the French network carrying that programme.

Mr. FULTON: Say ten, that would make a total of 600 hours.

Dr. FRIGON: The proper way to make a comparison would be to figure out the number of homes reached. If you have a 10 kilowatt station in Quebec trying to cover Quebec city, it s nothing compared with the 50 kilowatt station in Montreal.

Mr. FULTON: I am not trying to compare the effective coverage of the programmes. I am trying to get an idea of the comparative effort put out by one group as compared with the effort of the C.B.C. Probably your national network does give greater coverage. I am trying to compare the effort put into it by one group as compared with the effort of the C.B.C.

Dr. FRIGON: In so far as the individual stations are concerned, you have a timetable for the Ottawa radio station. A speaker comes in to the studio in Ottawa and his speech is recorded. The record is shipped and broadcast by these stations. In so far as the network is concerned, you have to keep all your stations lined up, keep your lines operating, cut your record in the same manner and get the whole system going. It involves a lot of work.

Mr. FULTON: I think you have taken the defensive rather early. I am not making any charges.

Dr. FRIGON: You are trying to make a comparison of costs.

Mr. FULTON: No, I am trying to make a comparison of effort.

The Acting CHAIRMAN: Have you the information you want, Mr. Fulton?

Mr. FULTON: I have for the moment. It seems to me 600 hours of time over every broadcasting outlet is being given by the C.B.C. as against over 720 hours by the private stations. That is the combined total of all the actual broadcasting outlet time.

Mr. COLDWELL: Have you not, Mr. Fulton, to take into account the power of the station. I think we all appreciate what private broadcasting is doing. Do not let me appear to be contending anything else. However, I think the contention of Dr. Frigon is correct. You should take into consideration the fact you have three, I believe it is, 50 kilowatt stations and a number of other high powered stations. You cover a much larger number of people. Of course, so far as effort goes, you have lines in one case which are very costly and you have, in the other case, the cutting of a disc and the expressing of the disc as well as the value of the time of the station.

Mr. FULTON: Would you not have to remember that the C.B.C. maintains these networks whether they are broadcasting political programmes or not?

Furthermore, no private station or combination of stations is allowed to do that. So, the C.B.C. has all these facilities at its disposal and it is actually devoting only 600 outlet hours through the facilities at its disposal. The effort necessary for the C.B.C. to do that cannot be compared with the effort necessary for anyone else to do it because no one else is in a position to do it.

Mr. COLDWELL: If you are suggesting that C.B.C. give more time to this, I am with you.

Mr. FULTON: I am not suggesting at the moment. I am trying to make a comparison because of something I find in the brief which seems to be objectionable to commercial broadcasting. I am trying to point out that private stations, supported by commercial revenues, are able to make a corresponding effort by way of public broadcasting greater than the C.B.C's.

Mr. COLDWELL: Would you say that was true of all the programmes they put on? You have the various forums on the C.B.C.; you have persons who give résumés of the news in places such as Lake Success and so on. Would you say that service is comparable?

Mr. FULTON: I am, of course, confiding myself to a place where there is a direct comparison, the broadcasting of the work of parliament, the government of the Canadian people. One would be foolish to say there is more coverage on things affecting the nation on private stations than there is on the C.B.C. because that is the C.B.C.'s work. I understand that was one of the reasons for its creation. I am speaking of two programmes which one can compare. I think the figures show that the private stations put in a correspondingly greater effort than the C.B.C. does.

Mr. COLDWELL: Do you not think they get something out of it?

Mr. FULTON: Do you not think the C.B.C. gets something out of it?

Mr. COLDWELL: Yes, I think they do. I remember when this was first talked about, the reports from parliament hill, I remember our group was told, when we were approached, that this had been done at Hamilton, for example, and was found a very useful thing from the station point of view. It attracted a large number of listeners and made the advertising around that particular period quite worth while and sought after. Therefore, it is not only a public service, you see, it is a commercial venture to attract listeners to a given station.

Mr. FULTON: I do not know whether, Mr. Coldwell you are speaking with authority or not. In assessing this thing, I believe one should take it at its face value and that is that it is a public service which the private stations are giving.

Mr. COLDWELL: Of course, but they are getting something out of it.

Mr. FULTON: You have previously maintained on different occasions that all things can be valued in terms of money and private stations do not get any money from their broadcast on parliament hill.

Mr. COLDWELL: I do not think I ever contended that. Lots of things cannot be valued in money—goodwill, for instance.

Mr. FULTON: All right then; I say by giving public service perhaps the private stations are increasing their goodwill, but it is still a public service.

Mr. COLDWELL: Yes, I agree.

Mr. FULTON: I am glad you do because I thought you were trying to make out the private stations got some financial benefit.

Mr. COLDWELL: The point I am trying to make is this; you cannot compare the two services because they are essentially different in their origin and in the manner in which they are put across the radio.

Mr. DUNTON: The Nation's Business is a very special thing. It is free political national time to all national parties. It is governed by fairly specific rules and regulations. For instance, the C.B.C., from the point of view of cost and effort could easily double or treble the time. We would not mind that if the political parties wanted it and they thought it was good broadcasting. We could easily make the effort bigger. It is not a question of what we can or wish to do or support.

Mr. FULTON: I think you will agree with me there has been on the part of the C.B.C., in these committees, an implication raised that the private stations are too keen on making money and not keen enough on giving public service.

Mr. DUNTON: I think at times and places that is true.

Mr. FULTON: That has been said and it is a charge which has grown and been levelled against the private stations. Now, I am trying to produce figures here and I want to compare those figures with the only comparative program which exists on the C.B.C.

Mr. DUNTON: I would suggest it is not a fair comparison because I say we can easily double our showing if the political parties want us to or triple it.

Mr. FULTON: Possibly the private stations could also increase their time.

Mr. DUNTON: Certainly.

Mr. FULTON: I am just pointing out that here are a certain number of hours which the private stations have made available as a public service. I am comparing it with the number of hours which the C.B.C. makes available for a similar service.

Mr. DUNTON: Under very special circumstances where it was insisted we would be quite ready to make more time available.

Mr. FULTON: I am not questioning that, I am presenting the facts as they are. I think they should be presented in justice to the private stations since we have frequently heard in this committee suggestions that the private stations are too keen on making money and not sufficiently aware of their responsibility in giving public service.

Mr. COLDWELL: You will have to examine the log of the station if you are going to go into that.

The Acting CHAIRMAN: Does that finish your questioning?

Mr. FULTON: No, I want to compare the cost. I want to come back to the question of commercial broadcasting and compare the figures which I have here.

Mr. FLEMING: It is nearly six o'clock and probably this would be a good point at which to adjourn if Mr. Fulton is going into another branch of his question. Before we adjourn, Mr. Chairman, this afternoon Mr. Dunton produced an answer to a question I asked this morning concerning the private stations which have been authorized to broadcast by FM as of the first of May, 1947. I wonder if this could be made a matter of record. There is a list of seven stations.

Mr. DUNTON: If it is to be a formal record, it should come from the Transport Department.

The Acting CHAIRMAN: It is all right.

(The list follows.)

Pirvate stations authorized to Broadcast on FM as of May 1, 1947.

CKWR—Kingston	(Allied Broadcasting Corporation, Ltd.)
CFCF—Montreal	(Canadian Marconi Company, Limited)
CKGB—Timmins	(Northern Broadcasting Company, Ltd.)
CFRB—Toronto	(Rogers Radio Broadcasting Company, Ltd.)
CHSJ—Saint John	(New Brunswick Broadcasting Co., Ltd.)
CKSO—Sudbury	(W. E. Mason)
CKCR—Kitchener	(W. C. Mitchell)

Mr. HANSELL: Before we adjourn, the impression is being left that political broadcasts are of vaue by reason of the fact they increase the listening audience. I do not know whether that is so. I do not know whether Mr. Dunton would care to answer this question, but may I ask him if any survey has been made with respect to the listening audience at the time of these broadcasts?

Mr. DUNTON: We have made no special survey, but we have seen records of the usual commercial surveys of listening.

Mr. HANSELL: Would you care to say whether those programmes increase or decrease the audience?

Mr. DUNTON: I would say, from looking at the rating, they did not increase the audience.

Mr. HANSELL: I think you will find they decrease the listening audience.

The Acting CHAIRMAN: There is a motion to adjourn. We will reassemble on June 3, to hear a presentation from the C.A.B.

The committee adjourned at 6.00 p.m. to meet again on Tuesday, June 3, 1947, at 11.00 a.m.

SESSION 1947

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 4

TUESDAY, JUNE 3, 1947

WITNESSES:

Mr. Joseph Sedgwick, K.C., counsel for the Canadian Association of Broadcasters.

Mr. Walter Elliott of the Elliott Haynes Limited.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1947

MINUTES OF PROCEEDINGS

TUESDAY, June 3, 1947.

The Special Committee on Radio Broadcasting met this day at 11.00 o'clock. Mr. Maybank, the Chairman, presided.

Members present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Diefenbaker, Fleming, Fulton, Gauthier (*Portneuf*), Haskett, Hansell, Knight, Langlois, Maybank, McCann, Pinard, Robinson (*Simcoe East*), Reid, Ross (*Hamilton East*), Ross (*St. Paul's*), Smith (*Calgary West*), Winters—21.

In attendance: (1) From the *Canadian Association of Broadcasters* (See Mr. Phil Lalonde's introductory remarks in this day's evidence). (2) From the *Canadian Broadcasting Corporation*—Messrs. Dunton, Frigon, Manson, and Palmer. (3) From the *Department of Transport*—Mr. G. C. Browne, Controller of Radio, and Mr. W. A. Caton. Also, Mr. Glen Bannerman, former President, Canadian Association of Broadcasters.

The Chairman read a copy of a letter from the President of the Canadian Cancer Society addressed to himself.

The Chairman also read the Subcommittee's report on Agenda. (*See this day's evidence*).

Copies of the Radio Act, 1938, and Regulations thereunder were tabled by the Department of Transport and distributed.

The Committee agreed to adjourn at 12.30 o'clock.

Mr. Phil Lalonde, Manager CKAC, Montreal, was called. He introduced the delegation of the Canadian Association of Broadcasters.

Mr. Joseph Sedgwick, K.C., Counsel for the Association, was then called and proceeded to read a brief.

The witness tabled for distribution copies of a map showing the coverage of the member stations of C.A.B.

At 12.30 o'clock the Committee adjourned until 4.00 o'clock this day.

AFTERNOON SITTING

The Special Committee on Radio Broadcasting resumed at 4.00 o'clock.

Members present: Messrs. Beaudoin, Bowerman, Coldwell, Diefenbaker, Fleming, Fulton, Gauthier (*Portneuf*), Hackett, Hansell, Knight, Langlois, Laurendeau, Maloney, Maybank, Nixon, Pinard, Robinson (*Simcoe East*), Reid, Ross (*Hamilton East*), Ross (*St. Paul's*), Smith (*Calgary West*), Winters—22.

In attendance: Same as at morning sitting.

In deference to some Members of the Committee, who had to be present when a delegation was to wait in the same Committee Room on the Prime Minister and the Cabinet, the Committee agreed to adjourn at 5.30 o'clock.

Mr. Joseph Sedgwick was recalled. He concluded the presentation of the C.A.B. brief.

The witness tabled for distribution copies of statistical tables showing:

1. Canadian Public Vote on private radio ownership and Government ownership.
2. On Analysis (in percentage) of Current Attitudes trends on the same subject.

both statistics emanating from Elliott Haynes Limited.

Mr. Walter Elliott being present, was called and questioned on the suggestion of giving an illustrated talk.

After discussion, on motion of Mr. Beaudoin, the Committee suspended its proceedings at 4.55 while arrangements to secure another room were made.

The Committee further agreed to meet on Wednesday afternoon and on Thursday morning.

The Committee reconvened at 5.15 in room 277 to hear a presentation by Mr. Elliott who illustrated his talk with slides.

Mr. Elliott expressed his appreciation for this opportunity afforded his organization, and the Chairman thanked him for his interesting talk.

There being no necessity to return to room 277, the Committee carried on until 6.10 when it adjourned until 3.45 o'clock Wednesday, June 4.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,
June 3, 1947.

The Special Committee on Radio Broadcasting met this day at 11 o'clock a.m. The Chairman, Mr. Ralph Maybank, presided.

The CHAIRMAN: Gentlemen, we have had a good deal of trouble hearing in this room. Various members of the committee have remarked about the difficulty in hearing. I thought I would draw that to the attention of everyone as we open. The committee members have all resolved, one towards the other, that they will try to speak up so as to make their voices heard. I have received a letter which requires to be read. It is addressed to the president of the Canadian Association of Broadcasters with a copy to me. This is the copy:

CANADIAN CANCER SOCIETY

MEDICAL ARTS WEST BLOCK

280 Bloor St. West, Toronto 5

May 28, 1947.

President,
Canadian Association of Broadcasters,
Victory Building,
Toronto.

DEAR SIR,—The capacity of your association for performing good works leaves one a bit breathless but cheered and encouraged to the depths of our being!

We wish to thank you and through you, your association, for the splendid cooperation which you have again shown during this year's Cancer Campaign. The efforts of the private radio stations from coast to coast that so generously contributed to our success are indeed greatly appreciated.

After the 1946 campaign we sent each station a questionnaire asking for data on what they had done to support it, and we were amazed to find the vast amount of free time they donated. We compiled these figures and discovered that their contribution amounted to over $26,000 at regular station rates. We have this list and would be very glad to send you a copy.

We intend to repeat this compilation for this year, but the 1947 report will not be ready for a month or so.

Again, on behalf of the members and directors of the Canadian Cancer Society, I extend to you a heartfelt thanks.

Yours very truly,

J. Y. STEPHENSON,
President.

Mr. COLDWELL: To whom was that letter addressed?

The CHAIRMAN: That was addressed to the president of the C.A.B., and a copy was sent to me. I presumed, therefore, it was for this committee.

Mr. COLDWELL: I was going to ask if the C.B.C. has a similar letter, and if so, would Mr. Dunton table it?

Mr. DUNTON: I will do that.

Mr. REID: Has he a similar letter? Has the C.B.C. a similar letter? Mr. Coldwell says "if he has one."

The CHAIRMAN: Is there something of that sort?

Mr. DUNTON: I think so. We have broadcast a good deal of material on the cancer campaign. I imagine there would be.

The CHAIRMAN: The two gentlemen talking across at each other are failing in respect of what I said in opening. Your voices are not clearly distinguishable. The next matter I wish to draw to your attention is the report of the subcommittee addressed to this committee.

> Your subcommittee has arranged for presentation of views by Mr. Marcel Provost of Radio Monde, Association of Canadian Advertisers Inc., and Canadian Daily Newspapers Association for 4 o'clock on Wednesday the 18th instant. If they cannot all be heard in the two hour session their representations can be presented either at an evening session or on the following Thursday.
>
> The subcommittee requests that the committee sit again this week on Thursday at 11 and at 4; on Wednesday the 18th and Thursday the 19th at 11 and at 4.
>
> It is understood that when persons from outside Ottawa desiring to present views have been heard the committee can proceed with further C.B.C. examination and with discussion meetings.

That is the report of the subcommittee.

Mr. COLDWELL: There is one point in connection with it. On Thursday at 4 I believe the External Affairs committee, of which several of us are members, has a very important meeting with General MacNaughton dealing with atomic control.

The CHAIRMAN: Is that Thursday of this week or Thursday of next week?

Mr. COLDWELL: This week.

Mr. FLEMING: This Thursday at 4 o'clock.

Mr. COLDWELL: I think all of us who are members of the External Affairs committee—I speak now for myself, anyway—would attend to hear General MacNaughton, so that if you go ahead with a 4 o'clock meeting for this committee we would not be here. I think it would be difficult to get a quorum.

Mr. BEAUDOIN: I agree with what Mr. Coldwell has just said. I forgot when we decided to sit on Thursday at 4 o'clock that General MacNaughton was appearing on that day before the External Affairs committee.

Mr. FLEMING: I suggest that we defer until 6 o'clock to-day what we are going to do as between Wednesday and Thursday. If we do not finish with the Canadian Association of Broadcasters to-day I think they will prefer that we sit on Wednesday instead of Thursday so that they will not be kept here too long. If we sit again to-morrow and finish up with their presentation it may be we will decide not to sit on Thursday. I would suggest that we defer our decision on that matter until 6 o'clock to-day.

Mr. COLDWELL: That is satisfactory to me, but I did want to draw the attention of the committee to the 4 o'clock meeting of the External Affairs committee.

Mr. FLEMING: I think we ought to avoid any conflict.

The CHAIRMAN: There is only one qualification I should like to suggest to you with respect to that idea. The report of the subcommittee says that we have already told three people to come on a certain day, that is, on the 18th, which is on a Wednesday. You will recall that this committee told the sub-committee to go ahead and arrange it. Immediately after the subcommittee met I wrote letters to those three who are mentioned here.

Mr. COLDWELL: That is not the same day.

The CHAIRMAN: No, it is the next week, but it is along the same line. If this committee is going to upset what the subcommittee has done in that respect then I think it ought to upset it now in order that we may send as you were telegrams to them.

Mr. FLEMING: Would it meet the point if we resolved now as a committee to approve the arrangements proposed for next week and defer until 6 o'clock consideration of our later meetings this week?

The CHAIRMAN: That would cover it.

Mr. COLDWELL: That would cover it.

Mr. COLDWELL: Do not forget that next week we have the visit of the President of the United States.

The CHAIRMAN: That is right. We have taken from 4 till 6 on Wednesday for these people.

Mr. SMITH: Let us leave the whole thing to the subcommittee with the suggestion that they protect the External Affairs meeting.

Mr. COLDWELL: That is satisfactory to me.

Mr. FLEMING: That meeting is for the 18th. That is the week after President Truman's visit. Next week the only meeting proposed is for Thursday, and there are no official functions in connection with the president's visit for that day.

The CHAIRMAN: Am I to understand you are moving that the first paragraph of this report will be considered satisfactory, and the balance of the report will be dealt with in the latter part of the afternoon meeting?

Mr. FLEMING: Yes.

The CHAIRMAN: You have heard the motion. Are you ready for the question? Those in favour? Those opposed? Carried.

Gentlemen, as far as I know those are the only preliminary steps to be taken this morning. It has been understood that to-day would be given over to hearing the brief of the Canadian Association of Broadcasters. As you can see they are here. Shall we proceed now with the hearing of the Canadian Association of Broadcasters?

Carried.

Gentlemen, who stands up first on behalf of the Canadian Association of Broadcasters?

Mr. DAWSON: I should like to ask Mr. Phil Lalonde to introduce our delegation.

The CHAIRMAN: Mr. Lalonde, we have always had it understood that any person who comes before this committee may stand to do what they desire to do or may sit. They may take their coats off and be at ease. You will please understand that you may act here pretty well as you would act in your own home.

Mr. LALONDE: M. le Président, messieurs les membres du comité, à titre de président de l'association des postes privés du Québec, représentant dix-sept postes privés on m'a demandé de présenter celui qui a été choisi et chargé de saisir le comité de notre mémoire, M. Joe Sedgwick.

Mr. Chairman and gentlemen: As president of the Quebec Association of Broadcasters, I have been asked to introduce the Canadian Association of Broadcasters' delegation, and our general counsel, who is to present our brief. There are present: Mr. Harry Sedgwick, CFRB, Toronto, Chairman of the Board of Directors of the Canadian Association of Broadcasters; Mr. K. D. Soble, CHML, Hamilton, a director of the association; Major W. C. Borrett, CHNS, Halifax, a director; Mr. Jack Beardall, CFCO, Chatham, a director; Mr. Narcisee Thivierge, CHRC, Quebec city, a director; and Mr. J. E. Campeau, CKLW, Windsor; Mr. George Chandler, CJOR, Vancouver; Mr. W. T. Cranston, CKOC, Hamilton; Mr. Lyman Potts, CKOC, Hamilton; Mr. Malcolm Neill, CFNB, Fredericton; Mr. Ralph Snelgrove, CFOS, Owen Sound; Jacques Thievierge, CHEF, Granby; Mr. Clifford Sifton, CKRC, Winnipeg; Sam Ross, CKWX, Vancouver; Doug Steubing, CHML, Hamilton; Henry S. Dawson, General Manager, the Canadian Association of Broadcasters; Mr. Cliff Wingrove, CKTB, St. Catharines; Mr. Fernand Bergevin, CHLP, Montreal; Mr. Gordon Archibald, CHOV, Pembroke; Mr. Douglas Scott, Director of Broadcasting, Canadian Association of Broadcasters, and Mr. William Burgoyne, CKTB, St. Catharines.

There are others I did not know could be present but who may have come in. The brief will be presented by Mr. Joseph Sedgwick, K.C., now and for many years past, the general counsel to the association.

I should point out, however, that the brief is not of Mr. Sedgwick's preparation. It was prepared by a planning committee appointed by the directors. The brief was first drafted by that committee. It was sent then to the directors, redrawn in the light of their suggestions, then submitted to the whole membership and again redrawn with their suggestions in mind, re-submitted to the directors, finally approved by them, and lastly, sent out quite a while ago to the whole membership of the Canadian Association of Broadcasters. In its present form it does, I believe, carry the unanimous approval of all our members; at least no member has dissented. I will now call on Mr. Joseph Sedgwick.

The CHAIRMAN: What we have said to Mr. Lalonde about taking his ease applies equally to you.

Joseph Sedgwick, General Counsel, Canadian Association of Broadcasters, called:

The WITNESS: I will do my best. Mr. Chairman and gentlemen: Before dealing with the brief proper the members of the committee will observe on the last page of the brief is a list of the member stations of the Canadian Association of Broadcasters. It occurred to us that a mere station call list with places may not be the most graphic method of presentation. Therefore we had prepared a map of Canada which shows by distinctive flags the location of the various independent stations, and the C.B.C. stations. I think Mr. Scott has a sufficient number of copies for every member of the committee. If I may be permitted I should like to pass them around because I do desire in opening to make one or two comments about it.

As you will observe the map is a standard map of the Dominion of Canada. It shows with black flags the independent stations and the white flags are the stations of the Canadian Broadcasting Corporation. I have not the exact figures. I believe there are 11 C.B.C. stations and some 89 independent stations. We have not shown all independent stations. We have shown only those which are members of this association. I believe there are some 11 or 12 stations which are not members and they are not shown on the map. The only comment I should like

to make on the map at this time is that it is sometimes suggested that the corporation covers the whole of Canada and devotes itself particularly to covering the remote and sparsely populated areas whereas the members of this association are concerned only with the major urban centres of population. I think the map in itself is a complete refutation of that charge.

There is one other comment I should like to make in fairness to the corporation. Many of the corporation stations are stations of large power, some of them of 50,000 watts. Of course, none of the independent stations have power of that kind, but I should not like it to be thought that power is in itself a measure of coverage. It is sometimes thought, and quite erroneously, that a station broadcasting on power of 5,000 watts would have ten times as much coverage if it broadcasts on 50,000. That, of course, is not true. An increase in power pushes the signal out a little, but there are many other factors that affect the situation. Indeed, it has been said to me by engineers that on a frequency of 550 kilocycles a station with a power of 1,000 watts would have as useful and as wide a signal as a station with 50,000 watts on a frequency of 1,550. I think the committee should bear that in mind in considering frequencies and power, that you do not by multiplying the power in any sense multiply the actual coverage of the station. Some of the members may want to refer later to the map. With that comment I shall leave it at this point.

By Mr. Reid:

Q. Before you begin the brief what do you mean by "market group"? It says "smaller market group" and then "Ontario major market group."—A. I did not prepare this but I think that the stations in the smaller market group are as is indicated, stations in the smaller markets, and the major market group are the ones in the major markets, although glancing at it does not seem to me an accurate division. I did not make it. Mr. Dawson, who made it, may be able to explain it. I noticed it for the first time this morning.

Mr. DAWSON: The arrangement was convenient for our regional meetings. That was the reason for the particular division. There may be some stations which appear to be minor markets that are listed in the major markets, but it was a convenient way of getting our members together.

The CHAIRMAN: The word "market" is intended to mean the market over which the radio station can sell its advertising? Is that not right? It is the market for the radio station? Is that not the idea?

Mr. DAWSON: Yes.

The WITNESS: Roughly that is it.

By Mr. Hackett:

Q. Can you say in a word why no Quebec station appears in either the major or minor market groups?—A. I think, Mr. Dawson's explanation applies to that. This division, which I think should not have appeared on this chart, was a division made by the management of the C.A.B. in connection with their regional meetings. They had a regional meeting of the smaller market group, and a regional meeting of the major market group. In Quebec they had one Quebec regional meeting. That is why the Quebec stations are not separated. I think I am right in that.

Mr. BEAUDOIN: May I take advantage of this interruption to make a request to the committee? Many members of this committee have to attend an important function at 1 o'clock to-day. An important delegation is coming from Montreal. We are invited to a gathering at the Chateau. Therefore I would ask that we

adjourn to-day at 12.30 instead of 1 o'clock if it is agreeable to the members of the committee in order to enable us to be there on time. That affects about six or seven of us.

The CHAIRMAN: Is there any comment on that?

Mr. SMITH: I am not invited. Make it a quarter to one.

Mr. COLDWELL: Really the function begins at 12.30.

The CHAIRMAN: Would it make any difference if we can fix it up with them?

Mr. SMITH: All right, 12.30.

The CHAIRMAN: It is now decided—I understand by unanimous agreement—that we will adjourn to-day at 12.30. All right, Mr. Sedgwick.

The WITNESS: I should like to avail myself of your kind invitation to sit down, with this qualification, that if I am not heard by all members of the committee I do hope I will be told because I want to be heard particularly if I am answering questions that are asked. As to the brief I believe a copy is before every member. With your permission I hope to be permitted to go through it. I do not know what you want me to do about questions. Do you want me to pause when they are asked and deal with them at that time or would you prefer that I conclude the brief as it is here and then answer questions?

The CHAIRMAN: The general understanding has been that a person presenting a brief will proceed through it, and questions will be asked at the end. There is nearly always some exception to that, but they are decidedly exceptions whenever such interruptions occur. Another comment in that regard is, of course, that questions for purposes of clarification as to what is being said naturally are quite admissible at such time, but there has always been the understanding that in the main, and certainly as far as possible, questions will be reserved.

The WITNESS: All right. I merely want to make it clear on my part I am anxious to give to the committee as full information as is in my possession, and I welcome questions. I merely wanted to know when they were to be asked. If I may I will proceed.

TO: THE HOUSE OF COMMONS COMMITTEE ON RADIO BROADCASTING: 1947

A CONCRETE PROPOSAL FOR A "RADIO BILL OF RIGHTS"

The Canadian Association of Broadcasters consists of 89 out of the 103 independent stations in Canada, our members operating stations from coast to coast.

For some years the Association has appeared before this committee. On some appearances we have asked for change in regulations governing the radio industry—change we felt would be to the ultimate benefit of the listening public.

In all our appearances we have received a most courteous hearing and have had the privilege of discussing fully and frankly with you our troubles and our suggestions.

In other years we have brought to your attention matters which we have considered of paramount importance to the radio industry. But no matter how important those matters may have been at that time, we think them significant by comparison with what we have to discuss with you to-day.

During the past year, this Association—with the unanimous support of its 89 member stations—has given serious study to the urgent need for a radio "Bill of Rights" that would establish and guarantee for radio, the constitutional freedoms and safeguards which should prevail in a democratic country.

To-day, radio in Canada is under complete control of any "government-of-the-day" that is in power—not direct control by the elected representatives of the people assembled in parliament.

If our interpretation of conditions as they exist in radio are true (and we will produce evidence to substantiate our contentions)—we feel convinced that our proposed solution will have the sympathetic consideration of committee members.

Before presenting an analysis of present radio law and its defects, we would like to emphasize that existing restrictions have not been created by design—but rather through the circumstance of antiquated legislation which has not kept pace with an unpredictable, growing and changing industry and art.

Many governments have taken a hand in designing radio law, since it was first introduced at the early part of the century, and much of our broadcasting law belongs to an era when radio was concerned primarily with water-borne traffic. Canadian radio has now passed its evolutionary stages. To-day, it enjoys an importance similar to that of the press. Yet it does not have any of the established rights and safeguards associated with freedom of the press. Radio has a voice, but no legal right to use it. It is controlled by law and regulation which are outworn, discriminatory and unjust.

So that the committee can fully understand our analysis of the situation in radio to-day, we think it important to draw the line of distinction between "government-of-the-day" and "parliament". The "government-of-the-day" consists of a Prime Minister and his Cabinet. That group (in fact, the "Governor in Council") attends to governmental day-to-day business; it is the executive power. It can issue "orders in council" in many fields, which have full force of law. While its represents majority opinion (sometimes only in theory due to factors in the results of voting), it represents only one shade of political opinion. And its deliberations are of course secret. Parliament, on the other hand, consists of all the people's elected representatives, acting on behalf of the people. It moves in the spotlight of publicity, and cannot act without full discussion, without full opportunity for public scrutiny and study of its operations. It expresses many points of view, not just one. These members of parliament are, in democracies, the guardians of the people's rights and freedoms.

With that vital distinction well in mind, we present a section by section analysis of today's Canadian radio law:

Freedom of Speech

RADIO IN CANADA

One of the fundamental rights that are essential to all democracy (as it is known in English speaking countries) and without which such democracy cannot survive is the "right of free speech".

On each occasion (as in Nazi Germany and Fascist Italy) that a dictator overthrew and eliminated a democratic government, both "the right" as well as "the practice" of free speech were ended.

The "right of free speech" includes both the written and the spoken word; it includes the right freely to discuss, to commend or to criticize the ideas and actions of other people, particularly political leaders and their followers, and those conducting public affairs; and for these purposes to publicly circulate statements and to speak to others singly and in groups and to hold and address public meetings and to use public address systems and the radio.

Present facilities and existing customs have resulted in speech over the radio being one of the principal means for the expression of ideas on matters of public interest, and if there is to be "an effective right of free speech" in Canada, the right to freedom of expression on the radio must be equal to the right to freedom of expression in printed matter.

In Canada, to-day, whatever appears to be freedom of speech over the radio does not take place as the exercise of the right to free speech on the radio but is merely in each case permitted by the government (not parliament) as individual

items of grace. Such instances may constitute some "governmentally permitted practice of some freedom of speech on radio". It most certainly is not the exercise of a "right to free speech on the radio".

The statute law of Canada provides for:

(1) Absolute governmental control of everything that is broadcast over the radio in Canada.

(2) No right to freedom of expression over radio. Every discussion, expression of opinion, suggestion and criticism over radio in Canada is permitted only under rigid rules subject to alteration or termination without consultation, without compensation and without appeal.

This situation is created by the provisions of the Radio Act and the Broadcasting Act and the regulations enacted under the provisions of these two Acts, which regulations have the force of law.

Then, gentlemen, on page 5 and the succeeding pages there follows an analysis of the Broadcasting Act and the Radio Act. You will observe we have set out on the left hand side of the page some comments which I propose to read. We have supported those comments factually by quotations from either the Acts or the regulations passed. Unless you, Mr. Chairman, or some member of the committee specifically asks that I should read the right hand part of the page I do not propose to do so. They are quotations from the statutes under discussion.

The CHAIRMAN: Without exactly ruling that you should read the whole thing I would say that as one member of the committee I think you should.

The WITNESS: Very well, sir.

The CHAIRMAN: Otherwise are we not placed in this position? You read a statement on the left hand side of the page which is very short, and a member is aware that the support for that statement is on the right hand side of the page but as you go along he has no opportunity of deciding whether you have, indeed, support for your statement, and you want him to know there is support.

The WITNESS: Quite right. I think it would be preferable.

The CHAIRMAN: There has either got to be a reading of it or else a sufficient lag to permit others to do it.

The WITNESS: Would you let me get the Acts themselves? While we quote some sections other sections may be called into discussion.

"THE GOVERNMENT" (i.e. The Prime Minister and His Cabinet) controls the C.B.C.'s.

BOARD OF GOVERNORS

The C.B.C. consists of only the 9 members of the Board of Governors and these are appointed for short terms, and are removeable by the Government.

Canadian Broadcasting Act 1936—Chapter 24, section 3—

(1) "There shall be a corporation to be known as the Canadian Broadcasting Corporation which shall consist of a board of nine governors appointed by the Governor in Council and chosen to give representation to the principal geographical divisions of Canada."

(3) "The governors shall hold office for three years provided that of those first appointed ⅓ shall be appointed to retire in one year, ⅓ in two years, and ⅓ in three years.

(4) Retiring governors shall be eligible for re-appointment.

(5) Each governor shall hold office during good behaviour for the period of his appointment but may be removed for cause at any time by the Governor in Council."

GENERAL MANAGER

As to the general manager our simple comment is that the general manager is, in fact, appointed by the government.

By the Chairman:

Q. Excuse me, you say that your simple comment is that the general manager is appointed by the government. You have introduced a couple of qualifying words there as if you were giving it a different meaning.—A. I did not intend to.

Q. Your statement is a categorical one?—A. I dislike reading briefs.

GENERAL MANAGER

General Manager is appointed by the Government.

Canadian Broadcasting Act Section 6.
"There shall be a general manager who shall be chief executive of the Corporation and who shall be appointed by the Governor in Council on the recommendation of the Corporation."

Q. Is there anything later in the brief by way of suggestion as to how the Board of Governors should be appointed? Is there anything later in the brief? —A. Yes, I think we have a suggestion. Our suggestion, of course, is that the Board of Governors should be in truth a Board of Governors of the C.B.C. but should not be both the Board of Governors of the C.B.C. and a body regulating others.

Q. That is different.—A. But it seems to me that the two points—and you may differ—are inextricably linked.

Q. I do not want to interrupt you.—A.

LICENSING OF STATIONS

Establishment of Broadcasting Stations is subject to government approval.

Canadian Broadcasting Act, Section 8.
"The corporation shall carry on a national broadcasting service within the Dominion of Canada and for that purpose may
(*a*) Maintain and operate broadcasting stations;
(*b*) Establish, subject to approval of the Governor in Council, such stations as the corporation may from time to time consider necessary to give effect to the provisions of this Act;"

EXPROPRIATION OF STATIONS

Purchases must be approved by the government but once approved C.B.C. has governmental powers to expropriate.

Canadian Broadcasting Act, Section 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 . . ."

REPORT TO PARLIAMENT

The C.B.C. report to parliament must be in a form which the minister prescribes, and must be made through the minister.

Canadian Broadcasting Act, Section 26.
"The Corporation shall through the minister submit an annual report to parliament in such form as the Minister may prescribe."

By Hon. Mr. McCann:

Q. Is this a review of the statutes?—A. Yes.

Q. The Acts?—A. Yes.

Q. For what purpose?—A. With the intention of showing that the C.B.C. is responsible rather to the government than to the people as a whole, and that it does not, in fact, have that measure of independence that is frequently claimed for it.

Q. It has been frequently stated by the government that the C.B.C. is not responsible to the government but is responsible to parliament.

Mr. SMITH: I cannot hear. After all it was decided to let the members hear.

The CHAIRMAN: There are two comments I want to make. In the first place, the members were unable to hear you, and we had agreed one with the other to try to get our voices all over the room. The second one is that we had agreed to let the witness proceed to the end of the brief except for questions by way of clarification.

Hon. Mr. McCANN: Everybody is conversant with the Act.

The CHAIRMAN: Yes.

Hon. Mr. McCANN: This is just a repetition of it.

The CHAIRMAN: That is a matter which the witnesses decide for themselves. They felt it was necessary to bring it to the attention of the members, and if they have made some important error their blood is on their own heads.

The WITNESS: I should say to the minister that I left it to the committee as to whether I should read the sections of the Act, and they thought I should. That is why I am reading them. May I go on?

The CHAIRMAN: Yes.

The WITNESS:

SPENDING Every transaction involving $10,000 or more must be approved by the government.	Canadian Broadcasting Act Section 10. Notwithstanding anything contained in this Act, the Corporation shall not, unless the approval of the Governor in Council has first been obtained:— (*a*) Enter into any agreement involving any expenditure in an excess of ten thousand dollars;
LEASING Every lease for a term exceeding 3 years must be approved by the Government.	(*b*) Enter into an agreement or lease for a period exceeding three years;
PROPERTY DEALS Every purchase or sale of personal property exceeding $10,000 must be approved by the Government.	(*c*) Acquire any personal property, the cost of acquisition of which exceeds the sum of ten thousand dollars, or in any manner dispose of any personal property having an original or book value exceeding the sum of ten thousand dollars.
BY-LAWS C.B.C. by-laws must be approved by the Government.	Canadian Broadcasting Act Section 12. (*a*) The corporation may make such by-laws as may be necessary....(etc). (*b*) No such by-laws shall come into force or effect until approved by the Governor in Council, and no alteration, modification or repeal of any such by-law shall have any force or effect until so approved.

CAPITAL

Government can provide capital for works and facilities up to five hundred thousand dollars from any unappropriated moneys in the Consolidated revenue fund.

Canadian Broacasting Act Section 17.

(1) The Governor in Council may authorize the construction, extension or improvement of capital works of the broadcasting facilities of the corporation in Canada and, on the recommendation of the minister, may authorize the Minister of Finance to place to the credit of the corporation from any unappropriated moneys in the consolidated revenue fund such sum or sums as may be necessary to carry out such construction, extension or improvement of capital works; provided that the total amount which may be so authorized for the said purposes shall not exceed five hundred thousand dollars.

(2) Such moneys so advanced shall bear such rate of interest and shall be amortized on such terms and conditions as may be fixed by the Governor in Council.

WORKING CAPITAL

The government may provide loans for working capital from any unappropriated moneys in the Consolidated revenue fund, and loans for working capital may be withdrawn on demand.

Canadian Broadcasting Act Section 16.

The Governor in Council, on the recommendation of the minister, may authorize the Minister of Finance to place to the credit of the Corporation working capital advances from any unappropriated moneys in the consolidated revenue fund, but the aggregate amount of such advances outstanding at any one time shall not exceed one hundred thousand dollars, and such advances shall be repayable to the Minister of Finance on demand.

ACCOUNTS

The C.B.C. must render detailed accounts of receipts and expenditures to the minister.

Canadian Broadcasting Act Section 19.

The corporation shall establish and maintain an accounting system satisfactory to the minister and shall whenever required by him, render detailed accounts of its receipts and expenditures for such period or to such day as he designates, and all books of account, records, bank books and papers of the corporation shall at all times be open to the inspection of the minister or of such person as he may designate.

GOVERNMENT OVER-ALL CONTROL BY LICENCE

LICENCES—NEW

The government must approve all licences for new stations.

Canadian Broadcasting Act Section 24 (1).

....The approval of the Governor in Council shall be obtained before any licence for any new private station is issued.

LICENCES—TRANSFERS

Licences are not transferable.

Radio Act—Regulation No. 10.

No licence ... shall be transferred or assigned.

We turn now to the Radio Act. I believe regulation No. 10 is on page 22 of the little brown booklet. It reads in full:

> No licence granted by the Minister under the provisions of the Radio Act, 1938, and these regulations, shall be transferred or assigned.

LICENCES—
FAILURE TO RENEW

Licences to broadcast terminate annually and licences may be terminated by the minister at any year end without notice and without compensation.

Radio Act—Regulation No. 5.

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.

Each year before the licence of each broadcasting station is renewed, the C.B.C. reviews the activities of each broadcasting station and makes confidential recommendations to the minister; this enables the C.B.C. to require the station managers to comply with all manners of demands under the implied threat in case of refusal of an unfavourable recommendation to the minister concerning the desirability of the renewal of the station's license to broadcast.

Canadian Broadcasting Act Section 24 (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."

NOTE: The power to preemptorily refuse renewal of license at the end of any year confers on the minister a power of life and death over all broadcasting stations and everyone in the radio broadcasting business. Almost any demand upon anyone with any interest in any radio broadcasting business may be accompanied by the intimation that upon receipt of the information demanded by the department further consideration will be given to the issuance of the renewal licence to the radio broadcasting station in which the person upon which the demand is made is interested. This practice has in fact been employed.

LICENCES—CANCELLATION

The minister may cancel for cause, licences without a hearing and without right of appeal.

Radio Act—Regulation No. 28.

"The minister may by notice in writing to the licensee revoke the licence issued in respect of any station if in his opinion" (the minister's opinion) "there has occurred any breach, non-observance or non-performance by or on the part of the licensee, his servants or agents, of any of the terms or conditions contained therein or of these Regulations" (regulations under the Radio Act), "and thereupon the powers and authority granted in the licence shall be determined and ended."

The minister may cancel or refuse to renew a licence and where no offense is committed compensation is permitted (not directed) but limited to the depreciated value of the physical assets. There can be no compensation for loss of livelihood or business or established earnings.

Canadian Broadcasting Act section 11.

(4) "If the minister decides that the cancellation or refusal to renew any licence in the interest of broadcasting generally in Canada is desirable, and if such cancellation or refusal is not on account of any failure to comply with this Act or any regulation hereunder, or the Radiotelegraph Act or regulation thereunder, compensation may be paid to the extent of an amount not exceeding the depreciated value of the licensed radio equipment requisite for the efficient operation of the station together with a reasonable allowance to cover the cost of restoring the premises to a tenantable condition for ordinary purposes."

There can be no allowance for value of licence.

(5) "In determining the compensation to be paid, no allowance shall be made for the value of a licence terminated by the taking over by the corporation or the minister of any private station, and no person shall be deemed to have any proprietary right in any channel heretofore or hereafter assigned and no person shall be entitled to any compensation by reason of the cancellation of the assignment of a channel or by reason of the assignment of a new channel in substitution therefor.

NOTE: It is by reason of the power to terminate or refuse to renew licences and to cancel an assigned channel and to assign a new channel, without payment of compensation, that radio broadcasting stations CFRB Toronto, CKY Winnipeg and CFCN Calgary on April 18, 1946, were officially and peremptorily notified that their established wave length "will no longer be available to your station after June 1, 1947."

DEPUTY MINISTER OF TRANSPORT
OTTAWA, CANADA
File 6206-133 April 18, 1946

Dear Sir,—"I have to advise that a recommendation of the Board of Governors of the Canadian Broadcasting Corporation that the chanel 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.

LICENCES—LISTENING

A licence from the government is required not only for broadcasting but also for listening to any broadcast.

Radio Act—section 5

"No person shall establish any radio station or private receiving station or shall operate or have in his possession any radio apparatus . . . except under . . . a licence granted . . . by the minister . . .".

GOVERNMENT AND CBC CONTROLS BY ADDITIONAL DEVICES

By Mr. Robinson:

Q. Controls of what?—A. Controls of radio both receiving and broadcasting.

Q. General Control?—A. Yes. We consider under this heading not merely the Canadian Broadcasting Act but also the Radio Act which is, of course, the fundamental licensing Act in so far as broadcasting stations are concerned.

Hon. Mr. McCann: Is that included in the reference?

The Chairman: I was going to say that I have gone over this brief and I had some disturbance of mind about a good deal that is here. Clearly from the terms of reference as I read them there is much in this brief that is not within the terms of reference of the committee. From now on I think it is more noticeable. I think that the Canadian Association of Broadcasters is in the wrong court with a great deal of the material which they are bringing before us. In view of the work that has been put on it I am not suggesting that it should not be laid before the committee, and much less am I ruling it out. Of course, I am in the hands of the committee in this regard, but certainly the Canadian Broadcasting Corporation has nothing to do at all with many of the regulations to which reference is made in this brief. If the Canadian Association of Broadcasters is making an attack in those respects they are making it upon the government, as they say, the government of the day, and government is not by committee. It seems to me that we are being subjected to a great deal that is not our business. I am not suggesting that you discontinue because that would, I should think, require a complete redrafting of your brief. I am certainly not ruling against it, but I am in the hands of the committee in this regard.

Mr. Hackett: Do you not think with that caveat the fastest and most expeditious way of dealing with it is to let the witness continue?

Mr. Coldwell: I think the witness should continue as before. I do not think it is an attack on the government. I think it is an attack on the whole system of parliamentary government as we understand it in this democratic country.

Mr. Hackett: If the honourable gentleman will permit me to dissent from his point of view I think that it is an attack on the method of controlling radio which obtains. That may not be within the terms of the reference strictly, but we have embarked on a rather large program, and with great deference I rather subscribe to the statement you made, Mr. Chairman, that the best way to dispose of the matter is to let the witness continue.

Mr. Robinson: I quite agree. I did not raise the question with any idea of raising a jurisdictional question, but merely for clarification of what was meant in the brief by "controls by additional devices." I understand that means controls generally of radio in Canada.

The Witness: Quite right.

Mr. Hackett: I think that is admitted.

The Chairman: I am sure you will understand that if something is heard in chief from a witness which perhaps has no place here that there ought to be complete freedom of questioning on it afterwards, too. I am mentioning that with reference to the meeting of the Canadian Association of Broadcasters which

is to take place at Jasper before long. It is to be hoped that the witnesses will feel that they should stay to defend their thesis as long as any person desires to have them do so. I do not think that places them in any difficulty but I thought I had better mention it.

Mr. DIEFENBAKER: I am sure we would be the last who would desire to interfere in any way with the right of freedom of speech and of representation by anybody. I notice in your remarks you made that very clear. The fact that we listen to this does not mean that we accept it. It is only fair though that this committee should have a full and frank discussion on this subject and representations have been made by the C.B.C. I think the representations now made are most objective, but sometimes, however, very philosophical.

The CHAIRMAN: I should like to close that discussion with this statement. My difficulty is that I am supposed to maintain order, and that means stay within the terms of reference. If I did not mention it to the committee I felt I might be derelict, and that is why I have spoken. If you are agreed we will let the witness proceed.

Hon. Mr. MCCANN: I have no objection at all. I merely wanted to point out that in my opinion it goes beyond the terms of reference.

The CHAIRMAN: Very good. The witness will now proceed.

The WITNESS: Before I continue with the brief I must say I quite agree with the minister that many of the statements contained in this brief do go beyond the wording of the reference, but I think it is also fair to say that year after year this committee has not considered itself strictly bound by the language of the reference and has, I believe, examined into many things that could hardly be said to be connected with the annual report of the C.B.C. or its policies and aims. If we have travelled a little abroad from that in making this presentation it is for this very practical reason that it is impossible to consider the position of the private broadcasting stations in Canada with reference only to the Broadcasting Act as they are really dually licensed, in part under that Act and in part under the Radio Act. Even a cursory consideration of their position compels one to look also at the Radio Act. We thought we would be failing in our duty to this committee if we did not make some comments on that Act. If the committee, having heard the comments, feels they are beyond the ambit of the reference that is, of course, the business of the committee and not ours. We did not think we could stultify ourselves by a consideration only of the Broadcasting Act and not also of the Radio Act under which we are, in fact, licensed.

By the Chairman:

Q. That is your explanation why you have introduced matters that you knew were technically extraneous?—A. That is right. We felt—

Mr. SMITH: Of course, I do not agree they are extraneous.

The CHAIRMAN: The witness apparently did. He and I seemed to be in agreement. That is why I used the word, but you have a perfect right to disagree.

Mr. ROBINSON: A presentation of this kind is bound to lead to disagreement between lawyers, of course.

The WITNESS:

Government and C.B.C. controls by additional devices.

REGULATIONS

The Minister of Transport has been given and has exercised the most complete power to control radio in Canada by the creation and operation of "Regulations" having the force of law.

Radio Act—section 4 (1) "The Minister may make regulations—

(*b*) ... Prescribing ... the frequencies to be used and the nature of the service to be rendered.

(*c*) Defining the kinds of licences ... 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.

(*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.

WAVELENGTH CONTROL

The licensee has no right to the exclusive use of the wavelength that he is licensed to use, and this notwithstanding the fact that the use of the same wavelength by others in his territory would make completely useless the use of the wavelength by himself.

Radio Act—regulation No. 12.

"No licence ... shall prejudice or affect the right of the minister to establish, extend, maintain ... or to grant licences ... to any person ... whomsoever upon such terms as he shall in his discretion think fit."

Radio Act—regulation No. 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."

EXPROPRIATION OF STATIONS

May acquire stations and property without consent of owners.

Canadian Broadcasting Act, Section 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 if the corporation is unable to agree with the owner of any real property or private station which it is so authorized to purchase, as to the price to be paid therefor, the corporation shall have the right to acquire the same without the consent of the owner and the provisions of the Expropriation Act, chapter sixty-four of the Revised Statutes of Canada, 1927, shall mutatis mutandis, be applicable to the acquisition of such property by the corporation."

(3) "The compensation payable in respect of the taking of any such real property or private station or of any interest therein, or of lands injuriously affected by the construction of any undertaking or works shall be ascertained in accordance with the provisions of the Expropriation Act, and for that purpose the Attorney-General of Canada may file an information in the Exchequer Court on behalf of the corporation to all intents and purposes as if such property had been expropriated by His Majesty under the provisions of the said Act. The amount of any judgment upon such proceedings shall be payable out of the funds of the corporation."

By Mr. Knight:

Q. As a point of information, what is the subject of that sentence on page 14 of the brief under expropriation of stations, "may acquire stations and property without consent of owners"?—A. The only point in the brief—I did not prepare it—is that the C.B.C. is given the power of expropriation.

Q. It is simply a grammatical question? What is the subject of that sentence?—A. It is very bad grammar. It should be the "C.B.C."

Q. There is not any grammar. It is not there. You are talking about the licence fee in the paragraph above.—A. You are quite right. It means "the C.B.C. may", and it refers back to the heading on page 13.

The CHAIRMAN: I am sure Mr. Knight will not object to a lawyer saying that school teachers sometimes raise these questions. You fellows will have to learn to parse.

The WITNESS: I thought they had given that up in teaching grammar now.

Mr. SMITH: This may be all very interesting to you people but none of us have heard a word.

The CHAIRMAN: Did you not hear what was said? I am sorry.

Mr. SMITH: You were talking into your waistcoat the same as Mr. Sedgwick.

The WITNESS: I am sorry. I am not talking into my waistcoat.

The CHAIRMAN: We will try to do better.

Mr. COLDWELL: I am sure we cannot always hear Mr. Smith.

The CHAIRMAN: What I said was not worth hearing, anyway.

Mr. SMITH: If you admit that, it was not.

The WITNESS: I am on page 15 towards the end of the page under the heading "Power of seizure".

Power of Seizure

The government can take possession of any broadcasting station and operate it at any time and the staff will have to work for the government.

Radio Act—Section 11

(1) "His Majesty may at any time assume and for any length of time retain possession of any radio station and of all things necessary to the sufficient working thereof, and may for the same time require the exclusive service of the operators and other persons employed in working the same."

(2) "The persons owning or controlling the station shall give up possession thereof and the operators and other persons so employed shall, during the time of such possession, diligently and faithfully obey such orders, and transmit and receive such signals, calls and radiograms as they are required to receive and transmit by any duly authorized officer of the Government of Canada.

Compulsory Free Messages

Any department of government may require any licensee at any time to broadcast any message without compensation.

Radio Act—Regulation 25.

"If and whenever any department of the Government of Canada shall require the licensee, his or its servants or agents, to transmit by means of the licensed apparatus any message on His Majesty's service, such messages shall have priority over all other messages and the licensee, his or its servants and agents shall as soon as reasonably may be, transmit the same and shall until transmission thereof suspend transmission of all other messages, and the licensee shall not be entitled to claim any compensation in respect of the suspension of the transmission of such messages.

Control of Staff

The hours of operation and the number and class of workers to be employed may be stipulated in the annual license.

Radio Act—Regulation No. 16.

"The frequencies and types of emission to be used, the watches to be maintained and the number and class of operators to be carried shall be as specified in the license."

Radio Act—Regulation No. 22.

"The hours of service of all stations shall, when required, be subject to the approval of the minister."

Network Control

Network operation is prohibited except with the explicit individual approval of the government's C.B.C. As a condition of approval C.B.C. dictates the payments to be made to independent stations for network programmes.

Canadian Broadcasting Act—Regulation No. 19.

"Unless permission in writing is first obtained from the corporation:

(*b*) No . . . network of two or more stations shall . . . be operated within Canada.

Canadian Broadcasting Act—Regulation 7 (m).

"No one shall broadcast any programme or speech by means of mechanical reproductions . . . so as to achieve indirectly or by an evasion that which a regulation or ruling of the corporation prohibits, and the general manager of the corporation shall be the sole judge of what constitutes an evasion . . . and his ruling shall be final and binding."

By Mr. Robinson:

Q. I notice that under the next heading, "Advertising Limitation" you use the phrase, "The government's C.B.C." for the second time. Has that phrase any special significance to be attached to it?—A. No, I find it in here and I am reading it.

Q. There is no special significance in the use of those words?—A. No.

By Mr. Coldwell:

Q. There is an inference there which can be taken from it?—A. Mr. Coldwell, there is an inference that I do not draw myself. The C.B.C. has itself argued that it is an emanation of the Crown and the creature of the Crown, so that I do not think there is any improper inference.

By the Chairman:

Q. Are the Crown and the government the same?—A. My submission is the Crown and the Governor in Council are for all practical purposes the same thing.

By Mr. Robinson:

Q. On several occasions you have used the words "our comment" with regard to the left hand column. That is what it is. That is your comment, on the section, not your interpretation of the section?—A. No, sir, we have made a comment and that is what appears on the left hand side. The Act or regulation speaks for itself. If our comment is an inaccurate one you gentlemen will no doubt correct it, but at least we have given you the authority.

The CHAIRMAN: It is not unfair to draw to your attention that you have already given wide circulation of this brief to the public, and as to those words I do think that it is a case of propagandizing by epithet, a scheme of creating an impression in the public mind.

Mr. SMITH: Is there any doubt about the truth of it?

The WITNESS: I was going to say I had not thought that the word "government", much as it is disliked by some people, is a derogatory epithet, but if it is it is there.

The CHAIRMAN: There is no suggestion as to it being derogatory. It is untruthful as it is put here. That is the thought I was endeavouring to express.

Mr. SMITH: Why do you say it is untruthful?

The CHAIRMAN: The government owns nothing.

Mr. HACKETT: Could we not go on with the brief?

The CHAIRMAN: The impression I get is—well, never mind.

The WITNESS:

ADVERTISING LIMITATION

The government's C.B.C. has power of arbitrary limitation of and control over advertising to be carried on radio.

NOTE: Because private radio broadcasting stations receive their entire revenue from advertising, the statutory right of arbitrary limitation and control of advertising by the government who promulgate the regulations by order in council and the C.B.C. who administer the regulations, puts the government and the C.B.C. in a position to absolutely control all of the ability of each broadcasting station to earn revenue, and to carry on its business. This constitutes another and completely effective legal control of all private broadcasting stations.

NEWS CONTROL

Anything which may be described as news is placed by Law absolutely and utterly within the control of the government.

NOTE: Particularly that the right of the station is not only positively restricted by regulation 13 (1) but under regulation 14 all news may be required to be submitted in advance to the governmental body for scrutiny and approval and under regulation 16 the governmental body may require the station to broadcast a programme designated by the governmental body and this may be a governmental news programme.

Programme Compulsion

The government's C.B.C. has authority to designate programmes to be broadcast.

Canadian Broadcasting Act Regulation 9.

(1) "The advertising content of any programme shall not exceed in time ten per cent of any programme period.

(2) Nothwithstanding the provisions of sub-section (1) any station shall upon instructions in writing from the corportation, reduce the total daily advertising content of its programmes if the said total daily advertising content, in the opinion of the corporation, occupies an undue proportion of the daily broadcast time.

(3) Upon notice in writing from the corporation any station shall change the quality or nature of its advertising broadcasts.

CanadianBroadcasting Act Regulation 10. Prohibits altogether any advertising of seventeen categories and sub-categories.

Canadian Broadcasting Act Regulation 13 (1)

"Stations shall not broadcast . . . any news or information of any kind published in any newspaper or obtained, collected, collated or co-ordinated by any newspaper or association of newspapers, or any news agency or service except—

(*a*) Such . . . released by the corporation.

(*b*) Local and sports news under written arrangement to be made by each station individually.

(*c*) News from sources other than those provided in clauses (*a*) and (*b*) hereof with the prior permission in writing from the corporation and subject to such conditions as the corporation may specify.

Canadian Broadcasting Act—Regulation 16.

"Stations . . . shall . . . give right of way to . . . programmes as the corporation shall designate. In such event neither the station nor the corporation shall incur any liability for compensation or damages."

Programme Control

Programmes of all stations must be reported to authorities in advance and again after broadcast.

Canadian Broadcasting Act—Regulation 3.

(1) "Each station shall maintain a programme log in a form acceptable to the corporation."

(5) "Each station shall each week file with the corporation in a form acceptable to the corporation—

(*a*) An advance copy of its programmes scheduled for the following week showing the exact hours and how they are to be occupied each day.

(*b*) A true and complete copy of its programme logs not later than seven days following the operation of the said logs record.

The Government's C.B.C. has the authority to require all programme material to be submitted in advance of broadcast.

Canadian Broadcasting Act—Regulation 14.

"Representatives of the corporation may require the production of material to be broadcast before any broadcast is arranged to take place."

The Government's C.B.C. has full power to control the character of all programmes broadcast.

Canadian Broadcasting Act—Section 22 (1)

"The corporation may make regulations:

(*c*) To control the character of any and all programmes broadcast by corporation or private stations;

(*e*) To prescribe the proportion of time which may be devoted to political broadcasts by the stations of the corporation and by private stations, and to assign such time on an equitable basis to all parties and rival candidates."

OTHER SPECIAL POWERS AND PRIVILEGES

Power to Publish Free or Paid Publications

The government's C.B.C. has power to publish papers and periodicals and either sell them or distribute them gratis.

Canadian Broadcasting Act Section 8.

"The corporation shall carry on a national broadcasting service within the Dominion of Canada and for that purpose may:

(*h*) Publish and distribute, whether gratis or otherwise, such papers, periodicals, and other literary matter as may seem conducive to any of the objects of the corporation;"

Pays No Taxes

It pays no taxes (federal, provincial or municipal) notwithstanding that it did a very large commercial business in advertising in the twelve months ending 31st March, 1945, for which it charged advertisers a gross amount of $3,447,868.61 and retained a net amount of $1,639,-159.97. (Last figures available 1946 Parliamentary Radio Committee proceedings P. 116) and the present commercial business is much greater.

Incident: The large business and production premises on Jarvis street, Toronto (formerly occupied by Havergal Ladies College, where a staff of 300 persons more or less is employed) pays no city taxes.

The government's C.B.C. renders confidential advice to the minister (Government) with the result that the government appears before the public as merely acting on the advice of an independent body and not as a matter of government decided policy while the C.B.C.'s advice being secret and confidential is a fait accompli which cannot be effectively discussed or considered.

Mr. Ross (*Hamilton East*): Perhaps we could call it 12.30.

The CHAIRMAN: It is half past twelve. We will adjourn until 4 o'clock. Let me make this comment to you. The clerk has given me a note to the effect that a delegation is meeting the Prime Minister and the Cabinet in this room at 6 o'clock. We will have to keep that in our minds this afternoon.

The committee adjourned at 12.30 p.m. to resume at 4 o'clock p.m.

AFTERNOON SESSION

The committee resumed at 4 p.m.

The CHAIRMAN: Gentlemen, you will remember at the adjournment Mr. Sedgwick was about to deal with page 22. I believe he was at the top of page 22. Will you continue?

Mr. BEAUDOIN: Before you proceed may I bring up this matter? I think we should adjourn at 5.30 this afternoon.

Mr. FLEMING: Why not 5 o'clock?

Mr. BEAUDOIN: I am very sorry but, on the other hand, I think that all members of the committee will agree with me that an important delegation coming here to meet the Cabinet ministers on very important matters should have some deference on our part. They are meeting here at 6 o'clock sharp. There may be some necessity for rearranging the room, and so on.

Mr. WINTERS: Five forty-five.

Mr. BEAUDOIN: That is all right if you think that the men will have enough time to rearrange the room.

Mr. WINTERS: They have the drill down pretty well.

The CHAIRMAN: Do you think they would have to fumigate this room?

Mr. BEAUDOIN: Not necessarily, not any more this day than any other day.

The CHAIRMAN: What decision shall we make with respect to adjournment?

Mr. FLEMING: Five forty-five.

Mr. SMITH: Why not accept Mr. Beaudoin's word? If they are going to need half an hour let us give it to them. We cannot stand in the way of a large delegation meeting the Cabinet.

The CHAIRMAN: Is it agreed it shall be 5.30?

Carried.

All right, that is understood. Continue, Mr. Sedgwick.

The WITNESS: It was suggested to me at the noon recess I might be heard a little easier if I stood on my feet, so as long as my feet hold out I will do that.

C.B.C. PRACTICES

The government's C.B.C. exercises its wide statutory powers and determines many matters of far reaching importance to the public at meetings held without public notice of time and place or the matters to be dealt with, and from which the public and press are excluded. Among the many matters that have been thus dealt with are:—

Whether or not an additional broadcasting station would be permitted in a certain locality.

Whether or not a desirable wave length which might well be vital to the continued success of an established broadcasting station should be taken from it and if so what, if any, other wave length it should be permitted to use.

Such important regulations as "7 (*m*): No one shall broadcast any programme or speech by means of mechanical reproductions . . . so as to achieve indirectly or by evasion that which a regulation or ruling of the corporation prohibits, and the general manager of the corporation shall be the sole judge of what constitutes an evasion . . . and his ruling shall be final and binding".

The public or interested individuals have no opportunity as of right to be informed of proposals which are contemplated, to make representations concerning them or to hear or learn of the representations made by others concerning them.

The C.B.C. renders decisions without findings of fact or statement of reasons so that its decisions on occasions appear to be purely arbitrary.

This situation is extremely dangerous in that radio can and does present news, information, and opinion. The legislation clearly shows that the Canadian Broadcasting Corporation is not an "independent" body; is not responsible solely to parliament, but for all intents and purposes is legally in the hands of the "government-of-the-day". It is a body in which any "government-of-the-day" may exercise a proprietary position.

If I may interpolate, where the phrase "government" or "government of the day" is used we did try to make it clear, and I should like to emphasize that we are, of course, not referring to the government presently in power or to any government that has been in power since the first Radio Act was passed, but to whatever government is or may be in power.

Mr. FLEMING: Like the new one after the next election.

The WITNESS: Who can tell.

We believe this principle to be wrong. It is not necessary for us to give instances and examples of how this is not in the best interests of the Canadian people, or radio broadcasting itself. However, we do say that in actual practice this legislation has at times resulted in a denial of what seems to us simple justice.

In terms of democratic rights, this analysis shows three wrongs in existing radio law, namely:

1. There is no legal right to freedom of speech on the air in Canada.
2. Any "government-of-the-day" can exercise arbitrary power over the operations of all radio stations in Canada. Particularly, it can stifle progress, and development of the medium itself.
3. Present legislation results in an unsound situation—actually "subsidized competition" with power of control and regulation in the hands of one of the "competitors".

Point One

THERE IS NO LEGAL RIGHT TO FREEDOM OF SPEECH ON THE AIR IN CANADA

As matters stand, the "government-of-the-day" could—constitutionally, promptly, and without changing a word of present legislation—prevent expression of any opinion other than its own. We concede that the present government has no such intention, but the danger is there. The situation arose because since the first radio act was passed there has never been an over-all survey of radio legislation and regulation, nor any attempt to determine its application to modern conditions. The wide powers of regulation that may have been necessary for ships at sea, have no relation to present day radio broadcasting.

We feel that the full implications of existing law have remained obscure because no government has so far attempted to interfere on a very large scale with freedom of speech on the air. The important point is that freedom of speech on the air is not in Canada a matter of established right. That it may be permitted in some measure by the indulgence or "grace" of existing regulatory bodies is not good enough. It should be established as a matter of right, not a matter of "grace".

That the possibilities of radio's growth were not recognized when present regulations were passed, may be realized by even a casual examination of the Radio Act. This was originally devised as a "Mariner's Aid"; intended to govern ship-to-ship and ship-to-shore operations. It was not then known that radio would ever develop beyond that stage. Yet the Act applies with full force to today's very wide radio operations. Some of the situations created as a result may be humorous; but without intent, some of them are dangerous to fundamental democratic rights.

Point Two

ANY "GOVERNMENT-OF-THE-DAY" CAN EXERCISE ARBITRARY POWER OVER THE OPERATIONS OF ALL RADIO STATIONS IN CANADA. PARTICULARLY, IT CAN STIFLE PROGRESS, AND DEVELOPMENT OF THE MEDIUM ITSELF.

Progressive development of Canadian radio has been curtailed. Negotiations concerning allocation of broadcast channels between North American countries have been based on the advice of the Canadian Joint Technical Committee. This consists of representatives of the Department of Transport and the Canadian Broadcasting Corporation only. This collaboration between the C.B.C. and the Department of Transport has been carried so far that at international negotiations C.B.C. has in fact had representatives sit in on the deliberations advising the Department of Transport point by point, even though the Department of Transport is the actual negotiating representative appointed by the Department of External Affairs.

These negotiations were, we feel, always conducted with the primary interest of the CBC in mind, rather than those of Canada generally. On all international negotiations of this kind, there is always a certain amount of give and take on both sides in order to reach agreement. It is the opinion of many independent broadcasters that most of the "give" by the Canadian authorities has been on channels which are not of primary concern to the C.B.C. while the "take" has been on channels in which they are deeply concerned. Many of our members feel that Canada's position in any negotiations for power increases or frequency changes is not pushed with the same effort that the FCC authorities give to American interests. This situation is aggravated by the fact that negotiations are always completely public in the United States, so that there is never any question as to the attitude of those negotiating on any particular point.

By the Chairman:

Q. On the subject of publicity would that not have been appropriate last year, but has there not been an understanding that everything would be public this year between you and the C.B.C.? I was going to ask Mr. Dunton, because I thought that was public now.—A. We were talking in this particular paragraph not of negotiations between ourselves and the C.B.C. but of these international negotiations of which we are only partly privy.

Q. Yes, that is right.—A. Our Association feels very strongly that our industry's views should be given equal status to those of other North American broadcasters in any international negotiations. The power freeze imposed upon independent broadcasting stations was protested vigorously by the Canadian Association of Broadcasters for some years. It was finally modified to some

extent. But before this was done, much potential Canadian coverage was permanently lost by inaction. Under treaty terms, stations in other countries could and did take over certain coverage because Canadian stations had not been permitted to go to full treaty power. The independent stations concerned were willing and ready to increase. But they were prevented from doing so by C.B.C. regulations. The result was loss of valuable coverage to Canada forever.

It is significant that television and facsimile development has lagged in Canada. Experimental stations using both of these new broadcasting developments have existed for some time in the United States. Indeed, they are past the stage of experiment, and well into the state of daily use. C.B.C. is not even yet operating one experimental television or facsimile station. Unable or unwilling to do so itself, it has the power to prohibit the independent stations from doing so. For some time, at least a few independent stations have been willing to proceed with experimental television and facsimile stations, but cannot get permission to go ahead. Applications are on file; some of them for years past, and have simply not been acted upon.

By Mr. Beaudoin:

Q. Did you read that fine article on television in the Standard recently?—A. No, sir, I did not. Probably I should have.

Q. It is very interesting.—A. I do not get the Standard as frequently as I should.

Point three:

PRESENT LEGISLATION RESULTS IN AN UNSOUND SITUATION—ACTUALLY "SUBSIDIZED COMPETITION" WITH POWER OF CONTROL AND REGULATION IN THE HANDS OF ONE OF THE "COMPETITORS"

We dealt with this matter in our brief last year, and will not go over it again. Suffice to say that C.B.C. is becoming increasingly commercial, increasingly and more aggressively competitive. We shall be glad to give concrete examples if the committee so desires.

By Mr. Fleming:

Q. When could that be done?—A. When I finish or whenever the committee wants me to.

In addition to competition for advertising revenue, which is the only source of revenue, life blood of independent radio stations the government's C.B.C. and the independent stations compete for audiences. The situation is similar to the C.N.R. and the C.P.R. competing for passengers and other business. No one would suggest that it would be either fair or in the public interest to place the power of regulating the C.P.R. into the hands of the C.N.R. Yet this is precisely the present situation in radio. With the railways there is an independent regulatory authority. There should be an independent regulatory authority for radio.

The Solution:

We believe the solution is that there should be a right of freedom of speech on the air in Canada. We believe that the members of this committee are as interested as ourselves in correcting this dangerous and undemocratic situation. This committee is responsible to parliament (not to the government) and so should those who control radio be responsible.

We urge, therefore, that this committee recommend immediate and complete overhaul of existing radio legislation with these principles in mind:

1. That freedom of speech on the air should be a matter of right.

2. That such freedom should be properly safeguarded by having the regulation of radio broadcasting in the hands of a licensing and regulatory body which should be as independent as possible of the "government of the day", and which should be appointed directly by, and responsible directly to, parliament itself.
3. That the functions of such a body be clearly defined by parliament, and that its funds should be supplied by parliament.
4. That the C.B.C. be a corporation operating a national broadcasting system, as was originally intended, but deprived of regulatory power over independent stations.

A former director-general of the British Broadcasting Corporation sums up most clearly and concisely the urgent importance of civil liberties, freedom, and choice in radio. On June 26, 1946, the London Times carried this letter from Sir F. W. Ogilvie, Director-General of the British Broadcasting Corporation for nearly four years, and now Principal of Jesus College at Oxford.

I think this is a most important letter bearing in mind its source. It is written to the editor of the *Times.*

To the editor of the *Times*

Sir:—It is good to see that you, sir, support the plea for an inquiry into broadcasting. And it is much to be hoped that the question of the B.B.C. charter, when it comes to be debated, will not be regarded, in parliament or outside, as a mere trial of strength between the government-of-the-day and the opposition-of-the-day.

What is at stake is not a matter of politics, but of freedom. Is monopoly of broadcasting to be fastened on us for a further term? Is the future of this great public service to be settled without public inquiry, by Royal Commission or otherwise, into the many technical and other changes which have taken place in the last 10 years?

Freedom is choice. And monopoly of broadcasting is inevitably the negation of freedom, no matter how efficiently it is run, or how wise and kindly the boards or committees in charge of it. It denies freedom of choice to listeners. It denies freedom of employment to speaker, musician, writer, actor, and all who seek their chance on the air. The dangers of monopoly have long been recognized in the film industry and the press and the theatre, and active steps have been taken to prevent it. In tolerating monopoly of broadcasting we are alone among the democratic countries of the world.

By Mr. Coldwell:

Q. Is that word "alone"?—A. The word is "alone".

I was director-general of the B.B.C. from the autumn of 1938 to the beginning of 1942. At the time of leaving I set down some of my impressions and experiences in a memorandum which Sir Allan Powell and his colleagues on the B.B.C. board of governors have had in their possession since the end of the war. My chief impressions were two: the evils of the monopoly system, and the gallant work of a very able and delightful executive staff in trying to overcome them. The B.B.C. itself, good as it is, would gain vastly by the abolition of monopoly and the introduction of competition. So would all the millions of listeners, who would still have the B.B.C. to listen to, but would have other programmes to enjoy as well. So would all would-be broadcasters gain. If rejected by the B.B.C., they would have other corporations to turn to.

The only possible losers would be the various "governments-of-the-day"—Labor, Tory, Coalition, or whatnot. Governments are thoroughly

suited by the charter as it stands. What better could any government wish for than to have at the end of the street a powerful and efficient instrument which has all the appearance of independence, but which, by the existing provisions of the charter and licence, it can control by will?

The present issue is not the patient and admirable B.B.C., its deeds or alleged misdeeds. The issue is the broadcasting system itself, and well-wishers of the government must hope that it will be very willing to institute a full and open inquiry into it. Automatic nationalization of the infinitely precious things of the mind and the spirit—this is no part of true socialism.

Yours very truly,

(Signed) F. W. OGILVIE,
(*The Principal's Lodgings, Jesus College, Oxford*).

Broadcasting involves expression of opinion, presentation of information, and choice of programming. Moreover, there is close connection between broadcasting and the conduct of elections. In view of those admittedly important functions, we suggest that a body similar to the Board of Transport Commissioners, possessed of the powers necessary to license and regulate radio in the public interest, convenience and necessity, appointed on joint address of parliament and removable only by that method, would be appropriate.

Such a board would, we submit, be the proper custodian of the licensing and regulatory power (now exercised by the board of governors of C.B.C., and "the Minister" under Broadcasting and Radio Acts).

Such an arrangement would leave C.B.C. free to concentrate upon its broadcasting activities and its internal affairs. Examples of a publicly owned enterprise and a privately-owned enterprise, both under the general control of a regulatory body are to be found in the case of the Canadian Railways, the Canadian Air Transport Cos., and the Australian Broadcasting System.

There is a strong body of public opinion which favours overhaul of existing radio legislation. Growing interest in civil rights and liberties is one evidence of this. The fact is more sharply pointed up in specific relation to radio by continuing and independent research on "public attitudes" conducted by the Elliott-Haynes research institute. These researches show, in relation to radio, a highly significant trend, and we have asked Mr. Walter Elliott, whose firm is responsible for these studies, to present his findings to you as a part of our brief.

We feel there is some reason to believe that this trend is to some extent at least, due to the type and scope of service daily given by our member stations. The 89 stations we represent play a vital part in Canadian broadcasting. They spend about $5,000,000 a year on the salaries of some 2,500 people—the largest single group of Canadians with the longest practical experience in every phase of radio broadcasting.

Their volume of programmes is many times greater than that of the governmental system and in total commands larger audiences. They pay city, provincial and federal taxes; and operate at no direct cost to the Canadian listener. Their revenues are obtained solely from advertisers, who receive full value.

They get no money from public funds or taxes; no money from home radio set licence fees. In addition to the customary taxes of all types levied on business operations, they pay licence fees which go to the Canadian Broadcasting Corporation.

Continuing Public Service

Last year, we reported the public service activities of these stations; their activities in developing talent, personnel, and programming. This statement was an impressive record of accomplishment. But at best, it gave a glimpse only of the immense scope of public service activity performed daily by the independent commercial stations of Canada. In a report that took half a day

to present, we could include activities of only a few stations. Time prevented many equally effective operations being reported.

Since then, these 89 stations all have continued to serve the people of their area in a very real and practical fashion. Over and above daily programme schedules that attract and hold vast listening audiences (in itself, an activity of public service)—these stations also have taken notable and leading parts in such services as protection and saving of life and property during emergencies. During tornado, flood, storms, blizzards, the independent commercial stations have been in the forefront of effort—in many cases, have been the very focal point of effort—turning their entire facilities and staffs towards the work of rescue and rehabilitation (examples available).

TECHNICAL AND DEVELOPMENT REASONS

Other urgent reasons centre around new technical developments and the fact that only now are the full potentialities of radio as a medium of expression being realized.

Car-to-car and car-to-place radiotelephone is now practical. Telegraph and telephone companies in the United States are already employing radio transmission. It is probable that this method will largely if not entirely displace landlines. Under the regulatory system existing to-day in Canadian radio, the C.B.C. and any existing "government-of-the-day" have the right to demand copies of telegrams in advance when these new methods are used.

In some American cities, newspapers and radio stations now use facsimile distribution of newspapers. More and more of them are doing so. The government's C.B.C. has the power under present regulations to regulate editorial comment in the press, to demand advance submission of news stories, and to dictate from what sources these may be drawn, when Canadian newspapers and radio stations adopt facsimile. (See C.B.C. Regulations for Broadcasting Stations and extracts from Broadcasting Act 1936: Section 6 (*b*); section 13, paragraph 1, sub-paragraphs (*a*); (*b*) and (*c*); paragraphs 14, 15, 16).

How little certain possibilities were recognized may be realized if the Aird report is examined. It was the Aird Commission which examined radio systems then existing in the world, and upon its later recommendations our present system was largely based. It will be noted that the Commission was most favourably impressed by the German radio system. That was one year before Hitler took over. It is now generally recognized that the government dominated radio system of Germany helped Hitler to assume control of that country.

(From page 5 of the Aird Report, we quote: "We found broadcasting especially well organized in Great Britain . . . and in Germany where the radio service is also under a form of public ownership, control and operation."

Extended reference is made to the German system (in favourable vein) on page 15, and the attention given to that system in the Aird report occupies more space than that given to any other system studied.

To sum up; Radio legislation, which has grown up haphazard, needs complete revision. The revision should be made in the light of our past experience and present knowledge; the revision should recognize the potentialities of radio and the essentiality of providing that it be free from interference and even the threat of interference, while subject to necessary regulation.

In such a revision recognition should be given to the fact that there has grown up in Canada—not one national system of broadcasting—but two separate and competing systems and each should be accorded its proper and rightful place in which it can fully serve the people of Canada.

It is desirable, in the interest of all our people, of all political parties, that so great a power should be removed from even the possibility of political control—and should be given a charter under which it can expand, prosper and serve.

"TO CONCLUDE"

For the reasons given we urge that the public interest requires—

1. The firm establishment of the legal right to freedom of expression on radio similar to the legal right to freedom of expression in print.
2. An independent radio licensing and regulating body appointed directly by, financed by and responsible directly to parliament with power to licence and regulate all radio in Canada.

MEMBER STATIONS OF THE CANADIAN ASSOCIATION OF BROADCASTERS

April 1, 1947.

MARITIME REGION

1.	CJCB	Sydney
2.	CFCY	Charlottetown
3.	CJCH	Halifax
4.	CHNS	Halifax
5.	CFAB	Windsor
6.	CKCW	Moncton
7.	CKNB	Campbellton
8.	CHSJ	Saint John
9.	CFBC	Saint John
10.	CFNB	Fredericton

QUEBEC REGION

1.	CHNC	New Carlisle
2.	CJBR	Rimouski
3.	CJFP	Rivière du Loup
4.	CHGB	Ste. Anne
5.	CHRC	Quebec
6.	CKCV	Quebec
7.	CHLN	Three Rivers
8.	CHEF	Granby
9.	CHLT	Sherbrooke
10.	CKAC	Montreal
11.	CFCF	Montreal
12.	CHLP	Montreal
13.	CKCH	Hull
14.	CKRN	Rouyn
15.	CKVD	Val d'Or
16.	CHAD	Amos

ONTARIO REGION

(Smaller Market Group)

1.	CHOV	Pembroke
2.	CKSF	Cornwall
3.	CFJM	Brockville
4.	CJBQ	Belleville
5.	CKDO	Oshawa
6.	CFOR	Orillia
7.	CKTB	St. Catharines
8.	CHVC	Niagara Falls
9.	CKCR	Kitchener
10.	CJCS	Stratford
11.	CFOS	Owen Sound
12.	CFCO	Chatham
13.	CKNX	Wingham
14.	CJIC	Sault Ste. Marie
15.	CFPA	Port Arthur
16.	CKPR	Fort William

(Major Market Group)

1.	CFRA	Ottawa
2.	CKWS	Kingston
3.	CFRB	Toronto
4.	CKEY	Toronto
5.	CHUM	Toronto
6.	CHML	Hamilton
7.	CKOC	Hamilton
8.	CJKL	Kirkland Lake
9.	CFCH	North Bay
10.	CKGB	Timmins
11.	CFPL	London
12.	CKLW	Windsor

MANITOBA REGION

1.	CKFI	Fort Frances, Ont.
2.	CJRL	Kenora, Ont
3.	CKSB	St. Boniface, Man.
4.	CKRC	Winnipeg
5.	CKY	Winnipeg
6.	CJOB	Winnipeg
7.	CFAR	Flin Flon
8.	CKX	Brandon
9.	CJGX	Yorkton, Sask.

SASKATCHEWAN REGION

1.	CKIB	Prince Albert
2.	CFQC	Saskatoon
3.	CKRM	Regina
4.	CKCK	Regina
5.	CHAB	Moose Jaw
6.	CJNB	North Battleford

ALBERTA REGION

1.	CHAT	Medicine Hat
2.	CFAC	Calgary
3.	CFCN	Calgary
4.	CJCJ	Calgary
5.	CFRN	Edmonton
6.	CJCA	Edmonton
7.	CJOC	Lethbridge
8.	CFGP	Grand Prairie

BRITISH COLUMBIA REGION

1.	CJAT	Trail
2.	CKOV	Kelowna
3.	CJIB	Vernon
4.	CFJC	Kamloops
5.	CKPG	Prince George
6.	CHWK	Chilliwack
7.	CKNW	New Westminster
8.	CJOR	Vancouver
9.	CKMO	Vancouver
10.	CKWX	Vancouver
11.	CJVI	Victoria
12.	CJAV	Port Alberni

Total Stations 89

Mr. Chairman, that is the end of the formal brief. If I may make one comment, on page 32 the brief refers to a continuing and independent study of public attitudes made by the Elliott-Hayes Research Institute. It was the intention of C.A.B., and it is still our hope that we will be able to have Mr. Elliott present his study to this committee as indicative of public opinion to-day on this question, and also as a historical survey of the trend of public opinion over the last three years. I should have liked to have had Mr. Elliott follow me before questions were asked, but from the practical standpoint I do not know how that is to be done.

Mr. Elliott's presentation, as he has presented it formerly, involves the use of slides, and some darkening of the room. How that can be done here at this time I do not know. It could be done in the evening, but whether Mr. Elliott can make his presentation without the slides I do not know.

By Mr. Coldwell:

Q. Is that the study which appears on page 35 of this little booklet?—A. Yes, that is a very much condensed story of it. I spoke to Mr. Elliott and he tells me that his presentation would take about thirty minutes. In order to make it effective in the way in which he has it set up he would like to use the visual presentation method. He tells me he could arrange for a proper place somewhere in this building, a darkened room some time tomorrow if the committee proposes to sit to-morrow, or if it will sit.

The CHAIRMAN: Gentlemen, that is a matter we ought to settle now. Is there to be that kind of presentation? When can it be done? Where can it be done, and so forth?

Mr. HACKETT: May I ask you a question? Supposing it were deemed wise to hear Mr. Elliott immediately how long would it take to get him going now in this room?

The CHAIRMAN: What is the answer to that?

Mr. ELLIOTT: As far as the presentation is concerned, as Mr. Sedgwick has explained, it is of film slides. I would much prefer to give this material from those film slides inasmuch as you can well appreciate it involves statistics, it involves trend lines over a period of three years, and in order to be able to make an effective presentation you do require film slides. That requires darkening of the room. I can give this presentation in a matter of twenty-five to thirty-five minutes this evening if it would be possible. Failing that we could give it to-morrow and arrange for the darkening of a room.

Mr. HACKETT: The chairman's question to you was how long it would take you to get going if this room was darkened immediately?

Mr. ELLIOTT: I could be ready inside of fifteen or twenty minutes.

Mr. FLEMING: Mr. Chairman, I appreciate Mr. Elliott's wish to make that type of presentation. What troubles me first of all is that it is difficult to make such a presentation a matter of record, and whatever is given here by way of testimony must be a matter of record. The second thing is to know how we are going to have a presentation of that kind with questions. You cannot have questions in a darkened room during the presentation of slides.

Mr. ELLIOTT: It is quite possible.

Mr. FLEMING: I do not see how the reporter can take it down or a formal meeting of the committee can continue. When the presentation is over we would have to make our questioning referable to charts or slides that are not before us. I do not see how that is possible.

Mr. SMITH: I hope these private conversations are very interesting. We cannot hear them here.

The CHAIRMAN: Are there any other comments? Despite Mr. Smith's remark there were some comments to be heard up here.

Mr. ROSS (*Hamilton East*): I think it is very necessary to have the Elliott-Haynes report before the questioning of Mr. Sedgwick even if we have to have it tonight at some time in a darkened room. I think that report will give us a lot of figures that we will remember and which will give us many leads for the questioning period. I think it is necessary that we see that presentation.

Mr. COLDWELL: If we are going to see these slides I think we should see them at a regular meeting of the committee. I think last week all members were very willing to do everything possible to accommodate the Canadian Association of Broadcasters. However, we have sat twice to-day and some of us have other obligations which will not permit us to sit tonight. If we are going to have it I think it should be a part of the regular proceedings. I do not think we should be expected to be here morning, afternoon and evening. If arrangements can be made for the showing of the slides as a part of a regular meeting in a darkened committee room I think that should be done, but I do not think we should increase the number of sittings by having one to-night.

Mr. BEAUDOIN: Mr. Elliott says it would take a matter of about fifteen minutes to get ready and the film lasts about thirty minutes. We could be all finished by 5.30.

Mr. ROSS (*Hamilton East*): The committee room in front of the reading room is a pretty dark room.

The CHAIRMAN: I was wondering about that. The secretary has arranged to go out and look at that room and see if it is available. You know, Mr. Sedgwick, if we had had some indication of this in advance we might have been able to accommodate you better. We asked the association to give us the brief in advance, but not until today did the committee know about this. Personally I was only informed about it late yesterday afternoon or some time yesterday evening.

The WITNESS: I am as disappointed as you are. I have not been in Ottawa for three or four weeks. I did not think that arrangements for Mr. Elliott's presentation had been made. I certainly did not expect that I would have to make them. I was quite surprised to find when I got here this morning that nothing had been done.

The CHAIRMAN: I take it from the way this conversation has been going on that there is general agreement that the representations should be made in the way suggested. There does not seem to be any objection beyond what was said by Mr. Fleming. There was no person followed up after that. Mr. Fleming had some dubiety about the hearing of this at all.

Mr. FLEMING: It is about the method. I do not see how this can be made a matter of record. That is what is troubling me. I do not see how we are going to be able to put questions in a darkened room as we go along.

Mr. DIEFENBAKER: Why could it not be made a matter of record?

The CHAIRMAN: Are you speaking loudly enough?

Mr. DIEFENBAKER: I was asking for information. Why could it not be made a matter of record. I cannot follow Mr. Fleming at all.

Mr. FLEMING: If we have slides we are not being furnished with anything to go into the record.

Mr. SMITH: Suppose you brought a horse in here to look at. You would not put him on the record.

Mr. FLEMING: I could make a comment on that but I will refrain.

The CHAIRMAN: Perhaps if you made the comment you are thinking about it would not be proper to put it on the record.

Mr. HACKETT: It would not be parliamentary.

Mr. SMITH: Perhaps jackass would be more appropriate.

Mr. KNIGHT: I would propose to Mr. Fleming that we do not talk during this period but simply look at the pretty pictures.

The CHAIRMAN: That is a matter we will have to try to settle, whether or not there will be questioning go on when the slides are being shown, whether it will go on any written record or whether it will not. I have seen many of these slides, at any rate, at a private showing.

Mr. SMITH: You do get around.

The CHAIRMAN: Yes, I was invited indirectly by Mr. Elliott to go and look at them here in the House of Commons. I went and looked. It was my understanding that a considerable number of others had had the same opportunity. I did not hink I was being singled out.

Mr. SMITH: Why could we not look at the slides and the reporter can have a little lamp on his table? There are no physical difficulties.

Mr. HACKETT: I think we should follow the suggestion the chairman made for the reading of the brief. The rule is no questions. If an emergency occurs the chairman will rule whether the question should be permitted.

By Mr. Robinson:

Q. I see at the back of the printed booklet which has been distributed or sent through the mail that there are some statistics from this public attitude digest?—A. That is right.

Q. If we see the slides will there be sufficient material afterwards in a mimeographed or other form on which we can ask questions?—A. I believe so.

Q. Would that not solve the difficulty?—A. I think I have a mimeographed summary. It is only a summary. I think that would be sufficient.

The CHAIRMAN: If I may interrupt Mr. Sedgwick the room right over here by the elevator is taken. It is being used by Mr. Beaudoin's friends of whom he spoke a little while ago as a cloak room. Room 497 is free, and I am told by the clerk that it can be fixed up. It will take a few minutes. Most of the staff are gone, but the clerk thinks that with a couple of messengers it can be got ready fairly quickly. Mr. Elliott could be getting his material ready at the same time. It is ten minutes to five. If we are going to do that we will have to rise immediately and meet there at 5.10 or something like that. You recall we undertook to adjourn at a certain time, but since we will be out of here it will not be necessary to adjourn at 5.30.

Mr. SMITH: We can sit until 6.

Mr. BEAUDOIN: I move that we now rise and go to that room.

The WITNESS: I have a mimeographed summary.

The CHAIRMAN: Gentlemen, do not go there now because we have got to give these people an opportunity to get the room ready for 5.15. Mr. Sedgwick also has the mimeographed sheets to which he made reference a few minutes ago. He might distribute them to you now in advance of going up there at 5.15. Would you do that?

Mr. COLDWELL: We will not need to take our literature there.

The CHAIRMAN: Instead of the messenger distributing them would some of you do it yourselves? He is busy on the other job.

Mr. ROBINSON: Before we leave this room should we not decide whether we should meet to-morrow, and at what time?

The CHAIRMAN: Yes. Gentlemen, before we leave this room we should decide about meeting to-morrow.

Mr. HACKETT: I thought we would meet on Thursday.

The CHAIRMAN: That part of the report was left for final decision. The first paragraph in the report was accepted then and there, but the balance of it was to be settled as the last matter of business this afternoon.

Mr. COLDWELL: I will move that we meet at 4 o'clock to-morrow.

The CHAIRMAN: Would you change that to read that the committee's report be accepted with that variation which, of course, would mean that we would meet on Thursday.

Mr. COLDWELL: Yes.

The CHAIRMAN: It would really mean 4 o'clock to-morrow afternoon and a meeting on Thursday, too.

Mr. DIEFENBAKER: Mr. Chairman, I should like to point out that arrangements have been made for to-morrow afternoon for members of our party to go to a gathering outside of Ottawa. I should like to see that somewhat earlier. These arrangements were made four weeks ago.

Mr. SMITH: That is not until a quarter to six.

Mr. BEAUDOIN: We might adjourn at 5.30.

The CHAIRMAN: I inferred the meeting to-morrow afternoon was from 4 till 6.

Mr. DIEFENBAKER: It is only a question of the time in the afternoon.

Mr. BEAUDOIN: We could adjourn at 5.30.

Mr. COLDWELL: What about 3.45 to 5.45?

The CHAIRMAN: Fifteen minutes earlier starting and fifteen minutes earlier stopping, and otherwise the report made this morning stands, which means two meetings on Thursday.

Mr. COLDWELL: The objection is to the 4 o'clock meeting on Thursday owing to the External Affairs committee hearing General MacNaughton on atomic energy.

The CHAIRMAN: You would say that the latter part of the report is acceptable expecting that you would want it to be to-morrow from 3.45 to 5.45 and on Thursday morning only?

Mr. COLDWELL: That is right.

The CHAIRMAN: Are we agreed on that?

Carried.

The committee adjourned at 4.55 to resume at 5.15 in room 497.

The CHAIRMAN: Now, gentlemen, with regard to what we are about to see and hear may I say that Mr. Elliott also has quite a bit of statistical analysis that perhaps could be distributed to-morrow at the meeting with any further amplification of anything that comes up here to-day.

Mr. SMITH: We can ask our questions then.

The CHAIRMAN: Also, Mr. Smith suggests that we hold our questions until to-morrow and just have the story told to-day.

Mr. HACKETT: Let's get the story. I understand that Mr. Elliott is not going to be here to-morrow.

Mr. ELLIOTT: I had not planned to be here to-morrow. As a matter of fact, any questions arising from the slides I present I will be only too willing to answer.

The CHAIRMAN: Let's decide; shall we ask questions now?

Mr. HANSELL: I have one question I would like to have go on the record.

The CHAIRMAN: Now?

Mr. HANSELL: Yes.

The CHAIRMAN: In the course of this presentation?

Mr. HANSELL: Yes.

The CHAIRMAN: The reason I am making the suggestion to you about not asking question now is this, that the presentation of the slides themselves is going to take some little time and we have not a great deal of time left.

Mr. HANSELL: I could ask my question as we proceed.

The CHAIRMAN: Might I leave it this way then; we have not a great deal of time so shall we try to hold our questions to matters that will be of advantage and interest to the whole of the committee.

Mr. HANSELL: My question will be answered, yes or no. I would like to ask Mr. Elliott if he represents the C.A.B.; and, if his organization is an independent organization and at the disposal of anyone who wants to use it? I think that is important for the record.

Mr. ELLIOTT: The answer to the first question is, no, we do not represent the C.A.B. The answer to the second question is, yes, we are a group at the disposal of anyone.

Mr. COLDWELL: Did anyone pay for this particular survey?

Mr. ELLIOTT: Yes, sir.

Mr. COLDWELL: Would you like to tell us who paid for it?

Mr. ELLIOTT: Yes. I will give that in the first part of my talk.

Mr. COLDWELL: I would like to have the answer now for the record.

The CHAIRMAN: Mr. Elliott, Mr. Coldwell wants the answer now for the record, that question is in order.

Mr. ELLIOTT: Very well, sir. This study was started during the war, and it developed as a result of an interest on the part of Canadian corporations to know what public opinion in Canada was, and its trend with regard to their particular corporations. A number of Canadian business organizations subscribed to and supported this survey. They included firms such as Canadian Industries, Limited, Canadian General Electric, Northern Electric, Imperial Oil and the like. Since then there have been a number of other companies, corporations and trade associations participating.

Mr. COLDWELL: Did they pay for this?

Mr. ELLIOTT: They paid for this.

Mr. COLDWELL: Have the corporations to which you have referred paid for this?

Mr. ELLIOTT: That is right, sir.

Mr. COLDWELL: As to this; are we going to get the questions which were asked people and on which this survey has been built?

Mr. ELLIOTT: As a matter of fact, that is part of the preamble of my presentation, exactly how it develops, what questions we asked and what we did.

The CHAIRMAN: Shall we let Mr. Elliott proceed now?

Mr. ELLIOTT: Mr. Chairman and gentlemen, I should like to open my remarks with an expression of appreciation to the committee for being willing, as it were, to adjourn and reconvene in this hall for the purpose of seeing this presentation. Now, I would like, in line with Mr. Coldwell's initial remarks, to give you the background of this study. In the early part of the war a lot of companies in Canada were concerned with what was going to happen in the public relations of their companies, and they were also interested in what was going to develop as a result of the war. A lot of these companies had a long memory of conditions as they were during the war of 1914-18, and a number of the companies came out of the war facing charges of having trafficked with

the enemy, the munitions makers with having made excessive profits and all that sort of thing; and the result was that it took many years after the end of the war before business could recover from the effect of these accusations. Now, these companies, having lived through that war and entering into another were also concerned with exactly the same sort of trend, and we were retained by the companies for a period of years to make studies of that nature. We found that all these inquiries were channelled down the same groove; in other words, how far is business in the war; what is going to happen to us at the end of the war; after victory how fares public attitude toward our corporation, and things of that kind.

At the outset, Mr. Chairman, I want to make our position clear, that I am not here to fight the battle of C.A.B. I am an independent. As a matter of fact, it might be said that we are in business and not in radio, although we have a vested interest in radio, and I would explain our vested interest in radio by telling you that our surveys throughout Canada represent 18 per cent of a total balance; and at the same time I would point out that that is distributed among the private radio stations and the CBC stations. In other words, among advertising agencies following along radio broadcasting for the industry only 18 per cent of our balance run through that group. As a matter of fact, we have a greater financial revenue from other media than we have from radio, for other types of service than that 18 per cent of radio. And, with respect to that 18 per cent of radio to which I referred I would point out that only approximately 6 per cent of our revenue comes from private stations; and, further, that C.A.B. workes out at less than 5 per cent. I explain our position in order to establish the fact at the outset that I am not here to make an appeal on behalf of the C.A.B., nor am I here in any way to deprecate the work of the C.B.C. and what it has done over a period of years and up to the present time. I want to say this very definitely, that we have been taking this study over a period of years. I have been invited here by the C.A.B. to present the case of John Q. Public. I would like to proceed with that presentation, and you will notice as I go along that a lot of this information is probably as much to the right is it is to the left. This is a study of public attitude towards Canadian business and industry; and as I proceed you will remember this, that the study takes up to the spring of 1947 and was carried out through the facilities of our organization.

(Presentation of slides and related explanation proceeded.)

The committee adjourned at 6.10 p.m. to meet again to-morrow, June 4, 1947, at 3.45 p.m.

SESSION 1947

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 5

WEDNESDAY, JUNE 4, 1947

WITNESS:

Mr. Joseph Sedgwick, K.C., Counsel for The Canadian Association of Broadcasters.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1947

MINUTES OF PROCEEDINGS

WEDNESDAY, June 4, 1947.

The Special Committee on Radio Broadcasting met this day at 3.45 o'clock in Room 262.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Fulton, Gauthier (*Portneuf*), Hackett, Hansell, Knight, Langlois, Laurendeau, Maloney, Maybank, McCann, Mullins, Robinson (*Simcoe East*), Ross (*Hamilton East*), Ross (*St. Paul's*), Smith (*Calgary West*), Winters—21.

In attendance:

1. From C.A.B.—Same as at the meeting of Tuesday, June 3;
2. From Department of Transport—Messrs. Browne, Caton and Smith;
3. From C.B.C.—Messrs. A. D. Dunton, Augustin Frigon, D. Manson and H. Palmer.

On motion of Mr. Fleming,—

Resolved,—That Mr. Ross (*Hamilton East*), take the Chair until the arrival of the Chairman.

Mr. Winters made a correction in the minutes of evidence of the meeting of May 29, No. 3, page 118. (*See this day's minutes of evidence*).

Mr. Joseph Sedgwick was recalled.

Mr. Maybank took the Chair.

The Committee resumed its examination of the witness.

Mr. Harry Sedgwick, Manager of CFRB was called and supplied an answer.

A suggestion of Mr. Coldwell to hear Mr. Walter Murdock, President of the Musicians' Union of Toronto, was referred to the Steering Committee.

A suggestion to print as an appendix to this day's evidence certain statistical tables distributed by Mr. Sedgwick at a previous meeting and relating to a report of Elliott Haynes Limited, was deferred as was one of Mr. McCann and of Mr. Gauthier (*Portneuf*) relating to a Gallup Poll undertaken for the Canadian Broadcasting Corporation to be later tabled.

At 5.45 the Committee adjourned until Thursday, June 5, at 11.00 o'clock in Room 277.

ANTONIO PLOUFFE,
Clerk of the Committee.

90040—1½

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

June 4, 1947.

The Special Committee on Radio Broadcasting met this day at 3.45 p.m.

Mr. FLEMING: I move, in the absence of the chairman, Mr. Ross be asked to take the chair so we can get the meeting started.

Agreed.

At this point Mr. Ross (Hamilton East) took the chair.

The ACTING CHAIRMAN: Well gentlemen, we have a call out for Mr. Maybank. We cannot find him. He is not in his room and he is not in the house. We will proceed with Mr. Sedgwick. Where is he?

Mr. SEDGWICK: Right here.

Mr. WINTERS: On a question of privilege, Mr. Chairman, last Thursday during the latter part of the afternoon I took over as acting chairman and the notation of that is on page 117 of the minutes of evidence. Shortly thereafter, on page 118, there is a remark attributed to the acting chairman,

> Yes, also I think with some of the beer and whiskey which they are not allowed to advertise.

Mr. Chairman, I cannot take credit for that statement since I did not make it.

The ACTING CHAIRMAN: The reporter has a notation of the correction.

Mr. Sedgwick is now in your hands, gentlemen, for questioning.

Joseph Sedgwick, General Counsel, Canadian Association of Broadcasters, recalled:

Mr. COLDWELL: Are we going to take the brief section by section?

The WITNESS: I thought it would be a little easier for me if we took the brief pretty well as it is instead of hopping back and forth through it. I thought it would be easier for the members as well.

At this point Mr. Maybank took the chair.

The CHAIRMAN: I am very sorry gentlemen, I am late. I have no alibi. I just did not know it was so late.

By Mr. Coldwell:

Q. As a member of the opposition, I am interested in this statement of yours and want to know if you can elucidate upon it. It is on page 1 of the brief.

> Today, radio in Canada is under complete control of any "government-of-the-day" that is in power—not direct control by the elected representatives of the people assembled in parliament.

—A. Yes. What we had in mind, Mr. Coldwell, and what we endeavoured to support by references to the two Acts and to the regulations passed under those Acts is that most of government in radio is not statutory but rather order in council. Those regulations are not acts of parliament but rather acts of the governor in council. Now, that is a mere prefatory statement that we thought we had amply supported by concrete examples throughout the rest of the brief.

Q. What I had in mind, as one who is often critical of the orders in council passed when the House is in session, is it not part of the parliamentary practice to give powers under a statute to a government responsible to parliament in order that they may do things that are necessary to do, which parliament should not possibly be concerned with at the moment and which must be done in their executive capacity, but at all times responsible to parliament for answering for anything that they may do in connection with their activity as a government. Is not that still the theory of British responsible government?—A. Well, I do not know, sir. I have often thought and I know you have thought also that legislation by order in council has probably gone much farther than was ever intended.

Q. That is not the point I was raising.—A. I know, sir. It is a fact that many Acts, not all, but many Acts do delegate some of the powers of parliament to the executive.

Q. I do not know one that does not.—A. I do know of some, sir, old Acts which do not and some modern Acts which do not. It is true that most Acts do. We suggest, in dealing with a thing so vital to the people of Canada as radio broadcasting, that there should be a minimum of delegation and a maximum of direct legislation so that the elected representatives themselves can consider all these matters. It is of course true—I almost need not say this—while parliament can review the regulations made under an Act it hardly ever does.

Q. Is not that what we are appointed to do on behalf of the members of the House of Commons?—A. I suppose that is true, sir. Then we are drawing to your attention certain things which we in our humble opinion believe call for a remedy.

Q. I think you have that right?—A. Yes, sir.

By Mr. Smith:

Q. Would not the Railway Act be an excellent example of what you are talking about? The powers there are not so much by order in council but are set out in statutory form?—A. Yes, the limits and powers are set out in the statute. We think the tremendous powers which are given to the minister or the corporation under either or both of these Acts are powers which ought to be exercised by parliament. Then, as to the necessary regulations, we do not of course suggest that regulation of radio is not necessary. We say that it should be given to a different kind of body than the body or person which now enjoys it.

By the Chairman:

Q. You go farther and say a specific kind of body to which it ought to be given?—A. Yes, we do.

Q. You do not say it ought to be given to a different sort of body you actually say the sort of thing it must be?—A. Yes, a judicial body similar to the Board of Railway Commissioners.

Q. You do not describe it in general terms. Do you not say it shall be or should be very definitely such and such a kind of body?—A. Yes, that is right, sir.

Q. That is, you have departed from the attitude you took last year when you wanted an appeal court much more like the transport commission?—A. We are on the same line, but we have gone farther.

Q. Much farther?—A. Much farther, yes.

Q. You now want a body which will be only responsible to the whole of parliament?—A. Yes, that is right.

Q. You do not want a body that will be responsible in the sense that the Board of Transport Commissioners is responsible because it is under the control of the government of the day, is it not?—A. Yes, although not nearly as directly.

Q. Why not?—A. Well, to commence with, sir, the appointments are for a longer term. They have, I think, a greater degree of independence than is enjoyed by the Board of Governors. Then, of course, it is part of our contention that they would be neutral as between us and the publicly owned and operated system. It is one of our submissions that, amiable and kind though the governors may be, it is very difficult for them to combine their functions as operators of the national system and regulators of competing stations.

Q. The first point is they are appointed for a longer term?—A. A longer term.

Q. That is one of the main differences you point out?—A. Yes, they have a greater security of tenure.

Q. Then you say the C.B.C. does not enjoy independence?—A. I do not deny, sir, it has some measure of independence.

Q. I was only asking if that is what you had said. I did not know whether you wanted to emphasize it or not. Is it not so that a moment ago you did say they did not have independence and that the Board of Transport Commissioners did enjoy a greater measure of independence? That is what you did say? —A. Yes, that is true.

Q. So, your submission in part will stand or fall on the truth of that? —A. In part, yes, although that is not all of our statement.

Q. I said it was "in part", and I stressed that.

Mr. HANSELL: I do not think it is quite right or fair to pin down any suggestions respecting the detail and technical set-up of a body such as is suggested. Our present position is to accept or reject or recognize the need for a separate body. We can work on from there in respect of the details of it; what it should be; how it should be constituted and with what powers. I say that because I do not think it would be right to say in several months or years from now, "Well, you people a year ago recommended this or that," when it is a technical point, perhaps, with which we are not so much concerned now.

The CHAIRMAN: All of which would come down to saying that even the question and answer are not, in your view, important, but you do not suggest they are not in order.

Mr. HANSELL: Quite so.

The CHAIRMAN: I think you are quite right. Every person will attach so much importance to the question and answer as he deems fit.

Mr. FLEMING: I would have to dispute the statement with which you opened your thought concerning the Board of Transport Commissioners as dependent upon the government. The whole scheme of the Transport Act and the appointment of the transport commissioners was to get them away from dependence upon the government. It is true the government appoints the commissioners but for a ten year term. The whole scheme was to set up a body that was removed from government control or influence. As I understand Mr. Sedgwick's position he is saying that the establishment, in the realm of radio, of a body analogous to the Board of Transport Commissioners and the transport body will meet not only the problem of control of public and private systems on a fair basis without one controlling the other but will also get away from the difficulty of having the control of all radio in Canada so directly under the control of a minister of the Crown as is the case under the present Broadcasting Act.

The WITNESS: Precisely; we think, both as to licencing and as to regulations, an independent body, as independent as any body can be, is the body to which these functions should be entrusted.

Mr. COLDWELL: May I ask a question? When was the Board of Transport Commissioners established?

The WITNESS: In the early 1900's, I think.

Mr. COLDWELL: I was going to say about the early 1900's.

The CHAIRMAN: There are records of hearings as early as 1924. I do not mean that the board was appointed at that time, but I think it had many references about that time. Why should we be asking this question when Mr. Smith is here and he has appeared before the Board on many occasions.

Mr. SMITH: I appeared before the board as early as 1915.

Mr. COLDWELL: The reason I asked this question is this; the Board of Transport Commissioners was appointed by the government in order, more or less, to supervise independent organizations which were equal, roughly, and even to-day you have the C.P.R. and the C.N.R. Are you contending the private radio station is on the same level as the national system of broadcasting and, therefore, should have exactly the same status in regard to its relationship to any such board as is established?

The WITNESS: I did not suggest, Mr. Coldwell, that at this moment they enjoy the same status, but I do suggest it is desirable that they should—the same independence.

By Mr. Coldwell:

Q. I point this out to you that the independent station operates on a wave length that is the property of Canada and it operates under a licence to use that wave length so long as the people of Canada decide, through their elected representatives or through the government that it is advisable that wave length should be used for that purpose. Now, the national system is in an entirely different position. It is instructed by parliament, not the government, to conduct radio broadcasting in Canada. How can there be equality?—A. And subject, of course, if I may so suggest, to the same qualification as the independent stations in that the national system occupies a wavelength that belongs to the people of Canada and occupies it as long as the elected representatives decide that it should.

Q. Yes, but the national broadcasting authority is set up as the trustee of the wavelength on behalf of the people of Canada whereas a private radio station is permitted to use the wavelength, which is the property of the people of Canada, under regulations to be set down by the people of Canada through the instrument that they themselves have established. Is that not right?—A. That is true, yes, sir. We do not claim we own the frequency, but what we do say is that as long as we occupy it and use it, to adopt an American phrase, "in the public convenience, interest and necessity", we should be permitted to continue to do so, and while operating we should have equal facilities to the national system to serve the people.

Q. That is not the conception of the radio legislation.

The CHAIRMAN: No.

The WITNESS: The conception of the radio legislation, with the greatest respect, was that there should be no independent commercial stations. The conception was that there should be one nationally owned system that would be non-commercial, but that conception was lost sight of in the early 30's, and no one has, within the last ten years, seriously suggested that it should be revived. All that we say now is that we should recognize the system that has grown up.

By Mr. Coldwell:

Q. I mean step by step it seems to me over the last few years the Canadian Association of Broadcasters has been endeavouring to establish a vested interest where parliament initially, at least, saw fit that a vested interest should not be established.—A. I suppose there is a sense in which everyone using anything in

Canada acquires a vested interest just as the railways have a vested interest in their roadbed. We suggest that radio broadcasting cannot continue unless it has some kind of right, whether or not you call it a vested interest, some kind of right. If you are going to say to the broadcasters they should expand their facilities, increase their power, devise and produce better programs, then whether you call it a vested interest or whether you call it continuance during good behaviour you must at least take away from them the sword of Damocles that hangs over them. It is not good enough to say, "spend $300,000 or $400,000 to put up good stations and towers, but we warn you that next year you may not have a licence at all".

Q. Are you not putting that the wrong way? You say you must improve your facilities, and you say you must increase your power, and so on. As I understand it you have come before this committee and the C.B.C. and asked for permission to increase power?—A. That is right.

Q. Neither this committee nor the authorities have ever said you must increase your power?—A. Then I think this committee should.

Q. That is not the point.—A. I know it is not.

The CHAIRMAN: Try to keep with each other.

The WITNESS: We do say that as long as we give good service to the communities in which we are situated we should be, not merely permitted, but urged and compelled, to make the maximum use of the wavelength we occupy. If we are occupying a wavelength on a power of 100 watts which on a power of 1,000 watts could serve more people and serve them better we say we should not have to plead for the right to occupy it at its maximum power. We should be urged to occupy it at its maximum power, but as a necessary corollary to that, if we are not to have a vested right in the frequency—and we do not ask for one—we should at least know that we will be continued in business during good behaviour.

Q. Has that not been the policy, to continue in business during good behaviour? Has there been any licence cancelled on account of misbehaviour?—A. It is not the cancelling. Even the moving of a frequency is extremely important. May I give a concrete example. In the old days most frequencies were frequencies on which you could truly broadcast, that is, you broadcast roughly in a circle from the station. Hardly any broadcasters, except the 1-A ones, are of that kind today. They are all so restricted, because of the sharing of the channels, that they must set up complicated and expensive directional antennae, and very few stations now send out a true broadcast signal. If you are going to say to a station in this month of May, 1947,—

The CHAIRMAN: June.

The WITNESS: I am sorry.

The CHAIRMAN: It is all right. One day is just like another here.

The WITNESS: It is so hard to believe it is June in view of the weather. If you are going to say to a station in this month of June, 1947, "You are now on the frequency of 550 and we expect you to utilize fully that frequency and the power assigned", and then in June of 1948 you say, "We have decided we will use that and you must move to another one", which may involve an expenditure of a few hundred thousand dollars, and then the year after you say, "We have decided we have some better use for your frequency and we will give you another one," all progress to going to be—

By Mr. Coldwell:

Q. We went over all this last year, and I think it was pretty well established at least to the satisfaction of the committee that some of these wavelengths had

been assigned with the prior knowledge of the radio stations that they were holding them for a limited time until they were required for some other purpose, and they chose to accept the wavelengths under those conditions.

Mr. FLEMING: I object to that statement. Any member of the committee may speak for himself.

The CHAIRMAN: Just a moment.

Mr. FLEMING: He should not speak for the committee.

The CHAIRMAN: Wait a minute. Mr. Coldwell was making a statement as a basis for a question rather than just pressing argument, and that is something he had a right to do.

Mr. COLDWELL: Is that not so?

The CHAIRMAN: I think Mr. Coldwell was entirely in order up to the moment he was interrupted, and he was interrupted precisely at the point of his question. I agree it is not intended to just have argument at this stage, but the only person out of order was you who interrupted, and you caused him to appear to be out of order by interrupting.

Mr. FLEMING: Mr. Coldwell was purporting to make a statement of fact.

Mr. COLDWELL: The fact as I see it.

Mr. FLEMING: If he means it as a hypothetical preface all right, but it was a statement of fact.

The CHAIRMAN: I know it was a statement of fact up to the point of your interruption. He was interrupted on the point of asking a question. I noticed he was just at the point of asking it.

Mr. SMITH: When should you interrupt a wrong statement of fact? Is not the time to do it after it is made?

The CHAIRMAN: No, that is not the time.

Mr. COLDWELL: If my statement was not a statement of fact I was just about to ask Mr. Sedgwick if it is not a fact?

The WITNESS: We do not accede to it as a fact.

By Mr. Coldwell:

Q. —and give him a chance to say that it was not.—A. I certainly could not accede to it as a fact, but you see your question is a little double-barrelled. You say the committee has found it to be a fact. That I cannot dispute. I have no knowledge of it. I can only say, as to the stations I represent, we do not concede it to be a fact and I must say we never will, but it is not important because if you say that that has gone under the mill, and that it will not happen again then you are virtually conceding that from now on during good behaviour we will not be moved.

Q. I think the notice that was given might have been clearer, and I think in the future the notice will be very much clearer if it is found necessary to do the same thing again.—A. When you say "If it is found necessary" then you go back to the old question of instability which continues to bother us.

Q. You are doing pretty well out of it?—A. We are doing our best. It is desirable we should. We would be out of business if we did not.

Mr. HANSELL: Mr. Chairman, I did not interrupt Mr. Coldwell although I might have liked to do so. I should like to go back to the remarks that he made at the very first of his questions to which I take some exception. He predicated his question on the basis that the C.B.C. was the trustee of frequencies that belonged to the people. I question whether that is so.

The CHAIRMAN: You are questioning the witness?

Mr. HANSELL: No, I am questioning—

The CHAIRMAN: Try to help by holding yourself to questions. The discussion can come later, and as you have maintained, if the committee sees fit, it will be made a matter of record, too.

Mr. HANSELL: Here is the point. A man makes a statement that goes on the record. Three or four weeks afterwards the statement may be corrected. That is no good. It must be corrected at the time it is made.

The CHAIRMAN: Excuse me, but the decision has been both last year and this year that we would proceed with questions.

Mr. HANSELL: Then I will ask this question.

By Mr. Hansell:

Q. Does the witness concede that the C.B.C. is the trustee of the frequencies which ordinarily belong to the people, or does he think that the licensing authority, the Department of Transport, which is a department of the government, is the trustee of the frequencies?—A. If I may answer your question, the frequencies are allotted to Canada under international agreement, and undeniably I suppose they are a part of the public domain. The primary trustee is certainly the licensing authority because it is quite competent for the minister to deny a licence to the C.B.C. just as he might deny a licence to a private station, so I suppose he is the primary trustee. However, in a secondary sense I should think that every occupant of a frequency is a trustee of that frequency. The primary trustee is, of course, the licensing authority. It is difficult to make fine distinctions in answering such a question, and it was not a question that seemed to concern me particularly for the purpose of my argument.

The CHAIRMAN: I think you have brought everybody into agreement on that.

The WITNESS: I so seldom do that I am delighted.

By Mr. Smith:

Q You have not brought me because I think your use of the word "trustee" is completely wrong.—A. It is wrong legally.

Q. These people are licensees and are not trustees.

The CHAIRMAN: I wondered when I said that whether I would get away with it. We already had a discussion on trustees, did we not?

The WITNESS: I try to forget that. I am a lawyer—and I am not a radio man at all—so that I am in a difficult position.

By Mr. Fleming:

Q. Is it your proposal that the licensing powers vested in the Minister of Transport under the Radio Act and the powers vested in the C.B.C. and also in the minister under the Canadian Broadcasting Act should all be vested in this new board?—A. Precisely.

Q. And that gets away, I take it, in your proposal from this problem of government control under both Acts?—A. Yes, and gives us an open forum. If a licence is to be denied or a new licence granted, or if there is any question as to the use of a frequency or the removal of a station from one frequency to another, we say that should be decided by some tribunal similar to the F.C.C. in the United States or the Board of Transport Commissioners here, some tribunal that sits openly, that decides judicially between the various contending parties, and I think should be subject to appeal just as the decisions of the Board of Transport Commissioners are subject to appeal.

Q. To the Supreme Court of Canada?—A. Yes, sir, I think so. I think it should be decided judicially, not executively.

By Mr. Coldwell:

Q. How would this body be set up?—A. That will be for the parliamentarians and not for me.

Q. By statute?—A. Yes, I think so. I think there should be a new Act. It would be presumptuous for me to suggest titles or contents, but I think there should be a new statute that removes the licensing powers from the minister and the Board of Governors and commits them to this new board.

Q. And such statute would always be open to discussion and amendment?—A. Of course it would, sir; like any other statute; it is similar to the Radio Act, something like that.

By the Chairman:

Q. This is a licensing body to be set up to have, say, law-making powers that are at present in the hands of the C.B.C. or the Board of Transport Commissioners?—A. That is right, Mr. Chairman.

Q. And that board would be responsible directly and solely to parliament, removable by a vote of parliament, and that is all?—A. That is right, sir. It may be that there are a few changes in the Canadian Broadcasting Act which might be necessary. I am not going to give an opinion as to what sections should be deleted; aside from those sections which give the corporation the power to make regulations in regard to other stations. You would have to change some sections of the Canadian Broadcasting Act, but the functions of performing a national broadcasting service would remain to them untrammelled.

Q. I have no hesitation in saying that you have settled the opposition to that kind of a board by one person on this committee.—A. I do not know whether I should be elated or dejected, because I do not know in which direction I have settled it.

Q. I might caution you on that; perhaps we had better reserve that till later. I see that you want a board, I see that you want a board which will be in a position with respect to this parliament, of some sort of comptroller general, who cannot be touched at all except by parliament; I think we have agreed pretty well that that is a good thing for his office, but I do not think that I am prepared to go that far in the direction of what looks to me like fascism.

Mr. FLEMING: Mr. Chairman, is that an opinion or a question?

The CHAIRMAN: I am afraid that I broke the rule and will have to rule myself out of order.

Mr. FLEMING: Hear, hear.

The WITNESS: Mr. Chairman, the board would of course operate within the ambit of its legislation and it would be for parliament to say how wide or narrow the powers of the statute would be; and, as Mr. Coldwell has said, all acts can be revised.

Mr. FLEMING: Nobody has ever suggested that the Board of Transport Commissioners is a fascist organization.

The CHAIRMAN: That is not the same kind of a board.

Mr. FLEMING: I think the witness said that it was a board to be modelled on the Board of Transport Commissioners.

The CHAIRMAN: Of course, if that be the case, if that be the proper description and if he has something different in mind emerging from it, then I would have to vary my statement. However, having broken the rule once I won't break it again, until we get into the discussion stage of our meetings.

Mr. FLEMING: It was you who suggested that there might be a comptroller general. Perhaps the bill which set up this new radio board, or communications

board, would be drawn the same way as the bill which set up the Board of Transport Commissioners of Canada, which has the right of appeal to the Supreme Court of Canada.

The WITNESS: May I say this, Mr. Chairman; I dislike to have the word "fascist" applied to any board.

The CHAIRMAN: I realize you do not, and I did not intend it that way.

The WITNESS: I certainly don't want it to be taken as a description of a board such as we propose. I do not think it could be applied to any board which sits in public and acts judicially and is subject to appeal. I think that is most democratic.

Mr. COLDWELL: Could we not go on to page 2?

By Mr. Smith:

Q. I want to ask a question right here. Mr. Sedgwick, will you or anyone else tell me, please, what would be the situation in your city once such an organization as you propose has been set up, one similar to the Board of Transport Commissioners? May I ask this, I know that in the case of appeals from the Board of Transport Commissioners under the Railway Act, the way they are set up their decisions are made public and the reasons given for their judgment, and there is an appeal from them to the Supreme Court of Canada. Is that the kind of board which you wish to have set up?—A. Yes, Mr. Smith; and in our brief I think we say so. We say "a board similar to the Board of Transport Commissioners".

Q. Let me go a step further; would you not have then a body of law incorporated in such a statute creating a board; all the law and all the regulations in force?—A. Applicable you mean, sir, to the Board of Transport Commissioners?

Q. We have regulations in radio, and so on.—A. Yes.

Q. Do you find any objection to giving the board power to vary the regulations; I mean, could they not form a body of law of themselves?—A. Yes, sir.

Q. Exactly the same as we have under the Railway Act?—A. Yes; of course, we would list holus-bolus under this Act the present licensing and regulatory powers and place them under this board just as is the case with the Board of Transport Commissioners.

Q. Well, it has been suggested to them by Mr. Coldwell, that under the Railway Act, and under the Board of Transport Commissioners there is a body of law with no difference in its application between publicly-owned organizations and privately-owned organizations. Is it not also true that any community or individual, a farmer, for instance, can go to that board? It is not just to determine as between a publicly-owned body and a privately-owned body. Their function is general. It is there for everybody who wants to use it.—A. Quite so, anyone from a person to a province; as we have been finding out recently.

Q. Furthermore, they have on that board engineers who go and inspect properties, and to me in application that would seem to be a natural function for an organization such as you suggest.—A. Yes, they would have to set up very similar machinery.

Q. I would like somebody to tell me where there is any distinction between the functions of the Board of Transport Commissioners and the functions of such a board as you suggest. I know of none.—A. There is none in my mind, sir.

By Mr. Robinson:

Q. Let's get this straight. You say that you would have the present legislation and regulations left as they were but administered by this board?—A. No, I did not say that.

Q. I want to get that straight.—A. What we are suggesting is a body similar to the Board of Transport Commissioners, given the power to regulate, and then let them go ahead and make regulations which would be fair to all concerned.

Q. I understood from your answers to Mr. Smith that you were satisfied with the present legislation and the present regulations, and turning them over holus-bolus to the new board.—A. Yes; but there are some regulations that I would not like to see continued. I do not think it would be useful now to go over the volume on that and pick them out one by one.

Q. But I see you have sixteen objections in this brief of yours, criticisms of the present legislation and regulations?—A. That is just a criticism of the powers which presently exist. It is not a criticism of the personnel of the C.B.C. itself, but rather it is a criticism of policy.

Q. Do you object to each and every one of these sections that you have enumerated in these pages of your brief?—A. Well, we quite appreciate that some of these powers would have to be given to the board, and we do say that the giving of powers to a board which is set up judicially to exercise such powers is quite a different thing from giving power, arbitrary power, to a person. I would not like, at this moment, Mr. Robinson, to go over this Act and say on my own responsibility precisely which line we should keep and which we should take out. I think the new body will do that itself. It should have general powers under the legislation.

Q. Well, you have incorporated in this brief quite a number of the sections not only of the Canadian Broadcasting Act, but also of the Radio Act, and regulations made under both Acts. Now, I take it from your answer to Mr. Smith that you are satisfied with a large portion of this legislation?—A. Yes.

Q. As it presently stands?—A. Yes; satisfied with it if it were differently administered.

Q. If it were differently administered?—A. That is correct.

Q. And you are asking in your brief, as I understand it, for certain changes in that respect?—A. Yes.

Q. Can you at this time point to any of these sections which you would wish to have changed? Have you any suggestions to make to this committee in that regard?—A. I think I might, Mr. Robinson; take the Broadcasting Act itself, and I am thinking of it alone now. I question whether the powers granted in section 11, which gives the corporation power of expropriation should be continued to them. Then I question whether the sections commencing with section 21 and continuing to the end of section 24 should be continued to the corporation. That is 21—yes. I am just looking at the Act and these particular sections. I would suggest taking out sections 21 to 24 inclusive.

Q. What are they?—A. Section 21 is a section which prohibits the operation of a chain or network of stations except with the permission of, and in accordance with the regulations made by, the corporation. Section 22 is the section giving the corporation quite wide powers to make regulations. I would say the power to make regulations should be committed to the new board that we think should be formed. Section 23 (I never understood why that was in the Broadcasting Act) it seems to me it should rather have been in the Radio Act, but it is there; and while we are about it, I think it might be taken out. However, it is not of any great importance. Then there is section 24, which gives the corporation the power of recommendation as to the renewal of licences. I think that should be taken away from the corporation, and the board, which would be the licensing and the regulating body, would have the power itself to license. Those are the changes which I think should be made in the Broadcasting Act.

By the Chairman:

Q. You would take that power away from the C.B.C. and you would give it to this new board?—A. I would take from the Canadian Broadcasting Corporation the power that it has over other stations, not over its own operations.

By Mr. Coldwell:

Q. What difference would there be in the powers enjoyed? What difference would there be between the powers exercised by the Board of Transport Commissioners, between their Act and the powers contained therein and this new board which you would like to see set up? You would have it exactly similar to the powers enjoyed by the Board of Transport Commissioners?—A. I must not say exactly similar, because I have not examined that legislation in detail. It would be similar in the way in which I would like to see it set up.

Q. Just following up the point raised by Mr. Smith; I think you raised a very good point, that any person may approach the Board of Transport Commissioners, any small community. Is there anything which prevents a person or a small community from approaching the present radio authority on any matter of appropriate interest?—A. I don't know of cases of persons who have not been heard by the present board; but, of course, the present set-up does not provide for the publication of any decisions or judgments.

Q. For the purposes we are discussing, the powers allocated to the broadcasting corporation are the powers of the new board which we are discussing, do you know of any incident where a person or a community has not been able to lay its case before the corporation?—A. I do not, sir; and, on the other hand, I do not know of any—I know of some cases, but I certainly do not know of all cases where they do. But if a body is sitting as a judicial body such as the Board of Transport Commissioners, then if some person desires to make representations to that body, and if I, or you sir, desire to oppose them, then I or you receive due notice to appear and we are given opportunity of making our representations at the same time. With things as they stand at the present time the case is often decided before those on the other side have an opportunity of being heard.

By Mr. Fleming:

Q. May I ask you this. Do you know of cases where the C.B.C. has entertained such complaints or submissions in public sessions; or whether they have given written judgments which become open to the public to read?—A. I do not think they write judgments, sir. Let me make this clear; that I have the greatest respect for the members of the board and for the staff of the C.B.C. and the present relationships existing between us and the staff are very friendly, and certainly no one I represent is going to accuse them of unfairness. It is the legislation under which they act that I am criticizing, not the people. But they are not set up in that way. I cannot recall that they have ever given written reasons or decisions because they do not function in that way. Sometimes I have appeared before them and I have always been treated with the greatest courtesy. They have listened to me when I know that I may have been tiresome. Sometimes they said "yes", and sometimes they said "no". I do not know what treatment other people receive because I have never been present.

Mr. FLEMING: I am not trying to impute any unfairness to the C.B.C. I am simply trying to draw a comparison between the exercise of C.B.C. powers on one hand and the Board of Transport commissioners on the other.

The WITNESS: The difference is this. The Board of Transport commissioners gives notice of their sittings and the reasons for the sittings. You and I, or anyone interested may appear there and say our piece. The board of governors of the C.B.C. on the other hand meet and they consider what seems to them to be their business to consider. Neither you, nor I, nor Mr. Coldwell, may know when or why they are sitting. You do not know, Mr. Coldwell, whether the board is sitting?

By Mr. Coldwell:

Q. No, I do not, but I was just thinking in all probability a board of this description might be much harsher with some of the people who might wish to make application. For example Mr. Sedgwick, I do not know whether a neutral board would allow the situation in Windsor to continue.—A. You must not accuse the station in Windsor of responsibility for that.

Q. Whom should I accuse?—A. The C.B.C. used to have a station there but it decided to close.

Q. Why?—A. I do not know. Well, I should not say I do not know, because Windsor is very difficult. I am not criticising the C.B.C. It is difficult to operate a station in Windsor because a station there cannot get the many excellent programmes the C.B.C. is carrying throughout its network, and it is quite a problem. They are required to fill time which might be covered by their network, locally. The Windsor operation is admittedly difficult for the corporation and they have my sympathy.

Q. Well that is a side issue.—A. I did not raise it.

By Mr. Beaudoin:

Q. On the new board which you suggest would you expect the C.A.B. to have representation?—A. No, I do not think that either the C.B.C. or the C.A.B. should have representation. I think it should be a neutral board. You understand, however, that I am speaking for myself. My own view is that it should be a board where we would not have any selection and I do not think the C.B.C. should have any selection either.

Q. When you say you are speaking for yourself, do you mean you have not got the mandate to speak for the C.A.B.?—A. I am only saying that you might speak to the others and they might give you a different opinion. I have not had an opportunity to canvass the members and I do not know what their reaction would be. I do not think our members would expect to have a representative whom we would nominate to serve, with someone nominated by the C.B.C., and with probably a third person, nominated by the government to sit as a sort of an arbitrator between them.

Q. Your main reason for asking for a board is that the present authority regulates for its competitors?—A. That is right.

Q. Is not that your main reason?—A. I do not like to say that it is our main one.

Q. Well it is one of them?—A. It is one of the reasons, yes.

Q. Do you say the community stations which you do represent are, in the strict sense of the word, competitors of the Canadian Broadcasting Corporation?—A. Yes, sir.

Q. They are?—A. Some of them are, but not all of them.

Q. The C.A.B. stations as I understand it are community stations and the C.B.C operates networks?—A. It is a distinction, sir, without a difference. Take the city of Montreal. Would you not say that the independent station in Montreal, CKAC, competes with the C.B.C? It does.

Q. Are you trying to compare the French station with the network?—A. It is one of the stations of the C.A.B. I just selected it because it is one with which you are familiar.

Q. Yes, you are going right down my alley, I am glad you bring in CKAC as an example. CKAC covers the region of Montreal?—A. Yes.

Q. But I do not see how you can compare the operations of CKAC with the operations of CBF, the French network. I do not see how you can say they are competitors.—A. They compete, first, for audience. You could say that the key to radio broadcasting is audience.

Q. CKAC is competing for only part of the audience?—A. Audience is like a great big pie and each station tries to get as much of the pie as it can. CKAC

competes with the commission station, for audience at least. How keen the commercial competition in Montreal is I must not say, because I am only an occasional visitor. In the city of Toronto, the corporation station competes with the private stations, firstly for audience, and secondly for commercial business. They have a representative now, and that representative goes to agencies, advertisers, and tries to persuade those agencies to advertise and to buy time on the corporation station. I do not complain of that but I say the same corporation that does that should not be regulating stations which are in competition with it. They are in keen, constant, and daily competition for audience and for business.

Q. The competition phase of it applies mostly to the district of Montreal and Toronto?—A. I do not know, sir, I only live in Toronto. It may apply, and in fact I think it does apply, in other districts. It cannot apply where they have not a station that is clear. It applies in the Maritimes. I think the C.B.C. station in the Maritimes certainly competes for audience and to some extent competes for business. It competes for business in this way. You, Mr. Beaudoin, are familiar with the business. They go to people who conduct national spot business and try to persuade them to go on the network. The advertiser has been on national spot but by and by the network persuades him to purchase C.B.C. time. The individual station loses revenue and the network gains it. That is competition.

The CHAIRMAN: Mr. Sedgwick, to get that clear as you point out, you and Mr. Beaudoin understand what a national spot is, but would you put an explanation of the term on the record?

The WITNESS: I will do my best but I will probably be wrong. As opposed to network advertising it is national advertising through the buying of a specific time on a specific station. The advertiser might buy the time from 7 to 7.15 on one station and from 7.30 to 7.45 on another and the show is put on, either live at the point of origination, or from records. It is not a network show but it is a show paid for by national advertisers.

The CHAIRMAN: The point is this national advertiser sometimes does his advertising by piecemeal and sometimes by chain. That is in the case where the nature of his product warrants nationwide advertising.

The WITNESS: That is correct, yes, sir. The other system is advertising by the man who may buy time on one radio station and that is called "local spot" I believe. My recollection is that at least one of the C.B.C. stations in Toronto sells time to both national and local spot advertisers.

Mr. BEAUDOIN: You mean a station of the C.B.C.?

The WITNESS: Yes, CJBC.

Mr. SMITH: May I ask a question?

The CHAIRMAN: I am not sure whether Mr. Beaudoin is through.

Mr. BEAUDOIN: No, I am not through, but I am quite willing to have you ask your question.

Mr. SMITH: Well then may I interpolate it in here. You said you wanted a judicial board and Mr. Beaudoin raises the question as to whether one member of the board should be appointed by the C.A.B., one by the C.B.C., and the third by someone else. Am I not right in saying that is not a judicial board? In other words where you have one person appointed by one party, another appointed by the opposite body, the fact is that it ceases to be judicial, and the first two parties are special counsel pulling on the coat sleeves of the third man.

The WITNESS: That is correct, and we do not suggest that kind of a body.

By Mr. Beaudoin:

Q. Did you not say, apart from the fact that some C.B.C. stations sell locally or buy locally, and that I guess was brought about because of their needs, that competition is not the function of the C.B.C.?—A. I can only presume sir, We must judge their functions by their performance. I must not say what their function is; I can only tell you what they do. I am not criticizing; I am only pointing out that in fact they compete. You asked whether I seriously thought that C.B.C. competes with C.A.B. stations and I say actually and definitely they do.

Mr. FLEMING: The evidence given last year by Mr. Dunton was plainly to the effect that the larger private stations were competitors of C.B.C. within their field.

The WITNESS: Yes, and I am sure Mr. Dunton would say that now.

By Mr. Coldwell:

Q. Would you have any objection to the C.B.C. undertaking spot advertising on their stations?—A. Sir, if the C.B.C. ceases to control and regulate us, and if we have facilities similar to theirs to do business, I think that most of the stations I represent would welcome their competition. Competition is the life of trade and the proper thing if it is competition on a fair and equal basis.

Q. Do you think you should be allowed to run national networks?—A. I think we should be able to have them and, of course, we do not ask to take over the C.B.C.'s networks.

Q. I notice that does not make part of your representation?—A. No, I think it follows that if we can give better service we should have a network. May I put it on this basis. We originate a programme from a station in Montreal, for instance, a really good programme costing $4,000 or $5,000, which it may well cost. Is it not in the interest of the people in Quebec generally that the Montreal station should be permitted to feed that programme through a number of other stations which would share the cost of that excellent programme which otherwise would perish at the limit of the station signal? I think a good argument could be put forward to show that it is in the public interest that we be permitted to operate a network where we have shows good enough to go on a network.

Q. When a programme of that nature is originated and sent out to another station, is the live talent paid anything for the subsequent use of transcription?

Mr. GAUTHIER: That is a good point.

The WITNESS: I wish one of my colleagues would answer, I believe they could do it.

Mr. HARRY SEDGWICK: The unions with which we work have larger fees for programmes on the networks they serve.

Mr. COLDWELL: That applies to the musicians' union?

Mr. HARRY SEDGWICK: Yes.

The WITNESS: They charge extra money for the recordings. They get a greater recording fee.

By Mr. Fleming:

Q. Arising out of Mr. Coldwell's question on the matter of competition, do you not recall Mr. Dunton's evidence last year in which he said competition of the larger private stations had helped to keep C.B.C. on its toes?—A. I do not recall that evidence sir, but I think it fair. I think Mr. Dunton would agree with me when I say that competition is good for radio as it is good for everything.

Q. I remember him using that expression.—A. I thank you, sir, for reminding me. I do not recall the exact expression but I am quite sure that Mr. Dunton is quite definitely minded about it. They do compete and I think it right we should have competition if it is on a fair and equal basis.

Mr. COLDWELL: While I think of it I should like the steering committee to consider calling the head of the Musicians' Union before this committee on the point I have just mentioned.

The CHAIRMAN: I will certainly try to recall that that be done and the other members of the committee will check that up.

By Mr. Hansell:

Q. I fancy, Mr. Sedgwick, you would hope that the day will come when the independent stations are permitted to carry on a separate network, a national network?—A. I think it an ultimately desirable thing, yes, Mr. Hansell.

Q. How could you hope to run a network as efficiently as the C.B.C. when the only source of your revenue is from commercial broadcasting and the C.B.C. would have the same source of revenue plus licence fees without taxation?—A. Well, sir, we think we could do it. It would mean, I think, that some of the bigger stations on the network might have to contribute and might have to sustain some losses for a little time. We think we could do it. After all, sir, on the Dominion network of the C.B.C. there is, at the present time only one C.B.C. station and that is CJBC in Toronto; that is the only Corporation station on that network. We think we could run a National network. We might have to start with regional networks and later link them together. I agree with you, I do not think it would be profitable for a while. It might cost the stations some money for a while, but I think most of the members feel that it is something they should undertake if they are permitted to do so.

By Mr. Beaudoin:

Q. What are the regional networks you are contemplating? You say you would start with regional networks.—A. Roughly speaking, in the time zones or language zones. There would be a French regional network; there would be a regional network for the Ontario time zone and for the Prairie time zone. For National broadcasts they could be linked together. Of course, there would be the Maritimes as well.

Q. What would you do about affiliations to American chains?—A. We made this suggestion years ago when Mr. Brockington was chairman and nothing has happened to make me change my mind. We think we should have a fair break with the C.B.C. on them. There are four major American networks, NBC, CBS, ABS, MBS. I think the private stations should get some fair division of those imported programs. You need them to live.

Q. What would you do about lines?—A. About lines?

Q. Yes?—A. We would have to dicker with the line people. We would hope to get the benevolent assistance of C.B.C. in our negotiations.

By Hon. Mr. McCann:

Q. How much do you think it would cost to set up a network?—A. In dollars and cents, I do not know.

Q. What do you think it costs to run the Dominion network?—A. Frankly, I do not know how accurately the overhead of the corporation is divided between the two. I do not know. I do say quite seriously that a privately operated network is feasible.

Q. I can understand how you would be interested in a network covering Montreal, Toronto, Hamilton and some of Ontario, but how much would your

network do in the far northern part of the country or the western part? You would not do anything in that field at all, if you had the pick of the country? —A. We have never suggested anything of the kind.

Q. That is the way it would work out?—A. I do not think so, Doctor.

By Mr. Bertrand:

Q. How would the people who are far away be served by your service?—A. I should hope we would give them an alternative to the serivce they are getting now.

Q. Have you any means or can you suggest how that would be accomplished?—A. What part of the country, particularly, did you have in mind?

Q. The whole of Canada or such portion as is asked for.—A. The far northern part of the country is covered now by the private stations more than it is by the corporation stations.

Q. I do not think that is an accurate statement.—A. If you look at the map and look at where the stations are—

Q. I have, sir.—A. You will see, if you look at a map of the stations in the sparsely populated places they are, for the most part, private stations.

Q. Fed from the C.B.C.?—A. Some, and some not; many of them are not.

Q. The country would be greatly interested to know what kind of proposition the CAB would offer to give that service.—A. Well, in the most general terms, Mr. Bertrand, we would endeavour to feed the stations which are presently fed by the Dominion network of the C.B.C. Of course, we are not suggesting for a moment that the C.B.C. should stop operating a network, not for a moment. We are suggesting they should continue one Trans-Canada network as they are operating it now. We have never suggested they should stop it or diminish it in any way.

By Mr. Beaudoin:

Q. But you would like to have the privilege or right to operate privately owned networks?—A. Yes.

Q. You say you would probably start with regional networks?—A. Probably so, linking them together for national programmes.

Q. How long would it take you before you could organize a coast to coast network of private stations?—A. I do not think it would take very long.

Q. That is, a year or two years?—A. Less than that, I would think within a period of a few months.

Q. Three months?—A. Probably a little longer, I could not say.

Q. Three to six months?—A. I should not like to set a time limit. I think it could be done, and done within a reasonable time.

Q. With that privilege or that right to operate a private network from coast to coast, would you also take the obligation of covering Canada just as well as the C.B.C. has the junction of doing?—A. Well, that is a difficult proposition. What do we do in those places where there is only one station?

Q. You are referring to— ?—A. Many places in the north, the sparsely settled parts of the country where there are not alternative stations, where the Dominion network does not now get in.

Q. You will agree with me that a small community station in, let us say, Flin Flon may do pretty well on its own with the local market, but if you had to operate that station linked to a network with the cost of the line and so on, it might not be a good proposition. How much would you suggest your rates would be for your time?—A. The station rate.

Q. Yes?—A. The station rate, whatever it is. We would not fix it.

Q. I mean the network?—A. We would try to give the station rate, whatever that rate was.

Q. How much would it cost you to carry programme from coast to coast on a profitable basis if you had the obligation of covering Canada as is the function of the C.B.C.?—A. That would, of course, depend on how many advertisers we got to use our network, because that would be our only revenue. It would be up to us to see that we got a sufficient number of advertisers to avail themselves of the network services we could offer. We have never proposed diminishing in any way the trans-Canada services, the service which the C.B.C. now performs.

Q. I am not talking about the C.B.C.'s operation, I am talking about your contemplated operation if you were granted the privilege of operating networks. Is it not a fact that the big advertisers are all American advertisers?—A. Not all of them.

Q. Almost, the majority?—A. Oh yes, the majority. We would have to sell it, just as the C.B.C. does. The biggest advertisers on the C.B.C. network are American advertisers.

Q. Your key to success would be the American advertisers?—A. To no greater, extent than that is the key to success of the C.B.C. Any network in Canada, be it the C.B.C. or the independent, would find its key to success, in your words, would be the American network shows. They are the big audience getters which permit us to carry on.

By Mr. Coldwell:

Q. The Dominion would be discontinued. Would you put all the private stations now existing on the private network if the dominion network were discontinued?—A. You mean that are on the Dominion?

Q. No, what are you going to do—you have 103 private stations, 89 belonging to your association?—A. Yes.

Q. I do not know how many of those are now on the C.B.C. network, If you merely kept the trans-Canada, you would have a very large group of stations. Can you put all those stations on your privately owned network?—A. We may not be able to, nor does the C.B.C.

Q. What I am getting at is this: would not this proposal do something detrimental to broadcasting? While I am critical of some of your proposals, I think the community station performs a good service. What you would do with that kind of a network is to put it into the hands of a few large stations in this country and certain interests and you would destroy the small community station to a large extent, is not that right?—A. No, sir, the small community station would be no differently situated than it is to-day. There are many small community stations which are on one or other of the networks and there are many small community stations which are on no network. Wingham and Owen Sound are not on any network, and there are many others. I do not say every station would go on to a network, but it is ultimately desirable to try to get every station some network facilities.

By Mr. Hansell:

Q. I wonder if I might try to arrive at the same objective by another line of questioning? You have proposed a separate regulatory body. Would you say that that body should be set up in order to regulate radio in the national interests?—A. Yes, precisely.

Q. Then, you would have no objection to having such regulatory body passing suitable regulations in the national interest in respect to networks?—A. In fact, we would expect it to do so. We would expect it would permit us to operate networks where we could show that thereby we served the public better. We would have to grow. I suppose we could not come out to-morrow with a national network.

Q. You would not, therefore, expect to have an entirely free hand in the network?—A. No, we would expect them to exercise a power not unlike the power the F.C.C. exercises in the United States. It has control over network operations.

Q. It is quite likely then, that such regulatory body would insist if you had that network of your own, that you give service on that network to the outlying districts?—A. Yes, that is right, sir.

By Mr. Beaudoin:

Q. Now, Mr. Sedgwick, on May 9, Mr. Dunton appeared before this committee and he said in the following words: I should like to ask you—this is on page 22 of the printed minutes of evidence—to what extent you agree with what he said.

> It is an axiom in the radio business that the really remunerative side is not network broadcasting, but non-network business. The real money lies in the spot announcements and spot, or non-network programmes.

Do you agree with that?—A. I do not know what figures Mr. Dunton was relying on, sir. I have always thought the figures of the great U.S. networks showed they were profitable operations, but I have never analysed them.

Q. You have never made a study of the profits which would be returned by network operations in Canada?

Mr. COLDWELL: The best way to get that would be to get the financial statements of the companies as submitted to the department.

The WITNESS: I think so. I would only be guessing. I had always thought the NBC and Columbia were quite profitable, but I have never analysed the source of their profit.

By Mr. Beaudoin:

Q. The reason I ask you that is this; even if you were granted the right to operate networks, do you think networks would be operated if it was found they lost money?—A. They could not operate if they lost money for long because they would be out of business. So would the chains in the United States, but they are not out of business.

By Mr. Bertrand:

Q. And would cut the C.B.C. service that is given to the country?—A. No one suggests that the national broadcasting service of the C.B.C. should be eliminated.

Q. You must not enter into competition with the C.B.C. to the extent of diminishing the activities of C.B.C. in order to give the whole thing to the C.A.B.? —A. We would not diminish their activities by one iota, not by one iota.

By Mr. Fleming:

Q. Does the question that Mr. Bertrand has just asked as to the matter of competition and preserving the domain that the C.B.C. claims for itself not bear on your argument about the desirability of putting the right to decide all these issues in the hands of some other body than the C.B.C.?—A. It is at the very core of it. I did not come here prepared to argue the advisability or feasibility of a private network. What I did come prepared to advocate and defend was the idea that the right to form them and the power to regulate them should be committed to some body other than the C.B.C., some body which would deal judiciously and fairly as between us and the national system with which we must inevitably compete.

Q. A question was asked a few minutes ago on the subject of networks indicating you have to go back to the C.B.C. because they control the lines. Have you any further comment to make on that? Is there any other means such as recorded programmes?

Mr. SMITH: I do not think anybody said that.

The CHAIRMAN: I guess you are referring to that word "benevolent". Are you referring to the expression a few minutes ago that "we would expect the benevolent assistance of the C.B.C.?" Is that not what it was?

The WITNESS: Yes. I do not expect them to give us any money, but I thought they might assist us. There are other line companies we may be able to make a deal with; the Bell, or the Provincially owned Telegraph and Telephone companies throughout the West. Of course, the lines at the present time are bought from the C.N.R. and the C.P.R. through a joint liaison man who sells both railways' lines to broadcasting interests.

By Mr. Fleming:

Q. In the case of networks anywhere on this continent and in the case of recorded programmes is there any other method used than line distribution?—A. Yes, discs. Of course, you could form a disc network, as far as that is concerned. Some of the programmes that are on the lines were disced originally. The Bing Crosby show today is a recorded show put on wires, and I think that method of broadcasting is likely to expand because many of the leading artists are no longer willing to meet the time deadline of network broadcasting. It is too difficult. I think you will find more and more programmes broadcast by recordings rather than by wires. After all the quality of a recorded programme is probably better than a live programme today because you have an opportunity to rehearse, to break a bad one and do a good one, whereas you cannot call back the word that goes out live. Therefore I think the Bing Crosby show is probably the forerunner of many more recorded shows, that can just as well go out on discs to the stations as go over a line to the stations.

Q. Are any of these networks using air mail delivery or using the air to deliver these discs at high speed?—A. I believe they do. Network disc broadcasts have been talked about for some time. They would, of course, depend on air delivery if they were topical, certainly if they have on their recording something that has in it some time element. The Bing Crosby shows however, are not that topical. They could be a week late and be just as good. There is some advantage of discs over a line because it gets away from the tremendous time problem of this country, with five time zones. A programme broadcast in Montreal at a time that is desirable to the citizens of Montreal is not being broadcast at a time desirable to the citizens of Vancouver, whereas a disc can be put on at the most appropriate time.

By Mr. Fulton:

Q. I wonder if you would care to make any direct comment under the heading of competition on the fact that the prohibition against private stations operating networks is not made by parliament in the Radio Act but is made presently by the Canadian Broadcasting Corporation under the power given to it under section 21.—A. I do not know what comment I can make on it other than to say we think that to be wrong. We think the corporation, operating in competition with us, should not be the body that has power to say whether we may or may not make a network of two or more stations.

By Mr. Langlois:

Q. Speaking of competition what proportion of its time does the C.B.C. actually sell in competition with other stations? Can you give us any appreciation of that?—A. I could not tell you in figures as to what proportion it sells.

Q. You must appreciate what you are blaming the C.B.C. for.—A. I am not blaming them at all.

Q. You are blaming the system.—A. I am not blaming them, but as to the proportion they sell I do not suppose anyone in this world could reduce it to proportions. They sell commercial programmes opposite our commercial programmes.

Q. What proportion of their time is commercially sold?—A. What proportion of their time is commercially sold?

Mr. GAUTHIER: Compared to yours.

By Mr. Langlois:

Q. The percentage of their daily broadcasting time?—A. I suppose that is a question Mr. Dunton can answer much better than I can.

Q. I want to know whether you appreciate it?—A. Yes, I appreciate it. I have no statistics on it. I can give you the Trans-Canada Ontario network for the week of March 2 to March 8. I happen to have those figures and I suppose that roughly speaking they are typical. It is a quite recent month. During that week of March 2 to March 8 on the C.B.C. Trans-Canada Ontario network the total operating hours in that week were 109 hours, 15 minutes. That is broken down in this way. C.B.C. commercials, 13 hours and 10 minutes.

The CHAIRMAN: Gentlemen, there is a heavy murmur in the room. There are a number of people creating it, but bear in mind that it swells to some volume when it gets up here.

The WITNESS: C.B.C. commercial was 13 hours and 10 minutes or 12·05 per cent of the weekly time. C.B.C. sustaining, 64 hours, 2 minutes, or 58·61 per cent of the time. BBC, 3 hours, 33 minutes, or 3·25 per cent of the time. American commercial—that is commercial programmes imported from the United States—20 hours and 30 minutes or 18·77 per cent of the time. American sustaining—these are programmes brought in from the American networks that are non-commercial programmes—8 hours or 7·32 per cent of the weekly time. Answering your question I suppose it is fair to say that for roughly 34 hours or a little over 30 per cent of the time on that network for that week they competed with the private stations because it was commercially sold. Does that answer the question?

By Mr. Langlois:

Q. And you could have sold it yourself?—A. We might have sold some of it. Who can tell? No one can answer that question because that would depend on whether we could convince those specific advertisers.

Q. You would be in a position to take the programmes?—A. Yes of course. I am not complaining of this at all.

Q. You complain of the fact there is regulation of competition?—A. Yes, that is all.

By Mr. Coldwell:

Q. Can you tell us the history of CFRB, Toronto, for the same week, including the number of what we might call non-commercial programmes which were immediately preceded by commercial announcements or followed by commercial announcements? The other thing that you would need to get would be the revenue during that week. What would be the revenue for CFRB during that week for commercial programmes, and what would be the revenue for the C.B.C. for the same week?—A. I have not those figures. I have no idea. I have no way of getting the revenue for either the C.B.C. or CFRB.

Q. CFRB is a station affiliated with the C.A.B. and CFRB can supply us with that information. The C.B.C. is before us, and we can get the information from the C.B.C.—A. I suppose I could get you a station breakdown.

Q. For that week?—A. Yes.

Q. And how much money was involved in the programmes.

The CHAIRMAN: I do not suppose you can get that for this meeting?

Mr. COLDWELL: Not to-day.

The WITNESS: It would take me a week.

The CHAIRMAN: That may be filed later.

The WITNESS: I will have to speak to the people who operate the station.

By Mr. Langlois:

Q. Would you call that a normal week or a peak week?—A. I think it is a normal week. These figures were not selected with a view to criticism. They were selected to give a breakdown for that week. I think the week was picked haphazardly, and I do not think the figures are a subject for criticism at all. You asked me what the breakdown was and I gave you that week.

Hon. Mr. MCCANN: That is only half the question. The comparative question is in the same week what was the proportion of time devoted to commercial advertising on the private station?

The WITNESS: I do not know.

Mr. COLDWELL: And the revenue from the programmes?

The WITNESS: I do not know.

The CHAIRMAN: That is what will be given in the statement.

The WITNESS: I may be able to get it. I do not know.

By Hon. Mr. McCann:

Q. How did you happen to have the other one?—A. I had the sheet in front of me.

Q. You made sure you had the C.B.C. one.—A. You see the C.B.C. is a composite, that is, it is an organization of its own. The C.A.B. is not an organization. It is 89 different stations. How did I know which station would be suggested that I should have figures on? I had no way of knowing.

Q. It is one of the main stations. You claim CFRB is the principal station of the private ones.—A. I have never said so.

Q. That has been intimated before committees for years.—A.. They may be more shot at than others, but I have never said they were more important.

Mr. COLDWELL: We might leave that now. We will get the statement later.

The WITNESS: I think a breakdown was supplied last year, a complete breakdown of the CFRB programme log over a week or longer than a week. That is my recollection. We can do it again. There is no great problem except that it means a few hours work. That is all.

By Mr. Ross (St Paul's):

Q. Up to date the private stations have not been allowed any chains at all?—A. That is not actually the situation. You can get a per occasion permission.

Q. What?—A. Per occasion permission. Let us say a station in Hamilton and a station in Brantford want to link themselves together for a certain programme. They can apply to the C.B.C. for special permission for that occasion or for one series of programmes, and I believe permission is usually granted where any good reason is shown. There is nothing in the nature of a permanent network, but you can get per occasion permission.

Q. There is no chance of having a permanent network under the present situation?—A. No, sir. It would be per occasion either as to a single occasion or as to one single series of programmes.

Q. What you are anxious to do is to have a board which will adjudicate in connection with this whole question as to whether private stations should have chains or whether they should not?—A. That is all.

Q. Another factor that enters into it is the question of how long it will take to have all the hearings and get all the information and one thing and another of that kind. That would be something that would have to go on before this board all the time, or how would it be arranged?—A. The board would have to make rules as do all judicial bodies. How long it would take would depend on how long they talked. I do not know how anyone could prophesy. Some hearings would be very short, and some very important and highly controversial ones might take a long time. I do not know. I would not like to prophesy. I had not thought I would be here for long but I am still here. Who can say how long any hearing will take?

Q. What I am getting at is on the information given us here this afternoon, a lot of questions would have to be asked and a lot of questions would have to be answered and a lot of technical detail would have to be gone into?—A. Yes, sir; but any petition to a board of this kind is, of course, the supplement to a lot of preparatory work and documentation which would take place before the actual hearing, just as in the case of pleadings in a lawsuit; so that there would be a considerable sifting of the issues before the hearing itself took place. And, at least if I am to be concerned with a hearing before any such board, I should piously hope that it would not take us any long time.

Mr. FLEMING: Mr. Chairman, I would like to ask a question now relating to competition. I am not trying to jump over the pages ahead of the order in which the committee decided to take them, but there is one sentence on page 27 which bears directly on this question.

The CHAIRMAN: You are too far ahead of us.

Mr. COLDWELL: That is quite a piece ahead of where we are now.

The WITNESS: You are too far ahead of me, I am afraid.

Mr. FLEMING: Might I ask this question then: what has been the tendency in this matter of competition between the C.B.C. on the one hand and the larger private stations on the other, what has been the direction in which competition is moving?

The WITNESS: I think it is fair to say what was said by both Mr. Dunton and Dr. Frigon last week; that they have become considerably more competitive during the last year or two, or have been more aggressively out for commercial business. I think that is what was said.

By Mr. Langlois:

Q. How do their rates compare?—A. There are definite standards of rates. I am afraid that I could not give you the rates. Generally speaking, I think it is safe to say that the rates are fixed by the coverage of the station; and if you take a Toronto station such as CBL, I think their rates would be some 30 per cent higher than the rates on the other station. Mr. Bushnell can tell you that better than I could possibly. Mr. Bushnell, what are the rates, comparatively?

Mr. BUSHNELL: I haven't got the standard rates in my head at the moment, unfortunately. I am like yourself, I don't recall exactly what they are.

The WITNESS: That is the same with me. I think it is based on coverage. I have not it in my head what they are. Then I think, too, a consideration of standard rate is itself sometimes a little misleading.

Mr. LANGLOIS: Would they be higher?

The WITNESS: Yes, they would be higher. Take the Toronto C.B.C. station CBL, its rate would be higher than that of CFRB. How much higher I don't know; my guess is that it would be some 30 per cent. I am not sure.

Mr. LANGLOIS: You think they would be 30 per cent higher?

The WITNESS: Thirty per cent, but that is only my guess.

By Mr. Fleming:

Q. Have the large stations in Toronto been experiencing more competition from CJBC within the last year?—A. Well, CJBC has been more aggressive, it has been very much more active during the last year than it ever was before. I do not know to what extent it is succeeding but I presume their promotional work is having some effect. I would not hazard a guess. Mr. Bushnell might know. They have been more active, yes. There again I do not think that that is a matter of criticism, so long as the same people are not doing anything about our operations.

By Mr. Coldwell:

Q. Is it due to the dire necessity that the C.B.C. have more revenue that they have been forced into the picture more actively— —A. It has been said so.

Q. —then ten years ago; so that, for example, I suspect that one of the large stations in this country would have almost as much revenue as the whole of the C.B.C. network after it had paid for its line charges and allocating programmes to the several stations on the network. That is where the big cost in the service lies, is it not?—A. I do not know, sir. I do not even know what that figure is.

Q. But you have some idea——A. Oh, yes, it is a million six—

Q. It comes up very close anyway?—A. I don't know.

By the Chairman:

Q. As far as their service is concerned would it be right to say that from, say, eight stations they have something in the neighbourhood of three quarters of a million dollars left over after expenses?—A. That is your guess, Mr. Maybank: it is as good as mine.

Q. You think that is just a guess?—A. I am afraid that it would be purely a guess. While I have on occasion acted for the radio industry I am, after all, only their counsel, not their accountant, and I know very little about their figures.

By Mr. Fulton:

Q. If the stations you represent, members of the C.A.B., had the right of appearing before this board, I suppose they could make an application to that board for a network?—A. Of course.

Q. And you say that would not be unfair competition?—A. Not only could they appear before that board, but also the C.B.C. or any other person or municipality or body or province or corporation, religious or otherwise, would have the complete right of appearance before the board that I envisage.

The CHAIRMAN: There are some signs that we are reaching the time to adjourn. It is true that we have to adjourn in a few minutes but there are a couple of things which I think should be mentioned. Some person, I do not know who it was, I think it was Mr. Harry Sedgewick, suggested that the figures which were presented on the motion picture show meeting last night might probably become a part of yesterday's minutes. They cannot possibly become a part of yesterday's minutes, because they have gone to the printer. I think you will agree that these figures of which we all have a copy now would have to go somewhere in the record, perhaps as an appendix for to-day.

You will recall that we were supplied with a statement on the Canadian public vote on private radio versus government radio based on a three-year continuing study of public opinion by Elliott-Haynes Limited; also an analysis of current attitude trends up to February 1947. Do you think that should go on the record?

Mr. COLDWELL: I do not think there is any objection to it going on the record. After all, it was placed before us. However, I think that if we are going to have this on the record we should have also the explanatory material Mr. Elliott gave us yesterday.

The CHAIRMAN: As a matter of fact, we are in this position. There is something on it. You will recall that at the meeting we had Mr. Whitman in attendance as reporter and he went on quite a while taking the opening narrative —Mr. Elliott's explanatory remarks—and when it got to the point where a record could not be made because of so many "this's" and "that's" the record was suspended.

Mr. COLDWELL: I know that. There is no objection to that; but I thought the explanatory remarks should have been included.

The CHAIRMAN: Well, Mr. Coldwell, the explanatory remarks were reported, and I think you will see that they are in yesterday's report.

Mr. COLDWELL: I think that would be better than having a report go out such as appeared in some of the papers this morning dealing only with the provinces where the C.B.C. support was very low. I see from the Montreal *Gazette* of this morning that both Manitoba and British Columbia were left out.

The CHAIRMAN: Anybody who could see through a ladder knows what is going on around this country to-day.

Hon. Mr. MCCANN: Mr. Chairman, if this Elliott-Haynes material is going into the record I think that at the same time we should have printed alongside of it the Gallup poll material to which reference was made by the C.B.C. officials the other day. I would request that that be put in the record alongside this material.

The CHAIRMAN: Doctor McCann, I think that can best be handled when Mr. Dunton resumes his evidence at which time he can be asked for it; I think, if you will just not press your request, that some person, yourself if necessary, can take care of it to see that it is brought forward at that time rather than bringing it forward at the moment.

Mr. COLDWELL: The difficulty in this is that this particular survey was organized and paid for by the Imperial Oil Company, by Aluminum Limited, by Canadian Industries, by Canadian General Electric and by Northern Electric. They are five of the largest monopolistic industries in the country. And it was done with the purpose in view not only of getting the results that were obtained but of doing propaganda work, which is obvious from the manner in which the questions were asked and from the type of questions asked. I do not think that this is of any value, although perhaps some members may attach value to it.

The CHAIRMAN: I do not know, it might not have any value.

Mr. COLDWELL: I have no objection to its going on the record.

The CHAIRMAN: All we are concerning ourselves with at the moment is our regular proceedings. If there is no objection to its being recorded as something which was laid before us, then I think it is in order.

Mr. GAUTHIER: I would not have any objection to it, Mr. Chairman, if the Gallup poll material were printed along with it so we might have the benefit of comparison.

The CHAIRMAN: I suggested to Doctor McCann that probably it would be best to have that put in when Mr. Dunton resumed the stand. You think they should go in together, do you Mr. Gauthier?

Mr. GAUTHIER: Absolutely.

Mr. FULTON: I would suggest they both be kept off then until we have some opportunity for an explanation in connection with the Gallup poll material especially when we have the same opportunity for an explanation in connection with the Gallup poll material as we had with the material Mr. Elliott presented. I do not think it is quite right to have the one go on the record with a full explanation and the other without one.

The CHAIRMAN: I thought this was going to be over in a minute.

Mr. FLEMING: On this point which came up about the material presented yesterday; surely, it is something new in our procedure if we are going to try to arrange to have this material presented side by side in the record. We hear the officials of the C.B.C. and we hear private interests, but we do not try to have their respective stories put on the record side by side, word for word, line for line with each other. I think when the C.B.C. officials resume their evidence we will be able to get a clearer picture of the Gallup poll information. I do not see why it should be put in side by side with the material which it is now proposed be printed in the record.

The CHAIRMAN: Gentlemen, you have to settle this one way or the other, and I think you will all agree that you have to do it immediately. I cannot put it on the record without your agreement. If there is not general agreement then a motion will have to be moved by someone.

Mr. HANSELL: I move, Mr. Chairman, that it do appear in our record.

The CHAIRMAN: You mean as an appendix to-day?

Mr. GAUTHIER: Only the one, or the two together?

Mr. HANSELL: I am not concerned which; all right, I will move—

The CHAIRMAN: Just a moment, you have to make a motion or not. Is there any motion on this; or shall we let it rest until tomorrow morning, we will settle it then.

Now, gentlemen, the meeting stands adjourned until to-morrow morning at 11 a.m. in room 277.

The committee adjourned at 5.47 p.m. to meet again to-morrow, June 5, 1947, at 11 a.m.

SESSION 1947

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 6

THURSDAY, JUNE 5, 1947

WITNESSES:

A. Davidson Dunton, Chairman of the Board of Governors.

Joseph Sedgwick, K.C., Counsel, Canadian Association of Broadcasters.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1947

MINUTES OF PROCEEDINGS

THURSDAY, June 5, 1947.

The Special Committee on Radio Broadcasting met at 11.00 o'clock, Mr. Maybank, the Chairman, presided.

Members present: Messrs. Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Fulton, Gauthier (*Portneuf*), Hackett, Hansell, Knight, Laurendeau, Maloney, Maybank, Mullins, Robinson (*Simcoe East*), Reid, Ross (*Hamilton East*), Ross (*St. Paul's*), Smith (*Calgary West*), Winters—19.

In attendance: (1) From the *Canadian Association of Broadcasters*—Messrs. Sedgwick, Dawson, Chandler, Sifton, Ross, Scott, Soble, Campeau. (2) From the *Department of Transport*—Messrs. Browne, Caton and Irish. (3) From the *Canadian Broadcasting Corporation*—Messrs. Dunton, Frigon, Manson and Palmer. Also Mr. George Bannerman.

The Elliott Haynes Ltd., statistical reports were again referred to. After discussion, Mr. Winters moved that they be made part of the record now.

The question being put and a tie resulting, the Chairman voted in the negative and declared the motion lost.

On motion of Mr. Hansell:

Resolved,—That Mr. Dunton be requested to table a Gallup Poll Report undertaken for C.B.C. for incorporation in the record along with the other reports tabled by C.A.B.

The Chairman read a letter from Mr. Dunton requesting permission to make a brief statement on a matter he considers to be urgent.

After discussion, the Chairman conferred forthwith with Mr. Dunton on the question of the subject-matter and its urgency. He informed the Committee that Mr. Dunton wanted to refer to certain C.A.B. advertisements in daily newspapers and over the radio containing what he claimed to be "false statement of fact respecting C.B.C."

On motion of Mr. Hackett,

Resolved,—That Mr. Dunton be heard now.

Mr. Dunton was called and made his statement.

A point of order being raised, the Chairman ruled that Mr. Dunton be now allowed to proceed.

Mr. Fulton moved that Mr. Dunton be not now allowed to proceed.

The Chairman ruled this motion out of order, and his ruling having been appealed, it was sustained.

Mr. Dunton concluded his statement and retired.

After a discussion on the advisability of questioning Mr. Dunton at this stage, the Committee agreed to put questions now. He was recalled, questioned, and retired.

Mr. Joseph Sedgwick was recalled and his examination was resumed. He was interrogated on Mr. Dunton's statement.

90812—1½

Mr. Ross (*Hamilton East*) occupied the chair from 12.07 to 12.33. The Committee discussed future procedure.

At 1.07 o'clock the Committee adjourned until Thursday, June 12th at 11 o'clock.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,
June 5, 1947.

The Special Committee on Radio Broadcasting met this day at 11.00 a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: We have a quorum, gentlemen.

I do not know whether there are any matters that have to be decided at the beginning of this sitting with respect to the end of the sitting, like we sometimes have to bring up things at the beginning to come to an understanding about something later on. Is there anything of that sort to-day? Oh, there is one matter, you will recall, that was the Elliott-Haynes memorandum. I said the last thing last night that I would leave that till to-morrow and we would probably be able to settle it then. Last night I think we were of the view that it ought to go into the record and that another statement ought to go into the record at the same time.

Mr. Ross (*St. Paul's*): No, later on.

The CHAIRMAN: I thought opinion was going the other way. I don't know, Mr. Ross; but I do remember that we had not decided.

Mr. Ross (*St. Paul's*): It was to have been put on the record when Mr. Dunton resumes his presentation. It can be put on at that time.

The CHAIRMAN: I am not suggesting that we came to a decision. That is one of the points of view expressed last night. I am merely suggesting now that we had not reached an agreement on it, and apparently we are not now as near an agreement as I thought we were then.

Mr. Ross (*St. Paul's*): If this is going to be put on our record it ought to be put on the record as part of our proceedings, and that will be when Mr. Dunton resumes.

The CHAIRMAN: My view, Mr. Ross, is that this statement which we have should go upon the record now, period.

Mr. GAUTHIER: My proposition was that we should wait until the Gallup poll material was available.

The CHAIRMAN: They ought both to appear on the record at the same time, is that your view?

Mr. GAUTHIER: Yes.

Mr. WINTERS: Mr. Chairman, I think we might be establishing a precedent there. I think this is a part of the brief of the C.A.B. and if it is going on to the record it should go on now, regardless of the Gallup poll; and I would so move.

The CHAIRMAN: Gentlemen, Mr. Winters moves that this go on the record now.

Mr. KNIGHT: What document is this?

The CHAIRMAN: This statement to which I have been referring, the analysis filed by Mr. Elliott the other day, the public opinion poll.

Mr. KNIGHT: That means then only this; is that so?

The CHAIRMAN: Yes, and it would have to be a part of to-day's record as an appendix with a suitable explanation that it was presented a couple of days ago.

Mr. GAUTHIER: When will the Gallup poll material be put on record?

The CHAIRMAN: According to that, when it is presented.

Mr. HANSELL: Mr. Chairman, my opinion about the Gallup poll material being put on at the present time is that if it goes on with this Elliott-Haynes report there will be no explanation to it. This Elliott-Haynes report has at least a little explanation to it and makes sense thereby, but we do not know what the other material is. We do not know what the Gallup poll constitutes; we do not know how it is made up; the figures may not mean anything unless there is some explanation to it; that explanation can be given by Mr. Dunton when he is here.

Mr. GAUTHIER: According to what was told us last night do you think this will mean much more than the other one?

Mr. HANSELL: I do not know, because I do not know what is in the Gallup poll material.

Mr. BOWERMAN: I think that these should both go on at the same time.

Mr. GAUTHIER: Absolutely.

Mr. Ross (*St. Paul's*): I do not think it ought to go in until it is all together, when the other material is presented in the course of Mr. Dunton's remarks, so we can question him and find out how the thing was made up and what it means. As Mr. Hansell says, it does not mean anything now.

The CHAIRMAN: It could not go on at this moment because we haven't got it. The question whether this (the Elliott-Haynes report) should go in now or be delayed.

Mr. HANSELL: Yes, I think this should go on now.

The CHAIRMAN: Gentlemen, are there any further remarks.

I think the motion is that this should go on the record now as an appendix to to-day's minutes. What is your pleasure, gentlemen?

On a show of hands, there being a tie, six to six:

As it is up to me, gentlemen. I will declare the motion lost.

Now, that does not necessarily mean that this should go on later. I think you will have to have a motion that this shall be put on when the Gallup poll material that has been referred to is presented, and that it likewise should be put on. It would require a motion for the committee to do that.

Mr. HANSELL: There is a technical point there; suppose the Gallup poll material is not put on?

The CHAIRMAN: I guess it would have to be "if, as and when."

Mr. HANSELL: That means that if the Gallup poll material is not put on the record we will not get the other material either.

Mr. Ross (*St. Paul's*): We could read it on now.

The CHAIRMAN: I doubt if you could read it on now, you might later; that depends on when it comes up.

Mr. Ross (*St. Paul's*): In my opinion it is very important.

Mr. FLEMING: Mr. Chairman, I think, with all respect to the committee, that we are in danger of making ourselves a little bit ridiculous—

The CHAIRMAN: Just a second, Mr. Fleming; please do not discuss a motion which has gone by.

Mr. FLEMING: I am not discussing the motion now. It has been suggested that we make an order now that this document which has been rejected on this tie vote should go on at a time when something else is filed. We do not know for sure whether that something else is going to be filed or not. It is a

hypothetical, contingent kind of motion that doesn't mean much; but we have decided, rightly or wrongly, that this material is not to go on the record now. It seems to me that the only form in which it can come up again is by way of a motion at a later stage which may be in connection with something else and which may not. There is no sense at all in our considering a motion now, "if, as and when" some document we have not seen and which may never come before us, should be put on the record with this material.

The CHAIRMAN: There is no motion to that effect.

Mr. REID: Mr. Chairman, this is a most unusual procedure. The committee heard the evidence by the witness and now here we are debating whether it will be on the evidence or not. In my opinion this is part of the brief which was before the committee and should be on the record. I assumed it would be on the record, or that it was on the record, yet now you are debating whether the material should go on the record or not; apparently you have decided that it shall not, at least at this time. I suggest that the whole thing is very unusual.

The CHAIRMAN: The motion in that regard was carried, Mr. Reid. I think you will have to make a motion at some other stage, and in the meantime we will move along to something else.

Mr. HANSELL: I would move, Mr. Chairman, that we ask Mr. Dunton to present the results of the Gallup poll and that at that time both schedules be put on together.

The CHAIRMAN: All right. Gentlemen, you have heard the motion; are you ready for the question?

Question agreed to.

Now, gentlemen, there is a letter to be read, coming from Mr. Dunton. I received it this morning. It is addressed to me:—

CANADIAN BROADCASTING CORPORATION

OTTAWA, ONTARIO,
June 5, 1947.

DEAR MR. MAYBANK,—I wish to ask if I might have the opportunity of making a short statement on a matter of urgency to the committee at the opening of the sitting to-day.

(Sgd.) A. D. DUNTON.

What is your pleasure regarding that letter, gentlemen?

Mr. FLEMING: What is the matter to which he refers?

The CHAIRMAN: I do not know, I haven't the slightest idea.

Mr. FLEMING: If it is something that will not take long, I think we ought to hear it.

The CHAIRMAN: He says, "a short statement on a matter of urgency."

Mr. FULTON: Let's hear it.

Mr. HACKETT: It is usual to state the nature of the urgency. That is what they do in the House. Then the committee can tell what action to take.

Mr. REID: I have no objection to hearing him, but I would have thought that he might have indicated to the committee what the matter of urgency was.

The CHAIRMAN: Do you want to hear it now?

Mr. REID: I think he should have the opportunity of bringing the matter before the committee if he wants to. I think he should have told us what it was.

Mr. FLEMING: Mr. Chairman, may I suggest that Mr. Dunton be asked to state what his matter of urgency which he wishes to discuss with the committee is then the committee can decide whether it wishes to hear him now or not.

The CHAIRMAN: I suppose if we did that, I am presuming this; if he did that he would probably make his very short statement.

Mr. HACKETT: No. That occurs every week in the House.

Mr. COLDWELL: Yes, some similar motions are entertained in the House of Commons.

The CHAIRMAN: I think there is a little difference, Mr. Hackett; in this, that in the House it is: I move an adjournment to discuss a matter of urgent public importance, and debate ensues; and as a consequence that lends itself to a short statement. This is where he says, I just want to make a short statement. That is why I think that if he gives any of it he will probably give all of it.

Mr. FULTON: Might I suggest that you ask Mr. Dunton now, he is right here, what the subject matter of his statement is, and that you then tell the committee and then let us decide. That is not disclosing it to the committee, and it might save a lot of time and discussion.

The CHAIRMAN: I have not any objection to that. Is it agreed that I query the nature, and then am I to decide whether he be heard, or what am I to do?

Mr. FULTON: I would prefer to hear him right now, but I thought we might save time and discussion.

The CHAIRMAN: Well, all right. Do you want me to report it or decide it?

Mr. HACKETT: We want you to say what he wants to talk about.

The CHAIRMAN: Mr. Dunton wants to make a statement with reference to an advertisement put in the papers by the C.A.B., which is here making representations, containing—and I am using this expression in quotes—"false statements respecting the Canadian Broadcasting Corporation." I have not seen it myself.

Mr. HACKETT: I move that Mr. Dunton be heard.

The CHAIRMAN: Mr. Hackett moves that Mr. Dunton be heard. Are you ready for the question? Those in favour? Opposed if any? That is one of the unanimous decisions that can be recorded.

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

The WITNESS: Mr. Chairman, I should like to draw the attention of the committee to a series of advertisements sponsored by the Canadian Association of Broadcasters appearing in the daily newspapers across Canada. I understand they are appearing in from 70 to 80 newspapers. I should particularly like to refer to an advertisement in the daily newspapers of to-day. That is why I have asked for permission to come before you on this matter which seems to be urgent. The material relating to these advertisements is also going out on radio stations all across Canada. I would presume on 89 stations. I should like particularly to read two sentences in to-day's advertisement which contain misstatements of fact.

Mr. FLEMING: May I suggest you read the whole advertisement?

Mr. ROSS: (*Hamilton East*) : Read the whole thing.

The WITNESS: This is the last one. This advertisement appears in to-day's newspapers. The heading is "Our radio laws spell monopoly." The text is:—

> Canadians don't like monopolies. We have learned that we get more benefit when there is free and fair competition. Right now the Canadian radio listener is handicapped by what amounts to monopolistic control. We feel sure that nobody wants Canada to have such crippling control. It has come about because Canada's radio laws are a tangle of rules and regulations and addenda. These laws date back to 'crystal set' days. They have not kept pace with radio progress. In the interests of Canadian radio listeners now and in the future Canada's unsound 'crystal set' laws should be overhauled and simplified. Several governments have had a hand in piling up the confusion. Nobody's particularly responsible for it. The important thing is that in Canada to-day it is impossible to make a major move of any sort without the approval of the 'government of the day.' The government's C.B.C. have exclusive control of network facilities. They can direct any station to broadcast any message for any government department. They can cancel a broadcasting licence without cause and without hearing. They have absolute and final control over all programmes. They even decide what news you shall hear. Yes, Canada's radio laws spell monopoly. If it is true that better things are produced by free and fair competition, every radio set owner in Canada will benefit when a truly independent regulatory body is set up to see that fair competition exists in Canadian radio. It is important to the future of Canadian radio—to your future—that Canada's monopolistic laws should be critically examined and overhauled.

Then in the box below there is this:

> One of a series of public discussions of the future of radio in Canada. Published by an affiliation of 89 independent commercial radio stations throughout Canada. Member stations in the Montreal area—

this happens to be from a Montreal paper—

> CKAC, CFCF, CHLP.

At the bottom there is this:

> Canadian Association of Broadcasters, Victory Building, Toronto.

I do not wish to comment on any statement of opinion or—

Mr. FULTON: Before Mr. Dunton proceeds I should like to ask for your opinion as to whether there is anything in that advertisement which is not contained in the brief which has been presented to us by the C.A.B. and which we are discussing.

The CHAIRMAN: At this moment I think your question is out of order. We have said we will hear Mr. Dunton. Mr. Dunton has not yet finished.

Mr. FULTON: On the point of order, the reason for asking that question is that if there is nothing in that advertisement other than what is contained in the brief then I submit it is improper for Mr. Dunton to proceed to discuss in any way what is contained in the advertisement because the very same statements are now before the committee for consideration.

The CHAIRMAN: We said we would hear Mr. Dunton in a short statement. We have not yet heard him. We would have been finished had we not asked him to read the whole of the advertisement. He wanted to make a comment on one or two phrases in it and we granted him a hearing. I think a motion contrariwise to that at the moment is out of order, or even a question or suggestion.

Mr. HANSELL: On a point of order...

The CHAIRMAN: On your point of order?

Mr. HANSELL: I should like you to rule, if you will, whether or not since Mr. Dunton has made a statement, or will make it, we are to have a discussion of it immediately following. If we are we are going to take a lot of time with Mr. Dunton. Mr. Dunton has to return to us later. I am suggesting that we watch that procedure carefully.

The CHAIRMAN: As to the query that you have put to me to make a ruling I will not make any ruling until the point arises. Up to now the motion has said that we will hear Mr. Dunton. That is all that the motion is. That is what we are endeavouring to do. You may proceed.

Mr. HACKETT: Mr. Chairman, if there is nothing...

The CHAIRMAN: Are you speaking on the point of order?

Mr. HACKETT: I am speaking on the point of order. I say that if there is nothing in the article read by Mr. Dunton which is not in the brief that he is out of order in attempting to speak to it at the present time.

The CHAIRMAN: That is the same point of order made by Mr. Fulton.

Mr. HACKETT: No, it is another point. I am questioning Mr. Dunton's right. If there be nothing in the article that he has read, to which he is taking exception, that is not contained in the brief he has no ground on his own statement, I submit, to make any representation.

The CHAIRMAN: That has been decided by motion already.

Mr. HACKETT: It has not.

The CHAIRMAN: I think you are out of order.

Mr. COLDWELL: Did we not come to an understanding that Mr. Dunton had some statements of fact that he wanted to make?

The CHAIRMAN: That was what he said, and it was at that point that he was requested to first read the whole article. He has therefore...

Mr. REID: That was not it.

The CHAIRMAN: Excuse me, please, Mr. Reid. He has therefore not made the statement which he came up here to make and which we gave him permission to make.

Mr. HACKETT: Will Mr. Dunton please state what fact appears in the document there which he has read that is not in the brief that has been submitted?

The CHAIRMAN: That is not in order at this time. The situation, gentlemen, according to the ruling of the chair is that Mr. Dunton should now be allowed to continue to make his statement.

Mr. FULTON: Would you entertain another motion if I move a motion that Mr. Dunton be not now allowed to proceed?

The CHAIRMAN: I will rule that motion out of order.

Mr. FULTON: Can we appeal from your ruling?

The CHAIRMAN: Of course. I am only the instrument of the committee. Any ruling I make is sustainable or rejectable by the committee.

Mr. FULTON: I move then that Mr. Dunton be not now allowed to proceed. To put it briefly the grounds for that are these. We gave him permission to make a statement, but I did not know what was in the advertisement. Had I known all he proposed to do was to read or refer to the advertisement and then comment on it I would not have supported that motion. Briefly the point is, as I have said before and as Mr. Hackett has said, there is nothing in the advertisement which is not in the brief which is before the committee. Therefore I think it is improper for Mr. Dunton to comment on it as this moment. I think he should have an opportunity for rebuttal later. I therefore move that he be not allowed to proceed.

Mr. HACKETT: Unless—

The CHAIRMAN: Just a moment. I rule that motion out of order.

Mr. HACKETT: I should like to submit—

The CHAIRMAN: Excuse me.

Mr. FULTON: I appeal from your ruling.

The CHAIRMAN: The ruling has been made. I rule that out of order.

Mr. FULTON: I appeal from your ruling.

The CHAIRMAN: All right. You have all heard the ruling of the chair. I ruled Mr. Fulton's motion out of order. The question now is shall the ruling of the chair be sustained? Those in favour of sustaining the ruling of the chair raise their hands? 14. Those opposed? 4. The ruling of the chair is sustained. Mr. Dunton, will you proceed?

The WITNESS: I should like to refer to two factual statements which I do not think are included in the brief of the C.A.B. The first is this. They say:—

> They—referring to the C.B.C.—
>
> —can cancel a broadcasting licence without cause and without hearing.

The Canadian Broadcasting Corporation has no power to cancel a radio licence. The other sentence is:—

> The important thing is that in Canada to-day it is impossible to make a major move of any sort without the approval of the "government of the day."

The Canadian Broadcasting Corporation makes and unmakes its regulations, which I think the C.A.B. and anybody else will agree may be major moves, without any approval of the government.

The CHAIRMAN: Is that the end of your statement?

The WITNESS: Yes.

Mr. REID: May I ask Mr. Dunton one question?

Mr. HANSELL: Mr. Chairman—

The CHAIRMAN: Just a moment. Again we will try to approach that in as orderly a fashion as possible. As some person has remarked if we undertake now to question Mr. Dunton on his statement it will, of course, create some interference with other things. I am not saying anything for or against it. I just make that remark, but I do think that as far as the motion which was made is concerned the authority for Mr. Dunton to be heard in front of the committee is at an end. He was only given permission to make a statement.

Mr. REID: He has put it all over the committee. He has put it all over us like a tent, just like a tent. He has put it all over us. He should have waited until he came to rebuttal.

The CHAIRMAN: The committee—

Mr. GAUTHIER: What he was quoting was from a newspaper. It was publicity. That is different.

The CHAIRMAN: Mr. Gauthier—

Mr. REID: It is no different from here.

Mr. GAUTHIER: Yes, it is.

The CHAIRMAN: The trouble is you broke in before I quite finished. The committee is not defunct, but as far as that motion the authority of it is ended. It is still open to the committee if they wish to do so to substitute Mr. Dunton as a witness here and to continue to question him. The committee can make any kind of motion it likes.

Mr. HANSELL: Mr. Dunton will be back later.

The CHAIRMAN: Have we any motion on this matter?

Mr. FULTON: I move that we hear Mr. Sedgwick.

The CHAIRMAN: Very well, we will proceed with the witness of yesterday.

Mr. FULTON: I want to point out—

Mr. SMITH: Just a moment. I have not said anything before, but if I understand your ruling it is that Mr. Dunton having been brought here and permitted to make a statement there is to be no examination on it.

Mr. REID: That is what he said. I wanted to ask a question and he said "no".

Mr. SMITH: If that is your ruling I appeal against it because that is absurd to me.

The CHAIRMAN: I think the situation was this. I believe you were not here when the motion was made.

Mr. SMITH: Yes, I was.

Mr. HACKETT: He said he had not spoken before.

The CHAIRMAN: I did not actually make a ruling at all. It did not quite go that way, but I did express an opinion that all the authority we had given was that Mr. Dunton should make a short statement which he requested permission to make. I did not exactly put that into the form of a ruling although I rather think I would have ruled that way. I did want to point out to the committee it is quite easy for the committee to extend that. I just thought that the motion meant Mr. Dunton make a factual statement which he had requested permission to make. It is quite open to the committee to question Mr. Dunton or do anything else. I thought an additional motion would be necessary before that. There is nothing to prevent it.

Mr. COLDWELL: If any member of the committee wanted to question Mr. Dunton, he could have moved that Mr. Dunton be examined and I would have voted for it.

Mr. SMITH: Surely we have one rule here upon which we do not need a motion and that is if someone stands in this witness box and gives evidence the right of examination is automatic. Surely we do not need any motion to permit it.

The CHAIRMAN: Except, Mr. Smith, that this was rather an exception. There was quite a bit of dispute as to whether the short statement which he mentioned in his letter would be allowed at all. I felt that the manner in which the motion was made would require that he just be given a few minutes to make his statement and that was all. You desire to question Mr. Dunton, am I right?

Mr. SMITH: I do not intend to do it personally, but I want it very plain that the members of this committee have a right to examine anyone who goes into that box and gives evidence and that we do not need a motion to do that kind of thing. I voted to support your ruling. I did so on the plain understanding that we would get all the facts out and that the right of examination was automatic. If you are ruling we have to have a motion in order to question him, I am going to appeal your ruling.

The CHAIRMAN: I did not rule that. I am glad of the discussion because I would prefer not to rule that. I thought that was the sense of the committee at the time. If it is the sense of the committee we should proceed to questioning, would you be agreeable to indicate that to me by a show of hands and let it go that way. It would be very much better for us to proceed by general agreement rather than continual rulings and questions.

Mr. HACKETT: Could we have it understood that the ordinary elementary rules obtain and anyone who goes into that box is subject to cross-examination?

The CHAIRMAN: I do not think anybody questioned that.

Mr. HACKETT: It has been questioned.

The CHAIRMAN: Nobody questions that, as a general rule.

Mr. HACKETT: I do not want to examine Mr. Dunton.

The CHAIRMAN: It was only that this seemed to be an exceptional case. Now, how about answering this question.

Mr. COLDWELL: I suggest that Mr. Dunton be asked to come back and if anybody wants to ask a question, get him to do it.

The CHAIRMAN: Is it the opinion of the committee that Mr. Dunton's statement—

Mr. HACKETT: It is not necessary.

The CHAIRMAN: I believe I have a right to say what I am saying, that is all.

Mr. HACKETT: Of course, you have a right to say it, and I have a right to say—

The CHAIRMAN: But not to interrupt.

Mr. HACKETT: I am very sorry, I did not want to interrupt you.

The CHAIRMAN: If it is the view of the committee we should call Mr. Dunton for questioning, we shall do it. Is that the general opinion?

Mr. HANSELL: Not with me, because Mr. Dunton will be back again and we can raise this question then. As a matter of fact, I should like to get a few more of these advertisements and sleep on them before I question Mr. Dunton.

Mr. COLDWELL: It is a funny situation. I suggest Mr. Dunton come back. If anybody wants to question him then, it will be possible to do it.

The CHAIRMAN: I have not ruled on this one way or the other. The easiest way to settle it is to put this question: does anyone desire to question Mr. Dunton?

Mr. REID: Yes, I want to ask him one question.

The CHAIRMAN: Unless there is an objection to that, I will recall Mr. Dunton in compliance with Mr. Reid's request.

Mr. HANSELL: That means we can all question him.

The CHAIRMAN: Yes.

By Mr. Reid:

Q. My question to Mr. Dunton is in two parts. The first part is, did you or did you not state at the beginning of your remarks that the statements in the advertisement were false and you wished to correct them?—A. I did. I said there were false statements in the advertisement.

Q. My second question is this: Do you consider most, if not all of the statements contained in the advertisement you read do or do not appear in the brief of the C.A.B. or is there something different in it?—A. I wished for the opportunity to refer to two sentences. I do not believe they are part of the brief of C.A.B.

Q. The one you quoted appeared to me to be the very same as on page 10 of the brief.

> The minister may cancel for cause, licences without a hearing and without right of appeal.

That is here, it is part of their brief? You read it out from the article?—A. The advertisement says "they", referring to the C.B.C. That is what I said was not correct.

Mr. FULTON: Could you read that sentence again?

The WITNESS: I had better read the whole thing so you can see to whom "they" refers:—

> Several governments have had a hand in piling up the confusion. Nobody's particularly responsible for it. The important thing is that in Canada to-day it is impossible to make a major move of any sort without the approval of the "government-of-the-day". The government's C.B.C. have exclusive control of network facilities. They can direct any station to broadcast any message for any government department. They—the C.B.C.—can cancel a broadcasting licence without cause and without hearing.

By Mr. Reid:

Q. My last question is, do you mean to rebut this brief later on when you come before us?—A. I should be very glad of that opportunity.

Q. That was intended, that you would rebut the contents of this brief? —A. I do not know what the committee intended but I should be glad of the opportunity of making some comments.

By Mr. Fulton:

Q. You have read this brief, have you?—A. Yes.

Q. You recall the point in the brief in which the C.A.B. contended that although the minister does it, he acts on the advice of the C.B.C.?—A. Yes.

Q. If that were a correct statement—we are not questioning whether it is or not—then, in effect, what is in the advertisment is the same as in the brief? —A. I do not think even the brief mentioned anything about cancelling licences.

Q. Yes, it does.

> The minister may cancel, for cause, licences without a hearing and without right of appeal.

A. I do not think the brief refers to the C.B.C. doing anything about the cancelling.

Q. No, that is why I put in the preface, if the minister acts in accordance with the C.B.C.'s recommendation, if that contention were correct, then the two statements were substantially the same?—A. I would not say so because we have no power to cancel licences.

Q. As I say, we are leaving apart the correctness of the C.A.B.'s contention, whether or not it is correct; if it is correct, then I suggest the two statements are substantially the same. One says "the minister" and the other says the "C.B.C."?—A. I doubt if they even suggested the minister acts on the advice of the C.B.C. in cancelling licences because I do not think there are any examples of that.

Mr. FLEMING: Your whole point is that "they" refers to the C.B.C. and not the government.

The WITNESS: It does in that paragraph.

Mr. FLEMING: I do not think so. There is ambiguity, I admit, but I would not think "they" referred to the C.B.C., I would think it referred to the government. If it referred to the C.B.C. you would expect it to be singular because the C.B.C. is singular.

Mr. COLDWELL: Mr. Fleming is a lawyer and he knows what "they" refers to.

The CHAIRMAN: Let us not get into cross-fire about this. Are there any other questions of Mr. Dunton?

By Mr. Hansell:

Q. Yes. Mr. Dunton, would you admit that those who framed that advertisement who, evidently, are some responsible people from the C.A.B., are duly acquainted with the laws, rules and regulations of the C.B.C.?—A. I do not know. I would not think so from the statement they make here.

Q. The members of the C.A.B. have been in business for a good many years, have they not?—A. Yes, some of them.

Q. They should be expert then in writing up an advertisement?—A. I have no comment on that, Mr. Hansell.

Q. I will comment on it and say they should be. They should be more able to write up an advertisement because of their experience perhaps, and I say this in a gentlemanly fashion, than you would be to criticize it, having been chairman of the board of governors for only a short time?—A. Except that I am chairman of the board, so I think I know fairly well what powers the board has and has not. It has the power to make regulations without any government approval. It has not the power to cancel licences.

Q. Very well, I will concede that to you. Now, my next question is this: you said the statements were false. You still say they are false?—A. Yes.

Q. Would it not have been better to say that it is a matter of interpretation? —A. To me it is not, Mr. Hansell; they are erroneous.

By Mr. Hackett:

Q. If "they" applied to the government instead of to the C.B.C., you would not say that?—A. I do not see how it could apply to the C.B.C.

By the Chairman:

Q. You do not see how it could apply to the government?—A. I do not see how it applies to the government in the ordinary usage of English.

Mr. FLEMING: I do not agree that it does not apply to the government. I think we have spent a lot of time on this. There is ambiguity there, but there will be ample time to consider this whole matter when Mr. Dunton is before us again.

Mr. SMITH: I think the points are minuscule and the questions are infinitely so. Therefore, let us get on with the discussion.

By Mr. Coldwell:

Q. How many papers did you say this was appearing in?—A. I think between 70 and 80.

Q. Daily papers?—A. Daily papers.

Q. What about weeklies?—A. I do not know.

Q. I was going to ask you how this was being put over the radio stations? Is the advertisement read?—A. We do not know. There are a number of announcements relating to advertisements on various radio stations.

Q. Have you heard any of them?—A. No.

By Mr. Winters:

Q. Could you say how much an ad of that particular size in one daily paper would cost?

Mr. HACKETT: It depends on the paper and its circulation.

The WITNESS: I think Mr. Sedgwick would know better than I.

Mr. HACKETT: It would depend on the number of insertions. There are a number of elements to consider.

The CHAIRMAN: Are there any other questions?

By Mr. Hansell:

Q. Mr. Dunton, you are evidently extremely incensed about these advertisements. Would you say that they are so damaging that you should sue the C.A.B. for libel?—A. I am only referring, Mr. Hansell, to the erroneous statement.

Q. Now, that is a question which I have asked and I want an answer.

The CHAIRMAN: What was your question? Would you put the last part of your question again?

By Mr. Hansell:

Q. I want to know if the statements are sufficiently false to sue the C.A.B. for libel?

The CHAIRMAN: On that, you would need the advice of counsel.

Mr. SMITH: On the advice of counsel, the witness does not answer.

Mr. HANSELL: I have asked a question and I want an answer. I want the question on the record. If there is no answer that is all I want. I want no answer on the record.

The WITNESS: I will give you an answer. I would certainly have to have good legal advice.

Mr. COLDWELL: The laws of libel are very uncertain as those who have been in politics a long time know.

The CHAIRMAN: Are there any other questions? If not, we can dismiss Mr. Dunton.

Now, gentlemen, we are back to where we were yesterday. Shall we resume our hearing of Mr. Sedgwick.

Joseph Sedgwick, General Counsel, Canadian Association of Broadcasters, recalled:

Mr. COLDWELL: Would Mr. Sedgwick care to comment on that? It is only fair to ask him.

The WITNESS: I did not see it until this morning, Mr. Coldwell. I heard it for the first time when Mr. Dunton read it. If I can see it, and if I can make any useful comment on it I shall be glad to do so.

Mr. REID: You remember he stated they were false.

The WITNESS: Yes, I heard that, Mr. Reid.

Mr. REID: Now is the time for you to correct it, right here.

The WITNESS: There is nothing in it that I am going to correct. I think that it is a fair statement of what was said in our brief, and I think it is in almost the same words.

Mr. REID: That is what many of us thought, that is why we raised the question.

The WITNESS: Unless there is some specific question.

By Mr. Coldwell:

Q. Did I understand you to say that your people had an office here in Ottawa?—A. Yes, sir.

Q. And the day before yesterday you gave us something about public opinion as expressed in this Elliott-Haynes survey, I think you said that that was paid for by the Aluminum Company of Canada, Canadian Industries, Limited, the General Electric Company and the Northern Electric Company; do you call those organizations monopolistic?—A. Some are, some are not. That statement is not quite correct; as Mr. Elliott explained—you might have heard all of it or you might not have been present for all of it.

Q. I did.—A. When the survey was started the original contributors were the companies you have named. It was expanded and I believe that there are now some twenty-one companies and organizations which subscribe to this service; and I believe there were sixteen or seventeen companies as of last year.

Q. Do you know who the other companies are?—A. There is no secret about it. I don't know, personally.

Q. Is there any radio station on it?—A. If there is any radio contribution it would be small, something like 5 per cent, I think Mr. Elliott told us.

Q. There may be some?—A. There may be some.

Mr. Ross (*St. Paul's*): He gave some figures; it was very small.

The Witness: Yes, I think he did.

Mr. Fulton: He said, as I recall it, that it was about 8 per cent.

The Witness: I think he was speaking, sir, of his overall business, not of that particular survey; because I can assure the committee that the survey was not started by the radio industry and that it is not supported by the radio industry; and any reference to it as our survey is rather misleading.

Mr. Coldwell: I didn't say that.

The Witness: You did not, but Dr. McCann said it was the Sedgwick survey, which is very flattering to me.

Mr. Fulton: Do you consider Canadian General Electric to be a monopoly?

Mr. Coldwell: Yes; and I can produce evidence to show by their trade agreements with affiliated companies that their set-up is in the form of a cartel.

Mr. Fleming: Mr. Chairman, I think this is a very good demonstration of the need of having all our proceedings recorded. When it is taken down evidence becomes a matter of record. Here we have disagreement as to what was said, and it is that disagreement which leads to the difficulty with which we are faced here. I hope we have learned a lesson as a committee in regard to the importance of having our proceedings reported, even when we have a situation such as we had the day before yesterday. Otherwise, I think you may be assured there will be disagreement as to what was said. When it is on the record there can be no disagreement about it.

By Mr. Winters:

Q. Mr. Chairman, I would like to ask Mr. Sedgwick one question. I would like him to tell the committee how much the C.A.B. paid in advertising for one day to have this ad placed in all the seventy-odd papers in which it appeared across Canada?—A. I do not think, sir, that I can divide it into one day. I think I can tell you the total cost of all the advertising in all the papers, I do not think it would exceed the sum of $32,000. Now, I presume when you break that down it would be about $6,000; no, less than that—it would be in that neighbourhood.

Q. How many advertisements?—A. I think there are seven altogether. I am no good at arithmetic, sir. You are an engineer. You can divide that seven into the thirty-two and then tell us what the figure is.

Mr. FLEMING: That is not as much as station CJBC is spending on advertising right at the present time to build up that station.

The WITNESS: You mean, in its present campaign?

Mr. WINTERS: And this other has been going on for a long time.

Mr. FLEMING: Yes, in its present campaign.

The WITNESS: It should also be pointed out that that $32,000 has really been spent over ten years as the association hasn't spent any before.

Mr. FLEMING: It is a continuing campaign.

Mr. WINTERS: Mr. Chairman, if this has nothing to do with the brief which is now before the committee it should not continue.

Mr. FLEMING: I think the discussion has been very valuable.

The CHAIRMAN: Don't get into too much crossfire, gentlemen; if you want to have this on the record you will have to speak one at a time, otherwise it is impossible to report it.

By Mr. Hansell:

Q. To get back to the survey, Mr. Sedgwick; you take it that the Elliott-Haynes survey is accurate?—A. I have every reason to think so, sir. It is a large sample. It is carefully done. Mr. Elliott and his associates have been in the business of surveying public opinion for upwards of ten years, and there are methods of testing surveys; and, applying those tests to the Elliott-Haynes surveys, they seem to work out. I have every reason to believe that this is a fair and honest sampling of public opinion. I do not think that Mr. Elliott went out to get a result favourable to those who paid him. I think he went out to find out something. We could, I suppose, apply to the Elliott-Haynes survey and to all surveys the jingle that Byron applied to his work:—

> With or without offence, to friends or foes, I sketch your world exactly as it goes.

That is the object of the survey. It may not give the result they anticipate, but they do at least find out what the facts are.

Q. And did these organizations such as General Electric, the Aluminum Company of Canada, Canadian Industries, Limited, and so on, make these surveys in order that they might more accurately gauge their future business?—A. Their public relations, I think. I think they did it so that they could find out what was wrong with their public relations campaign and how they could go about curing it. I think so. I am not acquainted with their thoughts. I do not know.

Q. It was suggested the other day that these monopolists used it in order that they might propagandize the results. My question is this: there is no way of these organizations being able to form a prognosis of a survey?—A. I believe, sir, that the result of the Elliott-Haynes survey in question was somewhat surprising to the people who paid for it.

Q. Yes?—A. I know of no way you can predict. If they could, they would not spend money on a survey.

Q. They would not start out on such a survey with the express idea of using it for propaganda purposes?—A. No, I should think not.

Q. And, do they do so after they get it?—A. I have never seen the slightest evidence of any propaganda in connection with these surveys.

The CHAIRMAN: May I interrupt you to say this; if you are going to spend much time on this line you are going to have a great deal of the brief of the C.A.B. left at one o'clock.

Mr. HANSELL: Just one other question then. Businesses or corporations which spend money on surveys must be pretty well satisfied that the results of such surveys are going to be correct?

The WITNESS: That certainly would be their hope.

Mr. COLDWELL: Let's get on with the brief.

Where have you got to in your brief, Mr. Sedgwick; were you on page 2?

The WITNESS: I think we were just about finished with page one.

By Mr. Fleming:

Q. Mr. Chairman, at the bottom of page one there is an expression that I find frequently introduced here, that is the provision for setting up what they call a "radio bill of rights." I would like to ask Mr. Sedgwick what he thinks ought to go into that bill of rights apart from the establishment of the independent board or body which he discussed at some length yesterday.—A. Well, I haven't thought it out in detail, Mr. Fleming, but I do think that the provisions in the present Canadian Broadcasting Act and the present Radio Act—

Q. Pardon me, you will have to speak a little louder if you are to be heard, Mr. Sedgwick.—A. I said, I hadn't thought about it in detail but I think that the provisions in the two Acts which permit either the minister or the corporation to exercise the virtual right of censorship should be eliminated. It may be that there should be introduced into the new act provisions similar to those which are found in the Federal Communications Act of the United States, which specifically provides that the commission shall not have the power of programme censorship. But I haven't thought the matter out in detail. I am, of course, in a vague way familiar with radio legislation in other countries, and I suppose whoever was charged with the drafting of the new Radio Act would consider the provisions of the Communications Act of the United States; and I think there are a number of provisions in that Act that could well be adopted; provisions protective of the rights of the broadcasting stations and of the people using the facilities of those broadcasting stations to say whatever they like over the air, subject to the ordinary laws of defamation.

Mr. Ross (*St. Paul's*): That would be the same right as the newspapers have?

The WITNESS: Precisely.

The CHAIRMAN: Wait a minute, Mr. Ross; hadn't you better let the witness summarize his views before you start questioning.

Mr. Ross (*St. Paul's*): I thought I should interject "the same rights as newspapers enjoy."

The WITNESS: Precisely, that is the way it should be; subject to the ordinary laws of defamation.

By Mr. Ross (St. Paul's):

Q. And security of tenure?—A. During good behaviour.

Q. During good behaviour?—A. Yes.

Q. If you had security of tenure do you think radio stations would be in a position to give the people a better service than they are now giving?—A. I think so. I think they are giving them a constantly improving service. I think that with security of tenure there would be a diminishing tendency to make present hay; people would take a longer view of the business than they have been taking over the past decade.

Q. May I ask you this question: Do you think that wave-length, I should say frequencies, rather, are in the same position as timber limits, for instance? Those belong to people, don't they?—A. They seem to, sir.

Q. And mining belongs to the people as well; would they get the same results of development if they were subject to arbitrary cancellation by any government? How would that apply in connection with timber limits?—A. You would not get a company to build a mill at the front door of them.

Q. Would you get any mine development if it was subject to cancellation as soon as you had proved up a good prospect?—A. I suppose, sir, the question answers itself

Q. Doesn't it!—A. Yes.

Q. What I have in mind is, when a company has got busy and given fine service, like some of these companies have; when they are in the position such as some of our mines, let us say, McIntyre, where they have a proven body of ore and a producing mine; if somebody were to come along and say, we will take your mine away from you and operate it ourselves and you can go some place else to start all over again—is not that the position?—A. It is a comparison, while it is not precisely our case it is a reasonably fair comparison.

By Mr. Fleming:

Q. On this point of the bill of rights; as I appreciate your answer, this bill of rights consists of the setting up of the new board or independent body to which you referred yesterday, and the authority setting it up will contain provisions eliminating the direct power of control or selection exercised by the minister now in respect to the licensing under the Radio Act, and the section providing for control by the minister, or certain powers reserved to the minister under the Broadcasting Act?—A. Yes.

Q. And powers of that kind will be vested in this independent board which is to be analogous with the present Board of Transport Commissioners?—A. That is right. The board would be a judicial rather than an administrative body.

Q. In addition to that you would have some, statutory assertions as to the right of free speech as applied to radio broadcasting, subject to the usual requirements of the law in reference to defamation?—A. Obscenity, and so on.

Q. That is what you are proposing in an act?—A. Yes.

By Mr. Coldwell:

Q. May I ask what you mean by free speech? Do you mean the ability of a person to pay for the right of speaking over the air or do you really mean freedom of speech over the air?—A. If you mean should any man who has something to say be permitted to walk up to a radio station and take anything from five minutes to five hours, that, of course, is impossible.

Q. I agree.—A. But I do think that once a man goes on the air, whether he goes on on free time or whether he buys time to express his views, it should not be necessary for him to submit his script to anyone. He should be able to say what he likes if he himself takes the risk as to damages for defamation.

Q. The deciding factor in that case would be the length of the purse of the person who was going to speak?—A. Sometimes, but not always.

Q. Freedom of speech would infer that if one person goes on the air to discuss a particular topic then the person who holds the opposite point of view should be given the right to answer him whether, or not he has the money to pay for it. It strikes me this whole matter of freedom of speech is a phoney. It is not freedom of speech at all.

Mr. Ross (*St. Paul's*): It is the same as the newspapers.

Mr. COLDWELL: Exactly, and when newspapers do not provide for freedom of discussion in the manner in which I am suggesting it should be done by radio, the difference being that while a group of people may own a newspaper a group of people may not own a radio frequency. They are permitted by the public to use a piece of public property. The difference is essential.

Mr. SMITH: Because one man has money enough to hire a hall do you think that the fellow who wants to answer him should get the hall free?

Mr. COLDWELL: I think so. As a matter of fact, I think there should be community halls everywhere.

Mr. FLEMING: What I have to say is by way of a question and not opinion.

By Mr. Fleming:

Q. Mr. Sedgwick, you are familiar with the very important provisions in the Railway Act prohibiting unfair discrimination as between shippers, those using the facilities of the railways?—A. That is right.

Q. You are aware that anybody who complains that the railways are unjustly discriminating against him may as a right go to the Board of Transport Commissioners for an order rectifying and removing that discrimination?—A. Yes.

Q. In your bill of rights would you be quite agreeable to having such a provision inserted in your statute to give the right to any citizen who complains that any radio station has unfairly discriminated against him to lodge his complaint with your board, an independent board, and give them the power to remove the discrimination by order?—A. I think it would be highly desirable. It is true I have not given it consideration until this minute, but I think that is highly desirable.

By Mr. Hackett:

Q. That was not your brief?—A. No, it was not in my brief.

Q. It was not your brief. You were looking after yourself and not the third party. I think we understand that.

Mr. FLEMING: If I may say so I think that is in large measure an answer to Mr. Coldwell's question.

Mr. COLDWELL: No.

The WITNESS: Mr. Coldwell is thinking of the gentleman with a short purse. I think one must admit that the gentleman with a short purse has, throughout the whole of history, been at somewhat of a disadvantage as against the gentleman with a longer purse, but I do not think that radio broadcasting as an industry can cure that.

By Mr. Knight:

Q. You have made a reference that freedom of speech has not been and is not presently being enjoyed on radio. I should like to have Mr. Sedgwick comment on that. In what respect is freedom of speech not now available?—A. If you will read the brief we did not say that we have been prevented from saying what we wanted to say. We do say that it is not a matter of right but a matter of grace, and that both the Broadcasting Act and Radio Act do confer on the executive a power to limit freedom of speech which we say they should not possess. We are careful to point out that the power has certainly not been generally exercised. It is only fair to say that there has been little interference of that kind, but the power to interfere is in the Act.

By Mr. Coldwell:

Q. By the same token has not a private radio station now the right to limit freedom of speech on the air because it decides who shall or shall not go on the air and, as I understand it, the C.B.C. has not that power?—A. Why have they not? Oh yes, they have.

Q. Not to the same extent.

Mr. HACKETT: It is comparable to the telegraph company and the telephone company.

Mr. COLDWELL: Parliament has laid down that under certain circumstances persons representing different political points of view shall have the right to go on the air and to discuss subjects.

Mr. FLEMING: That is in the regulations.

Mr. HANSELL: That is only one tiny branch of thought.

Mr. COLDWELL: Parliament did not lay that down. It is in the regulations.

The WITNESS: It is in the policies and rulings on political and controversial broadcasting. Is that what you are referring to?

By Mr. Knight:

Q. I want to get this clear. Following up my other question how could an independent station furnish more freedom of speech than we have now over the C.B.C.? I mean without censorship how could such freedom of speech be obtained? The only way I know to obtain it would be to buy time.

Mr. REID: I can explain that by one case from my own knowledge.

Mr. KNIGHT: I want to get that point answered by the witness.

The WITNESS: It is not quite an accurate statement that the only way is to buy time. I think all stations encourage public opinion forums. Certainly during the course of political compaigns all stations do give a considerable amount of free time to the various contesting parties.

By Mr. Knight:

Q. Do you not think that the mere existence of the C.B.C. guarantees to us that the independent stations do now furnish such sustaining time?—A. I do not know in what way it does. The C.B.C. deals only with the time on its networks. It does not deal with the time of the individual station, individually given or used.

Q. Does not this very insecurity of tenure, of which someone has spoken to-day, help us in that regard? I notice that the independent stations at the present moment are very anxious to show how much sustaining time they are giving and how much public service work they are doing.—A. You suggest they would be less anxious if they were secure?

Q. I suggest so.—A. I do not think so. I think they are highly responsive to public opinion. No medium is more so. I think for their own good they would want to continue to encourage public discussion. They would want to continue to give time over their stations for programmes similar to the Report from Parliament Hill, if for no other reason than that it is good business for them to do so.

Q. You know there is a great difference in the reputation of various stations in regard to the matter of public service which they render?—A. I am aware of that but, of course, there will always be differences. Different radio licences have different views as to how they should operate their stations, and it is not desirable that there should be anything in the nature of uniformity.

Q. Would you go so far as to state the only justification for the existence of a radio station is the service which it gives to the public?—A. A radio station should operate in the public interest. I think everyone concedes that, but there is a tendency sometimes to take a rather narrow view of what is public interest. It must be remembered a completely independent station, before it can operate at all, must take in some revenue, and the only source of revenue is the money it gets from advertisers. If you suggest it should cut out advertising then, of course, it closes its doors. It is sometimes said that to broadcast commercially sponsored programmes is not in the public interest, but a station must broadcast a considerable number of them or it cannot broadcast at all.

By Mr. Coldwell:

Q. What is the definition of "independent"?—A. Standing alone, I should say.

Q. And how many of the radio stations now stand alone?—A. A considerable number.

Q. You have multiple ownership of stations?—A. Some.

Q. They are not independent. You have newspaper control of radio stations?—A. Some.

Q. They are not independent.—A. Well, by "independent" I mean independent of any public financing.

Q. Control?—A. No, public financing, independent of the public purse, independent in their operation, standing alone in that respect. I suppose there is a sense in which no man stands completely alone.

By Mr. Hackett:

Q. You have to have an audience?—A. Yes.

By Mr. Knight:

Q. This is my last question on this matter. On page 3 I find these words under the heading "freedom of speech, radio in Canada".

> On each occasion (as in Nazi Germany and Fascist Italy) that a dictator overthrew and eliminated a democratic government, both "the right" as well as "the practice" of free speech were ended.

That, of course, is obvious. He would not be a dictator if he did not take over radio. The point I want to get at is what is your implication when you add the words "as in Nazi Germany and Fascist Italy"? Are you suggesting we have a similar condition here?—A. I am not suggesting it at all. The brief does not suggest it. The brief says, speaking still of power and not of practice, that so far as power is concerned there is power in these Acts which would permit the government to take over the radio stations if it cared to.

By Mr. Coldwell:

Q. If a dictator arose no Act of parliament that we could pass or regulations under any Act would have any effect?—A. I suppose not.

Mr. KNIGHT: What is the object of this?

Mr. FLEMING: Is that any reason for allowing such powers to exist in legislation that could be used by a potential dictator?

Mr. COLDWELL: If you examine our statutes you will find the same power you have complained about here is in a good many of them. You would have to go through all the statutes and eliminate it.

Mr. FLEMING: Maybe this is a good place to start.

Mr. COLDWELL: I say under a system of responsible and democratic government the executive must be given certain powers. If you eliminate all powers from the statute you would eliminate responsibility. The way the brief is built up I think it is doing a great disservice to our parliamentary institution, and is undermining the very institution that I personally am anxious to maintain so as to prevent the rise of anything of that nature.

Mr. FLEMING: If we are permitting expressions of opinion I must say it does not do a disservice to parliament. It strengthens the power of parliament by saying that arbitrary powers should not be vested in the government at the expense of parliament. Parliament in this case would safeguard the supremacy of parliament by vesting all these powers of control in an independant semi-judicial board rather than vesting them in a minister who after all is a political figure.

Mr. COLDWELL: And the minister is responsible to parliament.

Mr. KNIGHT: I would suggest that we are getting away from my question. I do want to ask that question again and get more information on it.

By Mr. Knight:

Q. I am asking Mr. Sedgwick why there is this allusion to Nazi Germany and Fascist Italy? Why is that included in this brief?—A. I suppose if one thinks of a dictatorship Nazi Germany and Fascist Italy are two examples that leap to the mind.

Mr. HACKETT: When you get down to radio send me word.

By Mr. Knight:

Q. In other words, you do not think these words in the brackets have any bearing on the matter at all?—A. Probably the sentence would be just as strong if you took them out.

Q. It was merely because when you thought of a dictatorship your mind flew somehow to Nazi Germany and Fascist Italy? Those words are not in here for any purpose?—A. I observed that the chairman yesterday used the same phrase, "fascist", and I suppose for the same reason, that he was thinking of something in the nature of a dictatorship.

Q. I will put my question in a way you can answer "yes" or "no". Have the words inside those brackets any bearing on the matter at hand?—A. We must have thought so or we would not have put them in.

Q. I asked for a "yes" or "no" answer.—A. If I say "yes" I will embark on another half an hour of explanation. You must draw your own conclusion, and if you do not like them take them out.

By Mr. Coldwell:

Q. Is it not because this was published widely across the country in the form of propaganda?

Mr. REID: I would not be too perturbed by that question. We have had it cast up at us by others as to what the government did or what I did. It has been said. "They have done the same thing in Nazi Germany." No one is inferring that it is in existence here. It is a common expression in the House and out of the House. I should like to ask this question.

By Mr. Reid:

Q. What further freedom could be given in radio than at the present time? I realize there must be regulations to prevent abuse in broadcasts of all kinds, but is it not a fact that as to political broadcasts we are precluded at the present time from giving what is called a dramatic broadcast? I remember one

occasion when I had a man come with me and ask me questions. I answered them. The next time I tried it they said, "Oh, no, you cannot do that. The C.B.C. has ordered you to be stopped". I want you gentlemen to listen to this as to freedom of speech. You may disagree with me and think that should not be allowed but it is a curtailment of freedom of speech, and do not get out from under it.

Mr. COLDWELL: I agree with you.

Mr. REID: I am talking to this man here because you asked the question.

Mr. KNIGHT: You talk to the chairman.

Mr. REID: I will direct my question to the chairman. Is that not a fact?

The WITNESS: Section 22, subsection 3 of the Act contains this very brief statement.

"Dramatized political broadcasts are prohibited."

My recollection is that is repeated somewhere in the regulations.

By Mr. Reid:

Q. Is it or is it not a curtailment of freedom of speech?—A. I suppose it is, yes, sir.

By Mr. Coldwell:

Q. I have had the same difficulty as Mr. Reid in that regard and I want to ask you this question. What constitutes a political broadcast?—A. Mr. Coldwell, you know neither you nor I can answer that.

Q. I will tell you why I am asking you that question. I have not the material with me to-day, but private radio stations have been accepting scrips in dialogue dramatic form from the Canadian Chamber of Commerce, and if they are not political I do not know what is political.

Mr. FLEMING: Has anybody complained to the C.B.C. about it?

Mr. COLDWELL: I made a complaint.

Mr. FLEMING: What action was taken?

Mr. COLDWELL: I have not had any action, but I intend to pursue the matter when Mr. Dunton is before us again.

Mr. SMITH: They refused to rule them out in Regina.

Mr. COLDWELL: Yes, they refused to rule them out in Regina. I am going to question Mr. Dunton on this when he is before the committee.

Mr. FLEMING: Perhaps Mr. Coldwell will do better then with this independent body than he is doing with the C.B.C. on these rules.

Mr. COLDWELL: No, you would not. I would rather deal with an organization which is responsible to parliament than a body that is removed from any control by parliament.

Mr. SMITH: I would suggest Mr. Sedgwick have a word on this.

The WITNESS: I put one in every time I am asked a question. I do not want to interrupt the dialogue, though.

By Mr. Hansell:

Q. Speaking of free speech, how would the amount of free speech over your 100 independent stations compare with the amount of free speech over the two networks?—A. You mean in terms of time?

Q. In terms of time.—A. I must not hazard a guess; it would be a pure guess. It would involve an examination of the logs of the various stations then, in turn, an examination of the log of the C.B.C. You would have to add up all the time. It would not be fair either to the C.B.C. or the private stations that

I should hazard a guess. I suppose there would be more time in total on the larger number of stations. One would expect to find that but, statistically, I have not even an idea.

Q. I cannot comment, so I have to put it to you by way of a question?—A. I know, sir.

Q. My suggestion is there is far more freedom of speech when 100 stations are going on the air independently than there would be over two networks giving some time to sustaining programmes over a period of time on the two networks?—A. Oh, yes, unquestionably there would be more discussion over the greater number of stations than over the lesser number. Of course, diversity makes for freedom. Freedom is diversity.

Q. Is it not so—this perhaps should be directed to Mr. Dunton rather than to you, but you would know—is it not so that commentators being chosen to speak over the networks cannot be answered and, in that respect, there is not freedom of speech. They cannot be answered. The only way to answer them, if they are answered, is when the same programme department which chooses one speaker chooses another?—A. Well, that is true, sir, and it is also true that diversity frequently results in supplying the answer. If something is said over one station and a person or group of people violently disagree with it, it is highly probable that either on that station or some other station some other commentator will state his views and make a reply. I do not say it always happens, but it frequently happens.

By Mr. Coldwell:

Q. I was going to ask you, has there been any change during the past year in the attitude of the independent stations and those who provide discs for them, regarding the freedom with which members of parliament may discuss matters on parliament hill?—A. I am not aware of any.

Q. Am I to understand that the instruction which was sent out last year still stands? I do not think it does.—A. This is shocking ignorance on my part, but I do not know.

Q. I do not think there has been. I do not think anybody this year has been told that the script is too political or something of that sort as it was last year.

Mr. HANSELL: Oh yes, we got a letter about that.

Mr. ROSS (*Hamilton East*): Yes, I believe our group received a letter about that.

Mr. COLDWELL: Where is the freedom of speech there? You are told you cannot say what you want to say on the private stations. I have never had that experience on the C.B.C. I have never been asked to remove anything from a script which I have submitted to the C.B.C.

Mr. FLEMING: Are not the two cases quite different? In the one case the private station is providing time for a report from parliament hill. If you want to make a political broadcast, you can buy the time on those stations. If you want to make a propaganda Party speech, you can buy the time.

Mr. COLDWELL: The reports from parliament hill must be in the nature of a political speech.

The CHAIRMAN: Just a moment. I think when we indulge in this amount of dialogue, as it has been called, we are holding back the advancement of this brief. I ask you to please ask questions.

By Mr. Hansell:

Q. Would this be a fair question to ask: is it not true that "Report from Parliament Hill" was designed so that the members of parliament could report to their constituencies on the matters which were going on in parliament?—A. Exactly.

Q. The nature of the programme was such that the station sponsoring it did not want the thing to become a fight between political parties?—A. For this reason, Mr. Hansell, time was offered to the sitting member in each case. We hoped he would be, at least, not too blatantly political in the reports he made because if the sitting member took the opportunity to make a purely political speech, then I suppose we should offer the same amount of time to every defeated candidate in that riding. There would be no end to it at all. The only way one could get away from it was to ask the sitting member, in his report to his constituents, to avoid being too political.

By Mr. Coldwell:

Q. Who is the censor for this?—A. I do not think they are censored at all.

Q. Who decides whether a member should be asked to cut out a paragraph or two paragraphs?

Mr. HANSELL: Just a moment, Mr. Chairman—

The CHAIRMAN: That is a question; he has a right to ask that question.

The WITNESS: May I say, as to the operations of the radio bureau, Mr. Ken Soble of Hamilton is former chairman of the bureau, and he is here. He did a great deal in getting it set up and he is thoroughly familiar with its operation. I should much prefer that questions as to the operation of the bureau be directed to him rather than to me.

By Mr. Coldwell:

Q. My question is rather based on this; you are raising the issue of freedom of speech, the control of freedom of speech by radio authorities set up by parliament. I have raised the question of the control of freedom of speach, I say, by somebody who is not responsible to parliament or to anybody else?—A. We are responsible to somebody. We are definitely at the present moment responsible to the minister and the corporation. We are suggesting we should be responsible to some judicial body. As Mr. Fleming has already pointed out, if we are unfairly discriminatory that body would have power over us.

By Mr. Fulton:

Q. Do you regard it as a curtailment of the freedom of speech when you offer time for a member for a particular purpose, namely, to make a Report from Parliament Hill, that you should ask him to use that time for that purpose and refrain from discussing or talking politics? Do you regard that as a curtailment of freedom?—A. No, I do not.

Mr. FULTON: I may say I have heard some of Mr. Coldwell's recordings when I was down at the radio station for one purpose or another, and very good they were for that type of thing. He certainly discussed politics and nobody stopped him.

Mr. COLDWELL: I cannot make a broadcast report from parliament hill without it.

Mr. FLEMING: There was a question by Mr. Coldwell which seemed to be either a statement or, at least, to be predicated upon a statement that there was active censorship applied to scripts of the members speaking on this report from parliament hill series. Is there any case to the knowledge of Mr. Sedgwick or anyone of actual interference with or censorship of the sepeech of any member by the radio bureau?

Mr. COLDWELL: Mr. Ross says he has been asked to remove paragraphs.

Mr. ROSS (*Hamilton East*): No, I heard of one that was. I made a complaint about it. The man who made the broadcast had not forwarded his script to the

radio bureau. When I made the complaint about it, they looked up the script and it was not there. I hand my script in before I go in, so they know what is in mine.

Mr. COLDWELL: So do I.

Mr. FLEMING: It comes down to this, then; there was a general letter sent out by the radio bureau to all members asking that they have in mind the purpose of the broadcast, namely, to report from parliament hill.

Mr. ROSS *(Hamilton East):* I think it was on my complaint, too.

Mr. FLEMING: If there is any case where the radio bureau has actually attempted to apply censorship to any member, then we want to hear about it because I do not believe any such case exists.

The WITNESS: The radio bureau was set up for a certain purpose. There are certain rules of the game, so to speak, one of which is that the reports from parliament hill should be reports rather than political speeches. All that the radio bureau asks is that the members using the facilities should really stick to the rules set up when the series was inaugurated.

By Mr. Gauthier:

Q. With this new board you want, do you think you would have more freedom?—A. May I put it a little differently, sir. You cannot weigh freedom of speech in terms of more or less. We think we should have the right to freedom of speech instead of the privilege.

Q. You have the right, but I am asking you if you would have more freedom of speech; that is my question?—A. Well, I suppose in a sense we would because we would then have freedom of speech and that is more. We say at the moment we only have it by grace, so if we had it by right we would have more. Whether we would have more quantitatively is not a question I can possibly answer.

Q. Would you like that board to be independent of the C.B.C., the government and parliament?—A. Sir, no board appointed by the government is completely independent of it, but I should like it to have the greatest possible measure of independence. I should like it to have a measure of independence similar to that enjoyed by members of the judiciary.

Q. It would be appointed by parliament?—A. Yes.

Q. Or the government?—A. Yes, sir—not the government, but by parliament.

Q. It would be independent?—A. It would be independent, sir. A judge is independent, I hope, but I suppose not completely independent.

Q. It would be more independent than the C.B.C. is presently?—A. Yes.

Q. It would be appointed by parliament just the same?—A. So is a judge appointed by the government, sir; but the fact that he has a life-long tenure and the fact that, once appointed he cannot be disturbed except for good and serious cause and only by a joint address of both Houses, does give him independence. Now, I do not think you could fairly compare that position with the position of the governor of the C.B.C., who is appointed for three years only and probably will not have his term renewed unless he is a good boy.

Q. This board would have to abide by the laws enacted by parliament or this committee?—A. I did not think this committee had the power to make regulation but, of course, the board would have to act within the ambit of its statute, as do all boards.

Q. It would have the same power to make representations through parliament?—A. Yes, it would.

Q. It would have the power to make representations to parliament?—A. Of course it would.

Q. Under the new law you propose?—A. Yes, I suppose it would make reports. I do not want to traverse the whole of my brief again. I think there are many conditions but we do not set them out. I do not think I should go over it again.

Q. You mentioned the F.C.C. on several occasions?—A. Yes, sir.

Q. Did you have something like the F.C.C. in mind?—A. Something of that kind.

Q. The reason I asked you that question was to find out how much control the F.C.C. has over freedom of speech on the air. What I have in mind, of course, is the manner in which one of the big radio comedians, Fred Allen, was cut off the air, apparently because he had dared to say something against, not the president, but because he dared to say something about the vice-president of the corporation who owned the radio chain. Is that the kind of freedom that you had in mind?

The CHAIRMAN: There were three or four others who were cut off at the same time.

By Mr. Coldwell:

Q. How free is private radio?—A. Freedom, sir, is a comparative term, of course.

Q. Yes?—A. And I suppose the vice-president of the N.B.C. resented one of his highly paid comedians using time over their stations to abuse his boss. Whether he was right in what he did or not I could not say.

The CHAIRMAN: May I interrupt to ask you this. You have been using the pronoun "we" in the course of your remarks. To whom does this pronoun "we" refer?

The WITNESS: I suppose it is a lawyer's habit. He gets used to speaking in that way.

The CHAIRMAN: When you said "we recommend", by that you mean the C.A.B.?

The WITNESS: May I put it this way, I was using it in an editorial sense.

The CHAIRMAN: It is possible, you know, that you might have used it in a larger way as referring to the whole Canadian public; you are a part of that too, you know.

The WITNESS: I suppose I am, sir. I am here speaking only for my clients, of course.

By Mr. Robinson:

Q. You would have the radio stations given the same rights with regard to freedom of speech as is enjoyed by the newspapers with respect to publishing printed matter?—A. That is right, sir.

Q. You mean that the owner of a radio station should have the same rights as the publisher of a newspaper?—A. I see no reason at all why he should not.

Q. Would you elaborate that in view of the fact that there are, I think it is undoubtedly admitted, only so many frequencies available on the air while any number of persons are free to start newspapers.—A. One does not hear that as a popular expression, but I suggest it is a little exaggerated. As a matter of fact there are more independently-owned radio stations in Canada than there are newspapers. I think there are some 100 or more independently-owned stations in Canada and there are only some 70-odd daily newspapers; so it would seem that everybody can't start a newspaper. I am by no means satisfied with the truth of the statement that it is impossible to start a radio

station. New ones have been started within the last year; notably in Ottawa, Montreal, Toronto and a number of other places across Canada. A number have been started but it remains to be seen how well they will do. Some have gone out of business, too, I believe.

Q. Would you go as far as to say that the owner of these radio stations should be allowed to express only one type of opinion?—A. No, I think he would welcome all shades of opinion, all legal shades of opinion, as they do now.

Q. But you are speaking of rights, he would have the right to express only one shade of opinion.—A. You mean, only that of the one who operated the station?

Q. Of the individual owner of the station.—A. I suppose that he would express the opinions which he held; but at the same time as he was expressing it he would accord to other people a similar freedom to express their views.

Q. But if the owner of a radio station chooses to express only one shade of political opinion how could a different shade of opinion be expressed on the air?—A. I think that if the owner of a radio station operated in such a way as to discriminate against fair expression of opinion that would be a matter for this regulatory body to deal with.

Q. In other words, you get back again to regulation under the C.B.C.?—A. No; to sensible regulations, to see that there was true freedom of expression. Mr. Robinson, we have never argued that broadcasting in Canada should be free from all regulations. We demand that it should be regulated. Our argument is as to the method and as to the Forum by which this regulation should be set up and administered.

Q. You think the present arrangement unfair?—A. I think it is unsound, yes. I think it is fair, or tries to be fair; but at the same time I think it is wrong, and I do not think it was ever intended.

Q. You are making a charge now that the C.B.C. is unfair?—A. No. I did not say that the C.B.C. is unfair; I say the method is unfair. It is the wrong method in my view. I have never said that the gentlemen connected with the C.B.C. strive to be anything but fair. But I say their position, the position in which the present legislation places them, is a position in which they should not be placed; and that no matter how much they may want to be fair, it is very difficult for them to be fair when they are doing two quite incompatible things; operating stations on the one hand and regulating competing stations on the other.

By Mr. Coldwell:

Q. May I ask if you consider that they are really competing stations?—A. Yes, they are competing.

Mr. FULTON: You discussed that.

The WITNESS: Yes.

Mr. COLDWELL: I know, we discussed that yesterday.

The WITNESS: I say they are competing.

By Mr. Reid:

Q. From your information and knowledge as you have obtained it from your clients do you think there would be any interference if I were to undertake to give a radio address criticizing the C.B.C.?—A. No, I do not think so. I think they are too sensible to interfere with you.

Q. That would be allowed?—A. They could interfere; but I think the gentlemen in charge of the C.B.C. have too much common sense to interfere if you wanted to go on the air and make a statement critical to them.

Mr. COLDWELL: Did you hear the news broadcast on the brief which was presented?

The WITNESS: No, I have no radio in my room, so I did not, Mr. Coldwell.

Mr. COLDWELL: I thought it was very critical of the C.B.C.

The WITNESS: Of course, those releases are prepared by the press asso-caition and C.A.B. had nothing at all to do with it.

Mr. COLDWELL: No.

The WITNESS: These gentlemen back there are free to write what they please.

Mr. COLDWELL: I was just following up Mr. Reid's remark. I happened to hear the broadcast and it impressed me as being very fair to your brief.

Mr. REID: The way the law stands to-day the owner of the station might lose his licence if I were to put that kind of a speech on; at least, that is what I was told.

The CHAIRMAN: That, of course, would be the opinion of the man speaking to you.

Mr. COLDWELL: Did he mean that he might lose his private station licence?

Mr. REID: Yes.

The WITNESS: He is probably unduly apprehensive.

The CHAIRMAN: Gentlemen, I have passed a little memorandum around which most of you have seen. It relates to our continuing. It is quite apparent that we have not got very far into the brief. Of course, it may be that you will consider that you have now done enough of questioning; on the other hand it may be that you will desire to have the witnesses back. I think it has been understood by everybody that the gentlemen who are before us, not merely Mr. Sedgwick but his clients generally, have a rather important engagement in their lives next week—or some of them, at any rate. Now, I think you will agree we cannot finish questioning, if there is very much more questioning to do.

Mr. HANSELL: Well, Mr. Chairman, I have about finished asking the questions I wanted to put.

The CHAIRMAN: At the same time you all know the situation next week. I think we should take a few minutes now to decide what to do.

Mr. FLEMING: Could you take a consensus to see how much more the members think they need to continue to sit here? Mr. Hansell has spoken for himself. Personally, I have only two or three more questions to ask Mr. Sedgwick.

The CHAIRMAN: What about asking Mr. Sedgwick to continue until 1 o'clock? Then the adjournment will come in the ordinary way. We have our time taken up for next week, and anyway these gentlemen will be chasing a pill at Jasper part of the time.

The WITNESS: I will be here next week.

The CHAIRMAN: Mr. Sedgwick himself will be here next week.

The WITNESS: I will be in the east.

The CHAIRMAN: At any rate, we could have our meeting come to an end at 1 o'clock and then ask for a further presentation according as we may later desire.

Mr. COLDWELL: Since you have raised the question had we not better settle it now as to what we are going to do?

The CHAIRMAN: I do not know if I would recommend that myself. I would leave it. I would not personally settle it at the moment. I would leave it as to whether or not we may recall them.

Mr. COLDWELL: I do not mean that. I mean as far as the sittings go. I think Mr. Sedgwick should know if we are going to recall him, and I think he should know when.

The CHAIRMAN: Of course, we would have to recall him with due notice.

The WITNESS: The summer is approaching. I should like reasonable notice.

The CHAIRMAN: We will not take the whole summer. We will take a few days off and then continue on until Christmas.

The WITNESS: I had better get myself elected as a member.

The CHAIRMAN: May I make this suggestion for the purpose of discussion, that we continue with Mr. Sedgwick until 1 o'clock, and that if we desire him back for further questioning we so ask him. Of course, we will do it as we have done all other things, with due notice, and taking into consideration his convenience and the convenience of any others affected. Would you agree with that?

Mr. FLEMING: There is one point. You indicated we had made no plans for next week: We did not invite anybody for any hearing next week. We left it open for the recalling of Mr. Dunton and Dr. Frigon. With the visit of President Truman I take it we will not be able to have a meeting before Thursday. Thursday is the quiet day in the President's visit. Probably we could meet next Thursday and have Mr. Sedgwick here. I suggest we let him finish before we go back to the C.B.C.

The CHAIRMAN: You are right. I was jumping a week ahead in my thinking. We did decide to sit next Thursday. That was the decision made yesterday.

Mr. Ross (*Hamilton East*): Twice?

The CHAIRMAN: My recollection is we decided yesterday to sit twice next Thursday.

The WITNESS: I can come back. I had intended to go west but I have changed my plans. I will be in the east next Thursday, and I will come down if the committee so desires.

The CHAIRMAN: Is it understood that at the adjournment to-day we will agree to continue where we leave off on next Thursday morning?

Mr. KNIGHT: Has it been decided that some members of the committee wish to ask Mr. Sedgwick further questions?

The CHAIRMAN: There are some questions. We all know that. It may not take all Thursday.

Mr. FLEMING: If we finish Mr. Sedgwick at one of the meetings on Thursday then we can go on with the C.B.C.

The CHAIRMAN: We did not make that quite clear yesterday, but that seemed to me to be the case.

Mr. COLDWELL: The officials are here.

The CHAIRMAN: Yes. All right, that is decided. There are ten minutes of opportunity yet.

By Mr. Fulton:

Q. I should like to ask Mr. Sedgwick some questions. You do not need to stand up.—A. I think I would prefer to do so. I know it is very difficult for my voice to reach the end of the table when I am seated so I will stand up and save having to repeat.

Q. I want to ask some questions with regard to your view of the mechanics of the appointment of this indepedent judicial body. On page 31 the brief says that they should be appointed and removed only on joint address of parliament. I do not suppose that any body should consider itself completely bound by the suggestion of the brief. Is that not a cumbersome method of doing it?

Would you have any substantial objection to letting the Governor in Council appoint the board?—A. As you have rightly said no one is bound by the brief, and I can see no objection at all to the members of the board being appointed as are the members of the Board of Transport Commissioners and members of the judiciary. They are, of course, appointed by the executive of government.

By the Chairman:

Q. That, of course, is a considerable change from what you said to me yesterday because you were rather emphatic on that point?—A. On the question of appointment?

Q. Yes. That, indeed, was a part of the exchange between us. I should like to get that very clear. You were wanting to get something which would not, even in respect to appointment, be under the government of the day, that at all costs that had to be avoided although the government of the day is our exhibit A in responsible government. I understood you to make it very clear you did not want the responsible government of the day to have anything to do, except as private members of parliament, with respect to appointment. If you wish to change that it makes a very great difference.—A. It is unfortunate, I suppose, that we were discussing a sentence which divides into two parts. The sentence on page 31, to which Mr. Fulton has made reference, says:—

> Appointed on joint address of parliament and removable only by that method.

What we were arguing for was a measure of independence in the appointees. I suppose the important thing is that they should not be removable at whim. I think that is much more important than the method of appointment. Once they are appointed then they should have a long tenure and freedom from interference.

Q. Just a minute. At the present moment the members of the Board of Governors of the C.B.C. are not removable at whim? Is that not true?—A. Except they are only appointed for three years.

Q. That goes to the question of the length of the term.—A. Yes.

Q. That is entirely different. This goes out to the public very actively, and you would not have the public understand that you believe at the present moment the Board of Governors are removable at the whim of the government of the day?—A. That is not true.

Q. You rather think they have too short a term?—A. Not only to short a term. I do not think it is the kind of body—

Q. I appreciate that, but on the question of term you think it is too short?—A. I do, yes, sir.

Q. I think you rather stressed that.—A. Yes, I do think it is too short a term.

Q. That particular objection as to the length of term is quite different from appointing men by a joint address of parliament and only being removable in that fashion, something in the same way as the comptroller general is appointed, I believe?—A. Let us leave the comptroller general alone and take judiciary.

Q. Just a moment. My question did relate to him, and I wanted to make sure that is not what you desire. I said yesterday that you were apparently desiring in this particular case to secure the appointment of a board which afterwards would be a law making body, which could only be touched by a joint address of parliament, and the responsible government of the day would have nothing whatever to do with appointment or removal. I understood that yesterday you gave your assent to that. Even if you did give your assent to that if you did not mean quite that it is certainly permissible to say so.—A. It is certainly the suggestion that is made in the brief but, as I say, I think

more important than the question of appointment is the question of the terms on which the man or men is or are appointed, the length of tenure, the measure of independence that the new body is given, because I suppose from the practical standpoint if the government of the day proposes certain names to parliament, as the government enjoys a majority in parliament, parliament will no doubt approve of the suggestion, so that there would not be any very great difference between appointment by the executive body and appointment by parliament itself. The important thing, however, is that once appointed they should hold office on terms not unlike the terms on which a judge of the Supreme Court holds office.

Q. You do not think that practically there is very much difference between appointment by the Governor in Council and parliamentary designation. That is what you have just said. Am I right?—A. From the purely practical standpoint I do not think that there is a very great difference.

Q. All right, that is all.

Mr. FULTON: I want to follow us—

The CHAIRMAN: Just a moment, please. I want to follow that up a little further.

Mr. FULTON: I began this line of questioning, and I wanted to clear up the very point which you raised yesterday.

The CHAIRMAN: Just a moment. This is the first questioning I have done to-day, and I did not interject anything until I believed you were finished. I have only two more questions, anyway.

By the Chairman:

Q. You would give to this new board whatever law making powers there are at the present time in the Governor in Council under the Act or in the C.B.C. under its act?—A. Yes. We would commit to the new board general powers of regulation. Whether the new board or whether any board or body should have as wide powers as are presently enjoyed by the minister or by the board of the C.B.C. under the Radio Act and the Broadcasting Act is a matter that I question, but such powers of regulation as the board should enjoy would, of course, be committed to the new body. I do think both Acts, particularly the Radio Act should be gone over carefully to decide whether it is necessary and whether it is right that any board should have powers as wide as the minister presently has under that Act.

Q. In order that your answer may be made more directly responsive to what I asked, may I ask this: whatever powers are to be allowed any place in the way of law making outside parliament, you would give to this board?—A. I would ask parliament to give power to this board.

Q. Yes, of course, we all knew you were not trying to make the law yourself. Just one final question, would you commit to this board, as in the case of the transport board, the business of making rates?

Mr. FLEMING: The Board of Transport Commissioners do not make rates.

The WITNESS: They approve schedules. I do not think it is comparable for this reason: the railways cater to the man on the street, to everyone not fortunate enough to have a pass over them. It is, of course, desirable that there be some check on what the railways charge their passengers and what they charge their shippers. It is quite different in the case of a radio station. Its rates are whatever advertisers are willing to pay for the time, the same as the rates of a newspaper. We are not dealing with the man on the street. Regardless of rates the board of transport may fix, we may not be able to get them anyway. An advertiser may say, "They can fix $50 an hour, I would not give you $5." It is a matter of bargaining always.

By the Chairman:

Q. There is quite a difference. In the case of a railway the person shipping pays the rate then and there; that is the point?—A. Yes, that is right.

Q. But you would not suggest that the public did not pay the rates by reason of the thing which the advertiser is selling having something in it for all his expenses and, therefore, including these rates?—A. Many books have been written on that subject, Mr. Chairman. It can be argued, in fact, that advertising results in the public getting things cheaper than they would get them if the money was not so spent because it makes for mass production which makes for a cheaper product. You get more people to buy it. It is very well known that if you are going to have a man sit down cross-legged on a table and sew a suit together, it takes him a long time, and is expensive. If you can make suits by some mass production method you can probably get the cost down to $25.

Q. You apprehend I was not asking whether advertising eventually cheapens the product or not. I was asking you only your opinion as to whether, when a person buys an article, he pays all expenses in relation to its cost including the advertising over the radio. I just asked you your opinion?—A. Ultimately he does, I suppose, but certainly not directly.

Q. So that includes rates on the radio by the very fact that the producer of things advertises?—A. In a most indirect and vague way, just as the rates charged by newspapers, and just as everything which goes into the article affects it. I do not think it would be feasible for any board to fix advertising rates. They are a matter of bargaining between the person who has advertising facilities to sell and the advertising-minded who buy them. Competition works perfectly on them.

Q. So that your answer to my question as to whether this new board should have anything to do with the approval or fixing of rates is no?—A. I do not think it should. I do not think it would be a useful power to give it.

That, after all, was the first question I asked and now I have obtained an answer?—A. That is right, sir.

Mr. FULTON: Just before we close, I have several more questions to ask, but I think this should be put to Mr. Sedgwick so he can be given an opportunity of reconsidering it during the course of the day. You have just asked him whether he considered the term of the C.B.C. to be too short and I think he said he did consider it to be too short. I am asking him if he meant that, fully considering the present term under the present set-up? Did you mean it is too short a term under the present set-up or it would be too short a term under the ideal set-up?—A. Under the ideal set-up I never said the board of governors of the C.B.C. would have anything at all to do with the independent stations. They would have no power to regulate or control them. When I said the term was too short, I meant that some splendid gentlemen have been on the board and served their three years. I believe some of them have been willing to continue, but were dropped and someone else appointed in their place just when they were getting to know something about the business. I have thought it was a matter of regret that they were not either reappoined or originally appoined for a somewhat longer term. I did not suggest, whether their term be long or short, that they should have anything to do with the regulation of the competing stations.

Mr. FULTON: I just wanted to know whether you meant under the present circumstances.

By Mr. Fleming:

Q. You are aware of the fact that the members of the Board of Transport Commission are appointed for a ten-year term?—A. Yes.

Q. Do you think that is about the length of time you would suggest for the new board?—A. Yes, something like that. I am also aware of the fact that their terms are usually renewed if they have been good boys, so to speak.

Q. You are aware of the fact that the railways set their own rates?—A. The railway sets them and the Board of Railway Commissioners approve them.

Q. The railways just file them and the board approves them?—A. The board approves of them.

The committee adjourned at 1.05 p.m., to meet again on Thursday, June 12, 1947, at 11 a.m.

SESSION 1947

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 7

THURSDAY, JUNE 12, 1947

WITNESSES:

Mr. Joseph Sedgwick, K.C., Counsel for The Canadian Association of Broadcasters.

Mr. G. C. W. Browne, Controller of Radio, Radio Division, Department of Transport.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1947

MINUTES OF PROCEEDINGS

THURSDAY, June 12, 1947.

The Special Committee on Radio Broadcasting met this day at 11 o'clock. Mr. L.-R. Beaudoin, vice-chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Fulton, Gauthier (*Portneuf*), Hansell, Knight, Langlois, Laurendeau, Maybank, McCann, Mullins, Robinson (*Simcoe East*), Reid, Ross (*Hamilton East*), Ross (*St. Paul's*), Smith (*Calgary West*), and Winters—20.

In attendance: From the *Canadian Association of Broadcasters*—Messrs. Harry Sedgwick, J. E. Rogers, Ken Soble, Clifford Sifton, Gordon Archibald and Sam Ross. From the *Department of Transport*—Messrs. G. C. W. Browne, W. A. Caton and V. W. Irish. From the *Canadian Broadcasting Corporation*—Messrs. Dunton, Frigon, Palmer and Brodie.

In opening the meeting, the vice-chairman suggested that Mr. Browne, who is expected to return to Atlantic City for the World Telecommunications Conference, be heard after Mr. Sedgwick. The Committee agreed to hear Mr. Browne at the afternoon session.

The tabling of certain rates for artists' fees affecting the Musicians' Union suggested by Mr. Ross (*Hamilton East*), and previously referred to by Mr. Coldwell was deferred.

Mr. Joseph Sedgwick was recalled and his examination was concluded. He was questioned at some length on television and facsimile development possibilities. The witness quoted two letters addressed by the Department of Transport: one forwarded to private stations who did not complete the promise of performance forms, the other to stations who had fully completed them.

Mr. Robinson quoted an editorial of the *Globe and Mail* of June 7, 1947, critical of some of the members of the Committee with respect to the brief of the Canadian Association of Broadcasters. Mr. Sedgwick was interrogated thereon.

Mr. Reid requested the tabling of the last monthly listeners' survey as compiled by Elliott-Haynes Limited with particular reference to British Columbia.

As previously requested, the witness read and tabled the following:

1. A report based on CFRB schedule for the week of March 2 to March 8, 1947, showing the type of programme, the hours per week and the percentage of time weekly.

2. A report showing the details of billing for the week of March 2 to March 8, 1947, of the Rogers Radio Broadcasting Company Limited.

Mr. Joseph Sedgwick was retired.

90816—1½

AFTERNOON SESSION

The Committee resumed at 4 o'clock. Mr. Beaudoin, vice-chairman, occupied the chair.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Coldwell, Fleming, Fulton, Gauthier (*Portneuf*), Hansell, Knight, Laurendeau, McCann, Pinard, Robinson (*Simcoe East*), Ross (*St. Paul's*), and Smith (*Calgary West*)—15.

In attendance: From the *Department of Transport:* Messrs. G. C. W. Browne, W. A. Caton, W. B. Smith, V. W. Irish. From C.A.B.: Messrs. Joseph Sedgwick, Ken Soble, J. E. Rogers and S. Ross. From C.B.C.: Same as at the morning sitting.

Mr. G. C. W. Browne, Controller of Radio, Department of Transport, was called. He was assisted by Mr. Caton and Mr. Smith.

Arising out of a question, the witness tabled a general summary showing financial operations of private broadcasting stations based on the reports received from 77 stations. The witness was asked to supplement this summary and to table same later.

Mr. Browne tabled a return which requested information from private broadcasting stations relative to ownership, incorporation, financial operations, etc. Copies were distributed.

Ordered,—That this return be printed. (*See this day's evidence—appendix A.*)

Dr. A. Frigon was recalled. He gave a clarification respecting occupation of certain channels and was retired.

Mr. Browne was retired.

At 5.35 o'clock the Committee adjourned until Wednesday, June 18, at 4 o'clock.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,
June 12, 1947.

The Special Committee on Radio Broadcasting met this day at 11.00 a.m. The Vice-Chairman, Mr. L. R. Beaudoin, presided.

The VICE-CHAIRMAN: Order, gentlmen. We have a quorum. It was understood this morning we would continue with Mr. Sedgwick, representative of the C.A.B. I want to tell you this right at the start, gentlemen, Mr. Browne of the Deparment of Transport, who, as you know, has been asked to come from Atlantic City to appear before this committee wants to be heard as soon as possible because he has been here for about fifteen days. He must go back, as he is Vice-Chairman of the Canadian delegation at this important international conference in Atlantic City. I suggest that we might hear Mr. Browne this afternoon in order to give him a chance to go back to his duties at the beginning of next week. Do you think it is possible to do that?

Mr. COLDWELL: I should think so. Mr. Sedgwick has put his case pretty well before the committee. There is this long legal document which we can digest ourselves.

Joseph Sedgwick, General Counsel, Canadian Association of Broadcasters, recalled:

The WITNESS: Yes, I have finished with the brief and appeared the last two days to answer questions. The committee expressed a desire to have me return today for the same purpose and here I am. I have nothing to add unless I am asked some questions to answer.

The VICE-CHAIRMAN: Let us start with Mr. Sedgwick immediately and see what progress we make. At the adjournment we will decide whether to notify Mr. Browne to be here at four or five o'clock.

Mr. SMITH: I think we should do all we can to get Mr. Browne back to his duties. He has important business. I think we will all help him.

Mr. Ross (*Hamilton East*): Before you start with Mr. Sedgwick, Mr. Chairman, Mr. Coldwell spoke a couple of meetings ago of having Mr. Murdock of the Musicians' Union appear before this committee with reference to rates and things like that. With your permission I will lay on the table the union rates for your perusal for all programmes, sustaining, soloist and feature artists, the whole agreement which the union has with the broadcasters. It might be of interest to the members to have that in printed form.

The VICE-CHAIRMAN: I understood that the matter of calling the president of the Artists' Union had been left with the steering committee for consideration.

Mr. Ross (*Hamilton East*): We can leave this matter in abeyance and see what the steering committee has to say about it.

The VICE-CHAIRMAN: I do not see any objection to the tabling of this document at present. I am only going to suggest this; why not wait until we hear the president of the Artists' Union and you could table it at that time so that it would form a part of the record.

Mr. Ross (*Hamilton East*): Have you invited him?

The Vice-Chairman: The steering committee has not met for some time but will do so shortly. I understand that will be the first point on the agenda for consideration.

Mr. Ross (*Hamilton East*): That is all right with me.

The Vice-Chairman: Let us proceed with Mr. Sedgwick.

By Mr. Robinson:

Q. Reference was made at previous meetings to an advertising campaign which has been carried on by the Canadian Association of Broadcasters. Can you tell us in how many newspapers this material is appearing?—A. I do not think I could accurately. It is in my mind the figure is around 70, something in that neighbourhood. I am not quite sure.

Q. That is all across Canada?—A. Yes. I think in the dailies wherever there are radio broadcasting stations which would take in almost all the dailies in Canada.

Q. How long will the advertisements be appearing?—A. I think it is planned to publish five only. I must correct the statement I made last time. I think I said seven were planned and I was corrected after the meeting. I think there are five. I am not sure whether the last has or has not appeared.

Hon. Mr. McCann: What is the matter, have you run out of material?

The Witness: The Doctor asked me if we ran out of material. By no means; it may be money that we ran out of.

By Mr. Robinson:

Q. Is similar material being carried on the radio stations?—A. I do not know that it is similar. There have been some announcements and, I think a programme. I had nothing to do with preparing it and I must confess I have not listened to it. I think whatever is being done on the radio stations will be similar in content to the advertisements which appear in the press.

Q. Is that on the 89 stations of the C.A.B.?—A. As to that, I must not say because I am in the dark.

Q. Is this material being carried over a programme called "Report from parliament hill?"—A. No, sir—at least, I believe not. I am positive it would not be because I think the "report from parliament hill" is a programme series consisting of reports by elected members. I feel quite sure that this material would not be carried as part of that programme.

Q. That is right. The programme is a series of broadcasts which have become known as "Report from parliament hill". I would be surprised if material of this kind is being used.

Mr. Reid: So that the record may be kept straight, in the report from parliament hill it is quite legitimate to report what goes on in a committee because that is part of parliament. If I, as a member of the committee, want to put that in a broadcast, I would not be stepping outside the bounds of your report.

The Witness: Of course, you would not. I thought Mr. Robinson was referring to programmes put on by the stations themselves.

Mr. Robinson: That is right, I was referring to material similar to that in the advertisement going out in the report from parliament hill.

The Witness: I think I can assure you no such material would go out under that title.

By Mr. Robinson:

Q. Are you using other methods to advertise similar to that newspaper advertisement?—A. I am not aware of any.

Q. The booklet, "Control of Radio", has that gone out in considerable quantity?—A. I believe so.

Q. In what quantity?—A. Still relying only on memory, I was going to say 10,000. It may be more, I am not sure.

Q. Do you know to whom it was distributed?—A. I could not say as to that; certainly all members of both Houses; certainly all daily newspapers and press services and I think to all advertising agencies as well as all radio stations. I think, in so far as the radio stations were concerned, the number depended on the requests they made for copies. In some cases it may have been 50 or 200 or 300 so that the station could make a secondary distribution. I had nothing to do with the distribution.

Q. What is the purpose of the advertising campaign?—A. I should have thought it was self-apparent. If it is not, I cannot explain it.

Q. Is it designed to influence this committee?—A. I should not think so. I believe that is my business or the business of those who appear before the committee.

Q. Did you happen to read the editorial in the *Globe and Mail* last Saturday on the radio broadcasting committee?—A. I do not think so. I was attending a wedding last Saturday and I did very little reading. If I did not, I apoligize, as I should have done.

Q. I have the editorial before me and I should like to read one paragraph from it.

> The Liberal and CCF members, which are the majority on the committee, have a fixed mind on the subject of radio reform. They are not interested in weighing the merits of the representations made to them. Their chief concern appears to be to distort everything in defence of the system as it is. Like freedom of the air, the committee hearings, which are the statutory machinery of radio reform, have become a farce.

Do you agree with the sentiment expressed in this paragraph?—A. No.

Mr. FLEMING: That is an unfair question to put to this witness.

The WITNESS: I, of course, have nothing to do with what the *Globe and Mail* may say editorially. What it says editorially frequently comes as a great surprise to me. I certainly did not inspire it, if that is what you mean.

By Mr. Robinson:

Q. Do you think it may have been inspired by the campaign you put on?—A. As to that, I cannot say. I am not privy to their thoughts.

Q. Are you satisfied you have received courteous treatment from this committee?—A. Yes. I believe I have said on previous occasions that I have received uniformly kind and courteous treatment from this committee and I repeat that statement now.

By Hon. Mr. McCann:

Q. Does that apply to the C.B.C. as well?—A. I have repeatedly said that, too. My personal relations with the C.B.C. are excellent.

By Mr. Robinson:

Q. Are you satisfied your representations here are being given careful consideration?—A. I have every reason to think so and I hope so.

Q. Do you not think it would have been sufficient simply to have appeared before this committee and made your representations without this expensive

advertising campaign?—A. I must not comment on that. After all, I am counsel for the association, I am not the association.

Q. You are, of course, presenting the brief?—A. That is right.

Q. Which, I understand, you did not prepare?—A. Not in whole, I had a little to do with it. The planning committee prepared the brief and I presented it.

Mr. SMITH: Does anybody in the world say or any member of this committee think the Canadian Association of Broadcasters have not the right to propagandize people in their own favour? Surely, we have not become so narrow and one-sided a country that a man cannot advance his own interests by advertising.

The WITNESS: We thought we had such a right. If we had not so thought, we would not have inserted the advertisements in the daily press.

Mr. COLDWELL: Mr. Robinson asked about other publications or other methods of advertising. I have an envelope with stamps here from a radio station in Ottawa in support of keeping Canada free.

Support free enterprise; free enterprise means good living.

I have no objection to that form of advertising. I think it is quite within the right of anybody to use stamps of this description. I was going to ask, do you know if this is part of the campaign, too, because if it is it brings the C.A.B. into the category of a political organization, and as such it would be considered both now and in the future.

Mr. FLEMING: I object to that.

Mr. COLDWELL: You cannot object to my saying what I think. We have free speech in this parliament.

Mr. FLEMING: I object to a statement being inserted in the question.

By Mr. Coldwell:

Q. Do you know if this is part of the campaign?—A. I don't, Mr. Coldwell. I first saw these stamps when I was in Ottawa last week. I do not, at this moment, know their origin. I do not know who prepared them or who paid for them. I think I am safe in saying that the C.A.B., as an organization, did not.

By the Vice-Chairman:

Q. Was that booklet printed under the auspices of the C.A.B.?—A. That is correct and bears their imprimerie.

Mr. REID: So that the record may be kept straight in connection with the matter brought up in the editorial of the *Globe and Mail* which was read to this committee, may I say if the C.A.B. had anything at all to do with this they are entirely wrong because all Liberals are not of one mind on the matter. I want to make it apparent that I, for one, am not included in that group who have their minds set. So that the record may be kept straight now, I will not be included in that group.

The WITNESS: I have appreciated that during the hearings of this committee. I had nothing at all to do with the editorial. I cannot recall having seen it until it was read to me this morning. I cannot be taken as having inspired it or shared the thoughts of their experts.

The VICE-CHAIRMAN: May I make a suggestion that we limit ourselves to the questioning of the witness?

By Mr. Gauthier:

Q. On page 26 of your brief, dealing with television, there is this statement:—

> Unable or unwilling to do so itself, it has the power to prohibit the independent stations from doing so. For some time, at least, a few independent stations have been willing to proceed with experimental television and facsimile stations, but cannot get permission to go ahead.

How many stations have been asking the commission for permission to experiment in television?—A. I cannot answer that question offhand, sir. I believe a few have applied for television and facsimile licences.

Q. How long ago?—A. Some of them three or four years ago.

Q. You think there are, presently, some stations which are asking for that privilege?—A. My information is there are some stations which have pending applications. I could not give you the list, but I can probably procure it for you.

Q. And have been refused by the C.B.C.?—A. I do not know that one could say they have been refused. Probably one could safely say they have not been granted. I suppose there is a difference between deferment and refusal.

By Mr. Winters:

Q. This brief, on page 26, would seem to indicate that the C.A.B. feels that the C.B.C. has been responsible for the lag in the development of television in Canada?—A. I think it is safe to say very little has been done in Canada about the development of television. I think it is also safe to say that some of the private stations would be willing to do some experimental work in that field. I do not think it has any commercial prospects at the moment and may not have for some years.

By Hon. Mr. McCann:

Q. How much money would the C.A.B. be prepared to spend on that experimental work?—A. As the C.A.B., they would not be prepared to spend a dollar. The organization, as an organization, is not equipped to do that.

Q. How much money would a large station such as CFRB be prepared to spend on that?—A. You would have to ask them, I would not know that.

Q. I presume you appreciate that many millions of dollars have been spent by the Americans on it and no progress has been made?—A. No one appreciates more than I do, because of my trips to New York, that a great deal of money has been spent. I must differ from the latter part of the statement that no progress has been made. Tremendous progress has been made both in the black and white and colour processes.

Q. I was at the Columbia Broadcasting Company and the N.B.C. in January and I was told by both of these companies that they had spent something in the neighbourhood, in company with the Victor, DuPont and the others, around $50,000,000 on television to date. Along with some of the officials of the Canadian Broadcasting Corporation, we felt, on behalf of Canada, it was not prudent for us to spend a lot of money as a corporation or to encourage private companies to spend money on this until there had been some further development. In taking that course, we believe we are saving the people of Canada a great deal of money because we can benefit by any of the experimental work which will be done by any of the American corporations.

I submit, Mr. Chairman, that the idea in making application for a licence to do television work is that the private corporations may, in the early stages, get some vested interests in that particular type of broadcasting.

Mr. FLEMING: I thought you just ruled a moment ago that we were to proceed by questioning Mr. Sedgwick, Mr. Chairman.

Hon. Mr. McCann: I was questioning Mr. Sedgwick.

Mr. Fleming: There was not a sign of a question in that long statement. It was an ex-parte statement. There was not a sign of a question in it and it did not come from a member of the committee.

Hon. Mr. McCann: What was that?

Mr. Fleming: It did not come from a member of the committee.

Hon. Mr. McCann: I am a member of the committee.

The Vice-Chairman: It is quite true that Dr. McCann is a member of the committee. There is a lot of truth in what you have just said, Mr. Fleming. On the other hand, I was only hoping you would object to the statement which was being made before it was finished.

Mr. Fulton: Now that it has been made, could I ask Mr. Sedgwick if he has any comment to make on that statement.

The Witness: It was a lengthy statement. I have never, in some twenty-five years of practice at the bar heard such a statement called a question. I do not know how I can reply to it.

By Mr. Fulton:

Q. Can you comment on the last part, as to Dr. McCann's suggestion about the purpose of the private stations in asking for a licence to do experimental television work?—A. I suppose the answer is, if the private interests are willing to risk capital to further the development of this part of the radio art they should be permitted to do so. What vested interest it is thought they would acquire, I do not know. No one seems anxious to use that segment of the broadcasting band which has been set aside for television. I must say I do not know what vested interest it is to which the doctor is referring.

As to the statement that no progress has been made—I am not an engineer, but I think every engineer—

Mon. Mr. McCann: I made no such statement that no progress had been made.

The Witness: I thought you said little progress had been made.

Hon. Mr. McCann: Their statement to me was that, although progress had been made, it was nothing like what they had hoped for.

The Witness: I cannot measure their hopes because I do not know what they were. I think everyone familiar with radio engineering must admit that tremendous progress has been made on the subject. Colour television is, at the moment, within the practical range and, of course, it was not some years ago. Certainly, one would believe that NBC. and CBS were very foolish indeed if they have invested some $50,000,000 without at least a hope that they are making considerable progress. I am loath to believe that is so.

By Mr. Winters:

Q. Would the witness not say in the light of what has been said here, and in the light of actual conditions, that more progress has been made in television in the labratory rather than in practical application?—A. I do not think you should divorce one from the other. Of course, I am very presumptuous in even replying to a question on the technical side because you are so much more familiar than I am with that field, but I think that following work in the labratory you must have the practical side if it is ever going to become truly useful. Therefore, I think as a step is made in the labratory then the broadcasting chains or stations would want to try it out step by step to iron out the difficulties.

Q. Do you not feel that the ratio of television broadcasting receivers to ordinary radio broadcasting receivers is very small?—A. It is insignificant, at the moment, insignificant. There is no question that a great deal of development must be done not only on the broadcast side but also on the receiving set side and on the selling side. When you have provided a home receiving set you will still have the problem of interesting people in buying it but at that point, of course, programming becomes very important because no one is going to invest $400 or $500 in a home television receiving set unless there is something for him to receive, so that I think work in the laboratory must run parallel to work in the broadcasting station. That, of course, is the function of an experimental television broadcasting station.

Q. Would you care to go one step further and say whether or not you feel in view of the nature of television broadcasting and the fact that the broadcast signals are limited to the optical horizon, which we all know, that it is at the present momement a pretty impractical proposition for a country like Canada? —A. It would only be practical at the moment in areas of concentrated population. That goes without question, even in the United States. I do not think one can reasonably expect television broadcasting stations in the little villages and towns. I think they will be in New York, Chicago, Los Angeles, and places of that kind but, of course, that is where standard band broadcasting started, too. It must start where there is a concentration of population.

Q. Except you have greater coverage of signal on standard band; the problems are different.—A. I believe I am safe in saying that it is not quite sure that television will always be horizon bounded.

Q. Except that you can, of course, transmit by cable from city to city and then rebroadcast?—A. Precisely.

Q. In view of those practical difficulties of broadcasting to the bulk of the people in Canada and the fact it would appear what progress has been made is in the laboratory so far, do you not feel that in Canada we will have to follow along the same pattern as we have for telephone, radio, and other scientific developments, and follow what has been done in the United States? In other words, as the Hon. Mr. McCann says, the subsidiary companies in Canada will have to take what has been done in the United States?—A. They will unquestionably have to pick up from the point where the United States developers have stopped, or at the point they have presently reached, but I suppose important technical companies in this country, such as Northern Electric or General Electric or Marconi and others, are competent to do some work. Maybe not; you are better acquainted than I am with that.

Q. Would you feel that in the light of all these difficulties involved that Canada could be expected to carry on a lot of primary development in something like television?—A. I should doubt that, but I think that the time has come when some of the larger stations might do some experimental television broadcasting relying on the present state of the art. I do not say they can invest $50,000,000 to traverse what has already been done scientifically in the United States, nor is it desirable they should do so.

Q. That brings me to my final question. Despite the fact everybody wants this development to go forward do you think it is fair to give the impression that this brief does that the C.B.C. has been responsible for impeding development in Canada?—A. If the brief states the difficulty a little too sharply that may be a criticism of the brief, but I do think that nothing should be done to impede the efforts of those in Canada who want to experiment in television, facsimile, or any other development of radio.

Q. I agree with that entirely, but in view of all considerations it would seem to me that has not been the case from the very nature of the— —A. I can

only suggest that if there are pending applications—and I believe there are—they should be considered, and if there are interests in Canada that are willing to spend some money to experiment in this new field they should be permitted to do so. I think that is all the brief argues for.

Q. Could the witness say how many facsimile broadcasters and receiving sets there are in the United States?—A. No, I could not.

Q. To what extent is it practical?—A. I know there are quite a number. I know one daily newspaper, I believe in Miami, supported by the newspaper association, has been carrying on a series of experiments. I believe they have now got facsimile broadcasting down to where it is comparatively cheap and quite efficient. There again I am only relying on what I read in the trade papers. I have no first hand information.

By Mr. Reid:

Q. Has the C.A.B. investigated how television operates in Great Britain?—A. As an organization, no. I think many of the member stations and their engineers are conversant with developments in television in both Great Britain and the United States. I believe in the last few years the more spectacular progress has been made in the United States and, of course, that is as one would expect considering the difficulties Great Britain has faced since 1939.

By Mr. Coldwell:

Q. May I ask a question? On page 20 of your brief you complain that the government's C.B.C. has power to publish papers and periodicals—

Hon. Mr. McCann: I have one other question with reference to television.

The Vice-Chairman: Would you allow Hon. Mr. McCann to ask one further question on television?

Mr. Coldwell: I was going to ask a question on facsimile which we are discussing.

The Witness: I do not know a great deal about it. I will do the best I can.

Mr. Coldwell: I will ask a very simple question.

The Vice-Chairman: Go ahead.

By Mr. Coldwell:

Q. You complain about the government's C.B.C. having power to publish papers and periodicals. Then on page 26 dealing with facsimile you say:

> For some time, at least a few independent stations have been willing to proceed with experimental television and facsimile stations, but cannot get permission to go ahead.

The question I have in mind is this. Thirty-seven of the private stations are owned by newspapers. If it is wrong to give power to the C.B.C. to experiment with facsimile broadcasting or publishing papers through facsimile is it not more dangerous to give private newspapers, a large number of which have radio stations to-day, the power to go ahead with facsimile broadcasting? Does that not tie up the news service into a series of monopolies that might be integrated across the country, and all our news services, including facsimile, would be controlled by a few vested private interests over which there would be no control as far as freedom of speech goes?—A. Firstly, I do not think the 37 newspapers are controlled by any single individual or group. I think they express various and very varying views amongst them. Secondly, there is no suggestion anywhere in the brief that facsimile licences should only be granted to existing broadcasters, and certainly no suggestion they should only be granted to newspapers. My information is that there would be a place

in Canada for a very considerable number of facsimile stations or facsimile broadcasting equipment. I suppose many people other than existing newspapers could, if they cared so to do, apply and I suppose licences could be granted to them. I am not arguing that the existing broadcasters should have any monopoly at all over facsimile or television or the development of the radio art.

Q. I had in mind, of course—and I suppose you are aware—that newspapers in some provinces do control pretty well the newspaper field and at the same time control a large proportion of the radio field?—A. Yes, sir.

Q. That is a monopoly?—A. Yes, I am told that is so. It may well be that the introduction of facsimile broadcasting would break that up to a considerable extent.

Q. It might strengthen it?—A. It might break it up.

Q. Or might strengthen it?—A. I cannot say. I can see no farther into the clouded crystal ball than anyone else.

By Mr. Gauthier:

Q. Have you one station that is ready to make the expenditure necessary to establish a television station right now?—A. I am here representing an organization and not individual stations. I must not, of course, say that this or that or the other station is willing to make a specific investment. I have no right to say that. That will be for the individual stations and their directors and shareholders. It would be quite improper for me to commit any specific station to an investment. I only say they should be given permission if they apply for it and then it will be for the individual stations to decide what investment they are willing to make in that or any allied field.

Q. What is the use of giving them permission if they do not want to use it?—A. I think that is putting the cart before the horse. You must give them permission before they can use it. Once they are given permission if none of them make any use of it I think your criticism would be just but not at this juncture.

Q. If they have made a request they should be prepared to go ahead.—A. They no doubt are but I cannot say which ones and I cannot say what amount. I do not represent them individually. I represent them only as a group.

By the Vice-Chairman:

Q. Are you arguing that the private stations are not allowed to send representatives to the United States, for instance, in order to study the matter of televsion?—A. Oh, I have never said that. We have been doing that for years. There is nothing in the brief that says anything remotely resembling that.

Q. You know that CKAC in Montreal has spent some money in order to explore the situation?—A. So have a number of other stations, and certainly some stations have sent their engineers down to the United States and they have spent weeks studying television and other developments in the radio art. There is not anything in the brief to suggest we have been prevented from doing that and, indeed, I should have thought it was beyond the power of the C.B.C. to prevent us from going to the United States to study anything we want to study.

Q. Is it suggested in your brief that those stations which have sent representatives to the United States to study the situation have now come to the conclusion they would like to have permission to operate television stations?—A. Apparently some of them because I am informed some of them have applied for experimental licences, so I can only presume they have.

By Hon. Mr. McCann:

Q. I want to call attention, as was called before, to page 25 of the brief. It says at the top of the page:—

> It is significant that television and facsimile development has lagged in Canada.

We will admit that.

> Experimental stations using both of these new broadcasting developments have existed for some time in the United States.

Then it says:—

> Indeed, they are past the stage of experiment, and well into the state of daily use.

A. That is true.
Q. Do you think that is accurate?—A. Quite accurate.
Q. I differ with you very much.—A. It is quite accurate.
Q. Here is your next statement.

> Unable or unwilling to do so itself, it has the power to prohibit the independent stations from doing so.

A. That is right.
Q. Do you say that the C.B.C. is both unable and unwilling?—A. I can only judge by what they have done.

Mr. FULTON: It says "or."

By Hon. Mr. McCann:

Q. Do you not think that would give a wrong impression to the Canadian people with reference to the Canadian Broadcasting Corporation keeping up to date in modern radio development? I think it is most unfair.—A. I suppose it is not my function as a witness to ask questions, but if the C.B.C. is both able and willing to establish television and facsimile stations I wish some one would tell me where they are.
Q. I admit they are unable because of the money element in it. They have got the money for experimental work.—A. We do not say why.
Q. That is one of the reasons, but you suggest they are both unable or unwilling to do so and that they have the power to prohibit independent stations from doing so.—A. That is a statement of fact. They have.
Q. It has never been supported.

> For some time, at least a few independent stations have been willing to proceed with experimental television and facsimile stations, but cannot get permission to go ahead.

The Canadian Broadcasting Corporation have repeatedly asked those stations what amount of money they were willing to spend in this deveolpment.

Mr. FLEMING: Having regard to what you said before, Mr. Chairman, I had better take objection now that we are not having questions but a statement by Dr. McCann.

Hon. Mr. MCCANN: I know how to ask a question just as well as you do.

Mr. FLEMING: If he is going to make a statement I suggest he take his place on the stand in due course. You have already ruled, and the committee has agreed, that we should proceed by way of questions. Perhaps it would be well for Dr. McCann, like other members of the committee, to refrain from stating opinions and confine himself to questions.

Hon. Mr. MCCANN: I am asking questions.

Mr. FLEMING: You are making a statement.

Hon. Mr. McCANN: No, I am not.

Mr. FLEMING: There was not the semblance of a question in it.

By Hon. Mr. McCann:

Q. Do you believe that statement is accurate, fair or truthful?—A. I think it is all three.

Q. Well, I do not.

Mr. FLEMING: There you are, more comments.

Hon. Mr. McCANN: The comment can go on the record.

By Mr. Hansell:

Q. In respect of facsimile would you say that if facsimile were in the hands of 37 different stations, or perhaps one station for every newspaper in Canada, that that would be less of a monopoly than if it were in the hands of one state authority?—A. I should think it would only be 1/37th as dangerous a monopoly and, of course, there is no reason why it should be confined to 37 stations. I suppose there are more than 37 available facsimile channels, many more.

Q. 37 was mentioned.

By Mr. Fulton:

Q. In view of some of the statements which have been made can you answer what is a simple, and perhaps over-simple question? Can you tell us the motives which have governed these stations in making their applications for licences?—A. So that they may experiment and do something to advance broadcasting in Canada. After all it is the oldest stations in Canada which are responsible for radio broadcasting, not the C.B.C. The C.B.C. entered the field in 1936. There were stations that had been broadcasting 15 years before that. The early experimental work was not done by the C.B.C. or by any government agency. It was done by independents operating within their field.

Q. And they wish to continue the same development, the same pioneering? —A. I think they should be allowed to. After all radio broadcasting was not invented by the government. It was not pioneered by the government. It was pioneered by private individuals, by private companies. I think they should be encouraged to proceed.

Q. In order to get a formal question and answer is it with the same motives they have made these present application?—A. Precisely; there is certainly no sinister motive behind the applications, no desire to obtain for them either as individuals or as a group any monopoly whatsoever.

By Mr. Coldwell:

Q. May I ask one question? Are we to understand that all members of the C.A.B. support this brief?—A. I think in his opening remarks Mr. Phil Lalonde stated the fact. The fact is that before the brief was printed it was circulated to all the members. Some comments were made, and those comments were incorporated in the brief, and it was again circulated. I can only say in its present form it went out to all members before it was engrossed or printed, and no member station has dissented. I suppose we can only take silence as consent. I must not say everyone wired in and said, "We completely approve." I think many did. Some did not, but to my knowledge no one station dissented from that.

Q. I have asked the question because I met two gentlemen who are owners of private stations and affiliated with the C.A.B. who, after my question of last Thursday, I think it was, when I said that large stations might destroy smaller ones in the communities, said they agreed, and they were not in favour of this brief.

By the Vice-Chairman:

Q. How many wired approval?—A. That I could not say. I know a great many did. I have not the figure before me.

By Mr. Winters:

Q. Did any wire disapproval?—A. No, there was not a word of disapproval by wire, by letter, by telephone or by personal contact, as I am informed.

By Mr. Reid:

Q. Then you can accept that they were all agreeable to it?—A. I think so at the time it was printed.

By Mr. Langlois:

Q. When was it sent to the independent stations?—A. I cannot give you the date, sir. It would be some two or three weeks before it was finally printed. It was sent in ample time to permit them to comment, and they were invited to comment. I have not the correspondence here. There is nothing secret about it.

Mr. Reid: That is fair enough.

By Mr. Fulton:

Q. On page 26 of your brief you make the statement:—

> Many of our members feel that Canada's position in any negotiations for power increases or frequency changes is not pushed with the same effort that the F.C.C. authorities give to American interests. This situation is aggravated by the fact that negotiations are always completely public in the United States, so that there is never any question as to the attitude of those negotiating on any particular point. Our association feels very strongly that our industry's views should be given equal status to those of other North American broadcasters in any international negotiations. The power freeze imposed upon independent broadcasting stations was protested vigorously by the Canadian Association of Broadcasters for some years. It was finally modified to some extent. But before this was done, much potential Canadian coverage was permanently lost by inaction. Under treaty terms, stations in other countries could and did take over certain coverage because Canadian stations had not been permitted to go to full treaty power. The independent stations concerned were willing and ready to increase. But they were prevented from doing so by the C.B.C. regulations. The result was loss of valuable coverage to Canada forever.

Can you give us an example of that?—A. Well, sir; again I must qualify whatever I say by pointing out that I am not an engineer and I find some difficulty in understanding engineering phrases; or, at least, if I understand them I find difficulty in translating them so that others may understand them. But I did ask a member of our planning committee who has a very considerable degree of engineering skill to give me specific examples, and I have a memo from him which reached me this morning. I suppose I could read it. It is one example which I think is easy of comprehension; at least, I can understand it, so it must be. He is dealing with the 630 kilocycle channel and he says:—

> Specific examples of this development can be quoted. Take for instance the 630 kilocycle channel. In Canada this at the time of the treaty was occupied by CKOV Kelowna, CKRC Winnipeg and CFCY Charlottetown—all class 3 stations at one thousand watts. To all practical purposes it was at that time possible technically for CKOV

to have raised its power to five thousand watts without the use of a directional antenna. This would have improved its service to the areas of greatest population density surrounding it. These are located in the southern Okanagan valley.

But with CKOV limited to one thousand watts by regulation the Americans found it legal to establish KOH in Reno, Nevada, on 630 kilocycles and KVOD in Denver, Colorado, on the same frequency. Establishment of these stations actually meant greater interference with CKOV's signal. Prior to the establishment of these stations CKOV had protection to the one millivolt contour line. When, however, these American stations began operating, CKOV had protection only to the 2½ millivolt contour line. This meant a loss of night time coverage to CKOV of the extent that would have arisen previously had its power been reduced from one thousand to 160 watts. Since these stations were established at the date that N.A.R.B.A. became effective they have equal rights with CKOV Kelowna, although junior in age. With the power freeze finally lifted CKOV might now secure permission to go to 5000 watts but this would no longer mean improved service to the listener in the southern Okanagan valley. With increased power CKOV would have to employ directional antenna to protect these two American stations. Actually therefore the increase in power might actually reduce the number of listeners they can effectively serve in the southern Okanagan valley.

Of course, I have no personal knowledge of this; I am merely quoting from this memorandum, but I believe it to be so.

Q. But you believe it to be so; do you know whether CKOV is going to apply for permission to increase its power?—A. I believe so, I am not sure.

Q. I think you are right.—A. But even if they do get permission to increase their power it will only make the situation worse.

Q. I want to ask you this, this is on a different subject, page 31 of the brief; in discussing the arrangements to set up your suggested board you give us an example of the Australian broadcasting system?—A. Yes, sir.

Q. Are you familiar with that system, can you outline briefly to the committee how it works?—A. Well, sir, I have never been in Australia and my familiarity with the Australian system is founded on what I have gained from reading reports of their operations and their trade periodicals; but I believe that there is a state system called the A.B.C., the Australian Broadcasting Corporation, which is purely non-commercial and supported entirely by licence fees; and I think it gives national coverage with non-commercial programmes. Then there are commercial stations which are comparatively free from interference, they are in no way under the control of the A.B.C. Both parties are licensed by the Postmaster General. My recollection is that you have on the one side the purely non-commercial Australian broadcasting system which closely resembles the C.B.C., I believe, and you have on the other side the privately-owned commercial stations which pretty well run their own show. I think that is a thumbnail sketch of that set-up.

Q. Who is the regulating authority?—A. The Postmaster General is the licensing body. Such regulation as there is is done by the Postmaster General and applies equally to both systems.

By Mr. Coldwell:

Q. What is the licence fee in Australia?—A. I believe there is some controversy about it. I think it is around 21 shillings at the moment, which I think represents a value of approximately $3.30 in Canada.

Q. That is for a receiving set?—A. Yes.

Q. I was going to ask you if you could give us the licence fees required of private stations?—A. It is comparatively nominal. I think it is less than ours. I am not sure; I don't recall the figure at the moment. I believe I have seen it. My recollection is that it is £50.

Q. Is there any limitation on the power used by private stations in Australia?—A. They vary, sir; I do not know whether there is a limitation. My recollection of it at the moment is that the commercial station is in the neighbourhood of 10 kilowatts.

By Mr. Reid:

Q. Have you any information as to how they collect the licence fees from individuals?—A. They collect them, I think, sir, through the post offices.

Q. No collectors going around forcing you to buy?—A. As to that, I do not know.

Q. Is there any penalty?—A. That I do not know. I think they are collected through the post offices, but to what extent they send around inspectors or investigators, I could not say.

By Mr. Coldwell:

Q. Is the Australian system more completely under government management, under the Postmaster General, than is the C.B.C. here??—A. I must not assent to that, Mr. Coldwell, because I am not familiar with the powers of the Postmaster General in Australia as to regulation. I can only say that in practice my understanding is that there has been very little regulation of commercial stations; that is, it has been felt that the balance wheel was the national non-commercial operation, and if people did not like what a commercial station was doing they had only to turn their dial and get a completely non-commercial service from the A.B.C.

Q. But their receiving fee is higher than what we have here?—A. I think it is around $3.40 Canadian money. I think it works out to that aproximately.

Q. Is that at the present rate of exchange?—A. I made a considerable study of that. I believe our arithmetic produces a value of slightly over $3 to their pound. It happens that I was concerned with that in relation to the cost of milk in the recent past, and that is the conclusion I reached.

Q. You will find the Australian pound purchases a good many commercial commodities.

Mr. REID: The value in comparison is, how much labour do the men give.

The WITNESS: That is right, Mr. Reid; in dollars and cents.

Mr. REID: In dollars and cents it is.

The VICE-CHAIRMAN: Are there any other questions, gentlemen?

The WITNESS: I am not an economist, however.

By Mr. Gauthier:

Q. On page 29 of your brief you refer to the letter of June 26, 1946, appearing in the London *Times*, apparently written by Sir F. W. Ogilvie, Director-General of the British Broadcasting Corporation for nearly four years, and now principal of Jesus College at Oxford, in which he says in part:—

> It denies freedom of choice to listeners. It denies freedom of employment to speaker, musician, writer, actor, and all who seek their chance on the air.

A. Well, sir, it is made clear in the brief that Sir F. W. Ogilvie is actually criticizing the B.B.C.

Q. I know that.—A. It is considered that the situation may be at least in part comparable. I would not say that the statement that it denies freedom of employment is right altogether. I suppose it is a fair statement to make in

England where the government radio is the only one place where he can apply. Here in Canada we have the C.B.C. and we also have the commercial stations. I do suggest, however, that if there is to be full freedom of employment for speakers and musicians, writers and actors, and all who seek expression on the air, then the private commercial stations should have an opportunity similar to that enjoyed by the nationally owned system; otherwise, how can they give adequate employment to the various classes of artists seeking places on the air?

Q. You do suggest that the way the C.B.C. is operating hampers development?—A. I do not suggest that every word in the Ogilvie letter applies to our situation, although there is much in it which does. But, of course, every reader must read it as being critical of the B.B.C., but at the same time permitting of a measure of application to our Canadian system.

By Mr. Coldwell:

Q. And under this section to which reference has been made you suggest that the C.B.C. here has more power than the B.B.C.—A. Well, I think there is a measure of monopoly here. It certainly is not as complete a monopoly as the B.B.C. has in itself in Britain. We pointed that out. We point out that the inherent danger is there; and one must consider the power, rather than the exercise of it.

By Mr. Gauthier:

Q. Do you think that musicians and writers have as many opportunities on the privately-owned stations as they do on the C.B.C.?—A. Yes, I do. I think they have more at times.

Q. More?—A. They may have at times, yes. I think the better stations afford opportunities that are just as good as those offered by the C.B.C. as, of course, they should. I think our experience to a very large extent has been that many of the leading stars of radio made their start on the private stations, and I think that is the sort of thing which will continue. I should not like to think that the private stations were going to stop experimenting in the field of developing radio artists.

By Mr. Coldwell:

Q. If the private stations pay as well, why do they go to the C.B.C.?—A. Well, let me reverse the question: why do people come from the C.B.C. to us—which they do at times. I would say that the private stations pay as well, some probably better.

Mr. Reid: Artists in Vancouver have to go across the line to get any real break. I think that system is entirely wrong, they should be given a chance on the C.B.C., and they are not given a chance on the C.B.C. at all.

The Witness: I am not here at all to criticize the programming of the C.B.C. But the fact is that at least in the larger cities—and, remember, the C.B.C. is only in the larger cities—the C.B.C. competes with private stations for radio talent. There is no question about that.

The Vice-Chairman: Are we through with Mr. Sedgwick?

By Mr. Fulton:

Q. I have just one more question for Mr. Sedgwick, Mr. Chairman; how closely are you wedded to this format for a board which you put forward in your brief here?—A. I must not say that we are completely wedded to it. If you are referring now to the suggestion that such a body should be appointed directly by parliament and be responsible to parliament; that is what you have in mind, I take it?

Q. That is one of the things I had in mind.—A. We are not wedded to any specific form, but we are completely wedded to a principle, which may be simply stated; that is, that there should be as large a measure of independence as is possible and that such board should be the licensing and regulating body. That is the principle to which we are committed and on which we are completely sold. As to how it is to be worked out in practice I do not think, sir, comes within the ambit of our brief; that is, we do not feel that we should submit a draft act which in our opinion would serve the purpose.

Q. I agree with you there. Would you say that they should have power over the whole Broadcasting Act; that they should have complete authority to deal with applications for licences? I know that on occasions where the C.B.C. has given a ruling from which it is desired to appeal that a right of appeal should lie before such a board; if the powers conferred on such a body as you suggest did that, would that be going far enough?—A. No, I do not think so, sir. I think so long as the C.B.C. is the national broadcasting system then in its own interests and in ours it should not have the power of regulation. Let me give you an example, and it is a very recent one. This spring when the radio stations in Canada received the various documents which they were asked to fill in before the question of the renewing of their licences was considered one document was a "promise of performance." That was a lengthy document asking the stations to set out how many hours they would devote to this, that and the other thing. Several of the stations apprehending that there would be considerable difficulty in making specific promises which, on account of conditions over which they had no control they might not be able to implement, instead of filling in the form exactly as requested sent in a brief pointing out what they had done and pointing out that they intended to continue along the same lines; but they did not feel themselves able to fill out this "promise of performance" questionnaire specifically. In that, of course, was involved the question of potential revenue, and a good many factors which could not be foreseen. As I say, they did not fill in the form sent to them, but sent in a brief instead. Those stations which did that received a letter from the C.B.C. It is dated April 29, 1947. I will quote from it. It says—

Q. Is that this year?—A. Yes, sir. The second paragraph of the letter says—

Mr. FLEMING: Mr. Chairman, I suggest that the whole letter be put on the record.

The WITNESS: Yes. I will read the whole of the letter and then file it.

Mr. REID: It is very important.

The WITNESS: I think it is. It reads:—

354 Jarvis Street,
Toronto 5, Ontario,
April 29, 1947.

GENTLEMEN,— Letters were addressed from this office to all private broadcasting station licensees on February 24 forwarding copies of this form known as promise of performance. This form was sent out to obtain for the board of governors information on station intention regarding the performance of its duty as a trustee of a radio frequency.

It has been noted that while you supplied certain information regarding the programme activities of your station, you did not complete the form as requested, as did the great majority of stations.

During the year stations will be requested to return reports on their actual programme performance. These will be considered by the board of governors in making its recommendations in connection with the renewal of licences for the year 1948-49.

I have been asked by the board of governors to advise you that your failure to provide information regarding intentions and programmes on your station as requested in the forms sent out on February 24 will be taken into account by the board in reviewing the activities of your station and in making its recommendation regarding the renewal of your licence for the year 1948-49.

So far as I am aware, there is no regulation which says that a station must send in a promise of performance. So far as I am aware, there is no legislation which says they must do so. Yet, here is a letter which says to the station, "You send in this form which we have sent to you, although there is no statutory or other authority which permits us to do so". Then, it goes on to say, "If you do not send in that form which we have sent to you, then that is a matter which will be considered when we are making our recommendation to the minister as to the renewal of your licence".

You ask if I blame the C.B.C. It is not a question of blame, it is a question of the system. I say a corporation operating a national broadcasting system ought not to have the power to threaten its competitors in that way because you cannot construe the paragraph as other than a threat.

Mr. REID: May I interject a question? I should like to ask if the radio committee passed that exact recommendation? A statement has been made that this committee last year recommended the wording of that. I am sorry I was not on this committee last year if that is so.

Mr. FLEMING: The report of the committee never was—

Mr. REID: I am going to have a lot to say about this later on, so I should like to know if the radio committee of last year recommended the exact wording of this or not.

Mr. FLEMING: The report of the committee never was adopted in the House last year.

Mr. REID: It looks like a threat to me; that is my private opinion.

The VICE-CHAIRMAN: To my recollection, there was a recommendation by the radio committee last year to that effect but, as Mr. Fleming has said, the report was not adopted by parliament. Before any more comments are made on this matter I think we should allow it to stand and question the C.B.C. officials as to what by-law they have been governed by in sending this letter to these stations. I do not think they have acted wholly on the recommendation of the committee last year.

Mr. FULTON: In fairness to Mr. Dunton, when he gave his evidence earlier he referred to the report of the committee, not as setting up the form of the form they sent out but as at least giving an indication to the C.B.C. that they should do so.

The WITNESS: I am not criticizing Mr, Dunton, of course. It is the system. All I say is that a system which results in letters of that kind is a wrong system. I gave it as an illustration in reply to your question, that is all.

By Mr. Hansell:

Q. May I get this clear? Was that letter sent out with the forms?—A. No, sir, the forms went out, I believe, on the 24th of February according to the letter to the stations. Some completed the forms and some did not complete the forms but sent in a general statement. Then, this letter went out on the 29th of April, 1947, saying that failure to provide the information as requested in the forms would be taken into account when licences were reviewed.

Q. Do you know if that was sent to all stations?—A. No, sir, only to those who did not fully complete the form which was sent out. A station which com-

pleted the form which was sent out got this letter and probably I had better file them both, dated the same day, April 29.

> Gentlemen,—Letters were addressed from this office to all private broadcasting station licencees on February 24 forwarding copies of the form known as Promise of Performance. This form was sent out to obtain for the Board of Governors information on station intention regarding the performance of its duty as a trustee of a radio frequency.

The first paragraph, I believe is the same. Then, the next two paragraphs are different.

> I wish to thank you for your co-operation in making your return of this information.
>
> Later in the year, licencees will be asked to report on the actual programme performance of their stations. These will be taken into account by the Board of Governors in making its recommendations in connection with the renewal of licences of private stations for the year 1948-49.

That was sent out to those who fully completed the form. Is there anything else, sir?

By Mr. Robinson:

Q. On the same point, Mr. Sedgwick, on page 10 of your brief I see there is a reprint of section 24, subsection (2) of the Canadian Broadcasting Act. I wonder if that would give authority for sending out such a letter?—A. Well it might, sir. I am not saying somewhere in these regulations you might not find a general authority. I say it is wrong that a corporation should have that power. It may be set out—

Q. I understood you to say previously you had been unable to find any authority?—A. Any specific authority, I should have said. That is a very broad section and I suppose one might read into it almost anything. Certainly, there are no regulations which say we shall prophesy what we are going to do in the forthcoming year. If we are to be compelled to do so, and if it is to be said to us our licence is in jeopardy if we do not do it, then I think the regulation should be specific. There is certainly no specific regulation. I repeat, I am not critical of the C.B.C. because I think something was said last year in this committee indicating they should do something of that kind. I am critical of the power that they have in that regard.

By Mr. Gauthier:

Q. On page 32 of the brief you state,

> The 89 stations we represent play a vital part in the Canadian broadcasting.

I agree with that.—A. Thank you, sir.

Q. You also say,

> They spend about $5,000,000 on the salaries of some 2,500 people—

Would it be permissible to ask Mr. Sedgwick if he could give us the aggregate amount of the earnings of the C.A.B. stations?—A. Of all the stations?

Q. Yes.—A. I would be making a guess. Your guess would be as good as mine. It would not be fair.

Q. I would be interested in knowing.—A. Whatever figure I suggested, I suppose, must inevitably be wrong because I have no information.

By the Vice-Chairman:

Q. It would most likely be inaccurate?—A. It would certainly be inaccurate. I would prefer to confine myself to my knowledge, such as it is.

By Mr. Winters:

Q. Did I understand you to say, Mr. Sedgwick, that the C.B.C. confined its operations to the larger cities?—A. I said so, sir, but I probably should have qualified that by saying, mainly. However, it is not a matter of argument. We filed a map that showed the C.B.C. stations.

Q. My reason for interjecting that remark is, of course, that in the Maritimes where the C.B.C. gives good coverage there are none of the larger cities. That was one of the good points about the C.B.C.—A. There is one in Halifax.

Q. CHB?—A. It is a regional station broadcasting to all the Maritimes. I should have said I do not think they operate stations in sparsely populated areas. They have CBK in the Prairies, I know.

Q. CBH is the only one I know about and it does cover all the small hamlets in the Maritimes. It covers areas which the private stations do not?—A. Does it? I did not think that was so, but it may be so. It is, of course, so designed I know that.

Mr. REID: Has Mr. Sedgwick filed with the committee copies of the Elliott-Haynes reports which are issued every week or every month to the private radio stations as to the coverage they may have. I mean, as to the appeal they have.

The WITNESS: I have not filed it, sir, but it is available. You mean, I take it, the regular survey made by Elliott-Haynes which shows who listens to what. I suppose that is the survey you mean. I suppose I can procure copies and file them.

By Mr. Reid:

Q. I should like one for the province of British Columbia.—A. All right, sir. I believe it is done on a national basis. You would like the most recent, I suppose. Some one of my confreres may have a copy of that with him, but I have not.

The VICE-CHAIRMAN: Do you wish a sample copy for yourself or for the committee?

Mr. REID: Oh, it could be for the committee.

The VICE-CHAIRMAN: You asked only for British Columbia. I think if we are to have a report of that nature, it should be a sample of the coverage throughout the country.

Mr. REID: I think Mr. Sedgwick said it was on a national basis and it covered the entire country.

The WITNESS: It is the well-known Elliott-Haynes survey.

Mr. COLDWELL: Did we not agree the other day that this would be presented to us when we got the Gallup poll as well?

Mr. FLEMING: Mr. Reid is talking of a different thing entirely.

Mr. COLDWELL: I was going to suggest that Mr. Sedgwick could present the same type of survey at that time.

Mr. FLEMING: The survey of which Mr. Coldwell is speaking is entirely different from the one for which Mr. Reid has asked.

Mr. REID: Yes, I want to know the standing of the various stations in the public's mind.

The WITNESS: The survey you have in mind, as I understand it, is the Elliott-Haynes survey published month after month for radio stations, advertisers and advertising agencies, showing them what programmes are getting a specific audience.

Mr. REID: The public is the judge, after all.

The VICE-CHAIRMAN: You want one sample report?

Mr. REID: Are they issued weekly or monthly?

The WITNESS: Monthly. I suppose the one sample would be sufficient. The latest one I have is for May.

Mr. FLEMING: We had one last year on the record.

The VICE-CHAIRMAN: Last year it was filed by the C.B.C.

Mr. FLEMING: I thought it was filed by CFRB.

By the Vice-Chairman:

Q. All stations in Canada whether they are affiliated to the C.A.B. or the C.B.C. receive these reports?—A. I think all of us pay considerable attention to them. It is the only regular survey with which I am familiar.

Q. I believe, as a matter of fact, the C.B.C. was the first and biggest customer of the Elliott-Haynes report. I believe that helped Elliott-Haynes start their business?—A. That may be true. I think we all accept it as a good report.

Mr. REID: The C.B.C. does accept it, too?

The WITNESS: Yes, and we do too.

Mr. REID: I am glad to hear you agree.

The WITNESS: Oh, we do agree on some things.

By Mr. Ross (St. Paul's):

Q. In the case of international negotiations have the representatives of the private broadcasting stations a chance of negotiating with the F.C.C.?—A. They have no official representation at all, Mr. Ross. I believe at the last negotiations Mr. Harry Dawson, who is a radio engineer and who is the manager of the C.A.B. was present in Washington and, I believe, was present at some of the meetings but I do not think he consulted with the department and the C.B.C. on matters of policy. I do not think we have any official representation at all. We can send down observers, of course.

By the Vice-Chairman:

Q. They are invited as observers?—A. I do not think even that was done until this last year when, I believe, we were told we could send an observer. Now, as to that, I may be wrong. Dr. Frigon is much more familiar with it than I am. It is a little outside of my field. We have no representation on any joint technical committee. I believe it is in that committee that matters of policy are decided. Certainly, we have no official representation in negotiations with the F.C.C. or the American bodies.

Q. At a previous meeting you were asked to prepare certain answers to questions which had been asked by members?—A. I only had a few minutes at home since the last meeting and, at the moment, I do not know to which questions you refer.

Q. I am informed there were certain answers you were asked to prepare and table at a later date. If that is the case, are you prepared to table them now? If that is not the case, we will leave it.—A. The only question I can recall that was put to me and as to which I was asked to prepare some information was a question dealing with station CFRB for the week of March 2 to 8.

As I recall it, I mentioned a programme on CBL I think, or the trans-Canada network for that week and Dr. McCann asked me how that would compare with CFRB and asked me to get a schedule.

By Mr. Coldwell:

Q. Have you got the schedule there?—A. Yes, I was going to read it.

Q. I think you were also asked to give the revenue for the week?—A. Yes, I have that too. I will file this, sir, and I will read it, if I may. This is for

the same week, March 2 to 8; Canadian commercial programmes, 46 hours and 30 minutes or 36·59 per cent of the time; Canadian sustaining, 47 hours and 30 minutes or 37·38 per cent of the time; American commercial 11 hours and 40 minutes, or 9·18 per cent of the time; American sustaining, 21 hours and 25 minutes or 16·85 per cent of the time out of the total operating time of 127 hours and 5 minutes.

By Mr. Fleming:

Q. What station is that?—A. CFRB. As to the revenue I would point out that the week of March 2 to 8 is pretty well the peak revenue week. The revenue from local commercial was $6,398.03; from network commercial, $699.56; from spots, $4,427.82; from Columbia Broadcasting System for carrying their programmes, $1,587.50. I do not think that is a typical week. It is a top revenue week, I think.

Q. Were there any others?—A. I think I was only asked to bring that information for CFRB. I point out that last year the station filed a great deal of information as to its programmes and as to its revenues. I did not come down prepared to make a statement on it. I am merely now answering a question that was asked by Dr. McCann and Mr. Coldwell, I think.

By Mr. Robinson:

Q. I am in a little bit of doubt about one or two of your objections to the C.B.C. becoming increasingly interested in commercial business. On page 27 of your brief you say, "Suffice to say that C.B.C. is becoming increasingly commercial, increasingly and more aggressively competitive."—A. Yes.

Q. Then on page 175 of the proceedings of the committee, after mentioning the competition for commercial business in Toronto, you say:—

> I do not complain of that but I say the same corporation that does that should not be regulating stations which are in competition with it.

Do I understand that your lack of complaint against C.B.C. competition for commercial business is qualified by the latter statement as to the regulatory body?—A. What I mean is that if we were quite independent of the C.B.C. and if we had as wide privileges as they enjoy then I do not think we would have any right to complain about their competition, with this qualification, of course, that they always have an advantage over us. They are not a tax-paying body. They have a backlog of licence fees so that even if there was an independent regulatory body they would still have some advantage in the competitive field, but I think we would do our best to compete with them if they were not at the same time regulating us.

Q. You say, "I do not complain of that." Do you intend to qualify that statement by the latter part about the regulatory body?—A. Yes. I said I did not complain of it provided they were not at the same time regulating us.

Q. I want to be quite clear on your attitude.—A. That is right, yes.

By Mr. Hansell:

Q. I should like to revert to a matter we were discussing a little while ago. I should have brought it up before but Mr. Gauthier got in ahead of me. It follows along the line of Mr. Robinson's question a little while ago in respect to the published pamphlet form of your brief. I ask this question. Was this distributed for the purpose of informing the public as to the position of the independent radio stations in respect to Canadian radio policy?—A. Exactly, and if information results in influencing the public mind of course that is the function of information.

Q. You feel you have the right to do that, and also that the brief expresses that which the C.A.B. believes to be factual?—A. I am confident that it does, yes, sir.

Q. Do you believe the public have need to be informed about Canadian radio?—A. If we had not thought so we would not have spent $30,000 odd informing them.

Q. Do you know of any scientific surveys which have been made to determine the knowledge of the Canadian people about radio, not to inform them but to determine how much they really know?—A. Do you mean as to who controls radio and things of that kind?

Q. Yes.—A. I believe there have been surveys made from time to time. Mention was made here of a Gallup poll survey. I have tried to find the one of February, 1946, and have not been able to do so. I suppose it was scientifically made although I suggest if the committee is to hear about that they should hear about it as they heard about the Elliott-Haynes survey. The man who made it should be here. He should tell the sort of sample questions asked and so forth, precisely as was done by the Elliott-Haynes survey. Otherwise it would seem not to have comparable value. Apart from that and apart from the Elliott-Haynes survey I think there was a survey made by Canadian Facts, another surveying organization, but I have no information at my finger tips about it.

Q. I think it would be interesting to know the results of such a survey because as I go around I find that generally the public only know what comes out the end of the radio. They do not know very much about what goes on behind the scenes.—A. I think that is true, and the radio programmes, the advertisements and this pamphlet were designed to give them a little more complete information than they formerly had.

By the Vice-Chairman:

Q. I suppose it would help the C.A.B. a great deal if the C.B.C. would spend as much money as you have or even more in order to inform the Canadian public on Canadian radio?—A. They spend a considerable amount. I have not the figures. I think some figures were given to this committee. The C.B.C. does its fair share of advertising.

Mr. FLEMING: Perhaps that is a matter on which we could usefully ask the C.B.C. for information when Mr. Dunton comes back to give evidence.

By Mr. Hansell:

Q. I suppose the independent stations, apart from publishing pamphlets or literature or advertising, have at times attempted to give some information over the air?—A. We try to. We conceive it to be one of our functions.

Q. I cannot ask you if the C.B.C. has done the same but I fancy they have. —A. I fancy so, yes, sir.

By Mr. Coldwell:

Q. If we are going to have a complete picture of advertising and we get the C.B.C.'s expenditures for advertising would you be prepared to submit the advertising costs of all independent radio stations in Canada?—A. I must not say I would be prepared. I must again point out I am counsel presenting this brief. I have not that information, and I am not sure I could get it.

Q. We are just discussing the cost of advertising for one week.—A. I did not raise it. Somebody asked me what the campaign cost and I told you.

Q. We have got to have comparable figures.—A. It is not for one week; it is the only sum the C.A.B. has spent on advertising during the last ten years as far as I am aware.

The VICE-CHAIRMAN: Of course, there is a distinction to be made there. There is expenditure by the C.B.C. or C.A.B. on advertising programmes and expenditure advertising the regulations governing radio broadcasting, and so on.

The WITNESS: I think Mr. Coldwell is thinking of the advertising that the individual stations do themselves.

By Mr. Coldwell:

Q. That is what we discussed before when we were talking about the Toronto C.B.C. station and trying to make a comparison, which you cannot make?—A. No, I could not give you any figures. It is beyond the scope of the brief I came prepared to discuss.

The VICE-CHAIRMAN: The pamphlet which was published does not advertise any station in particular. It talks about the system of broadcasting in Canada. My question is would it help the C.A.B. people to publicize the radio system in Canada as to what are the regulations governing radio, and so on, if the C.B.C. would spend some money over the air in order to inform the Canadian people of Canadian radio regulations?

The WITNESS: Well, they do.

Mr. FLEMING: What the estimates euphemistically call educational and informational publicity.

The VICE-CHAIRMAN: Are we finished?

Some Hon. MEMBERS: Yes.

The WITNESS: Some question was raised as to my attitude to the committee. May I repeat what I said earlier, that I have been used on this occasion with uniform courtesy. I am grateful to you all and I thank you. I hope I have been able to give you some information.

The VICE-CHAIRMAN: On behalf of the committee I wish to thank you very much. Your brief, your comments and answers to questions have given us food for thought and a great deal of material for argument. Of course, at times I am afraid you have shown you are too good a lawyer to be a good witness.

The WITNESS: I do not know.

The VICE-CHAIRMAN: Thank you very much. The private broadcasters have our best wishes. Now, gentlemen, Mr. Browne—

Mr. FULTON: Before we go on I do not like to appear small in any way, but I think that your last comment on Mr. Sedgwick's capacity as a witness should receive some challenge before it is allowed to stand on the record and be taken at its face value.

The VICE-CHAIRMAN: As a matter of fact, I think Mr. Sedgwick understood that I was merely making a remark, as we often make them between lawyers. It is understood that a lawyer is usually in the position of questioning witnesses and not appearing as a witness. It was with that in mind I made the remark. It may be taken off the record if you wish.

Mr. FULTON: No, I only made my comment on your remark because these proceedings will be read by a good many who are not lawyers and may not appreciate the full significance of the comment.

Mr. FLEMING: The chairman has made it clear it was a facetious remark.

Mr. REID: Some time ago I asked for information regarding a private station in my own constituency.

The VICE-CHAIRMAN: From the C.B.C.?

Mr. REID: Yes. I was wondering how long it would be before I would get that.

Mr. DUNTON: We have it now.

The VICE-CHAIRMAN: I suppose Mr. Dunton will table that information when he is called again as a witness. Gentlemen, it is 25 minutes to 1. Do you wish to start with Mr. Browne now or adjourn and start with Mr. Browne at 4 o'clock?

Mr. FLEMING: Let us start fresh at 4 o'clock.

The committee adjourned at 12.35 p.m. to resume at 4 o'clock p.m.

AFTERNOON SESSION

The committee resumed at 4 p.m.

The VICE-CHAIRMAN: At the request of several members it was understood that Mr. Browne was to be here. He was called from the conference which is now taking place in Atlantic City to appear before us. He is now ready to answer whatever questions you may want to ask him.

Mr. COLDWELL: Has he a statement?

The VICE-CHAIRMAN: No. He was not instructed to prepare a statement. He was asked to come here and answer whatever questions we may want to ask.

G. C. W. Browne, Controller of Radio, Department of Transport, called.

Mr. COLDWELL: At noon to-day after the discussion this morning I had a chance to look up the recommendations of the committee last year. There is one which I think concerns Mr. Browne's minister and the department. I should like to ask him to what extent they have fulfilled the recommendation of the committee of last year. I will read the paragraph.

> In this connection—

that is the occupancy of a frequency—

> —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.

Then they refer to regulation 31-A(*d*), and this is the one to which I have particular reference.

> And also regulation 31-A(*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 C.B.C. and to the minister that they discharge the duties indicated in these quoted sections,

and so on.

I should like to ask Mr. Browne if regulation No. 31-A(*d*) has been carried out by the minister this year?

The WITNESS: The answer is "yes".

By Mr. Coldwell:

Q. And is the information obtained in a form that it could be laid before this committee in whole or in part?—A. We have had returns from the great majority of the stations on the forms which were drafted by the department and sent out for that purpose. I am not sure whether they have all been received yet and the information placed in such a form that it con be of use to indicate as a whole the general situation in regard to the enforcement of that regulation.

Q. Is there any part of it available that the committee could receive?—A. I have prepared a general summary. I have not the information in detail. I have prepared a general summary of the financial operations of the stations based on the reports which we have received from 77 of the stations. I have divided that information into several categories. I could make that information available to the committee if it is desired to have the return mimeographed or if you so desire we could just have it written into the records of the committee.

Q. Have you that document before you now?—A. I could read it out to the meeting, as you may direct.

By Mr. Ross (St. Paul's):

Q. Are these returns made on the forms which were handed to the committee?—A. It is a summary of the information contained in the forms.

Q. There were no other forms sent out but the ones the committee have now?—A. No, sir.

By Mr. Coldwell:

Q. Did you say 77 stations?—A. 77; we have returns from 77 stations.

Q. What about the others?—A. They are on the way. They satisfied us they were preparing the information and that it would be forthcoming in due course. Some of the stations did not complete their business year within the time we had prescribed, and therefore we had to grant them additional time.

Q. That is reasonable. Could we get that?

The VICE-CHAIRMAN: This is a report on the financial operations of broadcasting stations based on reports received from 77 stations for 1946. There is no station mentioned specifically. It is a calculation of the financial operations taken as a whole.

By Mr. Coldwell:

Q. How many copies have you?—A. I have three copies here.

Mr. COLDWELL: Could we have it put on the record? Perhaps we could ask some further questions on it after we have seen it.

By Mr. Ross (St. Paul's):

Q. What form is it that has to do with financial operations? We have not had any form given to us that was sent out for financial operations?—A. It is merely the return of the information which we received from the stations in detailed form. This is a summary of it.

By Mr. Bertrand:

Q. Would Mr. Browne have a copy of the questionnaire that was sent out to these stations?—A. I can distribute now copies of the forms and of the letters which were sent out to the stations for the purpose of compiling this return, if you so desire.

The VICE-CHAIRMAN: Is he committee interested in having copies of the letters to which the witness has referred put in the record?

Carried.

(See Appendix A)

Mr. BERTRAND: And the form of the questionnaire so we can follow that.

By Mr. Bertrand:

Q. Was there more than one questionnaire?—A. There are three different forms here.

By Mr. Ross (St. Paul's):

Q. In connection with that form to get these results you have here of financial operations were any questions asked as to the capital expenditures of private stations?—A. It is so long since the form was originally prepared by our accounting people—

Mr. SMITH: May I ask what the object is of having the financial operations of these various stations?

The VICE-CHAIRMAN: I understand it is not the financial operations of all these companies or one company. It is just an aggregation of financial operations of 77 broadcasting stations. Whether or not it should be filed has not been settled yet. We are only trying to find our way.

Mr. BERTRAND: I think it should be filed.

Mr. SMITH: I do not know whether it should. I have not seen it.

Mr. COLDWELL: I just looked at it. It does not mention the name of any station. It is graded according to the populations they serve and the power of the stations. I think it should either be read or put into the record.

The VICE-CHAIRMAN: Would you pass your copy to Mr. Smith?

Mr. COLDWELL: I passed it back.

The VICE-CHAIRMAN: Gentlemen, Mr. Browne tells me he has enough copies available of the forms and the questionnaire which were sent to the individual stations. They can be distributed to every member of the committee. Would you be interested in having them?

Mr. ROSS: (*St. Paul's*): Let us have them now.

The VICE-CHAIRMAN: Does the committee wish to have these forms which are now being distributed printed in the record?

Mr. COLDWELL: I think if this summary is printed that is all that is necessary.

The VICE-CHAIRMAN: I understand that questions will be asked on these forms. Maybe questions might be enough.

Mr. COLDWELL: The forms could be put in as well.

The VICE-CHAIRMAN: As an appendix.

Mr. SMITH: I wonder if we have settled yet whether we are going to expose the financial operations of these people to the public gaze. I do not care myself. All we did in the committee last year was to recommend that the department should do so and so. They have done it. That is all we have asked them to do.

By the Vice-Chairman:

Q. Maybe Mr. Browne can tell us in what manner this information was obtained? Was it obtained in a confidential manner?—A. The information was asked for in accordance with the letter which accompanies the form. It was sent by registered mail.

Q. Does it say anywhere on this form that whatever information they supply will be confidential?—A. I do not think it is so stated in the form.

Q. Is it your understanding that these stations would not have supplied the information as exactly as they have if they had known that later on it would be made public?—A. As a matter of fact, many of the stations did ask that the information contained in the forms should be kept confidential.

Mr. COLDWELL: As far as the station itself was concerned, but surely there would be not objection to putting on the record the figures that are here in the summary. No station is mentioned. I think we have a right to know what the private stations are doing in this respect. We know what the C.B.C. is doing.

The WITNESS: We accepted these returns from the stations in good faith. I do not know whether, without direction, I could undertake to furnish the information *in toto*.

The VICE-CHAIRMAN: As I see it I would be reluctant to ask the witness to table this information if many of the private stations made their reports with the understanding that the matter would be kept confidential. As it is now, of course, we cannot identify any station. Of course, if there are no objections to the tabling of this compilation—

Mr. SMITH: I have no objection to that. I just glanced at it. It shows the general picture of the private stations. I think that is all right.

The VICE-CHAIRMAN: There is no objection.

Mr. SMITH: We have two competing stations in the city of Ottawa. I do not know that the business of one should be exposed to the other. I think the attitude of the department is quite right. That should be treated as confidential information.

Mr. COLDWELL: I do not suggest we should have the stations particularized. I cannot see any objection to having this document put on the records of the committee.

Mr. SMITH: May I make it plain I am not objecting to that. I just glanced at it. I can see no objection.

The VICE-CHAIRMAN: To this particular report.

Mr. COLDWELL: I move it be put in the record.

Mr. Ross *(St. Paul's)*: The only thing is that without giving the capital expenditures made by the stations I do not think the statement you have there means anything. It can go on the record, but if we had the total amount of money for capital expenditures that would show the picture. I do not think that document shows the picture. It only shows the operating picture. We do not know how much money has been expended before.

The VICE-CHAIRMAN: I am inclined to agree with you. I do not think we will get much more information from this, but if the committee does not object let us put it on the record.

Mr. Ross: *(St. Paul's)*: I object to it unless we have the capital expenditure as well.

By Mr. Coldwell:

Q. Have you a note of the capital expenditures of these radio stations?—A. I believe in the large form which is the bottom one of the three in the group. Provision is made for a return on the capital investment. From that return perhaps we can amend this summary which we have prepared, if that would be agreeable.

The VICE-CHAIRMAN: Would that be agreeable to you?

Mr. Ross *(St. Paul's)*: If you have capital expenditures, yes, on the same basis. The reason I ask for that is that I know of several stations which in the early days of radio spent a lot of money. It is only because of the money which was spent in those early days that they have come up to the position

which they are in to-day. That position is shown now. I think you will find that the return on the capital investment for the investors has been small in comparison. I do not think that document shows it.

Mr. COLDWELL: Perhaps Mr. Browne could prepare a new form giving a summary of the data obtained under schedule 4, I think it is, included in this large sheet. We would get a picture.

Mr. Ross *(St. Paul's)*: I think that is right.

By the Vice-Chairman:

Q. Can you do that?—A. If you so ask; I am in the hands of the committee.

Q. You have the information available?—A. For the 77 stations which have so far responded to the request for the return.

Q. Will you have that to indicate the stations specifically?

Mr. COLDWELL: Take the 77 on the same basis. I am not asking for the individual ones.

The VICE-CHAIRMAN: The bulk amount of the capital expenditure of the 77 stations; is that it?

Mr. COLDWELL: Yes.

The VICE-CHAIRMAN: In the same form as this has been prepared. Is that agreeable to you, Mr. Ross?

Mr. Ross *(St. Paul's)*: That is all right.

The VICE-CHAIRMAN: In other words, we are going to have the same information as we now have on that sheet plus what you have just asked for.

Mr. COLDWELL: That is right.

The WITNESS: Broken down into the five categories?

Mr. COLDWELL: Yes. Then that can be filed together.

The VICE-CHAIRMAN: Let us not file this now; let us wait until we have the additional information.

By Mr. Fleming:

Q. May I ask a question about the breakdown into the five categories? How was that particular basis of classification chosen? Was there anything established about it? Had it been used before, or is it a new breakdown?—A. It is something we picked out of the air. It is really based on the population density which in turn has been taken from the regulations under part 1 of the radio regulations where we prescribe the fees.

Q. In other words, the amount of the fees is the basis of the classification? —A. Well, the area served and the population, not actually on the fee. The fee is determined from the population within the service radius and the power.

Mr. SMITH: Let us have it prepared. I worked it out. They make about $8,000 apiece. I do not think anybody is going to crow much about that.

The VICE-CHAIRMAN: Any other questions?

By Mr. Coldwell:

Q. When a licence is transferred from one licensee to another and the station passed to another ownership is any information obtained as to what amount is realized on the station that is sold?—A. In the first place may I say that the licences are not transferable. Under the regulations we cancel the old licence and we issue a new one to the new owners of the station.

Q. The end is the same really?—A. Answering the second part of your question we do not require that information but we do, of course, require complete returns on the structure of the new organization.

Q. So that you do not know what the physical value of the station and transmitter is in relation to the price that the new owner pays for that station? You cannot tell if there is an amount in that which can be regarded merely as good will?—A. We do not concern ourselves with that.

Mr. COLDWELL: The reason I asked the question was I heard of a station which was sold. I cannot vouch for these figures but the equipment in it was worth not more than about $25,000 and it was sold for $200,000. Apparently there is something in that second value which is not physical value but is in the nature of good will or something of that sort.

Mr. SMITH: And the value of the licence.

Mr. COLDWELL: The value of the licence. As a matter of fact, a man who buys a station has no right to receive anything but a licence because the air channel does not belong to him.

By Mr. Smith:

Q. I was going to ask Mr. Browne if he will at his convenience—I know he has not it now—bring in here the correspondence he has with respect to the new Ottawa station and the Moose Jaw station which was transferred?—A. I will be glad to do that. I understood that the correspondence had already been tabled in regard to the new Ottawa station.

Q. It may be my fault, but I have not seen it.

The VICE-CHAIRMAN: That was not the same correspondence as what you are asking for.

Mr. SMITH: I got an answer to the question with respect to it, and the answer was because they thought he was the best man to operate it. That is all I got. I wanted to go into the matter and find out what correspondence there is with respect to it. I have not seen it yet. I may be at fault. The other members will know.

The VICE-CHAIRMAN: Did anyone ask for the same correspondence for which Mr. Smith is now asking?

Mr. FULTON: All that happened was we spoke about that and I think the C.B.C. asked that we be satisfied with the final decision and the reason for that decision and we said "yes." That is what we have now.

Mr. SMITH: I never did that. Speak for yourself. I wanted the reasons in detail and the answer I got was they thought this was the best man. This is all that has been said. I should like to have a look into this best man business. This is not a wedding. It is a broadcasting licence.

Mr. COLDWELL: I was going to ask a question along the same line with regard to CHAB at Moose Jaw. I should like to know the circumstances under which that licence was cancelled for the one owner and issued to another owner. I should like to ask Mr. Browne if there is any policy in the department regarding the transferring of stations or issuing of licences to a station which has been transferred to a newspaper or to persons associated with newspapers?

The WITNESS: No, there is no such policy within the department as regards the transferring of licences to newspapers or to anybody. There is no discrimination to regard to newspapers. I cannot recall at the moment the circumstances of the transfer to which you are referring, but we can look up the correspondence.

By Mr. Smith:

Q. Is it not fair to say you accept the recommendation of the C.B.C.?—A. I would not say the recommendation of the C.B.C. is accepted. It is considered. The C.B.C. makes its recommendations to the minister and the minister rules on those recommendations.

Q. Do you know of any case where it was not accepted with respect to granting a licence or transferring a licence or cancellation?—A. I cannot recall any case where there was a direct rejection of a recommendation of the C.B.C., but there have been cases where recommendations have been referred back to the C.B.C. for further information.

Q. And the ultimate result?—A. I would not like to make a categorical statement on the ultimate result, but that is my recollection in general.

Q. That seems reasonable to me but can you remember any case after they were referred back and new information obtained where the C.B.C. recommendation was not followed? Can you remember one case?—A. I cannot recall one case at the moment but I would not like to make that absolute statement that such a case did not exist.

Q. Quite right. It is merely a matter of memory.

Mr. COLDWELL: Was there a definite recommendation in connection with CHAB?

Mr. SMITH: Is that Moose Jaw?

Mr. COLDWELL: Yes.

Mr. SMITH: I mentioned that.

The WITNESS: I cannot recall that without looking at the correspondence.

By Mr. Coldwell:

Q. You will let us know that?—A. I will look it up immediately.

By Mr. Fleming:

Q. May I ask a question about a different matter? The C.B.C. in reply to an earlier direction from the committee has tabled copies of correspondence between April 18, 1946, and April, 1947, dealing with the transfer of frequencies of stations CFCN, CKY and CFRB. In those three files of correspondence there are some copies of letters written by Mr. Browne. No doubt you have seen these mimeographed files and copies?—A. I must confess I have not read through them since they were actually written.

Q. What I want to ask is if they contain all the correspondence passing between your department and the C.B.C. in relation to these matters, and if not would you be kind enough to produce that correspondence?—A. I might say in general that as to any letter which was received from CFRB, CFCN or CKY and any letter which was written in reply to those stations copies were sent to the C.B.C.

Q. That is not quite my point. I think we have the letters exchanged with the stations in question, but I am asking you for correspondence exchanged between your department and the C.B.C.?—A. Concerning these letters?

Q. Yes.—A. I cannot recall that there was any, but I am sure if there were any relative to the matter it would have been included in this transcript of the letters.

Q. Then we may take it—probably Mr. Dunton can correct it if this is not right—that these folders of mimeographed copies of correspondence contain all the correspondence in relation to the frequencies held by these three stations exchanged after April 18, 1946, between Mr. Browne's department and the C.B.C.?—A. I feel quite confident of that. If there was any correspondence of that nature it was purely through oversight that it was omitted.

Q. As to those three frequencies we have had evidence in your absence to the effect there has been an extension of time allowed under the Havana Treaty for raising the power of those stations, that is, those on class 1-A wavelengths, to 50,000 watts. You are aware of that?—A. You mean in the modus vivendi which was signed in Washington last year?

Q. Yes, an extension of time?—A. That is right.

Q. Are you familiar yourself with the terms on which those frequencies have been assigned during the present fiscal year to those three stations?—A. I believe I am unless there be some particular point you have in mind which does not strike me.

Q. Perhaps I can help to point the matter up by saying this. As I recall the evidence given last year to the committee which you attended the instructions issued to those stations were to this effect, that they could not count on an extension of their licences on those frequencies beyond March 31, 1947. Is that correct?—A. I believe that is what was put in at the time.

Q. And then last fall under certain circumstances an extension of the time was proposed under this modus vivendi arrangement, and these stations were notified they might have an additional three months from April 1, 1947, to transfer to other frequencies?—A. I cannot recall that. I know that one station was...

Q. Perhaps I had better let you state the present arrangement with reference to those three frequencies?—A. The top letter in the folder...

Q. There are three of those; which one?—A. The letter of April 18th.

Q. I am sorry but there are three folders, one for each station.—A. I am sorry, in the folder headed CFRB—indicates the position to which I have referred in regard to CFRB.

Q. In other words, that present channel of 860 kilocycles will no longer be available to that station after June 1, 1947? Is that correct?—A. The station was so informed.

Q. Has there been any change in that position since?—A. I do not think there has, no.

Q. We are past the first of June now. What is the position to-day?—A. I was thinking it was June 30th. I was working on the date of June 30th. I have been under the impression the date was June the 30th in that letter. I see now it is June the 1st. The position at present is I believe that we have been discussing with the licensees of the station the possibilities of the use of one of the frequencies.

Q. Do you mean an alternative frequency?—A. An alternative frequency, one of the alternative frequencies. I believe it is 1010 kilocycles.

Q. You began by proposing that four be considered, 640, 800, 1010 and 1550, and they have been narrowed down by elimination of one kind or another to 1010. Is that right or is it 1010 and 1550?—A. 1010 is the channel which has been finally under discussion.

Q. There is no acceptance of that by CFRB?—A. No definite acceptance of it, but I believe they are considering it as a channel on which a brief might be prepared and submitted. They have made inquiries which have lead us to that conclusion.

Q. Does it come down to this, that certain others of these alternatives which you offered have been eliminated, and there is no agreement as yet, but 1010 is the one that it now remains for them to accept if you still intend to take over their present frequency of 860?—A. Not necessarily; there are still 1550 and 800 if they wish to discuss them with us.

Q. Beyond June the 1st there is no arrangement at all? They are holding the licence beyond a date which was fixed as the deadline last year?—A. They are continuing to operate. The licence expired on the 31st of March.

Q. But they are continuing to operate with the permission of your department?—A. Of course, all stations are automatically unlicensed as of midnight of the 31st of March, and all continue to operate until such time as we get out their licences.

Q. Will you discuss the position with the reference to the frequency of CFCN?—A. CFCN has submitted a brief.

Q. By the way, their frequency was 1010?—A. That is right.

Q. That is the one you are proposing CFRB should take?—A. It is one of those.

Q. It is the one you just spoke of?—A. It is the one which they have been discussing with us last. In so far as CFCN is concerned they have submitted what is, I believe, a satisfactory brief from an engineering standpoint for the new frequency.

Q. 1060?—A. 1060.

Q. What is the position with reference to their present licence? Is that not another one which expired on June 1?—A. That is true, but quite frequently we do not get the licences out to the stations for several weeks or months afterwards.

Q. As to CKY is the position there the same, that the licence expired on June 1st?—A. It expires on March 31, but I believe that negotiations are under way with regard to the future standing of those stations. I think perhaps Mr. Dunton would be prepased to give you some information on that.

Q. Was that licence not extended to June 1st, 1947, like the other two?—A. Yes, that licence was extended for a period of three months.

Q. All three of those frequencies are in the same position in that regard?—A. My information is all three were placed on the same basis. That is why I was under the impression that the notification for CFRB was for June 30, for filing a brief.

Q. Their present channel is 990 and you are proposing to transfer them to 1080?—A. That is CKY?

Q. Yes.—A. That is the proposal.

Q. You seem to have come to something of an impasse there, have you not?—A. I am afraid I am not in a position to discuss that matter owing to the negotiations under way at the present time.

The VICE-CHAIRMAN: I think Mr. Fleming should clarify what he means by "impasse."

By Mr. Fleming:

Q. Do I understand you to say there are negotiations pending between your department and the licensee of this station, and owing to the present plight of those negotiations you do not care to comment?—A. Not with our department. I understand that the province is discussing future plans relating to that station with the C.B.C.

Q. You have no knowledge of that in your department?—A. No, sir.

Q. In the meantime you are allowing CKY to continue on its present frequency beyond June 1, pending these negotiations between the licencee and the C.B.C.?—A. We have been expecting the matter would be cleared up any day.

Q. No, I mean... A. Yes, that is right.

Q. The answer is "yes" to the question?—A. Yes.

Q. Have you kept yourself informed or has the department kept itself informed of any steps taken by the C.B.C. in preparing to assume the frequencies hitherto occupied by these three stations?—A. We have been informed from time to time. I do not know that we have been kept informed officially in correspondence, but we do keep in touch; our engineers keep in touch with the engineers of the C.B.C. and, I think, are pretty well posted on the progress of the construction of the new stations, if that is what you mean.

Q. Why is your department concerned about that?—A. Because of the technical control of broadcasting in Canada.

Q. I do not want to ask you to give evidence which Mr. Dunton may be preparing to give and of which he may have more direct knowledge or Dr. Frigon,

but do you care to make any comment on how soon operations were commenced in preparation for taking over these frequencies by the C.B.C.?—A. I have no information in that regard, but I do know C.B.C. officials have called me from time to time and expressed concern over the delay in getting the briefs filed for the change-over to the new frequencies by the stations. That is why we have kept them fully informed by providing them with copies of the correspondence.

Q. When you speak of the brief, you mean the technical brief?—A. Yes, the technical brief.

Q. Is it fair to say then that the C.B.C. has been pushing forward as fast it can that preparation to take over these wave lengths?—A. I would assume so.

Q. They have not been allowing any grass to grow under their feet in their preparation to take over these three frequencies?—A. Well, I cannot say definitely other than what has been indicated in conversation.

Q. But your impression is they are following it pretty aggressively?—A. I would say so, yes.

By Mr. Coldwell:

Q. Is not that what we expect them to do?—A. We expect them to because of the necessity for the fulfilment of the conditions in the provisions of the NARBA treaty.

By Mr. Fleming:

Q. Are you referring to the *modus vivendi* again?—A. Yes.

Q. Under which the time has been extended?—A. But time flies.

By the Vice-Chairman:

Q. He is also referring to the treaty?—A. When I say the treaty, I include the *modus vivendi.*

By Mr. Fleming:

Q. By what period has the time been extended during which these 1-A channels must be built up to 50,000 watts?—A. I would say by approximately two years; that is my impression.

Q. Will you give us the date under the *modus vivendi* by which these channels must be occupied by a station of 50,000 watt strength?

THE VICE-CHAIRMAN: Has not that question already been answered by Mr. Frigon?

Mr. FLEMING: I do not recall.

THE VICE-CHAIRMAN: You have heard the question which has been put by Mr. Fleming?

Dr. FRIGON: Yes. As I said before—

THE VICE-CHAIRMAN: Did you not answer that question in your brief?

Dr. FRIGON: Yes, it is in the brief or in some answers I gave to the questions. The position is relatively clear as to what will happen.

Mr. FLEMING: I want the date by which these channels must be occupied by stations of a strength of 50,000 watts.

Dr. FRIGON: As I said, in the Havana agreement there are certain specified powers to be used for each channel. Now, the allocation of a frequency to each station is made by the nations when they meet. Under the present agreement which will probably be changed, replaced or amended as of the 1st of April, 1949—the nations will meet before that and when they meet again we must be in a position to dictate exactly what is going to be done with those frequencies. If we are not in a position to do so, then they may decide in drafting the new

agreement, to make a new allocation of frequencies or new qualifications. As I said before, it was therefore important that Canada should prove to the nations when they meet again—it was supposed to be next September but now we hear it has been postponed until January and it may be postponed even later, but when we meet again we must be in a position to tell them exactly what we will do with these frequencies. Otherwise, there may be an attempt to reclassify them or degrade them.

Mr. FLEMING: "We" must be in a position. You mean Canada?

Dr. FRIGON: Canada.

Mr. FLEMING: Not the C.B.C.

Dr. FRIGON: No, Canada.

The WITNESS: Under the terms of the treaty each country is required to notify the international office in Havana when it proposes to use certain frequencies. We have so notified the Havana office of the intention to occupy these frequencies with the power belonging to each one and we are required, under the treaty, to fulfil the terms of the notification within eighteen months. It is over a year since we have notified the Havana office of our intention. I do not like having to go to the international office later on and say, "Sorry, we have not been able to fulfil the terms of the notification which we sent you." It looks better if a country is able to live up to its obligations as notified.

By Mr. Coldwell:

Q. It is over a year ago you say? How much over a year?—A. We have complied with the internal regulations made under the treaty—

Q. How much over a year?—A. At the time that the decision was taken by the board of governors and a recommandation was made to the minister.

Q. That would be April, would it?—A. About April of last year, yes.

Q. So, we really should occupy those channels with that power by October of this year?—A. If we are to fulfil the requirements of the regulations under which we notified the Havana office.

Q. There is no question about fulfilment is there? The committee last year was rather explicit in supporting the recommendation of the governors. I happen to have it before me at the present time. We said, "We consequently approve the application of the board of governors for permission to occupy all class 1-A wave lengths 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." That is a quotation from page 715 of the Journal of 1946. Therefore, we are pretty well obligated to the fulfilment of the promise which has been made.

Mr. FLEMING: If the recommendation of this committee obligates the C.B.C. I did not construe the recommendation of a committee as equivalent to a pronouncement by parliament.

Mr. COLDWELL: I agree, but it has been unfortunate that the report of the committee has not been moved for concurrence. Always the C.B.C. has gone as far as possible in carrying out the recommendations of the committee.

Mr. FLEMING: I think Mr. Dunton told me last year the C.B.C. has sought to carry out the recommendations of the committee.

Mr. COLDWELL: Even though they were not adopted by parliament.

The VICE-CHAIRMAN: May I remind you, gentlemen, that we should limit ourselves to questioning the witness. Are there any more questions?

By Mr. Hansell:

Q. Mr. Chairman, there was a reference to a matter some few sittings ago in respect to any negotiations which had been carried on between the Department of Transport and the United States relative to frequency modulation and Dr. Frigon gave us the information that an agreement had been arrived at. Is that in the form of a treaty?—A. No, Mr. Hansell, there is no treaty. There will be no treaty. The engineers of our respective administrations got together and said, "Let us come to some arrangement whereby we can keep out of each other's way at border points." FM broadcasting is not like standard broadcasting in that its range is very limited and it is a simple matter to come to some arrangement whereby we can avoid hitting each other in the FM band In fact, all the channels in the FM band can be used in Canada. They can be duplicated at distances of 100 miles or so apart, approximately.

Q. When you talk of an agreement, do you meand a verbal agreement?—A. No, we shall come to an arrangement I should put it perhaps, consumated by an exchange of notes. There will be some form of arrangement on paper where we say we will not use channel No. so and so at Windsor, if you are going to use it at Detroit and we will not use such and such a channel at some other point which happens to be on the border.

Q. Are those negotiations completed?—A. No, they have not been completed. We have discussed the matter informally between our engineers and their engineers.

Q. Have you discussed it with the C.B.C. in any way?—A. Yes, there has been a discussion with the C.B.C.

Q. Have any of the independent stations or representatives of them been in any of those discussions?—A. I can say that they have, sir. I have been present at discussions which were participated in by the C.A.B. engineer and the C.B.C.

Q. They are being kept informed then as to it?—A. I would say that they have been consulted. I think the initiative in that case was taken by the C.B.C. and we were consulted at the same time. I think it was when the C.B.C. policy in regard to the recommendation as to FM broadcasting licences was being considered, the over-all policy.

Q. I am particularly interested though in the independent stations which are close to the border. We have some in Alberta and there must be others. Have those stations or any representatives of those stations been kept informed?—A. I do not know that there has been any discussion with any of the stations near the border on FM alone.

Q. Or any representative of them?—A. I cannot say that there has, no sir, but provision will be made to take care of the requirements of these stations situated at points near the border where interference might occur.

By the Vice-Chairman:

Q. Was the C.A.B. engineer there to protect the interests of the border stations about which Mr. Hansell has talked, since they were the only ones involved?—A. I should think he was there to protect the interests of all his stations. He made representations on behalf of the private stations generally without reference to any specific area, if I may put it that way.

By Mr. Fleming:

Q. Mr. Brown, you are familiar with the policy of the C.B.C. with reference to television and facsimile?—A. I belive I am in a general way, sir.

Q. To what extent has that policy been a matter of discussion with you and your department?—A. Of course, we have received a few applications from time to time for television licences and they were referred to the C.B.C. in a

routine way for a recommendation. The policy of the C.B.C I believe, as you may know, has been to defer the matter until such time as the position of television, which is really at present in the experimental stage, has further crystalized. I had the privilege of accompanying the C.B.C board to review the various developments in television recently. We have discussed the matter in that way. I do not think there has been any general exchange of correspondence concerning it.

Q. You say you accompanied the C.B.C. board. What did you do?—A. I think the Honourable Mr. McCann mentioned this morning...

Q. He mentioned he had been down to certain American cities; was that to what you were referring?—A. That is what I referred to. We did discuss it at that time. I had an opportunity of viewing the state of the art at the present time and at the same time as the board did.

Q. That is to say, an investigation was conducted in certain American cities by the board and the minister and officials of the department looking into the matter?—A. That is right.

Hon. Mr. McCann: In January of this year.

By Mr. Fleming:

Q. In January of this year. It is correct, I take it, to say that hitherto the department has simply given effect to the recommendation to the C.B.C. board of governors in the light of its policy of wait and see and not issuing any licences in the meantime?—A. That is right, yes.

By Mr. Ross (St. Paul's):

Q. Were any C.A.B. representatives on that trip?—A. I do not think so, Mr. Ross.

Q. They were not invited?—A. I was invited myself, sir.

By Mr. Fleming:

Q. Has the department undertaken on its own behalf independent of the C.B.C. any investigation into television and facsimile to arrive at an independent conclusion as to policy?—A. Yes, we are completely documented on the development of the art to date and our engineers are following very closely its development.

Q. Now, what is the advice you have received as the result of that investigation which you have indicated is independent of the C.B.C.?—A. I would not say we have formed any detailed conclusions but I find myself in agreement with the policy so far adopted by the C.B.C. of waiting until the industry has become more stable and a greater degree of standardization effected.

Q. In that conclusion, you reflect the policy of the department or the policy of the department is reflected in your conclusion; the one or the other?—A. From the strictly departmental standpoint, I should like to leave this thought with you. There are three different wave bands being considered and, in fact, some of them are being used at the moment for television purposes. We are not at all certain whether any or, in fact, all of those wave bands will be in use for television two or three years from now because the whole matter is to be threshed out at the world conference which is at present going on in Atlantic City, I think this is one case where it is wise to make haste slowly. Colour television was mentionad this morning. It might be that we are close to colour television and it might not. There is a different technique for the reception of colour television from that for black and white. Some people who buy one type of receiver might find later on they are sorry they did not wait a year or two and buy the other; that is another feature of it. I think we should go easy before we start the development of television in Canada. We should wait until we see the art more or less stabilized.

Q. I take it your conclusion goes further than that, Mr. Browne, does it not? You say, "We should go easy." I take it you go further and say you think that private stations should be compelled to go easy too, in the meantime. They should not be given licences to go ahead and undertake such experimental work or development work as they might otherwise choose?—A. I would say that my remarks would apply both to the private stations and the C.B.C.

Q. Your conclusion goes this far, that you are not prepared to leave it to the private stations to make their own choice in the matter. You are not prepared to give them a freedom of choice. You are withholding the issuance of any licence to a private station for this purpose?—A. I am thinking more of the listener who makes an investment. Even if you were to grant an experimental licence for television to anybody, to either the C.B.C. or a private station, it will immediately encourage the purchase of receivers by the general public. Perhaps in a year or two those receivers will become obsolete. Then, the general public will blame the licensing authorities for having prematurely licensed television service even though it be on an experimental basis.

Q. I take it that is the reason you are not permitting private stations to be licensed for the purpose of developing television?—A. I believe that is one of the reasons why the C.B.C. are not prepared to recommend the granting of any licenses for television at the moment.

Q. That is the C.B.C., but I am asking you about your conclusions reflected in the policy of your department and acting with regard to C.B.C. recommendations?—A. That is substantially correct; those are my impressions.

Q. Is the position exactly the same with regard to facsimile as with regard to television, as to the view taken by your department and the policy followed? —A. I believe we have adopted the recommendation of the C.B.C. in that regard. We have had very, very few applications for facsimile. In fact, I have not seen one for a long time.

Q. When was the last?—A. Some people applied in this sense; whenever television is ready and whenever facsimile is ready, I am in the field for a licence. That is the type of application we have had from several sources.

Q. In other words, they want to get their name on the list from the standpoint of a priority?

By Hon. Mr. McCann:

Q. In making an application for a licence for facsimile or television, did any of the applicants indicate that they were prepared to spend any amount of money on development of it and how much?—A. No, sir. We have had no concrete submission of any kind which would indicate the amount an applicant would be prepared to spend. There have been no concrete programs of research submitted which could be considered as contributory to the development of the art in Canada.

By the Vice-Chairman:

Q. Has anybody pressed your department for the issuance of a television licence?—A. When you say, "pressed", do you mean addressed us in strong terms?

Q. Yes, saying something to this effect; "We have been asking you for a television livence for three weeks and have not heard from you. Now, we want one within a week."

Mr. FLEMING: Do you think anybody talks to the C.B.C. that way, Mr. Chairman, other than the House of Commons?

The WITNESS: I do not think we have had any application couched in such strong terms, Mr. Chairman.

By the Vice-Chairman:

Q. Perhaps the terms I have used, as Mr. Fleming says, are a little bit strong, but you know what I mean. Did you have any station coming to you and asking you to issue a licence for television indicating that it would be ready to take any steps which are needed in order to start operating?—A. I do not recall any such communication.

By Mr. Fleming:

Q. May I just revert to the answer you gave me a moment ago, Mr. Brown. I take it then you have not had a really firm application for facsimile for some considerable time. Would you care to indicate the period? When I say a "firm application", I do not mean one of those general feelers; I mean a serious application?—A. If you will give me a moment to look up some notes, I think I can answer that.

Q. While your assistant is looking it up perhaps I can go on with another question and come back to that. You have been receiving applications for television licences more recently have you not?—A. We will also have that looked up, Mr. Fleming.

Hon. Mr. McCann: Mr. Chairman, if I might just say a word with reference to the matter under discussion. I think it is only fair to indicate to the committee that the C.B.C has taken up the matter of spending some money on television and facsimile. I saw all the information. After a conference with the C.B.C. officials, I found that could only be done by some special grant or subsidy from the government. In view of the situation, as it has been developed in the United States and in other parts of the world and in view of the enormous cost, we did not think we were prepared to make a submission to the government or to parliament for that huge amount of money to be expended in the experimental work which was being done. So, it has been the policy of the C.B.C., endorsed by the government, that money was not going to be spent on that experimental work at the present time.

The C.B.C. is in exactly the same position as the Department of Transport which administers the Radio Act. One of our difficulties has been more or less to discourage some people who want to spend or who might be prepared to spend some money on it when the amount of money they would have available would not touch it. I might say that is one of the difficulties the Canadian Broadcasting Corporation meets from time to time, giving advice to applicants for radio licences that they are ill advised to have a licence and that the field in which they want to go would not give them a sufficient revenue. For instance, where a field is already covered and the applicant is dependent upon advertising for revenue, you are doing an injustice to some person who wants to go into that business to say, "Yes, you can have a licence". The applicant is not going to make a dollar out of it for a long, long time. I think it is only fair to state that. That has been the policy which the C.B.C. has followed for years, to discourage a lot of people from just getting a licence and finding they have to make an investment of $30,000, $40,000 or $50,000, when the field of advertising is not there or the community which they seek to serve is already covered and being served.

Mr. Fleming: May I ask when the decision was reached not to make any recommendation to the government.

Hon. Mr. McCann: The matter has been talked of, to my knowledge, over the past five or six years. Frequently, I have talked it over with Dr. Frigon, with Mr. Dunton and with former officials. If you will read the reports of the radio committees spread over the last five or six years, you will see almost every year the matter of television has come up. There was that question of

whether or not the C.B.C. or the committee should recommend that the money be spent on this. When the matter was looked into and we saw the enormous amount of money that was being spent by the C.B.S., DuPont and these other people, and the fact that it has only reached a stage not much past the experimental stage—it is all right for the C.A.B. to say these things are in daily use. I looked into the matter and a good receiving set for television costs $2,000. Some are priced as low as $400. You have to have a big area. The area over which television can be broadcast is so circumscribed, you have to have a large number of people in that area. People just will not go into that work unless there is some prospect of getting commercial work. Firms who are going to advertise by television will not spend their money unless the bulk, not the bulk, but a sufficient number of people can be reached. Then, it will be to the advantage of the commercial organization and it will have a chance of getting its money back.

The hope is that some day it may be sufficiently developed that a receiving set for television will be within the purchasing power of the ordinary individual. This will probably be limited to $75 or $100. That is what I am told by the C.B.S. and other people in New York. Is that not substantially correct, Mr. Brown?

The WITNESS: That is right.

The VICE-CHAIRMAN: What about receiving sets for television, are they available?

Hon. Mr. MCCANN: The minimum price for one was $400 and the one we were shown was $2,000. They are in the luxury class.

The WITNESS: In so far as the Canadian market is concerned, I imagine there are very few television receivers available at the moment because nobody will buy a television receiver since there are no stations on which they could be used except, perhaps, at border points. Even then, I do not think there is any production here of television receivers.

There is also another matter, as the Honourable Minister has stated, the price of a television receiver is very, very much higher than that of an ordinary broadcast receiver. I recall, in the formative stage of standard broadcasting back in the early 1920's, equipment was developing very rapidly. It had to be scrapped within a few years but even then, one could buy a crystal receiver for about $5. The investment was not very great.

By Mr. Fleming:

Q. Have you found the answers to those questions now?—A. With regard to applications for facsimile licences, the last one we received was in March, 1946. Now, as to television, the last one I can find here on our records was also in March, 1946, but they were not from the same source.

Q. They both happened to come in the same month?—A. In the same month, yes.

Q. Both were refused?—A. Yes, that is right.

By Mr. Hansell:

Q. Mr. Browne, could you outline to the committee—

The WITNESS: I should say they were deferred, sir. They were refused at the moment pending the formulation of a general policy in regard to licensing.

By Mr. Fleming:

Q. Just what form did the treatment accorded to those applications take? It is some form letter you are writing in these cases?—A. They were referred, in accordance with the statutory provisions, to the C.B.C. for recommendation.

By Hon. Mr. McCann:

Q. They are still considered as applications?—A. They are on file.

By Mr. Fleming:

Q. What I am getting at is this; you are treating these applicants in the same way. You are telling them their application is not being granted at present, but is deferred and on file; is that it?—A. When the board's recommendation is passed to us by the minister, then we advise the applicant what decision was taken. I take it we will treat these in the same way in the future as we will do in the case of the FM applications. When the policy in regard to FM is finally formulated, in regard to applications, other than from existing stations, if such a policy should be determined later, those applicants who have filed applications will be notified of the later decision in due course.

Q. Has your notification to the applicant, after consulting the C.B.C., in all these cases, taken the same form? Is there a form letter you are writing?—A. It takes the same form, but I would not say there is any mimeographed letter which is merely filled in with the address.

Q. Could you put on the record, if you have not got it now, a copy of your last such letter written? I would not suggest you give the name of the person to whom it was written, but just give the body of the letter?—A. I believe we could do that.

By the Vice-Chairman:

Q. Do you have one with you now?—A. I do not think so.

By Mr. Ross (St. Paul's):

Q. I should like to ask Mr. Browne one question along this line in connection with facsimile and FM and television. Do you have two classes of licence or only one? Do you have an experimental licence, for instance, and do you have a commercial licence?—A. We have not yet established any special form of licence for any of these three classes of station.

Q. Would you not think it would be a good idea to give an experimental licence to some of these people if they want to experiment? What would the harm be?—A. As I stated, I think that the harm would be that the people might go and buy these receivers from whatever source they could obtain them for the purpose of listening to these experimental stations which they would know were on the air. Then perhaps, as I say, they might have to discard or scrap those receivers later in the light of future developments.

Q. I do not imagine in experimental television, for instance, you would have a big show put on. It would be done on a very modest scale experimentally. Might it not be a good idea for the whole industry to do it?—A. Well, the granting of an experimental licence necessitates the allocation of a channel and it might very well be that the channel might be allocated within an appropriate band at that moment. Perhaps within a year or two it might have to be shifted to another band which would render the receiver useless because the technique of the design of the receiver would be different. In all likelihood you could not convert those receivers to the new band.

Q. You take a place like Ontario, you would not be able to buy many of those receivers because you have 25 cycle power in Ontario. You would have to have special receivers made, would you not?—A. Well, I should imagine it would be possible to design and operate a receiver for 25 cycle power regardless of the other part of the receiver which involves only the radio frequency design.

By Mr. Hansell:

Q. Might I proceed with my one question, Mr. Chairman? It is a little difficult for me to determine where the responsibility of the C.B.C. ends and the responsibility of the Department of Transport begins in respect to the granting of radio licences or vice versa. Would you outline for us the process through which an application goes when a person applies for a broadcasting licence? Here is a person who wants to apply for a licence. What happens from then on?—A. The applicant is provided with the standard form on which the application shall be made.

Q. Now, just a moment. Something must happen before that. The applicant must write to somebody or interview somebody?—A. Well, ordinarily the applicant writes to the department. Sometimes the applications are directed to the C.B.C., in which case the C.B.C. passes the application on to the Department of Transport.

Q. All right.—A. The applicant is also provided with the specifications which the equipment must meet. He is also required to submit a technical brief which will demonstrate that it is possible to install, establish and operate a station within the terms of the N.A.R.B.A. treaty on the frequency which he proposes and with the power which he desires to employ. That application, if and when in order in so far as the departmental technical officers can determine, is then passed to the technical committee which is composed of officers and engineers of the department and of the C.B.C. for examination and for the preparation of factual data in relation to the application which will be helpful to the Board of Governors in the examination of that application. The statute requires that the application to be submitted to the C.B.C. for a recommendation, but we find it convenient to place the whole thing before the technical committee so that they may see that all the facts required are there.

Q. Then the Board of Governors act and recommend or otherwise?—A. They deal with the application.

Q. They make their recommendations to the department?—A. To the department, yes.

Q. Whether or not the licence should be granted?—A. That is right.

Q. I suppose they have on occasions recommended adversely?—A. Quite so.

Q. And, of course, on occasions favourably?—A. That is right.

Q. Has there ever been any licence granted where they have refused to recommend, or has any been refused where they have recommended?—A. I cannot recall any such cases.

Q. So as far as you know when they recommend you grant it and if they say "no, we do not recommend" then you do not grant it?—A. I think my answer would be the same in that case as the answer I made earlier to Mr. Smith. Your question is substantially the same, is it?

Q. I was at another committee at the first part of the meeting.

The VICE-CHAIRMAN: Are we through, gentlemen? We have the Elliott-Haynes report and the Gallup poll report which are to be filed together. That is according to a motion which was adopted on June 5. The first document is "The Canadian public vote on private radio vs. government radio" and was tabled by the C.B.A. The second document is a Canadian Institute of Public Opinion News Service Release which it was decided to print in the record together with the C.A.B. document.

Mr. ROSS (*St. Paul's*): What does the Gallup poll mean?

The VICE CHAIRMAN: I think everybody knows the Gallup poll is an institution operated by a man by the name of Gallup which samples public opinion.

Mr. Ross (*St. Paul's*): I understand that, but before that is filed I should like to suggest that it would not have any meaning unless we had more explanation of it just the same as we had from Elliott-Haynes.

The VICE-CHAIRMAN: I think all this discussion which is taking place should have taken place before the vote was taken on June 5.

Mr. HANSELL: I believe I made that motion.

The VICE-CHAIRMAN: That is right; you made the motion.

Mr. HANSELL: I meant the effect of it to be that when Mr. Dunton presented his brief he would present the Gallup poll report and the two of them could be filed together. I am not objecting at all but I rather fancied that when Mr. Dunton presented it he probably would have some statement to make.

Mr. FLEMING: I think if this is to be produced by the C.B.C. we had better leave it until Mr. Dunton or Dr. Frigon comes back. It will not be very long. They can produce it and give any explanations the members may ask for.

The VICE-CHAIRMAN: Some answers to questions put by members of the committee have been filed by the C.B.C. and are now ready.

Mr. FLEMING: Some additional ones?

The VICE-CHAIRMAN: Yes. There are answers to questions which were asked by Mr. Coldwell, Mr. Hansell, Mr. Diefenbaker, and Mr. Smith. They are now ready. Mimeographed copies of those answers are ready for distribution.

Mr. HANSELL: I suppose they will be included in the record?

The VICE-CHAIRMAN: That is right.

Mr. FLEMING: I take it they will not be included in the record until the witnesses from the C.B.C. give their evidence. That has been the rule followed up to the present time. They are circulated in advance for the information of members but they go on the record when the witness concerned deals with them before the committee.

The VICE-CHAIRMAN: Just as you wish.

Mr. FLEMING: There is no point in putting them on the record now. The witness has not produced them.

Mr. HANSELL: I think that is the best way.

The VICE-CHAIRMAN: All right. Our next meeting will take place on Wednesday, the 18th of June, from 4 to 6. We are to hear Mr. Marcel Provost, representing Radio World and Radio Monde.

—The committee adjourned at 5.35 p.m. to meet again on Wednesday, June 18, 1947, at 4 o'clock p.m.

Appendix A.

CANADA

DEPARTMENT OF TRANSPORT

OTTAWA

(Radio Division)

Registered

13th February, 1947

GENTLEMEN (SIR)—I would direct your attention to my letter of the 16th ultimo, requesting the return of certain information with respect to the financial operations of your Private Commerical Broadcasting Station and the organization of the Licensee Company. It has been brought to my attention that certain stations may not be in a position to supply all of the detailed information required, at comparatively short notice. I wish to advise you, therefore, that for this year the returns will be accepted with some of the detailed information incomplete, where stations are not in a position to supply it immediately. This is on the understanding that stations will make the greatest possible effort to supply the fullest information as required.

In connection with schedules 2 and 4, where stations are unable to give all the breakdowns for their figures as requested, they should give the fullest possible information and breakdowns available. To this end the stations may send in their own 1946 financial statements. If the 1946 statements are not available, copies of those for the last fiscal year available should be submitted with the return, pending submission of up-to-date statements.

In connection with schedules 5, 6, 9, 10 and 11, stations should give fullest possible information which can be obtained and should note, with reasons, any omissions of names or details which cannot be reported at this time. To assist stations in supplying the fullest possible information, the date for the final receipt of terms has been advanced to March 1, 1947.

It should be noted that requirements for submission of full details are relaxed as above for this year only.

Yours faithfully,

C. P. EDWARDS,
Deputy Minister.

CANADA

16th January, 1947

DEPARTMENT OF TRANSPORT
OTTAWA

GENTLEMEN (SIR)—I am directed to inform you that, pursuant to the provisions of Regulations 31A (d) of Part II of the Radio Regulations, you are required to provide this Department, before February 15th, 1947, with a return in triplicate including the following Schedules, and Statutory Declaration with respect to your Private Commercial Broadcasting Station:

(1) Particulars of Ownership and Incorporation.
(2) Operating Revenue, Operating Expenses, and Income Account for fiscal year ended December 31, 1946. *
(3) Profit and Loss Account as at December 31, 1946. *
(4) Balance Sheet as at December 31, 1946. *
(5) Names, occupations, and addresses of Shareholders as at December 31, 1946.
(6) Changes in Ownership or Transfers of Stock during year 1946.
(7) Names and addresses of Directors as at December 31, 1946.
(8) Names and addresses of Principal Officers as at December 31, 1946.
(9) Debentures issued and names of Holders as at December 31, 1946.
(10) Stock or Debentures of other Companies held as at December 31, 1946.
(11) Stock or Debentures held by Shareholders of this Company as at December 31, 1946, in any other Company operating a Broadcasting Station, Newspaper Publishing, or Advertising Business.
(12) Particulars of any change in Letters Patent covering Incorporation of the Company during the year ended December 31, 1946.

If Owner and Licensee is other than a Corporation, the first item in Schedule No. 1 and Schedules 2, 3, 4, 6, and 10 only are required to be completed.

Yours faithfully,

C. P. EDWARDS,
Deputy Minister.

* If fiscal year ends other than at December 31, Schedules may be submitted for the last fiscal year ended before that date. Similar statements for the current fiscal year should be furnished as soon as available but not later than 60 days after the end of the fiscal year.

PRIVATE COMMERCIAL BROADCASTING STATION ORGANIZATION AND FINANCIAL REPORT

Fiscal Year ended.....
(last fiscal year ended before Jan. 1, 1947)

RADIO STATION.....
(Identification Letters and Location)

SCHEDULE (1)

PARTICULARS OF OWNERSHIP AND INCORPORATION

Owner and Licensee.....
(Full name of Individual, Partnership, or Corporation)

Date of Incorporation.....

Charter issued by.....
(If not a Federal Charter, state Province)

Head Office of Corporation.....

Number of each class of Shares authorized, and par value.....

Number of each class of Shares issued, and par value.....

Date of last Shareholders' Meeting.....

SCHEDULE (2)

OPERATING REVENUE, OPERATING EXPENSES AND INCOME ACCOUNT

For Fiscal Year ended.....

OPERATING REVENUE—		
Gross Revenue from Broadcasting Operations		
less Agency Commissions	— — — — — —	
Other Revenue	— — — — — —	— — — — — —
OPERATING EXPENSES—		
General and Administrative Expenses	— — — — — —	
Artists' Fees	— — — — — —	
Performing Rights	— — — — — —	
Broadcasting Wire Lines	— — — — — —	
Studio Expenses	— — — — — —	
Other Programme Expenses	— — — — — —	
Technical and Engineering Staff	— — — — — —	
Publicity	— — — — — —	
Entertainment	— — — — — —	
Travelling Expenses	— — — — — —	
Rental	— — — — — —	
Retirements—Property and Equipment	— — — — — —	
Depreciation on Property	— — — — — —	
Depreciation on Equipment	— — — — — —	
Taxes (except Income Taxes) Licences, etc	— — — — — —	
Other Expenses	— — — — — —	— — — — — —
OTHER INCOME CREDITS	— — — — — —	
OTHER INCOME DEBITS	— — — — — —	— — — — — —
Net Income Surplus or Deficit		

SCHEDULE (3)

PROFIT AND LOSS ACCOUNT
as at December 31, 1946

Profit or Loss to end of previous fiscal year	— — — — — —	
Net Income Surplus or Deficit—Current Year	— — — — — —	
Income Taxes	— — — — — —	
Distribution (if any) of Surplus	— — — — — —	
Other Additions—(Specify)	— — — — — —	
Other Deductions—(Specify)	— — — — — —	— — — — — —
Surplus or Deficit as at December 31, 1946		

SCHEDULE (4)

RADIO STATION.....
(Identification Letters and Location)

OWNER AND LICENSEE.....
(Name of individual, partnership, or full corporate name)

BALANCE SHEET AS AT.....
(Last fiscal year ended before Jan. 1, 1946)

ASSETS

INVESTMENT—		
Land	———	
Buildings	———	
Studio Equipment (including musical instruments, record libraries, etc.)	———	
Technical Equipment, Studio	———	
Technical Equipment, Transmitting (including radiating system)	———	
Technical Equipment (other than above)	———	
Furniture, Fixtures and Office Equipment	———	
Motorized Vehicles and Equipment (including mobile radio equipment)	———	
Other Equipment	———	
Other Investments	———	———
CURRENT ASSETS—		
Cash	———	
Accounts Receivable	———	
Material and Supplies	———	
Depreciation Reserve Fund	———	
All Other Current Assets	———	———
OTHER ASSETS—		
Prepayments (Insurance Premiums, etc.)	———	
Discount on Capital Stock	———	
Other Deferred Charges	———	———
Total Assets		$

LIABILITIES

CAPITAL STOCK—		
Common Stock issued–Par Value } describe	———	
Preferred Stock " –" " }	———	
Premium on Capital Stock	———	———
LONG TERM DEBT—		
Bonds—(describe)	———	
Other Funded Debt—(describe)	———	
CURRENT LIABILITIES—		
Notes Payable	———	
Accounts Payable	———	
Loans from Shareholders	———	
Secured Loans	———	
All other Current Liabilities	———	———
ACCRUED LIABILITIES—		
Taxes Accrued	———	
Unmatured interest, dividends, rents, etc	———	———
DEPRECIATION AND OTHER RESERVES—		
Accrued Depreciation—Property	———	
Accrued Depreciation—Equipment	———	
Amortization Reserve	———	
Other Reserves	———	———
Profit and Loss Balance		———
Total Liabilities		$

Certified Correct

Owner, Partner, President, Vice-President, or Chief Accounting Officer.

CERTIFICATE OF AUDITORS

Date.....

SCHEDULE (5)

NAMES, OCCUPATIONS, AND ADDRESSES OF SHAREHOLDERS
as at December 31, 1946

Name	Occupation	Address	No. of each class of Shares owned

If insufficient space, attach separate certified list on sheet of the same size.

If Incorporated Companies are Shareholders, attach separate Schedules for each Company showing information as indicated in Schedule (1), and also Schedule (5) in the case of Companies holding majority of Shares.

SCHEDULE (6)

CHANGES IN OWNERSHIP OR TRANSFERS OF STOCK DURING YEAR 1946

Transferred from	Transferred to	No. of each class of Shares and Par Value

If insufficient space, attach separate certified list on sheet of the same size.

SCHEDULE (7)

NAMES AND ADDRESSES OF DIRECTORS
as at December 31, 1946

Name	Address	No. of each class of Shares owned

If Directors hold directorates in any other Company, attach list showing Companies in which such directorate is held.

SCHEDULE (8)

NAMES AND ADDRESSES OF PRINCIPAL OFFICERS
as at December 31, 1946

Name	Address	Office held

SCHEDULE (9)

DEBENTURES ISSUED AND NAMES OF HOLDERS
as at December 31, 1946

Name of Holder	Occupation	Address	Amount of Debentures held

SCHEDULE (10)

STOCK OR DEBENTURES OF OTHER COMPANIES HELD
as at December 31, 1946

Name of Company	Bature of Business	No. and Par Value of each class of Shares, and amount of Debentures held

SCHEDULE (11)

STOCK OR DEBENTURES HELD BY SHAREHOLDERS OF THIS COMPANY AS AT DECEMBER 31, 1946, IN ANY OTHER COMPANY OPERATING A BROADCASTING STATION, NEWSPAPER PUBLISHING, OR ADVERTISING BUSINESS

Name of Holder	Name of Company Whose Stock or Debentures held	No. and Par Value of each class of Shares, and amount of Debentures held

The above information is required with respect to stock of Public Companies if the stock represents controlling or majority stock, or if the stock is held by a Director or Officer of such Public Company. Full information is required with respect to all stock or debentures of Private Companies.

SCHEDULE (12)

PARTICULARS OF ANY CHANGE IN LETTERS PATENT COVERING INCORPORATION OF THE COMPANY DURING THE YEAR ENDED DECEMBER 31, 1946

STATUTORY DECLARATION

I .....
(Owner, Partner, President, Vice-President, or Chief Accounting Officer)

do solemnly declare that the information shown in the above return, Schedules 1 to 12 inclusive, are to the best of my knowledge and belief true in all respects, and I make this solemn declaration conscientiously believing it to be true, and knowing it to be of the same effect as if made under oath, and by virtue of the Canada Evidence Act.

Declared before me at the City of
in the County of
This day of
19

.....
Signature of Officer

.....
A Notary Public, Justice of the Peace, Commissioner for taking Affidavits, etc.

SESSION 1947

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 8

WEDNESDAY, JUNE 18, 1947

THURSDAY, JUNE 19, 1947

(*Morning Session*)

WITNESSES:

Mr. J. J. Robinette, K.C., Counsel for The Canadian Daily Newspapers Association.

Mr. Marcel Provost, Managing Editor of *Radio World* and *Radio Monde*.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1947

MINUTES OF PROCEEDINGS

WEDNESDAY, June 18, 1947.

The Special Committee on Radio Broadcasting met at 4 o'clock. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Fleming, Fulton, Gauthier (*Portneuf*), Hansell, Knight, Langlois, Laurendeau, Maloney, Maybank, McCann, Mullins, Nixon, Robinson (*Simcoe East*), Reid, Ross (*Hamilton East*), Ross (*St. Paul's*), Smith (*Calgary East*)—19.

In attendance:

Mr. H. B. Holmes, Acting General Manager, Canadian Daily Newspaper Association; and

Mr. J. P. Kenny, The Ottawa *Citizen*;

Mr. Hugh Brewer, The Montreal *Star*;

Mr. Philip Fisher, The Southam Company;

Mr. A. F. Mercier, *Le Soleil;*

Mr. Clifford Sifton, Winnipeg *Free Press*;

Mr. H. D. Wightman and Mr. P. S. Robertson, Cornwall *Standard-Freeholder*;

From the Department of Transport, Radio Division, Mr. W. A. Canton; and from the Canadian Broadcasting Corporation, Messrs. Dunton and Palmer.

The Chairman informed the meeting of a change in the order of witnesses mutually agreed upon. He further stated that the Canadian Association of Advertisers would not appear but had communicated their views which he would bring forward at the opportune time.

Mr. J. J. Robinette, K.C., Counsel for the Canadian Daily Newspapers Association, was called. He read a prepared brief and was retired.

Due to a State Reception to be held at 5.15 o'clock at the Chateau Laurier, Mr. Smith moved that the Committee adjourn at 5 o'clock and reconvene at 8.30 this evening.

Mr. Fulton moved in amendment thereto that the Committee meet at 8 o'clock. The amendment carried and the main motion as amended, carried.

At 5 o'clock the Committee adjourned until 8 o'clock this day.

EVENING SESSION

The Committee resumed at 8 o'clock and Mr. Maybank occupied the Chair.

Present: Messrs. Beaudoin, Fleming, Fulton, Gauthier (*Portneuf*), Hansell, Knight, Langlois, Maloney, Maybank, Nixon, Robinson (*Simcoe East*), Reid, Ross (*Hamilton East*). (13).

In attendance: The same as at the afternoon sitting with the exception of Messrs. Wightman and Robertson. Senator MacLean was also in attendance.

90918—1½

Mr. Robinette was recalled and examined at some length on facsimile and the regulations applying to facsimile newspapers. His examination was concluded and he was retired.

Mr. Robinette expressed his appreciation to Mr. Marcel Provost of *Radio World* for agreeing to succeed him as a witness.

Mr. Marcel Provost, Managing Editor of *Radio World* was called. He proceeded to read a prepared brief.

Before adjournment, Mr. Fulton placed on the record questions which he directed to the Canadian Broadcasting Corporation.

At 10.30 o'clock the Committee adjourned until Thursday, June 19, at 11.00 o'clock.

THURSDAY, June 19, 1947.

The Special Committee on Radio Broadcasting met at 11 o'clock. Mr. Maybank, the Chairman, presided.

Present: Messrs. Bertrand (*Prescott*), Fleming, Gauthier (*Portneuf*), Hansell, Knight, Langlois, Laurendeau, Maloney, Maybank, Mullins, Nixon, Pinard, Robinson (*Simcoe East*), Ross (*Hamilton East*), Smith (*Calgary Wesst*)—15.

In attendance:

From CBC—Messrs. Frigon, Dunton, Manson, and Palmer;

From Transport Department—Mr. W. A. Caton.

Mr. Marcel Provost was recalled. He concluded the reading of his brief, was examined and retired.

Mr. Robinson presided from 11.40 o'clock to 12 o'clock.

The Chairman called a meeting of the Steering Committee to be held immediately after adjournment.

At 12.15, the Committee adjourned until 4 o'clock.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

June 18, 1947.

The Special Committee on Radio Broadcasting met this day at 4 p.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: I know you gentlemen do not like this end of the room, but I am suggesting to you that on account of the very large and necessary number of vacant chairs to-day it would be better if you would come up here. We have to come before us to-day—

Mr. FULTON: Excuse me, but before you proceed with to-day's business I want to ask some questions to get some information in the form of a return, as it were. I should like to get that as soon as possible. If I put these questions to you would you see that they are delivered to the C.B.C. representatives and the information made available?

The CHAIRMAN: You mean if you hand them to me?

Mr. FULTON: If I ask them now; we are not allowed to ask questions in the House while the committee is sitting, and I want to get this information as soon as possible.

The CHAIRMAN: As far as my being the channel I am quite agreeable to that, but let me put this to you first and then see whether you do want to ask them at this very moment. If you still have the same view we can consider it then.

I wanted to say that we had three delegations to appear before us to-day which I might call the advertisers, *Radio Monde* and the newspapers, and in that order. The advertisers have written to say that they will save the time of the committee by not coming, and I have a communication to read in due course. That means that Mr. Provost of *Radio Monde* is the first one to appear, but I have spoken to him, and by reason of the fact that the newspaper men come from several different places I have asked him if he would be agreeable to surrender his place to them. He is quite agreeable to that provided the committee sit to-night in order that he might also finish to-day because he has to drive back to Montreal. In those circumstances I wanted to suggest to the committee that we avoid as much as possible in the way of preliminaries, and that we decide immediately whether we shall sit to-night because the decision in that respect determines our next move. In the light of that would you defer your question until this evening just because it will save a minute?

Mr. FULTON: Yes.

The CHAIRMAN: If we sit this evening. What about it? Shall we sit this evening, and if so at what time?

Mr. BEAUDOIN: We do not seem to have very much choice. We will have to sit to-night.

Mr. FULTON: Are we going to adjourn at 5?

The CHAIRMAN: That is another point we have to keep in mind. By reason of the large number of people going to the Marian Congress reception to the Cardinal there is an early adjournment.

Mr. SMITH: I am going, and I am going to move that we adjourn at 5 p.m. and that we sit again this evening.

The CHAIRMAN: At 8.30. You have heard the motion. Are you ready for the question?

Mr. BERTRAND: I have no objection to that but I will not be here so do not count on me.

Mr. SMITH: I wish you had not said that. I will not be here either.

The CHAIRMAN: Well, the motion is carried. I know all members of the committee who can will be here. I will ask the clerk to notify the remainder of the committee as quickly as possible that we will be sitting to-night. Would you be good enough to tell Mr. Weir's office about that and ask him to make sure there are people here.

Gentlemen, that being the case we will proceed to hear the representations of the Canadian Daily Newspapers Association. I understand their brief is to be presented by Mr. J. J. Robinette.

J. J. Robinette, K.C., Counsel for Canadian Daily Newspapers Association, called:

The CHAIRMAN: Mr. Robinette, the general practice here has been that the person who is speaking to the committee may be entirely at his ease. If he desires to stand and speak all right, and if he desires to sit down that is all right, anything at all that contributes to your own ease.

The WITNESS: Thank you. Mr. Chairman and gentlemen of the committee: This brief is to be presented to you on behalf of the Canadian Daily Newspapers Association which represents the majority of the Canadian daily newspapers in Canada. I may say that the association appreciates this opportunity of presenting their views to you in what we hope is a constructive manner on what the association regards as a serious problem. We have prepared a written brief and in accordance with the usual practice, and with the chairman's permission, I propose to read the brief to the committee.

Mr. SMITH: Do you think you can get a proper press for what you are going to say?

The WITNESS: I think in this case I probably can. It does not always happen that way.

To the Chairman and Members of the House of Commons Committee on Radio Broadcasting:

GENTLEMEN: The Canadian Daily Newspapers Association on behalf of its members wishes to direct the attention of the Committee to two points of vital interest to all newspaper publishers:

(1) The Board of Governors of the Canadian Broadcasting Corporation is discriminating against Canadian daily newspaper publishers in the issuance and/or transfer of licences to broadcast.

This is not by virtue of any provision in any statute or regulation dealing with broadcasting. It is an arbitrary decision of the governors of the C.B.C. which we submit is unwarranted, unfair, and contrary to the public interest.

(2) The statutes governing radio broadcasting and the policies, regulations and procedure of the Department of Transport and of the C.B.C. were established at a time when radio was in its infancy, and when the establishment of controls over this new invention did not appear as a serious departure from the established principles of democracy.

We submit that it has now become abundantly clear that radio is, like the press, simply another technique of human intercommunication and avenue for the dissemination of human knowledge.

As such, it is essential that this means of communication should be free from unwarranted government control, just as it is admittedly essential that freedom of speech and of the press must at all costs be preserved inviolate from government control and licensing if our democratic way of life is to survive.

Recent developments in facsimile have produced a situation whereby unwarranted control of radio by a government agency may in fact imperil the life of the press itself.

Reverting to the first point, we submit the following for your consideration:-

(1) A number of private radio stations are now owned by newspapers or newspaper publishers, and such ownership is not contrary to any law or regulation. The decision of the Board of Governors of the C.B.C. that newspapers or newspaper publishers now not owning radio stations shall not be permitted to acquire licences would appear to imply one of two things:—

(*a*) That the performance of the stations now owned by newspapers has been inferior to the performance of other privately owned stations, and that therefore it is fair to assume that stations which might be acquired in the future by other newspapers would likewise be operated in an inferior manner; or

(*b*) That the newspapers not now owning radio stations can not be expected to match the performance of those newspapers which now own stations and operate them satisfactorily.

Either inference is wholly unjustifiable and highly distasteful to the newspaper publishers of Canada, whether they own radio stations or not.

Furthermore, in any city in which two or more separately owned newspapers are published, it is obviously grossly unfair that one publisher should be able to own and operate a radio station while his competitor is stopped from so doing by government action.

It is our considered judgment that the experience of publishing information and entertainment possesed by newspapers on the whole qualifies them as the best possible operators of radio stations; but whether this thought be accepted or not, we are firm in the belief that there is no basis either in equity or in practical performance to justfy the present discrimination against newspapers.

With reference to our second point, we would like to lay particular emphasis on the development of facsimile, and the possibility that newspapers may in fact have to own radio stations to stay in business.

The following excepts from a report to the recent annual general meeting of members of the Canadian Daily Newspapers Association will make the situation clear:—

Facsimile Completely Beyond Experiment Stage

It is generally recognized that Facsimile in the United States is thoroughly proven, and wholly beyond the experimental stage. It is a thoroughly practical working device. Any experiments at present being conducted are almost wholly on programmes. The following newspapers are amongst a number who underwrote the early experiments on facsimile, and have a priority in the matter of delivery of machines which are being built by the General Electric Company in Schenectady:—Toronto *Globe and Mail,* Washington *Post,* New Bedford *Standard Times,* New York *Times,* Boston *Globe* and Philadelphia *Enquirer.* At present, machines are being made available to American broadcasters, and it is believed that within the next six months all initial orders will be filled, and that equipment will then be available to a more general list of applicants. Miami *Herald* and Detroit *Free Press*

John S. Knight, publisher of the Miami *Herald,* Detroit *Free Press* and Chicago *News,* recently carried out an extensive public demonstration of facsimile production and distribution with his Miami *Herald.*

He said:—

> Facsimile is the most radical change in newspaper publishing methods since the invention of typesetting machines. Within a few years it promises an entirely new concept of the daily newspaper and should open up an entirely new field of journalism, radio broadcasting and business.

The Set

A facsimile 'Receiver' occupies a most limited space.... and comes separately... or with... a voice radio. Sheets of the facsimile newspaper are 9½ x 12½ at present... There is no mechanical obstacle to prevent reproduction on the scale of a regular newspaper format.

Four standard sheets are fed out in each 15 minutes broadcast period. Twenty pages can be printed in a hour... 500 words per minute. Such performance is accepted as standard performance by the Federal Communications Commission of the United States.

The set gives 24 hour continuous service... and the set in each home may be turned on or off by remote control from the radio studio.

The sheets reproduce comics, display ads, cartoons, wash drawings, anything in black and white.

It is merely a matter of months of further, and minor, mechanical experimentation until the sheets will be cut and neatly folded as are newspapers to-day.

The Cost of Operation

A receiving units is being designed at present for the home, which will cost about the same price as an ordinary radio (receiver), with a phonograph player. Ultimate costs of such a machine will be governed by the volume produced. In addition to this initial outlay, the cost of operation is a very meagre one. The chief cost is that of paper. The machine operates with a newsprint cylinder approximately 2 inches in diameter. In this cylinder there are 400 linear feet of newsprint which is good for about three weeks' use, under average conditions.

Position of Newspapers

Eventually the facsimile reader may be able to dial into his home any one of several newspapers, just as he now tunes in his favourite spoken programme.

In addition to delivering a daily paper into one's home, facsimile has plenty of supplemental jobs awaiting it. One can come home from the office for lunch and get printed stock market quotations, minutes after trading closes. In a matter of minutes after one has heard the last of a ball game, one can get the printed box scores and sport pictures.

The evening symphony broadcast may be accompanied by printed programme notes. Commentators, and home economists, may use multiplex, a device by which verbal and written broadcasts can be received simultaneously by the same radio.

Facsimile broadcasting is a development in radio which brings a pint-sized printed newspaper broadcast directly into the family living room, and is a competitor to watch in the field of news dissemination.

Any existing F.M. radio station can, for 10 to 15 thousand dollars, add all necessary equipment to put it in the newspaper business. This is several hundred thousand dollars less than it costs to establish a regular newspaper in a medium-sized town

Facsimile dispenses with rotary presses, delivery trucks, circulation, mechanical and engraving departments. All that is needed in addition to "face-casting" equipment, is a typesetting machine, or even just a typewriter, and a news department.

Mr. ROBINSON: Are you quoting there, Mr. Robinette?

The WITNESS: Yes, Mr. Robinson, those quotations are all from a report made to the Canadian Daily Newspapers Association. That excerpt is designed to explain in fairly intelligible language what facsimile is and what it probably will develop into.

Mr. BEAUDOIN: Does it all come under the heading of the Miami *Herald* and Detroit *Free Press* on page 5? You have the quotation marks starting there and then it goes on with the heading which is called "The Set"; then there is the heading on page 6 starting "The Sheets"; then you have "The Cost of Operation", "Position of Newspapers", and so on.

The WITNESS: Each heading is a separate matter taken from the report to the Canadian Daily Newspapers Association. It is not all under the heading Miami *Herald* and Detroit *Free Press*. That is just a part of the report. That is merely to mention one incident on this continent where a newspaper publisher has in fact made experimental use of facsimile.

The CHAIRMAN: Mr. Robinette, wherever the material comes from, it is submitted here as being from your association.

The WITNESS: Yes.

The CHAIRMAN: And you are quoting, or the association is quoting, after examining this report, that that which is said in it is sound.

The WITNESS: Absolutely. This is presented by us as a factual statement of what facsimile is to-day and what facsimile probably will be in the future. We are merely adopting this as a convenient method for making that statement. Now continuing on page 8, after the quotation ends, I read:—

It is evident that the newspapers of Canada have a vital interest in facsimile, as a potential mechanism in newspaper production, and perhaps even for the very preservation of their existence.

It should be recognized that it is probable that Canadian newspapers will be faced with competition from radio stations distributing newspapers more effectively by facsimile which may well threaten the very existence of present newspapers if they are not entitled to have an equal opportunity not only to employ but to become equally effective in the employment of radio facsimile devices.

In the appendix to this brief the attention of the members of this committee is drawn to certain provisions of the Radio Act and the Broadcasting Act and the regulations passed thereunder which, if applied to facsimile newspapers, will entirely destroy the independence of the press and place the distribution of news completely under the control of governmental authorities. No one can deny that in a healthy democratic state the freedom and independence of the press are of fundamental importance. The Canadian Daily Newspapers Association is gravely concerned that the present regulations, if applied to facsimile, would strike at the very basis of freedom of speech and of the press and would place the press under the domination of those who, for the time being, control the agencies of government.

A brief summary of some of the provisions of the Radio Act and the Broadcasting Act and the regulations will without further demonstration, indicate why the Canadian Daily Newspapers Association is gravely concerned with the effect of their application to facsimile newspapers.

No facsimile broadcasting station or receiving set could be operated without a government licence; the licence for any new facsimile broadcasting station would have to be approved by the Governor-General in Council; the minister would have the power to cancel the licence of any facsimile broadcasting station if *in his opinion* there has been any breach of the conditions of the licence; licences for facsimile broadcasting stations would be on an annual basis and subject to termination by the minister at the end of any fiscal year without compensation and without notice; each year before the licence of a facsimile station is renewed the C.B.C. would be required to review the activities of such station and make confidential recommendations to the minister as to the desirability of renewing the licence; any department of the government of Canada would have the right to require a facsimile broadcasting station to broadcast any message with priority over other matter and without compensation; the government of the day would have the power to take possession of any facsimile broadcasting station and operate it at any time without notice; the C.B.C. would have the power to require the production of all material to be broadcast over a facsimile station before it is actually broadcast; the C.B.C. would have the power to control the character of all material broadcast over a facsimile station; the C.B.C. would have full power to limit and control advertising broadcast over a facsimile station; facsimile stations would be prohibited from broadcasting news published in any newspaper or collected by any newspaper or association of newspapers or local and sports news without permission from the C.B.C.

The above summary of the present laws needs merely to be stated to explain why the Canadian Daily Newspapers Association is so concerned with their application to facsimile. It would be fantastic to suggest that such laws would ever be enacted in any democratic state to apply to printed newspapers; we regard it as equally fantastic that they should apply or be intended to apply to facsimile newspapers.

It is recognized that facsimile is not a factor in Canada to-day, but to-day is not too soon to initiate the procedures which may be necessary to cope with it next year or the year after.

It is not enough for the C.B.C. to say they have no policy on facsimile. The development of facsimile transmission and receiving sets in the United States, which is inevitable, will unquestionably create a pressure for their introduction into Canada which will be irresistible. Facsimile, which is primarily based on FM, will follow audible AM just as surely as audible FM is following AM. The operator who will be able to use facsimile most effectively will be the operator who can build on an FM listening audience, just as the operator who will be able to use FM most effectively will be one who can build on an AM listening audience. The time for newspapers to prepare themselves for the advent of facsimile is *now*, and the only possible way for them to start that preparation is through the acquisition of AM FM stations. If radio licences are refused newspapers on the grounds that monopolies must be avoided at all costs, the very possible, if not the probable result, will be a monopoly of news in the hands of people without the standards and the experience of the newspaper publishers, and the disappearance of the press as we know it to-day, with all that that may mean not only in injury to the public interest, but in the loss of millions of dollars of capital investment, millions of dollars of taxable revenue, and thousands of jobs.

The newspaper industry of Canada is not satisfied that developments which may threaten its very existence should be left under the control of the C.B.C.

Other witnesses appearing before the committee have enlarged upon those facets of the Broadcasting Act and the regulations which place the C.B.C. in the field in the dual capacity of operator itself and licensor and mentor of the private stations on terms which unwarrantably limit their freedom. The Candian Daily Newspapers Association associates itself with those who believe that the licensing and regulation of radio should be transferred from the C.B.C. to a special board appointed and financed directly by joint resolution of the Commons and Senate, answerable directly to the Commons and Senate, and removable only by joint resolution of Commons and Senate, and carrying on its function by public meetings and issuing judgments and orders upon facts publicly stated and for reason publicly declared.

We also urge a prompt reversal of the present practice of discrimination against newspapers in connection with the issue and transfer of radio licences and assert that newspapers should have freely available to them the right to use radio in all its forms and techniques.

Finally and emphatically, the Canadian Daily Newspapers Association asserts that, no matter in what body control of the problem may be vested, parliament in formulating policy should recognize radio for what it is and for what it may become and should determine that it shall be free, as the printed and spoken word are free, to serve the people according to democratic traditions.

I should say we have, in addition to the body of the brief, attached an appendix which I do not think it is necessary to read but which expands the central portion of the brief and draws specific attention to those provisions in the regulations and the statutes which, in our respectful submission, we never intended to apply to facsimile and should not apply to facsimile. If they are intended to and do apply, they will strike at the very basis of the freedom of the press.

May I say two words which are not in the brief. The two principal points about which the newspapers are worried—one, I think, is discussed completely in the brief, that is the development of facsimile and the application of the present regulations to facsimile newspapers. The other point is that the newspapers, quite properly, feel that they are being discriminated against in their opportunity to develop facsimile. The C.B.C. has adopted the policy, which policy is contained in a letter written to the Canadian Daily Newspapers Association, of refusing to issue or refusing to permit approval of licences for radio stations to newspapers except in special circumstances.

The newspaper industry feels that if it is going to meet this problem of facsimile, if it is going to retain, as it has the right to retain, the privilege of disseminating news, it must be given an opportunity to operate radio stations to experiment with the technique of facsimile and to build a listening audience who, ultimately, will obtain facsimile reproduction of newspapers.

I am prepared, as best I can, to answer any questions which the committee may seek to put in relation to the brief. Those are the two fundamental problems with which the association is concerned, the application of the regulations to facsimile which would place the newspapers under the control of the government.

By Mr. Beaudoin:

Q. I think Mr. Robinette should read the part which he has suggested could be put in as an appendix. It is only three pages and it will not take very long. Then we will be treating this brief in the same manner as we have treated the other briefs.

Mr. SMITH: Surely, he only needs to read the comments. We do not need these sections of the Act read again and again.

The CHAIRMAN: If there is not any serious objection, I would say that those items on the left hand side of the page be read rather than the whole page. So long as there is no serious objection to that, I would say we should do it.

Mr. BEAUDOIN: The witness could say to what section of the Act the comment refers.

The WITNESS: In each case the comment refers to the section stated immediately to the right of the comment.

The CHAIRMAN: You could mention that in the same manner as you mention the title to an Act. That will sufficiently identify it for the purpose of the record.

Mr. HANSELL: Will the whole thing be in the record?

The CHAIRMAN: I was going to recommend to you that this be an appendix to his brief. I thought you would all agree with that.

Some Hon. MEMBERS: Yes.

The WITNESS: The heading is, "When facsimile newspapers arrive they will come under the following statutory provision if broadcasting laws and regulations remain as they are."

A licence from the government would be required not only to send out facsimile broadcast but also to receive it.

The reference is to section 5 of the Radio Act.

The government would have to approve all licences for new stations.

The reference is to section 24 of the Broadcasting Act.

The licensee would have no right to the exclusive use of the wave length that he is licensed to use, and this notwithstanding the fact that the use of the same wave length by others in his territory would make completely useless the use of the wave length by himself.

The reference is to regulations 12 and 15 under the Radio Act.

The minister would be empowered to cancel for cause licences without a hearing and without right of appeal.

The reference is to regulation 28 under the Radio Act.

Licences to broadcast facsimile would terminate annually and the minister would be empowered to terminate licences at any year end without notice and without compensation.

The reference is to regulation 5 under the Radio Act.

The minister would be empowered to cancel or refuse a licence and where no offence is committed compensation is permitted (not directed) but limited to the depreciated value of the physical assets. There can be no compensation for loss of livelihood or business or established earnings.

The reference is to section 11, subsection (4) of the Broadcasting Act.

There could be no allowance for value of licence.

The reference is to section 11, subsection (5) of the Broadcasting Act.

Each year before the licence of each broadcasting station is renewed, the C.B.C. would have to review the activities of each facsimile broadcasting station and make confidential recommendations to the minister. This would enable the C.B.C. to require the newspaper owners to comply with all manner of demands under the implied threat in case of refusal of an unfavourable recommendation to the minister concerning the desirability of the renewal of the station's licence to broadcast.

The reference is to section 24, subsection (2) of the Broadcasting Act.

Any department of government would be empowered to require any licensee at any time to broadcast any message without compensation.

The reference is to regulation 25 under the Radio Act.

The government would be empowered to take possession of facsimile broadcasting station and operate it any time without notice and the staff will have to work for the government.

This refers to section 11, subsection (1) of the Radio Act and also to subsection (2) of section 11 of the Radio Act.

The hours of operation and the number and class of workers to be employed might be stipulated in the annual licence.

The reference is to regulations 16 and 22 under the Radio Act.

The C.B.C. would have authority to require all programme material to be submitted in advance of broadcast.

The reference is to regulation 14 under the Broadcasting Act.

The C.B.C. would have authority to designate material which would be sent out.

The reference is to regulation 16 under the Broadcasting Act.

The government's creature, the C.B.C., would have full power to control the character of all programmes broadcast.

The reference is to section 22 of the Broadcasting Act, subsection (1) (*c*) and (*e*).

Advertising

The government's C.B.C. would have full power of arbitrary limitation of and control over advertising to be carried.

The reference is to regulations 3, 9 and 10 under the Broadcasting Act.

Then as to News

Anything which may be described as news would be placed by law absolutely and utterly within the control of the government. Note particularly that the right of the station is not only positively restricted by regulations 13 (1) but under regulation 14 all news may be required to be submitted in advance to the governmental body for scrutiny and approval and under regulation 16 the governmental body may require the station to broadcast a programme designated by the governmental body and this may be a governmental news programme.

The reference there is to regulation 13 under the Broadcasting Act.

Then, finally,

All of the details of the business of the facsimile broadcasting station would have to be reported to the government.

The reference is to regulation 31 (*a*) and (*d*) of the Radio Act.

I should say that appendix is not put in in any sense of criticism of any government at all. It is merely designed to emphasize the danger which will flow if those regulations in their present very broad form are applied to facsimile newspapers. The newspaper people take the attitude, as the brief says, it would be fantastic if anyone were to suggest that any such regulations were to apply to printed newspapers. If the future newspaper is to be a facsimile newspaper, they regard it as equally wrong and fantastic that it should be applied to facsimile newspapers. This is the only purpose of the appendix.

By Hon. Mr. McCann:

Q. Do you not think it is wrong to refer to the "government's C.B.C."? The C.B.C. is a creature of parliament, not of the government.—A. The personnel, of course, is appointed by the Governor in Council. In that sense, it is a creature. I agree it is responsible to parliament. I do not think we need to labour that point. We are not particularly concerned—

Q. But it gives a wrong impression to the public?—A. Yes.

Mr. SMITH: I am sorry to disagree with you doctor, but I think it is a creature of the government.

The WITNESS: It is a creature in the sense the personnel is appointed and removed by the government of the day, but I am not criticizing any government.

Mr. BEAUDOIN: It is five o'clock and a lot of us have to go to a certain reception.

The CHAIRMAN: The motion was at the beginning that we adjourn at 5.00 p.m. and sit again at 8.30 p.m. That would mean that any questions it is desired to ask Mr. Robinette would be put then. But I would like to remind you that Mr. Robinette has come on first by reason of the fact that Mr. Provost stood aside for him and on the understanding by Mr. Provost that we would be able to take care of his brief to-night also. I know that you will bear that in mind with regard to your questions. I think we are under commitment to Mr. Provost in that respect.

Mr. FULTON: Could we not meet a little earlier? The House is meeting at 7.00 o'clock. Could we not meet earlier than 8.30?

The CHAIRMAN: The motion has already been made and passed for 8.30. It is certainly open to anybody to move from 8.30 to any other hour. It just happened that everybody voted definitely to do that.

Mr. FULTON: Yes.

The CHAIRMAN: What hour would you suggest, Mr. Fulton?

Mr. FULTON: Eight o'clock would give us another half-hour.

The CHAIRMAN: There is an acceptable motion; that the meeting be at 8.00 o'clock instead of 8.30. I might remind you that the notices have gone out.

Mr. SMITH: That suits me. I won't be here anyway, but I am in favour of it.

The CHAIRMAN: Gentlemen, you have heard the motion, what is your pleasure?

Carried.

The committee will sit at 8.00 o'clock this evening.

The committee adjourned at 5 p.m. to meet again this day at 8 p.m.

EVENING SESSION

The committee resumed at 8 o'clock p.m.

The CHAIRMAN: Gentlemen, when we adjourned Mr. Robinette had just finished the reading of the brief. It was understood there might be some questions that members would desire to ask. Prior to that you will recall I asked Mr. Fulton to hold off his question before Mr. Robinette began. It might be you would like to file that question now.

Mr. FULTON: As we apparently want to get under way may I suggest that I wait until we finish with Mr. Robinette's questioning? Then I will do that.

The CHAIRMAN: If that is agreeable to you that is all right. Is there any person who desires to ask questions relating to the brief?

By Mr. Knight:

Q. I have a question or two. How many of these stations are owned by newspapers and by those associated with them?—A. I have not the record here, but I think I could get the figures for the committee and supply them in written form. I have not the figures available at the present moment.

Q. You would not know what capital is invested by any such station?—A. Capital invested in radio stations owned by newspapers?

Q. Yes.—A. No, I cannot tell you that but I can get that information and send it to the chairman.

Q. These newspapers are organized together in an association similar to the C.A.B. for the protection of their own interests?—A. Yes. The Canadian Daily Newspapers Association is an organization of daily newspapers designed to protect the interests of the press.

Q. Perhaps you could tell me about a particular group of newspapers in which I am interested and, by the way, against which I have nothing in particular. I think they carry on their job very well. I was thinking of the Sifton interests. In my part of the country we have three newspapers owned by those interests. Can you tell me offhand how many radio stations they control or if they control any?—A. I cannot tell you, I am sorry, as to the specific number that a particular interest owns. I have no information on that, but I can get that for you.

Q. I do not want to be facetious but what kind of information have you? I should like to be able to ask questions to which I can get an answer.—A. If we had known this information was desired I would have made it available, but I have no figures on that, and I do not know whether the association as such has figures on the number of radio stations owned by a private individual.

Q. Perhaps we had better stick to the general philosophy of the question. Does the witness think the interests of, shall we say, free speech, because that has been mentioned in this brief, are promoted by such combines of newspaper and radio?—A. Well, I cannot see that the combination of radio and newspapers in any way derogates from freedom of speech. After all I think it is a wrong premise to assume that a newspaper as such has a monopoly of news. Leave out radio for the moment. Just look at an individual newspaper. In Canada newspapers get their national news either from the Canadian Press, or if they do not want to get it from the Canadian Press they can get it from B.U.P. service. Then they have their local reporters and special features. I think the basic premise that a newspaper has a monopoly of news is wrong. That being so I can see no objection whotsoever to a newspaper having two forms of outlets for the distribution of that news, either in the form of radio or in the form of the printed word.

Q. Is it not one of the things of which the C.B.C. is accused by certain interests, that it is becoming a monopoly?—A. That the C.B.C. . . .

Q. The C.B.C.—A. Well, I do not think that the Canadian Daily Newspapers Association is in any way suggesting there is any danger of the C.B.C. becoming a monopoly. I think personally the C.B.C. has contributed a great deal to our cultural and national life.

By Mr. Beaudoin:

Q. You say personally?—A. I think the C.D.N.A. thinks so, too.

Q. Can you assert as to whether the C.D.N.A. thinks so?—A. Yes, in the field of cultural and educational activities.

Q. You say the C.D.N.A. does think that?—A. Yes. The C.D.N.A. is not for a moment suggesting that the C.B.C. as a state operated educational and entertainment technique should be abolished. We are not suggesting that at all. We think it has its place in the community and does a good job.

Q. You do not think it should take the place it now does?—A. I do not think that the C.B.C. should be in the position of operating its own plant and offering entertainment and at the same time acting as mentor and controller of other radio stations. I think there should be a division of power.

Q. Is that because you think the private stations are competitors of C.B.C.? —A. I would think the private stations are to a certain extent competitors of the C.B.C. I do not think that the private stations do the educational work the C.B.C. does, but certainly in certain fields of radio broadcasting they are on a competitive basis.

By Mr. Knight:

Q. I take it that you would not limit the size of the combine, if you can call it that, which has the two means of sending out information. I take it you would not put any limit on the size to which that thing can grow provided it has the ability to purchase the component parts of its machine?—A. I would not put any limitation on its size, no.

Q. In other words, it is a case of competition in the open market for buying the equipment to distribute information?—A.Yes, because I do not think news itself is a monopoly matter. If distribution can be affected either by radio or by the printed word I cannot see that there is any monopoly in that.

Q. Would you agree with the C.A.B. it might be dangerous for the C.B.C. to put out newspapers?—A. Yes, I do not think that is their job. As a matter of fact, I do not think the C.B.C. is qualified, if I may say so with respect, to distribute news. At the present time the C.B.C. gets its news, or a lot of its news, from the Canadian Press which is the cooperative press gathering organization of the Canadian newspapers. In other words, the C.B.C. fundamentally depends for its news on the newspapers.

Q. Having given an affirmative answer . . .—A. National news.

Q.—to that, conversely would you say it was equally dangerous for newspapers to control radio?—A. No, I cannot see any danger.

Q. It works one way but not the other?—A. I can say this. I do not think the C.B.C. which—and I do not mean to be offensive—is a government controlled body, should have the right to go into the distribution of news.

news in the manner it does now?—A. No, I am not suggesting that for a moment.

By the Chairman:

Q. You do not mean by that there is anything wrong with its distributing

Q. You mean you do not think it should go into the distribution of news in the way of running a complete news service?—A. Running a complete newspaper, yes.

Q. You do not think it should be running a complete newspaper?—A. Yes.

Mr. KNIGHT: I would like to ask a question on facsimile and then I am through.

Mr. BEAUDOIN: Before you go on to that I would like to ask a question.

The CHAIRMAN: Well, I broke in on Mr. Knight there and he has the right to continue if you do not object.

Mr. BEAUDOIN: All right.

By Mr. Knight:

Q. This question of facsimile is, I take it, not yet in the realm of the practical?—A. No, not to-day, sir; it is something that might be two years or ten years away, but it is something I think the newspapers quite properly want to consider at the present time, because, if new technical improvements were made, it might come on us really overnight.

Q. I notice the importance it is given in this brief and I suggest that if it is not yet practical it becomes a matter of propaganda?—A. No, not at all, sir. It is not propaganda and I do say we are just trying to be careful because,

although, at the present time, facsimile is probably in a rather crude form, you cannot tell what technical improvement might be discovered overnight and it might become a very practical feature.

Q. This brief has been prepared in a printed form?—A. I understand so, yes.

Q. Do you know to what extent it is to be distributed or has been distributed?—A. I cannot say, but I will find out.

Mr. FULTON: You mean this pamphlet, Mr. Knight?

By Mr. Knight:

Q. Yes.—A. I am told copies were sent to all members of parliament, members of the House of Commons and Senators, and all Canadian newspapers marked for release at four o'clock this afternoon.

Q. In the case of the C.A.B. brief I understand there were a good many thousands of this type of thing printed and I was wondering if it was the intention of the newspapers to distribute these around the country to the same extent? You will see there is considerable similarity between this brief and the brief of the C.A.B.?—A. There area some similarities in connection with the suggestion that an independent board should be established for the control of radio, but after all, Mr. Knight, I do not want to be put in the position and I do not intend to argue the position of the C.A.B. The newspapers have their special problems and the two problems are facsimile and the present policy of the C.B.C. on the issue of licences to newspapers.

Q. Thank you.—A. Now, Mr. Knight, this pamphlet was noted "not for release before 4 p.m." To be frank with you, I imagine that every newspaper in Canada will carry this to-morrow.

Q. Are they also carrying on an advertising campaign?—A. I would be very surprised if they did not.

Q. It is what is going to happen after 4 p.m. that I am interested in.—A. There is no intention of carrying on an advertising campaign as such. I do not want you to think for a moment, Mr. Knight, that we are in any way part of what might be called a pressure group. That is not the intention at all. If anything has been said that would lead you to believe that I hope you will accept my statement that it is not intended. We are solely concerned with the problem of the Canadian Daily Newspapers and if part of the brief bears some similarity to the C.A.B. brief it is not our problem; ours is the newspaper problem.

The CHAIRMAN: I think Mr. Fleming was desirous of asking some questions. A while back I said to him, "I will look your way in a moment."

By Mr. Fleming:

Q. I will try to be very brief. Mr. Robinette, Mr. Knight, in some of his questions used the expression that the newspapers were seeking two forms of outlet. Do I correctly understand the thesis contained in this brief to be that unless the newspapers are permitted this second form of outlet they are in danger, through the development of facsimile, of being without any outlet? —A. The danger is that the press, as we know it, would entirely disappear.

Q. And that is a serious view for those whom you represent?—A. Definitely. In addition to that we feel we should have the opportunity to have radio stations; that there should be no discrimination against newspapers as such in the operation of radio stations. It is only through the operation of radio stations that we can develop experimentally the ultimate technique that will be used for facsimile.

Q. And in discussing the refusal of the minister and the C.B.C. to permit the development of facsimile through stations.—A. I do not mean to suggest the minister or anyone has said anything against facsimile yet.

Q. That is what I want to get. Facsimile has passed the experimental stage, as is set forth at page 4 of your brief, but it was conveyed to us in evidence last week that this is still in the very early stages, so much so that no permission should be given by the licensing authorities for the development of this in Canada? I am including both facsimile and television?—A. My opinion, Mr. Fleming, and you realize I am not a technical expert but I rely upon what the association tells me, is that facsimile is really more than in the experimental stage. Actual equipment has been ordered by several newspapers from the General Electric Company. As I said to Mr. Knight, probably at the present time it is in a rather crude form but there may be technical developments which would make it very practical overnight.

Q. Do I understand your clients take the view that they should be permitted to go ahead and develop, and that would apply I take it to both facsimile and television, because I believe they are related?—A. Definitely.

Q. And the refusal to permit that development to be carried out experimentally or to any further stages is the attitude of paternalism on the part of the C.B.C. and the government which you think is not warranted?—A. If there has been that refusal, I do not know whether the C.B.C. or the government has taken that attitude on facsimile, but if they have we say that is absolutely wrong.

Q. I am linking facsimile and television together in my question?—A. Yes, because the Canadian newspapers are going to be under pressure from the United States newspapers. Supposing that the New York *Times* to-morrow started an FM station with facsimile, they could send their newspaper into Ottawa by facsimile. The moment the leading United States newspapers start facsimile the Canadian newspapers, to keep up in the field at all, are going to have to adopt facsimile and I do not think any restriction should be put upon the newspaper industry by the C.B.C., or by the government, which would in any way restrict their right to experiment and develop facsimile or television.

Q. It was suggested to us last week by a witness from the Department of Transport that the public needs some type of protection until this new development has been further advanced and that there should be no licences issued in Canada leading to the development of television or facsimile in the hands of private stations.—A. I could not agree with that.

Q. Now there does not appear in the brief that you have filed, Mr. Robinette, the list of members of the Canadian Daily Newspapers Association and I think that should be a mater of record.—A. Well I would be glad to supply the list in the printed copy.

Q. I think that should be made part of the record.

The CHAIRMAN: I am quite sure that will be agreable.

Carried.

Mr. BEAUDOIN: It is agreeable provided we get copies of that printed record.

MEMBER NEWSPAPERS OF THE CANADIAN DAILY NEWSPAPERS ASSOCIATION

Prince Edward Island

Charlottetown Guardian

Nova Scotia

Amherst News
Glace Bay Gazette
Halifax Chronicle and Star
Halifax Herald & Mail
New Glasgow Evening News
Sydney Post Record
Truro News

New Brunswick

Moncton Times-Transcript
Saint John Telegraph-Journal & Times Globe

Quebec

Granby La Voix De l'Est
Montreal Gazette
Herald
Le Canada
Le Devoir
La Patrie
La Presse
Matin
Star

MEMBER NEWSPAPERS OF THE CANADIAN DAILY NEWSPAPERS ASSOCIATION—*Concluded*

Quebec—Concluded

Quebec Chronicle-Telegraph
L'Action Catholique
Le Soleil & L'Evenement-Journal
Sherbrooke La Tribune
Record
Trois Rivieres Le Nouvelliste

Ontario

Belleville Ontario Intelligencer
Brantford Expositor
Brockville Recorder & Times
Chatham News
Cornwall Standard-Freeholder
Fort William Times-Journal
Galt Reporter
Guelph Mercury
Hamilton Spectator
Kingston Whig-Standard
Kirkland Lake Northern Daily News
Kitchener Record
Lindsay Post
London Free Press
Niagara Falls Review
North Bay Nugget
Oshawa Times-Gazette
Ottawa Citizen
Journal
Le Droit
Owen Sound Sun-Times
Peterborough Examiner
Port Arthur News-Chronicle
Port Hope Guide
St. Catharines Standard
St. Thomas Times-Journal
Sarnia Canadian Observer
Sault Ste. Marie Star
Stratford Beacon-Herald
Sudbury Star
Timmins Daily Press

Ontario—Concluded

Toronto Globe & Mail
Star
Telegram
Welland-Port Colborne Tribune
Windsor Daily Star
Woodstock Sentinel-Review

Manitoba

Brandon Sun
Portage La Prairie Graphic
Winnipeg Free Press
Tribune

Saskatchewan

Moose Jaw Times-Herald
Prince Albert Herald
Regina Leader Post
Saskatoon Star-Phoenix

Alberta

Calgary Albertan
Herald
Edmonton Bulletin
Journal
Lethbridge Herald
Medicine Hat News

British Columbia

Nanaimo Free Press
New Westminster British Columbian
Nelson News
Prince Rupert News
Trail Times
Vancouver News-Herald
Province
Sun
Victoria Colonist
Times

CANADIAN DAILY NEWSPAPERS ASSOCIATION

The CHAIRMAN: May I just interrupt for a moment? I understood from Mr. Robinette that every member of parliament had been supplied with this printed sheet.

Mr. FLEMING: I received mine yesterday.

The WITNESS: We probably have more here.

The CHAIRMAN: I do not think I got one through the mail. My copy was handed to me by some member of the press.

By Mr. Fleming:

Q. May I follow that up with a question in line with a question we asked of the C.A.B.? Has this brief the endorsement of all members of the association?—A. It is the collective view of the association. As you realize, in any association including the Bar Association, there is a crossfire of opinion, but this is presented as the collective view of all the members.

Q. Through what medium has that collective opinion found expression?—A. In discussion in meetings.

Q. Those are general meetings?—A. General meetings. Just a moment until I find out. Yes, it was discussed this year at the annual meeting of the Canadian Daily Newspapers Association held in Toronto a month or so ago.

By Mr. Fulton:

Q. A general meeting?—A. Yes, sir, a general meeting. The principles were discussed and formulated and instructions were given to prepare a brief carrying out the principles discussed which appear in the brief.

By Mr. Fleming:

Q. In page 2 of the brief, in the latter half of the page, you refer to the decision of the board of governors of the C.B.C., that newspapers or newspaper publishers not now owning radio stations shall not be permitted to acquire licences. Have you the date of that decision and have you any examples of applications made, followed by a refusal of transfer?—A. The information I have on that Mr. Fleming... I cannot give you the date of the letter at the moment... but the Canadian Daily Newspapers Association wrote to the chairman of the C.B.C., Mr. Dunton, concerning this point. He replied, and his letter in part reads as follows: This was the subject matter of an enquiry directed to the chairman of the C.B.C. and he replied as follows:—

> Regulation 31-A (*b*), issued by the Department of Transport under the Radio Act, 1938, says:

Then he quotes,

> Except with the permission of the minister given upon the recommendation of the Canadian Broadcasting Corporation, no person shall be licensed to operate more than one station and no licence shall be issued to a company owned or controlled by a company holding a licence.

Then he goes on to say:—

> Since this regulation went into effect a general policy has applied against further extension of multiple ownership beyond what existed at that time. There is no regulation regarding the ownership of radio stations by newspapers. For several years the board of governors of the Canadian Broadcasting Corporation has had a policy of recommending issuance or transfer of licenses to newspapers only in special circumstances.

So the statement in the brief is based upon Mr. Dunton's letter in which he says there is a policy in the C.B.C. against recommending issuance or transfer of licences to newspapers only in special circumstances.

Q. He refers to a policy, but he does not quote a regulation?—A. He says definitely there is no regulation and there is not any regulation. It is just the policy of the C.B.C.

Q. What is the date of that letter?—A. I have not that here but I can get that for you.

Q. Probably we had better get the letter from somewhere and have a copy of it on the record, Mr. Chairman.—A. I will be glad to get a copy and file it.

Q. Have you had cases of refusal?—A. Yes, there have been cases of refusal. I can let you have examples of the cases of refusal.

By the Chairman:

Q. While you are doing that, would you also give examples of cases where they have recommended licences to newspapers?—A. Yes, examples of refusal and examples of granting.

Mr. GAUTHIER: And the number of licences already given to newspapers; that is what I want to have.

By the Chairman:

Q. Just a moment, it is understood in regard to the letter you will send a copy of it?—A. Yes.

The CHAIRMAN: Are there any other questions?

Mr. FULTON: I have some questions but if some other member on the other side wants to put questions now, I have no objection.

Mr. BEAUDOIN: I have some, too.

The CHAIRMAN: I guess it is Mr. Beaudoin's turn now. I stopped him a moment ago when Mr. Fleming wanted to ask a question.

Mr. BEAUDOIN: I should like to suggest, Mr. Chairman, that the executive of the Canadian Daily Newspapers Association, if they are here, sit close to Mr. Robinette to supply him with the necessary information whenever he is asked a question concerning some document which he may not have.

The WITNESS: Much of this information for which you have asked may not be in the possession of the Canadian Daily Newspapers Association. The Canadian Daily Newspapers Association does not particularly concern itself with the radio activities of the newspapers in detail.

By Mr. Beaudoin:

Q. When you took over this function of appearing here on behalf of the Canadian Daily Newspapers Association, and you found on the first page of your brief a statement that,

> The board of governors of the Canadian Broadcasting Corporation is discriminating against Canadian daily newspaper publishers in the issuance and or transfer of licences to broadcast,

Did you not expect these questions to be asked?—A. Yes, certainly.

Q. As to how many newspapers owned radio stations?—A. No, I did not expect it in that form. I expected a question with reference to Mr. Dunton's letter. I have referred you to Mr. Dunton's letter in which he makes it quite clear there is a policy in operation in the C.B.C. along that line and there is no regulation justifying it.

Q. That is so far as the issuance of future licences is concerned?—A. He says,

> For several years the board of governors in the C.B.C.—

Q. Are you not in a position to tell us now what newspapers own radio stations?—A. No, I cannot tell you that. I do not know whether the Canadian Daily Newspapers Association has that information.

Mr. FULTON: That information was tabled in a return to a question by Mr. Coldwell.

The WITNESS: I doubt whether the Canadian Daily Newspapers Association has a record of that Mr. Beaudoin, because the association does not take any particular interest in the radio activities of the newspapers; that is not its job.

By Mr. Beaudoin:

Q. You said a while ago that this brief is submitted as a collective contribution of all the members of the Canadian Daily Newspapers Association? —A. I said that it had been discussed in the general meeting. Although I was not there myself, the principles were agreed upon at the meeting and the brief incorporates those principles.

Q. I suppose you could give us the names of the members of your executive? —A. Oh, yes, I could do that very easily.

Q. Would you put those names on the record, please?

Mr. KNIGHT: Mr. Chairman, on page 102 of the minutes of evidence there is a statement there are thirty-eight private radio stations in this country owned by newspapers and one licence pending.

Mr. FULTON: Does it give the names, Mr. Knight?

Mr. KNIGHT: No, it does not.

The WITNESS: President, Mr. Harry Kimbler; first vice-president, Mr. H. L. Garner; second vice-president, Mr. Fred Mercier.

By Mr. Beaudoin:

Q. Would you care to give us the papers they represent?—A. Well, Mr. Harry Kimbler I know is the Toronto *Globe and Mail;* Mr. Garner is the Peterborough *Examiner;* and Mr. Fred Mercier is the Quebec *Le Soleil.*

Q. Did you circulate this brief to all your members before it was finally adopted in the form in which it is presented here?—A. No. The brief gave a committee authority to incorporate the principles discussed at the general meeting. All the members of that committee have seen the brief and have agreed upon its terms.

Q. Would you care to give us now the members of the committee?—A. I would be glad to, yes. There is Mr. Harry Kimbler, Mr. H. L. Garner, Mr. Fred Mercier, Mr. Philip Fisher, and Mr. Clifford Sifton.

Q. Would you care to give us the papers they represent?—A. I gave you the papers of the first three.

Q. Yes, but there are new names there.

The CHAIRMAN: One or two, yes.

The WITNESS: Mr. Fisher is the Southam Press and Mr. Sifton the Sifton papers.

Q. Do you consider the paper or the owner eligible for membership? Does the owner of a group have a membership, or is membership open to each individual paper in a group?—A. It is done on the basis of each paper having the right to nominate a representative.

Q. In other words, if a firm or an individual controls a number of newspapers in Canada, each of those newspapers is entitled to have a representative in the association?—A. Yes, that is correct. In other words, if a particular member has three newspapers there will be three representatives.

Q. Three representatives?—A. That is correct.

Q. We might deduce from that that the three papers would be in agreement with the one person who owns them all?—A. That does not necessarily follow.

Q. We have had it suggested to us that such is the case.

Mr. FULTON: Just a minute; let the witness answer the question.

The WITNESS: There may be a measure of agreement. I have known the editorial policy of certain newspapers said to belong to the same people to have radically different views.

Mr. FULTON: This association—

The CHAIRMAN: Just a moment, please. Let the witness finish.

The WITNESS: From what I have seen of their relations they differ in viewpoint very radically. I do not agree with the suggestion that because the same company or the same man owns three newspapers there are no differences among them, that they are all going to be the mouthpiece the one of the other.

By Mr. Knight:

Q. You are talking about the editorial policy of the paper, which is a different thing; they may have different opinions. I know where I come from the views sometimes expressed are radically different from those expressed in the Winnipeg press.—A. I say there are differences of opinion, for I have seen that even among the business men.

Q. But the fundamentals of ownership are there?—A. It may, or it may not be so; that depends on the set-up. I can quite understand a certain group

leaving the entire administration of one newspaper to the man on the spot, both from the editorial and business standpoint.

Mr. REID: Mr. Chairman, I wonder if I might ask a question?

The CHAIRMAN: Were you through, Mr. Knight?

Mr. KNIGHT: No, I was not through.

The CHAIRMAN: Would you permit Mr. Reid to ask his question now?

Mr. KNIGHT: Certainly.

By Mr. Reid:

Q. My question is this: Have you any authentic record or information as to the difficulties mentioned in your brief; that is, putting the newspapers out if facsimile comes in? I wonder why you raised that point when it does not even exist in practical form at the present time. What I had in mind is this. I well remember when radio was more or less in its infancy. There was a cry went up in the newspapers against the radio, they wouldn't give any assistance; all we heard was their saying that their advertising would disappear if the news were all sent out over the air. The facts today are a little different. —A. Yes. There is no situation to my knowledge where facsimile has replaced any newspaper yet. There is the fear that it may arise, and all we are talking about is that if it does arise—we may be wrong, but I do not think we are—but if it does arise, the best regulations relating to control and licensing of radio should not be applicable to facsimile reproduction of newspapers. In other words, our position is that the facsimile paper is the same from the standpoint of freedom of the press as the printed newspaper. Now, it has not happened yet; it may not happen; but we think there is grave danger it will happen. All we are asking for now is proper protection in the event that it should happen.

Q. You have some cases where newspapers refused to take radio ads?—A. I do not know anything about that.

Q. That has been the case in the past?—A. That may be so. I cannot answer for their experience.

Q. I can give you an instance in Vancouver where a paper refused to in the case of a station in that city.—A. I think it is a mistake if a newspaper did that.

Q. For some reason they said they would not carry it.—A. I do not think that is proper, and I do not think that is a uniform practice among Canadian newspapers at all.

By the Chairman:

Q. Might I interject just for a moment? I had a case brought to my attention to-day where it was asserted that a newspaper operating a radio station —and I deliberately refrain from mentioning names because I have no desire to damage anybody, and the statement might not be quite correct—that the newspaper which owned the radio station refused to take advertising from a competing radio station in the town in which the newspaper was published. Now, what comment would you make about some agency controlling that kind of an owner? Here is a case of a newspaper likewise owning a radio station and having a competing radio in the same town and then when the competing radio station desires to publish an ad to attract listeners to its program the newspaper radio owner say, "No, we won't advertise your station." What comment would you make about some body, governmental or other, exercising control on that kind of a radio owner?—A. Again, I think that is wrong. I do not think the newspaper should have done that; and, again, I do not think that is uniform practice by any means.

Q. Do you think that that kind of newspaper should be allowed to have a radio station?—A. That could very well be the subject matter of a complaint to the type of board that we suggest be set up, divorced from the C.B.C.

Q. In the meantime, how about a complaint to the C.B.C. and the C.B.C. acting on it?—A. I would prefer to have an external body act upon it.

Q. This is not a dispute at issue between the C.B.C. and the owning company; here is a private competing radio station in the case I have cited. Could you desire to wait until some new board gets set up to be able to deal with that; or, do you think that they ought to be disciplined now?—A. I would prefer to wait until some new board is set up to deal with that.

By Mr. Reid:

Q. Might I ask if the radio stations have any understanding or agreement among themselves in regard to political speeches and propaganda during election time? You know how it is with the newspapers, we are having to pay two or three times for our newspaper advertising. I was just wondering if the radio stations have any agreement such as that amongst themselves; that when it comes to an election the member of parliament has to pay two or three times for his time?—A. No, I do not think so.

Q. I am asking for information seriously.—A. I cannot answer as to the radio. I do not know. That is not within my knowledge.

Q. You know the newspapers do that? I do not know why. I do not know who gives them the right to do that. They say here are soft pickings, and if you want to advertise here you are going to pay through the nose. You are charged six times the price you pay for ads.—A. At election time?

Q. Yes, at election time. It is all right for those who have some funds, but for those of us who have to pay our own bills— —A. I cannot answer as to the radio because we are not concerned about that.

By Mr. Beaudoin:

Q. Would you tell us how many years your association has been in existence? —A. Approximately twenty-five years.

Q. What is the number of members that you now have?—A. Eighty-six.

Q. How many daily newspapers are there in Canada?—A. There are only three small daily newspapers in Canada who are not in the association.

Q. Do they own radio stations?—A. I cannot tell you whether they do or not.

By Mr. Fulton:

Q. What are the names of the papers and we may know ourselves?—A. I want to correct my last answer. There are four newspapers in Canada that are not members of the association and the fourth is the recent Toronto paper, the *Daily Tribune*. The *Daily Tribune* is not a member of the C.D.N.A.

The CHAIRMAN: It does not own a radio?

The WITNESS: It does not own a radio station. The other three are the Charlottetown *Patriot*, the Fredericton *Gleaner* and the Prince Rupert *Empire*.

Mr. FULTON: Is that a daily paper?

The WITNESS: My information is that it is a daily paper, yes.

By Mr. Beaudoin:

Q. Now, in the last ten years I presume that your association has been holding annual meetings every year ever since its inception?—A. Yes, as long as it has existed.

Q. In the last ten years?—A. Yes.

Q. I presume that your association has been concerned with the regulations of the C.B.C. pertaining to licences for radio stations?—A. Not in relation to the problem of facsimile, because this thing struck the minds of the publishers at this last meeting. These experimental efforts of Mr. Knight of the Miami *Herald* brought this whole business into the field of practical importance.

Q. The newspapers association was not aware of that danger previous to that?—A. No. It did not regard it as something that was serious enough to bring to the attention of this committee. Individual members may have known about it, but it was at this year's meeting that the matter, in an association way, was discussed and the plans were formulated.

Q. Do you think the information which was brought before the association by this Mr. Knight of the Miami *Herald* is just as serious as he has described? Has he convinced you so strongly of the seriousness of the situation as to prompt you to come before the committee this year and express yourself in the terms in which you have?—A. Yes. Do not misunderstand me, Mr. Beaudoin, the part devoted to Mr. Knight is only that one little bit on page 5. That is merely cited as an example of what Mr. Knight did. It was not Mr. Knight who brought this to the attention of the meeting. There was a thorough discussion by the members of all phases of it, and this represents the considered opinion of the association as to the danger of facsimile. It was Mr. Knight's experiment which, as I said before, brought it within the vision, let us say, of practice.

Q. But before that time there were no special surveys made by your association either in the United States or elsewhere in order to discover what was the practice in facsimile?—A. That is a matter I am told has been in the minds of the publishers all during the war years. It has been watched, and the thing was brought to a head this year.

Q. And during the war years when it was watched, was it considered serious?—A. Not from a practical standpoint, no.

Q. Was it considered serious enough that it should be brought up before the committee?—A. It is a matter of degree. It happens that the question was discussed at this year's meeting and it was then felt it was sufficiently serious to bring it to your attention. During the war years there was not much danger of facsimile equipment being available for newspapers and now there is. There are several newspapers which have ordered this equipment

Q. The point I am driving at is this: your assoiciation has taken care of the affairs of the Canadian Daily Newspapers Association throughout the country? —A. Yes.

Q. It has been in existence for many years, and it is trying to protect the interests of the daily newspapers?—A. Yes.

Q. You have an annual meeting every year?—A. Yes.

Q. You have been studying the question of facsimile for the last three or four years?—A. Watching the question.

Q. And it has never been considered seriously dangerous until this last general meeting?—A. That is correct; until this last meeting.

Q. And you have decided to come before us and express yourself in the terms in which you have in this brief?—A. Definitely, yes.

Q. Now, did you at any time communicate with the C.B.C. to find out how much they had watched the progress of facsimile?—A. There was no association discussion as such with the C.B.C., but individual members had discussed the matter—it was discussed among the members. I do not think there is—I am told there is no physical approach to the C.B.C. Do not misunderstand me, we are not criticizing the C.B.C.

Q. That is not what I am driving at. It is purely a matter of being practical. As you say in your brief, the C.B.C. is now controlling whatever power there might be as far as facsimile is concerned. As a matter of fact, you are somewhat concerned about the powers which the C.B.C. has over facsimile?—A. I say as far as facsimile is concerned the C.B.C. or any other regulatory party should not have the powers that the C.B.C. now has over facsimile. As far as facsimile is concerned, it is the reproduction of the newspaper. This new body which may or may not be set up to regulate facsimile I agree should have power to allocate wavelengths for facsimile.

Mr. BEAUDOIN: Mr. Chairman, I think the witness is quite entitled to give his opinion as to certain points which are in his brief, but, on the other hand, I think when I ask him a question he should simply reply to the question.

The WITNESS: I am trying to reply. Your question cannot be answered yes or no.

The CHAIRMAN: Mr. Robinette, I think you as a lawyer will agree that the witness should answer a question but at the same time you may think it is necessary to enlarge to explain, but you must admit that your answer must be responsive to the question.

The WITNESS: Yes. I think it was responsive to the question. I am sorry if it was not.

The CHAIRMAN: Well, Mr. Beaudoin, let us get back to an understanding one way or another.

By Mr. Beaudoin:

Q. Following the recent annual general meeting of members of your association, to which you refer on page 4, did your association finally decide on the matter and then effectively meet the C.B.C., the controlling power over facsimile, in order to discuss the dangers that you are now giving us notice of in your brief?—A. No, sir, we thought we should draw it to your attention.

Q. You decided to wait and come before this committee?—A. Yes, sir, that is what the committee is for.

Q. I agree with that. The Committee is for this and for that and for many other things, but you are not aware of whatever work the C.B.C. may have done by which they may have been able to enlighten you differently on the progress of facsimile from what this gentleman from Miami has said? It might have set your mind at rest?—A. It might have.

Q. Do you agree with that?

Mr. Fulton:

Q. Is it not a case that the association has always been exercised about the policy of the C.B.C. to deny or to refuse the transfer of licences to newspapers, and facsimile has just brought that matter to a head?—A. That is a very fair way to state it.

Q. It is not the case that this worry over the refusal of licenses to newspapers is a new thing. That has always been the worry, and the facsimile development has impressed upon you the importance of that whole question?—A. Has accentuated the problem and brought it to a head.

Mr. BEAUDOIN: I do not think Mr. Fulton's question was a question.

The CHAIRMAN: It was a leading question, but it was a question.

Mr. BEAUDOIN: Nevertheless—

Mr. FULTON: It is all cross-examination.

The WITNESS: Did I answer your question, Mr. Beaudoin?

By Mr. Beaudoin:

Q. I guess you did. You say on page 4 that facsimile is completely beyond the experimental stage and then later on on page 6 you say it is only a matter of months of mechanical experimentation, and so on, until it will be available in a way in which it will be of practical use. How many months would you say?—A. Practical—

Q. I should like to know now. I want to make my question very clear. I want to know now to what degree it is dangerous. You are talking about the serious difficulty. Do we have to meet that difficulty within a period of six months, because you say in your brief there is a danger that newspapers may disappear.—A. I do not think there is that danger within a matter of

six months. All I can say is this equipment has been ordered by some of the newspapers.

By the Chairman:

Q. Are some of those newspapers in Canada?—A. One, the Toronto *Globe and Mail.*

Q. It is under order.—A. Yes. Of course, these days you cannot tell when you will get delivery of it.

By Mr. Beaudoin:

Q. You say definitely on page 4 that within the next six months all initial orders—that includes the one of the Toronto *Globe and Mail*—will be filled?—A. Yes, that is the belief.

Q. And that equipment will then be available to a more general list of applicants?—A. Yes. Of course, that is the equipment in the broadcasting station. The public still have to be convinced it is economically desirable and possible for them to purchase the necessary receiving sets.

Q. Are there any now being manufactured in Canada?—A. I do not think so, not in Canada, no.

Q. What is your information as to the state at which they are in the United States?—A. General Electric are building in the United States both broadcasting and receiving equipment. I cannot tell you in what quantites. I would imagine not in large quantities. I do not want to suggest this is something that is going to happen next Christmas or anything like that but you never can tell with a tremendous technical improvement what will happen over night. The automobile and the airplane came on us pretty quickly.

Q. You are suggesting in your brief that just like at the time when the horse and buggy were replaced by the automobile the ones who own horses should have a priority in the buying of automobiles?—A. I am saying those who have built up the tradition of the press with their knowledge and information should be permitted to develop equally with others the means of outlet for news. All we ask is that we be not discriminated against.

Q. When you know, for instance, as has been said here before this committee —I am referring now to No. 3 of our minutes and proceedings of this session, page 102—that there are 38 private radio stations in this country which already have newspapers and one licence pending you still claim there is discrimination against newspapers?—A. I say that in the policy as expressed by Mr. Dunton there is a tendency to discriminate if that policy is pursued.

Q. You mean by the C.B.C.?—A. By the C.B.C.

Q. Through its manager or whoever it might be?—A. It may be that the C.B.C. is seeking light on this question. I do not know. I am not blaming anyone. All I am saying is the C.B.C. through its general manager has stated to us that the policy is in existence.

By Mr. Robinson:

Q. Through its chairman?—A. I beg your pardon, through the chairman of the Board of Governors.

By Mr. Knight:

Q. On what is the policy based as expressed in the letter? Do you consider it was based on certain findings of this committee in previous years?—A. I could not say. I do not know. All we had was the letter.

By Mr. Gauthier:

Q. Under this policy 39 stations have been granted to newspapers?—A. I think many of those who received licences received them before that policy went into force. Mr. Dunton in his letter did not give us the exact date on which that

policy went into force. He said it has been in force for several years. I cannot tell you how many of the 38 licences were granted before that policy went into force, but I would imagine it would be a goodly number.

Q. We will ask Mr. Dunton.

By the Chairman:

Q. There was a newspaper obtained one in Moose Jaw within quite recent times because it was a matter of political controversy in Saskatchewan in recent days.—A. Well, I can say this quite frankly to the committee. I do not think that policy is a workable one from a legal standpoint either. It would be a very easy matter for a newspaper which wanted to avoid that policy to create another company and put in dummy directors and have that other company apply for the radio licence. It is the sort of thing that could be easily circumvented if anybody wanted to do it. I do not think it is a practical policy. We say it discriminates against newspapers. I do not think it is a workable policy.

By Mr. Fulton:

Q. Mr. Knight referred to the matter of competition. I think his questions were directed to showing there might be some danger of a monopoly if radio licences were granted to newspapers. I want to ask you this preparatory question to my others. Do you consider that there would be no danger of monopoly as long as it it open to anyone to enter the field of either radio news broadcasting or newspaper work?—A. I do not think there would be a monopoly as long as the field is open.

Q. Then I want to ask you some technical questions which I hope you can answer.—A. I probably will not be able to answer.

The CHAIRMAN: There is not any real objection to that question, Mr. Fulton, but surely you will admit that it was just stating the answer and putting a question mark after it.

Mr. FULTON: That is perfectly true because—

The CHAIRMAN: It is admissible.

Mr. FULTON: I am not going to deny that because the other questions were put the other way but it is a preface to what I want to ask.

The CHAIRMAN: I think it is not necessary with this kind of witness. That is all. However, that is all right.

By Mr. Fulton:

Q. The questions I want to ask are questions as to the extent to which this field of facsimile broadcasting is open to anyone who wants to enter it provided regulations against it did not exist. Do facsimile stations operate on a wavelength such as would make it a very limited field so it is only possible for a very few people to have that privilege?—A. I am sure the C.B.C. can give you that information. I asked that question, too, for information. I am told the number of facsimile outlets would be approximately three to one over the present number of AM outlets.

Q. Would you care to give a figure? Would that represent 100?—A. I cannot give a figure but I am told there would be sufficient FM outlets, facsimile outlets, to take care of all the newspapers in Canada.

Q. And a large field over and above that.—A. Yes.

Q. So that there is room for new people to enter the field even if all the newspapers were given licences?—A. I am told so, yes.

Q. Then, is there any restriction, physical or engineering, that you know of which would limit the numbers who are able to enter the field?

The CHAIRMAN: Physical, that you know of?

The WITNESS: No, I do not know any.

By Mr. Fulton:

Q. I realize that is a technical question.—A. Well, I do not know. For example, I cannot say whether in areas where there are high mountains there would be restrictions. I do not know enough about the technical aspects of facsimile to answer that. As far as I know there are no restrictions from a mechanical standpoint or otherwise.

Q. Is it the opinion, and I put the question this way subject to the chairman's ruling that it is a leading question, is it the opinion of the association you represent that there is ample room in this field of facsimile broadcasting to take care of all the newspapers and a large number of prospective applicants in the field?—A. Yes. Mr. Dunton and I have discussed it and he gave me certain information and I am not saying that I am relating accurately what he said. The information I have given you so far is information which I have received from my own asociation, but Mr. Dunton, I am sure, will be able to give you a more accurate picture.

Mr. BEAUDOIN: Is Mr. Dunton here now, and if so, why not ask him the question and clear the matter up?

Mr. ROBINSON: I understand Mr. Robinette is anxious to get away and as Mr. Dunton will be here appearing before us later, we could get the information then.

The CHAIRMAN: I would recommend that action for another reason. We displaced Mr. Provost with his consent, but we do wish to hear him and if the members of this committee are thinking of an adjournment before midnight I would suggest revising that opinion.

By Mr. Fulton:

Q. I have just two more questions, Mr. Chairman. On page 12 of this brief it refers to the set-up of a board which I understand you recommend should be appointed and financed directly by joint resolution of the Commons and Senate. Now what I want to ask is whether the association considers it is tied to that particular method of appointing a board.—A. No, I think what we want or what we suggest, with respect, is this. There should be first of all a division of power. In other words, the C.B.C. should run, purely from a management standpoint, its own enterprise. There will be a separate board or commission to regulate radio generally in Canada. As far as that board is concerned we feel its decisions should be made publicly and openly, so that everyone will know what is going on. We feel in addition to that the members of the board, as far as possible, should be independent of the government of the day and that they should enjoy some security of tenure in their office. I do not suggest that they should enjoy the same security of tenure as does a high court judge, who has his job for life, but I do suggest that they should have a period of tenure of say ten years and could remain in office at the end of ten years only on the joint resolution of the House of Commons and the Senate.

Q. You would not object to its being appointed by the Governor in Council, subject to the same security and tenure of office as most boards, and responsible to parliament through the government of the day?—A. We would not object to that.

By Mr. Beaudoin:

Q. I would like to ask if the association you represent would like to have representations on the board together with perhaps the C.A.B.?—A. Oh, no. I do not think so. That type of board lends itself to compromise and it is more like a board of arbitration. What we want is a regulatory board which will act in a quasi-judicial capacity and decide these problems openly in court on the evidence before them.

Q. Do you feel there are any problems which you are now facing which you cannot discuss and solve in a satisfactory manner with the C.B.C. as it it now constitued?—A. I would not anticipate any difficulty in these things with Mr. Dunton, but as I see it, the real problem is going to be the allotment in the near future of wave lengths for facsimile. Now although there seems to be at the moment ample wave lengths for that purpose, the time may come when there will be a shortage of facsimile wavelengths. Who is to have them? Will it be the radio stations or new newspapers? Who is to have preferred treatment? Those are the things to be determined by the board.

Q. What you would like to have confirmed is that the newspapers in existence be given confirmation that they will have the facsimile licences which might be available given to them and to nobody else, even though the number is limited?—A. I do not mean to imply that. Let me put it this way. If there is to be a shortage of facsimile outlets the proper distribution of those facsimile outlets should be decided by this impartial board acting quasi-judicially. We have the same problem in Ontario. Pardon me for using this example, but we have the Ontario Municipal Board and one of its jobs is to licence public carriers on the highways. They take into consideration the public interest and they have open hearings for those interested in obtaining licences and they decide who will get the franchise on a particular road.

Mr. ROBINSON: They consider public interest and convenience?

The WITNESS: Yes, I should have included convenience. Now I envisage something similar to that if there should be a shortage of facsimile outlets.

By Mr. Beaudoin:

Q. Do you not think you would get the same treatment with the board as it is now constituted? You think you could only get this impartial treatment if you had a board such as you suggest?—A. I am not suggesting the present board would not be impartial. It is however, a matter of principle. I think that sort of thing should be decided, not by a board which does not enjoy any security of tenure, but it should be decided by a board which has security of tenure and which is independent of the government of the day, not this government, but any government.

By the Chairman:

Q. May I just get this clear. I quite understand the position of the C.A.B. who are an organization who already have radios, and who claim there is competition between them and the C.B.C., and they do not want their competitors to rule them or control the issuance of licences. As a matter of fact the C.B.C. makes recommendations to the Department of Transport.—A. Yes.

Q. Why should the newspapers feel that board that is constituted, not the present board necessarily, but that board that is constituted should not make recommendations? That is something I cannot understand. Why are they so anxious to have a board appointed in the way described here? You are not radio operators?—A. No, but supposing a dispute might arise between the newspapers claiming the privilege of a facsimile outlet and the radio stations claiming that same privilege. There you would have a definite conflict.

Q. Yes, settled not only by the C.B.C. but by the government?—A. Well, I do not think it is the type of matter which could be determined on a purely discretionary basis. There must be some public interest considered. I think it is much preferable to have these competing public interests fought out and determined by a quasi-judicial body in an open hearing.

Q. There must be discretion exercised by any kind of body. That kind of judgment would be bound to be discretionary, would it not?—A. Mr. Chairman, I think that puts an unreasonable burden on a minister, to be frank with you.

Q. That is another question.—A. Here is what I mean. If a Liberal newspaper wanted a certain FM outlet and a Conservative radio station wanted it, would it not be fairer and more in the public interest to have the merits of that debated in the open rather than to have that decided by a minister of the Crown of one of those particular parties? I mean, why do we have courts?

Mr. LANGLOIS: What about the responsibility to parliament?

By the Chairman:

Q. Mr. Robinette, you have had a great many applications coming in from newspapers asking for frequencies. Some have received them and, I understand a considerable number, many more than you would have suggested here to-day. Many have received them and many have not?—A. A considerable number have not.

Q. A considerable number have not?—A. Because of this policy.

Q. By reason of that policy which, I think, was induced by what occurred in this committee. At any rate, a considerable number have not received it and a considerable number have. Now, are there any examples of that kind of load you have been describing being too much for the minister to bear?—A. I do not mean to suggest it is too much for any minister to bear, but I do think it is better that these things be done in the open rather than to suggest that the radio station or the newspaper got that franchise because of political pressure.

By Mr. Langlois:

Q. You realize that any decision of a minister is debatable in the House?—A. Yes, I realize that.

Q. That shows responsibility to parliament?—A. Yes.

By Mr. Gauthier:

Q. Would it be with the new board?—A. So far as the new board is concerned, its decisions would be similar to the decision of a court.

By Mr. Langlois:

Q. They would be debatable in parliament the same as the decision of the minister. There is no getting away from parliament in either case?—A. I do not quite follow that.

Q. We have a responsible parliament in this country?—A. Yes, but the decision of a court is not reviewed in parliament.

Q. You do not want this board to be responsible to parliament? Is that what you want?—A. I want the Transport Board to make decisions which are final, on the evidence, in open hearing.

Q. Would you please answer my question. Do you want this board to be independent of parliament?—A. What do you mean? Do you mean its decisions should be reviewed by parliament? I should say no.

Q. That the decisions of the board could be debated in the House?—A. No, I should say not. It should be independent. Now, so far as parliament is concerned—

Q. It looks like fascism to me.—A. You might as well say a court is fascist.

The CHAIRMAN: The courts administer a definite body of law. There is quite a difference. This would be a law making body.

Mr. FULTON: I do not think that is what the witness is asking for or what the brief suggests. The brief suggests that the law should be made by parliament and this board should be appointed to administer the law and to make decisions in accordance with that law.

The WITNESS: And those decisions, when given, are final decisions. I agree with you, sir, so far as parliament is concerned, the principles should be laid down by parliament and parliament should be responsible for that. That is

what we want. We have confidence in parliament. So far as the actual decisions by the board are concerned, the decisions should be final.

By Mr. Langlois:

Q. You cannot definitely compare this board you are suggesting to a court because the members of this board will be appointed by parliament but the judges of the court are appointed for life. We can remove a member of this board by a decision of parliament, but you cannot remove a judge that way?—A. You can remove a judge.

Q. You can impeach him?—A. I would suggest that the members of the board should enjoy a security of tenure somewhat equivalent to that of a judge; not for life, but they should be removable only for misbehaviour on a joint resolution of the Senate and the Commons during their ten year period. I should say they should have a real security of tenure; otherwise, they are not an independent board.

Q. They will not be in either case. If they are not appointed by parliament, they will not be independent?—A. I do not follow this suggestion that because you have a board making decisions that is fascism. With greatest respect, I do not follow that.

Q. If its decisions are final it is not answerable to parliament, to the elected members of parliament; that looks to me like fascism?—A. Parliament passes the criminal code and the courts administer the criminal law and make final decisions in criminal cases. That is not fascism, it is democracy.

Q. You cannot remove them if you do not like their decisions?—A. I cannot remove these people if I do not like their decision.

Q. In this case, they are appointed for ten years and you can remove them after the ten years if you do not like them. You would have to wait a little bit?

By the Chairman:

Q. What would you say to a board appointed in the manner in which the transport board is appointed, and no further away from government control than is the transport board?—A. I must confess, Mr. Chairman, for the moment I have forgotten how the transport board is appointed.

Q. It is appointed by the Governor in Council for a term of years which, I think, is ten. There is an appeal on factual matters to a committee of the cabinet.—A. Are they removable only on a joint resolution? I think they are. It would be something similar to that.

Q. I do not know about a joint resolution, but they enjoy some security.—A. They are not removable at pleasure?

Q. No.—A. They should enjoy a real security of tenure for a definite period.

By Mr. Langlois:

Q. What I should like, sir, is to have a real formula which would go with our democratic system, that is all.—A. I am not suggesting for a moment that parliament should not lay down the principles. Parliament should; that is parliament's job. That is what we are asking in our brief. The application of those principles to the facts of individual cases could readily be determined by an independent board just as the facts in cases are determined in the courts of law. I do not quite see how that is fascism.

By the Chairman:

Q. I do not think that is quite what Mr. Langlois meant. I do not think you were quite at one there. Mr. Langlois, I think would have you understand that if you set up a board and leave it completely irresponsible, that obviously is leading to fascism.—A. Oh, yes. If you set up a board and say, "Here, you just take over." Supposing parliament said to a board, "You run the radio business and make all the laws." I agree that is fascism.

By Mr. Langlois:

Q. That is what I had in mind. I should like to know the real formula for that board. Another question, when was your brief finally drafted? Can you give me the date?—A. It was finally drafted some day last week; a week ago to-day, I am informed.

Q. Did you have the C.A.B. brief at the time you drafted your own brief?—A. I would judge that some of the persons who gave me some of the material on which the brief is drafted knew the C.A.B. brief. I do not have it in my possession. Certain material was given to me, certain draft briefs were submitted to me and I put the whole thing together.

Q. Now, on page 10 of the brief you make the following statement:—

> ". . . any department of the government of Canada would have the right to require a facsimile broadcasting station to broadcast any message with priority over other matter and without compensation; the government of the day would have the power to take possession of any facsimile broadcasting station and operate it at any time without notice; the C.B.C. would have the power to require the production of all material to be broadcast over a facsimile station before it is actually broadcast; the C.B.C. would have the power to control the character of all material broadcast over a facsimile station; the C.B.C. would have full power to limit and control advertising broadcast over a facsimile station; facsimile stations would be prohibited from broadcasting news published in any newspaper or collected by any newspaper or association of newspapers or local and sports news without permission from the C.B.C."

I will read that in connection with your comments in page 3 of your supplement which says, with reference to the Radio Act, it refers to regulation No. 25. When you drafted this statement on page 10 of this brief and on page 3 of your supplement did you anticipate cases of national emergency when these regulations would apply?—A. I suppose there would be cases.

Q. For instance, such as disaster like a flood . . .—A. Or, an invasion; supposing Canada were invaded by armed forces, I suppose there are very extreme emergencies where the government would be justified in even taking over the press.

Q. Am I to take your answer as meaning that in cases of great national emergency regulation No. 25 would be operative; in other words, there are cases where you recognize that such action would be justified, and that not all is wrong with the regulations, as your brief would suggest?—A. Yes, I think it is wrong in its present form that the board should be given such broad powers in broad general language without any limitations?

Q. In other words, you suggest it should be qualified?—A. On that particular point, yes. It might be that in any extreme disaster, such as invasion, the exercise of such extraordinary powers as are conveyed under that regulation would be justified in the national interest; it might even justify the expropriation of anybody's property under those circumstances. That might be quite justified.

By Mr. Fulton:

Q. Do I understand from your brief that it is your contention that at the moment those newspapers which own radio stations have no facilities to experiment with facsimile broadcasting?—A. I do not know whether they have at the moment or not. My point in the brief is rather this, that if facsimile comes in the future and is to be the other means of producing newspapers, we say that the newspapers should not be discriminated against in the matter of licences so they will not be in a position to develop facsimile; so that they will all have the same opportunity of working on facsimile.

Q. I see that point, but I am not quite clear in my mind as to why the brief as a whole suggests that at the moment you cannot even experiment . . .—A. No, the brief does not suggest that. It does not intend to suggest the point that you raise, Mr. Fulton.

By Mr. Beaudoin:

Q. When you say you have no confidence in the C.B.C. as an impartial board you are, I suppose, adhering to the argument which has been put forward by the C.A.B.?—A. Well, rather that is certainly our view, apart from the C.A.B. I do not mean to suggest for a moment that we have not confidence in the present personnel; it is the matter of the system, of the principle of the thing. We say that these decisions affecting the public interest should be made by an impartial board; and when I say impartial I am not suggesting that the present board are prejudiced or biased; it may be a better adjective to use would have been an independent board set up after the manner which we suggested, holding public hearings.

Q. You know, of course, how the present board are constituted?—A. Yes.

Q. How is the present board constituted?—A. The C.B.C.?

Q. Yes.—A. You mean, appointed?

Q. Yes.—A. By the governor general in council.

Q. How is the board of governors composed?—A. I cannot tell you that, who the present members are.

Q. Do you know whether they are selected from one province or one part of the country?—A. I understand they are selected on a cultural basis and on the basis of representing the different parts of the dominion.

Q. But you are not sure how it is composed?—A. I am not quite sure as to the exact principles that are followed, but I know that they are appointed by the governor general in council.

Q. And yet you think this board threatens the very existence of the newspapers in Canada?—A. The brief does not say that.

Q. On page 12 it says:—

> The newspaper industry of Canada is not satisfied that developments which may threaten its very existence should be left under the control of the C.B.C.

—A. That is not quite what you said.

Q. No?—A. And it is no reflection and it is not intended as a reflection on the present members of the C.B.C. at all; it is just a matter of the independence of the board and having public hearings and a division of power.

By the Chairman:

Q. How are they not left under the control of the government rather than under the control of the C.B.C.? The C.B.C. has no control. Is there anything in there which says the C.B.C. has that control against which you are complaining? I think not. They have the right to make recommendations. They are asked to make recommendations.—A. Yes.

Q. I think it is only fair to say.—A. I think that is right.

Q. —that those recommendations in the matter that have come up so far, quite apart from facsimile, have been followed. But it is not their final responsibility.—A. No.

Q. It is that of the government.—A. It could be.

Mr. FULTON: Don't they make the regulations?

The CHAIRMAN: Not in that matter, they issue licences; and that is the nature of these complaints. That is a matter for the Transport Department.

Mr. FULTON: I think he said it was the policy of the board of governors.

The CHAIRMAN: The policy of the board of governors, in regard to what recommendations they make.

The WITNESS: Recommendations, yes. For several years the board of governors of the C.B.C. has had a policy of recommending the issuance or transfer of licences to newspapers only in special circumstances.

Mr. FULTON: Have we had evidence of that? Were those recommendations followed?

The CHAIRMAN: Oh well, they have nearly always been followed so far, if not always; but they have not even approached this kind of problem.

By Mr. Reid:

Q. Mr. Chairman, it seems to me that this is a very serious matter, looking to the future. Looking at page 5 now; the statement of Mr. John S. Knight. My question is this: Has anyone discussed with Mr. John S. Knight the matter in the light of the representations which have been made to the committee? Now, I see that his statement covers the three fields; it opens up an entire new field of journalism, radio transmission and business. As to that statement, I am just wondering what we can go on. This is a general statement:—

> Facsimile is the most radical change in newspaper publishing methods since the invention of typesetting machines. Within a few years it promises an entirely new concept of the daily newspaper and should open up an entirely new field of journalism, radio broadcasting and business.

I am just wondering what weight we can attach to this statement?—A. I think a great deal.

Q. In the light of your representations you do not state that; you are only saying that it will be developed and that development will open up a new field. —A. It opens up an entirely new field. That was two years ago, when Mr. Knight did conduct an experiment in Miami and had a station broadcasting on a facsimile basis and the newspapers were received; not in the homes, but he put up sets in stores where people could come in and watch them in operation. I have some friends who fortunately were able to go to Florida this winter and they told me personally what they had seen in this field. He set them up in a few places where the public could watch them in operation.

Q. I am interested in that. This is an interesting subject. What took place when he set them up on an experimental basis; did the newspapers go out of business?—A. Oh no.

Q. What happened, what was the effect of his setting them up?—A. There was no effect at all, merely a crowd gathered around and watched the thing in operation. It was all on an experimental basis.

By Mr. Langlois:

Q. Do you anticipate the day when facsimile will be used on a wide basis; do you anticipate that it may decrease newspaper revenue?—A. Increase? No, decrease.

Q. A decrease.—A. Well, it all depends on what you mean by business. It would certainly mean a decrease in revenue from the consumer because there would be no way of collecting. We will not get the two or three cents or five cents, I should say, from each person who reads the facsimile paper. The entire revenue would have to come from advertising. I do not think any scheme has been worked out whereby you can collect any money from the receiver of the facsimile set for the service.

Q. There is a possibility that if facsimile is developed on a large scale that the present business of newspapers will go down?—A. There is the possibility that if we are not permitted to enter the facsimile field and the radio field on a fair and equal basis that we will not have any business.

By Mr. Reid:

Q. Have you any evidence other than this evidence from the United States of any districts where facsimile is in effect?—A. No, sir, there is no other example that I know of in the states. It is not even in the states in actual practical operation. It has only been experimented with in the actual newspaper field by Mr. Knight; but the machines are on order for some of them.

By Mr. Fulton:

Q. Do you know what experiment has been done in Canada on this work by our own independent stations?—A. I cannot answer that. I do not know anything about the radio stations, but I feel quite certain that no experimental work has been done by any Canadian newspapers.

By Mr. Reid:

Q. Can a sample of these sheets be seen?—A. In 1937 the *Globe and Mail* at the Canadian National Exhibition put on an exhibition of facsimile reproduction through a wire—by a land wire, not through the air. That is the only one we know of.

By Mr. Fulton:

Q. You say that the *Globe and Mail* has a machine on record. Do you know if the *Globe and Mail* has applied for a licence?—A. It is our understanding that they have. The association as such is not informed by the newspapers as to all their radio activities because it is practically a newspaper association, but I understand that they have applied.

Q. Have you any information as to whether that application has been dealt with and what the outcome has been?—A. I am told, subject to correction, that they have no licence yet.

Q. That might give a wrong impression. Do you know whether it has been dealt with?—A. I do not know. I am told—well, that is another matter. No, I do not know about the *Globe and Mail.*

Q. Is there anybody here who can tell you that?—A. No, there are no *Globe and Mail* people here. That is a matter for the individual paper. We have no information on that.

Mr. FULTON: Mr. Chairman, I think that is a fairly important matter because it does go to the root of one of the complaints made in the brief. I am wondering whether we should not have an answer from the paper with the opportunity for C.B.C. to give related evidence on that question?

The CHAIRMAN: The question could be asked of either the Department of Transport or C.B.C., and we can do that shortly.

Mr. FULTON: I would like to ask that later.

By Mr. Robinson:

Q. Mr. Robinette, do I understand that the newspaper publishers in the acquiring of radio licences are limited to the realm of facsimile?—A. No.

Q. In other words, they are interested in acquiring licences for other purposes as well?—A. Yes, because they feel that facsimile listening, or the facsimile customers will be on the listening audience of an existing AM station and they feel that they should have the opportunity to develop that facsimile listening audience.

Q. Other than the experiment which you outlined to us and which was made by the *Globe and Mail* in 1937, do you know of any other newspaper publishers, whether owning radio stations or not, who have spent any money on research in facsimile?—A. We do not know of any. In this country, you mean?

Q. In this country, yes.—A. No.

Q. While I am on this, on page 2 of your brief you make the following statement: "As such, it is essential that this means of communication should be free from unwarranted government control . . ." Would you care to say what you mean by the word "unwarranted"? What do you mean by that phrase? —A. What I mean is this. I think everyone realizes that radio and facsimile are somewhat different from the press. You can print as many newspapers as you like, but there is only so much air to go around.

Q. You mean that there are only so many frequencies?—A. There are only so many frequencies to go around. I think anyone will agree that there has to be some government control which will allocate those frequencies, and the control of facsimile newspapers, in my submission, should not go beyond that. In other words, once facsimile newspapers come I do not think any government body should have the right to say what is put in those facsimile newspapers. If they defame anybody they can be sued for libel; if they utter seditious slander they can be prosecuted for sedition; but there should be no restriction on what is said in a facsimile paper.

Q. Do I take it that it is your contention that in the dissemination of news by means of radio there should be no control whatsoever as to what is broadcast or what is disseminated?—A. In so far as facsimile newspapers are concerned I would say that, yes.

Q. No measure of control whatsoever?—A. No measure of control any more than there is a measure of control over the press to-day; except in so far as it is necessary to allocate the essential outlets.

Q. That is the control established for channel allotments and frequencies? A. Yes. I would say this, sir. I do not agree with practically anything the *Daily Tribune* in Toronto publishes, but I will defend to the last their right to publish it, and if they applied for a frequency and there was one available they should have it. That is my conception of freedom of speech and freedom of the press.

Q. At the bottom of page 2 you draw on two implications from the alleged decision of the Board of Governors of the C.B.C. not to permit the acquisition of licences by newspaper publishers. Do you not think there is another question raised in that, being the question of the desirability of one person or a group of persons owning a number of newspapers or a number of radio stations at the same time?—A. Yes, it may be implicit in their objection.

Q. What would you say as to the desirability of multiple ownership—at least the ownership by one person of a number of stations?—A. I cannot see any objection to it. As I said earlier in the evening, there is no such thing as a monopoly of news. I suppose you could get a station so large that it would be objectionable, but mere size alone is not objectionable, I do not think.

Q. I thought you had agreed with me earlier that the vehicle of radio is somewhat a monopoly in that there are only so many frequencies?—A. The vehicle that exists in AM stations is pretty close to monopoly, yes.

Q. You have not the figures of FM? Would not FM on which facsimile is produced be somewhat in the same category?—A. No. I am told there are many more outlets available on FM; but I agree—

Q. You will still reach the saturation point?—A. Yes, the saturation point might well be reached at some time. That may be a long time away, Mr. Robinson; theoretically it could be reached.

By Mr. Beaudoin:

Q. You said a while ago that the C.B.C. depended on the newspapers for their news. Is that quite exact?—A. Well, they depend to a pretty large extent on the newspapers, not individual newspapers, but on Canadian Press which is the co-operative news gathering body for practically all the Canadian newspapers.

Q. Is B.U.P. in the same position?—A. No. B.U.P. is a private wire service not operated by the Canadian newspapers. I do not know whether the C.B.C. takes the B.U.P. service as well as Canadian Press. I certainly know they take the Canadian Press service.

The CHAIRMAN: I think it does.

The WITNESS: I will assert that the Canadian Press service is much more comprehensive.

The CHAIRMAN: B.U.P. will take notice of that.

By Mr. Beaudoin:

Q. Besides the Canadian Press and the British United Press there are other press agencies, too? You will admit that?—A. There is Associated Press in the United States and Reuters.

Q. The C.B.C. may rather rely on all the press agencies?—A. I think for their national news they rely principally on the Canadian Press.

Q. But that does not mean if they rely on Canadian Press and other agencies they rely on newspapers?—A. In so far as they rely on the Canadian Press they certainly rely on newspapers because Canadian Press exists by virtue of the existence of the newspapers. It is a co-operative organization. Each paper pores in its news to Canadian Press.

Q. Suppose they did not subscribe to the Canadian Press service and got their news only from B.U.P. What would happen? Do you think the Canadian source of news.

Q. Are you representing the Canadian Press at the same time as the Canadian Daily Newspapers Association?—A. I am not representing the Canadian Press here but I have a very high regard for the Canadian Press.

Q. Is Canadian Press a member of your association?—A. Oh, no.

Q. You say on page 12 that "other witnesses appearing before the committee have enlarged upon those facets of the Broadcasting Act." That is referring to the control of the C.B.C. To what other witnesses are you referring on page 12?—A. The witnesses who appeared on behalf of the C.A.B.

Q. You say that those other witnesses share your opinion as to the unwarranted control of the C.B.C., that the C.B.C. in the field is acting in the dual capacity of operator, licencer and mentor of the private stations on terms which unwarrantably limit their freedom. You are quite sure that statement is accurate?—A. It appeared in the public press. Mr. Sedgwick's comments were publicized broadly. I read them with some interest, and that was the effect of his submission on behalf of the C.A.B.

Q. You are aware, of course, one of the main reasons why they wanted to have a separate body other than the C.B.C. as the regulatory body was to have a separate entity in order to deal with radio in general, that is, the C.B.C. not regulating its competitors?—A. That was their position, yes. That is what they are concerned with.

Q. You agree with that?—A. I think so, yes.

Q. Is that one of the reasons why you are asking for a separate regulatory body?—A. No, I am not concerned with that reason, but speaking for myself I thing they are right. However, that is not the reason the newspapers are concerned with.

Q. Would you enlarge upon freedom of speech? You spoke about that in answer to a question by Mr. Robinson. You claim that radio should be just as free—I am referring now to the last few words on page 13—as newspapers?—A. I say that all I am really concerned with is that the facsimile distribution of newspapers, if and when it comes, should be just as free from government control as the printing of newspapers.

Q. On page 13 you definitely say:—

> Parliament in formulating policy should recognize radio for what it is and for what it may become and should determine that it shall be free, as the printed and spoken word are free, to serve the people according to democratic traditions.

You are definitely referring to radio, not facsimile?—A. We are concerned particularly with the facsimile form of radio. We are concentrating on facsimile. That is our particular problem. That is designed to state in general terms what we have stated in more particular terms in the brief with reference to facsimile.

Q. Are we to understand that whatever there may be in this brief that does not refer to facsimile should be considered as not being our concern?—A. No, not at all; I did not say that. We are concerned primarily with facsimile, but we feel that the present discrimination—

Q. You are giving a hand to the C.A.B.?—A. No, the present discrimination of the C.B.C. as expressed in Mr. Dunton's letter, against newspapers in acquiring radio licences is unfair to newspapers.

Q. You admitted a while ago that the number of available frequencies is limited?—A. I admitted the number of available FM frequencies may at some future date be limited. I told Mr. Robinson the saturation point might be reached some day.

Q. Do I understand that on page 1 the arbitrary decision you are referring to is, in your opinion, the allocation of licences as far as facsimile is concerned?—A. No, that refers to the view expressed by Mr. Dunton, representing the Board of Governors, that radio licences should not be issued to newspapers.

Q. All right, let us put aside the facsimile problem. Let us talk about AM broadcasting stations. You claim that there is an arbitrary decision of the Board of Governors of the C.B.C. which is unwarranted, and so on, that newspapers should not in the future have AM licences?—A. Yes, merely because they are newspapers. If a newspaper applied for an AM licence and was told, "There is no available wavelength," then we would have no objection, but when we are told, "You cannot have a licence because you are a newspaper" that is when we object.

Q. If the C.B.C. is telling you that because former parliamentary committees, which have reported to parliament and had their reports adopted, have told the C.B.C. to do that, then what do you say?—A. I say this committee should reverse that.

Q. That might be, but that is the position that might have been taken.—A. I am not criticizing the C.B.C. They may be doing it because someone has told them to.

Q. Suppose there are 100 available radio frequencies and there are 100 newspapers. Do you claim that the 100 newspapers should have the 100 radio frequencies, within the framework of your criticism of this arbitrary decision as expressed on page one.—A. That is a pretty difficult question to answer. There might be different considerations. All I will say is that if a newspaper is denied a licence because there is not an available wavelength there for them, or for any other reason which might be justified in the public interest, we would not have much to say about it, but when we are told that we cannot have a licence merely because we are a newspaper that is when we object. Your 100 to 100...

Q. Let me put it this way. Suppose there are 100 radio frequencies available and there are 150 daily newspapers in Canada. Thirty-eight already have radio licences. Your association is claiming they should be given without discrimination the right to possess radio licences. Suppose the remainder between 38 and 100 were given to some daily newspapers of your association. What would happen

to the other 50?—A. That would be a matter of allocating them on as fair and equitable basis as you could.

By Mr. Knight:

Q. You would have no objection?—A. That is what the board would have to be there for.

By Mr. Beaudoin:

Q. But you would still have fifty newspapers that would be without radio frequency?—A. That is right.

Q. Fifty newspapers would not have the benefit of AM or FM broadcasting because you admit that the number of licences might be limited and therefore there are many newspapers in Canada which might have to go out of existence? —A. It might come to that but I do not think it likely. It might come to where there would not be enough FM outlets for newspapers in Canada. We are pretty close to that now.

Q. Close to what?—A. The saturation point.

Q. As far as AM outlets are concerned?—A. Yes.

Q. How could we give newspapers in Canada more licences if the licences are all given away?—A. In certain areas that is. There again if a newspaper is told that it cannot have a licence because there are none available there is no objection, but if we are told we cannot have it because we are newspapers then that is what we object to.

Q. Was it on those terms that the licence was refused, just because the applicant was a newspaper?—A. I judged from Mr. Dunton's letter that was the policy. He said they had had a policy for several years to recommend the issue or transfer of licences to newspapers only under special circumstances.

Q. Is it not a fact when radio stations started to operate, newspapers were scared stiff of radio stations?—A. That was before my time.

Q. Yes, but it might have been before the time of the secretary or the president of your association.—A. I imagine they were afraid, yes.

Q. But as the years went by they realized radio stations were not serious competitors of newspapers.—A. I think that is a fair statement.

Q. And now they have come to the conclusion that they were not competitors at all and newspapers and radio stations could exist alongside one another with no harm to one another?—A. Probably so, but the problem that confronts us in facsimile is different.

Q. In other words the association should be thankful for.—A. Small mercies.

Q. They should be thankful for the fact that newspapers were given so many radio licences in the first ten years of the existence of radio.—A. All we are saying is that what they did for the first ten years was the right thing and the policy outlined in Mr. Dunton's letter is the wrong policy, and if this committee, on some prior occasion, recommended that action to the House of Commons, that decision should be reversed.

The CHAIRMAN: Gentlemen, I do not want to stop the questioning but I recall to you that we are all under commitment to another gentleman in the room and of course, if you feel questioning cannot be curtailed we will go ahead. We said to Mr. Provost however, that we would hear him and he yielded his place to this organization on that account. I am not suggesting that we should stop Mr. Robinette with a view to having him return, because the reason we had this hearing was so that he could get away, but I would ask you to bear in mind our position in regard to the other gentleman.

Mr. LANGLOIS: Well is Mr. Provost to be available for questioning after this evening's sitting?

THE CHAIRMAN: My understanding from him was that he was driving back to Montreal to-night.

Mr. LANGLOIS: Would we have any opportunity of questioning him if he has just barely time to finish his brief?

The CHAIRMAN: It might be, in view of the fact that his brief has been in our possession already, that questioning could be done without him going through the reading of it. In the meantime, are there any more questions of Mr. Robinette?

By Mr. Fulton:

Q. When was the organization meeting which gave rise to this brief?—A. About a month ago, May 1, 1947.

Q. The decision to prepare a brief along these lines was taken then?—A. Yes.

Q. Do you know when the Canadian Association of Broadcasters had their annual meeting?—A. I have not the faintest idea.

The CHAIRMAN: They did not have their annual meeting at all before that brief; they had it afterwards.

Mr. LANGLOIS: In June.

By Mr. Fulton:

Q. Do you know when the brief was presented to this committee?—A. I read it in the newspaper a week or two ago.

Q. Your annual meeting was held before they had their annual meeting?—A. Yes, if it was just a week ago.

Mr. BEAUDOIN: You know there are things of similar character, like "government of the C.B.C.", "government of the day", that would not be just a matter of coincidence.

The WITNESS: No, I feel that was taken from the C.A.B. brief. There was certain material supplied and we have a lot of things in front of us.

Mr. FULTON: Your brief follows theirs, but it was your decision to present the brief.

The WITNESS: Our brief does not follow theirs in the fundamental principles. It may be in the same language but we are not arguing the case of the C.A.B.

Mr. BEAUDOIN: The C.A.B. are arguing on the same points.

The WITNESS: They are not arguing facsimile wavelengths for newspapers.

The CHAIRMAN: This is not the kind of a case which is destroyed by collusion.

The WITNESS: No, it is not a divorce case.

Mr. KNIGHT: I have one other question in regard to multiple ownership. From what Mr. Robinette has said I gather if only a certain number of frequencies were available he is still of the opinion it would be all right for a newspaper company or a newspaper to control two or three of those frequencies in spite of the fact that certain other newspapers did not have any.

The WITNESS: Yes, that would be right if they were in different areas.

The CHAIRMAN: Are there any other questions?

The WITNESS: May I express my appreciation to Mr. Provost for so kindly letting us go on ahead of him. We are very thankful for his courtesy.

The CHAIRMAN: We will now call Mr. Provost.

Marcel Provost, Managing Editor, Radio World and Radiomonde, called:

The CHAIRMAN: If Mr. Provost is agreeable and if it is agreeable to the committee, we perhaps could commence questioning without him reading the brief.

Mr. ROBINSON: Mr. Chairman, I think some of the members, and I can speak for myself particularly, have not read the brief and I think it would be only right that Mr. Provost should be allowed to present his brief.

The CHAIRMAN: All right. Now, Mr. Provost, as we have said to others, you may be entirely at your ease, sitting or standing, whichever you prefer. I understand from what Mr. Provost has said to me a moment ago that when he has gone a certain distance we can adjourn and continue to-morrow.

The WITNESS: Mr. Chairman, my name is Marcel Provost, and I am the editor of Radiomonde and Radio World. I am accompanied here today by observers from the Association of Canadian Radio Artists, Miss Phyllis Carter and Stephen Brott, and by representatives from the Union des Artistes, Lyriques and Dramatiques, province of Quebec, Gerard Delage, president, Adrien Lauzon, treasurer, and Bernard Hogell.

There has been a great deal of criticism levelled against Canadian Radio for the lack of developing new talent. We maintain that a true knowledge of the facts and conditions that exist in Canada to-day, will show that this criticism is unjustified, when one considers the arduous and costly task of developing such talent; the niggardly rewards that await radio talent in Canada under present unfair American competition; the lack of protection for experienced radio artists and the scarcity of regular employment in this field.

If new talent has not been developed as much as we would like, the cause is not lack of desire or lack of initiative on the part of The Canadian Broadcasting Corporation or the private radio stations, but rather the almost insurmountable handicaps that face radio stations and sponsors in the development of such new talent.

It is the purpose of this presentation to acquaint the committee with certain conditions that exist to-day in regard to the development of new talent and respectfully to submit suggestions as to how these conditions may be alleviated.

It is our firm belief that until such remedies are effected, the efforts to develop new talent and to keep outstanding radio artists in Canada, will always be half-hearted and almost pointless.

The main handicaps facing development of new radio talent in Canada, we believe, are as follows:—

(*a*) The broadcasting of American network programmes over Canadian lines, without protection and to the detriment of experienced radio artists in Canada.

(*b*) The importation, at a ridiculously low valuation for customs purposes, of electrically transcribed American and foreign radio programmes.

(*c*) The broadcasting, over Canadian lines, of live American "Local Participation Network Programmes" that are available to sponsors at a ridiculously low and unfair rate.

(*d*) The unfair competition that Canadian firms without American affiliation must face in preparing radio programmes.

(*e*) The inequitable exchange of sustaining programmes between American and Canadian networks.

Mr. BEAUDOIN: Mr. Chairman, I shall move the adjournment of the committee.

The CHAIRMAN: I think we have agreed, have we not, on a meeting at eleven o'clock to-morrow?

Mr. BEAUDOIN: That is the understanding.

Mr. FULTON: What is the purpose of adjourning when we still have half an hour?

The CHAIRMAN: Mr. Provost said, when I suggested perhaps we could commence questioning without reading the brief, that if a start was made on the brief it would be sufficient because the brief has been released to the press. After those two introductory pages, he spoke to me and said that would be enough. It is true we do not have to adjourn.

Mr. FULTON: Just before we adjourn, I wonder if I could put those questions on the record?

The CHAIRMAN: Yes, do that.

Mr. FULTON: These questions concern a programme which I have been informed is a new programme originating in Vancouver. I am informed it is listed for Monday, June 16th at 7.45 p.m., Pacific daylight time. It is entitled, "Jack Scott, Vancouver". I should like to ask first:—

Is there such a programme or a similar programme?

Secondly, over what network if any, is the programme broadcast and what are the terms upon which it is carried by those stations which carry it?

Is it a continuing programme and what is Mr. Scott's relationship with the C.B.C.?

How much is he paid, if anything, for that programme?

The CHAIRMAN: Those are all your questions?

Mr. FULTON: Yes.

The CHAIRMAN: Those are really questions for the C.B.C.?

Mr. FULTON: Yes.

The CHAIRMAN: The committee stands adjourned until eleven o'clock to-morrow.

The committee adjourned at 10.30 p.m. to meet again at 11.00 a.m. on Thursday, June 19, 1947.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

June 19, 1947.

The Special Committee on Radio Broadcasting met this day at 11.00 a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: Gentlemen, last evening Mr. Provost had read pages 1 and 2 of his brief. We will start at page 3 this morning.

Marcel Provost, Managing Editor, Radio World and Radiomonde recalled:

The WITNESS:

American Network Programmes Broadcast in Canada

The advent of radio brought many a famous artist and programmes into Canadian homes, occasionally. It also brought a surfeit of obnoxious, harmful, inane and puerile American radio programmes—Children's mystery thrillers, horror shows, some inferior dramatic and musical programmes.

That a large percentage of American radio programmes are not all they should be, can easily be ascertained from the well known United States Federal Communications Commission "Blue Book". This is a highly documented report of the low depths to which American radio has declined.

When so many Americans themselves are so dissatisfied with their radio fare, why should we in Canada, be so eager to broadcast it over our own networks? We venture to say that there are not five regular American network programmes broadcast in Canada, or anywhere in the United States, for that matter, which we couldn't do without.

Within the experience of the present committee, may we mention just a few of the oldtime favourites who disappeared from Canadian networks for various reasons—American reasons, we might say, not Canadian ones—Jack Benny, Burns & Allen, Amos and Andy (now back on Canadian airwaves), H. V. Kaltenborn and many others. Did Canadian radio, as such, suffer for the lack of these programmes? We do not think so! It would be a very sorry plight for Canadian radio if it did! And what would happen to Canadian radio if some, or even all, of to-day's American favourites were to change sponsors and not come into Canada at all? Does Canadian radio suffer because such top American programmes as Frank Sinatra, Perry Como, Truth & Consequences and many others do not come into Canada?

Canadian networks to-day are dominated by American programmes, good, bad and indifferent. Outside of a few of the top comedy shows, with which it is obvious that Canada cannot compete, it is our contention that more than 90 per cent of the remainder can be supplanted by Canadian replacements. But why should the Canadian subsidiary of an American firm bother to develop Canadian talent and produce a Canadian show, when they can merely "pipe-in" the American show—use American artists to promote the sales of their products in Canada, practically free-of-charge?

We obviously have no access to the books of Canadian subsidiaries of American firms, but it is common knowledge that a number of American network shows, daytime and night-time, are supposedly made available free-of-charge

to the Canadian subsidiary, which pays only for Canadian broadcast time and line charges. Where Canadian subsidiaries do pay part of the programme cost, it is paid for in American dollars, an added drain on the already critical position of American dollar reserves in Canada. Their products are sold in Canada, paid for by Canadians—the advertising is bought in the United States and paid to American artists!

Could these same firms import the American product free of duty? Certainly not! They have tariff protection! Then, why are not Canadian radio artists entitled to this same tariff protection for their services?

Recently the Columbia Broadcasting System inaugurated a programme entitled, "Studio A". Fletcher Markle, a Canadian, was invited to produce this series. Seven Canadians in all were employed, from time to time on some of these programmes and yet American radio artists rose up in arms to protest against this Canadian "invasion" of American radio. This is certainly a different attitude from the one we adopt in Canada against the American "blitz".

There was a time when American dance orchestras were entering freely into Canada, while our own were (and still are) banned from entering the United States. When this matter was brought to the attention of the Department of Labour at Ottawa, the injustice was remedied and a ruling was passed, calling for "standby" Canadian Orchestras, on engagements filled by American bands. Why shouldn't our radio musicians and artists have the same protection?

May we, therefore, respectfully suggest, that to alleviate the conditions mentioned above and to open new avenues of developing and employing radio talent in Canada, that the corporation or government agency which controls radio-telephone lines in Canada, shall be instructed to charge the equivalent of a "standby" orchestra and cast, for every American commercial programme broadcast in Canada; that the revenue derived therefrom, shall be placed in a special fund under the administration of a committee composed of members of The Canadian Broadcasting Corporation, The Canadian Association of Broadcasters and the Artists and Musicians Union, whose duty it shall be to allocate this fund for the development of new talent and production personnel, at their discretion.

Canadian subsidiaries of American firms would soon see the light and make an effort to produce Canadian shows, with Canadian talent—shows with a Canadian flavour, which would be acceptable to Canadians and in a general way, be equal in quality to anything produced on American networks.

Electrical Transcriptions

The imposition of tariffs to protect local industries and workers is an age-old custom. Because of these tariffs, American and foreign firms have established Canadian subsidiaries, helping to create a large industrial economy in Canada. Every industry in this country enjoys tariff protection—that is, every industry but radio.

Due to the proximity of Canada to the United States and its huge productive capacity and home market, it can readily be seen, that were it not for these tariffs, Canada would become a dumping ground for American goods, as it has been in the past. Canadian products are in the main, replicas of those found in the United States and so are Canada's radio programmes.

One of the products of American radio, as well as that of England, France and other countries, is the electrical transcription.

We hold no brief against electrical transcriptions as such, but when they are permitted to come into Canada, at an unfair valuation for customs purposes, they make it impossible for Canadian artists to earn a living. It is an injustice done to a segment of Canadian culture that is of paramount importance to this country.

An electrical transcription, as the committee knows, is a musical or dramatic programme, often with big-name American or foreign stars, which in itself and if broadcast only once, is very expensive to produce. But when this programme is put on transcriptions and hundreds of copies sold to different sponsors across the country, the cost per sponsor, is extremely low. This is one reason for their wide popularity.

These transcriptions are available at a cost of anywhere from $5.00 to $50.00 per fifteen-minute programme, depending on whether or not they have outlived their usefulness in the country of origin.

It is easy to see that "live" Canadian talent cannot compete with such prices, which we contend are unfair to local talent. Not one cent of the revenue derived from the sale of these transcriptions in Canada goes to Canadian talent. Moreover, these transcriptions are paid for in American dollars.

These transcriptions are one of the main reasons for the scarcity of employment among Canadian radio talent. How can one speak of developing new talent, when there is not enough work available for experienced talent already at hand? Is it any wonder that Canadians leave this country for places where they can obtain employment in their field, at salaries commensurate with their abilities?

These electrical transcriptions are peculiar products. Their intrinsic value is many, many times the value of the actual mechanical product. The physical value of a double-sided sixteen-inch blank, a half-hour's recording, is less than $5.00 and it may sell in Canada for as low as $5.00, yet what is pressed on the blank may be worth $1,000, or even more.

A further anomaly exists insofar as these electrical transcriptions are concerned, wherein the federal government is, we hope, unconsciously, doing a grave injustice to the cause of talent in Canada:—When a transcription is made in Canada, a sales tax of 8 per cent is collected by the federal government, based on the cost of the blank, the recording and the artists' fees. In other words, the government is levying a tax on the total cost of producing such a transcription.

However, when electrical transcriptions are made outside of Canada, the government has set a minimum value of $7.50 per thirty-minute programme. They are never valued at more than the actual cost of the transcription to the Canadian agent. In other words, an article whose fair replacement value in Canada may be as high as $200 or $300 is admitted at a valuation of $7.50. What kind of protection is this for Canadian artists? What protection is this for Canadian recording companies? Who, except the foreign recording companies and a few highly touted American or English stars, make money on this kind of a transaction?

The government penalizes the Canadian sponsor by charging sales tax on the total value of the transcription, based on a one-time use, while the foreign manufacturer may bring his product into Canada after dividing the cost of the programme, perhaps five hundred times. On this basis, it would be more economical to have Canadian transcriptions made in the United States and imported into Canada, even after paying the ridiculous duty on it.

We will admit that the amount of $7.50 is the minimum, but the maximum is never anywhere near the actual cost of producing the original transcription. We maintain that Canada is a dumping ground for American and foreign electrical transcriptions and until this practice is stopped, it is a fallacy to speak of developing talent in Canada, or of keeping that talent in this country, when it has to compete not only with American and foreign artists, but also with American and foreign productive capacity.

May we, therefore, respectfully suggest,—in order that Canadian talent and Canadian sponsors, may be encouraged to develop their art in Canada—that electrical transcriptions imported into Canada, should be valued for duty pur-

poses, on the actual cost of producing such a programme on a one-time basis, either in Canada or the country of origin, whichever is the highest.

This will make available a whole new source of employment for Canadian writers, artists, musicians, singers and producers. It will be a new source of revenue for Canadian recording companies and the federal treasury will benefit therefrom in increased sales taxes, a sum much greater than the amount of duty presently derived and at the same time, will help relieve the drain on the reserves of American dollars in Canada.

Network Local Participation Programmes

As though Canadian radio artists did not have enough to contend with in American network programmes and electrical transcriptions, they also have to compete with one of the most insidious and destructive practices ever invented to frustrate the use of local Canadian talent. This practice goes by the high-sounding name of "Network Local Participation Programmes". These are "live" transcriptions with a vengeance.

These programmes operate in the following manner:—The American networks originate a dramatic or musical programme and send it as a sustaining feature to all their affiliated stations both in the United States and Canada. Each affiliate is given permission to sell this programme to a local sponsor at an average fee of $5.00 per fifteen-minute programme, payable in American funds, of course. If the programme is not sold, then it is treated as a regular sustaining feature and the stations pay nothing for it.

In this insidious manner, the American network competes with electrical transcriptions and at the same time, retrieves some of the money which it is spending for the live American talent on the show and simultaneously puts a group of Canadian writers, actors, singers, musicians, and producers out of employment.

Network Local Participation Programmes are broadcast only in the daytime and the main reason for their existence is an effort on the part of the station to use these programmes much in the same manner as other merchants use what are termed as "loss leaders".

They offer the bait of a "live" show for almost nothing, so that some sponsor will buy the necessary time on the station. We need not elaborate here on the disrepute with which the whole system of "loss leaders" is held among reputable business firms. Yet, these programmes exist and are available to sponsors! Some of the programmes in this category, which come over Canadian networks are "Dick Tracey," "Superman," "Cliff Edwards" and others. How can the Canadian artist compete against this kind of obnoxious competition? The American networks "lead" and the Canadian artists take the "loss."

There is even more luring bait put out to attract a sponsor to this type of programme. Many of these programmes are prefaced as follows:—"By special arrangement with such-and-such American network, the Canadian sponsor brings you Dick Tracy direct from New York. Come in New York!" A live show at even less than the cost of a transcription, entering freely into Canada!

May we, therefore, respectfully suggest that these programmes shall be entirely eliminated for sponsorship on a local basis, or that they be treated as regular network programmes. That is, every sponsor shall be charged the cost of a "standby" orchestra and the cast in his city and the revenue therefrom shall be allocated in the same manner as the revenue derived from network broadcasts, in the interests of developing radio talent in Canada.

It is only by the elimination of this unfair competiton that Canadian talent will ever have an opportunity to find employment at a living wage. We maintain that these programmes can easily be replaced by similar programmes, written, acted and produced in Canada!

Canadian Sponsors at a Disadvantage

Up to this point in our presentation we have been concerned with Canadian artists, but if we may be permitted, we would like to present another side of the radio picture, which is of equal importance in any discussion of the development of new talent in Canada and that is, the Canadian sponsor—the man who foots the bill.

Just as the Canadian radio artist is at a disadvantage as compared with the American or foreign artist, so the Canadian sponsor is at a disadvantage when compared with the Canadian subsidiary of an American firm. For instance, let us take a concrete example of a very competitive business—radio receiver manufacturing.

How does the Canadian Marconi Company, an all-Canadian firm, stand with regard to radio advertising, with say, the Philco Company of Canada, which is the Canadian subsidiary of the Philco Company of the United States?

The Philco Company sponsors two programmes over American networks—a daily fifteen-minute segment of "The Breakfast Club" and the Bing Crosby show on Wednesday evenings. These shows are broadcast over Canadian networks. The only Canadian talent used is the "cut-in commercial announcer" and that mostly because prices are not allowed to be mentioned over Canadian stations and the Canadian commercial is different in this respect.

The Canadian products of the Philco Company are marketed under the same brand names as those in the United States. The products are the same. The Philco Company of Canada gets its radio advertising free of charge. They pay nothing for two programmes which cost the American parent company many thousands of dollars for talent, per programme. As a matter of fact, the Bing Crosby programme is reputed to be the most costly of all American network programmes.

The Canadian Marconi Company would very much like to have competing radio programmes, but how can they afford to pay full rates for a Canadian show, when their competitor gets his for free? No firm can afford to pay for something which its competitor gets at no charge. We believe that this is unfair to Canadian sponsors.

It is small wonder that a Canadian firm will turn to economical electrical transcriptions rather than produce a Canadian show in competition with all the expensive talent available in the United States. As a result, Canadian talent suffers.

Why radio should be singled out in this discrimination is difficult to understand. Every other form of advertising and printed matter is dutiable, then why not the network advertising of American firms? Surely no one will suggest that there is any other basis for a commercial radio programme than the amount of advertising that can be derived from it. Such being the case, the American network shows of Canadian subsidiaries should be assessed for customs duties. Were this done the Canadian subsidiaries would be induced to produce Canadian shows and all firms in the same industry would compete on an equal basis.

Until this is done, there will never be an aggrandizement of talent in Canadian radio. Radio artists, like other workers, must earn a living and unless there are sources of employment, talented Canadians, out of necessity, will have to relinquish their radio ambitions in favour of a more secure form of employment.

Network sustaining programs

Canada has never had a real opportunity to develop a radio culture of its own. From the very beginning, it was dominated by American networks. Canadians themselves looked askance at Canadian programmes and fell into the derogatory habit of regarding American programmes as the "ne plus ultra".

In the past few years, however, this situation has begun to change. Canadians are gradually awakening to the fact that in Canada, we have outstanding talent and programmes equal to the greater proportion of those in the United States. They are still somewhat overwhelmed by the big names in American radio, particularly comedians and Hollywood luminaries, but with familiarity, even these names have lost much of their lustre.

A number of Canadians are now numbered among American big names, notably Percy Faith, Bobby Dolan, Alan Young, Fletcher Markle and others. American networks have even condescended to broadcast programmes originating in Canada. Top American network programmes now feature Canadian guest artists, only occasionally, it is true, but it proves the point that we have potential "big time" talent in Canada. But this talent will never be recognized in sufficient measure until there is more reciprocity in network sustaining programmes.

To mention just one instance. Ten years ago Canadian symphony orchestras were at a low ebb. Now there is an excellent symphony orchestra in Montreal, Toronto and Vancouver among other Canadian cities.

We maintain that there are a number of network programmes of Canadian origin that can hold their own with comparable programmes emanating from the United States. We maintain, also, that there should be a more equitable exchange of sustaining programmes between American and Canadian networks.

Not only would this open a new avenue for Canadian talent, but it would add statute and prestige to Canada, not to mention a better understanding of Canada and its people.

It is our opinion that American networks may even welcome such a stand on the part of Canada. Like other Americans, they do not fully appreciate what we have to offer, simply because they are not very well informed about it.

We do not advocate an equal exchange of sustaining network programmes, but a more equitable exchange, based on some reasonable percentage of American sustaining programmes coming into Canada.

Conclusion

We believe that we have herewith set forth, for the benefit of the committee, the basic handicaps and injustices facing the development of radio talent in Canada. We have also suggested remedies, which if put in effect, will have a marked influence on the quality and quantity of radio talent in Canada.

It is completely erroneous to state that Canadian radio stations are not anxious to develop new talent. They are doing so every day, even if only for staff replacements. Our contention is that before talent can be attracted to Canadian radio, it must first have the assurance of gainful employment.

Every artist has the right to capitalize on his ability; to increase his earnings and to win recognition for his talents among as wide an audience as possible. This country produces talent, which qualitatively, is equal to that of the United States or England. Overwhelming proof of this is the number of Canadians who have achieved top-ranking on American networks. There would be more of them, were it not for restrictive American labour laws.

Canadian artists are entitled to the same protection for their services, that is accorded the manufacturer of a product in Canada.

This protection should consist of (1) a charge of the equivalent of a Canadian "standby" orchestra and cast for all American network programs of a commercial nature, with the revenue derived from this assessment earmarked for the development of Canadian radio talent and production personnel. (2) A more equitable valuation, for customs duties, of electrical transcriptions imported into Canada, in keeping with the cost of producing such programs in Canada. (3) To treat "Network Local Participation Programs" in the same

manner as regular network shows, with every local sponsor assessed the equivalent of a "standby" orchestra and cast in his city, and (4) a more equitable exchange of sustaining programs between American and Canadian networks.

We believe that the remedies mentioned above will bring a whole new influx of Canadian talent to radio; have the laudable effect of keeping experienced talent in Canada; raise the whole standard of remuneration in Canada and give Canadian radio a real Canadian flavour, which it so sadly lacks to-day.

When Canadian radio programs will be produced by Canadians; fees paid to Canadian artists, there will soon be a general improvement in the whole stature of radio in Canada and a marked impetus in the development of talent!

The CHAIRMAN: Are there any questions you wish to ask Mr. Provost?

By Mr. Fleming:

Q. Mr. Provost, I take it this is not any new program you have been advocating?—A. Oh, no.

Q. You have been advocating this for some considerable time in *Radio Monde?*—A. In *Radio Monde* and *Radio World,* yes.

Q. I am thinking now particularly of what you have to say in regard to customs valuations.—A. Yes.

Q. Have you taken that matter up with the Department of National Revenue on the customs side?—A. It was taken up a few years ago by the recording companies. That was 1944, but at that time there was not much done. That was the inter-departmental committee in the Mines building. I have a brief that it was sent in at that time, but apparently nothing was done about it.

Q. What I want to get at is who made the representations in the interest of higher valuation for customs duties, and what ruling, if any, was made by the customs department on those representations?—A. The ruling was not changed at that time. The representation I have here was made by one, Walter P. Downs. At that time Mr. Downs owned a recording outfit. He made representations but nothing came out of it.

Q. This ruling of the Department of National Revenue referred to has been in existence for a very long time?—A. Since 1938. A bulletin was issued on September 12, 1938, setting forth that ruling.

By the Chairman:

Q. I suppose about that time this sort of thing began to develop.—A. Yes, and besides that there were not very many recording companies in Canada at that time.

By Mr. Fleming:

Q. The question that arises naturally in my mind is have any representations been made recently along the lines of your brief?—A. Not to my knowledge.

Q. On page 5 you refer to a ruling of the Department of Labour at Ottawa requiring a standby Canadian orchestra on engagements filled by American bands.—A. Yes.

Q. When was that?—A. Those representations were made by the Musicians' Union. I asked the president about it. It was made in 1937 or 1938. You see this old dispute arose at that time. One of the musicians in the Montreal local wanted to go to the United States. He was a veteran of the first world war and he wanted to go to the United States to play in an orchestra for one night. The ruling of the United States on his entrance into the country, I suppose, was that there had to be a stand by musician paid in the United States if he were going to come in. In view of that, the musicians came to Ottawa and asked the Department of Labour to have the same kind of law in Canada as existed in the United States. Whenever an orchestra comes into Canada, a stand-by hand has to be paid. This is one of the rulings, if I may say so, of the Immigration Department.

Q. The Immigration Department?—A. They will not allow a musician to come into Canada to work unless he has in his contract the provision that a stand-by musician is going to be paid in Canada.

Q. It is a ruling of the Department of Mines and Resources, Immigration Branch, rather than the Department of Labour. This is not just a term of a contract which the musicians union has made, it is a ruling of a government department?—A. It is a ruling of a government department, yes.

Q. On page 8 of your brief you say—you are speaking of electrical transcriptions,

> The government has set a minimum value of $7.50 per thirty minute programme.

A. That is right.

Q. Is that based on the number of records? I take it in most of these cases there is one record and the valuation is $7.50 for that record if it represents a thirty minute period?—A. Yes, the real valuation is $4 for a one-sided disc. If you have a double-sided disc, which represents thirty minutes, it is $7.50.

Q. In arriving at this valuation for customs purposes no attention then is paid to the number of stations over which the transcription is to be played?—A. No attention at all.

Q. So it might be played over one station or it might be played over fifty?—A. Exactly.

Q. That makes no difference at all for customs purposes?—A. No difference at all at the present time.

Q. On page 13 of your brief, the second sentence from the end of the page you say,

> American network shows of Canadian subsidiaries should be assessed for customs duties.

I am not quite clear from your brief, Mr. Provost, whether you are proposing to deal with this matter simply by a high customs duty or whether you think these local sustaining programmes are so bad in themselves the broadcast ought to be eliminated?—A. No, we are not talking about local participation programmes, we are talking of network programmes, I think. I noticed that after we talked about customs duties—of course, customs duties if I may say so, are only an image of what we want to say. What we really want is what we are talking about on page 5, I believe, when we are talking about network shows. Of course, no lawyers have been engaged to prepare this brief and we assumed that a radio programme, having no physical value, could not be assessed for customs duty. We might be wrong, I do not know.

Q. I suppose this matter of customs duty valuation applies to the different matters dealt with in the brief?—A. Yes.

Q. Do I understand correctly that you would lay down, as the basis of customs valuation in Canada for the admission of a programme to Canada either by direct line or by transcription, the actual cost of the programme at the point of origination? For instance, if a programme costs $5,000 at the point of origination in the United States, is that the value you would place upon the programme for Canadian customs purposes?—A. Well, I do not think that would be fair. You see, the American programme has been designed for a population of 120,000,000. Now, if it comes to Canada to a population of 9,000,000 it should be based on the replacement value of that programme in Canada.

Q. What is the wardstick by which you measure that replacement, that is what I want to get at?—A. There are minimum fees in all unions in Canada. I think by counting the number of participants in a programme, being either

musicians or speaking artists or singing artists, by counting them as one unit and applying to each of them that minimum fee of the union.

Q. You take the union fees of those, but take some of the leading artists—I withdraw the word "artist"—but some of the leading broadcasters are not musicians and those fees are not set by unions?—A. But there are artists unions which cover writers, singers and such people. The whole field is pretty well unionized now.

Q. I was thinking of a practical way of arriving at a value for customs purposes. How would you fix the value of certain programmes on the basis of setting up a Canadian counterpart of some of those American programmes where some of the big name stars are participating in the United States programmes?—A. I think the only fair basis at which you can arrive is, for example, let us say in a programme there are fifteen musicians and twelve speaking artists, singers, announcers and writers. Let us say this programme is a half-hour programme. Your radio musicians for a half-hour, not counting rehearsals but counting the actual half-hour, charge $10 per man so the basic pay will be $150 for the musicians. There are ten speaking artists and their pay would be $8 per man, so their basic pay is $180, and the total for the programme would be around $300. The programme might cost $10,000 in the United States. I do not think we could arrive at any other basis than that upon which to figure out a fair replacement value.

The value of an artist, you see, depends entirely upon his popularity. It is not something which has no intrinsic value which you can appraise yourself because an artist has the right to set a value on his own services.

Q. May I ask you your opinion then, assuming we have arrived at this basis of customs duty valuation, what is the effect likely to be on Canadian broadcasting. Is it going to have the effect of continuing the importation of American programmes as hitherto with Canadian stations paying the customs duty which you propose or do you think it will mean fewer American programmes here and actually more use of Canadian talent? May I just add this, I think we want to do more if we are going to develop Canadian talent than pay Canadian talent on the stand by basis. We want to see Canadian talent on the air. In your opinion, is your proposal to levy customs duty on these American programmes on the basis of having Canadian artists paid to stand by, is that going to have the effect of putting more Canadian programmes on the air or is it merely going to mean a higher cost of programmes continuing to come in from the United States?—A. I will answer the question but first I should like to correct an impression you seem to have. We are not advocating paying talent for standing by. We use that as an equivalent, a stand by. We do not want any artists paid anything if the artists do not do anything.

Q. That would just go into the customs revenue?—A. As you may see fit. These customs duties—I do not think they are really customs duties—but if these customs duties were applied to radio programmes it would not make any difference to the big programmes. I cannot see a sponsor in the United States who is spending $15,000 or $25,000 for a programme banning his programme from Canada because he will have to pay $300 or $400 up here. However, it will have the effect of eliminating the smaller programmes for instance that are piped in with one singer, programmes like that. If one singer is a very big star that programme cannot be duplicated in Canada. There are a number of programmes with one singer and a small ensemble, for instance. You could build up fifty programmes like that in Canada.

If that sponsor has to pay a minimum charge for his programme he will say, "Why should I not pay a few dollars more and build up a Canadian programme and work on that angle, that I am giving Canadians a Canadian programme."

(At this point Mr. Robinson assumed the chair).

Q. To what extent is the thesis in your brief supported by the Canadian radio artists themselves as represented by the unions? Last year we had some representations on behalf of the Canadian Radio Artists but we have not had any this year. To what extent are these ideas supported by them because they are the people most affected?—A. I wanted to present a brief independently of them. I did send them a copy of the brief when it was ready and two or three of the unions have written letters to the president to that effect. I have a copy of one of the letters here and I think Mr. Maybank has two letters and Mr. Beaudoin has one. About three unions have written letters supporting the brief and emphasizing some of its points.

Q. Are they local unions or are they Canadian unions?—A. Canadian unions.

Q. In other words it was a Canadian organization speaking on a country-wide basis?—A. The Toronto union is the head of ACRA in Canada. It is the first local of the Association of Canadian Radio Artists which we call ACRA. The Montreal local sent a letter and there is another letter from the French union in Montreal which covers Montreal and Quebec.

Q. Do they give full support to these ideas?—A. I think so. The copy I have here does give full support, but the president has the originals of these letters.

Q. On page 15 of your brief you make this statement:

> "But this talent will never be recognized in sufficient number until there is more reciprocity in networks of Canadian programmes."

Do you think that those proposals to levy a customs duty on American programmes coming in here will result in more reciprocity in connection with sustaining programmes?—A. No, those are two completely different propositions.

Q. That is a matter of arrangement?—A. Yes, we are not proposing that something should be levied on sustaining programmes only on commercial programmes. Therefore, the networks in Canada and the United States will be free to exchange programmes as they see fit.

By Mr. Smith:

Q. I noticed in one of the Ottawa papers the other day that there are a lot of top man who are looking for sponsors; about twenty of them are listed including "Information Please" and Alan Young, for example. Do you think that shows any tendency with respect to the advertiser getting fed up with the amount of money he is paying?—A. If you have followed the radio trend, in the spring there is always that condition. Each network says it has so many programmes available, but when the fall comes you cannot find any time available on the network. All the time is sold.

Q. I know, for example, that the soap companies have cut their appropriation for radio advertising in two. I saw that some months ago.

Mr. NIXON: They haven't any soap.

By Mr. Smith:

Q. Does that show a general trend among advertisers to cut down on radio advertising?—A. No, it is a general trend that in the spring advertisers or newspapers which are, to a certain extent, competitors of radio, always come out with a story like that. They say radio is falling down and the advertisers are not satisfied. If you follow the trend in radio, you will see there has been a steady increase. There was an increase in 1944, 1945 and 1946 and I will bet any amount of money there will be a further increase in 1947.

Q. Do you think the announcement of these companies, I think Proctor and Gamble was one of them, I am not sure, but this was an announcement by the company that it had cut its appropriation for radio advertising by

50 per cent?—A. Well, Lever Brothers did that last year but the segment left open by Lever Brothers was immediately taken up by someone else.

Q. You do not think there is any tendency in that direction?—A. No, sir.

By the Acting Chairman:

Q. I am afraid I was under a misapprehension which you partially cleared up in answering Mr. Fleming. Do I understand you would advocate something in the nature of a customs duty on American network advertising and, in addition, a stand by charge?—A. Oh, no.

Q. The one charge would cover both phases of it?—A. Yes. You see, we believe the artists should be protected. The ways and means by which they should be protected are for this committee. We have only suggested what we believe is right. It rests with the Committee to find some way of protecting them be it through a customs duty or a stand by charge, it does not matter very much so long as they are protected.

Q. You feel, yourself, that the technical difficulties arising out of a duty of that kind could be overcome?—A. I think they could be overcome only by those controlling the telephone lines.

Q. I suppose it is quite apparent that there are many technical difficulties in the way of a duty or charge of that kind?—A. Yes, because there is no physical thing for which you can charge.

By Mr. Fleming:

Q. May I ask if you have made any submission to the C.B.C. along the lines of your brief?—A. No, sir, I did not. I came straight to the committee first.

Q. But over a period of years you have never submitted these views to the C.B.C.?—A. Never.

By the Acting Chairman:

Q. Have these views appeared in your periodicals from time to time?—A. From time to time; that is what we have been fighting for for the past nine years.

By Mr. Bertrand:

Q. Mr. Provost mentioned a moment ago the difficulty of the local artist in competing with the American artist due to the fact there are 100,000,000 people in the United States and about 9,000,000 people in Canada. We can understand that. I imagine when he referred to the 9,000,000 specifically, he was speaking of the population along the border and leaving out the other portion of Canada's population. Was that the intention?—A. No, sir, I was talking of the English speaking population because Quebec represents a slightly different problem.

Q. May I say, Mr. Chairman, one of the difficulties we have experienced and Mr. Provost will agree, I think, is that if some of these programmes coming from the United States are not carried on our stations anyone can tune in on the American wave lengths?—A. Yes. sir.

Q. What do you suggest?—A. I was expecting that question. You may be sure of that. I think to-day the Canadian public is more and more inclined to recognize Canadian programmes and their Canadian artists. I have one small example. Let us take the Jack Benny show. In February, 1944, the Jack Benny show was broadcast in Canada by radio station CBL in Toronto and by station WBEN in Buffalo which can be very easily tuned in in Toronto. At that time 79 per cent of the radios were tuned to the Jack Benny programme. In 1947, due to the change of sponsor, the Jack Bennuy programme is broadcast only by station WBEN and a little over 50 per cent of the radios are tuned to the Jack Benny show. Mind you, no effort has been made by any network

or any station to compete with the Jack Benny programme. Yet only 50 per cent of the people in Toronto are tuned to the Jack Benny show whereas in 1944, 79 per cent were listening to his programme. It shows you if we produce good programmes with Canadian artists the Canadian public will listen to them.

You can take examples in other fields. Let us take Montreal. A few years ago in Montreal nobody would think that the public would patronize a symphony orchestra, that there would be enough people to patronize a symphony orchestra composed of local musicians. To-day when they give a concert the symphony orchestra has to play every night of the week for a whole week. Of course, the radio has helped to develop a taste for music amongst the population, but that is something that emphasizes the fact that the Canadian people are ready to recognize their good Canadian artists.

Q. Is it not a fact that the symphony was brought into Canada through the American networks and then worked up in Canada?—A. There might be some truth in that because ten years ago there was practically no symphony in Canada. Tastes have to be developed somewhere, but on the other hand a great number of the cities in the United States have banked on the publicity they get from their symphony orchestras.

(Mr. R. Maybank resumed the Chair.)

Q. I notice in your brief you say that it would be necessary to exchange a certain number of sustaining programmes between Canada and the United States. Are you prepared to say to what extent that is being done at the present time, and to what greater extent it should be done?—A. It is being done at the present time, but I believe it should be done in a greater percentage. They are a few programmes going into the United States right now, but my contention is we have enough good programmes in Canada to justify a fairer exchange. I do not see why all the big cities of the United States should gain publicity in Canada by their symphony orchestras when our own in Montreal, Toronto and Vancouver, are not broadcast over the air in the United States. I think Canadian cities should have an equal amount of publicity.

By Mr. Langlois:

Q. Can you suggest how you would get this better exchange of sustaining programmes?—A. The C.B.C. might have to make a little sacrifice sometimes, but I think if they would offer their programmes those programmes would be very well received. I will give you an instance. A few months ago when CBS decided to put a dramatic programme on Tuesday night from 9 to 10 I think that at that time Canada should have offered CBS the Stage 47 programme which CBS is duplicating in the United States. Dr. Frigon will certainly answer that it might have meant a loss of revenue for the C.B.C. and he is so short of money that I can understand that, but I think that programme, which is one of the best on the air in Canada, not only in Canada but in America, should have a break in the United States. That is only an example I am taking. Of course, some juggling would have to be done on our part, but we are the smaller part of the bargain so we have got to be nicer.

By Mr. Bertrand:

Q. Can Mr. Provost tell us what encouragement local Canadian talent is receiving from the C.B.C. and from the C.A.B.?—A. I would say that there are not very many points of comparison because the private stations are merely in the business for the revenue whereas the C.B.C. in part wants revenue but also wants to promote talent and help to build up Canadian radio. I do not think you can compare them.

Mr. GAUTHIER: Very frank.

By Mr. Bertrand:

Q. Has Mr. Provost read the C.A.B's presentation to the committee?—A. Yes, I did.

Q. Do you not think they are claiming that they are doing a great deal to help Canadian talent? My question was just following their brief.—A. I would even say they are doing their best, but if all the commercial programmes are coming from the United States how can you expect the private stations, whose main source of revenue is sponsored programmes, to be able to develop talent? If a duty were put on American programmes coming into Canada then the private stations as well as the C.B.C. would have to produce Canadian programmes and give real encouragement to Canadian talent.

Q. May I come back to this question? Can Mr. Provost tell us, in fairness to this committee so that we can make an intelligent decision when we come to it, what proportion of Canadian talent is being helped by the C.A.B. compared to the C.B.C. so that we will be more enlighted as to how much money we can take from the treasury in order to help local talent through the C.B.C., or if the C.A.B. is doing the whole thing it would have to go to private enterprise. That is the problem for the committee at the present time.

The CHAIRMAN: Are the private stations or the C.B.C. contributing more to the development of talent? That is the point, is it not?

By Mr. Bertrand:

Q. And in what proportion?—A. It is not very easy to answer that offhand. You have had the C.A.B. brief. You should be in a better position to answer that.

Q. That is a brief. You are here as a witness. Can you supply us with information from your organization?—A. I can try to do my best and supply you with any information I have on that.

By Mr. Langlois:

Q. Your answer to my question a few minutes ago suggested that if we have a greater exchange of programmes that it will result in a loss of revenue for the C.B.C. In your brief you suggested that out of the money paid for standby orchestra a fund be created which will be used to help local talent. Would you suggest that a part of that fund should also be used to compensate for the loss sustained by the C.B.C. in encouraging a greater exchange of programmes?—A. That means of collecting money, levying money on American commercial network shows is only a suggestion. It is up to the committee to do what they like about it. We put out that suggestion only as a basis for discussion.

Q. But you would agree to that being done?—A. If it is going to help Canadian talent I will agree.

By Mr. Bertrand:

Q. What part does the union of artists play in this? Is local talent given the privilege of appearing without being controlled by the union?—A. In Canada I do not think there is one station with an exclusive contract, a closed shop contract, with any union. Does that answer your question?

Q. Do all artists belong to the union of artists?—A. I would not say all, but I would say the greatest majority of them.

Q. Then those who belong to this union are bound by the regulations of the union?—A. Of course.

By Mr. Gauthier:

Q. Are the stations bound by the regulations of the union?—A. Only when they are employing union artists, but in Canada it is not the same thing as in the United States. In the United States the union musicians and artists

have closed shop contracts whereas closed shop contrats do not exist as yet in radio in Canada. Mr. Chairman, there was a question from Mr. Fleming a moment ago as to what extent the union backs the brief or if they have taken notice of it. I understand you have letters on that.

The CHAIRMAN: I have for presentation to the committee three letters dealing with this matter. I have only glanced at them. I gather they are all favourable, and I think unqualifiedly, but I am not quite sure of that. The only reason I have not presented them is that the time did not seem to have arrived.

By the Chairman:

Q. I suppose you know those letters, Mr. Provost?—A. I did not see them.
Q. You know who the people are?—A. Yes.
Q. They are properly to be called trade unions, are they?—A. Right.

By Mr. Fleming:

Q. May I ask Mr. Provost about this matter of developing talent? In comparing the opportunities afforded by the C.B.C. on the one hand with its national network and the private stations on the other hand confined to their local coverage how do you compare the opportunities afforded for the development of local Canadian talent?—A. Of course, the C.B.C. have many more opportunities to offer than the private stations, but I believe that both the private stations and the C.B.C. are doing their best with the means they have in their hands.

The CHAIRMAN: Are there any other questions?

Mr. ROBINSON: I have one.

By Mr. Robinson:

Q. A few moments ago in answer to a question you mentioned Stage 47 which I think we all know is a grand Canadian show. I think it overlaps for half an hour one of the big American network shows.—A. Right.

Q. Do you happen to have any figures on the Canadian listening audience to the one show as compared to the other show?—A. No, I have not any figures here.

Q. Are those figures available?—A. They are available as far as the ratings are concerned. If you believe in those ratings they will give you an indication.

Q. There would be ratings which would show that?—A. They will give you an indication of the trend of those shows.

By Mr. Knight:

Q. On page 2 you list some of the handicaps facing radio talent. One is:—

> (*b*) The importation, at a ridiculously low valuation for customs purposes, of electrically transcribed American and foreign radio programmes.

It would appear that there is a Canadian tariff now against the importation of such discs. I understand in any disc there are two values. One is the physical value, the cost of making the thing mechanically, the cost of the wax, and so forth. Do I understand that is the basis upon which the tariff is assessed?—A. Exactly. They do not make any difference because of what is on the disc. They have set a minimum charge of $4 for a one-sided disc, and $7.50 for a double-sided disc.

Q. Irrespective of the cost of the talent?—A. Irrespective of the cost, exactly; that is the minimum. They will charge 8 per cent tax on the cost of that transcription when the minimum does not apply. They will take as a basis of valuation the price for which the transcription is sold to the Canadian agent.

The CHAIRMAN: Gentlemen, if there are no other questions I want to say that I sent a memorandum to those members of the steering committee who are present suggesting adjournment a little earlier than 1 o'clock. I suggested 12.30 with the thought in mind that the steering committee might stay here for a little while and discuss where we go from here. If you are finished questioning this might be an appropriate time to adjourn. Is there any comment on that?

Mr. FLEMING: I so move.

The CHAIRMAN: Thank you, Mr. Provost. The committee will stand adjourned until 4 o'clock this afternoon.

The committee adjourned at 12.30 p.m. to resume at 4 o'clock p.m.

SESSION 1947

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 9

THURSDAY, JUNE 19, 1947

WITNESSES:

Mr. A. Davidson Dunton, Chairman, Board of Governors, and

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

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1947

MINUTES OF PROCEEDINGS

THURSDAY, June 19, 1947.

The Special Committee on Radio Broadcasting met at 4 o'clock. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Fleming, Fulton, Gauthier (*Portneuf*), Hansell, Knight, Laurendeau, Maloney, Maybank, McCann, Mullins, Robinson (*Simcoe East*), Ross (*Hamilton East*), Smith (*Calgary East*) (15).

In attendance:

From C.B.C.: Messrs. Dunton, Frigon, Manson and Palmer;

From Transport Department: Mr. W. A. Caton.

The Chairman reported verbally on the last meeting of the Steering Committee (*see Minutes of Evidence of this day*).

Mr. Fulton made a correction in the printed minutes of evidence on page 237 of No. 7 (*see this day's evidence*).

The Chairman read certain communications into the record inclusive of the views of the Association of Canadian Advertisers, Inc., who decided not to appear before the Committee. These views were communicated in a telegram followed by a letter. A telegram from Underwood, Ltd., was also read into the record. (*For communications read and letters filed see this day's minutes of evidence*).

Certain documents, copies of which had been distributed, were tabled. These documents are answers to questions of Messrs. Coldwell, Diefenbaker, Smith, Hansell, Reid, Fleming, Beaudoin and Ross (*St. Paul's*). It was agreed to print them as appendices. (*See Appendices A to S inclusive*).

Mr. W. A. Caton, Assitant Chief Radio Inspector, Department of Transport, was called. He supplied an answer to Mr. Fleming and retired.

Messrs. Dunton and Frigon were recalled. Their examination was resumed. They were assisted by Mr. Palmer.

In the momentary absence of the Chairman, Mr. Robinson presided.

At 5.45 o'clock, the Committee adjourned until Thursday, June 26th next, when the examination of Messrs. Dunton and Frigon will be continued.

ANTONIO PLOUFFE,
Clerk of the Committee.

89219—1½

MINUTES OF EVIDENCE

THURSDAY, June 19, 1947.

The committee on Radio Broadcasting met at 4.00 p.m. Mr. Maybank occupied the chair.

Mr. FULTON: Mr. Chairman, on a question of privilege; I want to ask for a change in the record of the minutes of proceedings and evidence No. 7, which has just reached us to-day. On page 237, I am reported as having asked Mr. Sedgwick who was then the witness, the following question:—

> Do you know whether CKOV is going to apply for permission to increase its power,

The question I intended to ask was:

> Do you know whether CKOV has applied for permission to increase its power?

The whole point of my questioning at the time was that they lost the advantages which they would have derived from their increased power. They already had an application in. It is too late now, but that is the point of the question I asked.

The CHAIRMAN: What you are saying will now be part of the record and will thus constitute the correction. Is that your idea?

Mr. FULTON: I should have said "that is the question I asked" and not, "that is the question I intended to ask."

The CHAIRMAN: That is what you intended to ask and you feel pretty sure that is what you did ask?

Mr. FULTON: Yes.

The CHAIRMAN: That is going in the record now and will provide an explanation of your position.

Mr. FULTON: Yes. As I understand it, these proceedings are finally printed and bound, are they not?

The CHAIRMAN: There is no revised edition of these proceedings such as there is of *Hansard* in the House of Commons. You have taken care of the correction now.

Gentlemen, at the conclusion of the meeting this morning, the steering committee met for the purpose of looking at what is yet to be done and agreed that I should recommend to you verbally as follows: a good deal of the material which is in my hands should be read to the committee or placed before the committee and Mr. Dunton and Dr. Frigon should appear for the completion of their examination on their briefs. This could hardly take place entirely this afternoon. This would result in the completing of it next Thursday or, if necessary next Friday. Such examination being completed it would appear there would not be any more live talent before the committee. We would then go into executive session after that. That is the view of the steering committee. If there is no objection, I suppose we can consider that is accepted unless you wish to do it by way of a motion.

Mr. FLEMING: That matter of executive session is a matter, I take it, for further discussion on the part of the steering committee?

The CHAIRMAN: Oh yes, that is right. There is also one further qualification which should be made. Mr. Coldwell had asked for the subpoenaing of a witness, Murdock. Mr. Knight undertook to speak to Mr. Coldwell about that if he could reach him. We did not make any decision in favour of calling him or against calling him until such time as Mr. Knight should report at this meeting. Did you reach Mr. Coldwell?

Mr. KNIGHT: Mr. Coldwell felt for Montreal, Mr. Chairman, and I was unable to get in touch with him. My understanding is he will be back to-night or to-morrow morning.

The CHAIRMAN: I suppose that matter as to whether Murdock be called or not can still rest with the steering committee until that conversation with Mr. Coldwell has taken place.

Mr. KNIGHT: Under the circumstances, Mr. Chairman, since Mr. Coldwell requested the man's presence, I am going, in the meantime, to reserve my right to hold out for it.

The CHAIRMAN: It was certainly understood in the steering committee that while, at the moment, we were not deciding to call him, we were not at that moment, deciding not to call him. We were awaiting further information, so you are not losing your position in the matter.

Mr. KNIGHT: If he were called, I think it was understood it would be a week from to-day.

The CHAIRMAN: It could not be earlier.

Mr. Ross (*Hamilton East*): When Mr. Coldwell wanted to call Mr. Murdock, it was on a question of rates paid for transcriptions in the radio stations. I have, in my possession, all the rates that these orchestras and these other people charge for that service. Could we not table that and would not that eliminate the necessity of calling Mr. Murdock?

The CHAIRMAN: That would be a point for the committee to decide. First of all we would have to see whether that would satisfy Mr. Coldwell. He wanted the man called and he filed the necessary certificate which has to be filed when a witness is to be called. This point was raised in the steering committee, too, and it was offered as an alternative. We did not know whether it would be acceptable as an alternative and that is why we have taken the steps we did. We did not know whether it would be accepted as an alternative by Mr. Coldwell and, after all, Mr. Coldwell has the right as a member of the committee to file a certificate showing the need for a witness to be called and that is what he has done. It may very well turn out, Mr. Ross, that what you have said will be sufficient to satisfy Mr. Coldwell and it will not be necessary to call Mr. Murdock.

Now, prior to calling Mr. Dunton or Dr. Frigon, there are a few letters here which have been filed. The first one is from Mr. E. R. King, Crystal Springs United Church, Chateaubriand Avenue and Jarry Street, Montreal. It was addressed to the Minister and sent on by him to me. The body of the letter is as follows:—

> DEAR SIR,—As one radio listener, I wish to assure those responsible for the programs of the C.B.C. that, in my opinion, they are doing an important and good job for the future of Canada.
>
> Yours truly,
>
> (Sgd) E. R. KING.

There is a document here of which there appears to be enough copies for each member of the committee to have one. This is headed "Dominion Joint Legislative Committee Railway Transportation Brotherhoods, 710 Hope Chambers, 63 Sparks Street, Ottawa." It is also addressed to Dr. McCann:—

DEAR MR. MINISTER:

The Dominion Joint Legislative Committee of the Railway Transportation Brotherhoods desire to reaffirm the views expressed in Item XI of our memorandum of proposed legislation submitted to the government on April 9, 1946, at which time we respectfully urged the desirability of maintaining the Canadian Broadcasting Corporation under strict control and supervision of federal authorities. That this seems to have been a sound national policy, which has progressively developed in the best interests of the great majority of our people and for the general advantage of Canada, should be readily conceded.

Our committee has noted the recent press report of representations made to the radio committee of the Commons by the Canadian Association of Broadcasters, with particular reference to a proposal for the appointment of "an independent board responsible only to parliament to licence and regulate radio". In our opinion, the implementing of that request would render entirely impotent the regularly constituted authority charged with the regulation of Canadian radio broadcasting. Moreover, it would, inevitably, result in vested private interests being served to the detriment and distinct disadvantage of Canadian listeners as a whole.

On behalf of the hundreds of thousands of citizens whom we represent, we express the fervent hope that the government will not surrender any control of so important a public service as radio broadcasting to the selfish dictates of those whose chief concern is to increase the influence of private monopoly, rather than to serve the general welfare of the nations. The present and anticipated potentialities of radio broadcasting seems to us of such vital importance as to demand that strict federal control, supervision and regulations should be maintained.

Respectfully yours,

(Sgd.) W. L. BEST.

He is the Dominion Joint Legislative Secretary for the Railway Transportation Brotherhoods.

Mr. FLEMING: There is no suggestion of anything but federal control. We have not had any evidence to the contrary.

The CHAIRMAN: That just indicates the view they take of what they have read.

Mr. FULTON: That is from a committee of the brotherhood, it is not the brotherhoods in general meeting.

The CHAIRMAN: No. When we had Mr. Provost here he made a reference to certain letters from unions, as you will remember.

This is a letter from the Association of Canadian Radio Artists, Local 23888 and reads as follows:—

DEAR SIR:

The radio artists of Montreal are very much concerned with the brief submitted to your committee by the managing editor of the publications *Radio World* and *Radiomonde*, Mr. Marcel Provost.

We have for some time past been considering some means of bringing to the attention of the federal government the facts of the importation

of transcribed radio programmes from the United States. We feel that Mr. Provost has stated the case very fairly and we agree with his suggestions that this situation can be remedied either by (*a*) considering the original cost of making the transcriptions as the evaluation for duty levies, or (*b*) consider the cost of producing such a programme in Canada as the evaluation for duty levies.

The importation of transcribed radio programmes, especially from the United States, creates unnecessary hardships on Canadian actors, writers and other artists; and unless some action is taken soon, it will result in destroying so much of the excellent work the radio has done in developing and encouraging Canadian cultural talent.

We feel that the place for Canadian artists is in this country, but we fail to see how unfair competition from other countries will help us keep our own artists at home. Since this matter and others raised in Mr. Provost's brief are of urgent importance, we hope you will give the brief your earnest attention.

Respectfully submitted,

(Sgd.) CHRISTOPHER ELLIS,
President.

Then we have a letter from L'Union des Artistes Lyriques et Dramatiques.

L'UNION DES ARTISTES LYRIQUES ET DRAMATIQUES
1434 OUEST, RUE STE. CATHERINE, SUITE 107-108-109
MONTREAL, June 17, 1947.

LOUIS-RENE BEAUDOIN, M.P. Esq.
Vice-President,
Radio Broadcasting Committee,
House of Commons,
Ottawa, Ontario.

DEAR SIR,—We have just examined the brief submitted by Mr. Marcel Provost, managing editor of *Radio World* and *Radiomonde*, to the special committee of radio broadcasting at Ottawa.

As an association of five hundred (500) members, including comedians, announcers and singers, we approve in principle all the conclusions of his reports, and believe that the remedies suggested should meet the requirements and prove very profitable to all the artists of our Union.

We do not intend to repeat the arguments already used by Mr. Provost, but we wish to lay stress upon the unfair competition which results from the broadcast of American talent on Canadian radio stations.

Should this competition be allowed to remain unchanged, it is obvious that sooner or later our best talents will be out of work.

Trusting that this request will receive your undivided attention, I remain,

Yours very truly,

GERARD DELAGE,
President.

Then there is a letter from the Association of Canadian Radio Artists of Toronto. The first two were from Montreal, the English and the French sections of the organization, and this one is from Toronto, Local 23502 of the same organization.

ASSOCIATION OF CANADIAN RADIO ARTISTS

AFFILIATED WITH AMERICAN FEDERATION OF LABOUR

LOCAL NO. 23502

414 Bay St., Toronto 1.

June 13, 1947.

RALPH MAYBANK, Esq., M.P.,
Chairman,
Special Committee on Radio Broadcasting,
House of Commons,
Ottawa.

SIR,—On behalf of the Radio Artists of Toronto, I would respectfully draw your attention to a number of features contained in the brief submitted to your committee by M. Marcel Provost, Managing Editor of *Radio World* and *Radiomonde*.

Mr. Provost's brief is concerned with various forms of American competition which he considers to be unfair. With this proposition the members of our Association are completely in agreement.

One of the chief forms of unfair competition, we feel, is the electrical transcription, which can be imported into Canada at ridiculuously low prices. For a sum ranging between $5 and $50 a Canadian advertiser can obtain a programme to make which leading American actors have been engaged.

The reason for this is that the federal government of Canada, when considering imported transcriptions, values them at the price charged the advertiser. We feel that a valuation for duty purposes should be the original cost, or at least what it would cost in Canada to create such a broadcast. The anomaly exists that when taxing Canadian made transcriptions, the government values them at a figure representing the whole cost of making the original transcription.

We strongly urge that consideration to this serious inequality in valuation be given, so that radio artists in Canada may have the same protection from tariff regulations that Canadians in other fields of endeavour are given.

We do not wish to cover the same ground as Mr. Provost, and it is perhaps more fitting, therefore, that we should confine ourselves to making the strongest plea for exhaustive consideration of this whole situation, and the early application of measures which will lift the burden of unfair competition from the shoulders of Canadian radio artists.

A common topic of discussion in Canada to-day is the subject of emigration to the United States of our best creative and professional talent. We join with those far-seeing Canadians who proclaim the seriousness of this emigration. It is vital that our best brains and minds be kept at home. But in our own profession, we sympathize with the talented Canadian actor or singer or announcer as he suffers from the frustration of hearing one Canadian advertiser after another presenting America talent to his Canadian customers—not because of its superiority, but because it costs him a fraction of what it would cost to build a live Canadian show, which in turn cannot compare with the huge cost of building a comparable live show in the United States.

I respectfully submit, sir, that this question is immediate and vital, and that it is properly the business of your committee to consider it and, if it sees fit, to make recommendations concerning it to the government of Canada.

I have the honour to be, sir,

Your obedient servant,

EARL E. GREY,
President
Association of Canadian Radio Artists
Local 23502

Then there is a lengthy letter from Valmore Carrière, Sténographe Officiel of Joliette, Que.

VALMORE CARRIÈRE
STÉNOGRAPHE OFFICIEL

JOLIETTE, QUE.,
June 4, 1947

The Chairman,
Parliamentary Radio Committee,
House of Commons,
Ottawa, Ont.

DEAR SIR: In going over the press and particularly the Montreal daily newspaper *La Presse*, I find that a certain number of privately owned radio stations are making another drive, in order to drive to the rocks the present laws, which provide for a certain control over the radio programs.

From the tone of certain newspapers it would seem that they are trying to impress upon the minds of the members of your committee that the public at large would be in favour of a change.

Mr. FLEMING: Is this written on behalf of some organization?

The CHAIRMAN: I do not think so. I think in this case it is an individual letter.

Mr. FLEMING: Last year we had a number of individual letters and we did not take the time to read them, and they were not printed. What you did was to give the gist of the letter saying it was for or against something or other. I do not think in the case of these individual letters the committee can take the time to go into each individual letter unless it is written in a representative capacity on behalf of some organization.

The CHAIRMAN: I think it would take a very long time if they were all read. I was rather hoping some person would mention that. It is a letter which is very well written and very strongly in opposition to the proposals that have been made by the Canadian Association of Broadcasters.

Mr. FULTON: Who is it from?

The CHAIRMAN: It is written by one Valmore Carrière, Sténographe Officiel, Joliette, Que. If you think it is sufficient it will be noted.

The next letter from the Canadian Federation of Agriculture is in a little different category.

Mr. FLEMING: You are not proposing that individual letters like that be printed?

The CHAIRMAN: No, this next letter is addressed to me and reads:

THE CANADIAN FEDERATION OF AGRICULTURE

HEAD OFFICE
165 SPARKS ST., OTTAWA, CANADA

June 5, 1947.

RALPH MAYBANK, M.P.
Chairman,
Special Committee on Radio Broadcasting,
House of Commons,
Ottawa, Canada.

DEAR MR. MAYBANK: In view of recent discussions before your committee in which the background of national radio and its original objectives have been referred to, we would respectfully and strongly recommend that Mr. L. W. Brockington be asked to appear before your committee at an early date.

Having been first chairman of the national board and its ablest spokesman at that time, we believe that members of your committee would wish him to give them the benefit of his intimate personal knowledge of the principles upon which public service broadcasting was first established.

I am putting forward this recommendation on behalf of the Canadian Association for Adult Education and the Canadian Federation of Agriculture.

Yours very truly,

H. H. HANNAM,
President and Managing Director
Canadian Federation of Agriculture.

Mr. FLEMING: What is the date of that letter?

The CHAIRMAN: The letter is dated the 5th of June. There is a telegram here which is individual, but it has a specific request in it. I will bring it up a little later. There is a lengthy letter here from R. E. Sinclair, 860 College Street, Toronto, which in general is in support of the C.B.C. and opposing the other. The same applies to a letter from E. J. Morris, of the Victory building, Toronto. There is a leter from Mr. W. E. Levy of Windsor, Nova Scotia, which in general is against the proposals of the C.A.B. and favourable to the situation of the C.B.C.

We were to have had before us the Association of Canadian Advertisers. It was explained yesterday they had not come. First I received a quite lengthy telegram from them which was dated the 16th of June out of Toronto. That was followed by a typewritten letter which is really exactly the same. It is a confirmation of the telegram. It reads as follows:—

> The Association of Canadian Advertisers which is scheduled to appear on June 18 has decided, in view of other representations already made and to save your committee's time, that a personal appearance by its representatives is unnecessary. We wish, however, to submit the following:
>
> The Association of Canadian Advertisers is a voluntary organization representing 145 companies advertising on a national or regional scale in Canada. It was founded in 1917 and is devoted to the improvement and promotion of good advertising.

Advertising is of benefit to the general public for it makes possible the distribution of goods and services at less cost by increasing the volume of sales.

Radio is an efficient tool of advertising only if it commands a broad popular acceptance. Since the inception of the C.B.C. much progress has been made in the mechanics and the use of radio. There is criticism of the regulations and rulings which govern radio operation under the regulatory powers exercised by the C.B.C. over both the private and national systems.

Our members are equally interested in the welfare of both systems. Inasmuch as these two are in commercial competition, it would seem to us to be more equitable to both and in the best interests of advertising and the general public if a separate regulatory body, independent of the C.B.C. were established to govern broadcasting in Canada.

Present needs and future growth suggest that any necessary changes might perhaps best be studied and determined by a Royal Commission.

Should such a body be established to study revision of the laws relating to broadcasting, then the Association of Canadian advertisers and its members offer it the benefit of their practical experience and knowledge.

You will recall that there was a certain Gallup poll intended to be laid upon the record, but from the way it has come to me it would appear to me as if it has been laid upon the record. Am I right about that? I have a number of papers here and I understand that everybody else has a number of papers.

Mr. FLEMING: It is not on the record yet. They were distributed at the close of the meeting last week.

The CHAIRMAN: Consequently they are in everybody's hands as a matter of convenience. First there is the Canadian public vote on private radio versus government radio about which you all know. Is it understood that it should now be placed upon the record because of the fact that along with it will be placed the Gallup poll which has been referred to in discussions here before? I think Mr. Gauthier had a special interest in that.

Mr. GAUTHIER: What?

The CHAIRMAN: Here I am a radio artist and he turns it off. I was referring to the Gallup poll which has been the subject of discussion here before. It is now before us, and at the same time there is the Canadian public vote on private radio versus government radio. It was more or less understood, was it not, they would be filed together?

Mr. GAUTHIER: Yes.

The CHAIRMAN: We have them both now.

Mr. GAUTHIER: There was a question asked about Canadian public voting. There is the question asked by the Gallup poll.

The CHAIRMAN: There was some explanation given when those people were here and that is the only explanation we have on the record. Will this become part of to-day's record just as though this matter were read into the record?

Mr. FLEMING: The trouble is to know the basis on which the test of public opinion expressed here was prepared. In the other case there was some explanation of it—a cross-section of opinion, and the way it was obtained. I suppose the Gallup poll is known to most members. We have no explanation of the way in which it is prepared. Is this the only poll that was taken under the Gallup system on this subject?

The CHAIRMAN: This is the only one that has been discussed here. It apparently came up some time before in the committee and it was for that reason that it was brought in this way. I have some knowledge myself of the way the Gallup poll goes, most of us have. I do not know whether the knowledge is completely general.

Mr. FULTON: Who is filing this with the committee?

The CHAIRMAN: It was requested by the committee of Mr. Dunton who had it in his possession. The matter came up in the committee some time in the past and somebody asked for the information and the committee agreed. So it was at the committee's request that it was produced.

(Elliott-Haynes Study of Public Opinion, Appendix A.)

(Canadian Public Opinion News Service, Appendix B.)

Now, we have certain answers to Mr. Coldwell's questions which will also go on the record. You will remember there were questions asked by Mr. Coldwell and by Mr. Reid and by Mr. Hansell.

(Answers to questions by Mr. Coldwell, Appendices C, D, E and F.)

Mr. HANSELL: Then there is a list of commentators and speakers.

Mr. FLEMING: Mr. Hansell and Mr. Smith and I think Mr. Diefenbaker asked for that information.

(Answers to Messrs. Diefenbaker, Smith and Hansell, Appendix G.)

The CHAIRMAN: Then there are the questions asked by Mr. Hansell which we put in.

(Mr. Hansell's questions with answers *re* C.B.C. expansion programme, Appendix J.)

There is a telegram I mentioned a little while ago. It came to me some time ago, but there has been no opportunity of laying it before you until now. I will read the telegram.

> In absence of other agency to which we can appeal will your committee assist our ascertaining why Canadian Broadcasting Corporation after compelling this company two years ago to switch networks and pay for numerous useless stations now both refuses to carry our ten-year-old programme at usual time and declines to permit competing stations so to carry it in order to air new commercial broadcast of foreign origin. This decision made known yesterday in effect rules us off the air and if C.B.C. itself accurately evaluates our programmes advertising worth constitutes grave disservice to a Canadian company and one thousand Canadian employees in every province.
>
> UNDERWOOD LTD.,
> Lee Trenholm,
> Director Public Relations.

I felt that the committee would desire Mr. Dunton to be asked about this, and in order that he might be prepared to give an answer I showed the telegram to him about the time it was received. I do not know any more about it than that to date. It is dated the 5th of June.

Then there is the answer to a question by Mr. Reid, which we will put in.

(Minutes of the Board of Governors of the C.B.C. regarding applications on behalf of station CKNW, New Westminster, Appendix K.)

(Answer to Mr. Smith's question regarding licence to Mr. Frank Ryan, Appendix L.)

Now, there is something here from the Department of Transport. Mr. Ross (*St. Paul's*) is not here, but this has to do with specimen copies of letters sent on receipt of applications for television or facsimile broadcasting licences and subsequent advice of decision reached.

Mr. FLEMING: I think I asked for that information at the last meeting. I asked Mr. Browne for that information.

The CHAIRMAN: Well, that will be an answer to Mr. Fleming's question.

(Answer to Mr. Fleming's question from Department of Transport, Appendix N.)

Then there is information requested by Mr. Ross of St. Paul's which we shall now put in.

(List of private commercial broadcasting stations signifying their intention to establish FM stations, etc., Appendix S.)

Mr. FLEMING: Before we leave this last report submitted by the Radio Division of the Department of Transport in reply to the question by Mr. Ross of St. Paul's, is there any explanation of this first heading "Stations where orders in council have been issued"?

The CHAIRMAN: I suppose that information could be got. Mr. Caton is here and probably he could answer that.

Mr. CATON: The stations for which the orders in council have been issued are stations where the authority has been granted to give a licence. The actual licensing is now in process of formation as regards the type of license which will be issued.

The CHAIRMAN: That means stations where the O.K. has been given?

Mr. CATON: Everything has gone through and they have been authorized by orders in council.

Mr. FLEMING: Is it an order in council in the individual sense?

Mr. CATON: Yes. Occasionally there is an order in council where several stations are together, but I do not think so in that case.

Mr. FLEMING: The next one is "Stations where technical briefs have been received." That is received in the department?

Mr. CATON: Received in the department and are in the process of consideration.

Mr. FLEMING: "Stations where briefs or applications are in preparation or under consideration." You have been informed by these stations?

Mr. CATON: We have received letters from these stations indicating that they have briefs in preparation or are considering the submission of briefs.

Mr. FULTON: Did you file those answers for Mr. Smith, not on the commentators but on the application for new licences?

The CHAIRMAN: If I had them I did. I might not have mentioned them. In the event of these not having been mentioned by me, they are considered in the same position as those which I did mention—answers to Mr. Smith with respect to the licence of Mr. Frank Ryan of Ottawa; list of applications for

new broadcasting station licences; and changes in existing licences from January 1, 1946. With regard to the answer to Mr. Fleming on the $2,000,000 loan, I was under the impression that was on before.

Mr. FLEMING: I do not think so.

The CHAIRMAN: There was the matter of an answer to Mr. Fleming respecting the report of negotiations regarding three wavelengths, CFRB, CFCN and CKEY; the answer to Mr. Smith respecting Lacombe, Alberta, to Mr. Diefenbaker respecting Chicoutimi. I think these were all in one body before. Then there was the answer to Mr. Diefenbaker which is an extract from the minutes of the Board of Governors regarding the Toronto *Star;* the answer to Mr. Beaudoin regarding the estimated cost of a second French network.

(For above documents, see appendices H-I-M-O-P-Q-R.)

Now, I think that is all that we have to file at the moment and with your permission we are ready to proceed with the further examination of Mr. Dunton and Dr. Frigon upon the briefs. You all have your briefs before you.

Mr. FLEMING: Mr. Chairman, there are a couple of questions I had on programmes which are dealt with at pages 9 and 10 of the brief. Could we proceed with those before we go to finance?

The CHAIRMAN: Yes.

Mr. FLEMING: I was interested in the reference here to the programme undertaken by the C.B.C. to popularize station CJBC in Toronto. Reference is here made to the fact the C.B.C. put out some lively publicity material about the station. I think, Mr. Dunton, you said on a previous occasion that the expenditure on this publicity was about, speaking from memory, $22,000?

Mr. DUNTON: I think Dr. Frigon gave you that figure.

Mr. FLEMING: Has that campaign been completed or is it still current?

Dr FRIGON: It is still going on. The $22,000 covers the whole campaign, but it is still continuing.

Mr. FLEMING: What does the campaign cover in the way of publicity? What different forms does the publicity campaign take?

Dr. FRIGON: We have had bill posters and match boxes. We have taken space in the newspapers.

Mr. FLEMING: And street car advertising?

Dr. FRIGON: Street car advertising. We distributed some cigarette lighters in lieu of payment to some persons taking part in programmes. If our men interview people on the street, we give them lighters instead of money.

Mr. FULTON: I understood you offered these lighters to members of the committee, too?

Dr. FRIGON: If it was done, it was a mistake.

Mr. FLEMING: A friend asked me about one of these match boxes advertising CJBC. This is the kind to which you refer?

Dr. FRIGON: Yes.

Mr. FLEMING: "For better listening, CJBC, Toronto, dial 1010, key station C.B.C. Dominion Network." I think I had better preface this by saying that, since I am not a smoker I do not have occasion for making these purchases very often, so you will forgive my abysmal ignorance if I show it. I am told you can get these match boxes anytime without advertising material on them for a cent in any tobacco shop. These are being sold in Toronto tobacco shops at the present time for one cent. If these are sold to the public for a cent without

any advertising and are being sold to the public to-day for a cent with advertising, who is receiving the proceeds of the payments you are making for advertising?

Dr. FRIGON: Well, we buy matches, we bought a million of them and we have sold them to merchants who, in turn, sell them to the public.

Mr. FLEMING: How much are the merchants then receiving?

Dr. FRIGON: They make a profit on the sale of the matches.

Mr. FLEMING: The merchants are receiving the amount you pay by way of advertising because I am told that these sell to the public without advertising for a cent and these particular ones are sold with advertising for a cent.

Dr. FRIGON: That is right.

Mr. FLEMING: So, the public is not paying anything more to carry out your publicity campaign when you put the advertising on the matches?

Dr. FRIGON: We sell the matches at a price attractive to the tobacco stores. The cost of the matches is our cost of publicity.

Mr. FLEMING: Do you sell the matches to the stores for less than the stores would pay for them if they bought them elsewhere without advertising?

Dr. FRIGON: I do not know. I will give you the exact details in a moment. This is a common practice among firms. They put their matches in stores and these matches carry publicity. The matches are sold. This is very common. It is not something that we have invented.

Mr. FLEMING: To shorten it up, does it come down to this, Dr. Frigon—I am interested in it because someone asked me the question the other day—does it come down to this then that you pay for the merchants, really, part of the cost of the matches in order to get your publicity on the cover?

Dr. FRIGON: If I remember correctly, we paid $6,500 to have the matches made and get the publicity ready to deliver to the stores. We have sold, if my memory is right, $2,500 worth of them. Therefore, there is a loss to us of $3,500, which is part of the $22,000 I mentioned before.

Mr. FLEMING: I am afraid you have confused me a bit. You mean, you sell them at a loss?

Dr. FRIGON: Yes.

Mr. FLEMING: In order to get them into the stores and get the stores to sell them at the same price as they would sell the same matches without advertising?

Dr. FRIGON: That is right.

Mr. FLEMING: You are taking a loss of $3,500 on an expenditure for matches of $6,500. Are those the figures you gave?

Dr. FRIGON: I do not seem to have with me the data which I thought I had, but subject to checking the exact figures—oh, here it is. We have had made for us with our publicity on the flap, $6,900 worth of book matches. We have sold to the retailers about 10,000 of those from which we have collected from the retailers $3,500. This was done in order to get the one million books of matches in the hands of the public. We have received $3,500 so it has cost us $3,400.

Mr. FLEMING: Over how large an area are you conducting this publicity campaign for CJBC.

Dr. FRIGON: Toronto only.

Mr. FLEMING: Just the city?

Dr. FRIGON: Yes.

Mr. FLEMING: Have you undertaken similar campaigns for other stations?

Dr. FRIGON: Yes, but not of that size. We have had street car posters. We have had a similar campaign in Toronto street cars and different publicity stunts of that sort at times, but this is the first time we have spent $22,000 on one campaign. We have spent the odd $2,000 once in a while.

Mr. FLEMING: This is a much larger and more costly campaign than you have ever attempted before?

Dr. FRIGON: It is because the station needed a bigger boost.

Mr. FLEMING: Why did it need a boost? Because you were not getting the commercial programmes you desired?

Dr. FRIGON: No, because it did not seem to be very well known. The people in Toronto seem to have discovered the station now and the ratings since we have started the campaign are gradually going up. The trend is decidedly upwards.

Mr. FLEMING: Your pickings?

Dr. FRIGON: The ratings, the audience ratings, are going up. The public is taking notice of CJBC. Up to the moment we have sold six commercials on the station which we did not have before.

Mr. FLEMING: You attribute that to the increased listener interest?

Dr. FRIGON: Yes.

Mr. SMITH: Who is doing the rating for you?

Dr. FRIGON: Elliott-Haynes. We are large contributors to Elliott-Haynes service. Our stations are listed and we have bought, on occasion, special listings and ratings.

Mr. SMITH: That is the same Mr. Elliott who was here?

Dr. FRIGON: Exactly, the same one, yes.

Mr. FLEMING: You are not afraid to be mixed up with some private institutions, private companies, in conducting that survey?

Dr. FRIGON: No, we are proud of it.

Mr. FLEMING: Somebody the other day was suggesting there was a lot of monopoly in there.

The CHAIRMAN: Is not that what some say the C.B.C. is?

Mr. FLEMING: The same people do not say it, though.

The CHAIRMAN: Shall we pass on to the next section, then?

Mr. FULTON: Just a moment; I think the last time Mr. Dunton was here, at the end of the meeting, I was asking him something with regard to a comparison between the Nation's Business and the Report from Parliament Hill programmes. We certainly were not at one as to whether it was fair to make a comparison or not. I have a letter here from the Radio Bureau which contains three comments on the comparison. I should like to read them and ask Mr. Dunton if he thinks they are fair.

After pointing out that the cost to the private stations association which maintains the office here is $70,440 a year for this Report from Parliament Hill the letter continues as follows:—

> In comparing this with C.B.C's "The Nation's Business" I think it only fair to point out three factors:
>
> 1. Most of the release of this latter programme is secured through the independent stations and it is hardly fair to include either the time or the cost of the time as a donation from C.B.C.

2. A part of the time cost they estimate as being applicable to the programme consists of line charges. This is hardly fair, either, inasmuch as they would have to pay for the lines in any event. By comparison, the Radio Bureau is an operation which the stations would not have to maintain ordinarily.

3. At the same time, this operation is one that serves the individual members of the House. This is, of course, a great advantage to the individual member and a large measure of protection of the rights of freedom of speech. At the same time C.B.C. is admittedly not set up to give local service of this character, which is possible only to the independent commercial stations.

With those comments, Mr. Dunton, do you think the comparison I was trying to make with regard to the effort put into this programme is a fair one?

Mr. DUNTON: I should like to answer that by saying, Mr. Fulton, I was not trying to make any comparison. Of course, I was trying to suggest it was extremely difficult to make any comparison of costs. It seems to me these two programmes are good examples of the different services which private stations and the C.B.C. provide in the whole Canadian radio system. On the one hand, you have the C.B.C's programme of national political leaders speaking to the whole country at the same time. On the other hand, you have a community station bringing the local members to the people. Neither could do what the other is trying to do. I think they are both very useful services indeed. I think it is extremely difficult to try and do any rating on the basis of cost. As I explained before, I do not see how you could. I think their programme is a very good one for a community service and I think the national political broadcasts are a very good national, over all service.

Mr. FULTON: You would not accept the suggestion, obviously, that the private stations through their association put a greater effort into their service than the C.B.C. does into the nation's business?

Mr. DUNTON: I think perhaps they do. I was interested in the note about the Radio Bureau being naturally a feature of this service. I have seen a good deal of material going out from the Radio Bureau under the title "Report from Parliament Hill" which relates to the Radio Act for the members speaking on their stations.

Mr. FULTON: You are not confusing that with the weekly letter which the bureau sends to its member stations?

Mr. DUNTON: No, I have seen recently, during the sittings of this committee the text of programmes going out from this bureau called, "Report from Parliament Hill" discussing the representations of the C.A.B., and that has gone out daily from the Radio Bureau.

(At this point Mr. Robinson assumed the chair.)

Mr. Ross *(Hamilton East):* Were the members who sent that out members of this committee?

Mr. DUNTON: No, it had a note at the bottom saying it came from the radio correspondent of the Radio Bureau. The title was, "Report from Parliament Hill".

Mr. FULTON: That was not broadcast in any way?

Mr. DUNTON: They were sent out by wire daily. I think they still are.

Mr. FULTON: There is one other question I have to ask on the subject of programmes. I must confess this is something which always irritates me. It concerns your announcement on the Sunday broadcast of the New York Philharmonic Symphony which originates in New York. When the programme is introduced and when it is finished, the announcer says— I think I have his

words correctly—"This program, which is sponsored in the U.S. is brought to Canadian listeners as a public service by the Canadian Broadcasting Corporation." What is the purpose of those words?

Mr. DUNTON: It is to make it clear to the public that, while it is a commercial programme in the United States, it is not sponsored here. I think that is the chief reason.

Mr. FULTON: Do you think it would have the effect of saying that somebody sponsors this programme, that he gets commercial revenue from it and, somehow, it is less worthy over in the United States than it is in Canada?

Mr. DUNTON: There is no intention on our part of suggesting that. We have to cut out the commercial announcement of the programme and fill in with something, so they say that in order to make it clear it is not a commercial programme here although it is in the United States.

Dr. FRIGON: We supply all the lines free of charge.

Mr. FULTON: That is broadcast by the Columbia system in the United States, is it not?

Dr. FRIGON: Yes.

Mr. FULTON: But if this New York Philharmonic programme were not sponsored you would not have the programme.

Dr. FRIGON: Yes, we have had many of those programmes from New York.

Mr. FULTON: If the New York Philharmonic did not have a sponsor that broadcast would not take place.

Dr. FRIGON: It would not take place if it were not broadcast in the United States. There have been broadcasts of this type, such as the Metropolitan Opera which have been broadcast as sustainers in the United States and have been broadcast by us as sustainers.

Mr. DUNTON: There is no intention of making any distinction by making that announcement.

Mr. FULTON: I am glad to hear that in veiw of the controversy which is raging at present. It could create a new kind of listener idea to the effect that, of course, in the United States everything is paid for; even their music is paid for, whereas in Canada the C.B.C. carries this great programme free to the listeners.

Mr. DUNTON: There is no intention at all. We are very grateful and very glad we can carry the programme to Canadian listeners. For years it ran without a sponsor. It is still the same here, and we are very glad, and I think the listeners are very glad, we can bring it to them.

Mr. FULTON: You do not think you should make any mention of who sponsors it in the United States so that they would get the credit?

Mr. DUNTON: Then you are advertising him, and then his competitors will complain bitterly that he is getting advertising here for which he is paying nothing. That is the difficulty we have. There are some good programmes which are sponsored in the United States and which we would be glad to carry on the network, and which a lot of the public would want, and which we cannot because they are sponsored in the United States. There is commercial mention on them. An example was the Jack Benny show which a lot of listeners would like us to carry very much, and which we would like to carry, and which we tried to carry cutting out the commercial announcements as we do with the New York Philharmonic. The trouble is that commercial announcements are inserted in the middle of the programme, and right away it becomes obviously not fair to the competitors of that sponsor in Canada that this man who is sponsoring the show in the United States should get free advertising on a Canadian network.

Mr. SMITH: Your expression was you are glad to have that orchestra broadcast on Sunday?

Mr. DUNTON: Yes.

Mr. SMITH: I suppose you are also glad some commercial house in the United States is paying for it so we can get that.

Mr. DUNTON: We are but, of course, I think Columbia should get credit for carrying the programme for years on a sustaining basis. The Columbia system did that as a public service.

Mr. SMITH: But now they are taken care of and it makes you very happy, too.

Mr. DUNTON: Yes.

Mr. SMITH: Because a business concern is prepared to pay for good music.

Mr. DUNTON: Well, as you know we have no great objection to commercial programmes. We think there are lots of very good commercial programmes which contribute a great deal to the network.

Mr. SMITH: I realize that. I was trying to agree with you. I wanted you to be happy right down to the bottom that the people pay for it in New York.

Mr. DUNTON: We are.

Mr. SMITH: You are happy right through.

Mr. DUNTON: Yes.

Mr. FULTON: Do you pay them anything for carrying that?

Mr. DUNTON: No.

Mr. KNIGHT: You would be equally happy if it were an American sustaining programme?

Mr. DUNTON: Yes.

Mr. FULTON: The New York Philharmonic has got to be paid for by someone whether or not it is sustaining.

Mr. BERTRAND: Canadian listeners are lucky enough to have it free through the C.B.C.?

Mr. DUNTON: Pardon?

Mr. BERTRAND: Canadian listeners are fortunate enough to listen to the New York Philharmonic through the arrangement with the C.B.C.?

Mr. DUNTON: It should be made clear we are able to do that because of the happy arrangements we have with the Columbia Broadcasting System as with other American networks. Our arrangements with them enable us to carry their sustaining programmes. We are very glad we can do that.

Mr. BERTRAND: If we did not have that opportunity what would it cost to replace a similar program on the C.B.C.?

Mr. DUNTON: A symphony orchestra costs a great deal. I think it would certainly cost at least $1,000, probably a good deal more.

(Mr. R. Maybank resumed the chair.)

Mr. BERTRAND: Does the C.B.C. make a certain exchange of programs to compensate for the service that is being given by the Columbia Broadcasting System which gives us the privilege of hearing this orchestra?

Mr. DUNTON: Yes. We are in a continuous state of offering programs to the United States. I should like to explain there is constant communication between our people and the American networks. We are in touch with each other all the time about programme matters and network matters. We are glad at any time to offer them any of our sustaining shows. We rather like to do it because while it does not benefit the Canadian listener particularly there is a certain amount of prestige and we like the idea of Canadian shows being carried in the United

States. Several are being carried now on Mutual. N.B.C. is putting one on this summer. The number has gone down in recent years as American networks have had much more of their time taken up by commercial shows. Of course, if they are filled with commercial shows they cannot take a sustaining show from us.

We have had quite a lot of compliments from American networks about our shows. They have often expressed regret that they could not take a certain show of ours because their network was booked at that time.

Mr. GAUTHIER: Referring to page 2 of Mr. Provost's brief, at the top of the page there are these words:—

> The main handicaps facing development of new radio talent in Canada, we believe, are

and he lists them there. Would you give us your general opinion on that?

Mr. DUNTON: I suppose it is somewhat of a handicap. Suppose Canada was for some reason completely isolated from the United States. I presume that naturally there would be a tendency to use Canadian artists more on network shows. I think that is true. That is a handicap.

Mr. GAUTHIER: You think that this kind of program coming from the United States is discriminating against new talent in Canada?

Mr. DUNTON: I do not think it does much direct harm. I think it can do a lot of good. After all, just because a good programme comes in from the United States I do not think that means it shuts out a good programme in Canada. I think Mr. Provost produced arguments about American Companies having subsidiary branches up here, and so on. There may be something in some of those arguments. I would not say that fact was the most important handicap. I think as long as we live as near to the United States as we do there is bound to be that pressure in radio as in all fields of material production from down there whether it is writing, magazines, books.

Mr. GAUTHIER: Do you not think there is a certain inclination in the general public to like the strangers better when they come from over the 45th line?

Mr. DUNTON: I think it is true to say . . .

Mr. GAUTHIER: Even when the artist here is quite comparable to the American artists, they like to hear the stranger better and have very little confidence in their own compatriots.

Mr. DUNTON: I have heard a number of leading radio artists say that a Canadian has to be twice as good in Canada to get anything like the same credit or, to put it another way, the artist in Canada may be just as good as someone in the United States but he probably will not get the same recognition in Canada.

Mr. SMITH: If that is true it is not very complimentary to the Canadian listener's ability to distinguish.

Mr. DUNTON: I think there is more and more credit going to Canadian production and other fields of radio from the Canadian listener.

Mr. GAUTHIER: I heard Mr. Provost say this morning that ten years ago there was practically no symphony in Canada.

Mr. DUNTON: I think the big development in symphony has come about in the last ten years.

Mr. GAUTHIER: They were not on the air.

Mr. DUNTON: No.

Mr. GAUTHIER: But they were existing?

Mr. DUNTON: They surely were not very strong, were they, ten years ago? I think radio has helped a great deal. I think the contributions from the C.B.C. to orchestras like the Montreal orchestra and Toronto and Vancouver have had a lot to do with the development of those orchestras.

Mr. GAUTHIER: Would you say the C.B.C. is doing more than the privately owned stations in the development of new talent?

Mr. DUNTON: That is a difficult question when you add it up all across the country, but trying to make an estimate all across the country I would say "yes". Without giving any reason, why is it I should say the C.B.C. is doing more to develop Canadian talent.

Mr. GAUTHIER: Is Dr. Frigon of the same opinion?

Mr. SMITH: Naturally.

Mr. GAUTHIER: Are you of the same opinion that the C.B.C. is doing more? Can you give us figures to prove the C.B.C. is doing more than the privately owned stations in the development of new talent.

Dr. FRIGON: What you hear coming out of the private stations, if you are talking about artists and musicians, is mostly paid for my sponsors. The sponsors are the people who give you the good music in Canada. The private stations themselves using their own money do not do very much in the way of encouraging talent. They do spend money. I am not criticizing them. It is their money. They can use it as they please, but when it comes to amounts paid by stations to encourage talent their contribution is extremely small compared to ours. We take no credit for that. You give us the money and we spend it. The only credit coming to us is in trying to spend it efficiently and to encourage artists, but a distinction should be made between a programme which is paid for by a sponsor and a programme which is paid for by the broadcasting station. There is a vast difference. In our case there is this other difference. We very frequently spend money for the sake of encouraging talent and not necessarily for the sake of entertaining the great proportion of the public. I do not know whether you like it but we spend a lot of money on chamber music. We spend a lot of money on very good artists, and that is encouraging local Canadian talent.

Mr. SMITH: It is terrible.

Mr. FULTON: That philosophy is pretty hard on the listener.

Dr. FRIGON: It is not hard on the listeners who like it.

Mr. FULTON: I think you said that you do not always spend money in order to provide good listening but that you sometimes spend money in order to encourage talent. That philosophy could be pretty hard on the listener.

Dr. FRIGON: Not necessarily. You can get all the popular music you may wish to have by listening to sponsored programmes because their purpose is to reach everybody in Canada to sell their goods. We cater to the groups of musicians who could not hear good music except through your money that we spend on good programmes. If we have an artist playing a harpsichord, as we had last year, I do not think any sponsor will ever sponsor such a programme, but we believe it is a great contribution to the artistic life of Canada by bringing that sort of music to Canadians. If you want good musicians you must encourage that.

At the present time we are trying to contribute to the establishment of a good orchestra in Winnipeg. We are actually committing ourselves to use in Winnipeg a number of musicians who are top performers in their line. Because of our committing ourselves these people will move to Winnipeg and form the nucleus of an orchestra there. That is the way we encourage talent and spend our money on artists and musicians.

We produce dramatic shows at times which would never be sponsored, but you would not have the popular commercial shows if you did not have artists. You would not have artists if they were not encouraged to be good artists. I do not know if I make myself clear there.

Mr. SMITH: Is it not a fact that people like York Knitting Mills, for example, a commercial outfit, are doing a great proportion of the production and assistance to Canadian artists?

Dr. FRIGON: Not at all. They are doing a very good job. They have a very good programme and they contribute a whole lot to Canadian art, but I would say nine out of ten, if not ten out of ten, of the artists who have participated in their concerts have been produced by the C.B.C. to a point where they are recognized as coming artists.

Mr. SMITH: Tell me one outstanding Canadian artist that the C.B.C. has produced originally. Tell me one.

Dr. FRIGON: I do not say we produced them originally. I say we have produced them on the air so that they can make a name for themselves.

Mr. SMITH: Coming back to this symphony on Sunday this thought has occurred to me. I suppose the commercial sponsor over there could lay it down it should not be produced in Canada if he cared to? There would be no trouble about that?

Mr. DUNTON: He could what?

Mr. SMITH: The commercial sponsor in New York no doubt could lay it down as a condition that it should not be broadcast in Canada, could he not?

Mr. DUNTON: I think so, yes, certainly.

Mr. SMITH: And it gets right down to this, that the person whom we in the Dominion of Canada have to thank is the commercial sponsor?

Mr. DUNTON: I think so, yes.

Dr. FRIGON: There is a very concrete example of that sort of thing. Some years ago the N.B.C. carried the Metropolitan Opera Company as a sustaining programme. We carried it in Canada from the N.B.C. Then the programme was sponsored in the United States by an oil company with a subsidiary in Canada.

Mr. SMITH: The Texaco Company over there, and over here McColl Frontenac.

Dr. FRIGON: Yes, if you want names.

Mr. SMITH: They stole McColl Frontenac from the present owners. They outvoted them.

Dr. FRIGON: Their program came to Montreal and Toronto and we put it on the network as a sustainer. Seeing you have named the company I might say now that McColl Frontenac did not want to pay to carry the programme across Canada for reasons of their own which I think were very good reasons. At that time we carried the programme, offered it to private stations and very few of them carried the programme because it was a sustainer. The following year McColl Frontenac decided they should carry it across Canada, and we made a bargain with them. We gave them a special price and the programme was carried. Again very few stations carried the programme. A year after McColl Frontenac paid the full rate, and they all carried it. That is about the sequence of the way it goes.

Mr. SMITH: I find strangely enough you are in agreement with me for once. I want to compliment us both on that.

Mr. FULTON: Is not the New York Philharmonic in the United States sponsored by Columbia?

Mr. DUNTON: Not now; it was. It was a sustaining programme of the Columbia network. Now it is sponsored by an advertiser.

Mr. FULTON: Do you know who sponsors it?

Mr. DUNTON: I have forgotten, some company with good listening at heart in the interests of radio.

Mr. FULTON: It is not Firestone, is it?

Mr. DUNTON: I think it may be. I think it is a tire company. I think it is United States Rubber.

Mr. GAUTHIER: You said, Dr. Frigon, that the sponsor chooses his artists.

Dr. FRIGON: Yes. The usual way of running a programme is for the sponsor to ask an agency to produce a programme. The agency chooses the artists and pays for the artists, of course. In certain instances in the case of the C.B.C. we sell programmes as they stand. In other words, we book the artists; we produce the show; we pay the artists, and then we bill the sponsor for what it costs. We have a few shows operating that way now, and we are trying to build more of those shows. L'Homme et Son Peche is one in that category. We produce that show as we used to produce it when it was a sustaining programme. The sponsor pays for the cost of the show but we produce the show completely.

Mr. GAUTHIER: What does Mr. Grignon do?

Dr. FRIGON: He writes the scripts; that is all.

Mr. GAUTHIER: Can you give us a comparison of commercials between stations of the C.B.C. and C.A.B? Let us say two stations in Toronto and two in Montreal, a comparison of the commercial business on the privately-owned stations and on the C.B.C. stations.

Dr. FRIGON: I have some figures here comparing CFRB with CBL for the week of January 12th to 18th. During that week CFRB carried 58 hours of commercial programmes. CBL carried 28 hours. CFRB carried 385 commercial spot announcements. We carried 56, almost all time signals. In the case of Montreal CKAC carried 45 hours of commercial programmes, and we carried 26. They had 369 spot announcements and we had 35, also practically all time signals.

Mr. SMITH: All what?

Dr. FRIGON: Time signals, Bulova Watch time.

Mr. GAUTHIER: They are making more money than you are.

Dr. FRIGON: That is all right. They should make more money. That is their living. We do not object to that.

Mr. GAUTHIER: If the sponsor chooses his artists privately-owned stations having more commercials are in the better position to develop new talent?

Dr. FRIGON: That is what I said before. We have to make a distribution between the share of the station in developing talent and that of the sponsor. If the sponsor uses his publicity money to buy talent that should go to the credit of the sponsor. When you hear on our own stations Charlie McCarthy on Sunday evening we should get no credit for encouraging talent in Canada because the bill is paid by the sponsor. It is the same with York Knitting Mills. They should get all the credit for paying for the talent and producing the show. It is their money they use, not ours, but when it comes to Stage 47 or other shows of that sort, that is our money, or it is your money.

Mr. GAUTHIER: You said you were encouraging musicians from the west. Do you encourage singers from the west. They have very good singers in the western provinces.

Dr. FRIGON: We have scouts going around occasionally to hold auditions, and anywhere we find talent we use it.

Mr. GAUTHIER: I do not say that there are not any in Ontario, Quebec and the maritime provinces, but I have heard westerners singing and they have very good talent.

Mr. NIXON: There are good singers in the eastern part, too.

Mr. BERTRAND: May I ask a question having to do with Mr. Provost's deposition this morning regarding electrical transcriptions. He complained about the unfair competition that was created for Canadian artists due to having electrical transcriptions brought in from the United States to Canada at very low rates.

Mr. DUNTON: I can say we know there are a great many electrical transcriptions coming in and being used on the stations in increasing numbers.

Mr. BERTRAND: I think Mr. Provost was commenting on the tariff rate of $7.50 minimum for a thirty-minute programme which programme would be worth $200 or $300. It was believed this would be very detrimental to the local artists. What would you have to say about that?

Mr. DUNTON: I think it is more a question of national revenue.

Mr. BERTRAND: I beg your pardon.

Mr. DUNTON: It is more a question of national revenue. I can say that I know there is an increasing amount of electrical transcriptions.

Mr. BERTRAND: I will change my question.

The CHAIRMAN: Just before you continue; there has been some suggestion we should stop at a quarter to six because the House resumes at seven o'clock. This would just leave an hour and a quarter before the House resumes. Is that agreeable to the members?

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

The CHAIRMAN: The committee stands adjourned.

The committee adjourned at 5.45 p.m. until next Thursday.

APPENDIX A

THE CANADIAN PUBLIC VOTE ON PRIVATE RADIO *vs.* GOVERNMENT RADIO

(Based on a three-year continuing study of public opinion by Elliott-Haynes Limited)

Study	Time	Pro Private Radio	Pro Government Radio	Pro Dual System Radio	No Opinion
		Per cent	Per cent	Per cent	Per cent
No. 1	September, 1944	44·0	36·0	14·0	6·0
No. 2	December, 1944	52·0	27·0	15·0	6·0
No. 3	May, 1945	45·6	28·2	11·4	13·7
No. 4	December, 1945	42·5	26·7	15·9	15·3
No. 5	July, 1946	45·5	29·7	10·3	14·5
No. 6	February, 1947	57·8	24·1	12·1	6·0

NOTE:—To be read with evidence No. 4.

THE CANADIAN PUBLIC VOTE ON PRIVATE RADIO *vs.* GOVERNMENT RADIO

(Analysis of Current Attitude Trends—February, 1947, by Elliott Haynes Limited)

—	Pro Private Radio	Pro Government Radio	Pro Dual System Radio	No Opinion
	Per cent	Per cent	Per cent	Per cent
TOTAL CANADA	57·8	24·1	12·1	6·0
Maritimes	57·0	19·8	11·0	12·2
Quebec	57·3	15·6	15·3	11·8
Ontario	63·5	24·4	9·9	2·2
Manitoba	40·3	48·4	7·0	4·3
Saskatchewan	55·4	28·1	13·7	2·8
Alberta	57·5	26·3	13·8	2·4
British Columbia	49·9	31·5	14·9	3·7
URBAN—RURAL—				
Urban	58·7	23·8	12·1	5·4
Rural	56·5	24·5	12·2	6·8
SEX—				
Male	60·0	25·0	12·0	3·0
Female	56·5	24·5	12·2	6·8
SOCIO-ECONOMIC—				
"A" Wealthy	62·1	22·6	12·9	2·4
"B" Comfortable	60·5	22·4	13·8	3·3
"C" Getting By	56·9	24·6	12·1	6·4
"D" Poor	53·1	26·3	9·5	11·1
Have Bank Account	58·3	24·3	12·6	.....
Have Life Insurance	58·4	23·5	12·3	5·8
AGE—				
18–29 years	60·2	21·5	12·1	6·2
30–44 years	59·9	22·5	12·1	5·5
45–60 years	55·7	26·3	12·0	6·0
Over 60 years	48·6	30·8	13·2	7·4
UNION AFFILIATION—				
Labour Union	56·0	27·9	11·8	4·3
Labour Non-Union	59·5	24·2	11·6	4·7
White Collar	62·0	22·0	13·0	3·0
Other	56·4	26·0	12·4	5·2
POLITICAL AFFILIATION—				
Liberal	60·9	21·5	12·3	5·3
Progressive Conservative	61·9	22·2	10·9	5·0
Cooperative Commonwealth Federation	50·3	36·2	10·1	3·4
Social Credit	54·4	23·3	15·3	7·0
Other	53·7	22·2	14·4	9·7

APPENDIX B

CANADIAN INSTITUTE OF PUBLIC OPINION

PUBLIC OPINION NEWS SERVICE

RELEASE

For release Saturday, February 23, 1946—after 9 a.m.

Gallup Poll of Canada

RADIO LICENCE SYSTEM WINS APPROVAL OF SLIM MAJORITY

LIKE POLITICAL SPEAKERS, FEE GETS BIGGEST APPROVAL ON PRAIRIES

By Canadian Institute of Public Opinion

Toronto, Feb. 23—Ontario doesn't think it's such a good idea, but in the rest of Canada (with the possible additional exception of British Columbia) a majority of people are inclined to approve the Canadian Broadcasting Corporation's licence of $2.50 per year.

This is apparent from results of a national opinion survey, conducted by the Gallup Poll, on the question:

Cipo insignia

"At present, everyone with a radio has to buy a licence for each year costing $2.50. As you know, this money is used to pay for C.B.C. programmes. Do you approve or disapprove of this system?"

While people in different provinces don't agree, a national plebiscite couched in the same terms would produce a vote something like this:

	%
Approve	53
Disapprove	40
Undecided	7

In Ontario, the Poll found, a majority (53 per cent) register disapproval, but in the Prairies nearly seven in every ten persons interviewed voted approval of the licence system.

Consciously, or unconsciously, politics appear to affect one's views of the issue, as this table, giving the opinions of those Canadians who support one of the three major political parties, shows:

	Lib.	Pro. Cons. Voters	C.C.F.
	%	%	%
Approve	62	42	47
Disapprove	32	53	47
Undecided	6	5	6

What about political speakers on the radio? What does the public think of them? To get an indication, the Institute first asked:

"Do you ever listen over the radio to a political candidate at election time?"

Seventy per cent said they did. Again, greatest listenership of political speeches was on the Prairies, where nearly eight in ten said they listened. (It should be remembered that the question did not rule out campaign speeches in American elections.)

The 70 per cent, nationally, who said they listened were then asked:

"Do you think there are too many of these political speakers on the radio, or would you like to hear more of them?"

	%
Too many	36
Like more	8
About right	47
Undecided	9

Here again, those interviewed on the Prairies showed a greater enthusiasm for political speakers on the air than did voters in other provinces.

The group (36 per cent) who believes there are too many political orations on the air were asked a final question.

"Do you think political speeches should be banned altogether from the radio?"

Only ten in every one hundred Canadians would adopt such a drastic policy.

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The Evening *Citizen,* Ottawa, Sat., Aug. 31, 1946.

Gallup Poll

SOME RADIO QUESTIONS TOSSED AT LISTENERS

By Canadian Institute of Public Opinion

Toronto, Aug. 31—While Parliamentarians and radio bigwigs warmly debate the future of Canadian radio, let's take a look at some of the aspects of radio as it affects average Canadians and their two million odd radio sets.

Here are some of the questions for which the Institute sought answers:—

In view of the debate over C.B.C. versus independent stations, do ordinary Canadians like one station better than another merely because one is C.B.C. and the other isn't?

Do they have "favourite" radio stations anyway, and if so, why is it their favourite?

Short on Facts

On many national and international matters, Canadians have, in previous polls, been shown to be short on factual information (but not, let us hasten to add, shorter than the populations of other countries). Is it the same with radio? Do they even know whether or not the stations they listen to are owned by the Canadian Broadcasting Corporation or by private persons?

As a start, the Institute of Public Opinion, through its staff of trained interviewers, asked:

"Which is your favourite Canadian radio station?"

That Canadians do have a favourite radio station to a surprising extent is indicated by the fact that eight out of ten adults interviewed picked a favourite. Twenty per cent said they had no particular favourite.

Thirty-one per cent picked a C.B.C. operated station.

Twenty-five per cent an independent station not affiliated with C.B.C. networks.

Twenty-four per cent named an independent station affiliated with C.B.C. networks.

Twenty per cent had no choice.

(It should be stressed here that this survey is in no way a "radio rating" or audience measurement yardstick, as the Institute's sample is a national one, and involves entirely different techniques.)

The eighty per cent who did pick a favourite were then asked:

"Do you happen to know whether this in an independent or a C.B.C. station?"

Fifty-three per cent identified their favourite station as either C.B.C. or independent.

Twenty-seven per cent were wrong or didn't know, making a total of eighty per cent.

INDEPENDENT STATIONS

In classifying the answers as correct or incorrect, independent stations which carry C.B.C. network programmes were counted as independent stations.

On what basis did the eighty per cent pick a "favourite"? To find out, these Canadians were asked:

"Why do you prefer this station?"

By long odds, top reason had to do with the kind of programme broadcast; its quality or the nature of the programmes as between various kinds of music, talks, and so on.

Next biggest factor in determining station preferences was the physical one of receptivity, embodying such answers as "It comes in the clearest," or "It is easy to get on my set."

The fact that the listener had no choice, or that he liked a certain station because of habit, or that one was an independent station and one a C.B.C. station proved to be negligible factors.

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Appendix "C"

1. Commercial Revenue of Station CBL for week of March 2 to 8, 1947, is as follows:

Local business	$1,260.44
Network Commercials	2,551.56
Total	$3,812.00

2. Summary of Broadcasting Activities of Stations CBL and CFRB, Toronto, for the week March 2 to 8, 1947, is attached.

Answer to question by Mr. Coldwell.

SUMMARY OF BROADCASTING ACTIVITIES, WEEK OF MARCH 2-8, 1947

CBL TORONTO—

Nature of Broadcasts		Sun.	Mon.	Tues.	Wed.	Thurs.	Fri.	Sat.	Weekly Total	Percentage	
Local—Commercial Time	Studio—Live Talent										
	News										
	Religious and Educational										
	Recordings	:30	:50	:35	:30	:35	:35	:05	3:40	3·2	27%
	Spot and Flash Announcements.	8	8	8	8	7	8	6	53		
Network—Commercial	United States	1:00	1:45	2:45	1:45	2:15	2:00	3:53	15:23	13:2	
	Canadian	1:00	1:45	1:30	1:30	2:30	2:15	1:55	12:25	10·6	
Local Non-Commercial Time	Studio—Live Talent	:30	:15	:30	:30	:15	:15		2:15	1·9	
	News	:04	:18	:18	:18	:18	:13	:03	1:32	1·4	
	Religious and Educational	2:00	:15	:15	:15	:15	:15	:15	3:30	2·9	
	Recordings	1:30	1:39	1:10	:46	:40	:41	:27	6:53	5·8	

	Announcements	.....	1	1	1	1	1	2	7	.....	73%
Network—Non-Commercial	United States	.....	1:10	1:10	1:10	2:10	1:10	:30	7:20	6·1	
	Canadian LT	5:45	4:10	4:50	6:35	4:05	5:30	3:45	34:40	29·6	
	Canadian R	2:15	3:20	2:40	2:10	2:10	2:30	4:46	19:51	16·9	
	News	:25	1:35	1:20	1:35	1:50	1:40	1:23	9:48	8·4	
Hours of Operation		15:00	17:02	17:03	17:04	17:03	17:04	17:02	117:17	100·0	

CFRB TORONTO

SUMMARY OF BROADCASTING ACTIVITIES, WEEK OF MARCH 2-8, 1947

Nature of Broadcasts		Sun.	Mon.	Tues.	Wed.	Thurs.	Fri.	Sat.	Weekly Total	Percentage	
Local Commercial Time	Studio—Live Talent	:25	2:57	2:30	2:46	2:38	2:35	:22	14:13	11·2	49·1%
	News	:26	1:01	1:00	1:05	1:05	1:00	:30	6:07	4·8	
	Religious and Educational	1:15	.....	.....	.....	.....	.....	.....	1:15	1·0	
	Recordings	2:45	3:05	3:57	3:10	4:40	4:00	:55	22:32	17·7	
	Spot and Flash Announcements	6	74	62	77	80	84	39	422	.....	
Network Commercial	United States	3:00	3:45	2:50	1:30	1:15	1:00	:25	13:45	10·8	
	Canadian	.....	:15	:15	:45	:15	1:00	2:05	4:35	3·6	
Local Non-Commercial Time	Studio—Live Talent	1:00	:07	:07	:37	:42	1:29	2:11	6:13	4·9	50·9%
	News	:45	:18	:20	:27	:30	:28	:40	3:28	2·7	
	Religious and Educational	1:45	.....	.....	.....	.....	.....	.....	1:45	1·4	
	Recordings	:34	4:17	5:11	5:10	5:00	4:18	6:57	31:27	24·8	
	Announcements	.....	1	4	2	2	1	2	12	.....	
Network Non-Commercial	United States	3:40	2:45	2:25	3:05	2:30	2:45	4:30	21:40	17·1	
	Canadian	.....	.....	.....	.....	.....	.....	.....	.....	.....	
	News	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Hours of Operation		15:35	18:30	18:35	18:35	18:35	18:35	18:35	127:00	100·0	

OCCASIONS ON WHICH POLITICAL LEADERS HAVE BROADCAST ON C.B.C. STATIONS OR NETWORKS APART FROM THE SERIES "THE NATION'S BUSINESS" AND THE "PROVINCIAL POLITICAL SERIES"

ANSWER TO QUESTION BY MR. COLDWELL

Date and Time 1946	Network or Station	Speaker	Subject	Requested by
May 12 5:00-5:15 p.m.	French network	Rt. Hon. Louis St. Laurent	Food Conservation Campaign	
May 12	CBL only (delayed broadcast over CBR, CBK, CBO, CBL, CBM, CBF, CBA)	Hon. Humphrey Mitchell	"Vocational Training"	Program "The People Ask" (Dept. of Labour)
May 13 10:45-11 p.m.	Dominion (Sask. only)	Hon. T. C. Douglas	"Dominion Provincial Conference"	J. J. Gibbons (Commercial refused)
May 14	CJBC only ex Toronto	Hon. George Drew, Premier of Ontario	"Dominion Provincial Relations"	Progressive Con. Business Mens' Assn., Toronto
May 14 10:30-11 p.m.	CKY only	Hon. Stuart Garson, Premier of Manitoba	"Progress or Deadlock"	Manager, CKY
June 16	CBL only (DB over CBR, CBK, CBO, CBL, CBM, CBF, CBA)	Hon. Humphrey Mitchell	"Agricultural Production"	Program "The People Ask" (Dept. of Labour)
August 2	TC db via B.B.C. Transmission	Rt. Hon. MacKenzie King, Prime Minister of Canada (Mr. King was attending Paris Peace Conference)	"Reply to Address of Welcome Made by Premier Bidault of France"	C.B.C.
August 2 9:00-9:30 p.m.	TC ex Toronto	Hon. J. A. Glen, Federal Minister of Mines and Forests	"Roosevelt Memorial Broadcast"	
August 13	TC ex Fort William	Hon. George Drew, Premier of Ontario	"The Role of a Municipal Government in a Democracy" was the subject given to us by the Assn. of Ontario Reeves and Mayors but for the most part the address consisted of an explanation of Ontario's position with respect to Dominion Provincial Conference	Assn. of Ontario Reeves and Mayors
August 18 (afternoon)	Special Network	Hon. Maurice Duplessis	Opening and Blessing of Sir Hippolyte Lafontaine Bridge in Ste. Rose	

OCCASIONS ON WHICH POLITICAL LEADERS HAVE BROADCAST ON C.B.C. STATIONS OR NETWORKS APART FROM THE SERIES "THE NATION'S BUSINESS" AND THE "PROVINCIAL POLITICAL SERIES"—*Continued*

ANSWER TO QUESTION BY MR. COLDWELL

Date and Time 1946	Network or Station	Speaker	Subject	Requested by
August 19 6:30-6:45 p.m.	TC db ex Toronto	Rt. Hon. MacKenzie King, Prime Minister of Canada	"Paris Peace Conference"	C.B.C.
September 2 9:00-9:30 p.m.	Dominion ex Toronto db	Hon. Humphrey Mitchell, Minister of Labour	"Salute to Labour" (3 min. only)	C.B.C.
September 3 11:30-12:00 mid.	Dominion (Sask. only) ex Regina	Hon. T. C. Douglas, Premier of Sask.	"Saskatchewan's Hospitalization Plan"	Mr. Douglas
September 17 11:30-11.45 p.m.	TC (Sask. only) ex Regina	Hon. T. C. Douglas, Premier of Sask.	"Saskatchewan's Hospitalization Plan"	Mr. Douglas
September 19 (3 min. approx.)	French network	Solicitor General, Hon. Joseph Jean	Speech to Members of the International Labour Office Meeting in Montreal	"La Revue de l'Actualite" program
October 3 6:30-6:45 p.m.	TC ex Toronto	Hon. Brooke Claxton (at that time Federal Minister of Health and Welfare)	"Report from Paris Peace Conference"	C.B.C.
October 16 9:00-11:00 p.m.	Special Network	Hon. J. P. Sauve, Minister of Youth and Social Welfare (Quebec Government).	Banquet at Windsor Hotel on occasion of his Appointment.	
October 18 10:15-11:00 p.m.	Ex CJOC (TC Alta only)	Hon. C. D. Howe	Southern Alberta Irrigation Jubilee	Lethbridge Board of Trade
October 24 10:30–11:00 p.m.	TC ex Toronto	Hon. George Drew, Premier of Ontario	"Is Freedom our Choice"	Premier Drew
October 25 6:30–6:45 p.m.	TC ex New York	Hon. Paul Martin (then Secretary of State) interviewed by Neil M. Morrison, Supervisor of Talks, C.B.C.	"United Nations"	C.B.C.
October 26 (3 min. approx.)	French Network	Hon. Paul Martin at Lake Success	International Labour Office Meeting in Montreal	"La Revue de l'Actualite" program.
October 26 6:00-6:15 p.m.	French Network	Hon. Paul Martin	Annual Meeting of "Association des Licences des Hautes Etudes Commerciales de Montreal Re United Nations	Broadcast carried on request of the Association

October 29 6:30-6:45 p.m.	TC ex Montreal db	Rt. Hon. Louis St. Laurent, Minister of Justice, now Secretary of State for External Affairs	"United Nations"	C.B.C.
October 30 6:30-6:45 p.m.	TC ex New York db	Hon. John Bracken, Leader, Progressive Conservative Party, interviewed by N. M. Morrison, Supervisor of Talks, C.B.C.	"United Nations"	C.B.C.
October 31 6:30-6:45 p.m.	TC ex New York	M. J. Coldwell, National Leader of the C.C.F., interviewed by N. M. Morrison, Supervisor of Talks, C.B.C.	"United Nations"	C.B.C.
November 20 (3 min. approx.)	Transmitted by the French Radio	Hon. Onesime Gagnon, Provincial Treasurer	Was made an Honorary L.L.D. by the University of Caen in France	"La Revue de l'Actualite" program
November 27 11:30-11:35 p.m.	Dominion (west) ex Vancouver	Senator G. G. McGeer		Canadian Tuberculosis Association
November 30 10:45-11:00 p.m.	TC	M. J. Coldwell, MP, National Leader of the C.C.F. Party	"Canada and The United Nations"	C.B.S.
December 5 7:45-8:00 p.m.	ex Toronto db TC	Hon. S. S. Garson, Premier of Manitoba. Opposing speaker, Professor John L. MacDougall of Queen's University	"Points of View on Freight Rates"	C.B.C.
December 5 8:00-8:30 p.m.	TC (Ont. only) ex Toronto	Hon. George Drew, Premier of Ontario	"Liquor Control of Ontario"	Press Secretary to Premier Drew.
December 6 9:45-10:00 p.m.		Rt. Hon. Louis St. Laurent, Minister of Justice, now Secretary of State for External Affairs	Report on his impressions of the U.N. Assembly as Head of Canadian Delegation	M. Ouimet
December 7 7:45-8:00 p.m.	TC ex New York	Rt. Hon. Louis St. Laurent, Minister of Justice, now Secretary of State for External Affairs	"Disarmament"	C.B.C.
December 12 8:00-8:30 p.m.	TC (Ontario only) ex Toronto	Hon. Leslie Blackwell, Attorney General of Ontario	"Liquor Control in Ontario"	Press Secretary to Premier of Ontario
December 21 7:45-8:00 p.m.	TC ex Toronto	Hon. Douglas Abbott, Minister of Finance, formerly Minister of National Defence	"Retirement of Womens' Division of R.C.A.F."	Publicity Director, Dept. of National Defence.
December 30 10:30-10:45	TC (Sask. only) ex Regina	Hon. T. C. Douglas, Premier of Sask.	"Hospitalization Plan"	Mr. Douglas

OCCASIONS ON WHICH POLITICAL LEADERS HAVE BROADCAST ON C.B.C. STATIONS OR NETWORKS APART FROM THE SERIES "THE NATION'S BUSINESS" AND THE "PROVINCIAL POLITICAL SERIES"—*Continued*

ANSWER TO QUESTION BY MR. COLDWELL

Date and Time 1946	Network or Station	Speaker	Subject	Requested by
1947				
January 1	French Network	Premier Duplessis and Minister of Agriculture, Laurent Barre	New Year's Greetings to Rural Population of Quebec on "Le Reveil Rural"	
January 2 9:00-10;00 p.m.	Supreme Court Chambers—TC	Prime Minister King, Hon. Paul Martin, Hon. Colin Gibson, (also Chief Justice Rinfret)	"Citizenship"	Department, Secretary of State
January 11 (3 min. approx.)	French Network	Hon. Paul Martin at Montreal City Hall	Ceremony in conjunction with National Citizenship week	"La Revue de l'Actualite" programme
January 11	TC ex CBO Ottawa	Hon. Colin Gibson, Secretary of State	Citizenship Week	Department, Secretary of State
January 14 11:00-11:30 p.m.	Dominion (Alta. only) ex CFCN and CFRN Calgary	Hon. James Gardiner, Federal Minister of Agriculture	"Federation Cooperatives and Stabilization	Manager, CFCN
January 17 (3 min. approx.)	French Network	Rt. Hon. Louis St. Laurent	Homage to the memory of His Eminence Cardinal Villeneuve	"La Revue de l'Actualite" programme
January 22 9:30-9:45 p.m.	TC	Hon. Paul Martin, Federal Minister of Agriculture	(2 minute message)	Canadian Red Cross
January 27 7:00-8:00 p.m.	TC (Ont. only) ex Toronto	Hon. George Drew, Premier of Ontario	"Ontario Hydro"	Press Secretary to Premier
January 27 9:15-9:45 p.m.	Dominion	Hon. Douglas Abbott, Minister of Finance, formerly Minister of National Defence	"Dominion Provincial Financial Agreements"	Toronto Board of Trade (Annual Dinner)
February 1 7:45-8:00 p.m.	TC ex Ottawa	Hon. Paul Martin, Federal Minister of Health and Welfare	"Canada's Health"	"Health League fo Canada"
February 3 (3 min. approx.)	French Network	Hon. Paul Martin	National Health and Welfare	"La Revue de l'Actualite" programme

February 24 10:30-10:45 p.m.	TC ex Montreal	1. Rt. Hon. St. Laurent, Minister of Justice, now Secretary of State for External Affairs 2. Mr. Gordon Graydon, M.P. 3. Mr. M. J. Coldwell, M.P., Leader of C.C.F. Party	"Short Items on Programme Featuring Mrs. Eleanor Roosevelt"	United Nations Society
February 24 1:15-2:00 p.m.	Ex Toronto (CJBC only)	Hon. C. G. Power		Canadian Club
March 8 3:05-4:00 p.m.	Special Network	Hon. Maurice Duplessis	Opening of L'école des Arts Graphiques in Building formerly occupied by the University of Montreal	
March 11 7:45-8:00 p.m.	TC ex Toronto	Hon. Paul Martin, Federal Minister of Health and Welfare	Three minute introduction to Programme on Mental Hygiene	C.B.C.
March 23 5:30-6:00 p.m.	TC (Ontario Network) ex Toronto	Hon. George Drew, Premier of Ontario (not the full half hour)	"Crippled Children"	Ontario Crippled Children Society.
April 2 7:00-7:05 p.m.	TC (Ontario only) ex Toronto	Hon. George Drew, Premier of Ontario	"British Flood Relief"	Press Secretary to Premier Drew
April 3 8:40-9:00 p.m.	Dominion (Ontario only) ex Toronto	Hon. George Drew Premier of Ontario, (3 min. only), and Hon George Doucet, Ontario Minister of Highways	"Safety"	C.B.C.
April 16 8:30-9:00 p.m.	Dominion (Ontario only) ex Toronto	Hon. Dana Porter, Ontario Minister of Reconstruction	"Flood Conditions in Ontario"	Press Secretary to Premier Drew
April 24 7:45-8:00 p.m.	TC ex Ottawa	Senator Wm. D. Euler, Opposing Speaker Herbert Hannon, President of the Can. Federation of Agriculture	"Points of View on Margerine"	C.B.C.
April 26 8:55-9:00 p.m.	Dominion ex Ottawa	Hon. James A. MacKinnon, Federal Minister of Trade and Commerce	"Tourist Industry"	Tourist Bureau
May 2 8:55-9:00 p.m.	Dominion ex Toronto	Colonel Arthur Welsh, Ont. Minister of Travel and Publicity	"Tourist Industry"	Press Secretary to Premier Drew
May 12 (3 min. approx.)	French Network	Roch Pinard, Liberal M.P. for Chambly-Rouville	A Report from United Nations	"La Revue de l'Actualite" programme
May 13 7:30-8:00 p.m.	TC ex Halifax	Rt. Hon. Louis St. Laurent, Secretary of State for External Affairs (approximately 8 min. of half hour period—first 20 min. Governor General. St. Laurent cut off before conclusion)	"Dalhousie University"	Dalhousie University

OCCASIONS ON WHICH POLITICAL LEADERS HAVE BROADCAST ON C.B.C. STATIONS OR NETWORKS APART FROM THE SERIES "THE NATION'S BUSINESS" AND THE "PROVINCIAL POLITICAL SERIES"—*Continued*

ANSWER TO QUESTION BY MR. COLDWELL

Date and Time 1946	Network or Station	Speaker	Subject	Requested by
May 13..... 8:30-9:00 p.m.	TC ex Toronto.....	Gordon Graydon, M.P.....	"Appeal for Funds for Victoria College"	Victoria College, Toronto
May 31..... 1:30 p.m.	Special Network.....	Hon. Maurice Duplessis.....	Closing Luncheon of the Junior Chamber of Commerce National Convention in Montreal	
	POLITICAL LEADERS APPEARING ON COMMERCIAL PROGRAMMES			
March 3..... 8:00-8:30 p.m. (Portion of period only)	Dominion ex Toronto.....	Prime Minister Mackenzie King, and Hon. Lionel Chevrier, Federal Minister of Transport	"Bell Telephone Anniversary".....	Sponsored by the Bell Telephone Co. of Canada.
April 18..... 8:30-9:00 p.m. (3 min. only)	TC.....	Hon. George Drew, Premier of Ontario	"Radio Arts".....	Sponsored by Radio World
	POLITICAL LEADERS APPEARING ON "LE REVEIL RURAL" (FARM BROADCAST)			
One occasion.....	French Network.....	Hon. Onesime Gagnon, Provincial Treasurer, Quebec	"Reveil Rural". Excerpt of a speech he made at the Convention of the Dominion Forestry Association	All carried during the Farm Broadcast as special reports of interest to farmers
.....	French Network.....	Hon. Jos. Begin, Minister of Colonization	The Convention on Colonization.....	All carried during the Farm Broadcast as special reports of interest to farmers
.....	French Network.....	Hon. Adelard Godbout, Leader of Opposition	1. The Club des Habitants of Quebec City	All carried during the Farm Broadcast as special reports of interest to farmers
Three different occasions	.....	.....	2. The Concours du Merite Agricole 3. The Convention of the Forestry Association	
.....	French Network.....	Hon. Patrice Tardiff, Minister.....	"Concours de l'orge des Brasseries"..	All carried during the Farm Broadcast as special reports of interest to farmers

APPENDIX E

THE NATION'S BUSINESS

(Answer to Mr. Coldwell)

FIRST CYCLE

Date 1946		Speaker	Pt. of Origin
July 3	Eng.	J. M. Macdonnell	Halifax
Lib.	Fr.	———	
July 10	Eng.	Hon. John Bracken	Ottawa
P.C.	Fr.	Ivan Sabourin, K.C.	Montreal
July 17	Eng.	M. J. Coldwell	Ottawa
C.C.F.	Fr.	Guy M. Desaulniers	Montreal
July 24	Eng.	Hon. Brooke Claxton	Ottawa
Lib.	Fr.	Hon. Louis St. Laurent	Ottawa
July 31	Eng.	Solon Low	Ottawa
S.C.	Fr.	Solon Low	Ottawa
Aug. 7	Eng.	M. J. Coldwell	Regina
C.C.F.	Fr.	M. Roger Provost	Montreal
Aug. 14	Eng.	Hon. Douglas Abbott	Ottawa
Lib.	Fr.	Gleason Belzile	Ottawa
Aug. 21	Eng.	Hon. John Bracken	Ottawa
P.C.	Fr.	Ivan Sabourin, K.C.	Montreal
Aug. 28	Eng.	Tim Buck	Toronto
L.P.P.	Fr.	Captain Gui Caron	Montreal
Sept. 4	Eng.	Hon. Paul Martin	Ottawa
Lib.	Fr.	Hon. Paul Martin	Ottawa
Sept. 11	Eng.	J. M. Macdonnell	Halifax
S.C.	Fr.	Ivan Sabourin	Montreal
Sept. 18	Eng.	M. J. Coldwell	Halifax (Recorded)
C.C.F.	Fr.	G. M. Desaulniers	Montreal
Sept. 25	Eng.	Hon. H. F. G. Bridges	Ottawa (Recorded)
Lib.	Fr.	L. Tremblay, M.P.	Quebec
Oct. 2	Eng.	Hon. John Bracken, M.P.	Ottawa
P.C.	Fr.	Ivan Sabourin	Montreal
Oct. 9	Eng.	Hon. Lionel Chevrier	Ottawa
Lib.	Fr.	Eugene Marquis, M.P.	Quebec

SECOND CYCLE

Oct. 16	Eng.	Gordon Graydon	Toronto (delayed)
P.C.	Fr.	Ivan Sabourin, K.C.	Montreal
Oct. 23	Eng.	Hon. Ian McKenzie	Ottawa
Lib.	Fr.	Hon. Ernest Bertrand	Montreal
Oct. 30	Eng.	T. C. Douglas	Regina (delayed)
C.C.F.	Fr.	Roger Provost	Montreal
Nov. 6	Eng.	Hon. J. L. Ilsley	Ottawa
Lib.	Fr.	P. E. Cote, M.P.	Montreal
Nov. 13	Eng.	John G. Diefenbaker	Prince Albert
P.C.	Fr.	Ivan Sabourin	Montreal
Nov. 20	Eng.	C. D. Howe	Ottawa
Lib.	Fr.	Hugues Lapointe	Ottawa
Nov.	Eng.	M. J. Coldwell	ex N.Y. via Mtl.
C.C.F.	Fr.	Roger Provost	Montreal
Dec. 4	Eng.	Howard Green, K.C., M.P.	Vancouver
P.C.	Fr.	Ivan Sabourin	Montreal

THE NATION'S BUSINESS—*Concluded*

SECOND CYCLE

Date		Speaker	Pt. of Origin
Dec. 11	Eng.	Mackenzie King	Ottawa
Lib.	Fr.	G. E. Lapalme, M.P.	
Dec. 18	Eng.	Solon Low	Lethbridge
S.C.	Fr.	J. E. Gregoire	
1947			
Jan. 8	Eng.	A. L. Smith, K.C., M.P.	Calgary
P.C.	Fr.	Ivan Sabourin, K.C.	Montreal
Jan. 15	Eng.	Hon. J. A. MacKinnon	Montreal
Lib.	Fr.	J. A. Blanchett, M.P.	Sherbrooke
Jan. 22	Eng.	M. J. Coldwell, M.P.	Ottawa
C.C.F.	Fr.	Guy Desaulniers	Montreal
Jan. 29	Eng.	Hon. James G. Gardiner	Ottawa
Lib.	Fr.	Roch Pinard	
Feb. 5	Eng.	John Bracken	Ottawa
P.C.	Fr.	John Hackett, M.P.	Ottawa

THIRD CYCLE

Feb. 12	Eng.	Hon. Humphrey Mitchell	Ottawa
Lib.	Fr.	Jean Lesage	
Feb. 19	Eng.	M. J. Coldwell, M.P.	Ottawa
C.C.F.	Fr.	Guy Merril Desaulniers	Montreal
Feb. 26	Eng.	D. M. Fleming, K.C.	Ottawa
P.C.	Fr.	Maurice Marcotte, M.P.	Montreal
Mar. 5	Eng.	Walter Tucker, M.P.	Ottawa
Lib.	Fr.	Armand Cloutier, M.P.	Ottawa
Mar. 12	Eng.	Solon Low	Ottawa
S.C.	Fr.	Gilbert Cote Mercier	Montreal
Mar. 19	Eng.	Robert Mayhew, M.P.	Ottawa
Lib.	Fr.	Maurice Gingues, M.P.	Ottawa
Mar. 26	Eng.	Hon. John Bracken	Ottawa
P.C.	Fr.	Ivan Sabourin, K.C.	Montreal
April 2	Eng.	M. J. Coldwell	Ottawa
C.C.F.	Fr.	Roger Parent	Montreal
April 9	Eng.	Geo. McIlraith, M.P.	Ottawa
Lib.	Fr.	Dr. Pierre Gauthier, M.P.	Quebec
April 16	Eng.	Hon. John Bracken	Ottawa
P.C.	Fr.	Ivan Sabourin, K.C.	Montreal
April 23	Eng.	Hugues Lapointe, M.P.	Ottawa
Lib.	Fr.	Leon J. Raymond, M.P.	Ottawa
April 30	Eng.	T. C. Douglas	Winnipeg
C.C.F.	Fr.	Guy Merril Desaulniers	Montreal
May 7	Eng.	John Bracken	Ottawa
P.C.	Fr.	———	
May 14	Eng.	Hon. James Glen	Ottawa
Lib.	Fr.	J. A. Dion	Ottawa
May 21	Eng.	M. J. Coldwell	Ottawa
C.C.F.	Fr.	Roger Provost	Montreal
May 28	Eng.	Hon. Colin Gibson	Ottawa
Lib.	Fr.	Maurice Lalonde	Montreal
June 4	Eng.	John Bracken	Ottawa
P.C.	Fr.	Ivan Sabourin	Montreal
June 11	Eng.	Hon. Brooke Claxton	Ottawa
Lib.	Fr.	Bona Arsenault	Ottawa

"PROVINCIAL AFFAIRS"—QUEBEC

"La Politique Provinciale"

Answer to Mr. Coldwell

Every two weeks.

Fifteen-week series, Mondays, 9.45-10.00 p.m. EST to French network; 10.30-10.45 p.m. EST to English network December 2, 1946 to June 30, 1947.

Stations:			
	English	CBM	Montreal
		CKCV	Quebec
	French	CBF	Montreal
		CBV	Quebec
		CBJ	Chicoutimi
		CHGB	Ste-Anne
		CFBR	Rimouski
		CHNC	New Carlisle
		CKRN	Rouyn
		CKVD	Val d'Or
		CHAD	Amos
		CKCH	Hull

Number of Occasions: 15 quarter hour periods (3¾ hours)

Division of Time as Follows:

Union Nationale	6	quarter hours
Liberal	3	" "
Bloc Populaire	3	" "
Cooperative Commonwealth Federation	3	" "

	Dates	Names	Pt. of Origin
1.	Dec. 2	Roger Provost	ex Montreal to French
	CCF	J. C. Flanagan	ex Montreal to English
2.	Dec. 30	Hon. A. Godbout	ex Montreal to French
	Lib.	Hon. A. Godbout	ex Montreal to English
3.	Jan. 13	Hon. O. Gagnon	ex Quebec to French
	U.N.	Geo. M. Hill	ex Montreal to English
4.	Jan. 27	A. Lemieux, M.P.P.	ex Montreal to French
	B.P.	Paul Masse	ex Montreal to English
5.	Feb. 10	Levis Lorrain	ex Montreal to French
	U.N.	John Crankshaw	ex Montreal to English
6.	Feb. 24	Guy Merril Desaulniers	ex Montreal to French
	CCF	J. C. Flanagan	ex Montreal to English
7.	Mar. 10	Jean Drapeau	ex Montreal to French
	B.P.		
8.	Mar. 24	Roger Duhamel	ex Montreal to French
	U.N.	Jack Latter	ex Montreal to English
9.	Apr. 7	Hon. Adelard Godbout	ex Quebec to French
	Lib.	George C. Marlet	ex Montreal to English
10.	Apr. 21	Hon. Romeo Lorrain	ex Montreal to French
	U.N.	John O'Meara	ex Montreal to English
11.	May 5	Francois Laroche	ex Montreal to French
	CCF	Prof. Frank Scott	ex Montreal to English
12.	May 19	Hon. Jean-Paul Sauve	ex Montreal to French
	U.N.	Hon. Jonathan Robinson	ex Montreal to English
13.	June 2		
	B.P.		
14.	June 16		
	Lib.		
15.	June 30		
	U.N.		

"PROVINCIAL AFFAIRS—ONTARIO"

Fifteen week series, Mondays, 10.30-10.45 p.m. EST, to Trans-Canada network (Ontario only).

December 2, 1946 to June 16, 1947.

STATIONS:	CBO	Ottawa
	CKWS	Kingston
	CBL	Toronto
	CKOC	Hamilton
	CKGB	Timmins
	CKSO	Sudbury
	CJIC	Sault Ste. Marie
	CKPR	Fort William
	CFCH	North Bay
	CKLW	Windsor (delay Tuesdays, 10.00-10.15 p.m.)
	CJKL	Kirkland Lake

NUMBER OF OCCASIONS: 15 quarter hours ($3\frac{3}{4}$ hours)

DIVISION OF TIME AS FOLLOWS:

Progressive-Conservatives	6
Liberals	$4\frac{1}{2}$
Cooperative Commonwealth Federation	$3\frac{1}{2}$
Labour Progressive Party	$1\frac{1}{2}$

	Dates	Name	Pt. of Origin
1.	Dec. 2 P.C.	Premier Geo. Drew	Toronto
2.	Dec. 16 Lib.	Hon. F. Oliver	Toronto
3.	Jan. 6 CCF	E. B. Jolliffe	Toronto
4.	Jan. 13 P.C.	Hon. T. L. Kennedy	Toronto
5.	Jan. 27 Lib.	Hon. P. M. Dewan	Toronto
6.	Feb. 10 LPP	A. A. McLeod	Toronto
7.	Feb. 24 P.C.	Hon. G. H. Doucett	Toronto
8.	Mar. 10 CCF	E. B. Jolliffe	Toronto
9.	Mar. 24 Lib.	Hon. F. Oliver	Toronto
10.	Apr. 7 P.C.	George Drew	Toronto
11.	Apr. 21 CCF	E. B. Jolliffe	Toronto
12.	May 5 Lib.	Hon. F. Oliver	Toronto
13.	May 19 P.C.	Hon. Geo. H. Doucett	Toronto
14.	June 2 Split	E. B. Jolliffe (CCF) A. A. McLeod (L.P.P.)	Toronto
15.	June 16 P.C.		

"PROVINCIAL AFFAIRS—MANITOBA"

Twenty-four week series, Mondays, 9.00-9.15 p.m., EST, to Dominion network (Manitoba only). January 7, 1947 to June 17, 1947.

STATIONS: CKRC Winnipeg
CKX Brandon

NUMBER OF OCCASIONS: 24 quarter hour periods (six hours)

DIVISION OF TIME AS FOLLOWS:
Government Coalition.....12 quarter hours
Cooperative Commonwealth Federation.. 8 " "
Labour Progressive Party..... 4 " "

	Dates	Name	Pt. of Origin
1.	Jan. 6 Coalition	Hon. J. S. McDiarmid	Winnipeg
2.	Jan. 13 CCF	S. J. Farmer	Winnipeg
3.	Jan. 20 Coalition	Hon. D. L. Campbell	Winnipeg
4.	Jan. 27 LPP	W. A. Kardash	Winnipeg
5.	Feb. 3 Coalition	Hon. Errick F. Willis	Winnipeg
6.	Feb. 10 CCF	B. R. Richards M. Sauchuk	Winnipeg
7.	Feb. 17 Coalition	Hon. Ivan Schultz	Winnipeg
8.	Feb. 24 CCF	E. Hansford D. Swailes	Winnipeg
9.	Mar. 3 Coalition	Hon. John C. Dryden (Minister of Education)	ex CKRC Winnipeg
10.	Mar. 10 LPP	Wm. C. Gilbey	ex Winnipeg
11.	Mar. 17 Coalition	Hon. W. Morton (Minister of Municipal Affairs)	ex CKRC Winnipeg
12.	Mar. 24 CCF	E. R. Draffin (Minister of Public Works) W. Doneleyko	Winnipeg
13.	Mar. 31 Coalition	Hon. James McLenaghen, K.C. (Attorney General)	Winnipeg
14.	Apr. 7 CCF	Lloyd Stinson M. A. Gray	Winnipeg Winnipeg
15.	Apr. 14 Coalition	Hon. C. Rhodes Smith, K.C. (Minister of Labour)	ex CKCR Winnipeg
16.	Apr. 21 LPP	W. C. Ross	Winnipeg
17.	Apr. 28 Coalition	Hon. S. Marcaux	Winnipeg
18.	May 5 CCF	Geo. Olive R. G. Firth	Winnipeg Winnipeg
19.	May 12 Coalition	Hon. Stuart S. Garson	Winnipeg
20.	May 19 CCF	H. Wood F. Zaplitney	Winnipeg Winnipeg.
21.	May 26 Coalition	Hon. Eric Willis	Winnipeg
22.	June 2 LPP	M. J. Morhin	Winnipeg
23.	June 9 Coalition		
24.	June 16 CCF	S. J. Farmer	Winnipeg

"PROVINCIAL AFFAIRS—SASKATCHEWAN"

Revised schedule, extending series from twenty weeks to twenty-three weeks. January 7, 1947 to June 10, 1947.

Tuesdays, 11.30–11.45 p.m. EST, to Dominion network (Saskatchewan)

STATIONS:

CKRM	Regina
CHAB	Moose Jaw
CFQC	Saskatoon
CJGX	Yorkton
CKBI	Prince Albert

NUMBER OF OCCASIONS: 23 quarter hours ($5\frac{3}{4}$ hours)

DIVISION OF TIME AS FOLLOWS:

CCF	9 quarter hours
Liberals	6 " "
Progressive Conservatives	6 " "
Social Credit	2 " "

	Dates	Name	Pt. of Origin
1.	Jan. 7 CCF	Premier T. C. Douglas	ex Regina
2.	Jan. 14 Lib.	Harold Pope, K.C.	ex Moose Jaw
3.	Jan. 21 P.C.	Rupert D. Ramsay	ex Saskatoon
4.	Jan. 28 CCF	Hon. T. C. Douglas	ex Regina
5.	Feb. 4 Lib.	W. J. Patterson	ex Regina
6.	Feb. 11 CCF	Hon. C. M. Fines	ex Regina
7.	Feb. 18 P.C.	Rupert D. Ramsay	ex Saskatoon
8.	Feb. 25 CCF	Hon Woodrow Lloyd (Minister of Education)	ex Regina
9.	Mar. 4 Lib.	E. M. Culliton	ex CKRM Regina
10.	Mar. 11 P.C.	Rupert D. Ramsay	
11.	Mar. 18 S.C.	Dr. J. N. Haldeman	ex CKRM Regina
12.	Mar. 25 CCF	Hon. T. C. Douglas	ex Regina
13.	Apr. 1 Lib.	Mr. Harold Pope, K.C. (President Saskatchewan Liberal Association)	Moose Jaw
14.	Apr. 8 P.C.	Rupert D. Ramsay (Provincial Leader)	Saskatoon
15.	April 15 CCF	Hon. W. Corman (Attorney General)	Regina
16.	April 22 Lib.	E. M. Culliton	Regina
17.	Apr. 29 CCF	Hon. C. M. Fines	Regina
18.	May 6 P.C.	Rupert D. Ramsay	Regina
19.	May 13 CCF	Hon. T. C. Douglas	Regina
20.	May 20 Lib.	W. J. Patterson	Regina
21.	May 27 P.C.	Rupert D. Ramsay	Saskatoon
22.	June 3 S.C.	Dr. J. N. Haldeman	CKRM, Regina
23.	June 10 CCF	Hon. T. C. Douglas	Regina

"PROVINCIAL AFFAIRS—ALBERTA"

Twenty-five week series, Tuesdays, 11.30–11.45 p.m., EST, to the Dominion network (Alberta only) January 7, 1947 to June 24, 1947.

STATIONS: CFCN Calgary
CFRN Edmonton

NUMBER OF OCCASIONS: 25 quarter hours (6¼ hours)

DIVISION OF TIME AS FOLLOWS:
Social Credit.....10
Independent Citizens Association..... 5
CCF..... 5
LPP..... 5

	Dates	Name	Pt. of Origin
1.	Jan. 7 S.C.	Premier Manning	Edmonton
2.	Jan. 14 I.C.A.	J. Percy Page (House Leader of the I.C.A.)	Edmonton
3.	Jan. 21 CCF	Elmer Roper	Edmonton
4.	Jan. 28 S.C.	Hon. D. B. MacMillan (Minister of Agriculture)	Edmonton
5.	Feb. 4 LPP	B. R. Swankey (Provincial Leader of LPP.)	Edmonton
6.	Feb. 11 I.C.A.	J. Percy Page (House Leader of the I.C.A.)	Edmonton
7.	Feb. 18 S.C.	Hon. R. E. Ansley (Minister of Education)	Edmonton
8.	Feb. 25 CCF	Elmer E. Roper (Provincial Leader)	Edmonton
9.	Mar. 4 LPP	B. R. Swankey (Provincial Leader)	Edmonton
10.	Mar. 11 S.C.	Hon. G. E. Gerhart (Minister of Trade and Industry)	Edmonton
11.	Mar. 18 I.C.A.	J. Percy Page (Leader)	Edmonton
12.	Mar. 25 S.C.	Hon. W. A. Fallow (Minister of Public Works)	Edmonton
13.	Apr. 1 CCF	Elmer E. Roper (Provincial Leader)	
14.	Apr. 8 S.C.	Hon. N. E. Tanner (Minister of Lands and Mines)	Edmonton
15.	Apr. 15 LPP	Mr. B. R. Swankey (Provincial Leader of the LPP)	Edmonton
16.	Apr. 22 S.C.	Hon. A. J. Hooke (Provincial Secretary of the Social Credit Party and Minister of Economic Affairs)	Edmonton
17.	Apr. 29 I.C.A.	J. Percy Page (House Leader of the I.C.A.)	Edmonton
18.	May 6 CCF	A. J. E. Liesemer (M.L.A.)	Calgary
19.	May 13 S.C.	Hon. Lucien Maynard (Attorney General)	Edmonton
20.	May 20 LPP	Terry Levis	Calgary
21.	May 27 ICA	J. Percy Page (House Leader of the I.C.A.)	Regina
22.	June 3 S.C.	Hon. Dr. W. W. Cross	Regina
23.	June 10 CCF	Elmer E. Roper	Regina
24.	June 17 LPP		
25.	June 24 S.C.		

"PROVINCIAL AFFAIRS—BRITISH COLUMBIA"

Twenty-four week series, Wednesdays, 1.30–1.45 a.m., EST, to Dominion Network (British Columbia only).
January 8, 1947 to June 18, 1947

STATIONS:	CBR	Vancouver
	CKLN	Nelson
	CJAT	Trail
	CKOV	Kelowna
	CFJC	Kamloops
	CKPG	Prince George
	CFPR	Prince Rupert
NUMBER OF OCCASIONS:	24 quarter hours (six hours)	

DIVISION OF TIME AS FOLLOWS:

Government Coalition	12	quarter	hours
CCF	6	"	"
LPP	3	"	"
Social Credit	3	"	"

	Dates	Name	Pt. of Origin
1.	Jan. 8 Govt.	Premier John Hart	Vancouver
2.	Jan. 15 CCF	Harold Winch	Vancouver
3.	Jan. 22 Govt.	Hon. Herbert Anscomb	Vancouver
4.	Jan. 29 LPP	Nigel Morgan	Vancouver
5.	Feb. 5 Govt.	Honourable G. M. Weir (Minister of Education)	Vancouver
6.	Feb. 12 CCF	Colin Cameron	Vancouver
7.	Feb. 19 Govt.	Hon. L. H. Eyres (Minister of Trade and Industry)	Vancouver
8.	Feb. 26 S.C.	A. H. Jukes (Provincial President of Social Credit Association)	Vancouver
9.	Mar. 5 Govt.	Hon. Gordon Wisner (Attorney General of British Columbia)	Vancouver
10.	Mar. 12 CCF	John Crosbie	Vancouver
11.	Mar. 19 Govt.	Hon. R. C. MacDonald (Minister of Mines)	Vancouver
12.	Mar. 26 LPP	Nigel Morgan (Provincial Leader)	Vancouver
13.	Apr. 2 Govt.	Hon. E. T. Kenney (Minister of Lands and Forests)	Vancouver
14.	Apr. 9 CCF	Harold Winch	Vancouver
15.	Apr. 16 Govt.	Hon. E. C. Carson (Minister of Public Works)	Vancouver
16.	Apr. 23 S.C.	Maj. A. H. Jukes (President of Social Credit Association in British Columbia)	Vancouver
17.	Apr. 30 Govt.	Hon. Frank Putnam (Minister of Agriculture)	Vancouver
18.	May 7 CCF	Mrs. Dorothy G. Steeves	Vancouver
19.	May 14 Govt.	Hon. John Hart (Premier)	Vancouver
20.	May 21 LPP	Nigel Morgan	Vancouver
21.	May 28 Govt.	Hon. Herbert Anscomb	Vancouver
22.	June 4 CCF		
23.	June 11 Govt.		
24.	June 18 S.C.		

APPENDIX G

COMMENTARIES—SUPPLEMENTARY NOTE

Answers to questions by Messrs. Diefenbaker, Smith and Hansell in regards to commentators.

I. With one exception all commentaries were delivered by the person who wrote them.

In the *Points of View* broadcast on Thursday, March 6 the subject was the Situation in India. On that occasion a C.B.C. announcer read a statement prepared by the Publicity Director of the Indian High Commissioner's office in Canada.

II. Daily commentary on Farm Broadcasts is given by C.B.C. Staff members in the various regions.

III. There is a daily commentary of two minutes forty second's duration on items of news of particular interest to women.

Nov. 1—29	Sasha Davidson ex Toronto
Dec. 2—Feb. 7	Jean Howarth ex Vancouver
Feb. 10—17	Mattie Rottenburg ex New York
Feb. 18—28	Elspeth Chisholm ex New York
Mar. 3 to May 30	Anne Francis ex Ottawa.

IV. In each region there is a regular woman commentator who speaks on women's affairs. These are generally talks on fashions, interesting miscellaneous items of news, gossip about interesting visitors, etc. They are neither political nor controversial.

Moncton—Joan Marshall.

Halifax—Ann Terry.

Montreal—Ethelwyn Hobbes.

Toronto—Jane Weston; Susan Booker.

Winnipeg—Jean Hinds; Marjorie Duff.

Vancouver—Ellen Harris.

COMMENTARIES ON PUBLIC AFFAIRS

"Points of View"—This is an "opinion" broadcast which is heard Thursday evenings on the Trans-Canada network. Two or more speakers appear on the same 15-minute programme each making a statement of his own views on the subject chosen. These speakers represent opposing or varying points of view. The subject is one item appearing recently in the news. This programme is designed to deal with a variety of controversial subjects.

"Weekend Review"—This Sunday programme is a review of the significant events of the week in international affairs. The speakers give their interpretation of developments. In order to give listeners some idea of the various trends, an impersonal panel of speakers is used, each representing a different approach to world problems.

During most of 1946 the speakers were Dr. H. L. Stewart of Dalhousie University; George V. Ferguson, Editor of the Montreal *Star* and Elmore Philpott, journalist and radio commentator, writer for the Vancouver *Sun*.

The regular speakers at the present time are Edmund Turcotte (*Le Canada*) J. B. McGeachy, editorial writer of the Toronto *Globe and Mail;* Dr. Martyn Estall, Department of Philosophy, Queen's University.

"Midweek Review"—This 15-minute broadcast is also designed to give a variety of opinion on the week's affairs. It is broadcast Wednesday evening. The 15-minute period is divided as follows:—

(*a*) Canadian speaking on international affairs.

(*b*) Speaker from overseas. Talk is transmitted by B.B.C. overseas service and recorded for presentation in this broadcast.

(*c*) Canadian speaking on national affairs.

"International Commentary"—This five-minute broadcast follows the B.B.C. evening news Monday through Friday. There is a different speaker each night of the week. Two of the five commentaries are arranged by the B.B.C., and are transmitted by them and recorded for release on this broadcast. One commentary each week comes from New York and deals with some aspect of the work of the United Nations. Two commentaries each week are by Canadians. There has been some comment on Canadian affairs, but as now constituted the broadcasts deal mainly with international affairs.

"Capital Report"—This Sunday afternoon broadcast originates in three capital cities—Washington, London and Ottawa. All the panels have recently been revised. Warren Baldwin of the Toronto *Globe and Mail* and Robert McKeown of the Montreal *Standard* have replaced Chester Bloom and Blair Fraser commenting from Ottawa. Fraser and Bloom are heard frequently in C.B.C. News Roundup or in Midweek Review. Wilfrid Eggleston correspondent for *Saturday Night* and the London *Economist,* remains a member of this panel.

There have been several changes in the Washington panel. Peter Inglis of the Southam Press Bureau has replaced their former correspondent R. T. Bowman. Others frequently heard in the past year include James Minifie, New York *Herald Tribune,* Thomas Reynolds, Chicago *Sun,* Charles Michie, Kiplinger News letter. From London, Matthew Halton now frequently gives place to representatives of Canadian newspapers who are at present residing or visiting in Great Britain, including Major Milton Shulman, Col. Eric Gibbs, Frank Fisher.

Commentators heard on "CAPITAL REPORT"

2.03-2.30 pm EST

1946

October 6—
T. F. Reynolds ex Washington
M. Halton—overseas
Blair Fraser ex Ottawa

October 13—
Charles Michie ex Washington
M. Halton—overseas
Chester Bloom ex Ottawa

October 20—
Merwin Browne ex Washington
M. Halton—overseas
Wilfrid Eggleston ex Ottawa

October 27—
James Minifie ex Washington
M. Halton—overseas
Blair Fraser ex Ottawa

November 3—
T. F. Reynolds ex Washington
M. Halton—overseas
Chester Bloom ex Ottawa

1946—

November 10—
Charles Michie ex Washington
M. Halton—overseas
Wilfrid Eggleston ex Ottawa

November 17—
Merwin Browne ex Washington
M. Halton—Ottawa
Blair Fraser ex Ottawa

November 24—
James Minifie ex Washington
A. Cowan—overseas
Chester Bloom ex Ottawa

December 1—
Thomas Reynolds ex Washington
M. Halton—overseas
Wilfrid Eggleston ex Ottawa

December 8—
Charles Michie ex Washington
M. Halton—overseas
Chester Bloom ex Ottawa

Commentators heard on "CAPITAL REPORT"—*Conc.*

1946
December 15—
Merwin Browne ex Washington
M. Halton—overseas
Blair Fraser ex Ottawa
December 22—
James Minifie ex Washington
M. Halton—overseas
Wilfrid Eggleston ex Ottawa
December 29—
Thomas Reynolds ex Washington
M. Halton—overseas
Chester Bloom ex Ottawa
1947
January 5—
Charlies Michie ex Washington
M. Halton—overseas
Robert McKeown ex Ottawa
January 12—
Peter Inglis ex Washington
M. Halton—overseas
Wilfrid Eggleston ex Ottawa
January 19—
James Minifie ex Washington
M. Halton—overseas
Warren Baldwin ex Ottawa
January 26—
T. F. Reynolds ex Washington
M. Halton—overseas
Robert McKeown ex Ottawa
February 2—
Charles Michie ex Washington
M. Halton—overseas
Robert McKeown ex Ottawa
February 9—
Peter Inglis ex Washington
M. Halton—Overseas
Robert McKeown ex Ottawa
February 16—
Thomas Reynolds ex Washington
M. Halton ex overseas
Robert McKeown ex Ottawa
February 23—
James Minifie ex Washington
M. Halton ex overseas
Wilfrid Eggleston ex Ottawa
March 2—
Charles Michie ex Washington
M. Halton—overseas
Warren Baldwin ex Ottawa

1947
March 9—
Peter Inglis ex Washington
M. Halton ex overseas
Robert McKeown ex Ottawa
March 16—
James Minifie ex Washington
Milton Schulman—overseas
Wilfrid Eggleston ex Ottawa
March 23—
Thomas Reynolds ex Washington
M. Halton—overseas
J. H. Fisher ex Ottawa
March 30—
T. F. Reynolds ex Washington
M. Halton—overseas
Warren Baldwin ex Ottawa
April 6—
Peter Inglis ex Washington
M. Halton ex overseas
Robert McKeown ex Ottawa
April 13 —
James Minifie ex Washington
M. Halton—overseas
Wilfrid Eggleston ex Ottawa
April 20—
Thomas Reynolds ex Washington
M. Halton—overseas
Warren Baldwin ex Ottawa
April 27—
Charles Michie ex Washington
M. Halton—overseas
Robert McKeown ex Ottawa
May 4—
Peter Inglis ex Washington
M. Halton—overseas
Wilfrid Eggleston ex Ottawa
May 11—
Alexander Uhl ex Washington
M. Halton—overseas
Warren Baldwin ex Ottawa
May 18—
Thomas Reynolds ex Washington
Eric Gibbs—overseas
Robert McKeown ex Ottawa
May 25
Robert Elson ex Washington
M. Halton—overseas
Wilfrid Eggleston ex Ottawa

Commentators heard on "MIDWEEK REVIEW"

1946
October 2—
Wilfrid Eggleston ex Ottawa
Willson Woodside ex Toronto
Chester Wilmot—overseas

1946
October 9—
Burton Kierstead ex Montreal
Andrew Cowan—overseas
Anne Francis ex Ottawa

Commentators heard on "MIDWEEK REVIEW"—*Conc.*

1946

October 16—
J. B. McGeachy ex Toronto
Andrew Cowan—overseas
Dick Malone ex Winnipeg

October 23—
Dillon O'Leary ex Toronto
Andrew Cowan—overseas
Elmore Philpott ex New York

October 30—
G. V. Ferguson ex New York
Andrew Cowan—overseas
Bob McKeown ex Ottawa

November 6—
Warren Baldwin ex Ottawa
J. B. Kennedy ex Toronto
G. V. Ferguson ex New York

November 13—
Burton Kierstead ex Montreal
Andrew Cowan ex overseas
Gordon Skilling ex New York

November 20—
Bob McKeown ex Ottawa
Andrew Cowan ex overseas
Bernard Moore ex New York

November 27—
Thomas Bernard ex New York
Andrew Cowan—overseas
Hugh Boyd ex Winnipeg

December 4—
Bernard Moore ex New York
Andrew Cowan—overseas
Jack Williams ex Ottawa

December 11—
Leon Edel ex New York
Dillon O'Leary ex Toronto
J. B. McGeachy ex Toronto

December 18—
Cuyler Young ex Toronto
Andrew Cowan ex overseas
Hugh Boyd ex Winnipeg

December 25—
Cancelled

1947

January 1—
Robert Mackenzie ex Toronto
Andrew Cowan—overseas
Warren Baldwin ex Ottawa

January 8—
Bruce McKinnon ex Toronto
Andrew Cowan—overseas
Elmore Philpott ex Vancouver

January 15—
Robert McClure ex Toronto
Chester Bloom ex Ottawa

January 22—
H. L. Stewart ex Halifax
Andrew Cowan—overseas
Dillon O'Leary ex Ottawa

1947

January 29—
S. R. Gadeock ex Toronto
Andrew Cowan ex overseas
Frank Doyle ex Halifax

February 5—
Elmore Philpott ex Vancouver
Glen Shortliffe ex overseas
Chester Bloom ex Ottawa

February 12—
Hugh Gamble ex Montreal
Andrew Cowan—overseas
Ronald Kinsman ex Ottawa

February 19—
Lou Golden ex Toronto
Charles Nichols ex overseas
R. M. Coper ex Toronto

February 26—
Ewen Irvine ex Montreal
Glen Shortliffe ex overseas
Dillon O'Leary ex Toronto

March 5—
Anne Francis ex Ottawa
Milton Schulman—overseas
Hugh Boyd ex Winnipeg

March 12—
Chester Bloom ex Ottawa
Robert McKenzie ex Montreal
Gerald Graham ex overseas

March 19—
Frank Doyle ex Halifax
Ross Munro ex Halifax (Moscow)

March 26—
Maurice Western ex Regina
Frank Walker—overseas
Edmond Turcotte ex Montreal

April 2—
King Gordon ex Montreal (N.Y.)
Milton Schulman—overseas
Chester Bloom ex Ottawa

April 9—
Frank Doyle ex Halifax
Glen Shortliffe—overseas
H. L. Stewart ex Halifax

April 16—
J. E. Nesbitt (recorded in Vanc.)
Ken Wilson—overseas ex Toronto
Bruce McKinnon ex Toronto

May 7—
Burton Kierstead (N.Y.) ex Montreal
Blair Fraser ex Ottawa
Charles Nichols (overseas) ex Ottawa

May 14—
Glen Shortliffe ex Edmonton
Craig Ballantyne ex Montreal
David Scott ex Montreal

May 21—
H. L. Stewart (overseas)
Peter Stursberg (overseas)
Frank Doyle ex Halifax

May 28—
Lloyd Turner ex Vancouver

Commentators heard on "WEEKEND REVIEW"

5.15-5.30 p.m. EST

1946
October 6
Elmore Philpott ex Vancouver
October 13
G. V. Ferguson ex Montreal
October 20
H. L. Stewart ex Halifax
October 27
Elmore Philpott ex New York
November 3
G. V. Ferguson ex Montreal
November 10
H. L. Stewart ex Halifax
November 17
Elmore Philpott ex Montreal
November 24
G. V. Ferguson ex Montreal
December 1
H. L. Stewart ex Halifax
December 8
Elmore Philpott ex Vancouver
December 15
G. V. Ferguson ex Montreal
December 22
H. L. Stewart ex Toronto
December 29
Elmore Philpott ex Vancouver
1947
January 5
G. V. Ferguson ex Montreal
January 12
Maurice Western ex Regina
January 19
Martyn Estall ex CKWS Kingston
January 26
J. B. McGeachy ex Toronto

1947
February 2
Edmond Turcotte ex Montreal
February 9
Norman Smith ex Ottawa
February 16
J. B. McGeachy ex Toronto
February 23
Martyn Estall ex Kingston
March 2
Ronald Kinsman ex Montreal
March 9
J. B. McGeachy ex Toronto
March 16
Elmore Philpott ex Vancouver
March 23
R. M. Coper ex Toronto
March 30
J. B. McGeachy ex Toronto
April 6
Edmond Turcotte ex Montreal
April 13
Martyn Estall ex Kingston
April 20
J. B. McGeachy ex Toronto
April 27
Cancelled
May 4
Martyn Estall ex Kingston
May 11
J. B. McGeachy ex Toronto
May 18
Edmond Turcotte ex Montreal
May 25
Martyn Estall ex Kingston

"INTERNATIONAL COMMENTARY"

6.55-7.00 p.m. EST to T-C network

1946
December 23
Bruce McKinnon ex Toronto
December 24
Burton Kierstead ex Montreal
December 25
No broadcast—Christmas Day
December 26
G. V. Ferguson ex Montreal
December 27
Elmore Philpott ex Vancouver
December 30
Bruce McKinnon ex Toronto
December 31
Burton Kierstead ex Montreal
1947
January 1
Tahu Halle (OB) ex Ottawa
(B.B.C. commentator)

1947
January 2
G. V. Ferguson ex Toronto
January 3
Elmore Philpott ex Vancouver
January 6
Bruce McKinnon ex Toronto
January 7
Dillon O'Leary ex Toronto
January 8
G. V. Ferguson ex Montreal
January 9
J. B. McGeachy ex Toronto
January 10
Elmore Philpott ex Vancouver
January 13
Royd Beamish ex Toronto
January 14
Dillon O'Leary ex Toronto

"INTERNATIONAL COMMENTARY"—*Con.*

1947
January 15
Alstair Cook ex New York (Montreal)
January 16
G. V. Ferguson ex Montreal
January 17
Elmore Philpott ex Vancouver
January 20
Blair Fraser ex Ottawa
January 21
Burton Kierstead ex Montreal
January 22
Leon Edel ex Montreal (New York)
January 23
G. V. Ferguson ex Montreal
January 24
Elmore Philpott ex Vancouver
January 27
Blair Fraser ex Ottawa
January 28
Burton Kierstead ex Montreal
January 29
Leon Edel ex Montreal (New York)
January 30
G. V. Ferguson ex Montreal
January 31
Elmore Philpott ex Vancouver
February 3
Blair Fraser ex Ottawa
February 4
Burton Kierstead ex Montreal
February 5
King Gordon ex (New York) Montreal
February 6
G. V. Ferguson ex Montreal
February 7
Elmore Philpott ex Vancouver
February 10
Stanley Walker ex Halifax
February 11
Burton Kierstead ex Montreal
February 12
King Gordon ex Montreal (New York)
February 13
G. V. Ferguson ex Montreal
February 14
Elmore Philpott ex Vancouver
February 17
Blair Fraser ex Ottawa
February 18
Burton Kierstead ex Montreal
February 19
Leon Edel ex Montreal (New York)
February 20
Ewen Irvine ex Montreal
February 21
Elmore Philpott ex Vancouver
February 24
Chester Bloom ex Ottawa

1947
February 25
Burton Kierstead ex Montreal
February 26
King Gordon ex Montreal (New York)
February 27
G. V. Ferguson ex Montreal
February 8
Elmore Philpott ex Vancouver
March 3
Blair Fraser ex Ottawa
March 4
Burton Kierstead ex Montreal
March 5
Leon Edel ex Montreal (New York)
March 6
G. V. Ferguson ex Montreal
March 7
Elmore Philpott ex Vancouver
March 10
Blair Fraser ex Ottawa
March 11
G. V. Ferguson ex Montreal
March 12
King Gordon ex Montreal (New York)
March 13
Burton Kierstead ex Montreal
March 14
Elmore Philpott ex Vancouver
March 17
Blair Fraser ex Ottawa
March 18
Burton Kierstead ex Montreal
March 19
Leon Edel ex Montreal (New York)
March 20
G. V. Ferguson ex Montreal
March 21
Elmore Philpott ex Vancouver
March 24
Patrick Gordon Walker ex Halifax (B.B.C.)
March 25
Burton Kierstead ex Montreal
March 26
Richard Law (B.B.C.) ex Halifax
March 27
G. V. Ferguson ex Montreal
March 28
Elmore Philpott ex Vancouver
March 31
William Noble Warbey (B.B.C.) ex Halifax
April 1
James Grey ex Ottawa
April 2
Brig. A. R. W. Low (B.B.C.) ex Halifax

Commentators heard on "WEEKEND REVIEW"—*Conc.*

1947
April 3
Elmore Philpott ex Vancouver
April 4
Sidney Cooper ex Montreal
April 7
Patrick Gordon Walker ex Halifax (B.B.C.)
April 8
Burton Kierstead ex Montreal
April 9
Mr. Kenneth Pickthorn (B.B.C.) ex Halifax
April 10
G. V. Ferguson ex Montreal
April 11
King Gordon ex Montreal (New York)
April 14
Mr. Kouin Zilliacus (B.B.C.) ex Halifax
April 15
Blair Fraser ex Ottawa
April 16
B.B.C. Commentator ex Halifax
April 17
Elmore Philpott ex Vancouver
April 18
Leon Edel ex Montreal (New York)
May 1
Elmore Philpott ex Vancouver
May 2
Burton Kierstead ex Montreal (N.Y.)
May 5
P. G. Walker (B.B.C.) ex Halifax
May 6
G. V. Ferguson ex Montreal

1947
May 7
Richard Law (B.B.C.) ex Halifax
May 8
Elmore Philpott ex Vancouver
May 9
King Gordon (New York) ex Montreal
May 12
Cancelled
May 13
Ewen Irvine ex Montreal
May 14
A. R. W. Low ex Ottawa (B.B.C.)
May 15
Elmore Philpott ex Ottawa
May 16
Leon Edel (New York) ex Montreal
May 19
P. G. Walker (B.B.C.) ex Halifax
May 20
Kenneth Wilson ex Ottawa
May 21
Richard Law (B.B.C.) ex Halifax
May 22
Elmore Philpott ex Vancouver
May 23
King Gordon (New York) ex Montreal
May 27
Ronald Kinsman ex Montreal
May 28
A. R. W. Low ex Ottawa (B.B.C.)
May 29
Elmore Philpott ex Vancouver
May 30
Leon Edel ex Montreal (New York)

"Points of View"—7.45-8 p.m. EST Thursdays to Est and CKY; 12.15-12.30 a.m. EST ex Winnipeg to Wst

1946
October 3
"Housing" ex Halifax—A. H. Minshull, R. A. Donahoe, J. E. Lloyd
October 10
"Civil Marriage" ex Winnipeg, Rev. T. J. Finlay, Marjorie W. Kimmel
October 17
"Veterans Land Act" ex Ottawa, Bob Keston, Max Braithwaite
October 24
"Increase in the Price of Milk" ex Toronto W. K. St. John, Erle Kitchen, May Birchard
October 31
"Penal Reform" ex Montreal, Frank Scott and Mrs. Florence Orr
November 7
"Sex Education in the Schools" ex Vancouver, David Savage and Jack Scott

1946
November 14
"Situation in Palestine" Sir Elesworth Flavelle, R. S. Hooton, V. L. Morton ex Winnipeg
November 21
"Comic Strips" H. O. Mills, Gordon S. Vincent, ex Halifax
November 28
"Should Children Attend the Movies" Constance Garneau, S. Morgan-Powell, ex Montreal
December 5
"Freight Rates" John L. McDougall, ex Kingston and S. S. Garson, ex Toronto
December 12
"Legalizing the Bookies to Provide Money for Social Services", ex Winnipeg to T-C

"Points of View"—7.45-8 p.m. EST Thursdays to Est, and CKY; 12.15-12.30 a.m. EST ex Winnipeg to Wst—*Conc.*

1946

December 19
"New Income Taxes for Married Women" Graham Allen and Abbie Lane, ex Halifax

December 26
"Cocktail Bars" Ralph Marven, ex Ottawa and Bruce McKinnon, ex Toronto

1947

January 2
"Rent Control" by Guy Desaulniers and Clarence Rosenheck, ex Montreal

January 9
"Citizenship" Bob Keston and Rod Phelan, ex Toronto

January 16
"Transportation Strike in Great Britain" by George Darling (db), ex Halifax

January 23
"National Labour Code" Sharmon Leary, ex St. Catharines and Percy Bengough, ex Montreal (recorded in Vancouver)

January 30
"Traffic Control" by Chester Bloom and W. Queen-Hughes, ex Winnipeg (Bloom recorded in Ottawa)

February 6
"Loss of Population to U.S." by Frank Doyle and Bob Bowman, ex Halifax

February 13
"Eastern Hospitality' Ralph Marven and Max Braithwaite, ex Toronto (db)

February 20
"Pasteurization" Walter Bowles and Dr. Allan Brown, ex Toronto

February 27
"Travel by Air" Bob Ayre and John Walker, ex Montreal

March 6
"Situation in India" Miss Zennat Currimbhay and Mohammad A. K. Tareen, ex Toronto

March 13
"Income Taxes" Philip Pugley and John Sheridan, ex Montreal

March 20
"Immigration' J. W. A. Nicholson, Don Clark Stanley Walker, ex Halifax

March 27
"Chinese Immigration in Canada" David Savage and Tim Louie, ex Vancouver

April 3
"American Aid to Greece and Turkey", ex Washington Robert Elson and Alex Uhl

April 10
"Employment of people over 45 years of age" Walter Bowles and Tim Reid, ex Ottawa

April 17
"Banning Books" Morley Callaghen and Controller David Balfour, ex Toronto

April 24
"Margarine" Senator Wm. D. Euler and Herb Hannan, ex Ottawa

May 1
"The Budget" Blair Fraser, John Fisher, Chester Bloom, ex Ottawa

May 8
"Maternity Leave' Robert Yeomans, Mrs. Elizabeth Morton, ex Toronto

May 15
"Daylight Saving" Charles Clay, C. E. Wood, ex Winnipeg

May 22
"Housing" Stuart Jaffrey, Walter Bowles, ex Toronto

May 29
"Teacher shortage" Mary Bowles, Emerson Rice, ex Moncton

INTERNATIONAL AND NATIONAL SPEAKERS SURVEY ON C.B.C. NEWS ROUNDUP

"A"—International Topic
"B"—Straight News Report

September 2, 1946–June 10, 1947.

INTERNATIONAL

Speaker	Affiliation	"A"	"B"	Total
Cowan	C.B.C.	22	21	43
Halton	C.B.C.	84	23	107
Woodside	Foreign Editor, *Saturday Night*	100	.....	100
Walker	Winnipeg *Free Press*	15	8	23
Stursberg	London *Daily Herald*	9	.....	9
Minifie	New York *Herald Tribune*	26	2	28
Payne	C.B.C.	11	.....	11
Morrison	C.B.C.	3	.....	3
Ouimet	C.B.C.	9	.....	9
Ferguson	C.B.C., I.S.W.	2	.....	2
Inglis	Scutham Newspapers, Was. Cor.	2	.....	2
Edwards	A.B.C.	2	.....	2
Clarke	A.B.C.	1	.....	1
Bryson	A.B.C.	1	.....	1
Bell	A.B.C.	4	.....	4
Bennett	A.B.C.	1	.....	1
Fredericks	A.B.C.	1	.....	1
Cadett	B.B.C.	1	.....	1
Darling	B.B.C.	1	.....	1
Serple	B.B.C.	1	.....	1
Moore	B.B.C.	1	.....	1
McGeachie	*Globe and Mail*	1	.....	1
Cooper	Free lance (PICAO)	2	.....	2
Underhill	The Canadian Press	1	1	2
Sir Watson Watt	British Delegate (PICAO)	2	.....	2
Woodrow Wygate	British M.P. Mission to India	1	.....	1
Clissold	Formerly British Legation, Belgrade	2	.....	2
Coombes	McQuarrie Broadcasting, Australia	1	.....	1
Graham	London University	2	.....	2
O'Hearn	Montreal *Standard*	1	.....	1
LaChance	Free lance	6	.....	6
Stevens	*Christian Science Monitor* and A.B.C.	3	.....	3
Ellison	London *Daily Herald*	2	.....	2
Sturdivan	A.B.C.	5	.....	5
Wilson	*Financial Post*	2	.....	2
Fraser	A.B.C.	1	.....	1
Wadsworth	A.B.C.	2	.....	2
Munro	Canadian Press	8	.....	8
Brott	Free lance	3	12	15
Nina Epton	B.B.C.	1	.....	1

INTERNATIONAL AND NATIONAL SPEAKERS SURVEY ON C.B.C. NEWS RONDUP
—*Conc.*

"A"—National Topic
"B"—Straight News Report

NATIONAL

Speaker	Affiliation	"A"	"B"	Total
Fraser	*MacLean's Magazine*	16	1	17
Eggleston	*Saturday Night*	6		6
Boyd	Winnipeg *Free Press*	5	2	7
O'Leary	*Globe and Mail*	2		2
McKeown	Montreal *Standard*	2		2
Bob Large	CFCY, Charlottetown	1		1
Claire	CKLW, Windsor	1		1
Kemp	C.B.C.	1		1
William	The Canadian Press	1		1
MacKinnon	MacLean-Hunter Pub. Co.	6		6
Grey	Winnipeg *Free Press*	1		1
Anderson	Free lance	1		1
Nelson	CJCH, Halifax	1		1
McPherson	C.B.C.	2		2
Fisher	C.B.C.	1	1	2
Doyle	Halifax *Herald*	4	1	5
Charman	CFAC, Calgary	1		1
Gallagher	Council of Churches	1		1
Edmison	Prisoners Rehabilitation	1		1
Smiley	Free lance	2		2
O'Brien	Montreal *Standard*	1	1	2
Herbert	C.B.C.	3	36	39

IN ADDITION To the contributions listed above, 166 items were received from private stations in Canada, 98 of which were done by staff members of the local stations.

C.B.C. staff members contributed 160 items in addition to those listed above.

Approximately 1,200 items are used each program year in C.B.C. News Roundup.

Appendix "H"

EXTRACT FROM THE MINUTES OF THE BOARD OF GOVERNORS OF THE CANADIAN BROADCASTING CORPORATION IN REGARD TO THE TORONTO *STAR*.

Answer to Question by Mr. Diefenbaker

49th Meeting held on September 24-26, 1946

The Chairman brought to the attention of the Board the arrangement under which newscasts of the Toronto *Star* had been carried over a C.B.C. station in Toronto for some thirteen years. The General Manager pointed out that, from the operating point of view, the newscasts should be dropped. In noting this matter for the first time the Board was of the opinion that in addition to the policy question involved, such an arrangement constituted bad programming.

It Was Resolved

That in the opinion of the Board any undertaking regarding the Toronto *Star* going back to the days of the former Canadian Radio Broadcasting Commission had been discharged and that the Toronto *Star's* newscast on station CBL should be cancelled as from October 12 next.

COPY

Ottawa, Ontario,

September 18, 1946.

Dear Mr. Hindmarsh,—I wish to let you know that the question of continuing or stopping the Toronto *Star* news service at present being carried on station CBL will be considered by the Board of Governors at its meeting in Ottawa on September 25, 26 and 27.

Yours sincerely,

A. D. DUNTON.

Harry Hindmarsh, Esq.,
Toronto *Star*,
Toronto, Ontario.

COPY

THE TORONTO *STAR*

OFFICE OF THE VICE-PRESIDENT

Toronto, September 23, 1946.

A. D. DUNTON, Esq.,
Chairman,
Canadian Broadcasting Corpn.,
Ottawa, Ontario.

DEAR MR. DUNTON,—I beg to acknowledge your letter of September 18 in which you notify me that the C.B.C. Board of Governors will consider the question of continuing or stopping The Toronto *Star* news service at their meeting in Ottawa on September 25, 26 and 27.

Thank you very much for your courtesy in letting me have this information.

Yours sincerely,

H. C. HINDMARSH (sgd)

COPY

OTTAWA, Ontario,

September 26, 1946.

Special Delivery

DEAR MR. HINDMARSH,—I wish to advise you that the matter of the Toronto *Star* newscasts on Station CBL came before the Board of Governors to-day.

After considering the matter carefully, the Board decided that these newscasts should be cancelled as from October 12 next.

The Board felt that any undertaking in this connection going back to the days of the former Canadian Radio Broadcasting Commission had been discharged.

Yours sincerely,

A. D. DUNTON.

H. HINDMARSH, Esq.,
Toronto *Star*,
Toronto, Ontario.

COPY

THE TORONTO *STAR*

OFFICE OF THE VICE-PRESIDENT

Toronto, September 27, 1946.

A. D. DUNTON, Esq.,
Chairman,
The Canadian Broadcasting Corpn.,
Ottawa, Ontario.

DEAR MR. DUNTON,—Please accept my acknowledgement of your letter of September 26 in which you notify me that The Toronto *Star's* newscast over station CBL are to be cancelled as from the close of business on October 12.

Yours sincerely,

H. C. HINDMARSH (sgd)

APPENDIX I

CBJ, CHICOUTIMI

Answer to question by Mr. Diefenbaker

Our Station CBJ at Chicoutimi is the only one operating in the region and it has to look after the local needs of the Lake St. John district. Because of that, the local manager was authorized some years ago to deal with the local paper "Le Progrès du Saguenay" to obtain local news for CBJ. Since that time "Le Progrès du Saguenay" has supplied this station with news of strictly local interest. There is no compensation either way for the service, the only tie with the paper being in the announcement of the news bulletin which is read by our announcer as follows:—

At the beginning;

. . . Nous vous présentons le communiqué du Progrès du Saguenay.

At the end;

. . . Nous vous avons presenté le communiqué du Progrès du Saguenay.

If that service were not obtained from that newspaper, some other medium would have to be found to obtain local news. Undoubtedly, that would involve an expenditure, whilst in the present setup there are no financial considerations.

The arrangement with the station was drawn to the Board of Governors' attention at its January 14th, 1947 meeting and was approved.

APPENDIX J

C.B.C. EXPANSION PROGRAMME

Questions by Mr. Hansell

1. What is to be the first cost of this expansion programme, that is, land, buildings, transmitters, etc.?
2. What is to be the additional yearly cost of operating these stations?
3. Does the C.B.C. have separate accounts or funds, from which they pay for the operation of their stations, for instance, programming, building expansion, or are expenditures made from a consolidated revenue fund?
4. Who is expected to pay for the additional cost of this expansion programme?
5. What advantage is to be obtained by the additional expenditures over and above the service now given to the people of Canada?
6. Is the advantage worth the expense or would the people be better off financially by continuing the present services?

ANSWERS

1. The first cost of the expansion programme, including a 50 Kw. station in Saskatchewan and Mantioba, the increase in power of CJBC, Toronto, from 5 to 50 Kws. and the increase in power of CBJ, Chicoutimi, from 1 to 10 Kws., has already been reported in detail in a previous report. It amounts to 1,651,786.

2. The additional yearly cost of operating the stations will be approximately $195,000. This will be amply covered by the normal commercial revenues of the stations without having to take local commercials from strictly local accounts. There should be a sufficient surplus to take care of regional service in Saskatchewan and Manitoba. In the case of CJBC, Toronto, and CBJ, Chicoutimi, only the technical operation is involved, as those stations already carry their load of programmes.
3. Following elementary accounting principles, the C.B.C. keeps separate accounts of each division of its expenditures, either current or capital. The operation of stations is paid exclusively out of income. The same applies to programming. However, since for the last two fiscal years expenditures have been above income, some accumulated surplus had to be used to balance the operating budget. Building expansion, chargeable to capital, has been, in the past, paid either out of accumulated surplus or loans. No separate funds are kept for any purpose in particular. All uncommitted cash goes to accumulated surplus account. Any money spent from that account has to be voted by the Board of Governors.
4. See Answer to No. 2.
5. This was covered fully before last year's Committee. In brief listeners in Manitoba and Alberta will be able to get a full Trans-Canada network service, instead of only a partial service as at present. In Southern Ontario many more listeners will be able to get the service of station CJBC, and in addition to the strengthening of this key station of the Dominion network will help the service given by this newtork not only in the Southern Ontario region, but right across Canada.
6. The Corporation believes that this construction is well justified in view of the advantage and the financial considerations involved, and the expansion carries out policies laid down for the national system by previous Parliamentary committees.

APPENDIX K

MINUTES OF THE BOARD OF GOVERNORS OF THE C.B.C. REGARDING APPLICATIONS ON BEHALF OF STATION CKNW, NEW WESTMINSTER

Answer to Question by Mr. Reid

29th Meeting, Aug. 10, 1943

"The Board granted an interview to Mr. Elphicke, of CKWX, Mr. Chandler of CJOR, Mr. Gardner and Mr. Arundel of CKMO, to enable them to express their views with regard to the establishment of a station in New Westminster for which an application had been received. These representatives were generally of the opinion that the establishment of a station at New Westminster, which in effect would be an additional station for Vancouver, is unnecessary and would encroach upon the activities and income of the existing Vancouver stations. Mr. Rea, the applicant for the licence for a station in New Westminster also came before the Board and gave reasons why such an application should be granted. The Board said that his application would be considered."

30th Meeting, Sept. 20, 1943

"At 11 a.m. Mr. Tom Reid, M.P., came before the Board and gave information to support the application for a station in New Westminster, B.C."

Technical Recommendation by Board, Sept. 20, 1943

"This application is recommended for approval provided that the applicant fully understands that the granting of a licence in no way implies that the station becomes a basic or supplementary station on the C.B.C. network.

Reason: It is the opinion of the Board of Governors that a local station is needed and can be supported in the city of New Westminster, B.C."

33rd Meeting, Jan. 24, 1944

"Mr. Reid, M.P. and Mr. William Rea then came at 10.50 a.m. in connection with Mr. Rea's application to establish a station in New Westminster, B.C. The Chairman stated that this application had been considered at the Vancouver meeting and that it would be finally disposed of at this meeting, upon report of the technical committee."

Technical Recommendation by Board, Jan. 24, 1944

"The Board confirms its opinion of September 20, 1943, namely: 'That a local station is needed and can be supported in the city of New Westminster, B.C.' "

Technical Recommendation by Board, Oct. 30, 1944

"*Request:* Power increase from 250 watts on 1230 kc. to 1,000 watts on 1220 kc.

Denied:

Reason: It was the opinion of the Board that there would be a conflict in the matter of frequencies for C.B.C. high power stations in the West, if this application was approved."

40th Meeting, Jan. 27, 1945

"At 4.45 p.m. Mr. William Rea came before the Board to support the application of CKNW New Westminster for an increase in power to 1,000 watts. Mr. Rea presented a brief. The Chairman informed Mr. Rea that his brief would be considered before a decision was taken on this matter. Mr. Rea asked the Board to consider a further problem with which he is faced. He said that he would like to have permission to broadcast on CKNW simultaneously with Vancouver stations, commercial programmes when requested. The Chairman informed Mr. Rea that he should make application to the General Manager for such permission."

Technical Recommendation by Board, Jan 27, 1945

"*Request:* Power increase and change in frequency, i.e., from 250 watts on 1230 kc. to 1,000 watts on 900 kc.

Reason: A brief for using 900 kc. at CJVI Victoria, B.C. is being prepared. The frequency cannot be used at both CJVI and CKNW.

Note: The applicant appeared beofre the Board and asked consideration of the 1050 kc. channel which is referred to the Joint-Technical Committee for a report thereon."

41st Meeting, April 7, 1945

"At 4.20 p.m. Mr. Tom Reid, M.P., for New Westminster appeared on behalf of the application from station CKNW for a change of frequency from 1230 to 1050 kc. and an increase in power to 1,000 watts. Mr. Reid informed the Board that the citizens of New Westminster were deeply grateful for a local station which was performing a valuable community service. He indicated that the present application would greatly improve the coverage and enable station CKNW to serve the listeners of the Fraser Valley.

"Mr. Reid also asked the Board to give consideration to the application for permission to broadcast appeals for funds on behalf of the New Westminster Victoria Cross Fund. He indicated that the Minister of Finance had recognized the fund to the extent that contributions could be deducted for income tax purposes. The Chairman thanked Mr. Reid and advised him that these applications would be studied."

Technical Recommendation by Board, April 7, 1945

"Request: Power increase from 250 watts on 1230 kc. to 1,000 watts on 1050 kc.

Reason: It was decided that a 1,000 watt station at New Westminster would be in effect one more Vancouver station and it has been the policy of the Board to reduce rather than increase the number of stations in the Vancouver area. Moreover, the licence for the 250 watt station at New Westminster was recommended for approval on the basis of 'a local community station'."

Technical Recommendation by Board, June 5, 1945

"Request: Short Wave Pick-up Transmitter.

Approved:

Reason: There were no technical objections and such equipment is useful for remote programme pick-up."

"Request: Frequency change from 1230 kc. to 1050 kc.

Denied:

Reason: The frequency of 1050 kc. has been recommended for CFGP, Grande Prairie, Alberta, and the channel cannot be used at both places."

44*th Meeting,* Nov. 27, 1945

"At 4.15 p.m. Mr. Tom Reid, M.P. and Mr. Rae, Manager of Station CKNW, New Westminster, B.C., came before the Board. Mr. Reid said that he spoke on behalf of his constituents in New Westminster. He said that because of interference from American stations the local station CKNW could not be heard beyond a seven-mile radius of New Westminster and he felt that as a local station the functioning of CKNW was seriously impaired. This station caters to the farmers in the Fraser Valley and Mr. Reid said he would be glad if something could be done to eliminate this interference. Mr. Reid then retired.

Mr. Rae said that he came before the Board as a station owner on behalf of his application for increase in power and a change in frequency. He said that if CKNW were given 1000 watts power and, a change in frequency, his station would separate itself from the Vancouver stations in a competitive way. He also requested that station CKNW be made a supplementary station on a C.B.C. network. The Chairman thanked Mr. Rae and said that his request would be considered when the Technical Committee Report was discussed at this meeting."

44*th Meeting,* Nov 27, 1945

"The application of CKNW New Westminster, B.C. to join the Trans-Canada or Dominion Network was denied as local Vancouver stations are already outlets for these networks."

Technical Recommendation by Board, Nov. 27, 1945

"Request: Power increase from 250 watts to 1000 watts and change frequency from 1230 kc. to 860 kc. or 1270 kc.

Reason: Neither frequency is available and moreover this station was originally licensed as a local community station."

45th Meeting, Jan. 28, 1946

"At 3.05 p.m. Mr. Wm. Rae, CKNW New Westminster, came before the Board on behalf of his application for a change of frequency to 550 kc. on his present power of 250 watts. He also requested whether the Board's decision previously given denying his station network affiliation also precluded his station's accepting a single programme at the advertiser's request. It was pointed out to Mr. Rae that it was contrary to the Board's policy to have more than one station in the same area carry the same programme.

The Chairman thanked Mr. Rae and told him that his application for a change of frequency would be considered by the Board at their next meeting, as on technical matters were being decided at this meeting."

Technical Recommendation by Board, Mar. 20, 1946

"*Request:* Frequency change from 1230 kc. to 550 kc.

Denied:

Reason: The geographical separation from KOAC, Corvallis, Oregon, is insufficient."

STATION CFRA

(Question of Mr. Smith)

Mr. Smith mentioned in particular, the issuance of a licence to Mr. Frank Ryan of Ottawa and this has not been included in the list inasmuch as the matter was dealt with prior to January 1, 1946. However, the 44th meeting of the Board of Governors held on November 27 to 29, 1945, made recommendations in this respect affecting the application then before them.

Applicant	Location	Date	Nature of application	Approved, deferred or denied	Reason
Frank Ryan	Ottawa	8–12–44	1 Kw. 560 Kc. DA	Approved	On the basis of new evidence submitted to the Board it was decided that the area can support another station. It was the opinion of the Board that Mr. Ryan was the most desirable applicant.
Lawrence Freiman	Ottawa	7–11–45	5 Kw. 560 Kc	Denied	The Board has recommended that licence be granted to Frank Ryan and it is the opinion of the Board that the area cannot support another additional station.
Chas. Shearer	Ottawa	28–9–45	1 Kw. 560 Kc. DA	Denied	The Board has recommended that licence be granted to Frank Ryan and it is the opinion of the Board that the area cannot support another additional station.

APPENDIX M

REPORT ON LACOMBE, ALBERTA

Answer to Question by Mr. Smith

We intended to start building much earlier at Lacombe, but due to unusual weather which did not improve as we had hoped, actual excavation only started on January 17, although some work was done as early as November 26. This work was done by contract. As the top soil had frozen by that time, 9 tons of slack coal at $5.00 a ton were used, making a total of $45.00 to thaw out the surface. On February 16, the contractor had completed the excavation.

At this time, all the footings have been poured and all the panel forms for the pouring of walls and columns have also been completed. The drilling of a deep water well estimated to reach 150-200 feet deep is already down to 75 feet. All drainage pipe for floor drains and the laying of weeping tile around the building is completed. Fifty per cent of the reinforcing steel for walls and columns has been placed, welded and made ready for grounding; 750 barrels of cement have been delivered on the site. In order to protect ourselves, sometime ago we ordered the material on which we thought delivery might be slow. This included lumber, reinforcing steel and structural steel. This will be handed over to the general contractor who will now be responsible for the construction job.

As of May 26 commitments amounting to $26,120.16 have been made or are already paid; this does not include overhead and engineering.

In order to plan our work efficiently within our Engineering Division and also to make an early start so that the four high-power channels would be properly occupied before the North American countries meet again to discuss a new agreement, we started to work as early as possible at both Hornby and Lacombe. Once the foundations were ready at Lacombe and the work could proceed quickly, we reviewed the situation and decided to call for tenders. Eleven general contractors and 8 electrical contractors were invited to send tenders. Two in each group actually submitted a price in due time. The contract was given to the lowest bidder in each case. For the general contract it went to F. W. McDougall Construction Company, at a price of $85,000. The C.B.C. will hand over to this contractor material which was ordered early because, as explained above, we thought there might be a long delay in delivery. The contractor will supply the rest of the material. The electrical job went to Canadian Comstock Company, at a price of $29,772.29. Pumping equipment, not yet ordered, will cost $3,500.00. The total cost of the plant, not including, of course, radio equipment nor overhead and engineering, will therefore be $144,392.45. This is quite below our estimates.

As we stand now, the job is ready for the contractors to complete their part of the work quickly and in time to receive the radio equipment, the delivery of which will be synchronized with the construction schedule. The whole station will be well up when the North American countries meet again.

APPENDIX N

DEPARTMENT OF TRANSPORT

OTTAWA

Radio Division

SPECIMEN COPIES OF LETTERS SENT ON RECEIPT OF APPLICATIONS FOR TELEVISION OR FACSIMILE BROADCASTNG LICENCES AND SUBSEQUENT ADVICE OF DECISION REACHED.

Answer to Mr. Fleming

Ottawa, Ontario,
June 16, 1947.

Copy

GENTLEMEN: I acknowledge your letter of .....(date)..... in which you make application to instal ....(facilities applied for).. at ..(location)...

Your application has been placed on the agenda for consideration at the next meeting of the Joint Technical Committee who will make a report to the Board of Governors of the Canadian Broadcasting Corporation who will make a recommendation to the Minister in accordance with Section 24 (1) of the Canadian Broadcasting Act.

Yours very truly,
(G. C. W. BROWNE)
Controller of Radio.

Department of Transport,
Radio Division,
June 16, 1947.

Copy

DEAR SIR: I beg to refer to your application dated ... (date) ... for a licence to establish and operate a Facsimile transmitter at .... (location).....

I now have to advise that your application has been duly dealt with in the manner indicated in my letter of ....(date) .... and the decision reached has not been favourable to the granting of a licence in your case. Such being the case, the Department is not in a position to deal further with this matter.

Yours very truly,
(G. C. W. BROWNE)
Controller of Radio.

Department of Transport,
Radio Division,
June 16, 1947.

Copy

DEAR SIR: I beg to refer to your application dated ....(date).... for a licence for Television facilities at ....(location).....

I now have to advise that your application has been duly dealt with in the manner indicated in my letter of ....(date) .... and the decision reached has not been favourable to the granting of a licence in your case. Such being the case, the Department is not in a position to deal further with this matter.

Yours very truly,
(G. C. W. BROWNE)
Controller of Radio.

Department of Transport,
Radio Division,
June 16, 1947.

APPENDIX O

REPORT ON $2,000,000 LOAN

Answer to Question by Mr. Fleming

The C.B.C. has made the following commitments in respect of the $2,000,000 loan:

(*a*) Construction of a 50 kw. plant in Alberta at an estimated cost of $510,000. The transmitter equipment was ordered from the Federal Electric Company. Two towers for the directional array were ordered from the Canadian Bridge Company.

Total commitments as of May 23, 1947—$268,447.

Basement has been excavated and concrete has been poured for the footings. Contracts for the balance of the project have been let. The equipment is nearing completion in the factory of the Federal Electric Company.

(*b*) Construction of a 50 kw. plant in Manitoba at an estimated cost of $440,000. The transmitter equipment was ordered from Federal Electric Company.

Total commitments as of May 23, 1947—$185,238.

Purchase of land is now being completed but construction has not been started. Transmitter is nearing completion in the factory of the Federal Electric Company.

(*c*) Construction of a 50 kw. plant in Toronto at an estimated cost of $300,000. The transmitter was ordered from the Northern Electric Company.

Total commitments as of May 23, 1947—$222,027.

Transmitter is located at Hornby.

(*d*) Construction of a 10 kw. plant in Chicoutimi at an estimated cost of $225,000. The transmitter was ordered from the Canadian Marconi Company, and the towers were ordered from the Canadian Bridge Company.

Total commitments as of May 23, 1947—$64,343.

Property has been purchased on the Jonquiere-Chicoutimi highway. Building construction will commence this summer.

(*e*) *FM Transmitters*

(1) One 3 kw. transmitter for Toronto at an estimated cost of $45,000.
250 watt unit ordered from RCA.
3 kw. amplifier ordered from RCA.
Total commitments as of May 23, 1947—$35,860.

Transmitter located on the 33rd floor of the Bank of Commerce Building. The 250 watt unit has been in operation since October 8, 1946. Delivery of the 3 kw. amplifier has been promised by RCA for this summer.

(2) Two 3 kw. transmitters for Montreal, one for French network, the other for English language programmes, at a total estimated cost of $50,226. The equipment was ordered from RCA.

In order to get an FM signal on the air as soon as possible, one 250 watt exciter unit was put into operation on November 1, 1946. This installation was made at Keefer building, and the transmitter is operating at the present time. The 3 kw. amplifier has been delivered but the installation is not presently completed.

In order to have another FM signal on the air as soon as possible, a 250 watt RCA exciter unit was put into operation on March 13, 1946, at Keefer building. Delivery of the 3 kw. amplifier by RCA is expected this summer. At some future date these two transmitters may be moved to a site obtained from the City of Montreal on top of Mount Royal.

Total commitments as of May 23, 1947—$40,624.

(3) One 1 kw. transmitter for Vancouver. The complete cost of this installation will be approximately $27,000. Equipment ordered from Radio Engineering Products. The transmitter will be located in the Hotel Vancouver, and it is hoped it will be in operation for late summer.

Total commitments as of May 23, 1947—$13,254.

(4) One 1 kw. transmitter for Winnipeg. The complete cost of this installation will be approximately $27,000. Equipment ordered from Radio Engineering Products. Preliminary survey has been made and it is expected that the installation will be made in the Fort Garry Hotel. It is hoped that the transmitter will be in operation before the end of the present year.

Total commitments as of May 23, 1947—$14,047.

(5) One 250 watt transmitter for Ottawa. The complete cost of this installation will be approximately $20,000. Equipment ordered from Canadian Marconi Company. Transmitter will be located in the Chateau Laurier Hotel, and it is hoped that it will be in operation by the end of the present year.

Total commitments as of May 23, 1947—$7,560.

(6) One 250 watt transmitter unassigned to any specific location, ordered from the Canadian Marconi Company. The cost of this equipment to date is $7,560.

The above estimated costs amount to $1,651,786 of which $1,605,000 will be accounted for under the loan of $2,000,000 and the remainder will be paid out of surplus.

The balance of $349,214 of the $2,000,000 has not as yet been committed. Before doing so, we will have to know the exact cost of present commitments when projects are completed, and also how much must be spent for complementary projects such as studios in Edmonton and possibly Winnipeg and all necessary equipment in connection with FM transmitters.

The Board of Governors of the C.B.C. passed the following Resolution on September 25, 1946, in regard to the $2,000,000 loan:—

It was resolved

That the General Manager be and is hereby authorized to make application to the Government for a loan of the said $2,000,000 appropriated by Parliament for the construction, extension or improvement of the Corporation's capital works, upon the best terms possible.

On January 13, 1947, the Board of Governors passed the following Resolutions:

It was resolved

That Management be and is hereby authorized to make application for the delivery to the Corporation of the said $2,000,000 loan before the end of the fiscal year ending March 31, 1947.

It was further resolved

That Management be and is hereby authorized to invest the said $2,000,000 loan in Dominion of Canada Bonds upon the best terms possible as it sees fit.

Dominion of Canada 3 per cent bonds to the amount of $1,500,000 were purchased through the Bank of Canada, and the balance of the $2,000,000 is being kept liquid for the present. It should be noted that the C.B.C. already has $500,000 worth of Dominion of Canada 3 per cent bonds.

APPENDIX P

REPORT ON NEGOTIATIONS REGARDING THE THREE WAVE LENGTHS FOR STATIONS CFRB, CFCN AND CKY

Answer to Question by Mr. Fleming

No correspondence has passed between the Corporation and the above stations since the last Committee meetings in regard to the wave lengths which they occupy. The Department of Transport has kept the Corporation informed of the correspondence between these stations and itself concerning changes in frequencies.

Since by March 24, 1947, neither CFCN nor CFRB had indicated by filing a technical brief that they would be prepared to change frequency within the time limit prescribed by the Department of Transport, the Board of Governors passed the attached resolutions on that date.

APPENDIX Q

EXTRACTS FROM THE MINUTES OF THE BOARD OF GOVERNORS OF THE CANADIAN BROADCASTING CORPORATION SINCE AUGUST, 1946, IN REGARD TO FREQUENCIES OCCUPIED BY STATIONS CFCN, CKY AND CFRB

Answer to Question by Mr. Fleming

52ND MEETING HELD ON MARCH 24-26, 1947

CFCN

Whereas the Board of Governors of the Canadian Broadcasting Corporation at its 46th meeting held on March 20-22, 1946, recommended, and the Minister of Reconstruction approved, that station CFCN, Calgary, change frequency from 1010 kcs to 1060 kcs DA with 10 kw on or about June 1, 1947;

And whereas in order to make the foregoing change in frequency possible it was necessary for station CJOC, Lethbridge, to change frequency from 1060 kcs to 1220 kcs;

And whereas CJOC, Lethbridge, has applied for and has been authorized to use the frequency of 1220 kcs with 5 kw DA-N;

And whereas CFCN, Calgary, has been notified by the Department of Transport on April 18, 1946, of the required change to 1060 kcs by June 1, 1947;

And whereas notification of the foregoing change in frequency assignment has been forwarded to the other countries signatory to NARBA as of November 27, 1946;

And whereas CFCN has not yet submitted a technical brief showing its proposed operation on 1060 kcs;

And whereas the Canadian Broadcasting Corporation has commenced construction of a 50-kw station, authorized by Order in Council P.C. 4655, for Alberta, on 1010 kc.

It was resolved

That the Board of Governors of the Canadian Broadcasting Corporation recommend to the Minister of Reconstruction that a licence for station CFCN on 1010 kc be issued for a provisional period of three months as from April 1, 1947, and that if, within this period, the licensee demonstrates his bona fides by filing a technical brief acceptable to the Department of Transport showing the proposed operation on 1060 kc with 10 kw, consideration will be given to the issuance of a licence to the station for the remainder of the fiscal year 1947-48.

CKY

It was resolved

That the Board of Governors of the Canadian Broadcasting Corporation recommend to the Minister of Reconstruction that in view of the decision announced by the Minister of Reconstruction against the holding of commercial broadcasting licences by Provincial Governments, the licence for station CKY be renewed provisionally pending the conclusion of arrangements for the transfer of the station to the Canadian Broadcasting Corporation or to some other approved ownership; that the licensee be so informed.

It was further resolved

That the Board of Governors of the Canadian Broadcasting Corporation recommend to the Minister of Reconstruction that, in view of the recommendation passed at their 46th Meeting, which was approved by the Minister of Reconstruction, for a change in frequency of station CKY, in the event that this station is licensed to a body other than the Canadian Broadcasting Corporation, the licensee will be required to submit a technical brief for operation on 1080 kcs.

CFRB

Whereas the Board of Governors of the Canadian Broadcasting Corporation at its 46th Meeting held March 20 to 22, 1946, recommended and the Minister of Reconstruction approved that station CFRB, Toronto, change frequency from 860 kcs. to one of the following frequencies with 10 kw; 640 kcs. DA; 800 kcs. DA; 1010 kcs. DA; 1550 kcs. (DA, if required) on or about June 1, 1947:

And whereas CFRB, Toronto, has been notified by the Department of Transport on April 18, 1946, of the required change to one of the foregoing frequencies by June 1, 1947:

And whereas CFRB has *not* notified the Department of Transport which one of the foregoing frequencies has been chosen and has not submitted a technical brief thereon:

And whereas if CFRB chooses 800 kcs. the following stations will be required to change frequency:

CKLW, Windsor, from 800 kcs. to 1550 kcs.
CFPL, London, from 1570 kcs. to 1010 kcs. DA
CKTB, St. Catharines, from 1550 kcs. to 1570 kcs.

And whereas if CFRB chooses 1550 kcs., CKTB, St. Catharines will be required to change from 1550 kcs. to 1010 kcs. DA;

And whereas if CFRB chooses 1010 kcs. no other station is affected;

And whereas if any or all of the aforementioned stations are required to change frequency, it will be necessary for them to receive sufficient notice in order for them to plan and carry out technical changes.

And whereas the Canadian Broadcasting Corporation has commenced construction of a 50 kw station, authorized by Order in Council P.C. 4653, for the Toronto area, on 860 kc.

It was resolved

That the Board of Governors of the Canadian Broadcasting Corporation recommend to the Minister of Reconstruction that a licence for station CFRB on 860 kcs. be issued for a provisional period of three months as from April 1, 1947, and that if, within this period, the licensee demonstrates his bona fides by filing a technical brief acceptable to the Department of Transport showing proposed operation on a frequency other than 860 kc. with 10 kw., consideration will be given to the issuance of a licence to the station for a further period.

APPENDIX R

REPORT ON ESTIMATED COST OF A SECOND FRENCH NETWORK

Answer to Questions by Mr. Beaudoin

The cost of operating a second network within the Province of Quebec would depend on what arrangements could be made to obtain affiliated stations, particularly in respect of a key station which would have to be located in Montreal. This second network to be given a distinctive personality would have to be provided with sustaining programmes. Judging by the expenditures involved in the case of the Dominion Network, this might cost as high as $250,000 per year for artists fees only. This expenditure may be considerably reduced in proportion to the quality and quantity of sustaining programmes provided.

Insofar as wire lines are concerned, in order to sell lines to sponsors at the same rate as applied to our other networks, we would have to buy a service covering a guaranteed minimum period per day to reach a definite number of stations. Paying for this service would be our responsibility whether the lines were sold or not. If the wire line service was bought per occasion, either the rates would have to remain higher as they are now for part time network operation, or we would have to accept a loss. The total amount involved in a transaction of that sort may lead us to an expenditure of over $75,000 per year for lines alone which we cannot afford at the present time.

The maintenance of a special commercial service for this second network would vary with the number of commercials booked and would be partly offset by whatever revenues the C.B.C. might derive from the operation of the network. An exclusively commercial network without sustaining programmes could be operated at a very much reduced cost, but it would not serve the purpose.

A network extending from Moncton, N.B. to Edmonton, Alberta, would cost for lines alone approximately $250,000 per year, to which would have to be added a service of sustaining programmes similar to that mentioned above at a cost which might reach another $250,000 per year. As noted above, this last portion of the cost could be reduced considerably in proportion to the quantity and quality of sustaining programmes provided.

LIST OF PRIVATE COMMERCIAL BROADCASTING STATIONS SIGNIFYING THEIR INTENTION TO ESTABLISH FM STATIONS IN ACCORDANCE WITH NOTIFICATION MAILED TO LICENSEES OF EXISTING STATIONS IN MAY, 1946.

(Answer to Mr. Ross (*St. Paul's*))

Stations where Orders in Council have been issued

Call Sign	Location	Call Sign	Location
CFCF	Montreal, Que.	CKGB	Timmins, Ont.
CFRB	Toronto, Ont.	CKSO	Sudbury, Ont
CHSJ	Saint John, N.B.	CKWS	Kingston, Ont.
CKCR	Kitchener, Ont.		

Stations where technical briefs have been received

Call Sign	Location	Call Sign	Location
CFRA	Ottawa, Ont.	CKEY	Toronto, Ont.
CHML	Hamilton, Ont.	CKLW	Windsor, Ont.
CJBR	Rimouski, Que.		

Stations where briefs or applications are in preparation or under consideration

Call Sign	Location	Call Sign	Location
CFAC	Calgary, Alta.	CJCB	Sydney, N.S.
CFAR	Flin Flon, Man.	CJIC	Sault Ste. Marie, Ont.
CFCH	North Bay, Ont.	CJKL	Kirkland Lake, Ont.
CFCO	Chatham, Ont.	CJOC	Lethbridge, Alta.
CFCY	Charlottetown, P.E.I.	CKBI	Prince Albert, Sask.
CFJC	Kamloops, B.C.	CKCH	Hull, Que.
CFJM	Brockville, Ont.	CKCK	Regina, Sask.
CFPL	London, Ont.	CKNX	Wingham, Ont.
CFQC	Saskatoon, Sask.	CKOC	Hamilton, Ont.
CHAB	Moose Jaw, Sask.	CKOV	Kelowna, B.C.
CHNS	Halifax, N.S.	CKRC	Winnipeg, Man.
CHOK	Sarnia, Ont.	CKRM	Regina, Sask.
CJAT	Trail, B.C.	CKSF	Cornwall, Ont.
CJBQ	Belleville, Ont.	CKUA	Edmonton, Alta.
CJCA	Edmonton, Alta.	CKWX	Vancouver, B.C.

Radio Division,
June 14, 1947.

SESSION 1947

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 10

THURSDAY, JUNE 26, 1947

WITNESSES:

A. Davidson Dunton, Chairman of the Board of Governors.

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

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1947

ORDER OF REFERENCE

Ordered—That the name of Mr. Miller be substituted for that of Mr. Smith (*Calgary West*) on the said Committee.

Attest

ARTHUR BEAUCHESNE,
Clerk of the House.

MINUTES OF PROCEEDINGS

THURSDAY, June 26, 1947.

The Special Committee on Radio Broadcasting met at 11 o'clock.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Fulton, Gauthier (*Portneuf*), Knight, Langlois, Laurendeau, Maloney, McCann, Mullins, Pinard, Robinson (*Simcoe East*), Reid, Ross (*St. Paul's*), Smith (*Calgary West*), Winters—17.

In attendance:

From *C.B.C.*—Messrs. Dunton, Frigon, Monson, Palmer, Bushnell, Richardson, Bramah and Brodie;

From *Department of Transport*—Mr. W. A. Caton.

Mr. Harry Dawson, Manager of Canadian Association of Broadcasters and Mr. Harry Sedgwick, were also in attendance.

On motion of Mr. Reid, Mr. Winters presided until the arrival of Mr. Beaudoin, Vice-Chairman.

Messrs. Dunton and Frigon were recalled and examined. They were assisted by Messrs. H. Palmer and H. Bramah.

Mr. Dunton read answers to questions put by Mr. Fulton at a previous meeting with respect to Mr. Jack Scott of Vancouver.

Mr. Dunton filed with the Committee the following letters referred to previously:—

1. Letter from J. G. Stephenson, President, Canadian Cancer Society, to Dr. Augustin Frigon, dated May 28, 1947;
2. Letter from Walter King, American Cancer Society, to C. R. Delafield, C.B.C., Toronto, dated April 29, 1947;
3. Excerpt from letter dated April 29, 1947 from Walter King, American Cancer Society, to the Canadian Cancer Society;
4. Letter from Jean E. Pierce, Secretary, Canadian Cancer Society, to Dr. Augustin Frigon, C.B.C., Montreal, P.Q., dated February 10, 1947.
5. Letter from D. C. Spry, Chief Executive Commissioner, Boy Scouts Association, to Honourable J. J. McCann, Minister of National Revenue, dated May 20, 1947;
6. Letter from Gerald H. Brown, Dominion Honourary Secretary, Boy Scouts Association, to Mr. A. D. Dunton, General Manager, C.B.C., Ottawa, dated April 24, 1947.

Mr. Bushnell, Director General of Programmes, was called and supplied answers to Mr. Reid and Mr. Fulton.

The witness undertook to produce additional correspondence for Mr. Smith and other information asked by Mr. Reid.

The Vice-Chairman informed the Committee that Mr. Walter Murdock could not appear as called, i.e. at 4 o'clock this day.

Mr. Winter questioned Dr. Frigon on the insurance policies of the C.B.C. and made a suggestion with respect to decentralization of C.B.C.'s practice.

At 12.50 o'clock the Committee adjourned until 4 p.m. this day.

AFTERNOON SITTING

The Committee called for 4 o'clock resumed at 5.05 o'clock, Mr. Beaudoin, Vice-Chairman, presiding.

Present: Messrs. Beaudoin, Bowerman, Fleming, Fulton, Gauthier, *(Portneuf)*, Knight, Laurendeau, McCann, Nixon, Robinson *(Simcoe East)*, Ross *(St. Paul's)*, and Winters—12.

In attendance: Same as at morning sitting with the addition of Mr. Smith of Transport. Messrs. Harry Dawson, J. E. Rogers, and Walter Blackburn, Manager of CFPL of London, Ontario, were also in attendance.

The Committee agreed to meet again on Friday at 11 a.m. and 4 p.m. when Mr. Dunton will make a statement on the CAB and CDNA briefs.

Messrs. Dunton and Frigon were recalled and their examination on their original briefs was concluded.

Mr. W. A. Caton of the Department of Transport was recalled and supplied answers.

The Vice-Chairman read the following:—

1. A telegram from Walter M. Murdock of Toronto expressing his regret for his inability to be present this day.
2. A letter from Duncan K. MacTavish, K.C., Ottawa, dated June 26, 1947, clarifying the position of the Southam Newspapers with respect to ownership of Station CKCO.

The Vice-Chairman filed a letter from Mr. Wm. W. Lindley of Semans, Sask., dated June 20, 1947.

The following return and brief were ordered printed as appendices to this day's evidence:

1. Administrative control of radio from the standpoint of the licensing authority — (Mr. Browne, Controller of Radio, Department of Transport)—*(See Appendix A.)*
2. A brief by Mr. H. G. Hunt of Vancouver, B.C. *(See Appendix B)*.

The Vice-Chairman also referred to the following, which have been distributed in advance to the members, by Transport Department.

1. Statement on Financial Operations of Broadcasting Stations based on reports received from 85 stations. (1946.)
2. Copies of correspondence dealing with the application of Mr. F. Ryan to establish a private commercial broadcasting station in Ottawa.
3. Copies of correspondence dealing with the transfer of private commercial broadcasting station licence for CHAB from C.H.A.B. Limited to Radio Station CHAB Ltd.

Dr. Frigon was examined on the estimated expenditure on C.B.C. Press and Information Division.

At 6.05 o'clock the Committee adjourned until Friday, June 27 at 11 o'clock.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

June 26, 1947.

The Special Committee on Radio Broadcasting met this day at 11 a.m. Mr. R. H. Winters, Acting Chairman, presided.

Mr. REID: I move that Colonel Winters take the chair.

The ACTING CHAIRMAN: I understand that this morning Mr. Dunton is here to answer questions on behalf of the C.B.C. The meeting is open for that purpose.

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

By Mr. Reid:

Q. I have one or two questions I should like to ask Mr. Dunton regarding a press report which appeared in the Ottawa *Citizen* the other day that on a devotional hour a certain minister was cut off the air for three minutes. I wonder if Mr. Dunton would care to make a statement as to whether that is correct, and if so, just what happened that he was cut off the air when he was endeavouring to give a sermon?—A. We inquired about that. It was a fuse that blew in the station. It was entirely a mechanical fault.

Q. It is just as well to have it cleared up because there was considerable feeling engendered owing to the fact that he happened to be preaching a certain sermon.—A. It was on station CBO, and it was a completely mechanical failure which was rectified just as soon as possible.

Q. Have you on your staff or on your programmes a man by the name of Jack Scott?—A. No.

Q. Was he an employee of the C.B.C. before?—A. I do not think so at any time. He may have been at one time. We would have to check that.

Q. What about George Ferguson of the Montreal *Star*?—A. No.

Q. He is not on your staff?—A. No.

By Mr. Knight:

Q. I have one or two questions I should like to ask. I do not know how far your supervision of private radio stations goes or your supervision over them in regard to their dealing equitably with the public in regard to freedom of speech. I have one matter about one of the stations. What or where is station CFRA?—A. It is a new station in Ottawa.

Q. And Mr. Ryan is the owner?—A. He is the licensee.

Q. There is a complaint that Mr. Ryan of CFRA recently refused to make time available, either free time or paid time, to the United Automobile Workers employed at the Ottawa Car and Aircraft Company for the purpose of explaining their views in the matter of the issue of this strike.—A. We have had a letter about that from the union. We are asking the station for its comments on it.

Q. Then the matter is under your consideration?—A. Yes.

Q. My question is if there was such a refusal can you tell us the reason for it?—A. I cannot because we have not heard from the station yet. The union gives the reasons it says were given to it, but we have not heard direct from the station.

Q. Would it be fair to say this station is a new station and probably not burdened with sponsored programmes, and would probably have had time available if it had cared to give the service?—A. It is certainly not burdened with sponsored programmes.

Mr. SMITH: Their yoke is easy and their burden is light.

Mr. KNIGHT: Thank you, Mr. Smith.

By Mr. Knight:

Q. While we are on the matter of labour I do not know where I got this but I have a note of a complaint by another union. I think it is the United Electrical, Radio and Machine Workers of America. There is a complaint which they brought to the attention of the C.B.C., namely, to Mr. George Young, Director of Station Relations making a complaint of the same kind against another of these stations, CHEX. You have notice of that?—A. In that case also the union wrote to us. That was rather different. The station provided time for the union, I believe paid time, but they asked for their script first and insisted on the deletion of some passages. We have also asked that station for its comments on that. Actually they have just reached me this morning and I have not had time to read them.

Q. These matters will be looked into, and I presume there will be a report of some sort issued. Could we have the report of your decision, for instance, in the matter of the one in which I was primarily interested, the one with reference to Mr. Ryan?—A. Of course, I think it should be made clear that the operator of a private station is in control of the station. There is nothing in the law which prevents him from refusing to broadcast any given material. On the other hand we feel if that kind of refusal seems to violate the general principles of freedom of the air that are laid down in the White Paper that we should consider that when we are reviewing the activities of the station, and we will do so.

Q. So much for freedom of speech.

Mr. SMITH: May I make one comment on that matter in fairness to Mr. Ryan whom I do not know. He did give a statement to the press that this was done on account of the script and to protect himself from a possible libel or slander action.

Mr. L. E. Beaudoin, Vice-Chairman, assumed the chair.

The WITNESS: We have not heard from him about that yet.

Mr. SMITH: I only mentioned it in fairness to him. That did appear in the press.

By Mr. Knight:

Q. We have been talking about freedom of speech. This might be a good time to ask what is the C.B.C.'s attitude on this general matter of labour? I have a lot of questions but I shall only present two or three. The first is does the C.B.C. in its public service programmes give time for scheduled trade union programmes?—A. In our general policy regarding opinion broadcasting on our own networks we try, as our White Paper says, to give a chance for different viewpoints to be expressed. One of those is, of course, labour. Quite often labour speakers are on forums or occasionally on other special times. Just last week we started a new programme in which both labour and business will appear and have a chance to give their views about different things. It has been worked out with the two main labour congresses and with the Canadian Chamber of Commerce. We think it is quite an interesting experiment, and both sides seem very glad to try it. Different labour organizations will have a chance to come and give their views and then business will give theirs on the same programme, one following the other.

Q. Both sides of the question?—A. Yes.

Q. Is there on some network or station of the C.B.C. a regular programme of labour news? Is there anything like that in existence?—A. No, I do not think we have anything in the way of straight labour news.

Q. Have you a record of the trade union leaders who have appeared on national or regional networks?—A. Yes, we have. We could get it quite quickly.

Q. Such have appeared; that is the point.—A. Yes, and quite often. We try to be fair and give business leaders opportunities, leaders of different kinds of opinion including labour, agricultural leaders and others.

Q. I shall burden you with only one more question. Who formulates the over-all policy of the C.B.C. in regard to trade union broadcasts and the speakers who may appear on them, and on what authority?—A. It develops out of our general programme policy. We do not just consider labour unions. We try to consider all different important opinions and to work them in. It may come up in a citizens' forum, perhaps in an agricultural forum, in a "points of view" broadcast where different points of view are given, or in talks.

Q. In other words, you consider that these organizations do get a very fair share of public time?—A. I think pretty fair, especially with this new programme.

By Mr. Fulton:

Q. In view of the answer which Mr. Dunton gave to Mr. Reid on Jack Scott's case, I wonder if I might ask for the answers to my questions which I think were put at the end of the last meeting.—A. We have that, and we have one or two other small things to file. Perhaps we could do it at the same time.

Q. May I ask for the answers to those questions to be read?

The VICE-CHAIRMAN: Are they very long?

The WITNESS: No. Shall I read the questions?

By Mr. Fulton:

Q. Please.—A. "Program 'Jack Scott, Vancouver'—"

1. Is there such a programme, or a similar one?
2. Over what network, if any, is the programme broadcast and what are the terms upon which it is carried by those stations which carry it?
3. Is it a continuing programme and what is Mr. Scott's relationship with the C.B.C.?
4. How much is he paid, if anything, for that programme?

Answers:—

1. Yes. 'Western Adventure', talks in a light vein dealing with summer vacation plans and travel.
2. On the Pacific network of the C.B.C. The programme is in reserved time, and according to agreement must be carried by basic stations on the network—CKLN, Nelson; CJAT, Trail; CJFC, Kamloops; CKOV, Kelowna; CBR, Vancouver; CKPG, Prince George; CFPR, Prince Rupert.
3. A series of weekly talks for June, July and August, starting June 16. Mr. Scott has no connection with the C.B.C. other than that of a free-lance broadcaster engaged for a limited and specified number of programmes.
4. Usual per occasion rate for this type of talk.

Q. What is that?—A. I think it has been pretty well accepted before that we do not have to give the actual rates paid to people for performances. We would be glad to give it to you if the committee agrees to that.

Q. He is paid?—A. Yes.

By Mr. Reid:

Q. Perhaps I did not frame my question correctly when I asked if he was connected with the C.B.C., but he is under favoritism by the C.B.C. He is on the programme and the private stations must carry it on that reserved time. Your answer was right and yet it was wrong. It did not give the information about Jack Scott.—A. He is being commissioned to do a certain programme.

Q. He is favoured by you?—A. As many other people are he is commissioned to do a certain programme.

Q. I asked that question in the light of the articles he is now writing against the private stations. He has been writing articles, and to me they look to be inspired. In fact, I am going to say they are. Now we know he is receiving money from the C.B.C. for his time.

Mr. FULTON: I want to make one point clear.

The WITNESS: I should like to say that a number of people who appear on C.B.C. programmes and are commissioned to do work have written very critical articles about the C.B.C.. I do not think there is necessarily any connection between what a man writes in his own capacity as a journalist and any work he does on the C.B.C.

By Mr. Reid:

Q. He is not criticizing the C.B.C. He is running down the private stations. He did that just after the Canadian Association of Broadcasters were here, and I say it was a deliberately inspired article.—A. I think Mr. Scott in his articles at different times has been decidedly critical of the C.B.C.

Q. I will take the C.B.C. on when I go home and I will say plenty against them.

The VICE-CHAIRMAN: I do think at this stage we might limit ourselves to questioning the witness.

By Mr. Fulton:

Q. You say it is in reserved time. That means that a station has not got the option of refusing to carry that programme? It must carry it exactly as the C.B.C. does?—A. No, it is under the affiliation agreement, the agreement which each voluntarily enters into with the C.B.C. There are one or two other items which perhaps we could file. We were asked if we had any letters from the Cancer Society. There are actually two or three. Shall I file those or would you like them read?

The VICE-CHAIRMAN: If they are not too long I think it would be agreeable to read them. Would you like to hear the letters read which Mr. Dunton is about to produce?

Mr. SMITH: Let us file them. Let him tell us the contents.

The WITNESS: There are several from the Canadian Cancer Society thanking the C.B.C. for the fine support they gave. There is one from the American Cancer Society very warmly complimenting us on a broadcast produced by the C.B.C. called "The Case Against Cancer", which was carried in Canada and also in the United States. They say they were proud to carry it to American radio audiences. There is another letter along the same line from the American Cancer Society. There is an earlier one dated February the 10th from the Canadian Cancer Society thanking us for the impetus given to the work of the C.B.C. There are also two from the Boy Scouts Association.

By Mr. Smith:

Q. May I ask Mr. Dunton something about these two documents which we have got within the last couple of days? They are headed "Department of Transport". At least, that is the printed part. They deal with this new station of Mr. Ryan and they also deal with the Moose Jaw station. Are you the man

we should examine with respect to those or is it somebody else?—A. I can give you what I can about anything the board had to do with these applications and the reasons for the board's decision.

Q. May I ask a few questions? With respect to the Ottawa station you gave me the answer that you thought Mr. Ryan was the best of the three applicants?—A. I said that was the opinion of the board.

Q. That is all you said. On what did you base that?—A. I think Mr. Ryan first applied some months before it came actually to the board for its recommendation. In the meantime there had been at least two other applications which are listed in the list you have. They all came before the board at the same meeting of the board. As is usual the applicants gave their reasons why they thought there should be another station in Ottawa, what their technical plans were, and what their plans were regarding the running of the station, its programming and general policies. They presented briefs and discussed things with the board. I would not like to deprecate what the other gentlemen said, but in the view of the board Mr. Ryan presented a very excellent case for his having a station in Ottawa. He showed a great deal of support from various organizations. He showed he had studied the commercial and general possibilities in Ottawa very thoroughly, much more thoroughly than the other applicants. He showed much fuller plans and that he was thinking much further ahead in his ideas for the station. On that basis the board recommended him rather than the others.

Q. Well, he showed he had $75,000. He showed he was born in Arnprior and he was Irish. He showed he had lived in Montreal and not in Ottawa and that he had resigned from the Bomac Electrotype Company and Bomac Federal Limited, and intended to incorporate a company whose head office would be in Ottawa. He showed his station would cost $47,000 odd, and that the directors would be himself, his wife and someone with a qualifying share. He presented an engineer's report. I have given you completely everything Mr. Ryan sets out here, in any event.?—A. Yes, but he also presented a great deal of additional material to the board itself. That document came from the Department of Transport, but when he appeared before the board, or just before he did, he presented us with a great deal more material about his support from different organizations and about his plans for the station. As to what you have there I think you asked the Department of Transport for any correspondence. We have material on our files relating to what he said to the board trying to show why he was the best man.

Q. Perhaps I had better say this. I should like to know what representations were made by these three people, and what letters and so on you have got so that the committee can perhaps form some judgment about it. At the same time we have been furnished with a copy of a statutory declaration in this case, but the name of the notary public is not on it so that it is not a copy. I observe in the other one with respect to the Moose Jaw station the declaration is complete and the man's name is Johnson. I want to know who the notary public was. I imagine that can be found without any difficulty.—A. I think so. That would be a Department of Transport matter.

Q. This is filed by the Department of Transport?—A. What you have is filed by the Department of Transport.

Q. Perhaps I am in the wrong pew at the moment, but I would like the Department of Transport and you to know that I should like all correspondence there is with respect to this matter.—A. As to the three applicants who applied at that time?

Q. Yes. With respect to the other station where a transfer was recently made I also want either from the Department of Transport or your corporation whatever correspondence there is with respect to that. Then I want to ask you this specific question. You told us before that in the agreement

with the new purchasers or transferees of the wavelength that you had a provision that Southam Limited or the Southam Company should own not more than one-third of the issued stock or capital of the company; you remember that?—A. Yes.

Q. Did that include the president of the company who is a son-in-law of one of the Southams?—A. I think it did. As I remember it was phrased "the Southam interests," the interests called Southam who were not part of the Southam Company although they are members of the Southam family. When I spoke of a part interest of Southam's that means the Southam relatives.

Q. Would you mind checking on that and if that be so that is what I want to know?—A. That is certainly my understanding of what it was meant to cover. That undertaking was offered by Mr. MacTavish who is now president of the company, an offer which was discussed with the board and the board accepted and wrote that condition in the recommendation.

Q. My memory was that it referred to ownership and not to family arrangements. I want to know. I have no objection to the Southams owning a broadcasting station. Do not misunderstand me. I would like to know what the real facts are with respect to the Southam Company and to Duncan MacTavish, who is a personal friend of mine, and any other Southam relatives as to what their holdings may be in the new set-up.—A. Earlier there had been an application for the transfer to a company to be formed which the Southams, on the receiving side of the transfer, said would not be connected with the Southam Company. Apparently in the company which was to take over the radio station the major interest would be held by the relatives of the Southam family. The Board of Governors felt that while there was not a direct connection with the Southam Publishing Company it appeared to us to be in effect multiple ownership of radio stations. Therefore, we turned it down. Another application came back for a transfer to another company in which among others various Southam relatives have an interest adding up to about one-third. The board thought that would be satisfactory provided the Southam relatives would not have more than one-third.

Q. There seems to have been something in writing. Will you check that up?—A. Yes.

Q. I notice in exhibit F, filed by the Department of Transport—and I am asking for the information—it shows a cost of $45,888 to set up the station in Ottawa. Would that be a reasonable cost?—A. We thought so. What do you think, Dr. Frigon?

Dr. Frigon: Yes, I think so.

By Mr. Smith:

Q. Can you tell me what was paid for the other station by the transferees for the licence?—A. No, we do not know.

Q. Do you mean that deliberately? You seem very firm about that. You do not know?—A. Sometimes people who appear before us with regard to a transfer tell us. The board has never taken it that it is necessarily its job to inquire into the affairs of the people who are transferring to the extent of knowing what the price offered is. We did not ask the sum and it was not told to us.

Q. Take a hypothetical case. You assume that $45,888 is a reasonable cost. Several hundred thousand dollars are paid for the transfer of a station, and there must be something else other than the physical assets.—A. Yes, I think there is. I would like to add that the board has been rather worried about reports it has heard from outside about very large prices paid for stations, prices which, if the reports are right, seem to be far above the physical value of the station; and, therefore, we wonder if there is not an element of the licence being sold in it. We have no right to stop that, but it does make us

worry whether that is a sound development where on the face of it a large consideration is paid for the licence.

Q. I compliment you. I think that is a fair statement. The fact is that we are trafficking in these licences, are we not?—A. In some cases it looks very much like that.

Q. That is fine. I am not questioning that any further. I do want the chairman, sometime before we fold up, to give the comparative facts with respect to the three applicants for the new licences, and whatever correspondence there may be with respect to the transfer of the Ottawa licence.—A. We will get everything we have as quickly as possible, Mr. Chairman.

By Mr. Reid:

Q. Could I ask whether the amounts payable to speakers and musicians are a closely guarded secret or is that information available to the members of this committee?—A. I think it has always been accepted, Mr. Reid, that it would be disadvantageous to the corporation to produce those figures in public; it would hurt us in our usual business operations; but I shall be glad to show any figures to members of the committee or have them filed for reference for members of the committee only.

Q. Personally, I think it would be very important for the members of the committee to know whether the fees or grants have been increased. There are many comments about the different fees that are being paid and members of this committee should deal with these things; and if they are secret it is a serious matter.

Mr. SMITH: Do you not think the suggestion of the chairman is fair?

The WITNESS: Somebody asked before for the rates paid to commentators, and we have a list here.

By Mr. Reid:

Q. I will accept that. If radio is developed a little more in line with what has already taken place so that the average individual may in the future be able to go about carrying a radio and do a little broadcasting or speaking, in that event would he have to go to the C.B.C. for a licence under the present rules and regulations?—A. You mean where anybody could have a transmitter?

Q. Yes, would they have to have a travelling transmitter where a man could transmit messages and receive them? I am wondering if that becomes common—I want to know, because it is important—if that control is entirely in the hands of the C.B.C. and whether I, as an individual, would have to go and ask for a licence?—A. I think there is some confusion in some parts. I saw it crop up in the C.A.B. brief. We are involved where the broadcasting of radio programmes to the public is concerned, not with transmission of other communications. We only have the right to make recommendations or rules and regulations regarding the use of frequencies for broadcasting to the general public, and if any man wanted a little station to broadcast to the public presumably we could make a recommendation regarding it. If it is a station for a communication system of some kind we have no concern with it.

Q. I suggest it is difficult to draw the line. I might have a little station and want to give some of my friends a little treat with a few tunes on the bagpipes.—A. May I answer that?

Q. Yes.—A. It would be largely in the Department of Transport which would have to decide that. There are certain frequencies set apart for broadcasting—that is transmission to the general public. If the station is to use one of those frequencies it is a broadcasting station; if it uses some other frequency on some other part of the spectrum for communication or amateur work it comes under the regulations of the Department of Transport, and we would have nothing to do with it.

Q. Let me ask you this question: I understand when you do have the bagpipes played over the air you do not pay the performers as much as you pay others. I am protesting about that because many of the performers are high-class musicians. I am wondering why there is not more of that music on the air after listening to some of the crooners who are continually on the air. I ask you if there is any music in that? To me it is something terrible that it is highly paid. —A. I will try to answer you now. I think perhaps Mr. Murdock of the musicians' union who is coming here can tell you more about that.

Q. They tell me that we are not far enough advanced to recognize us; but I ask you to ask somebody who knows something about music.—A. I recall one good bagpipe soloist that we had on the air.

Q. I wish you would send me information on how many people there are who can play the bagpipes.—A. Probably Mr. Bushnell knows.

Mr. BUSHNELL: I do not know whether there has ever been any distinction made between the bagpipes and any other musical instrument.

The VICE-CHAIRMAN: I think your question should be addressed to the musicians' union; they are the ones who fix the rates.

Mr. REID: We are in a class by ourselves; they should come to us.

The VICE-CHAIRMAN: There are different classes of musicians in the unions, and it may be that after hearing your representations, which may never have been made before, they will see to it that a special class is made in their union and that the rate will be fixed and therefore your class would be recognized.

Mr. SMITH: The suggestion has been made, Tom, that the matter should go to the Committee on National Health and Welfare.

Mr. REID: I have nothing to answer to that remark except by a glance.

By Mr. Reid:

Q. How much revenue is collected in the various provinces by way of licences and how much is expended in each province? Has that been given?—A. The Department of Transport, I think, has a file on the revenues by provinces. I do not see how we could break down our expenditures by provinces very well; it would be a terrific job to do because we have the odd program originating in different parts. It would be a terrific piece of accounting work and I do not think it could be done.

Q. Have comparisons been made between the number of radio licences issued in Canada as compared with our population, and the number of licences issued in Great Britain as compared with their population; and has any attempt been made to increase the radio licences in proportion to our population, comparable with Great Britain?—A. That is really a matter for the Department of Transport.

Q. Has any investigation been made in British Columbia, particularly regarding the interference caused by United States radio stations which blank out some of the local stations, and if so what steps are being taken to remedy a situation of that kind.—A. The Department of Transport and ourselves are constantly watching the question of coverage and interference but we are bound in our recommendations, and the Department of Transport, in its rulings on allotments, is bound by international agreement, and there is no way by which you can stop a signal coming across the border that is in accordance with the agreements. It is all done within the terms of international agreements.

Q. I am thinking of radio stations that advertise among the Canadian people. They advertise in the Canadian papers. I would like to have a report on the investigation in British Columbia.—A. You had it. But a number of Canadian radio stations can be listened to in the United States.

Q. They are not advertising there inducing those people to listen in to the Canadian radio stations.—A. There is one station, CKLW in Windsor, that advertises heavily in Detroit and it has a big business. We get letters from the States who listen to the C.B.C.

Q. With regard to the provincial governments that have radio stations throughout the country, do they have to come to C.B.C. for licences?—A. With regard to forestry and that sort of thing?

Q. Yes.—A. No, we have nothing to do with that; that is a Department of Transport matter. We deal only with general broadcasting to the public.

By Mr. Knight:

Q. Mr. Reid mentioned about our people having to listen to American rather than to Canadian programmes, and that brings me to a matter concerning British Columbia. I am asking this question on behalf of my colleague, Mr. Matthews. Have you had any complaints from the Kootenay lake area to the effect that reception was poor and that C.B.C. programs are not available to people in certain districts?—A. Yes, there are several areas in the interior of British Columbia from which we have had a number of requests for C.B.C. services. We have been able to meet some of those requests by establishing repeater stations.

Q. Is that a booster station?—A. Yes, booster stations at repeater points on a wire line. We can do that at a fairly reasonable cost by putting in a little booster station which does not need any attendants and can carry the broadcast of the network. That can only be done where there is a repeater on the wire line, and there are areas in British Columbia where such facilities do not exist and where they would like to get the C.B.C. service; but so far we have not had the funds to provide that service.

Q. That would solve the problem, would it?—A. It would. These little stations have not a wide range.

Q. The C.B.C. is prepared to put in these booster stations if they have the funds?—A. The funds and the facilities. So far our policy is to do it only where there happened to be a relay point on a network wire line. If you do it where there is no network it means that you run out of wire lines and use up a lot of money. We would like to get our coverage into every corner that we can.

Mr. FULTON: I would like to ask Mr. Dunton a question arising out of the brief of the Canadian Daily Newspaper organization regarding frequency broadcasting.

The VICE-CHAIRMAN: If you are going to ask questions on a brief which has been presented by an outside association I suggest that you wait until we hear Mr. Dunton in his rebuttal of those briefs.

Mr. FULTON: The questions being asked now are quite general; although they do not arise solely out of Mr. Dunton's own relief. It is partly a question of Mr. Dunton's brief; it has to do with policy.

The VICE-CHAIRMAN: If it has to do with Mr. Dunton's original brief then it is in order; otherwise you realize that if we start questioning Mr. Dunton now on the brief of the C.D.N.A. or the C.A.B. we might as well ask him to read to us the rebuttal he has prepared.

Mr. FULTON: I did not know we were going to ask him to read a rebuttal.

The VICE-CHAIRMAN: That is the policy which has been followed on previous occasions.

Mr. FULTON: As I recall our procedure last year we heard the C.B.C. and allowed the other parties to make their presentations with the result that Mr. Dunton, on completing his original brief, was able to put forward counter-suggestions.

The VICE-CHAIRMAN: There was a rebuttal after the C.A.B. had been heard.

Mr. FULTON: However, my question arises out of Mr. Dunton's brief as much as out of the other.

The VICE-CHAIRMAN: Put it.

Mr. FULTON: With pleasure.

By Mr. Fulton:

Q. I want to know what is the position with regard to policy, whether any determination has been made as to what will be done after July 1 when the sort of temporary freezing on the granting of FM licences comes to an end. Will newspapers applying for FM licences be considered in order of their applications? Will their cases be considered on the merits?—A. At the parliamentary committee last year—I am going to review this if I have an opportunity later—it was suggested that the whole question of newspaper ownership should be thoroughly considered by the parliamentary committee this year. We would hope we would have a recommendation from this committee which would guide us in the question of recommendations for FM licences for newspapers.

Q. Have you any suggestions to put forward to the committee which would guide the committee in considering the matter?—A. I have some considerations. We think the question of newspaper ownership is more than a broadcasting question. It is a matter of general public policy, and questions of freedom and stimulating a number of different outlets for information. I should like to say—I will try to explain more fully later—that the main consideration is that the number of broadcasting frequencies is still going to be limited on FM as well as on AM although there will be more FM frequencies available. I would take it from part of the C.D.N.A. brief they would like a preferred position.

Q. I was really referring to your brief in which you deal with FM broadcasting. You put forward certain considerations. You said that you have adopted a policy of waiting until after July 1 of this year to make recommendations about any such applications that might come before you. I asked you whether you had made any determination of policy and you have answered that question, but a more detailed question arises out of that. What would be your attitude to the application of any body or any newspaper which was received some time ago which would have given them a right, had it been granted, to an AM frequency and which would, according to the policy contained in your brief, have given them, had they not been a newspaper, a right to an FM frequency? When you unfreeze all these things on July 1 you should remember that had that organization been granted an AM licence it would not have had to wait until July 1 to get an FM licence.—A. It seems to me a very hypothetical case. I cannot think of any newspaper which was refused an AM licence just because it was a newspaper.

Q. I did not make that limitation, but there are certain cases that are very much similar to the one I have in mind.—A. There are scores and probably hundreds of people who have applied for AM licences and could not get them because there were not frequencies available.

Q. What about the case of the *Globe and Mail* which made an application, which was not turned down for the sole reason that there was no frequency available?—A. For an AM licence?

Q. Yes.—A. I do not know myself of them ever applying for an AM licence.

Q. My information is they did apply for an AM licence as long ago as 1942.—A. For an AM licence?

Q. Yes, and also for permission to acquire another station which permission was refused.—A. I would have to check on that. I did not know about that. There is a great shortage of frequencies in Toronto. I doubt if there would have been any frequency available.

Q. One of their applications actually dealt with a station elsewhere than in Toronto, but that brings up the point of what is going to happen. Had they been granted a licence or that permission previously they would have had an AM frequency; therefore they would have had ipso facto the right to have an FM frequency except that they are a newspaper. I want to know what the position is to be after July 1?—A. I would doubt if they were turned down on an AM application just because they are a newspaper. I would think there were other reasons.

By Mr. Ross (St. Paul's):

Q. When was the last licence issued for a station in Toronto?—A. CHUM, about three years ago. That is a daytime station only.

Q. Daytime?—A. Which in our view is not a very satisfactory operation. They could not find a frequency for day and night operation.

By Mr. Fulton:

Q. I am not saying specifically the application for an AM licence was rejected because the applicant was a newspaper, but I think I have pointed out they have not been able to obtain an AM licence and therefore they have not been able to obtain an FM licence. What is going to be the position after July 1? It then becomes important to know whether you are going to give the many priority because they have had an application in before, not only the *Globe and Mail,* but any other newspaper?—A. It is not just newspapers. There are hundreds of people and organizations as well as newspapers who are in the same position of wanting an AM station, but there were not frequencies available.

Q. What basis are they going to be treated on, the order of original application?—A. No, I would think much more on the merits of the application. I think it would be a point in a person's favour if they could show they had tried to secure an AM licence some time ago and could not get it. I think it would be a point in their favour, but only one point. I think the application would have to be considered on its present merits.

Q. Suppose in addition they wanted to continue experimentation with facsimile broadcasting and acquire an FM licence to do that?—A. That gets into a pretty involved question where we would like some guidance from the committee on general newspaper ownership. Does it give a newspaper an extra claim, a preference over other applicants, because it wants to do further things with that broadcasting frequency? That becomes a very involved question as to whether newspapers should have a preference, not be on exactly the same basis, but have a preference.

Q. That would be one consideration but the consideration I am trying to put before you is this. Here is a case which I want to come back to hypothetically although there is a parallel involving a concern which has had an interest in this matter since 1942, in other words, for many years. In addition they have done some pioneering in some of the FM and facsimile broadcasting work. They have not been able to go ahead with that. They have been interested in it since 1942. They have done some of their own development work. Are they to have any consideration as a result of their prior interest in this matter?—A. Is this a hypothetical case?

Q. It is a hypothetical case.—A. An organization that has been interested in AM or FM and facsimile?

Q. Has been interested in both but we will say it has wanted AM primarily because it would give it the right to have FM.—A. I would think, as I said before, that the fact that a person had been trying to get a broadcasting licence for some time, perhaps with the idea of further developments, would be a point in his favour, but I do not think you can say he should have a preference over all others. You may find if you go back there were other people before him who had shown interest and wanted a licence.

Q. It would be fair to state that the actual granting or refusal of the licence in the first place would come from the Department of Transport, would it not, on technical considerations? Is that correct, or would it come exclusively on the recommendation of the C.B.C.?—A. It might be either. As you know when applications come in they go to the Department of Transport which looks at them, and then to the joint technical committee which would work out the technical considerations involved, and then to the board. It would depend on what the factors were. If there were a straight technical objection raised, naturally when the people came to the board that would be pointed out by the technical people and a recommendation made with that in mind.

Q. But if there were no other reasons against it you would still have to make up your mind whether you were going to allow it or refuse it because it was a newspaper that had made the application?—A. If all technical points are cleared, and sometimes there are questions of judgment there, or different factors involved then the C.B.C. has to make up its mind on the recommendation on all the factors of the application, the area, all the things that usually go into consideration of an application.

Q. There is the case of the newspaper to which I have referred which has had such an application in since 1942. You probably heard Mr. Robinette's evidence on behalf of the C.D.N.A. I asked him the question whether any newspaper had made an application for a licence and he referred to the case of the *Globe and Mail*. He said it had made an application and all he knew was it had not been granted. He did not know whether it had been refused or deferred or what the situation was.—A. That is the *Globe and Mail*?

Q. Yes.—A. I think the Department of Transport can give you more accurate information, but I inquired and it has not been to the board for several years now. In 1944 I understand they wrote to the Department of Transport about a licence for FM and facsimile. The Department of Transport wrote back and asked for their technical plans. They said they would be forwarded, but they have never come in and so the application has never come to the Board of Governors.

Q. But it has not prejudiced their application?—A. No.

Q. If they are willing to provide the technical data whenever the thing is coming up for consideration that does not prejudice their application?—A. They are there, and they have applied earlier. On the other hand, I do not think it means just because they did write a letter a year or two ago that they have complete priority over everyone else. I think it is a point in their favour.

Q. I wonder when you look into that and bring it back before the committee whether you would include in your statement not only the grounds on which the applications were refused but the dates on which they were made so that we may know for how long this paper has been interested in this question.—A. We will do that. Perhaps the Department of Transport could co-operate with us. A lot of it never got to the board.

By Mr. Reid:

Q. I have a question on a statement made on page 18 of your brief where you say that the C.B.C. should have better means of finding out what listeners want to hear, and what they think of programmes on the air. I am basing my questions particularly in the light of some of these three-cornered love plays that are put on the air where two men love one woman or two women love one man. I remember on Sunday night, May 11, while in my office there was a programme put on by the C.B.C. for a whole hour called "The Fight that Leads to Love." I had a purpose in listening to that. I do not know if those who control the C.B.C. are family men. I know nothing of them, but I am wondering in how many homes in this country people would listen for one hour to a play without interruption. I am speaking from a practical point of view. It is plays of that kind, these weepy love plays where one woman is dying for a man or

some man is envying some other man's wife. I cannot see the good of that at all. I am wondering if there is a morbid class in this country who are anxious for that, if there is any great demand for these sexual plays. I want to know what steps you have taken up to now to find out whether or not they are popular and what you had in mind when you said you should have betted means of finding out what the listeners want to hear. If you can rely on Elliott-Haynes I know that in British Columbia the C.B.C. is at about the foot of the class with regard to the number of listeners.—A. I think you are speaking of Stage 47 on which we have had a great many compliments from listeners and from other people.

By Mr. Fulton:

Q. Stage 47 does not put on that sort of play, does it?—A. I think there was one which had a title something about love.

Q. I thought it was highbrow like the chamber music.—A. We think it is pretty good. We have to judge by the mail of which we have a very large quantity, and also from the Elliott-Haynes ratings which are some indication, and which show quite a good audience for Stage 47 against very heavy opposition.

By Mr. Reid:

Q. They will be better when we can see as well as hear. I am talking about these programmes where you sit and listen to some woman fainting and swooning. I want to know what check you have made. Never mind about letters. We know how letters can be obtained. You can meet some one and say to him, "If you enjoy it write a letter." I want to know what steps you have taken like the Elliott-Haynes survey.—A. I am trying to explain we take the Elliott-Haynes service. That is one of the indications we have, but we would like to go further. We would like to do some of the work the B.B.C. does with its own research department in different ways, sending out questionnaires, having listening panels of people in different walks of life, in different parts of the country, and try to get a really good appreciation of what people think of different programmes and why they do think that. Elliott-Haynes just gives the percentage of a certain number of people telephoned who were listening to the programme. We would like to have the means of conducting better listening research and find out why they are listening or why they are not.

Q. Would you admit that the Elliott-Haynes survey is about as fair and reliable as we have at the present time in Canada?—A. It is, but we believe there is a lot of information that is not provided by Elliott-Haynes. It is one indication of relative trends and preferences but we think we need a good deal more than that.

By Mr. Knight:

Q. As a public service would you deem it your responsibility to improve public taste rather than to merely give the public what the public wants?—A. We have done a lot of thinking about that. Our general feeling is we should try to meet the wishes of the different main groups in the public, and we know of no programme that everyone in the public likes. There is no such thing. We think we should try to give what the big masses like and also to give what some of the smaller groups in the public like who have some specialized interests, and since we are a public organization we think we should try to do a little extra in feeding new ideas and possibilities for the development of new tastes to the public. We do not think it is our job to try to cram heavy culture or highbrow stuff down people's throats, but to provide a certain amount of the so-called better material; try to interest people in it, and the thought is that their tastes for that kind of thing will develop.

By Mr. Reid:

Q. Following up that question would you think as judge and jury that what goes over the air by way of these hour-long programmes, these weepy programmes, is a splendid thing for all people?—A. Are you referring to Stage 47?

Q. I do not know what it is.—A. That programme you mentioned on May 11 was on Stage 47. I think it is generally admitted by a number of radio authorities and other people that Stage 47 gives some of the best radio drama performed in the world.

Q. How many soap programmes have you in a day?—A. In a day on the Trans-Canada network I think we have two hours.

By the Vice-Chairman:

Q. They are carried by private stations as well?—A. The Elliott-Hayes survey shows they are just about the most popular programmes that can be put on during the day. That is a question of public preference, trying to do other things where the Elliott-Hayes survey indicates that a great many people listen to them.

Mr. GAUTHIER: Your programme Secrets of Dr. Morange is sometimes very good but sometimes awful. It should be checked very closely. Sometimes they are good and sometimes they are bad.

By the Vice-Chairman:

Q. In connection with the question asked by Mr. Reid is it not a fact that the soap operas are not only carried by the C.B.C.?—A. They are carried individually by transcription or otherwise by private stations as well as private stations affiliated with our network.

By Mr. Fulton:

Q. I wonder if I might ask a question that bears on finance. In your brief you point out what you say is a very awkward financial situation. One of the large charges or expenses is shown to be the cost of wire lines. Can you give us any information on any investigation you may have done as to the possibility of making increased use of recordings of programmes in advance and then sending them out to your various stations which would permit them to play them at the same time all across Canada?—A. Perhaps Dr. Frigon can answer that, but speaking in a general way I might say that first there is the general idea of trying to run a national network which carries some things simultaneously to people and in a genuine way, not just having stuff that comes from the can or from wax. There are all kinds of technical and financial problems. You have to pay musicians far more to make a transcription than you do to play a live show on a network.

Q. Why?—A. Mr. Murdoch will answer that better.

Q. Does that apply in Canada as well as in the United States?—A. Certainly.

Q. Can you tell me whether that applies under exactly the same circumstances if you have a programme on your national network going out over thirty stations? Have you said this to the musicians' union, "We want you to make a recording which will go out over exactly thirty stations and no more?" Do they still say, "You have got to pay us more for that?"—A. They charge the transcription rate which is very high. They cannot tell whether that transcription will be used only on thirty stations or be repeated.

Q. Suppose you give them a guarantee you will pay for every time you use it and you will not release it for making a commercial record?—A. That is not possible under the present arrangement.

Q. It is not possible to give them that guarantee?—A. It is not possible to make an arrangement for them to accept a guarantee.

Q. This is Mr. Murdoch?—A. Yes.

Q. Is he coming here?

The VICE-CHAIRMAN: He was to have come this afternoon at 4 o'clock but we received a telegram this morning saying that other engagements that he had could not be cancelled and he will be happy to appear before the committee a week from to-day if we still want him. He will be coming next week if it is agreeable to the committee.

By Mr. Fulton:

Q. Can you give us some of the other considerations?—A. Perhaps on the operating side Dr. Frigon and Mr. Bushnell, the Director General of programmes, could answer that.

Q. I suppose one should ask for figures. How much more would it cost to pay musicians to make a recording rather than to make a live broadcast?—A. I think Mr. Bushnell can answer that.

Mr. BUSHNELL: Mr. Chairman, I think it would be difficult to give any definite figure as to the additional cost. The fact of the matter is we talk in terms of a programme in which you engage an orchestra of twenty people. Those musicians are paid a basic fee of approximately $15, including rehearsal. If you want to put that on a recording the musicians union so far do not differentiate to any great extent between what we call a one-time transcription and the ordinary domestic phonograph disc. Therefore you would pay each musician approximately—I think this is the correct figure—$54 instead of $15 for the same performance, so your programme cost has gone up from about $350 to somewhere over $1,000. That just gives you a rough estimate of the additional cost.

As to wire line service for the same period I know it is not as costly. In other words, half an hour on the wire lines right across Canada would be less than the difference between the cost of the original live talent programme and the cost of the disc. That is without taking into consideration the cost of the discs themselves, the labour involved and the shipping charges.

The WITNESS: I am sure you will agree that if we are trying to run a national system at least a good many of the programmes, the national news, and so on, would have to be on a network. But if you start running a network for half an hour and then cut in with a lot of recorded programmes then you run into terrific wire line costs. We can keep our wire line costs within fairly reasonable rates because we buy them for sixteen hours a day for years. Therefore we get a good rate. We have to guarantee that. If we started buying at per occasion rates for an hour and then cut out for an hour the cost would be fantastic.

Q. I see you have $965,000 here as the cost of the wire lines. It struck me that was a very big item. I wanted to know whether it would be possible to make it less expensive by these recordings. In view of what Mr. Bushnell has said I think we have a pretty good answer, but on the other hand as to the sort of programme that is not a musical programme involving artists is there any possibility of making increased use of recordings there? I should like to say this. You spoke of buying wire lines on a per occasion basis. I would think you could do it rather differently than that if you said that you would make a forecast of the programmes. You could say, "We will want this period and this period and this period", and so you could forecast to them exactly what you would want.—A. Dr. Frigon will explain that is not the way the wire companies work.

Dr. FRIGON: Mr. Chairman, we have to admit we need a network of lines to take care of special news, news broadcasts, special events, things which have to be broadcast at the very moment they happen. Once you have that the

wire line companies have to set up their equipment. They have to have repeaters. They have to have wires available for those programmes. They cannot have a man looking after a set of equipment who may or may not be engaged in controlling network broadcasts. It is cheaper for them to have a man there, have the equipment to broadcast and run it all day long than to be cutting in and out every fifteen minutes every day. Therefore, it is cheaper to buy lines right across the country sixteen hours per day than to have a number of periods whether they are arranged for ahead of time or on the same day. Since you have to have the line then the next step is to feed your programme from a central point. Even if we could use recordings as some people think we might in the future, for the sake of the efficient use of the studios even if we do that we would need wire lines just the same.

By Mr. Reid:

Q. Does shortwave radio come under your jurisdiction?—A. It comes under the corporation as a whole.

Q. Have you any information as to the number of receiving sets in the various foreign countries to which you broadcast?—A. I think it has been impossible to try to get any figures. Europe has been in such a disturbed state. I think there are no figures that can be taken as really accurate.

Q. The thought I had in mind was that I could not see much use in spending great sums of money in shortwaving radio programmes to countries which prohibit radios for their people or have very few.—A. There again the best indications seem to be the amount of mail which is coming in completely unsolicited from various countries over there which shows that quite a number of people are listening. After all as we know many people may like a programme but few will write about it. The number of letters has been very large from different countries.

Q. May I ask if the frequencies of 1230 or 1240, or any number such as I have mentioned, in one province would interfere with that same frequency in another province? Considering the geographic situation of the country or province would the frequency of 1230 in one province interfere with the same frequency in another province?—A. It might very well. It would depend on the technical considerations applying to the use of that frequency.

Q. It would not in British Columbia, would it?—A. I do not know. I would need to get technical advice on that. I think it probably would. It depends on the classification of the channel and all kinds of things.

Q. One of my colleagues wants to know why I am asking that question. I have a particular reason for asking it.—A. I think it very likely would.

By Mr. Robinson:

Q. Mr. Fulton brought up the question of your finances from the point of view of decreasing certain types of expenditures. What about increasing your commercial revenues? Is that possible?—A. As I point out in the opening statement it is possible we could get more business, but we think that the service would suffer from it.

Q. I see that your commercial revenues for the last year were $1,786,000 which is an increase of about $100,000 over the previous year. Your commercial revenues have increased each year for the past several years?—A. Pretty well. I should point out that amount of $1,786,000 is not the revenue to stations. It is the total amount left over from commercial activities which can be in any way used to support the system. It includes, for instance, the whole amount paid for wire lines by sponsors. The amount you mention has increased each year. I might say we could not be operating as we are now if it had not increased.

Q. In the presentation of the C.A.B. brief, as I recall it, Mr. Sedgwick said they had no complaint as to your increasing competition in the commercial

field. Has the board considered becoming more competitive in that line?—A. Yes, we have considered this commercial question a good deal and as I said it is rather with regret that we have authorized the taking of even a limited quantity,—a very limited quantity—of non-network business on stations.

Q. That is what I am trying to get at. Why do you say "with regret" when from your financial statement you are obviously handicapped for lack of fnnds and the C.A.B. say they have no complaint against your competing in the commercial field?—A. I would not like to say anything about the stand of the C.A.B., but we feel with the kind of national service we are trying to give that service would suffer, would not be as good if we were taking spot announcements, and a great number of transcribed commercial shows.

By Mr. Fulton:

Q. How about a few more sponsored commercial shows of the better type? —A. On network shows it is a question of time. The trans-Canada network is pretty full. There are some periods from which we would throw out some of the non-commercial shows produced by ourselves. We think in trying to get a balanced service they are pretty well arranged, certainly on the trans-Canada network. Some more could go on the dominion network, but that does not bring us much extra revenue because it is nearly all private stations.

Dr. FRIGON: One of the main sources of revenue to the private stations is the sale of spot commercial announcements. Last year the C.B.C. on ten of its stations, not including CBJ, Chicoutimi, took in less than $1,000 worth of spot business. We could increase that very materially and increase our revenues very greatly, but we do not think it is the type of broadcasting we are supposed to carry out.

Mr. ROBINSON: What is the drastic objection to that?

Dr. FRIGON: We believe that the public should not be listening all day to these local announcements telling you that you should buy your shoes at a certain place, you should use a different toothpaste than the one you now are. Some stations carry well over one hundred of these announcements per day which we think is not the type of broadcasting we are supposed to carry on.

The WITNESS: The board does not think the national system was set up to go far into that kind of thing.

Mr. FULTON: I think it was set up to supervise broadcasting. Now it is going into broadcasting itself.

The WITNESS: The board was set up very definitely to operate and carry on a national broadcasting service in Canada. It has never been officially suggested from the beginning that it should not be in the commercial business. The Aird Commission suggested by way of recommendation that it would start up with an advertising revenue of $700,000 away back in 1929.

By Mr. Knight:

Q. In other words, the more commercial broadcasting you accept the more you break away from the original principles, as I see it.—A. I do not think that is necessarily so. Even the Aird Commission had the idea of balancing and taking a certain amount of commercial business. That is still our idea to take some commercial business because a lot of commercial shows contribute a great deal to the programme balance and they contribute revenue, but we think it would be unfortunate and bad if the commercial side overwhelmed the other and the national system became in effect another commercial radio operation. We do not think that is what it was set up for.

Mr. WINTERS: While we are on the subject of finance I wonder if Mr. Dunton can tell us how much the C.B.C. pays for insurance on its plant?

Dr. FRIGON: In dollars and cents?

Mr. WINTERS: Yes. While you are looking that up can you say who holds that insurance, with whom is the insurance placed? Is there one central company or is it decentralized where the radio stations operate?

Dr. FRIGON: It is fairly well centralized. We have two regular agents handling our insurance business.

Mr. WINTERS: Is it decentralized to anything like the same extent that the operating stations are decentralized?

Dr. FRIGON: I do not think I understand what you mean.

Mr. WINTERS: For example, if you have a station in the maritime provinces would the insurance for that station be let in the maritime provinces?

Dr. FRIGON: No, it is handled by our agent who handles all our policies. We have one for fire and general coverage, and we have another agent who deals with special matters such as during the war for insurance against accidents and death of our war correspondents, and so on.

Mr. WINTERS: Could you not arrange to let that insurance in the same general area where the station operates?

Dr. FRIGON: What we have done is that for a few years past we have had an adviser on how to run our insurance. He has made inquiries and submitted reports as to our policy and given us his views on how we should be covered, in what manner. We have thought it was more economical and better business practice to centralize all our business in one place. That man of course, is free to distribute the risks among others. Whether he does that I really do not know.

Mr. WINTERS: I think as far as possible that our local radio stations should try to contribute to the general commercial structure, and if you can place the insurance in that general area I think the corporation should do that.

Mr. KNIGHT: Is it not true that the insurance companies themselves are pretty well centralized, the larger insurance companies? Even if you insure some place else the money comes back to Montreal or Toronto or wherever the head office is.

Mr. WINTERS: Even so, I think the local agency should have the issuing of it.

Dr. FRIGON: I think the way to do that would be to ask our agent to place his risks with local agents.

Mr. WINTERS: I think that matter should be looked into.

Dr. FRIGON: We have never approached the problem from that point of view. We thought it was more efficient and cheaper to centralize.

Mr. WINTERS: That is a characteristic of the whole problem of centralization, but nevertheless I think it should be decentralized as much as possible.

Dr. FRIGON: To answer your first question our premium bill per year is about $20,000.

Mr. WINTERS: $20,000.

Dr. FRIGON: That is general insurance, fire, group life, unemployment, automobile, and in that membership we have overseas personnel.

Mr. WINTERS: How many companies are there involved in that insurance?

Dr. FRIGON: Our treasurer tells me there are about six involved.

Mr. WINTERS: Do you know which six they are?

Mr. BRAMAH: I cannot say offhand. One is W. A. Bennett of Toronto. I do not know how many companies they have.

Mr. WINTERS: You have not followed the practice of placing your insurance through local agencies?

Mr. BRAMAH: No.

Mr. WINTERS: I think that should be done if at all possible.

Dr. FRIGON: If you want more details we have had a very thorough examination of all our policies over a period of two years. That assignment was given to a Toronto specialist, but if you want any breakdown of how it is we have all that.

Mr. WINTERS: I am not so much interested in that. I want to make sure everything is done to decentralize.

Mr. ROBINSON: Do you employ only one broker?

Dr. FRIGON: Yes.

Mr. ROBINSON: Do you secure competitive quotes from other brokers?

Dr. FRIGON: Yes, we have at times and compared notes, and we felt we had the best deal.

By Mr. Reid:

Q. Can the shortwave programs broadcast over the shortwave stations be picked up by Canadian listeners?—A. They cannot because the beams are directed to other countries, to Europe and to the Pacific and South America. They are not designed to be heard in Canada. I think it is only by chance they can occasionally be picked up in Canada.

Q. Would it not be advisable that they should be broadcast in such a way that we could hear the shortwave programs in Canada?—A. I think actually they can be heard quite often in Ottawa. I know I have, and other people have, but it is just chance we hear them here.

Dr. FRIGON: The frequencies chosen and the aerials used are not meant to serve Canada. In other words, if we want to have a programme heard in Czechoslovakia we have to use a certain aerial and a certain frequency at a certain time of the year. If we want the same programme or another programme to be heard in Brazil it means another aerial and another frequency for a specific time of the year. That is to get maximum efficiency. In that manner you must neglect covering Canada; otherwise you will spread your power over Canada, a country for which the broadcasting is not meant because after all a lot of our broadcasts are in foreign languages.

Mr. REID: This country is peopled by thirty-nine nationalities.

Mr. FULTON: On page 12 of your brief you mention incidentally that more than 1,000 separate C.B.C. programmes weer relayed in other countries? Is there any charge made for that?

Dr. FRIGON: No charge is made to the other countries.

Mr. FULTON: Would it be possible to have that?

Dr. FRIGON: I think it would be very poor policy to do that. After all we are very pleased that they do carry our programmes because that is what they are meant for, to be heard by the people in that country.

The WITNESS: We feel it is a much more effective way of having a Canadian broadcast heard because a great many more people listen to medium wave than to shortwave. If we can get our programmes broadcast on a country's own radio system, then, of course, many more people will listen to it.

By Mr. Bertrand:

Q. Are not these programmes designed so that Canada will be better known to other countries of the world?—A. That is the general policy behind them. It is not to say every minute that Canada is a wonderful place, but it tries to have things that interest people and then it works in information about Canada.

By Mr. Fulton:

Q. Is there any specific background for that policy? Is it supposed to encourage immigration?—A. I would say there is a great deal of consultation with different government departments, particularly the Department of External

Affairs and the Department of Trade and Commerce, on over-all policies and even on specific things. For instance, there is a lot of co-operation with the Department of Trade and Commerce because they are very interested in promoting trade.

Q. It seems to me if it is designed to promote some specific government policy with regard to our foreign relations or our foreign trade it would be all right, but if it is just designed to puff Canada up— —A. There has been a good deal of discussion about this. I think it is agreed by all departments concerned that general knowledge about Canada is an excellent boost. People will tend to trade more and tend to come here more if they know about Canada. In addition to that we put over a certain amount of specific material related to trade programmes or external affairs ideas.

By Mr. Reid:

Q. May I ask whom you use on these programmes? What I have in mind is this. We will say, for instance, you have a short-wave programme to Czechoslovakia. Are Canadians who were born in Czechoslovakia used to put over that programme to their own people, shall we say?—A. Yes. Naturally we have to have a staff of people having a command of the different languages and knowledge of those countries. Therefore there are a number of people—I am not sure where they were born but they are mostly all Canadians—who came originally from other countries and who seem to be very good people to work on a broadcast back to those countries.

Q. I have one other question. Although the collection of radio licence fees does not come under your department no doubt you have given some thought as to the number of listeners to radio in Canada. I am wondering if you would give some thought to the great difference in licences in the various provinces according to the population. For instance, I have before me these figures. First of all there are 2,525,299 families in Canada. The number of licences last year was 1,807,824. It would seem to me there is a great field there of listeners because the more listeners who obtain radio sets the better it will be from a revenue point of view and from an entertainment and educational point of view. When you look over the various provinces there is a great difference between them. I notice where most of the C.B.C. stations are they have fewer listeners. I have the figures before me. I have them counted here. In the 1941 census we have a population in British Columbia of 817,861. Yet we have 168,950 radio licences issued to private individuals although we only have one station there. I am not going to raise one province against another.—A. Of course, a great number of private stations are carrying programmes from our networks.

Q. I believe that in the maritimes you could improve the number of listeners according to the population or in Quebec or in Ontario. I wonder if you have given any thought and asked yourself why.—A. I must admit we have not given any great thought to those particular figures. Of course, there are two questions. One is the matter of how complete the collection of licences is from listeners, and the other matter is the number of listening sets per head or per thousand.

Q. I should like to ask someone if there has ever been a check of new radios sold from 1940 up to the present time?—A. That is in a Department of Transport field. I imagine they have considered these things a good deal.

Q. I think it is worth thinking about, anyway, when you look over the population of the various provinces, the number of radio stations, the number of licences and listeners. As I say most of our programmes come from the United States. We are not getting the service we should have from the C.B.C.

By Mr. Ross (St. Paul's):

Q. May I ask a question? Mr. Fulton asked about applications for broadcasting licences from prospective stations. You suggested the first place they

would go with their technical information would be to the Department of Transport. You said then that the joint committee would go over the matter. My question is would not an applicant for a licence go first of all to the Canadian Broadcasting Corporation to see what the possibilities would be and for discussion with you first of all to find out if there was a possibility of him getting a licence in that place before he went to the expense of going into technical details, and so on.—A. Sometimes there are informal discussions, but we cannot act. Our only duty is to make a recommendation on the material and the application coming to us from the Department of Transport. That is our job.

Q. If I wanted to get a licence to broadcast I would think I would go to you first and I would sit down with you and ask you whether there was a possibility of my getting a licence in that locality. You probably would consult your technical advisers and they would say, "No, there is not a channel here." Would you not do that?—A. Yes, except the question of AM channels is getting very confused and difficult because we are just about at the saturation point in most areas. Therefore it may become a pretty fine technical point as to whether there can be a frequency used or not. I think the Department of Transport can explain it better. They take the attitude that a man must show that there is a frequency that he can use by means usually of directional antennae.

Q. He would have to come to you first of all and say to you, "My financial position is such and such, and I intend to spend so much money. If there is a field there will you let me have a licence"?—A. We are perfectly glad to have any discussions and to give anybody any advice we can, but the formal and proper way is for the application to go to the Department of Transport and then to the technical committee and then it comes to us and we have our duty to give our views.

Q. He goes to the Department of Transport and he says, "I want to build a station here." Then the Department of Transport says, "We do not think we can give a frequency." Is that what it is?—A. Yes, or the usual thing is for him to get an engineer and show there is a frequency which he can use.

Q. He has to show you there is a frequency?—A. He has to show the Department of Transport.

Q. The Department of Transport cannot tell him?—A. I think they should anwser this, but as I say it becomes a very fine engineering point. They think the onus is on the applicant to show if it can be done, and the important thing is how he proposes to do it.

Dr. FRIGON: The job of searching for a frequency in most parts of Canada to-day is quite an elaborate job. If the Department of Transport or ourselves were expected to study each possible case we would need a huge staff to take care of the load. Maybe "huge" is too big a word, but we would need a large staff because the search for one frequency may take a number of weeks.

Mr. Ross (St. Paul's): First of all the reason you probably cannot get another station in Toronto, or perhaps only one more, is that there are not enough frequencies in the area. That is about it?

Dr. FRIGON: That is right.

Mr. Ross (St. Paul's): But if you went to some other place out in the country you might be able to tell them right away or the Department of Transport might tell them right away without going to any expense in the matter.

The WITNESS: I think both the technical people in the Department of Transport and ourselves are glad to assist when they can, but even now in the more distant areas it usually becomes a question of a fairly careful technical study which we are not equipped to do.

Mr. Ross (St. Paul's): Dr. Frigon said that the station here in Ottawa, CFRA, would cost $45,000. Have you any comparable figures for a 1,000 watt station? The one in Ottawa would have directional antennae, too?

Dr. FRIGON: The cost of a station, whatever the power might be, depends so much on the type of building and the location, the cost of the ground, the number of aerials to be used, and so on, that it is impossible to give an estimate until you actually have the design and you have studied the specifications. You may have a station in a wooden shack or you may have it in a reinforced concrete building. You may need one aerial or four. The land may be worth $50,000 or it may be worth $1,000 an acres. It all depends on the local circumstances. It is very risky to try to give a valuation on a station until you know all those details.

Mr. Ross (St. Paul's): How many acres would this new Ottawa station have to have?

Dr. FRIGON: The Ottawa one is a very good example. They had selected a site which cost them a certain amount of money, a good deal of money. I think I was told the first option they had was a site on which it would have cost them $45,000, but we found it was too near our receiving station. We had to ask them to go somewhere else. How much they paid for the second site I do not know, but the second site was supposed to be more expensive than the first.

Mr. FULTON: In Ottawa?

Dr. FRIGON: Yes.

Mr. FULTON: I think you show a figure of $6,000 for the site in the information we received the other day.

Dr. FRIGON: I may be quite mistaken in the figure, but it was very high.

Mr. FULTON: Transmitter site and transmitter house estimated at $6,000. That is in exhibit F which Mr. Smith referred to earlier.

Dr. FRIGON: Including the house?

Mr. FULTON: It says transmitter site and transmitter house estimated at $6,000.

The WITNESS: That was the first estimate in advance of doing any actual work.

Mr. FULTON: This letter does not appear to be dated.

Dr. FRIGON: You know how much it costs to build a cottage. I doubt if he could buy a site and build a house to house a transmitter for $6,000. I do not know the details, but that is my general reaction.

Mr. FULTON: That was in the brief submitted with his application.

Dr. FRIGON: I think I have the answer to that. In the first place he was to use a house which already existed, part of a farm he was buying, so he did not have to build a house.

Mr. Ross (*St. Paul's*): With the ground installation he would have to have there it would be fairly expensive?

Dr. FRIGON: Yes; the whole thing nowadays is very expensive.

Mr. Ross (*St. Paul's*): You believe $45,000 would do it?

Dr. FRIGON: For a 1 kilowatt station?

Mr. Ross (*St. Paul's*): 1,000 watt.

Dr. FRIGON: Yes, I think so.

By Mr. Reid:

Q. With regard to the programmes over the C.B.C. stations in the various provinces are those programmes left entirely to the official in charge, the superintendent in charge, or how are they handled?—A. You mean the programmes that are originated in those different regions?

Q. Yes.—A. He has the immediate responsibility but subject to consultation with programme headquarters in Toronto.

Q. In other words, generally speaking he can hire and engage talent and put on a programme and be responsible for the programme?—A. Yes, it is the usual delegation of authority. In turn he is responsible to his superiors as to how he carries that out.

Q. I am not objecting to that. I am asking for information. Does the C.B.C. engage Sinatra—A. I do not think we ever have.

Q. I was just wondering if you have ever wasted money on that crooner. Whoever told him he could sing I do not know. When I think of him and think of your ban against the bagpipes it makes me hot. I object. I would think you would turn Sinatra off so quickly he would never be heard.—A. We have no ban against bagpipes.

Mr. KNIGHT: What time do you propose the committee should rise? In view of the fact that the House meets at 2, could we adjourn now?

The VICE-CHAIRMAN: If it is agreeable to the committee.

By Mr. Reid:

Q. I have one more question. Would you be good enough to review again the entire radio field of the district in which I live so that we may hear CKNW at any time rather than having it cut out by United States stations?—A. We are glad any ime to consider any suggestions or applications of that kind.

Q. I want you to take that as a request.

Mr. Ross (*St. Paul's*): I want to ask a question before we go.

The VICE-CHAIRMAN: He is coming back at 4 o'clock.

Mr. Ross (*St. Paul's*): Mr. Dunton said they did not want any more commercials—

The VICE-CHAIRMAN: Order, please.

By Mr. Ross (St. Paul's):

Q. I was wondering why if the C.B.C. sustaining programmes, are so good you could not sell them to sponsors?—A. We have sold quite a few. We rather like the policy, especially in our present financial situation, of selling one of our shows, as what you call a package show. We keep control of it and still produce the show but sell it to a sponsor and he can put his name fore and aft. We are developing that policy quite a lot especially on the French network. The Happy Gang is an example of a favourite C.B.C. sustaining show that went commercial.

The committee adjourned at 12.50 p.m. to resume at 4 p.m.

AFTERNOON SESSION

The committee resumed at 5.10 p.m.

The VICE-CHAIRMAN: I invite the members of the committee to go on with the questioning of Mr. Dunton and Dr. Frigon. Before we start may we decide upon our sittings to-morrow? It was suggested that we sit on Friday from 11 to 1 and 4 to 6, and that we hear Mr. Dunton and Dr. Frigon in their rebuttal to the C.A.B. and the C.D.N.A. briefs. Is it agreeable to the committee that we sit to-morrow from 11 to 1 and 4 to 6 in order to finish with the hearing of witnesses? Next week we will most likely study our report. I suggest that a meeting of the steering committee take place early next week in order to decide the course to be followed in the study of the report.

Mr. FULTON: Instead of confining it to rebuttal if we are going to conclude with them to-morrow might we agree that they give the answers to the questions which were left unanswered to-day? For instance, there was certain correspondence which was asked for again this morning, and certain details respecting the application of the *Globe and Mail*.

A. Davidson Dunton, Chairman, Board of Governors, C.B.C., recalled:

The WITNESS: We will do our best with them. It depends whether the staff can get the stuff out in time.

The VICE-CHAIRMAN: Let us agree on the procedure. If the answers which have been asked for are ready to-morrow morning at 11 o'clock then we might proceed for the first five or ten minutes with the answers filed to questions which have been asked previously. If those which are not ready to-morrow morning are ready for our afternoon meeting at 4 o'clock when we open our meeting we might also take ten or fifteen minutes to take care of those questions.

Mr. FULTON: All I wanted to do was to more or less protect the situation so that anything which is not answered will not fall by the wayside.

The VICE-CHAIRMAN: Is it carried that we sit to-morrow from 11 to 1 and from 4 to 6?

Carried.

This afternoon we shall devote the balance of our time to the questioning of Mr. Dunton and Dr. Frigon on their original briefs. If I might start the questioning I should like Mr. Dunton and Dr. Frigon to comment on the part of their brief with reference to a second French network.

The WITNESS: Perhaps I might say something first from the board's policy point of view, then Dr. Frigon can add to it. We studied that question after the recommendation in the committee's report of last year, and we found that it would cost a considerable amount of money, as we thought, to organize and operate such a network. I think it is difficult to say exactly how much. I do not think the board has any definite figures as to what it would cost because it depends a good deal on how the network is organized, how much time it operates, what the key station is, how the key station is programmed, how many sustaining programmes are put on it, how complete the network is. In any case it would cost a considerable sum of money, and the board felt from the reports it had it was certainly above the corporation's financial means at the present time. Perhaps Dr. Frigon could amplify that from the operating side.

Dr. FRIGON: All I can add is that a second network in Quebec would, of course, require two sets of stations, one set for the present network and one for the second network. In Montreal and Quebec there might be enough stations to do that, but in other parts of the province of Quebec there is a question as to whether we could find stations available to form a network. Then, of course, as our chairman has said, there is the cost of sustaining the network, that is, providing programmes which are not sponsored. In Montreal, there might be two stations available. One is very active. It is affiliated with an American network. The other one still would have to be built up to attract sponsors. So the problem is not only one of setting up a network and providing lines but of getting stations lined up and providing sustaining programmes. We do not see our way clear yet to do that. Possibly at a later date some solution will become apparent, but just now we do not see how we can do it within a reasonable expenditure.

The VICE-CHAIRMAN: Dr. Frigon, is the project of a second French network included in your expansion programme as described to us at the last session?

Dr. FRIGON: No, the expansion programme as it stands now is a plan to allow us to reach listeners almost anywhere in Canada through those stations that are a part of the Trans-Canada network. After the present plan is implemented there will remain a smaller expansion in the maritimes possibly. When it is completed we will have across the country a national network coast to coast of our own stations which will permit us to reach every listener, or, almost every listener, and also a parallel network in Quebec that will reach every French language Canadian in Quebec. As to the matter of networks, both English and French, that is what the present scheme provides for, nothing more.

The VICE-CHAIRMAN: If I remember correctly that scheme would cost an additional amount of about $10,000,000?

Dr. FRIGON: No, not quite that. The $10,000,000 we mentioned last year would include studios and other expansion, but at the present time our present immediate estimate for immediate projects is a little over $2,000,000. That is to build four stations, provide for additional repeater stations, and promote somehow FM. The total cost of providing complete coverage across the country, both French and English speaking would come to—I do not quite recall the figures—somewhere about $5,000,000. The rest of the estimate submitted last year was to provide for studios in Montreal and Toronto.

Mr. ROBINSON: I may be re-hashing something you have covered fully before and which I did not understand, but I was wondering about the degradation of the station at Chicoutimi which occupies one of the class 1-A channels. How does that tie in with the possibility of a second French network in the future? Would it be possible to keep that as a 1-A channel in case you ever needed a second French network?

Dr. FRIGON: It would not help very much in that region because of the characteristics of the terrain and the class of the frequency. The increase in radio homes reached by a 50 kilowatt station as compared to 10 kilowatts would not be very great. Of course, if we had all the money we might wish for we would build a 50 kilowatt station on 1580, but as I said before it is a matter of how we should spend our money to get the best results. We think that keeping the station as a class B, which would permit us later on to go to 50 kilowatts, is sufficient for present needs and for the needs we can see in the future. Do not forget even if we only build a 10 kilowatt now we will be permitted later on to increase the power to 50 kilowatts. We can hardly imagine we would want to put one of 50 kilowatts on 1580 in the Lake St. John district.

Mr. ROBINSON: That frequency does not necessarily have to be used in the Chicoutimi district. It can be used in other districts in Quebec?

Dr. FRIGON: It could be used in Quebec city and some points around there.

Mr. ROBINSON: Could it feasibly be retained as a 1-A channel in another district?

Dr. FRIGON: No, it has to be used in that region, not exactly at Chicoutimi, but in the region.

Mr. ROBINSON: Let me understand you. Is that by international agreement?

Dr. FRIGON: Yes.

Mr. ROBINSON: It must be used in the Chicoutimi region only?

Dr. FRIGON: That is right because at the present time there may be a station in the United States which is being built. Keep in mind that station may go to 50 kilowatts, and they have got to build to protect the coverage for a station located in the region of Quebec city and Lake St. John.

Mr. ROBINSON: Does the same consideration apply to that 860 wavelength CFRB had? Does it have to be used in the Toronto district?

Dr. FRIGON: In that region, yes. It is allocated to Toronto. It could be moved a number of miles according to the pattern of stations in the United States when the move is made, but the American broadcasters must know where the station might be built with its maximum power so they can plan their own stations in order to protect that station when it goes to 50 kilowatts.

Mr. ROBINSON: That is one point on which I should like to clear. It runs in my memory that the evidence given to this committee last year by the engineer for CFRB was to the effect that frequency could be used anywhere in the province of Ontario under the Havana Agreement?

Dr. FRIGON: Well, in Ontario; I do not know at what distance from Toronto. It may be it could be used in Ontario somewhere. Whether it could be used at Port Arthur and also at Kingston I do not know, but there is a certain margin of distance that you can figure on. It is listed as a station to be used in the region of Toronto. Whether that means it could be used in Cornwall or in Sarnia I do not know.

Mr. ROBINSON: It does not say so in the Havana Agreement, does it?

Dr. FRIGON: It locates the station, yes.

Mr. FULTON: Would you have to submit it to the Havana conference?

Dr. FRIGON: Yes. It is within the province only.

Mr. ROBINSON: The evidence was to the effect it was a frequency allotted to the province of Ontario. Am I right or not right in assuming from that that frequency could be used anywhere within the province whether you put it on James Bay, at Windsor or Kingston, anywhere we want to?

Dr. FRIGON: You can put it at James bay, you can put it at Windsor, probably you can put it in Kingston. That is probably a question on which the Department of Transport could give you better information than I could. Could we use 860 at Sault Ste. Marie?

Mr. CTON: Yes.

Mr. Ross *(St. Paul's):* Has station CFRB applied for the use of one of the alternative frequencies which were offered to them?

Mr. CATON: They have applied for 1010.

Dr. FRIGON: In other words, the Department of Transport have before them for consideration a brief which indicates that CFRB proposes to use 1010. I understand that brief is being studied from a technical point of view, and if it is within the Havana Agreement I suppose the department will adopt it.

Mr. Ross *(St. Paul's):* But is the department using 1010?

Dr. FRIGON: We are, five kilowatts. It is supposed to use 10 kilowatts.

Mr. Ross *(St. Paul's):* They would use it on 10 kilowatts?

Dr. FRIGON: That is right.

Mr. Ross *(St. Paul's):* You could bring this Chicoutimi station up to 50 kilowatts, could you?

Dr. FRIGON: I suppose so.

Mr. Ross *(St. Paul's):* You consider Chicoutimi the best place for it?

Dr. FRIGON: Yes. In Chicoutimi there are not a great number of stations which are heard frequently and that frequency at that point seems to be the best choice. The original intention was to put it at Abitibi where it would have operated very nicely.

The VICE-CHAIRMAN: Would you look into this, Dr. Frigon; whether it is possible to use this 1-A channel elsewhere in the province of Quebec? What I have in mind is that it may be possible to use it in connection with an establishment of a second key station, as the originating point for a second French

network which you intend to set up providing that we recommend the necessary funds be made available to the corporation for that purpose.

Dr. FRIGON: I think a second network could be provided without having to use the Chicoutimi station, and more efficiently. I do not see where we could use Chicoutimi to provide a second network. It would do the job at Chicoutimi if we ever feel like it. We can raise it to 50 kilowatts which will give adequate coverage in the lower St. Lawrence district which has to be covered now. A 50-kilowatt station would do just as good a job there as anywhere else. I have never envisaged any other solution. Maybe we could, but we have never envisaged a time when we could have a second French network with a 50-kilowatt key station.

The VICE-CHAIRMAN: In other words, the second French network could be established immediately if the necessary funds were made available to the corporation?

Dr. FRIGON: Decidedly. It is definitely possible, there is no question about that.

The VICE-CHAIRMAN: It is a matter of time?

Dr. FRIGON: It is a matter of time.

The WITNESS: I would like to add that if we did have an extension of that network it might depend upon the possibility of making arrangements with private stations. We do not know whether that is possible or not.

Dr. FRIGON: If we had unlimited funds at our disposal we could build as many stations as we needed, but it is beyond our financial capacity as we see it at the present time.

The VICE-CHAIRMAN: Supposing you had representations for a new station on that network at, let us say, Moncton, New Brunswick; or Winnipeg, or Sudbury, Ontario, to the effect that they would like to avail themselves of the French network and offer to pay the extra cost do you think a feasible arrangement could be worked out?

Dr. FRIGON: I can see the possibility of extending the network from Campbellton to Moncton. That is not such a great distance.

The VICE-CHAIRMAN: That would be easy.

Dr. FRIGON: Relatively, yes; but when it comes to taking in stations in the northern part of Ontario, the cost would be so great that I doubt very much whether a private would offer to pay for such a service. You have a long haul there and it costs a lot of money.

The VICE-CHAIRMAN: But if it were to carry your CBS programmes from Quebec to, say, a station in Sudbury, where would that station be hooked up?

Dr. FRIGON: I suppose either to Hull or to Rouyn. I do not know which would be the shorter route. The route does not matter so much, it depends rather on the wire line facilities. It might be cheaper to feed Sudbury from one point or the other, it would depend on the cost, the matter of distance and the facilities available.

Mr. FULTON: I would like to go back to a question we discussed this morning, the matter of making discs. Do I understand that if you are willing to offer the musicians a guarantee that you would only use recordings once and that they would go only to the same number of stations as would be served by the trans-Canada network that they would insist upon a higher rate for the making of records for that purpose than they would if they were broadcasting live from the studio.

The WITNESS: As I understand it, the rate applies to the making of any transcription, it does not matter what it is to be used for; that rate is much higher than for live broadcasts.

Mr. FULTON: Would they lower that figure if you were to give them such a guarantee as I suggest?

The WITNESS: I do not think so.

Dr. FRIGON: May I speak to that, Mr. Chairman? Some months ago we met the Musicians' Union and after a discussion which continued for a matter of two days, and after they had made concessions and after we had made concessions, we did reach an agreement with respect to the use of recordings for broadcasts of programmes originating in the east and to be given again in the west at a later time; that is, where the time factor was an important element they did concede the right to use recordings for the purpose of broadcasting the eastern programme on the western section of the network. But as to the other matters to which you refer, I am afraid that that is out of the question.

Mr. FULTON: I raised that as an alternative to reduce the wire line cost. Would not the use of recordings reduce your wire line cost?

Dr. FRIGON: No.

Mr. FULTON: Well then, what is the possibility of importing discs from the United States?

Dr. FRIGON: Well, we discussed that matter. On these imported records we have to pay a royalty. I might tell the committee that at the present time the Musicians' Union is distributing money to its different branches. The Montreal union, I understand, has received something like $14,000 of the royalties paid as their allotment of the amount the union received by way of royalties on recordings made in the United States. I understand that money is spent in Montreal and is usually distributed to charitable organizations.

By Mr. Fulton:

Q. You claim that even the use of recordings would not relieve you from the necessity of having wire lines on a 15-hour day basis, whether it applies to the trans-Canada network or to the dominion network. I understood from the remarks made incidentally by Mr. Dunton during the course of his evidence that your dominion network is not so well filled as is the trans-Canada network? A. No, it is not operating nearly as much, mainly in the evening hours.

Q. Would not the use of recordings effect material economies in the operation of the dominion network, more so than would be the case if they were used on the trans-Canada network?—A. I do not think so. You must remember that most of the network programmes are those which are not avaible from discs, and that is the case whether the programmes are commercial or non-commercial; and the same thing applies to programmes originating in the States, both commercial and non-commercial. Those programmes which we use on the dominion network are, as you know, largely commercial.

Q. Would it help you to reduce costs if you could make recordings at the same price as you now pay for live talent and have those recordings sent around to stations on the dominion network?—A. I would doubt it very much. I do not think it would. The use of live talent is a pretty big feature in broadcasting, and even if we could use recordings I do not think it would be any cheaper.

Dr. FRIGON: I would like to add there that even if we could secure the recordings cheaper it would be very poor broadcasting practice.

Mr. FULTON: Why is that?

Dr. FRIGON: Because of the necessity of putting your programme on at a certain time, and also there is the factor of publicity, where you advertise that you are going to put on a certain programme at a certain time and you have to have the facilities available for doing that. Then, in addition to that, there is the fact that the cheaper disc is not nearly as good as the permanent disc, the processed disc recording. There are certain factors there which really call for network operation and the use of wire lines between stations to give efficient —and good quality broadcasts.

The WITNESS: I believe, Mr. Fulton, in the United States where it is only the commercial element which comes into broadcasting, and where networks there are huge organizations, and if it were cheaper for them to operate by means of wax instead of wire lines I believe it would have been done.

By Mr. Fulton:

Q. I understand that many of their broadcasts are recorded prior to the time of broadcast.—A. If they have them recorded it costs them much more than if they used live talent on the network.

Q. Supposing you wanted to build up a backlog of available programmes; supposing you wanted to have them recorded in advance and have them available to use later on, and assuming that you would obtain the same results as by broadcasting live talent from a station, what would be the position then? A. We would have to pay a very large amount to be able to work in a collection of transcriptions, an amount that is just out of the question.

Q. Much larger than you are now paying?—A. Yes, much larger.

Q. Do you know what their objection to doing that is; of course, you would have to give them a guarantee that the recordings would only be used once, and at a definite time for broadcasting.—A. There is somebody else coming here who I think could answer that better than I could. I understand they take the view that once it has been recorded it would be used all over the place.

Dr. FRIGON: There is one other reason. The musicians are afraid the programmes would originate at one point. If you can build all your programmes in Toronto or Montreal and ship them out to Vancouver, or Winnipeg, or Halifax, the musicians at those points would not be engaged. They want the money to be spent at different points. I would like to add this. I am not saying that there should not be anything of that sort and I am one of those who hope that more recordings will be used in future than are used now. I would think it would be possible to do that and have programmes on records, whether it is wax or wire, and put them on the network at the proper time, but I still believe in the C.B.C.

Mr. FULTON: So do I, Dr. Frigon, but I would imagine it would be advantageous to build those programmes. You have broadcast the Vancouver Symphony which originates in Vancouver and I believe you are going to broadcast the Winnipeg Symphony Orchestra. Dr. Frigon I was not suggesting that you broadcast from Toronto or use only the C.B.C. orchestra, but I suggest that it would be possible for the Vancouver Symphony to give you a backlog of records you could use at a certain time.

Dr. FRIGON: That is what the musicians are afraid of. You will have five programmes repeated twice instead of having ten programmes which will be giving only half of the money to the musicians.

Mr. FULTON: It would not cause that.

Dr. FRIGON: The C.B.C. would not do it, but some might.

Mr. ROSS (*St. Paul's*): You have a large library now, Doctor.

Dr. FRIGON: Yes.

Mr. ROSS (*St. Paul's*): What is the value of your library, have you any idea?

Mr. GAUTHIER: How many discs have you?

Dr. FRIGON: We may not have as many as the combination of private stations because we have more live programmes. Just as a guess our library must be worth around $200,000 at the present, more or less. It may be much more or it may be a little less.

By Mr. Fulton:

Q. I think Mr. Dunton said it was impossible for you to obtain the use of any of the Crosby recorded programme records.—A. No, we have carried the Crosby show all this season through an American network, fed us on the lines from an American network. The Crosby show, since the sponsor has paid for the rights, can be distributed out to the individual stations in the States as well as being carried from wax over the network. Some of the records were also distributed to stations. I think that the sponsor must have paid a good deal for the rights to transcribe.

Q. I would like to ask this, and if you can find any figures on it and satisfy me by to-morrow I would be glad. I am just going back to the fact that your wire line charges are just under $1,000,000 as reported in Dr. Frigon's brief, and it seems to me it is amazing there should not be some use found of records to reduce that expense.

Dr. FRIGON: Under present conditions we cannot see a thing along the lines you suggest.

Mr. FULTON: One other question with regard to expenses. In Dr. Frigon's brief, on page 7, there is given a list of personnel. The report shows there are twenty-eight persons, and can you tell us, Doctor, what the duties of those persons are with the C.B.C. as a whole.

Dr. FRIGON: Well first of all they supervise printing of different folders and publicity material which we distribute. They look after the distributing of maps and photographs to newspapers; they look after the advertising in magazines, especially with one magazine with which we have an exchange. The magazine buys time on our station and we buy space in the magazine. It is supposed to balance over a twelve month period. They look after a small item concerning the subscriptions to two magazines for our different offices. That comprises about the bulk of their duties and, of course, they send press releases all over Canada.

Mr. FULTON: Is publicizing the C.B.C. itself, I do not mean giving the programme releases showing what is to be broadcast from time to time, but actual publicizing of the C.B.C., a fairly major part of their work?

Dr. FRIGON: I would say, generally speaking, that we do very little publicizing of the C.B.C. itself. We publicize our programmes but we have had little publicizing of the C.B.C. except last fall during the anniversary, when we published a little booklet which was distributed.

Mr. FULTON: Would the advertising of the programmes of CJBC be looked after by one of those people, one of the twenty-eight?

Dr. FRIGON: No, that is looked after specifically by the manager of the station as a specific promotion campaign. It is not part of the P. & I. work, except the P. & I. supervisor is supposed to supervise the handling, the actual booking, following instructions of the manager. For instance, if you buy space in Toronto, it may be best done through a request to the manager of the P. & I. division.

Mr. FULTON: In other words how much was it you said you spent on CJBC?

Dr. FRIGON: $22,000.

Mr. FULTON: And none of that is included in this publicity and information item of $193,000 on page 2 of your brief?

Dr. FRIGON: No, that is a special vote of money; it is not in the regular budget of the P. & I. It is money which has been appropriated from the reserve for this publicity campaign and I hope during the year we will recuperate that amount through increased revenue on C.B.C.

Mr. FULTON: Have you considered getting out a magazine yourself rather along the lines of "The Listener" in Great Britain, as an economic measure, so that it would be less expensive than it is at present, to give your programmes publicity?

Dr. FRIGON: We have frequently considered it, but we have always been stopped by the cost of launching the thing and getting it under way, and there are other reasons of policy. We think we should have some sort of a paper of our own, but there has been objection to that. I think I can say the main reason we have nothing now is the matter of financing.

Mr. FULTON: Your experts consider it would cost more to do it that way than the way it is done at present?

The WITNESS: No, it would take a good deal of capital to start going. Before the war we did approach a firm in Quebec for that purpose. We asked them to quote us a price and if I am correct the price was $35,000 during the first three years to promote the magazine, and after that they would be on their own and would supply some material. They might pay us a royalty on their profits. Even at that we were to supply a good deal of the editorial material and it would have been a co-operative affair between the publisher and the publication which would be known as a C.B.C. publication.

Mr. FULTON: When you send out press releases, Doctor, do you look after them entirely, or do you do it through one of the existing government agencies, for instance the National Film Board?

Dr. FRIGON: We do it entirely ourselves. We have our own mailing lists of papers and magazines and we know where they are to be sent.

Mr. FULTON: And you know the Department of National Health and Welfare, as well as the National Film Board, do a good deal of sending out of press releases themselves?

Dr. FRIGON: In our case it is all done in our own organization.

The WITNESS: We are a separate body, a separate organization, Mr. Fulton.

Mr. FULTON: I understand that but I am trying to get at whether there has been any study of the thing made, to decide whether it could be done less expensively by co-ordinating the process through one agency?

The WITNESS: We are not part of the government, and that would be a government job.

Dr. FRIGON: We do not consider the amount spent is very large considering the amount of business.

The WITNESS: Mr. Fulton, even apart from the question of government, we are definitely in the radio business and channels to radio editors, and people making out programme schedules. Actually, the great bulk of work in press information is making up, and keeping in contact with, the very complicated schedules which we have. It is a matter of keeping everything straight and sending out material to newspapers and people interested, and then, of course, the company's short notes have to be printed in newspapers. It has to be done clearly as a part of radio operation and I do not think anything could be gained by mixing with another organization.

Dr. FRIGON: For instance this programme is sent to numerous agencies and newspapers and to a rather large mailing list. It gives all the details of programmes, of all our stations on the network, and so on. I think there are about 1,500 programmes listed here in this one week.

Mr. FULTON: Do you have to pay newspapers for insertions or do they carry them as news items?

Dr. FRIGON: We do not pay anything to newspapers except in the campaign for CJBC we bought space in the Toronto papers.

Mr. FULTON: This $193,000 has not got anything in it paid to newspapers, it is just for advertising material which you have bought for your own releases.

Dr. FRIGON: No, I do not think we have bought anything. We carry however, a number of pages with magazines, so many times a year, four or five times. That does not amount to any big money, it is just to keep our name in the trade paper.

Mr. FULTON: That is for advertising?

Dr. FRIGON: Yes.

The WITNESS: Those amounts would be included?

Dr. FRIGON: The amounts involved are small.

Mr. FULTON: I realize that, but it seems to me if this $193,000 does not include any figures for paid advertising, you must send out a mass of material to cost $193,000.

Dr. FRIGON: We do send out a mass of material. We send these things here to the newspapers.

The WITNESS: In the first place the figure does include advertising.

The VICE-CHAIRMAN: Dr. Frigon, when you refer to these charts would you please, for the purpose of the record, give the title of those charts or qualify them in some way?

Dr. FRIGON: The big chart which I showed first is the national programme order. I will file a copy of it. This is the programme schedule for CJBC, a list of the programmes scheduled on that station. This is also a schedule for CBL. We have the same thing for all our stations.

Mr. FULTON: I should like to leave this thought with you, Dr. Frigon; I was rather reluctant to press the idea of getting out your own magazine because I imagined that this item of $193,000 included a large amount of paid advertising. I assumed you would pay the newspapers for inserting these programme schedules. Therefore, I thought if we were to say you should put out your own magazine it would be asking you to go into competition with the daily press, but from what you say there is a relatively small portion of this item for paid advertising. It could be assumed that if you did put out your own magazine you would not be taking your advertising away from the press. I am wondering if you could not run a very substantial magazine for $193,000.

The WITNESS: Your suggestion is very interesting, Mr. Fulton, but I think we would still have to do a good deal of this. I think we would have to give a good deal of schedule programme service to the newspapers.

By Mr. Fulton:

Q. It would not take very much to give a copy of the magazine to all the newspapers?—A. It amounts to a good deal because we have to work in five regions and in two languages. When you start putting out printed schedules and putting out releases, the work mounts up very quickly. I think you could reduce some of it if you had a magazine, but I think we would be wise to keep a good deal of that activity still going.

Dr. FRIGON: I think I can give you a break-down of this cost which will answer your question. The $193,000 is broken down as follows: printing and stationery, $68,000; salaries and superannuation, $60,900; postage and excise, $12,700; photographic and blueprints, $12,800; advertising, $29,000. There is a contra-account in there of $19,000 for *Radio World* and *Radio Monde*, so the total amount spent on advertising is $10,000. Telephone and telegraphs amounted to $4,200; papers, periodicals and magazines amounted to $2,100 and miscellaneous, $2,900: That is a break-down of the $193,000. As you see, there is only $10,000 worth of advertising proper.

Mr. FULTON: The bulk of your costs in that item is materials and salaries?

Dr. FRIGON: That is right.

Mr. FULTON: It rather leads me to think you might operate your own magazine for as little or perhaps less than it now costs you to send out this material.

Dr. FRIGON: Do not forget that salaries and superannuation, $68,000, is a continuing cost. It is the preparing of the material which costs money. You have to write so many hundreds of pages per week. Somebody has to write them and somebody has to type them.

Mr. FULTON: I think the B.B.C. sells its magazine by subscription to anyone who cares to subscribe. I imagine there is a free mailing list as well, but you would probably get some revenue from a magazine.

Dr. FRIGON: That is an idea; we may do that some day.

The WITNESS: It would be much more difficult to do that in Canada than it is in Britain. In Britain, the programme schedule is covered by one time zone, whereas our programme schedules cover many time zones. It would be difficult, under those circumstances to get out a large publication such as they have in Britain because of the differences in time. It might be done. You might have an arrangement to insert the schedule pages in different places. I think your idea is interesting and I think we could save some of this money if we had a publication.

Dr. FRIGON: There is one thing which I should like to explain. In Great Britain they have the one language, their own newspapers and their own magazines and they compete with no one else. In Canada, we have to have at least half a million circulation and we have to compete with the American magazines and Canadian magazines which have a very large circulation. Whether we can sell, by subscription, enough copies of our magazine in competition with these other publictions is a matter to consider. It would have to be cheap and therefore would have to have a large circulation. It would have to be attractive enough to attract subscribers. It would have to compete with other publications at the disposal of the public at the newsstands. It is a big problem, no matter how you look at it. It requires money for two, three, four or five years at the start.

The VICE-CHAIRMAN: Even if you had a magazine as suggested by Mr. Fulton, you would still have to publish these programme schedules in the newspapers?

Dr. FRIGON: Yes.

Mr. FULTON: Apparently the C.B.C. does not pay for the newspapers to publish this material. The newspapers could just list it from the magazine instead of getting this mass of material in this manner.

The VICE-CHAIRMAN: This is a service to the public and to the community which these newspapers serve to have the programme schedule of the radio station in the locality.

Mr. FULTON: My point is that, instead of getting it by means of a separate press release from the C.B.C. the newspapers could get it from the magazine. You would not have to have your magazine and the press releases, your magazine alone would serve the purpose.

Dr. FRIGON: There is another item to consider if you want to sell your magazine. It does not matter whether it is published by the C.B.C. or by some private firm, you have to include the programmes of all the stations. I do not think any people in Winnipeg, for instance, would be encouraged to buy a paper which only carried the programmes of our stations. The magazine would have to cover all the stations and that increases the cost. You have to have a list of the stations. It is quite a problem and if you study the problem you will find it is quite different in Canada to what it is in Great Britain.

Mr. FULTON: I take it from what you state that you have studied it thoroughly.

Dr. FRIGON: We have. We have prepared estimates and so on and we are still worried as to what to do.

Mr. KNIGHT: Might I interject in view of the lateness of the hour, it is unfortunate, in view of Mr. Fulton's previous questions, that Mr. Murdock was not here to-day. Is it the intention of the committee to have Mr. Murdock here next Thursday?

The VICE-CHAIRMAN: This is a question I was going to put to the committee at the end of the meeting. Are we through with the questioning of Dr. Frigon and Mr. Dunton?

Mr. ROSS (*St. Paul's*): I do not think I have time to ask the questions I have in mind. I was interested in obtaining a break down of the costs as between the two networks. How much more does it cost you to run the second network over the first network? First of all, it is dual coverage, is it not?

Dr. FRIGON: That is the same type of question as we had this morning concerning how much we spent in each region. It is impossible to allocate the cost to various districts because there is so much in common. If we only have the Trans-Canada network the cost of a line is so much. If we add to that the line for the Dominion network, the cost is less than if we had no other network in addition to the Trans-Canada. We simply increase the quantity of line service and therefore the rate is lower. The same is true of programmes. Our headquarters in Toronto look after all programmes. How can you say so much of the cost is attributable to Trans-Canada and so much to the Dominion? It is next to impossible.

Mr. ROSS (*St. Paul's*): You do not know how much more it cost to put in the second network? It cost you how much over and above the first network? Would it cost one-third more?

Dr. FRIGON: It does not cost a third more, but it costs a good deal of money.

Mr. ROSS (*St. Paul's*): You would have to have two wires?

Dr. FRIGON: We really buy a service from the line company. We have the use either of wires or multiplex transmission or the use of a route. We do not know. They carry our programme from point to point. We pay for that at a certain rate. The technical means which they use to do it is their own portion of the problem.

Mr. ROSS (*St. Paul's*): In other words, your overhead is very little more for the two networks than it would be if you had just one?

Dr. FRIGON: At this moment it is not in proportion to the amount of work we do. I mean, by adding the Dominion network, all our supervisors and officials and engineering division personnel are there to handle the Trans-Canada network business. We add to the P. & I. personnel certain lower paid employees to take the extra burden.

Mr. ROSS (*St. Paul's*): To put it another way, let us suppose you only carry one network and give the private broadcasters the opportunity to do that job for you. Would the saving be large?

Dr. FRIGON: Not very large, no. We would save money, but not a very large amount in dollars and cents. There would be a good many programmes we could not carry because we would not have the facilities, sustaining programmes and service programmes.

The VICE CHAIRMAN: Gentlemen, we had called Mr. Murdoch to appear before the committee this afternoon. In talking to the clerk of the committee earlier in the week he had indicated he would be prepared to be here this afternoon at 4 o'clock. However, we received a telegram this morning from Mr. Murdoch which reads:—

Please express my regrets to chairman of committee for my inability to appear before committee to-morrow, June 26. Because of short notice I find it impossible to cancel engagements already made. However, I will be happy to appear before the committee a week from to-morrow if this will serve the committee's convenience.

That is signed "W. M. Murdoch."

It has been suggested that the steering committee meet early next week in order to discuss the procedure to be followed, but we might decide now if it is the wish of the committee that we sit next Thursday from 11 to 1 and from 4 to 6, and that we reserve some time, say from 4 to 6, to hear Mr. Murdoch. If you remember, the appearance of Mr. Murdoch was asked for by Mr. Coldwell. Is it the wish of the committee that we ask Mr. Murdoch to appear next Thursday afternoon at 4 o'clock?

Carried.

Mr. GAUTHIER: Do we sit to-morrow?

The VICE-CHAIRMAN: Yes, it was decided this morning that we would sit to-morrow from 11 to 1 and from 4 to 6 when we are to hear Mr. Dunton and Dr. Frigon in their rebuttal to the C.A.B. and C.D.N.A. briefs. Now, gentlemen, there are a number of statements which have been filed with the committee. The first is a statement on the administrative control of radio, tabled by Mr. Browne. (*Copies are ready for distribution.*)

Appendix A—Administrative control of radio.

Then there is a statement on the financial operations of broadcasting stations, based on reports from 85 stations (1946). (*Copies of this statement have been forwarded to members of the committee.*)

There is also a submission by Mr. H. G. Hunt of 3254 West 10th street, Vancouver, B.C. Appendix B. Correspondence relating to the application of Mr. F. Ryan. (*Copies of which have already been sent to the members of the committee.*)

Correspondence *re* the transfer of a licence for CHAB from CHAB Limited to Radio Station CHAB Limited. (*Copies have been forwarded to members.*)

Certified copies of a resolution passed at the recent convention of the C.A.B. held from June 9 to June 12, 1947. (*Copies of these resolutions are ready for distribution.*)

We have received some correspondence from Mr. William W. Lindley, of Semans, Saskatchewan, criticizing the C.B.C. and private stations. In accordance with established procedure we will simply file that letter.

And now, gentlemen, I received at the opening of to-day's sitting a letter from Mr. Duncan K. MacTavish, K.C., with reference to a return which was filed earlier with the committee by either the Department of Transport or the C.B.C. He wishes to make a correction with reference to station CKCO, Ottawa. His letter reads as follows:—

GOWLING, MacTAVISH, WATT, OSBORNE & HENDERSON

OTTAWA CANADA, June 26, 1947.

RALPH MAYBANK, Esq., M.P.,
Chairman of the Radio Committee,
House of Commons,
Ottawa.

DEAR MR. MAYBANK,—It has come to my attention that among the returns filed with the radio committee with respect to applications for new broadcasting licences from January, 1946 to 1947, are the following:—

CKCO, Ottawa, date 12/9/46. Nature of application: transfer of licence to company to be formed. Denied. Reason: Company

would be controlled by Southam group who already control CFAC and CJCA. This would be multiple ownership.

CKCO, Ottawa, date 6/1/47. Nature of application: transfer of licence from Dr. Geldert to company to be formed. Approved. Reason: The proposed company will be headed by Duncan K. MacTavish who will be president of the company. Board has no objections provided that the preferred and common shares held by Southam interests do not at any time in the future exceed ⅓ preferred and ⅓ common shares as listed in the application.

The reference to "Southam group" in the first item and to "Southam interests" in the second item is capable of a misunderstanding which has already and may in the future cause embarrassment to the Southam Company. For that reason, I now request that these statements be corrected to reflect the real facts.

As I acted as counsel with respect to both applications, I believe that I am in a position to explain the proper significance of the reference to the "Southam interests". In the first case, the application was made on behalf of a company to be formed, which would have been controlled, not by the Southam Company Limited, which holds the licences for CFAC and CJCA, but merely by certain persons resident in the city of Ottawa, and bearing the name of Southam but who specifically do not control the Southam Company Limited. This application was made without any reference whatsoever to the Southam Company and that company had, I believe, no knowledge of it and certainly no interest whatever in it.

With respect to the second application, this also was made on behalf of a company to be formed in which, generally speaking, the same persons named Southam were concerned, but to a much smaller extent than in connection with the first application.

I think it only proper in the interests of maintaining an accurate record that this correction should be noted.

Yours faithfully,

DUNCAN K. MacTAVISH,

Now, gentlemen, we will adjourn until 11 o'cock to-morrow. We will sit to-morrow at 11 o'clock and at 4 o'clock in the afternoon.

The committee adjourned at 6.10 p.m. to meet again to-morrow, Friday, June 27, 1947, at 11.00 a.m.

APPENDIX A

CANADA

DEPARTMENT OF TRANSPORT

OTTAWA

(Radio Division)

ADMINISTRATIVE CONTROL OF RADIO (INCLUDING BROADCASTING) FROM THE STANDPOINT OF THE LICENSING AUTHORITY

The following comments will attempt to make clear the position with respect to the above, especially as regards the technical control of radio in Canada.

In the first place, the brief submitted by the Canadian Association of Broadcasters seems to assume the terms Radio and Broadcasting are synonymous and makes indiscriminate use of these two terms. It fails to appreciate that broadcasting is only one small application of the radio art. As a matter of fact, the sum total of the frequency bands devoted to broadcasting, work out at about 8 per cent of the whole frequency spectrum. One finds it extremely difficult to understand, therefore, why the C.A.B. submits a proposal to place the administration of radio, as a whole in Canada, (which would include the administration of all other radio services, making up the other 92 per cent of the spectrum), under the control of an independent body, having judiciary powers. It should be pointed out here that not a word of criticism of the administration of the many other spheres of radio has been voiced from any quarter.

Fundamentally the regulation and control of radio is not purely a domestic matter, it is governed primarily by the International Telecommunications Convention (Madrid, 1932), to which Canada is a party, and the General Radiocommunication Regulations (Cairo, 1938), annexed thereto. There are, in addition, several regional agreements or treaties affecting the various phases of the radio art, but all of these in turn must be subject to and within the frame work of the aforesaid Convention and Regulations. Among these are the following:—

Inter American Telecommunications Convention, Rio de Janeiro, 1945;

North American Regional Broadcasting Agreement, Havana, 1937;

Interim Agreement (*Modus Vivendi*) to extend the North American Regional Broadcasting Agreement of Havana, 1937 (Washington, 1946).

Furthermore, there are certain other conventions to which Canada subscribes, of which radio forms a part, also in accordance with the terms of the International Telecommunications Convention.

The following are cited as examples of the latter:—

The Safety of Life at Sea Convention, London 1929;

The International Civil Aviation Convention, Chicago, 1944;

The International Meteorological Convention.

The enforcement of all the foregoing, insofar as Canada is concerned, is a direct responsibility of the Department of Transport.

The general administration of Radio in Canada, under the provisions of The Radio Act, 1938, is, by virtue of P.C. 8207 of October 24, 1944, vested in the Minister of Reconstruction and Supply who exercises his authority through the Deputy Minister of Transport and the Radio Division of that Department.

The functions of the Minister in respect to Radio have already been covered in evidence before the Radio Broadcasting Committee in 1946 and may be found on pages 139 and 140 of No. 5 of the Minutes of Proceedings and Evidence for that year.

The Radio Act, 1938, provides for the licensing, supervision and control of all the various services of Radiocommunications, including:—

1. Radiocommunications between fixed stations, including radiotelegraph, radiatelephone and radiotelephoto.
2. Radio Aids to Maritime and Aerial Navigation, including radio direction finding, radio beacons, radio range, blind landing devices, Loran and Radar.
3. Mobile radio services including ship-to-shore, aircraft-to-ground and land vehicle-to-fixed station radiocommunications.
4. Broadcasting, which includes standard band and short wave broadcasting, frequency modulation broadcasting, television and facsimile broadcasting.
5. Forestry Radio services, fixed and portable.
6. Police radio services, fixed and mobile.
7. Amateurs.

Under sub-paragraph (*c*) of Section 4 (1) of the Act, quoted in previous evidence, licences for the following classes of stations have been established, one of which is a Private Commercial Broadcasting Station licence:—

Limited Coast Station
Public Commercial Station
Private Commercial Station
Municipal Police Private Commercial Station
Experimental Station
Amateur Experimental Station
Private Receiving Station
Special Private Receiving Station
Private Receiving Station employing a crystal receiver
Technical or Training School Station
Aircraft Station
Commercial Receiving Station
Special Commercial Receiving Station
Eleemosynary or Educational Receiving Station
Private Commercial Broadcasting Station

In the operation of broadcasting stations, there are ancillary services such as studio-to-transmitter radio links and remote pick-up facilities which share bands in the frequency spectrum with radiocommunication services other than broadcasting, where a division of technical control would lead to confusion.

Because of the congestion in high frequency assignments for broadcasting, many nations have stations established in portions of the radio frequency spectrum assigned for fixed services and such stations carry on in a dual capacity—as broadcasting stations during certain hours and as fixed radio-communication stations at other times. The unity of the technical control of all radio services under one organization facilitates international co-operation with regard to such stations.

It is important to note that there is only one regulatory body which deals with the administration of radio internationally in all other countries belonging to the Telecommunications Union and for the reasons just stated the placing of the technical control of broadcasting under a second administrative body in Canada would obviously lead to confusion in international negotiations because of the obvious overlap in jurisdiction.

The functions of the Department of Transport in regard to radio are, moreover, far more than administrative in scope, because of the obligations of the Department (under the terms of the various documents referred to above). In fulfilment of the many requirements for the provision of radio aids to navigation services, both aeronautical and marine, the Department maintains and operates a number of radio stations, involving the employment of some eight hundred radio operators, as well as other technical and clerical personnel. These aids also include meteorological services in connection with which there are many radio circuits established.

In the performance of its duties under The Radio Act, the Radio Division of the Department of Transport maintains 22 District Inspectors' offices and 5 Monitoring Stations.

The District Inspectors carry out periodic inspections of all classes of radio stations, examine candidates for all classes of certificates of proficiency in Radio, supervise the issuance of receiving set licences in their district, investigate complaints from the public of poor reception conditions and interference from the operation of electrical machinery and power lines and operate specially equipped cars for tracing and locating this interference, interview the management of utilities concerned and arrange for the correction of such interference, developing suppression devices where necessary. (These duties fall under Section 23 of the Canadian Broadcasting Act, 1936.) The Radio Inspectors are also the Department's medium of contact with broadcast listeners.

The Monitoring Stations keep watch on the signals of ALL Canadian radio stations (broadcasting and otherwise), within their respective range of reception and measure the operating frequencies in order to make sure that same do not depart from the assigned frequencies by an amount greater than permitted by the international conventions in force.

The signals are also checked for any other violation of domestic and international regulations.

Broadcasting stations, for example, due to the maladjustment of their transmitting equipment, sometimes emit harmonics of their normal operating frequency, which is a source of serious interference to other services which may in many cases be services of another country.

Through its monitoring service, the Department is in a position to detect such spurious emissions and as the controlling authority for all classes of radio stations in Canada, it is in a position to take steps to have the condition corrected. If we had to go through an intermediary body to take action, it would introduce unnecessary complication and delay.

It is difficult to understand, therefore, how an independent board, such as proposed by the C.A.B., and having judicial powers to deal with applications and appeals, could be expected to take over the operational functions of the Department and thereby disintegrate to a large extent such a well-balanced and closely knit over-all organization which has been developed through the

years for the efficient control and administration of all radio matters in Canada. Such an independent Board would, in order to deal intelligently with technical matters, even though its powers be limited to the broadcasting services, require an engineering staff which would be in addition to the applicant's consultant, Department of Transport Radio Engineers and Canadian Broadcasting Corporation's radio engineers.

The brief submitted by the Canadian Association of Broadcasters will next be considered and some of its points dealt with categorically,—

Page 9—Licences—Transfers

With respect to Regulation 10 of the Radio Regulations, it is pointed out that, legally, a licence is usually construed as not imparting any vested interests to the holder and dies when he dies or terminates on a specified date, hence it is not assignable or transferable as an asset. This is, of course, different from a permit with respect to a motor vehicle. There is, in addition, a consideration that radio licences must be under the control of the Administration in order to assure that the radio station is operated in a responsible manner and that the holder of a licence may be held responsible therefor.

Page 10—Licences—Cancellation

The Minister must reserve the right to cancel a licence for cause. The licensee always has the right of appeal against such decision, through courts of law. Furthermore, a licence which authorizes the holder to broadcast and to use a frequency, which is within the sovereign right of Canada, conveys a privilege, not a right, and a licence, as such has, therefore, no intrinsic or goodwill value.

Accordingly, the amount paid under expropriation proceedings may only cover plant and equipment.

Page 12—Licences—Listening

The net revenue accruing from receiving licence fees is paid over to the Canadian Broadcasting Corporation, in order to help finance the national system.

Page 13—Wavelength control

The allocation of frequency bands for broadcasting and therefore of the various channels therein, is governed by international treaty. Frequency bands for the various radio services, including broadcasting, are subject to change from time to time and accordingly the exclusive or permanent use of any frequency by any station cannot be assured.

Page 23—Radio Act

The Canadian Association of Broadcasters' brief represents the Radio Act to be out of date, having been originally devised as a Mariners' aid, intended to govern ship communications.

This is entirely ridiculous. The Radio Act was passed in 1938 subsequent to the Cairo Conference. It repealed the original Radiotelegraph Act of 1912, whose provisions did include the control of ship radio-communications, but in any case all legislation pertaining to radio in ships was transferred to the Canada Shipping Act when the latter was revised in 1934.

Page 15—Power of Seizure

Although Section 11 of the Radio Act provides that His Majesty may at any time assume and retain possession of any radio station, this provision is modified and explained by Regulation 4 (Part I) of the Regulations issued by the Governor-in-Council, under Section 3 of the Radio Act. It affects all classes of radio stations, including broadcasting and permits the Crown to exercise certain extraordinary powers in time of national emergency.

Page 16—Compulsory Free Messages

This is a general regulation made under Part II of the Minister's regulations under the Radio Act. It applies to stations other than broadcasting. The control of the emissions from broadcasting stations is a function of the C.B.C. under the Canadian Broadcasting Act.

Page 16—Control of staff

The Department as the administrative authority must have the right to prescribe for the technical operation of all stations in order to ensure compliance with the provisions of the Radio Act and of international treaties. The licensing authority should also have the right to prescribe the number of hours per day during which a station shall broadcast in order to ensure that full use is made of the channel. Conditions as to hours of operation are prescribed in very few broadcasting licences and then only on approval of the Minister on a recommendation of the C.B.C.

Page 24.

The C.A.B. brief states "negotiations concerning allocation of broadcast channels between North American countries have been based on the advice of the Canadian Joint Technical Committee.

The Technical Committee does not deal with such matters, in fact it does not make any policy decisions. It merely prepares factual information for the information of the Board of Governors of the C.B.C. on applications referred to the latter under section 24 (1) of the Canadian Broadcasting Act, 1936.

Page 24.

The C.A.B. states "at international negotiations the C.B.C. has in fact had representatives sit in on the deliberations advising the Department of Transport point by point, even though the Department of Transport is the only negotiating representative appointed by the Department of External Affairs."

At the Washington Conference last year, which was held to extend the Havana Broadcasting Treaty, representatives of the C.A.B. were invited to and did attend the conference in the capacity provided for by the original Havana Treaty. The C.A.B. were also invited to send a representative to the Atlantic City Conference and accepted the invitation, but so far have not sent a representative.

The C.A.B. claim that their stations lost coverage under the terms of the Havana Treaty, through the 1000 watt ceiling imposed by the C.B.C. on power increases. Their Chief Counsel in his evidence supporting the brief, cited Station CKOV, Kelowna, also CKRC, Winnipeg, and CFCY, Charlottetown, as examples.

Under the North American Regional Broadcasting Agreement Part II, D.2, the extent to which protection must be given to the various classes of stations is set forth and the manner of determining objectionable interference is also stipulated, while in 6 (*a*) of the same section D it is further stipulated that:

> 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.

It therefore follows that all Canadian Stations on regional channels are automatically protected as if they enjoyed the *maximum* power of their class. An Engineering Conference was held in Washington in January, 1941, to establish the *status quo* of all stations not specifically covered by the Treaty and stations occupying facilities after that date are, of course, accorded priority only as of the *date of notification of the use of the channel for that station.*

In the case of Class III stations, at the Washington Conference the classification A or B was determined from the interference free contour which the station was enjoying at that time, i.e. IIIA if the protection was to the 2.5 mv/mor better, or B if the protection was between 2.5 or 4 mv/m. At that time higher limitations than 4 mv/m were not contemplated for Class III stations. Consequently, a 1 kw. station which was a Class IIIA station in 1941 is still a Class IIIA station if occupying the same channel at the present time even with 1 kw. and a Class IIIB station in 1941, being entitled to the protection to the 4 mv/m contour, would not receive greater interference from subsequent assignments on the same channel regardless of its power, whether 1 or 5 kw.

In cases where Class III stations have occupied channels subsequent to the Washington Engineering Conference 1941, limitations higher than 4 mv/m frequently had to be accepted but the limitation so imposed could not be increased by other subsequent assignments.

In the case of Class II stations protection is given under the Agreement to the 2.5 mv/m contour from other Class II stations but not from Class I assignments from which no protection is given. Subsequent Class II assignments on the same channel might bring a limitation which was previously below the 2.5 mv/m contour up to this figure but not exceed it.

Consequently, it follows from the above that whether a station remained at 1 kw. since 1941 or increased power from 1 to 5 kw. immediately after 1941, the protection accorded to the station is to all intents and purposes the same, since the difference in interfering signals which would occur on the protected contours of a 1 kw. station and a 5 kw. station is negligible.

CKOV Kelowna increased power to 1000 watts on December 19, 1938, after the Havana Agreement was signed but before it was implemented in 1941.

In January, 1941, at the Washington Engineering Conference, CKOV was admitted as a Class IIIA because of the fact that the limitation contour of that station was very much lower than Treaty value of 2.5 mv/m. This therefore guaranteed that the 2.5 mv/m contour would always be protected, but it had nothing to do with directional antenna requirements which might be imposed on CKOV should that station increase power. These requirements are identical to-day with what they were in 1941, since there are the same stations in operation now on that channel and requiring protection as there were in 1941. The fact that some of these stations have increased power is of little consequence since the resultant permissible power which could be radiated by CKOV in their direction varies by less than 4 per cent.

CKOV Kelowna applied for an increase in power in July, 1943, which was authorized, and they were advised of the directional antenna requirements prerequisite to commencing operation on 630 kc. with 5 kilowatts.

Although there were no such things as limitation contours recognized prior to the Havana Agreement it is extremely doubtful if CKOV could ever have operated with 5 kw. on 630 kc. omni-directionally.

The cases of CKRC and CFCY are identical with that of CKOV, as these stations were admitted as Class IIIA at the Washington Conference, and have the same co-channel stations to protect at the present time as they had in 1941.

Page 25—Development of Television

C.A.B. claims that development of television in Canada, both by C.B.C. and private stations, has been unduly retarded.

The policy of the C.B.C. in this regard, which has been approved by the Minister and dealt with fully in the evidence given before the Parliamentary Committee by the Hon. Dr. McCann and by the Controller of Radio, Department of Transport (See No. 7 of the Minutes of Proceedings and Evidence, given before the Committee, dated 12th June, 1947).

Page 25

C.A.B. represents unfairness in placing power of control and regulation of private stations in the hands of one of the "competitors". The C.A.B. attempts to draw an analogy between this situation and that of the competing railways in Canada. The C.A.B's counsel also attempted to point to other analogies. It is pointed out that none of these analogies can be considered because the C.A.B. fail to recognize the fundamental fact that while unlimited numbers of railways and telephone lines may be constructed, subject only to financial and economic considerations, there are only a limited number of channels in the radio spectrum available for assignment to stations. It is all the more important, therefore, that the assignment and the use to which these channels are put shall be the more carefully controlled so that the greatest good may be done for the greatest number.

On the subject of the Independent Board for the control of Radio Broadcasting, there is one angle which I believe has not been brought to the attention of C.A.B. who are sponsoring this innovation in Canadian Control of Broadcasting, namely, the cost to the applicant.

Under our present procedure there is no cost to the applicant in prosecuting his application before the Department and the Board of Governors of the C.B.C. other than the cost of preparation of a technical brief by a qualified consultant which in normal cases may run from 200.00 to 1,000.00 depending upon the complexity of the technical problems involved.

The cost of prosecuting an application before a body such as proposed which would be modelled after the Transport Board and would have somewhat the same prerogative and powers as the FCC in the United States, holding public hearings and having a judicial character, would be very considerable.

We are reliably informed by officials of the FCC with whom, in the course of our duties, we are in constant touch, that the cost of prosecuting an application for a Broadcasting Licence before the FCC, may run anywhere from $5,000 to $50,000.

This includes appearance at the hearings, on behalf of the applicant, of Lawyers and Consulting Radio Engineers at from $50 to $100 per diem and other fees in connection with preparation of legal and technical data, briefs and other documents pertinent to the case.

Where the application is opposed by existing stations who have an interest in the case or by other applicants for the same facilities, the hearings may be prolonged and the cost may run into the higher figures.

This feature of the proposal should be very carefully considered by those who favour this type of administrative control.

APPENDIX B

Brief on behalf of our (the people's) Broadcasting System vs the Can. Assn. of Broadcasters:

Presented by one of the people: (H. G. Hunt, Vancouver, B.C.)

Within the limits of the canon of worthy education, public intelligence, and good taste, there is one word which would describe the further inroads of the Can. Association of Broadcasters into the field of broadcasting, at the expense of the Can. Broadcasting Corporation. That word is "calamitous".

The Assn. of Broadcasters is just now widely publicising their views by means of newspaper ads., and boiled down these views ultimately mean only one thing—let's get rid of the control that the common people of Canada and their Government, through the Can. Broadcasting Corporation, have on the

use of the air waves, so that we (the C.A.B.) may do as we please. And, if the business of broadcasting as inflicted on the public by the U.S. broadcasters is any criterion, their pleasure will certainly be our pain. As a matter of fact, the contents of the ads. incline one to the belief that the C.A.B. has come to live in the make-believe world of commercial broadcasting, that world of beautiful hokum, and has come to accept the commercials they propogate and the tripe they have to broadcast to carry the said commercials, as the normal in life, and not a subnormal manifestation thereof.

The Canadian Broadcasting Corporation is doing a very fine job in advancing the cultural interests of Canadians, in furnishing a market for native talent, and in giving us many attractive, entertaining or educational, and worth-while programmes, apart from their sponsored ones. The commercials on these latter are no less nauseating than those propogated by the U.S. and the Canadian commercial stations. In passing, I wonder whether volunteers are called for by the C.B.C. for the jobs of announcing the commercial programmes? There should be some place on the Continent where a radio announcer could get work without having to sacrifice his integrity or self-respect.

Having got this far in this brief (it started as a letter), Jack Scott of the Vancouver *Sun*, came through with a couple of columns which said what I had in mind, to a large extent, much more clearly and logically than I could, so I will let him carry on from here, with my congratulations and endorsation.

OUR TOWN

By Jack Scott

Those 89

For the last two weeks the persuasive voices of Canada's 89 "independent" commercian radio stations have been imploring us to watch for important announcements "in your favourite newspaper—easy to read, easy to understand".

In advertisements, in air time and in supporting newspaper editorials across the whole country there has been a breath-taking campaign in the interests of giving commercial radio more scope for its activities.

Seems to me it's high time somebody pointed out (in a nice, mild, restrained way, of course) that a great deal of what we are having stuffed down our throats is complete poppycock.

The campaign of the Canadian Association of Broadcasters is a campaign of trick slogans and falsehoods, safe in the knowledge that its bombastic propaganda cannot be answered either in advertising or on their 89 "independent" stations.

A large part of the general public may be influenced by this campaign. The radio set-up in Canada it a mystery to most people. The newspapers, themselves, are in deep confusion about the real issues, as their editorials reveal. Our own newspaper, in an editorial last week, said, "The C.B.C. is responsible to no one, except the government of the day." That is not the case. The exact opposite is true.

From here on I will try to answer some of the deliberate misrepresentations in this reprehensible campaign.

In general, it should be remembered that the daily programmes of these 89 stations are the most effective argument against allowing them to run any wilder than they are. Indeed, there could be no greater argument against wider powers than this intemperate and irresponsible campaign.

Our Network

The 89 "independent" stations rightly say that this is an important issue which should be understood by the general public. The first thing that should be understood is that the campaign is intended to undermine the progress of the Canadian Broadcasting Corporation.

As one of the owners of the C.B.C. I resent any move by commercially-inspired interests to sabotage its record of public-ownership. It has been one of the most inspiring examples of national effort in the history of our country. It has reached a maturity and a sense of responsibility beyond the most optimistic dreams of 10 years ago. This accomplishment came in the face of public antipathy and a budget that, at times, made the whole effort seem hopeless.

I have been a long-time critic of C.B.C. policies and and programmes, but as a system of broadcasting there is nothing better in the world. As a Canadian, I am proud of that. A good deal prouder than I am of commercial radio, responsible to no one but its advertisers.

It is an unfortunate fact that the great bulk of radio listeners have little sense of loyalty to the C.B.C. The community station, with its local news and folksy, "neighbourly" approach always commands more affection than a network. The C.B.C. is notoriously conservative in "selling" itself, content to improve its programmes and to serve its listeners.

But now, when it is under attack every listener should have a positive sense of identity with the fine system he owns. He should resist any effort to weaken that system by interests whose only "independence" is linked with the dollar sign.

Indeed, the only true independent stations in Canada are those that you and I own, for they are responsible to us alone.

The Aim.

The 89 commercial stations hope, by this campaign, to force the government's hand in setting up what they call "a truly independent regulatory body". The Board of Governors of the C.B.C., responsible to the Parliamentary Committee, is in fact such a body. It is NOT responsible to the government of the day, but to parliament—or you and me.

Indeed, you will hear no charges from the 89 that the Board has been swayed one iota by political or financial considerations. There have been many attempts to sway it. None has ever succeeded.

The kind of a "regulatory body" envisioned by the commercial stations would be patterned after the Federal Communications Commission in the United States, vulnerable to lobbying by political and economic groups.

That's what the 89 are seeking: A body more to their liking, more willing to let the commercial stations go their own, money-making way at the expense of good radio in this country.

The 89 have not earned that. Every day they break regulations carefully designed for our protection. They have today reached a peak in bad taste, cheap programmes and, at best, provide a token public service relying exclusively on the whims of sponsors. They have an immense job of house-cleaning to do before they have the right to use the air as they please.

(This is the first of two articles on this subject.)

On Monopoly

Let's examine the latest advertisement of the 89 "independent" stations of Canadian Association of Broadcasters in its campaign against restrictions on the Canadian air.

This advertisement is headed "Our Radio Laws Spell Monopoly". It is mildly amusing to hear talk of monopoly from these boys. Those 89 commercial stations hold a monopoly that would make an oil tycoon green with envy.

Unlike newspapers, you see, there are definite limitations on the number of stations that may use the air. There is room in the blue for only a select few. Ever hear, for example, of a left wing radio station? No, you didn't. The monolopy is the monopoly of a small group and this is it.

Well, the fearless 89 suggest that the Canadian radio listener is handicapped "by what amounts to monopolistic control". And how right they are. Any perusal of the balance sheets and net profits of those stations will show you how tight the monopoly really is. Indeed, the profits are so great from this group that they can afford to put on one of the most expensive national advertising campaigns in recent years.

They are right about control. Control is, of course, a vital necessity when the number of radio voices is limited. The control comes from you and me, through parliament, in what we like to call a democratic way of life, and it will continue. You and I, the listeners, cannot open up a radio station. We have given that privilege to a few. We have a well-developed interest in seeing that they do right by it. Thus, control.

The commercial stations, in the interests of greater profit, seek to loosen that control as much as possible in what they term the interests of "free and fair competition". We, the listeners, are understandably less concerned about competition than what comes out of our loud-speakers.

The Laws.

This particular advertisement includes several wild and ridiculous charges against the public's "crippling control" of the air. The attack is, of course, in general terms. But the point is advanced that here in Canada the radio laws are out-dated or, in their own words, "crystal-set laws".

"Crystal-set laws" is a fine slogan, possibly dreamed up by some of the lads who think of the slogans for soap ads. It is nonsense. The laws of radio, administered by the board of governors of the C.B.C., date only to 1936. They are studied constantly on the basis of suggestions from listeners and from "independent" stations. They have been modified to meet changing conditions.

I have these regulations before me on my desk. I have studied them. They are simple and crystal-clear, a complete pattern of broadcasting to fit this country's needs. You could look them up.

The advertisement suggest, too, that the C.B.C. "can cancel a broadcasting licence without cause and without hearing". This is a deliberate misrepresentation. It is only one of several cases of handling the truth with cynical disregard for the true picture.

The C.B.C. does not cancel licences any more than it grants them. That is the function of the Department of Transport. Obviously this is another of the 89's scare-crows, for even if a licence were under review for an infringement of regulations it would be dealt with in hearings. Any other method would cause a storm of public indignation with, I might add, support from this corner.

But here is why this point is ridiculous. In the whole history of radio in this country no commercial station licence has been cancelled, with or without a hearing.

The News.

The most fantastic of all these misleading claims, under the heading of monopoly, is this: "They (The C.B.C.) even decide what news you shall hear."

This is too much to stomach. On Radio Station CJOR one recent morning a newscast was read. One-third of that broadcast was devoted to the biased propaganda of Canadian Association of Broadcasters, surely a flagrant imposition on the listener and hardly suggesting that the C.B.C. is exercising dictatorial control.

The "independent" stations get their news from the same sources that newspapers get their news. It is governed only by the laws of libel.

The C.B.C. itself, operates its own newsrooms, staffed by experienced men, most of them former newspapermen, and with special events crews and overseas

correspondents. These broadcasts are models of temperate unbiased reporting and are offered to any commercial stations that wish to supplement their news coverage.

Most of the commercial stations have chosen to follow the American style of newscasting, in many cases ineptly.

In this and every other phase of broadcasting, the C.B.C. may truthfully be said to have a monopoly that is in contrast to the "independent" stations. It has a monopoly on good radio.

JUNE 15, 1947.

Respectfully submitted,

SESSION 1947

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 11

FRIDAY, JUNE 27, 1947

WITNESSES:

A. Davidson Dunton, Chairman of the Board of Governors;

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

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1947

MINUTES OF PROCEEDINGS

FRIDAY, June 27, 1947.

The Special Committee on Radio Broadcasting met this day at 11 o'clock. Mr. Maybank, Chairman, presided.

Members present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Diefenbaker, Fulton, Gauthier (*Portneuf*), Knight, Maloney, Maybank, McCann, Robinson (*Simcoe East*), Reid, Ross (*St. Paul's*)—13.

In attendance: From the *Canadian Broadcasting Corporation* and *Department of Transport:*—Same as at the meeting of June 26. Messrs. Harry Dawson and Walter Blackburn were also present.

Mr. Fulton raised a question of privilege respecting a statement on the administrative control of radio prepared by Mr. Brown, Controller of Radio, Department of Transport. This statement was tabled and distributed at the afternoon meeting of June 26.

Arising out of the above, the Chairman read a statement on an interview he had with the Minister of Reconstruction and Supply. He also referred to an article which appeared in the Toronto *Globe and Mail.*

After discussion, Mr. Fulton moved that Hon. Messrs, Howe and Chevrier, respectively Minister of Reconstruction and Supply, and Minister of Transport, be called as witnesses.

In amendment thereto, Mr. Beaudoin moved that the whole matter be referred to the Steering Committee, with instruction to report back. The Chairman put the question on the amendment and it was resolved in the affirmative.

Mr. A. Davidson Dunton was recalled and questioned on matters referred to previously.

Mr. Beaudoin quoted an article in the Ottawa *Journal* under date of Friday, June 20, referring to the submissions of C.A.B. and C.D.N.A. He also referred to other articles.

After discussion, Mr. Reid filed questions and Mr. Dunton undertook to furnish answers.

A further discussion arose as to procedure on the examination of Mr. Dunton.

Mr. Beaudoin moved that Mr. Dunton be allowed to proceed as per yesterday's agreement.

Mr. Fulton moved in amendment that the witness be cross-examined now on previous matters.

The Chairman put the amendment and it was resolved in the negative. The question being put on the main motion, it was resolved in the affirmative.

Mr. Dunton thereupon proceeded to read and he concluded the reading of his brief dealing with the submissions of C.A.B. and C.D.N.A.

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The Witness read a letter from Mr. H. L. Garner, dated August 21, 1946, and his reply dated August 27, 1946.

A discussion arose as to the possibility for C.B.C. to circulate widely Mr. Dunton's submission.

Mr. Beaudoin suggested that C.B.C. give a wide circulation to this brief within its financial means.

A further discussion took place on procedure.

Mr. Robinson quoted from the Minutes of Evidence of June 18 and 19, relating to the C.A.B. and C.D.N.A. briefs.

On motion of Mr. Ross (St. Paul's), at 1.10 o'clock p.m., the Committee adjourned until 4.00 o'clock.

AFTERNOON SITTING

The Committee resumed at 4.35 o'clock.

Present: Bertrand (*Prescott*), Bowerman, Diefenbaker, Fulton, Gauthier (*Portneuf*), Knight, Maybank, McCann, Nixon, Robinson (*Simcoe East*), Reid, Ross (*St. Paul's*).—12.

In attendance: From C.B.C. and Transport: Same as at the morning sitting, also Mr. Harry Dawson, Manager of C.A.B.

Dr. Frigon was recalled and supplied oral answers to Mr. Ross (*St. Paul's*) relating to television and facsimile broadcasts. He filed two graphs and explained radio frequencies. The witness also undertook to furnish supplementary information for Mr. Reid.

Mr. Dunton was recalled and further examined. He filed the following for reference:—

1. Copies of correspondence relating to Mr. Ryan's application requested by Mr. Smith;
2. Mr. F. Ryan's brief;
3. A. J. Freiman Ltd.'s brief;
4. Endorsation for the application of Charles Shearer.

The witness asked that the briefs of Mr. Ryan and that of A. J. Freiman Limited be returned. The Committee agreed.

He quoted a letter from the Managing Director of CHNS.

The witness produces copies of correspondence (identified as 15 groups of letters) exchanged between cabinet ministers and C.B.C. He was questioned thereon.

Mr. Caton was recalled and supplied answers to questions by Mr. Reid.

At 6.00, on motion of Mr. Gauthier, the Committee adjourned until 8.30 this evening.

EVENING SESSION

The Committee resumed at 8.45 o'clock. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Fulton, Gauthier (*Portneuf*), Maloney, Maybank, Nixon, Reid, Ross (*St. Paul's*).—10.

In attendance: See morning and afternoon meetings.

The Chairman read the following communications which he received from:—

1. Vice-President, Fundy Broadcasting Co. Ltd., Saint John, N.B.;
2. President of The London Free Press Printing Company;
3. Joseph Sedgwick, K.C., Counsel for C.A.B.;
4. Vice-President, Federation of Agriculture, Ottawa;
5. Secretary of Board of Trade, Halifax, N.S.;
6. Secretary of Prince Rupert Chamber of Commerce;
7. Secretary and Manager of Ontario Federation of Agriculture;
8. Secretary of Canadian Arts Council;
9. Secretary of Maritime Federation of Agriculture;
10. General Secretary of United Farmers Co-operative Company Ltd.;
11. Chief Executive Commissioner of the Boy Scouts Association and a copy of a letter to Hon. J. J. McCann;

The Chairman also filed the following letters he received from:—

1. H. P. Blackwood, of Winnipeg, Man.;
2. R. G. Roche of Vancouver, B.C.;
3. Ben Nobleman of Toronto, Ontario;
4. M. W. Wallace of Toronto, Ontario.

Mr. Dunton was recalled and his examination concluded. He supplied answers to Messrs. Reid and Fulton.

Mr. Caton was recalled and furnished certain information.

Messrs. Dunton, Frigon and Caton were retired.

The Chairman announced that a Steering Committee meeting would be held early in the week.

At 10.55 the Committee adjourned to the call of the Chair.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

June 27, 1947

The Special Committee on Radio Broadcasting met this day at 11 a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: On account of my absence yesterday I am not absolutely certain what was said, but I understand it was determined that Mr. Dunton would go on today.

Mr. FULTON: Before we do that I think some attention should be called to the fact that a brief, if it can be called a brief, was filed with the committee yesterday by the Department of Transport. The papers this morning said it was filed by Mr. Browne, and the papers referred to it as being a rebuttal of the C.A.B.'s submission. I do not think it would be proper either to receive that without Mr. Browne being here or to let the impression go abroad that it is a rebuttal of the statements made by the C.A.B. without Mr. Browne, or whoever made it, being available for cross-examination on this submission. I do not think it should be received or reported as received by the committee and taken at its face value.

The CHAIRMAN: Were you here when it was done?

Mr. FULTON: I was here yesterday afternoon when it was shoved across the table towards the close of the meeting to all members without an opportunity of examining it.

The CHAIRMAN: I do not know how you can withdraw something that has already gone by.

Mr. FULTON: There are two ways. Firstly I think we should make it quite clear it is not simply accepted as a rebuttal of the C.A.B.'s submission. Further I think we should make it clear that somebody from the Department of Transport should be here to be questioned on that brief when the time to consider it arrives.

Mr. DIEFENBAKER: I think that last request is a very reasonable one. After all a statement filed here setting forth the views of some individual, whether he is anonymous or named, is rather worthless unless the person is here and subject to be asked a few questions in regard to it.

The CHAIRMAN: At the moment there is not any motion on the matter. Consequently I should like to take this opportunity of rising to what you might call a question of privilege with relation to the same matter. I read the story in one newspaper this morning, and it may have been carried in similar fashion in several other papers. After making inquiries I prepared a statement with reference to it, and to the newspaper comments upon it, which I would ask to be received by the committee upon a question of privilege. I saw the statement in the *Globe and Mail* of Toronto. I prepared this statement which is self-explanatory.

> In the *Globe and Mail* of Toronto of this morning, Friday, June 27, a statement appears as follows.

Then I have clipped out the whole statement and pasted it here. I have no doubt you would not wish me to read it entirely.

Mr. FULTON: Does it say whether it is a Canadian Press despatch?

The CHAIRMAN: No, it is a dispatch by Harvey Hickey of the *Globe and Mail.*

PRIVATE RADIO STATIONS LOSE FIGHT FOR INDEPENDENT BODY

By Harvey Hickey

OTTAWA, June 26 (Staff).—Whatever chance the privately owned radio stations might have had of winning their fight for an independent national radio authority vanished to-day in the House of Commons radio committee.

A blast from the cabinet hit the proposal of the Canadian Association of Broadcasters and the Canadian Daily Newspapers' Association when the Department of Transport filed a brief opposing the proposed judicial authority. It was "difficult to understand," said the brief, how this body could regulate and control Canadian radio. In seven closely typewritten pages, the brief gave detailed arguments against this and other C.A.B. proposals.

Although the brief was unsigned it was filed by the department on departmental letterhead. Whether it said so or not, it thus became an official expression of the views of Transport Minister Lionel Chevrier and the cabinet. Thus, with the government shooting at it, the C.A.B. proposal could be regarded as a "dead duck".

Supported by the Canadian Daily Newspaper Association, the C.A.B. asked that parliament set up a body to be appointed for life as judges are and which would have complete control of the licensing and regulation of radio. These functions are now exercised by the Canadian Broadcasting Corporation and the private stations object to their regulation by an organization which is also a broadcasting competitor.

Broadcasting licences are granted by the Department of Transport with the C.B.C. making a recommendation which is invariably followed. It was as the licensing body that the Transport Department became an interested party and filed a brief.

In this brief, the department said C.A.B. erroneously assumed that the terms radio and broadcasting were synonymous. In fact, said the brief, the frequency bands devoted to broadcasting occupied only 8 per cent of the frequency spectrum. "One finds it extremely difficult to understand therefore," said the brief, "why the C.A.B. submits a propsal to place the administration of radio as a whole in Canada (which would include the administration of all other radio services, making up the other 92 per cent of the spectrum) under the control of an independent body having judiciary powers. It should be pointed out here that not a word of criticism of the administration of the many other spheres of radio has been voiced in any quarter."

Control of radio, said the brief, was subject to an international convention, and it was the responsibility of the Transport Department to enforce these agreements in Canada. General administration of radio under the Radio Act of 1938 was vested in the Minister of Reconstruction (Rt. Hon. C. D. Howe) who exercised his authority through the Deputy Minister of Transport.

Functions of the Reconstruction Minister in administering radio were listed. These included radio communications between fixed stations such as radiotelegraph, radiotelephone and radiotelephoto, radio aids to maritime and aerial navigation, mobile radio services, all broadcasting, forestry radio services, police radio services and amateur broadcasting. Fifteen classifications of radio stations were listed.

"It is important to note," said the brief, "that there is only one regulatory body which deals with the administration of radio internationally in all other countries belonging to the telecommunications union. For the reasons just stated, the placing of the technical control of broadcasting under a second administrative body in Canada would obviously lead to confusion in international negotiations because of the obvious overlap in jurisdiction".

After listing such departmental radio functions as aids to navigation, monitoring and broadcasting and reception inspection, the brief said: "It is difficult to understand, therefore, how an independent board, such as is proposed by the C.A.B. and having judicial powers to deal with applications and appeals, could be expected to take over the operational functions of the department and thereby disintegrate to a large extent such a well-balanced and closely knit overall organization which has been developed through the years for the efficient control and administration of all radio matters in Canada."

Contention of the C.A.B. that the Radio Act was out of date, was termed by the brief "entirely ridiculous". This act, it was stated, was passed in 1938 and repealed the original act of 1912.

It was "unfairness," said the brief, to represent, as the C.A.B. did, that control and regulation of private stations were in the hands of a competitor. The brief denied the analogy which the C.A.B. drew between regulation of radio and that of railways and telephone lines. It was a fundamental fact that unlimited railways and telephone lines could be built, limited only by financial and economic considerations. On the other hand, there were only a limited number of broadcasting channels on the spectrum and, therefore, the use of these must be "the more carefully controlled so that the greatest good may be done for the greatest number". The brief also submitted that at present an applicant for a radio broadcasting licence was subject to no expense in making his application other than that his technical brief which might run from $200 to $1,000. The cost of prosecuting an application before a judicial body such as the C.A.B. proposed would be "very considerable".

Reference had been made by the C.A.B. to public hearings on applications before a body which had been likened to the Federal Transport Board or the American Federal Communications Commission. "We are reliably informed by officials of the F.C.C., with whom, in the course of our duties, we are in constant touch." said the brief. "that the cost of prosecuting an application for a broadcasting licence before the F.C.C. may run anywhere from $5,000 to $50,000. This feature of the proposal should be very carefully considered by those who favour this type of administrative control."

This is what I should like to say with regard to it.

> The first comment I desire to make upon this article is that while it is true that radio administration comes under the Department of Transport it is not the Transport Minister, Mr. Chevrier, under whom this work comes. The Radio Division of the Department of Transport comes under the administration of the Hon. Mr. C. D. Howe.
>
> I have spoken with the Honourable Mr. Howe about the statements in the *Globe and Mail* article and he has stated to me that the statements of Mr. Browne are not in any way to be construed as government statements. It is not to be considered as "a blast from the cabinet" as the *Globe and Mail* story says. Mr. Howe has stated to me that he himself knew nothing of the statement which Mr. Browne was making and that the matter had not been discussed in cabinet. It is to be regarded, as all other evidence before the committee is to be regarded, as the views of the person giving the evidence, in this case, the views of Mr. Browne himself.

Mr. DIEFENBAKER: Mr. Chairman—

The CHAIRMAN: I realized in view of the fact the newspaper story stated it was a government statement that this committee would desire to know immediately whether that is so. It is for that reason I am making this statement to the committee at the present time.

Mr. DIEFENBAKER: Mr. Chairman—

The CHAIRMAN: I realize also that does not dispose of other questions which have been asked.

Mr. DIEFENBAKER: There is something more in connection with it. It seems to me very strange if a government can disassociate itself from what one of its department does. On the departmental document the heading of it is, "Canada, Department of Transport, Ottawa, 427, Air Services, Radio Division."

Mr. REID: They cannot get out of that.

The CHAIRMAN: Mr. Diefenbaker, your remarks, of course, are more in the nature of argument. It may be strange. I do not see that it is strange that they occur on this paper, but it may be strange. Nevertheless the government does disassociate itself from the statement and states it is the opinion of Mr. Browne.

Mr. DIEFENBAKER: Did you find out who authorized Mr. Browne to make the statement?

The CHAIRMAN: I found out who did not which was the only purpose of my statement.

Mr. DIEFENBAKER: Did you get in touch with Mr. Browne to find out whether he, an official of the Department of Transport, would take it upon himself to answer for a brief that had been furnished to this committee?

The CHAIRMAN: I recall that in conversation with Mr. Browne he was asked for such a statement and, as a matter of fact, I saw that statement some several days ago, but I did not know when or in what manner it was coming before the committee. I do not recall anybody asking him myself.

Mr. DIEFENBAKER: Who asked him to make the statement?

The CHAIRMAN: I do not know.

Mr. REID: Who authorized distribution of it? I think it is high pressure tactics to hand it to the members of the committee.

The CHAIRMAN: Again I do not know.

Mr. BEAUDOIN: I should like to say something at this time. I do not see anything extraordinary about this as far as I am concerned. I remember very well Mr. Browne was called here from Atlantic City and was most anxious to return there as he was vice-chairman of our delegation in Atlantic City. He had no time to prepare a brief. He explained that he was quite willing to be at the disposal of the committee but that he would leave a statement for the committee before he went away.

Mr. DIEFENBAKER: What position does Mr. Browne occupy?

Mr. BEAUDOIN: He is controller of the radio division.

Mr. FULTON: My intention was not to attack Mr. Browne or say he should not have prepared a statement because I agree with Mr. Beaudoin that some statement from Mr. Browne was asked for, but my objection is to the filing of this with the committee in the manner that it was done. I do not know who was responsible. It has apparently been accepted as an official rebuttal as far as the Department of Transport is concerned of the submissions in the C.A.B. brief. I object to accepting that without an opportunity to question the person who made it or the person who authorized it.

Mr. BEAUDOIN: I understand your objection has not been disposed of yet. It may be we all agree with you.

Mr. FULTON: I call your attention, particularly in regard to the statement which the chairman has just made, to page 3 of the brief where it says:—

> The functions of the Department of Transport in regard to radio are, moreover, far more than administrative in scope, because of the obligations of the department (under the terms of the various documents referred to above).

Then he goes on to outline the functions of the Department of Transport. I do not see how you can say that the government can disassociate itself from

that statement unless you have a government spokesman here to say that the statement is incorrect. I want an opportunity for full examination on this statement.

Mr. REID: I am rising on a question of privilege. It is not for me to tell either the chairman or the members of the committee what the procedure of the committee should be, but this committee has a brief placed before it. In all the eighteen years I have attended committees any rebuttal has come through the chairman and been submitted to the committee and the committee has had the right to ask questions. Here we had a brief placed before the committee not by way of official rebuttal but surreptitiously. Each member has been handed a copy and a copy has been given to the press. I claim it is most unprecedented and it looks like high pressure tactics to me.

The CHAIRMAN: May we just check that statement for a moment? As the committee is aware I have no personal knowledge of what transpired, but my understanding is that the document was filed here yesterday and received by the members. I believe it was late in the day when it was filed, and no comment was made. I doubt if the word "surreptitiously" is accurately used, knowing the vice-chairman of this committee as I do. Secondly there is not any reason whatever for any person saying that a document filed before this committee is filed as a sufficient and final rebuttal of anything. Is it not a fact, Mr. Reid, that when you stop to consider this any such criticisms as that are entirely premature, that this is a very simple matter upon which any person may ask to question witnesses? As I understand it that is the desire this morning.

Mr. REID: I am appealing to you in fairness to protect the members of this committee. This document has been given to the press. I maintain, and rightly so, it should have come through you and been handed in the proper manner to the press. Before being given out we should have had a chance to cross-examine on it. Now it is a public document.

The CHAIRMAN: I do not know, but it would seem to me that it would be the clerk of the committee who handed it out. I am guessing at that but I feel sure it is correct.

Mr. BEAUDOIN: May I be permitted to say a word? I am going to stand up because when someone talks about high pressure tactics I do not like it. I happened to be in the chair at the time this brief was filed. I want to say that there was a pile of returns to be filed that the clerk had in his hands. It is the practice that at the beginning of a meeting or at the end that answers which have been asked for by members of the committee are filed. This document was taken yesterday in the same way as the other statements which have been filed in answer to questions put previously by members of the committee.

I remember very distinctly that when Mr. Browne appeared before the committee he excused himself because he had no brief. As I explained before he came from Atlantic City and he had to go back in a hurry. We agreed to listen to him on a certain afternoon orally because we wanted to free him so that he could go back to his duties in Atlantic City. There were many questions which he did not answer to his own satisfaction. He said so. You will see that in the evidence. He said, "A statement will be prepared on that. A statement will be prepared on that." When this matter came up yesterday afternoon it was just like any other paper which was filed, and I did not pay any more attention to this than I did to the others. When some members of the committee complain this morning that they should have a chance to have a witness here or someone to answer on behalf of the radio division of the Department of Transport I quite agree with them. However, I do not like the insinuation that there were high pressure tactics because there was no such thing. I agree with other members of the committee that if this is not a return filed under the ordinary procedure, if it is really a rebuttal or a distinct brief we should have the chance to question someone who can answer any question that we may want to ask him.

Mr. REID: May I ask one question so as to keep the record straight. When members of this committee have asked questions of Mr. Dunton or any other official they have come before the committee and have said, "I now present the answers to certain questions". Is there any record at all that that document was handed to the committee? That is the point. There is no record of it having been handed in. Is there any record on the minutes of this committee that such a document was handed to us or distributed to us?

The CHAIRMAN: I think it was distributed to us yesterday.

Mr. REID: It was distributed, but is there any record or any announcement of it being a reply from the Department of Transport?

The CHAIRMAN: The clerk is looking that up.

Mr. BEAUDOIN: In order to keep the record straight I should like to tell Mr. Reid that in my mind this was not a reply or rebuttal or brief from the Department of Transport. It was just a return like others. There were about six or seven other returns which were filed at the same time. I have not read this document yet. If it is rebuttal, if it is a brief, I think it should be considered the same as any other brief and that the procedure adopted yesterday should be changed and we should revert to the ordinary procedure and treat this brief as we have always treated the others.

The CHAIRMAN: Gentlemen, just a minute. Is it not just possible there is a great deal more heat than light around here at the present time? Is it not also possible that we are all talking about this much more than is necessary? Surely all that is desired by every person here is that upon a statement which has been placed before the committee there should be an opportunity to ask questions. There is not any dispute about that. Arrangements can be made, so that need we spend any more time on it, it being understood that arrangements will be made accordingly?

Mr. FULTON: I think there is need to have something more said. The point is, this is apparently an official statement from the Department of Transport. It is a good deal more than just the answers to questions. It contains a statement of official views on matters which have been before the committee and is not only answers to questions. My point in raising my objection is that it was not presented in the proper manner.

The CHAIRMAN: You misunderstood one of my remarks.

Mr. FULTON: I want to complete my statement. I am not criticizing Mr. Beaudoin or suggesting that he slipped this in surreptitiously. He may not have realized what it was. I do want to be clear that my view is when an official document of this sort is presented the official presenting it should be here, and it should be stated, as Mr. Reid has said, that it is a further submission from the Department of Transport. If that had been stated I think the members would have realized what it was. This was presented at the close of the meeting yesterday afternoon. There was no opportunity for the members to read it and to realize that it was a rebuttal and that questions would be asked on it later. As it is it appears as though it is just a return which has been filed, and it is a great deal more than that. That is the point I am trying to make. That was the point of my objection.

The CHAIRMAN: The record, which has been asked for, reads:—

> Now, gentlemen, there are a number of statements which have been filed with the committee. The first is a statement on the administrative control of radio filed by Mr. Browne. Copies of that have already been distributed to the members.

That is the record.

Mr. Ross (*St. Paul's*): Would you read that again?

The CHAIRMAN:

> Now, gentlemen, there are a number of statements which have been filed with the committee. The first is a statement on the administrative control of radio filed by Mr. Browne. Copies of that have already been distributed to the members.

Mr. Ross (*St. Paul's*): That is not so. It is not just a statement on the control of radio. It is a rebuttal to the brief of the C.A.B. All you have to do is to look at some of the pages.

Mr. DIEFENBAKER: I do not want to carry this on, but I do want to say this. You made a statement by way of privilege and pointed out you had been in communication with Mr. Howe and he had informed you that Mr. Browne did not speak for the government. That is correct, is it not?

The CHAIRMAN: That is correct.

Mr. DIEFENBAKER: Do we not also have to have a similar assurance from Mr. Chevrier, the minister of this department because Mr. Browne is controller of radio under the Department of Transport and he gives a summary of the views—not his views because it is on Department of Transport official stationery—in regard to the functions of the Department of Transport. The words that have been read are these:—

> The functions of the Department of Transport in regard to radio are, moreover, far more than administrative in scope, because of the obligations of the department (under the terms of the various documents referred to above).

That indicates one thing. The first point is that Mr. Howe believes he has certain authority. Then the Minister of National Revenue believes that he has certain authority. The Minister of Transport says, "Irrespective of what other departments may say we have authority that is more than merely administrative authority." I take it this is just another illustration of the mischief that results to public radio in this country from three ministers each having a hand in it, or at least believing they have a hand in it, and all an utterly contradictory authority over the C.B.C.

Mr. REID: Hear, hear.

Mr. DIEFENBAKER: I think that has been clearly established here to-day. Here is an official of the Department of Transport who says that no matter what any other department says, the Department of Reconstruction and Supply or otherwise, "We are more than an administrative branch. We have authority; we have power." Mr. Howe's attitude is that the Department of Transport has not got power.

The CHAIRMAN: No, you are mistaken about that, not that the Department of Transport has not authority. There are some parts of the Department of Transport which by appropriate law have been placed under the Hon. Mr. Howe. Mr. Chevrier is called the Minister of Transport but by appropriate law, which you will find on record here, the communication division with perhaps an exception—I will not say for certain—has been placed under the Hon. Mr. Howe. However, if you think that there should be a statement by the hon. minister who is called the Minister of Transport I should not think there would be any difficulty about it. Mr. Howe makes it quite clear, which is the important point, that the brief or document or letter, or whatever you want to call it, is not a statement from the government. That much is clear. That was my sole reason for trying to effect a correction here to-day. That of course, is the item of privilege.

Mr. DIEFENBAKER: I think this committee should give consideration once and for all to a recommendation that the C.B.C. and public radio should be under one department of government in order to prevent situations such as this arising.

The CHAIRMAN: That is a matter for future consideration, of course. I am hoping that none of us will be dead next week and that your own voice will be as strong as it is now and you will be able to deal with that, but not now, I think you will agree.

Mr. DIEFENBAKER: You raised this question.

The CHAIRMAN: Now then, I think it has been more or less common ground this morning, indeed, entirely common ground, that some person ought to come from the Department of Transport to defend this thesis, shall we say? Is that understood all around?

Carried.

It is simple enough for that to be arranged. As I say I was not here yesterday and I probably need some direction. Is the next order of business to hear from Mr. Dunton?

Mr. FULTON: What about the statement you were proposing to make as chairman of the committee?

The CHAIRMAN: I did make it and it went on the record.

Mr. FULTON: In other words, we are to take it that Mr. Howe questions the accuracy or repudiates this statement.

The CHAIRMAN: The words speak for themselves.

Mr. DIEFENBAKER: What were Mr. Howe's words? At the time you read it we did not have a full appreciation of the significance of the statement.

The CHAIRMAN:

> I have spoken with the Honourable Mr. Howe about the statements in the *Globe and Mail* article and he has stated to me that the statements of Mr. Bowne are not in any way to be construed as government statements. It is not to be considered as "a blast from the cabinet" as the *Globe and Mail* story says. Mr. Howe has stated to me that he himself knew nothing of the statement which Mr. Browne was making and that the matter had not been discussed in cabinet. It is to be regarded, as all other evidence before the committee is to be regarded, the views of the person giving the evidence, in this case, the views of Mr. Browne himself.

Mr. FULTON: Then I think we would require to know whether Mr. Howe agrees with those views or not.

The CHAIRMAN: Government policy will be announced in due course. I presume that is the answer to that.

Mr. FULTON: If that statement is going on the record as you say it is I want an opportunity to ask the minister whether he agrees with the views contained in this brief.

The CHAIRMAN: The only way you can ensure that is to call Mr. Howe as a witness if the committee agrees to do so.

Mr. FULTON: I think we should decide now whether it is Mr. Howe we are going to examine on this statement or some other official from either the Department of Transport or the Department of Reconstruction and Supply.

Mr. DIEFENBAKER: Which minister can speak as to government policy in this regard and as to what the powers of the different departments are?

The CHAIRMAN: I should think that any statement by any minister, unless he were to qualify it, would be a government statement.

Mr. Ross (*St. Paul's*): Surely an employee of a department of the government would not be speaking without the authority of his minister.

Mr. FULTON: I will move that both Mr. Howe and Mr. Chevrier be called with regard to this statement.

Mr. GAUTHIER: It is Mr. Browne's statement.

The CHAIRMAN: That motion is in order. You move that Mr. Howe and Mr. Chevrier shall be called as witnesses?

Mr. FULTON: Yes.

Mr. GAUTHIER: And not Mr. Browne?

Mr. FULTON: Mr. Browne is in Atlantic City. If we want to get him back it is all right with me.

Mr. GAUTHIER: He made the statement; he should be questioned on it.

Mr. FULTON: My motion only contemplates the two ministers. If somebody else wants to add Mr. Browne it is all right with me.

Mr. REID: Speaking to the motion I think it would be well to have Mr. Browne also. I realize that if the ministers come here all they can give us will be to say that this official put out this document. Mr. Browne is the man I should like to have before the committee, to ask him why he had this brief distributed and why he did not come before the committee and explain it.

The CHAIRMAN: You have heard the motion. Are you ready for the question? The motion is that Mr. Howe and Mr. Chevrier should be called to be questioned with reference to this statement.

Mr. ROBINSON: Should Mr. Browne not be called first?

Mr. BEAUDOIN: Either Mr. Browne or someone else from the department.

Mr. DIEFENBAKER: There could not be anyone else who had any responsibility because you have already taken the stand that Mr. Browne, even though he occupies the position of controller of radio, off his own hook and without any responsibility to the department, made this statement. Certainly it could not be anybody else.

Mr. GAUTHIER: He will defend himself on his own hook. He should answer questions on this statement first.

The CHAIRMAN: Are there any further comments on this motion of Mr. Fulton's?

Mr. FULTON: As I say I am quite willing that somebody should move an amendment to add Mr. Bowne if it is desired to recall him from Atlantic City.

The CHAIRMAN: Gentlemen, why not try to advance to what is really desired which is to have some question asked and answered upon this statement? Why not simply leave the matter that some person will be brought forward who, in the opinion of the steering committee—because the steering committee generally handles these things—would be under all the circumstances the best witness who could be brought forward.

Mr. FULTON: Because I think we should examine Mr. Howe in view of the statement he made to you which is now on the record. That is why I have made my motion that these two ministers be called.

The CHAIRMAN: All right. Is there any further comment on Mr. Fulton's motion?

Mr. BEAUDOIN: As an amendment to Mr. Fulton's motion I move that the matter be left to the steering committee for the present.

The CHAIRMAN: That amendment is in order. Are you ready for the question?

Mr. FULTON: The amendment is that the entire matter . . .

Mr. BEAUDOIN: The decision as to who should be called in order to answer questions on this statement.

Mr. REID: And the matter reported back to this committee?

Mr. BEAUDOIN: That is right, so that we can proceed now with Mr. Dunton.

Mr. FULTON: I submit that does not deal entirely with my motion because my motion was that the two ministers be called to answer questions with regard to the statement which Mr. Howe made to the Chairman.

Mr. BEAUDOIN: My amendment is that the calling of the witnesses you have mentioned be put in the hands of the steering committee for the date and time, and to report back.

The CHAIRMAN: The whole matter to be left to the steering committee.

Mr. ROBINSON: Together with consideration of calling Mr. Browne?

Mr. BEAUDOIN: That is right.

The CHAIRMAN: That the whole matter be referred to the steering committee. You have heard the motion and the amendment. Are there any further comments. Are you ready for the question? The question is on the amendment which refers the matter to the steering committee. Those in favour signify in the usual manner. Those opposed. The motion is carried without the need of casting vote. I suppose we will call that disposed of for the moment, shall we?

Mr. DIEFENBAKER: And the question undisposed of as to who has the authority.

The CHAIRMAN: The next order of business is to call on Mr. Dunton.

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

Mr. REID: Is he open for questioning?

Mr. BEAUDOIN: Before we proceed with Mr. Dunton on his rebuttal of the C.A.B. and C.D.N.A. briefs I suggest that the repudiation which has been made by some papers should be put on the record. You will all remember that Mr. Robinette, who appeared on behalf of the C.D.N.A., gave us to understand that all the newspapers who are members of the association had agreed to the contents of his brief.

Following his appearance before the committee there was an editorial, for instance, in the Ottawa *Journal* in which it repudiates the views of the C.D.N.A. brief. I think it should be read into the record. It is in the Ottawa *Journal* of Friday, June 20, 1947, and reads:—

SO NOW IT'S THE C.D.N.A. VIEWING THE FUTURE WITH ALARM!

The Canadian Daily Newspapers' Association is, as its name implies, an organization of publishers through which they may discuss common problems concerning such things as advertising, circulation, public commercial relations, postal rates, newsprint, machinery. The Ottawa *Journal* has been a member of the C.D.N.A. for many years, is now a member, but the *Journal* must refuse to accept any responsibility at all for the extraordinary brief the C.D.N.A. presented this week to the radio committee of the House of Commons. As a member we shall have to bear our share of the cost of that presentation and the fee of the eminent legal gentleman who made it, but we hasten to make it clear that we had no part in its preparation, and do not endorse the views expressed, in fact flatly disagree with most of them.

The C.D.N.A. through Mr. J. J. Robinette, K.C., of Toronto, its counsel, declared that government policy which forbids giving new licences to news-

papers to operate radio stations is discrimination which threatens "the very life of the press of Canada", and as a policy is "unwarranted, unfair and contrary to the public interests". This is the case, Mr. Robinette argues, because the development of satisfactory facsimile reproduction is "imminent" and that invention, which according to the brief might exterminate the newspapers, in present policy would be completely under the domination and control of the government of the day and "the independence of the press would be entirely destroyed". So, said Mr. Robinette, there should be no discrimination against newspapers which want to acquire radio stations, and newspapers should be given a free hand to experiment with and develop facsimile reproduction. If the press were not permitted to develop facsimile, said Mr. Robinette, "there is danger that the press as we know it to-day will entirely disapper".

* * *

The name of the Ottawa *Journal* appears on the brief as a C.D.N.A. member; so do the names of many other newspapers which have, we are sure, no feeling of alarm over the situation. In other words the C.D.N.A. brief, so far as we can understand it, represents the views of a few lively newspaper publishers who now own and operate rado stations and a few others who would like to. They resent restrictions on their business enterprise now imposed in government policy—they would like to weaken the authority of the Canadian Broadcasting Corporation, in the guise of protecting the freedom of the press, for their own advantage. We fear also that the C.D.N.A. is being used by the Canadian Association of Broadcasters, which has been carrying on a campaign aimed at breaking down the control over private radio stations exercised under law by the C.B.C. Certainly the views of the two organizations have a close affinity.

Mr. Robinette's professional view that the press will disappear unless the newspapers may have all the radio stations they want, so that they can use facsimile for their own purposes, will not be taken very seriously by anyone. Twenty years ago it was radio that was to kill off the newspapers. Radio would take most of the advertising, radio would provide news with speed the newspapers could not match, and that would be the end of the dailies. Well, radio came and developed along its own lines, but while that was going on the newspapers everywhere continued to be bought in numbers that constantly increase. In other words radio and the press each has its own field—the one is a complement to the other—and they come but little in conflict.

Now it is facsimile. Mr. Robinette has a vision of a machine in every parlour which hour after hour will be grinding out the news, reproducing full pages four per hour, needing only to be fed rolls of white paper periodically. All this, he says, will be a monopoly of the Canadian Broadcasting Corporation, which conceivably would bring in by radio facsimile the New York *Times* while Canadian newspapers dwindled and died and freedom languished.

This is all utter twaddle, and The *Journal* repeats that it gives no support whatever to the C.D.N.A. brief. There will be a place for facsimile, no doubt, in our swiftly-moving scene but it will not kill off the newspapers any more than television has exterminated the movies.

* * *

A time may come when the institutions familiar to us to-day will be gone. There may be no shops because each family will receive its allotted goods by government delivery. There may be no private transport because nobody will be going anywhere except by government assignment. There may be no newspapers because people will get the news in some other way, perhaps by telepathy in those advanced days. But all that is a very long way off, and nothing to worry us or our children.

For our own part we see no great harm in a newspaper owning a radio station if its publisher's inclinations run that way. It seems to us a matter of no great importance, and radio, which has made a place for itself in entertainment, is a legitimate investment. But we resent the spectacle of publishers who want to get into the radio business, or get in deeper than they are, or owners of private radio stations, dragging out the issue of freedom of the press in an effort to get their way, and trying to scare the life out of a lot of innocent members of Parliament.

The *Journal* at the time of writing is content to carry on without a radio station of its own, is content to concentrate its effort and thought on the production of a good newspaper. And in that mood we see no bogey under the bed such as facsimile. We believe that The *Journal* and other carefully-edited newspapers, written and prepared by trained intelligent responsible people, will stand up grandly against all the wretched facsimiles and what not that we are promised "some day".

Mr. FULTON: I think one should remark that it is very nice to see Mr. Beaudoin recognize the fairness and impartiality and proper views of the *Journal* here, and I hope he does the same thing at other times and other places.

The CHAIRMAN: I suppose the point is that Mr. Robinette stated he was appearing for the *Journal*, and the member desires to draw to the attention of the committee the fact that a witness came here asserting he was appearing for some person, and that somebody states that evidence was not true, that he did not present any views for the *Journal*. I did not like to interrupt while you were reading it but I gather that is the point.

Mr. BEAUDOIN: That was the idea. Furthermore, if you look at the brief presented by the C.D.N.A. and some of its proposals, for instance, on page 12 where it reads:—

> The Canadian Daily Newspapers' Association associates itself with those who believe that the licensing and regulation of radio should be transferred from the C.B.C. to a special board,

and so on, and you look at the editorials in the newspapers you find many newspapers who repudiate that view. For instance, there is in the London *Free Press* of June 19, an article by G. Ferguson in the Montreal *Star* of May 16. The Halifax *Chronicle*, May 21, has an article in which it is said that the C.B.C. has done a pretty good job. There is another one in a publication called *Country Life* of Vernon, British Columbia, of June, 1947. They have an article entitled, "Serving farmers well." I believe that is a monthly publication.

The CHAIRMAN: That is a monthly publication. It would have no application to the point in question.

Mr. BEAUDOIN: I quite agree.

Mr. DIEFENBAKER: Did not Mr. Robinette say that he did not represent all papers?

The CHAIRMAN: I cannot say whether he did.

Mr. BEAUDOIN: For the information of Mr. Diefenbaker I want to tell him that to my recollection, if it is correct, Mr. Robinette declared that he represented all the daily newspapers which belonged to his association, and he told us there were only three dailies which did not belong to the association. He mentioned the three which do not belong, and the name of the Ottawa *Journal* was not included in those.

Mr. FULTON: If this is being given as evidence questioning the accuracy of Mr. Robinette's statement I think one should then make some inquiries as to whether these papers, to which Mr. Beaudoin has referred, indicated their views to Mr. Robinette or to the association before the brief was presented.

I am not trying to say even if they did not indicate their disagreement that is not nevertheless authentic, but I think since Mr. Robinette's accuracy has been called into question, if that is the purpose—

The CHAIRMAN: It is surely no part of this committee's business to poll the membership of any association to find out whether a certain counsel does indeed represent them. It is surely no part of this committee's business to do that. A member of the committee has had evidence given to him by an individual. He subsequently discovers to his satisfaction that that witness stated that he represented people whom the member believes he did not represent. It is then the member's right to draw that to the attention of the committee, but it is certainly no part of this committee's business to poll the membership of that association or any association.

Mr. FULTON: No, I drop my suggestion.

The CHAIRMAN: Let us move on, gentlemen, and try to get down to the business that was determined upon yesterday.

Mr. REID: This morning I want to ask a few questions regarding private radio station CKNW. I am doing so because this is the only court of appeal to which one who feels in any need of redress can appeal.

The CHAIRMAN: Mr. Reid, you mean you wish to present some questions just like you would present them in the House and they will be referred to the committee? There is not any objection to that at any time.

Mr. REID: I think after I do so the committee will realize the need of some independent board to which a man to whom an injustice has been done can come and place his case before them.

The CHAIRMAN: That is argument. There certainly is not any objection to your asking questions.

Mr. REID: The first question I wish to ask is how many stations are operated by Taylor, Pearson and Carson in Canada?

The CHAIRMAN: All right, put the next question.

Mr. REID: Is Mr. Dunton going to answer that?

The CHAIRMAN: The answer to the question is not in order at the moment. The question is; as I understand it you are filing questions the same as you would in the House.

Mr. REID: The second question is, is the firm of Taylor, Pearson and Carson connected in any way with CKWX, Vancouver?

The CHAIRMAN: If you have them written out would you file them for convenience?

Mr. REID: The third one is, was a licence given to Dawson Creek, and if so, what was the power, frequency, and the date?

The WITNESS: I think we can get those for this afternoon.

Mr. REID: The other thing is that since an application was made in 1943 by CKNW the C.B.C. has consistently extracted one clause in the statement or brief presented to Mr. Rush on July 22, 1943. I accuse them of consistently—

The CHAIRMAN: Wait a moment. A question is in order. Argument is not.

Mr. REID: I am prefacing my remarks. You can tell me if I can do it before I proceed. There is no court in the land to which a person operating under a radio licence can appeal for redress. If democracy is to live at all this matter should be aired here.

The CHAIRMAN: That is all right, Mr. Reid, but that does not make it in order at this particular moment. As you say you have been attending committees for a matter of eighteen years. Committees, like every other body,

have to proceed according to certain rules of order and procedure. The order of the committee at the moment would appear to be the hearing of Mr. Dunton. Your questions were taken because there has been an understanding here that questions like that could always be filed and the answers will come forward in due course, but you are not now proceeding to ask questions. As I understood it you had finished your questions and you are now saying, "I accuse." That is not a question.

Mr. REID: I will start all over again so I will be within the rules of the committee.

The CHAIRMAN: Is it to be understood that the questions you have asked are to be considered as not asked and you are going to ask them in a different fashion?

Mr. REID: No. I will say that I should like to have the answers to the questions I have asked from Mr. Dunton this afternoon. My second statement is this. I am appealing to you for the privilege and right to air a grievance.

The CHAIRMAN: That is all right, but I cannot give you the privilege. You are in the hands of the committee. The committee has determined the order for to-day. There will be other opportunities to present any grievances that there may be, but this is not the moment for it according to what the committee has determined. That is all.

Mr. REID: Are you telling me that when a member of the committee puts a request to you that you in turn will not ask the committee?

The CHAIRMAN: No, I did not say that at all. I will put it this way. I am ruling that the argument you have undertaken to start is out of order at the moment.

Mr. REID: Then I want my questions answered as soon as they can be, and I want the right to cross-examine Mr. Dunton with regard to CKNW.

The CHAIRMAN: On the first point your questions are filed and if they are not answered in a reasonable time I should suppose you would take your right of asking why they have not been answered. On your second point, your desire to question further, that is something that can be determined when the proper time arises.

Mr. REID: That is not good enough. That is just not good enough. If I am going to get the brush-off I will pick up my papers and leave.

The CHAIRMAN: I am ruling you out of order.

Mr. REID: I am asking you a question.

The CHAIRMAN: I am ruling you out of order in those statements.

Mr. FULTON: May I intervene here? I have a somewhat similar problem which I propose to bring before the committee. Therefore I am interested in this discussion. I appreciate your ruling that we cannot make statements, but if we have a case which we wish to present and that case is bound up with C.B.C. returns I submit the only way we can present it properly is by asking the officials of the C.B.C. questions, and when they give the answers to cross-examine them further upon those answers.

The CHAIRMAN: There is no objection being registered to that at all. I only said that when the answers are in and something further is then desired that is something that will be determined then. I cannot rule on a point of order until it arises. I do rule out of order argument such as Mr. Reid was proceeding with at that time.

Mr. FULTON: If Mr. Reid cross-examines or asks Mr. Dunton questions with regard to returns made with respect to CKNW and with regard to correspondence which has passed between CKNW and the C.B.C. would there be any objection to his asking those questions of Mr. Dunton now?

The CHAIRMAN: I am making no ruling on any hypothetical case. Mr. Reid desired to ask some questions. I asked him to file them with the committee in the usual way as questions are filed in the House, and that has been done.

Mr. REID: Will you accept that as a notice of motion, that after Mr. Dunton is finished with general questioning by members of this committee and before he leaves the witness stand that I have the right to question him regarding what has taken place on the part of him and his officials?

The CHAIRMAN: I do not think I have anything to do with accepting a notice of motion. If you give notice there it is. You are still in the hands of the committee when the time comes.

Mr. REID: I would rather do it here than take it to the floor of the House of Commons where the officials cannot get a chance to answer. In fairness they should be here when I make my charges because I am going to make charges against Mr. Dunton and his officials.

The CHAIRMAN: That is all a matter of record. Shall we proceed with the business of the day?

Mr. FULTON: I have some questions to ask Mr. Dunton. Some of them were referred to yesterday. Some of them are referred to in returns filed by the C.B.C. Mr. Dunton, is there—

The CHAIRMAN: Just a second. Are you filing questions to be answered later?

Mr. FULTON: I want the answers now.

The CHAIRMAN: Just a moment. That is not the same thing at all. The questions that Mr. Reid asked were asked as they are in the House and are to be answered by a subsequent statement. As you know you could not ask questions respecting radio in the House. They would be referred to this committee. That is the type of question Mr. Reid was asking, and that is the type of question which is in order, but the questioning of Mr. Dunton in advance of his presenting the brief which he has this morning is not now in order, but it will be pretty soon afterwards.

Mr. FULTON: Last night when the order of business for today was discussed I said, and was careful to make the position clear, that before we finished with Mr. Dunton we wanted the answers to certain question which had already been asked, and we wanted the right to ask further questions arising out of those answers or any new matter.

The CHAIRMAN: Of course, I was not here, but even from the way you put it is quite clear you will still have an opportunity of asking questions of Mr. Dunton before we are finished with him. As I say, I was not here and I do not know what happened.

Mr. FULTON: What is your point, that we should defer questions now until Mr. Dunton has presented the brief?

The CHAIRMAN: I understand the order of the day is that Mr. Dunton should proceed with his brief.

Mr. FULTON: That was not my understanding. My understanding was we would have Mr. Dunton before us today. During the course of the day he would be asked and answer questions and would also present his brief.

Mr. REID: We did not finish questioning yesterday.

Mr. BEAUDOIN: Are they answers to questions on his original brief which you desire?

Mr. FULTON: I have not finished questioning him on his original brief.

The CHAIRMAN: I will tell you the way I understand it. I have to rely on what I am told as to the order of the committee, and I have said two or three times before, without it being questioned, that Mr. Dunton should proceed with his brief.

Mr. REID: He was before us yesterday answering questions and I understood that Mr. Dunton was going to finish the question period. I may be wrong.

The CHAIRMAN: My remarks have been based on the information given to me.

Mr. ROBINSON: At the adjournment Mr. Ross was engaged in asking a question and I understand there were one or two other members who wanted to ask questions as well. Would it not be feasible if anyone wants to ask questions to ask them now? Then later Mr. Dunton can proceed with his presentation, and if those questions are not sufficiently answered in the presentation could they not be asked later?

The CHAIRMAN: I am quite neutral in the matter. I only made my statement pursuant to the information given to me, and which was not questioned at all until now.

Mr. Ross (*St. Paul's*): I do not think there was any intention of not having Mr. Dunton answer questions.

Mr. BEAUDOIN: The members of the committee are always masters of their own procedure, but at the end of the meeting yesterday afternoon I remember distinctly having asked the members of the committee if they were through questioning Mr. Dunton and Dr. Frigon on their original briefs.

Mr. DIEFENBAKER: Mr. Chairman, . . .

The CHAIRMAN: Mr. Beaudoin has not finished.

Mr. BEAUDOIN: There were one or two further questions . . .

Mr. FULTON: I remember saying . . .

The CHAIRMAN: Just a moment; he has not finished.

Mr. BEAUDOIN: I remember Mr. Ross was the last man to put a question, and as soon as Mr. Ross' questions were answered then we proceeded to file statements and so on. That was my understanding, but if the committee wishes to change that procedure they may do so. After the members who were present at the meeting yesterday afternoon had been asked if there were any more questions to be asked Mr. Dunton and Dr. Frigon there was one question from Mr. Fulton and there was a question from Mr. Ross. Then we proceeded to file the returns. That understanding was repeated many times and was even discussed at the morning session that today we would start with Mr. Dunton and Dr. Frigon on their rebuttal of the C.A.B. and C.D.N.A. briefs.

Mr. DIEFENBAKER: In that connection away back in our proceedings I asked for the production of any correspondence there may have been received by Mr. Dunton or Dr. Frigon from the Minister of Transport or any other minister with reference to applications for broadcasting licences or any letters written by ministers of the Crown in reference to the question of broadcasting. The date of that request was May 29. Mr. Dunton said he would produce next day what was available.

The WITNESS: My memory is that it was left that it would be discussed with Mr. Diefenbaker. I have not had an opportunity to see Mr. Diefenbaker since. We have the letters here this morning.

Mr. DIEFENBAKER: That is fine. Of course, I want to examine on those letters after I have seen them because if Mr. Dunton is going to be able to walk out of here and say, "You cannot examine me on any letters that are produced to-day that were asked for five weeks ago . . .

The CHAIRMAN: I do not see why you say that. There is not any suggestion of that taking place.

Mr. DIEFENBAKER: I thought you said we could not examine on anything except the rebuttal statement that is going to be made.

The CHAIRMAN: Oh no, I never made any such statement nor did I mean to suggest anything of the sort. At the time that I made the statement to which I think you are now referring I was being asked something about what would happen when a certain question came in, and I remarked that would be decided when the time came. I said I was not going to make hypothetical rulings on hypothetical cases. The committee is always master. The committee can stop Mr. Diefenbaker asking questions, it is true.

Mr. DIEFENBAKER: You cannot stop me asking them.

The CHAIRMAN: They can pass a motion, if they wish, that we move on to something else, but I am not suggesting they are going to do it. The matter is in the hands of the committee, not in the hands of the chairman.

Mr. FULTON: I may not have made my position clear yesterday as to what I had in mind but I seem to recollect that I did make some comment to this effect, that there were questions still not asked, there were questions which had been asked which were unanswered, and I tried for my own part to put myself in the position that we reserved the right to ask further questions and to have them answered before the C.B.C. officials would be dismissed. Now, I have to go away all next week.

The CHAIRMAN: I did not mean to controvert that.

Mr. FULTON: Without further controversy may I request that I be allowed to ask my questions because I have to be away next week. If we wait until after Mr. Dunton's presentation I may not be here at a time when an opportunity for further questioning will arise. I think I covered my position clearly yesterday, but as a matter of courtesy I will now ask the committee through you if I may have permission to put my questions now.

Mr. BEAUDOIN: This was the statement made yesterday in answer to a question by Mr. Gauthier. He said:—

> Do we sit to-morrow?

I replied:—

> Yes, it was decided this morning that we would sit to-morrow from 11 to 1 and from 4 to 6 when we are to hear Mr. Dunton and Dr. Frigon in their rebuttal to the C.A.B. and C.D.N.A. briefs.

Then we proceeded to file those returns.

Mr. FULTON: There were some previous exchanges between you and myself before that statement you have just read.

Mr. ROSS: (*St. Paul's*): When that was said in the morning we did not know we were going to have that little mixup in the House in the afternoon. We did not have a full session in the afternoon. We had a very short time. That should alter all arrangements.

The CHAIRMAN: I do not know anything about it, whether a serious complaint can be registered against the lack of clairvoyance of the members of the committee.

Mr. ROSS: (*St. Paul's*): That is all right, but we should be able to question Mr. Dunton now.

The CHAIRMAN: The position as I see it is that according to the rules Mr. Dunton will now be heard with his brief. Mr. Fulton at this point requests that prior to that, because he is going to be absent next week, he should be

allowed to ask certain questions of Mr. Dunton. That is a matter for the committee to decide. I suppose we will take Mr. Fulton's request as a motion. Is that not right? I have no doubt that Mr. Diefenbaker, his colleague, would move that the request be granted, something like that, and let the committee decide.

Mr. KNIGHT: Might we ask how long Mr. Fulton will be?

The CHAIRMAN: Can you answer that?

Mr. FULTON: No, because it depends on the answers which Mr. Dunton gives.

The CHAIRMAN: We have all got to be here next week, you know.

Mr. KNIGHT: May I give evidence as to my understanding of the procedure as a member of the steering committee? My understanding was that Mr. Fulton had a long period of questioning of Mr. Dunton yesterday afternoon after which these documents were filed, and it was definitely understood that Mr. Dunton was to go on with his statement this morning, and that Mr. Ross received the special privilege of being allowed to ask one extra question at his own request after that occurred. I am not trying to go against Mr. Fulton but I want to put on the record what I think were the circumstances.

The CHAIRMAN: Gentlemen, it does not make any difference what the understanding of yesterday was as to when Mr. Dunton would go on with his brief. Time is running so that no matter what that understanding was it will not be carried out unless we come to a conclusion on this point very soon. Will some person make a motion? Otherwise I will have to rule that Mr. Dunton should proceed with his brief.

Mr. BEAUDOIN: I move that we proceed with Mr. Dunton on his rebuttal to the C.A.B. and C.D.N.A. as understood.

Mr. FULTON: I move an amendment to that, that the opportunity for further cross-examination on material already supplied be accorded to the members of the committee now.

The CHAIRMAN: You have heard the motion and the amendment. The amendment comes first. Are there any further remarks or are you ready for the question? The question is on the amendment of Mr. Fulton. Those in favour say "aye" or raise your hands. Those opposed? The motion is lost. All right, Mr. Dunton.

The WITNESS: I should like to emphasize I am speaking not just on my own behalf but very directly on the part of the body of which I am a member, the Board of Governors of the Canadian Broadcasting Corporation. The board had a meeting in Toronto last week and very carefully considered the matters of which I am going to speak, and I am speaking directly with the voice of the whole Board of Governors.

The CHAIRMAN: No dissentients on the board in this case as in the case of the *Journal* and some other papers?

The WITNESS: I do not think so.

I am speaking on behalf of a body to which parliament has entrusted big responsibilities—the Board of Governors of the Canadian Broadcasting Corporation. We come before this committee to report on how we are carrying out the trust given to use on behalf of the public. It is not our function, as a public body and a creation of parliament, to present a brief either for or against fundamental changes in legislation which parliament has enacted and reaffirmed. It cannot be our function to attempt to counter what is probably the most intensive publicity campaign ever waged by a group of interests for fundamental changes in certain laws of Canada. Nor can the corporation be represented by an able barrister to plead a certain case. We are responsible trustees

on behalf of the public and must answer with facts for our deeds and policies in carrying out the duties set us by parliament. As such we feel we should give our observations, based on facts, concerning representations made to the committee referring to functions of the corporation.

But it is certainly not for the corporation, for instance, to try to tell this committee how our parliamentary system works or what the relationship of a responsible government is to parliament. I may say with reference to the page numbers they refer to the printed record of the committee's proceedings.

"INDEPENDENCE OF THE C.B.C." (page 134)

The brief of the Canadian Association of Broadcasters (page 134) states in a section head, that "The Government (i.e. The Prime Minister and his cabinet) controls the C.B.C."

This statement is not true.

In supporting this statement the brief mentions several sections of the Canadian Broadcasting Act—the establishment of new stations is subject to government approval; the purchase of real property by the corporation is subject to government approval; the C.B.C. must report to parliament through the minister; the C.B.C. may not enter into agreements or purchase personal property exceeding $10,000 or enter into a lease for over a three-year period without government approval; C.B.C. by-laws must be approved by the government; the Governor in Council may authorize loans to the corporation for capital expenditure or working capital; the minister must be satisfied with the accounting system of the corporation and may inspect its books. We have always understood that these very specific provisions were included in the Act so that parliament, through the government, could have some check on large expenditures of the listening public's money by the corporation.

The government's power to check any actions of the corporation ends with the specific statutory provisions. Parliament made the corporation independent of government control in the general administration of its own affairs, in its broadcasting activities, in its policies, in the regulations which it has power to make.

Apart from the few statutory checks provided on certain items, the corporation was made to act independently of the government. It is, of course, subject to the overall jurisdiction of parliament. Actually, as it is shown by activities of the special committees set up year after year by the House of Commons, parliament seems to keep a closer direct watch on the activities of the corporation than on most other public bodies.

The brief also mentions that members of the Board of Governors are appointed by the government. It is difficult to see how such public appointments could be made otherwise in name or in effect than by the government.

The brief does not mention that on appointment, governors take an oath of office. The oath is as follows:—

> I Do Solemnly Swear that I will faithfully, truly and impartially, to the best of my judgment, skill and ability, execute and perform the office of Governor of the Canadian Broadcasting Corporation, and that, while I continue to hold such office, I will not accept or hold any other office or employment, or have any pecuniary interest, direct or indirect, individually or as a shareholder or partner, or otherwise, in broadcasting or, in the manufacture, or distribution of radio apparatus. So help me God.

Members of the board take an oath of impartiality and it is under this that we try to carry out our duties to the best of our abilities. We know that by law the corporation was set up to be independent apart from the few specific checks provided, and that is how we do our work according to our own

best independent judgment. Apart from the checks provided by parliament, the corporation is independent of government in practice and in law. It will continue to be—at least as long as this Board of Governors is in office. None of the present board would continue to serve if we thought that the corporation were subject to government control, since all of us believe that there are too great dangers in government control of a national radio system.

By statutory provision none of the governors can have a financial interest in broadcasting; none of the governors could be said even to have a pecuniary interest in holding office, apart from the chairman who is paid a salary. Governors take office not for any personal advantage, but to try to be of the best service possible to the public within their capacities. We believe that it is hard to think of a more independent public body. Even its financial means come to it either by statute or through its own business.

There is no justification for the statement in the C.A.B. brief that the corporation is controlled by the government. We feel this is important because much of the later arguments in the brief and expressions used regarding the corporation are based on this statement.

"Government Over-all Control by Licence": (Page 137)

We do not feel that it is for the corporation to comment particularly on the principles under which the state grants broadcasting licences. We feel, for instance, it is not for us to say whether there is better control by parliament over the granting of licences, when it is done on the responsibility of a minister or of a commission which could be removed only by joint address of parliament.

"Additional Devices":

"Network Control". The brief says (page 144) "Network operation is prohibited except with the explicit individual approval of the government's C.B.C. As a condition of approval C.B.C. dictates the payments to be made to independent stations for network programmes".

This last sentence is erroneous.

When the C.B.C. approves the renewal of an affiliation of a Canadian private station to a United States network, or when it approves one of the many subsidiary hookups which are arranged, the C.B.C. in no way sets the amounts to be paid to the independent stations for the programmes concerned.

When making arrangements by which private stations are affiliated to C.B.C. networks, the rates which stations will get for commercial network programmes carried are worked out on a commercial basis very similar to the way in which such rates are worked out between U.S. networks and their affiliates. Sometimes stations do not agree with the network rate set for their station just as affiliates in the States often do not agree with the network rate applied to them. In Canada no station has been forced to affiliate to a C.B.C. network. In fact we have had many pressing applications to join C.B.C. networks, some of which it has not been possible to grant. We have yet to hear of a station wishing to drop its affiliation to a C.B.C. network.

"Advertising Limitation": (page 145). The C.A.B. seem to object to C.B.C. regulations limiting the amount of programme advertising content on stations. This seems to involve the fundamental question of whether parliament wishes holders of air channel franchises to be free to choke the channels with any amount of advertising they see fit, or not. The corporation was given the specific duty by parliament of determining the proportion of broadcast time which may be devoted to advertising.

In its note on this subject the C.A.B. brief speaks of "control of advertising by the government who promulgate the regulations by order in council and the C.B.C. who administer the regulations".

In this there is a case of false statement and serious misrepresentation.

The C.B.C. broadcast regulations under its statutory powers are made and come into effect on the independent action of the corporation without any government check or approval or promulgation. Any change in regulations regarding the advertising content in programmes would have to be made on the independent action of the corporation which would have to answer for it to parliament.

Regulation 10 prohibiting certain categories of advertising is also mentioned. This regulation, together with the others of the corporation, has been submitted year after year to parliamentary committees. If this committee thinks the corporation has been in error in such regulations, the corporation will be glad to have the recommendation of the committee.

"News Control" (page 145). The brief says "anything which may be described as news is placed by law absolutely and utterly within the control of the government". In support of this the brief quotes C.B.C. regulation 13.(1) and also mentions regulation 14 and regulation 16.

The government has nothing to do with the approval or changing or administering of these regulations. That is all the responsibility of the C.B.C. which in such matters acts entirely independently of the government.

Regulation 13 (1) provides for a certain check on sources of news carried on Canadian radio stations. This regulation has been submitted to previous committees of parliament. If this committee thought there was no need for any check on the access of any foreign news agencies to the air channels owned by the Canadian public, the regulation could be easily changed or dropped.

If under regulation 14 the C.B.C. tried to ask for advance submission of news broadcasts or under regulation 16 to force a station to carry a government news program, then the corporation would have much to answer for to a parliamentary committee.

Mr. L. E. Beaudoin, Vice-Chairman, assumed the chair.

"Programme Compulsion" (Page 145). The brief designates as "programme compulsion", the provision of regulation 16 that "stations shall . . . give right of way to . . . programmes as the corporation shall designate". This involves the fundamentals of a national radio system. If there were only a private station in an area and no publicly owned station, and it refused to carry any corporation programmes, the listeners in the area could be cut off from any national service at all, even from extremely important programmes.

"Programme Control" (Page 146). The brief mentions the power of the corporation under section 22 of the Broadcasting Act to make regulations to control the character of programmes and mentions two of the regulations involved. It should be emphasized that the regulations of the corporation are public and that they have been reviewed time and time again by parliamentary committees. If the corporation has been in error there have been and are plenty opportunities for recommendations of changes in regulations.

Regulation 14 providing that the corporation may require the production of material to be broadcast before a broadcast takes place, is of course to take care of cases where there may be complaints or cause for belief that a certain broadcast may seriously violate a regulation. The corporation has no power to prohibit any particular broadcast, but may take action against a station when a violation has ben committed.

"Special powers and privileges" (page 146). The brief characterizes as a "special power and privilege" the right of the corporation to "publish such papers, periodicals, and other literary matter as may seem conducive to any of the objects of the corporation".

This seems hardly a very special privilege since it is one enjoyed by every private station in Canada.

"C.B.C. Practices"

The C.A.B. seems very critical because the Board of Governors of the C.B.C. has not held public meetings. We were surprised to see these remarks in their brief since last November, I, as chairman of the board, asked the directors of the C.A.B. if they would like the Board of Governors to hear any representations from the association or from member stations in public. The reply from the C.A.B. directors was "no".

In all the years in which the C.A.B. have been making appearances before the Board of Governors, they have never made representations for public hearings.

In its brief the C.A.B. seems concerned that such a regulation as 7 (*m*) against evasions of regulations by means of mechanical reproductions should not be dealt with in public. It should be noted that this regulation was passed several years ago for the purpose, obvious at the time, of checking evasions of the regulation by tricks. This regulation has been submitted to several parliamentary committees where there have been ample opportunities for public discussion of it. The C.A.B. having had plenty of opportunities to make representations to the Board of Governors concerning it, have not done so.

It is also interesting that from November, 1945, until May of this year, the C.A.B. made no representations before the Board of Governors. In November of 1945, they came to the Board respecting frequency modulation development. Following that meeting, there have been, over a period of a year and a half, a series of consultations and discussions with the C.A.B. on FM matters. Over that period, however, they did not make representations to the board regarding other matters, although it has been constantly emphasized to them that the board would be always glad to reconsider any of its regulations or policies.

The C.A.B. asked for a special meeting with the Board of Governors at the beginning of May of this year. This was arranged and later discussions were held, within the last few weeks, between representatives of the board and of the C.A.B. We have been surprised to note that none of the regulations brought up by the C.A.B. at these discussions are mentioned in their brief to the parliamentary committee, and none of the regulations brought up in their brief were mentioned in those discussions.

In the section on "C.B.C. Practices" (page 148), the brief says "It is not necessary for us to give instances and examples of how this is not in the best interests of the Canadian people, or radio broadcasting itself. However, we do say that in actual practice this legislation has at times resulted in a denial of what seems to us simple justice".

When the C.A.B. is attacking the system of legislation in Canada and at the same time attacking in vague terms the "practices of the C.B.C.", it does seem to us strange that it does not go on to mention for consideration by this committee examples of what it considers to be mistakes made by the C.B.C. or injustices perpetrated. The regulations of the C.B.C. are public. Any of its policies or actions may be questioned or discussed. If the C.A.B. feel there has been at times "a denial of what seems to us simple justice", it would seem only fair that concrete instances should be produced for consideration.

"Technical Development"

On pages 149 and 150 the C.A.B. brief makes some statements about the "stifling" of technical progress. Much of this is related more to the Department of Transport than to the C.B.C.

With regard to the power ceiling on private stations it should be emphasized that this policy was based on recommendations of parliamentary committees and was discussed by committees year after year. Dr. Frigon will later refer in more detail to the suggestions about lost coverage.

On page 150 there are insinuations that the corporation has been the cause of a lag in television and facsimile development in Canada. We think it is noteworthy that direct statements in this regard are not made. We also think it noteworthy that no mention is made of FM development. The corporation has been trying actively to stimulate the development of FM broadcasting in Canada, both through setting up facilities of its own and by encouraging private stations to go into this new form. We have noted that private stations on the whole have shown no great eagerness to go into FM.

With regard to television and facsimile licensing the following are facts. The parliamentary committee of 1939, which last considered this question, was of the opinion that no part of the public domain should be alienated in these fields. With this in mind the corporation has felt it should proceed with care in any recommendations regarding television and facsimile licences.

Through the years a number of letters mentioning application for television licences have come into the Department of Transport and sent on to the Board of Governors. The great majority came during war years at a time when on the face of it the applicants could not in any sincerity be expected to do anything. I have several letters that are typical of those that came in.

The board has felt that the time has not come for the general development of television on a sound basis in Canada. We do not know anyone who has studied the question and who disagrees with this. The other day I myself the president of the Radio Manufacturers Association, whose members would be particularly interested in such development, state publicly that in his opinion television in Canada was still five years away.

It has been suggested that the C.B.C. even blocks experimental television broadcasting by private stations. Not one applying letter that has come in from a private station regarding television has asked for permission for experimental television. They have all been with regard to full licences. Actually in our opinion most of the letters have been attempting to establish a position for the writer when television did develop.

In respect to facsimile, all applying letters reaching the board were in 1944 or before that, except for three. No technical plans, which are necessary before a licence can be granted, have come in from any applicants. We have not seen evidence of any serious demand for facsimile broadcasting privileges. The board has not wished to act on odd requests until a national policy respecting facsimile is formulated. None of the letters regarding facsimile have been for experimental work, but regarding full licences.

Now that there are indications of greater interest in the future in facsimile, the Board of Governors will work out its views on regulations applying to facsimile broadcasting. We feel that parliament may wish to give consideration to this matter, since there are some differences in sound broadcasting and in facsimile broadcasting.

In any consideration of facsimile it must be kept in the forefront of thinking that a broadcasting frequency is required for facsimile transmission to the public, and the number of frequencies is limited. The number of frequencies which can be allocated in the FM band will be greater than in the AM band, but will still be decidedly restricted. We understand that in Canada it will probably be possible to have some 50 per cent more FM stations than AM, for use in larger centres with, at the same time, single frequencies available for many smaller centres for which there is now no AM frequency available at all.

If there is a considerable development of FM and facsimile broadcasting this condition means that on the basis of frequency availability alone, there are inevitably difficult questions regarding who should have the opportunity to use the limited number of chanels available. Facsimile broadcasting can, of course, be done over either AM or FM stations by the addition of auxiliary equipment.

C.D.N.A. Brief. The brief of the Canadian Daily Newspapers Association spoke of "the decision of the Board of Governors of the C.B.C. that newspapers of newspaper publishers now not owning radio stations shall not be permitted to acquire licences".

In the parliamentary committee of 1942 there was discussion of the question of multiple ownership of radio stations, and of ownership by newspaper interests, and criticism of both. The committee made a recommendation against multiple ownership, which resulted in the establishment of regulation 31 A (*b*) under the Radio Act.

In view of the criticism at that time regarding newspaper ownership the Board of Governors has felt that before ecommending licences for newspaper interests or transfers of stations to them, it should be convinced that the applications were particularly well justified.

The C.D.N.A. apparently bases its statement about a decision of the board on a letter which I wrote to Mr. Harold Garner of the Peterborough Examiner last August. I should like to file Mr. Garner's letter to me and my answer. Perhaps it would save time to have them incorporated in the record.

The VICE-CHAIRMAN: Is it the pleasure of the committee that these letters should be filed?

Mr. ROSS (*St. Paul's*): What is the gist of the letters?

Mr. ROBINSON: If they are not long perhaps they could be read.

The WITNESS: Very well.

PETERBOROUGH EXAMINER

PETERBOROUGH, ONT.,

August 21, 1946.

Mr. A. D. DUNTON,
General Manager,
Canadian Broadcasting Corporation,
Victoria Building,
Wellington Street,
Ottawa, Ontario.

DEAR DAVE,—After leaving the telephone to-day, I suddenly remembered that it has been my intention to ask you to give me the story on the multiplicity of ownership, and also the ownership of radio stations by newspapers in a letter, so that I could file it with the committee in Toronto.

As you know there are some in every group who would say, "Are you sure he told you this or that?", and the only way to keep everyone happy is for you to write me a letter stating that the policy of the board was against present owners of radio stations being granted any new licences, and also that a newspaper man applying for a radio licence now would have to establish a pretty fair case to even have his application considered. If you will send this to me, I will appreciate it very much.

Yours sincerely,

(Sgd.) H. L. GARNER.

OTTAWA, ONTARIO,

August 27, 1945.

DEAR HAROLD,—Long sessions in the Gallery of the House of Commons have prevented me from sending a quicker answer to your letter of August 21st. Briefly the situation is this:

Regulation 31A. (*b*) issued by the Department of Transport under The Radio Act, 1936, says:—

> Except with the permission of the Minister given upon the recommendaion of the Canadian Broadcasting Corporation, no person shall be licensed to operate more than one station and no licence shall be issued to a company owned or controlled by a company hold ing a licence".

Since this regulation went into effect a general policy has been applied against further extension of multiple ownership beyond what existed at that time.

There is no regulation regarding the ownership of radio stations by newspapers. For several years the Board of Governors of the Canadian Broadcasting Corporation has had a policy of recommending issuance or transfer of licences to newspapers only in special circumstances. I understand, however, that it is intended that this whole question of the ownership of radio stations by newspapers be considered by the next Parliamentary Committee. This has already been mentioned in the House of Commons and will probably be made more clear in the House within the next day or so.

Yours sincerely,

(Sgd.) A. D. DUNTON.

H. L. GARNER, Esq.,
General Manager,
Peterborough *Examiner*,
Peterborough, Ontario.

The Board has felt that the question of newspaper ownership of radio stations is an important matter of public policy which goes beyond ordinary broadcasting questions. Therefore it has not formulated a definite policy of its own, but hopes that a parliamentary committee will make a recommendation on the subject.

The question has not been very important during the last few years since a large number of newspapers have had licences, and the board has not recommended against any applicant for a station solely because it was a newspaper. Now, with the development of FM broadcasting and the availability of a certain number of FM channels, the question becomes much more pressing.

Mr. R. Maybank, Chairman, resumed the chair.

As the C.D.N.A. brief points out, facsimile is primarily based on FM.

We should be glad for guidance from this committee on the question of whether all available FM frequencies should be allotted as fast as they are applied for, or whether some consideration should be given to the factors of how many broadcasting stations can be supported in an area and still give good broadcasting service; and on whether in the public interest any distinction should be drawn between applicants—newspapers or not.

C.A.B. ON "TELEGRAMS" (page 153)

In a further mention of technical developments, the C.A.B. brief says on page 153 that "Under the regulatory system existing to-day in Canadian radio, the C.B.C. and any existing 'government-of-the-day' have the right to demand copies of telegrams in advance when these new methods are used". With regard to the mention of the C.B.C. at least, we can say that this is nonsense. The corporation has the power to make regulations to "control the character of any and all programmes broadcast by corporation or private stations". It has no power to regulate or make demands concerning messages passed on communication systems.

FREEDOM OF SPEECH ON THE AIR

Running through the C.A.B. brief are arguments about freedom of speech on the air. Typical of the statements is this: (Page 148).

> As matters stand, the "government-of-the-day" could—constitutionally, promptly and without changing a word of present legislation—prevent expression of any opinion other than its own.

This statement is not in accordance with facts.

There is no provision under which the government could prevent the expression of an opinion other than its own on the C.B.C.

We know of no provision under which a government could prevent expression other than its own on any private station.

Let us examine further the realities of freedom for the expression of opinions on the air in Canada. In the C.B.C. regulations for broadcasting stations there is nothing which stops or which could stop the expression of any opinion on a private station, outside the provisions of regulation 7 regarding such things as defamatory matter, abusive comment of race, religion or creed, birth control, broadcasts on venereal disease, at certain times.

C.B.C. policy respecting opinion broadcasts is found in the White Paper on Political and Controversial Broadcasting. There is nothing in this White Paper which prevents or discourages the expression of any opinion on any private station. On the contrary the burden of the whole paper is to encourage "freedom of speech and the full interchange of opinions on the air".

We do see in fact some danger to freedom of speech on the air through inadequate opportunities given by private station operators for the expression of opinions on the air channels they control.

The following, for instance, is from a letter received from station CFCN, Calgary. This station is a prominent member of the C.A.B., the most powerful private station west of Winnipeg, and its representatives before the committee last year spoke hotly about freedom of the air for the people of Alberta. The letter said:—

> As C.B.C. regulations require a station to sell time to all groups, if they sell to any (distribute time fairly), we have discontinued selling time between elections for political broadcasts, because about the only people who would spend money 52 weeks in the year belonged to some "ism" or other.

This is hard to reconcile with statements in the C.A.B. brief about freedom of the air; for instance with the statement (page 133) that "the 'right of free speech' includes both the written and the spoken word; it includes the right freely to discuss, to commend or to criticize the ideas and actions of other people, particularly political leaders and their followers, and those conducting public affairs; and for these purposes to publicly circulate statements and to speak to others singly and in groups and to hold and address public meetings and to use public address sytems and the radio". How much is the air channel being used by CFCN available for free speech of this kind?

We do not feel that usually when a station provides only a quarter or a half an hour in a whole week of broadcasting for any talks or discussions on public affairs that there is great opportunity for freedom of expression of opinions on the air channel used by that station. That seems to be the case with some stations at the present time.

It is our brief that the chief responsibility for freedom of expression of speech on the air, for the full and fair and free interchange of opinions, lies with broadcasters. There is nothing preventing them from seeing that the freedom exists in fact. But the freedom for the public, who owns the air channels, can exist only if broadcasters actually do provide fair opportunities for the expression of different opinions.

The C.A.B. brief pleads for "the firm establishment of the legal right to freedom of expression on radio similar to the legal right to freedom of expression in print".

We feel that no one is more wedded to principles of genuine freedom of the air than is the Canadian Broadcasting Corporation. But we think that expressions used by the C.A.B. such as that just quoted indicate either a complete misunderstanding or a deliberate distortion of what freedom of speech entails over the medium of radio.

We think this confusion is evidenced in part by the fact that in the next breath with C.A.B. brief speaks of a "radio licensing and regulating body . . . with power to licence and regulate all radio in Canada". There is no body, nor any need for a body, to regulate and licence the press, as the C.A.B. says there is for radio.

Anyone with a few dollars can buy a printing press or have material printed somewhere and distribute it.

By Mr. Fulton:

Q. Do you really believe that, "with a few dollars"? Do you want to let those words stand?—A. Yes. There are some very small presses, Mr. Fulton.

There is no natural restriction on the number of printing presses, or on their location, or on how far material produced by them may be distributed. It may be argued that in fact there are only a certain number of daily newspapers in Canada. But there is nothing to stop anyone who wishes starting a newspaper anywhere he likes. And opinions can be circulated in weeklies, monthlies, books or pamphlets. Therefore it has always been taken that there is freedom for expression of opinion via the press as long as the state imposed no restrictions.

With radio it is quite different. To broadcast, a man needs to have permission to use one of a limited number of air channels which belong to the public. There can be at most only as many radio stations as there are air channels—and in areas where the channels are available, and the amount of broadcast time on any station is limited. Those who have franchises from the state are monopolists. They have a monopoly on an air channel. If they have the only channel in an area they have a wide monopoly of all the air in that area. If there are others, then the monopoly of the air is shared. As Mr. Sedgwick admitted, the station owners are trustees of the air channels for the public.

If a man wants to see an opinion of his expressed in print, and doesn't see it in his local paper, he can still take steps on his own. He can start a publication, or get out a pamphlet. The way to the printing press is not closed to him. But suppose he wants to hear his opinion on the air, and those who control the air channel or channels in that area say "no", then the air is closed to him. He almost certainly couldn't start a station of his own because there probably isn't a frequency available.

Therefore, freedom of speech on the air can exist only if in fact different opinions have access to the air channels. Since broadcasting time is limited

this cannot mean that any individual with an idea can demand a period to broadcast. But it must mean that there is opportunity in fact for the expression of at least all main viewpoints on the air channels.

If by "freedom of the air" the C.A.B. means, as Mr. Sedgwick seemed to indicate, just that the operator of a radio station should be completely at liberty, as is a newspaper publisher, to broadcast or to reject any opinions whatsoever, we feel that there is danger to true freedom of expression in this doctrine because of the nature of radio. If important viewpoints have no access to the air waves in an area, here cannot be said to be freedom of the air. If only one kind of opinion, and not others, goes on the air waves, then it is not genuine freedom of expression on the air.

In the present situation in Canada private stations, far from being restricted from putting different viewpoints on the air, are in fact encouraged to do so. The main principle in this connection is that there should be a right to answer on the air, as a safeguard for freedom of expression. If parliament decided there should be no such safeguards, no encouragement to discussion on the air waves, then we feel there would not be greater freedom of expression on the air waves, but a danger of freedom for suppression by those who happen to sit on air channels.

In thinking of freedom of the air, the corporation knows well that in fact, as well as in theory, private station operators constitute a small group who have had the good fortune to obtain franchises to use air channels. Scores of other people have also wanted to have broadcasting stations, but there were no frequencies available for them. If almost any of the frequencies now in use became available, we believe there would be other individuals delighted to have the opportunity of operating stations on them. Those who have not been able to get frequencies have not had much freedom to show what they could do, and how they would carry out the trusteeship of an air channel.

"C.A.B. Campaign"

We feel we should draw to the attention of the committee the campaign that has been carried on during recent weeks over private stations for changes in laws affecting broadcasting. A large group of trustees of radio frequencies, to use Mr. Sedgwick's phrase, have been using these frequencies to press for certain changes in the laws of Canada. Other similar campaigns might in the same way be conducted by those controlling air channels for or against other laws of the country. We feel the committee may wish to consider this use of power to work on public opinion concentrated in a small group of private interests to whom the state has entrusted precious radio frequencies.

"Competition" and "Regulation".

The C.A.B. (page 150) compares private stations and the C.B.C. to the C.P.R. and C.N.R. We hold that the facts of radio in Canada make this a wrong analogy.

The C.N.R. is composed largely of former privately owned undertakings which the state took over. It provides, in parts of the country, a transportation service which members of the public can use if they wish. And they pay for the transportation they choose according to the amount they use, just as with a private undertaking. The C.P.R. and C.N.R. carry on almost exactly similar operations; one, for special reasons, happens to be publicly owned.

The C.B.C. is quite different. It has the duty of providing day-in and day-out throughout the year a broadcasting service for the whole Canadian public. It is supported mainly by direct contributions which all members of the listening public have to pay by law.

In providing this national service both publicly owned and privately owned stations are used. The national system carries commercial as well as non-commercial programmes, as part of the service, and these are of benefit to

the listening public in all parts of Canada, and incidentally are of considerable benefit to the 70 odd private stations which join the corporation networks. There may be said to be some minor elements of competition in areas where there are C.B.C. stations and private stations not affiliated to C.B.C. networks. But the prime functions of the C.B.C. and of private stations are different, and, therefore, not competitive. They carry out complementary functions in the whole Canadian radio system. The one provides a national service; the others, as has been reaffirmed by parliamentary committees and emphasized by themselves to the committee last year, provides community service. But, as just noted, many private stations also join in helping to carry partial national service to listeners.

The elements to co-operation and assistance to private stations are far greater than any elements of competition that may exist. A competitor normally woudn't voluntarily be the means of providing his competitors with much valuable service and over a million dollars a year, as the C.B.C. does to private stations.

It has been a basic principle laid down by parliament after much study, and reaffirmed again and again by parliamentary committees, that there be co-ordination of all broadcasting in Canada through exclusive control being vested in the nationally owned system of (i) the character of all programmes (ii) all wire line networks. It has been fundamental in legislation and in recommendations of parliamentary committees that the needs of the national system, with its vast and complicated responsibility to the public, should be dominant.

The whole Canadian radio system, with its integration of public and privately owned stations, each with their complementary functions, has developed under these principles. We believe that in general the system provides good service to the Canadian public considering the peculiar complexity of problems presented to broadcasting by Canadian geography and conditions, and relative resources. We feel there may be danger of chaos in the system if the underlying principles were changed.

We do not need to look far to see possible dangers. Here is an example. National networks are composed of both public and privately owned stations. If privately owned stations were able to affiliate to American networks, to form permanent hook-ups among themselves, this might cut large gaps in present national networks and imperil their proper operation in the public interest.

To provide good national service in different parts of the country, the corporation must have the use of certain frequencies. The dominant need of the national system is recognized now by the provisions under which the corporation makes recommendations to the minister on such matters. If this dominant need is not recognized we do not see how the national system could be assured of being able to provide service to the proper extent because of the danger of not having access to necessary air channels.

We have found throughout the experience of the corporation, and we believe that is inherent in the legislation and in the body of findings of parliamentary committees, that in view of the structure of Canadian radio there are comparatively few questions that arise in a form of direct dispute between two parties, and which, therefore, can be settled in a straight juridical manner. The question nearly always poses itself "What is most in the public interest?" Thus the answer becomes a matter of appreciation of the public interest, after weighing many factors involved. It becomes more a matter of policy, than of judicial decision.

The CHAIRMAN: I do not know what the view of the committee is but it is 1 o'clock.

Mr. BEAUDOIN: I move that we go on until we finish the brief.

The CHAIRMAN: Is that agreeable?

Carried.

The WITNESS: The corporation has endeavoured to set its policies in all matters in conformity with the general lines of policy laid down in legislation and in recommendations of parliamentary committees. Its policies, within the framework as laid down, are subject to check year after year by parliament.

As the legislation stands now the corporation has big responsibilities. It also has a large measure of authority and influence to carry them out. It may go wrong or be remiss at times, and then it can be stopped or put on the right path by a parliamentary committee. But having authority, the corporation must answer for mistakes or shortcomings.

And the corporation is very close to practical radio operations. When it makes regulations, for instance that apply to all radio stations, it is not operating from a mountain top, but very close to realities..

If an independent board were set up the corporation would be left with the great responsibility of a national radio system, with the duty of reaching every possible licence-paying listener in the country, but much of the authority over what was to be done would be in someone else's hands. We suggest that in view of Canadian conditions there are many reasons for keeping authority and responsibility together. Then one body has to answer to parliament, and must take its responsibility because it has had the authority to act.

We feel there is some analogy here with our own governmental system under which legislative and executive powers are bound closely together. Because the responsibility of the national radio system is universal in Canada, we believe that there are similar advantages in having regulatory and executive powers allied, with one responsibility for both going clearly and directly to the public through parliament.

A parallel, which we believe false, is often drawn between broadcasting and the railway situation in Canada. We believe an analogy with some validity lies with the Ontario Hydro-Electric Commission. Like the national radio system it has to provide service for the homes of the general public, and it has both executive and regulatory powers, as has the C.B.C.

If another board were set up we cannot suggest exactly what would happen because much would depend on its powers and instructions, and how it would carry them out. It would be an extra piece of administrative machinery outside parliament, and in addition to existing agencies, dealing with broadcasting. Nor do we know how great the cost would be. We do believe it would have to have a fairly considerable staff to keep in touch with radio developments all across Canada. Nor is it up to us to suggest how parliament could keep supervision over the kind of body proposed, and whether the will of parliament could be better translated into effect than it is at present through study of the C.B.C. by parliamentary committees.

We do wish to emphasize that under the present principles, with its duties covering the whole field of broadcasting, the corporation makes every decision in what it believes to be the best interests of the public. And what it does is subject to close and direct supervision by parliament through special committees such as this one.

It is argued that there is need for a new board to judge impartially between private commercial stations and the Canadian Broadcasting Corporation. Presumably that means judging them on the same basis. We believe this could not be in the public interest. The C.B.C. is not a commercial organization, although it does carry some sponsored programmes, as is the C.N.R. for instance. It is not trying to do as much business as it can. It is trying to provide the best national radio service it can within its means to every Canadian radio listener that can

be reached. To this end it takes a certain number of commercial programmes. But it is far from seeking business as it would if it were a commercial organization. It does not locate its own stations for the best commercial advantage, but to provide service as best it can to the greatest number of people. We believe it would be decidedly against the public interest to put the national system in a position of being judged on the same basis as profit-making commercial organizations. Nor do we believe it wise or even possible to try to judge community commercial stations on the same basis as the C.B.C. The two are complementary parts, with differing functions, in the whole pattern of Canadian broadcasting.

As governors of the Canadian Broadcasting Corporation, it is not our place to try to tell parliament whether or not it should make fundamental changes in legislation. We are suprised to note that those private interests who suddenly, after a number of years, are asking for changes in legislation and who comment fully on functions of the corporation, bring forward practically no concrete examples of where they think actions of the corporation have been wrong, or not in the public interest.

We do believe that under the fundamental legislative principles by which the corporation has both responsibility and authority, Canadian radio has developed a rich service in the public interest in the face of the great difficulties presented by our country. We did wish to point out to the committee some of the dangers to the public interest which, through the experience of the corporation in carrying out legislation, we believe might lie in a change of principles long laid down by parliament.

By Mr. Beaudoin:

Q. Mr. Dunton, are you in a position to give this brief as wide a circulation as the C.A.B. and C.D.N.A. gave to their briefs, that is, broadcasting it entirely over the air or issuing booklets and distributing them at large?—A. We have not really considered that. We feel our duty is to come to this committee and give information to it.

Q. I do not see why the C.B.C., if they are in the financial position to do so, should not give this brief as wide publication as other associations who have attacked the C.B.C. have given to their briefs.—A. I should like to emphasize we do not consider this as a case or a brief against the C.A.B. We do not feel it is our duty to argue a case. We are trying to produce some facts and opinions on things we think may happen.

Q. Even if you take that attitude do you not think it would be rendering a service to the Canadian public to inform them as to your side of the picture since they have been so well informed as to the other side?

Mr. FULTON: Mr. Dunton would probably like a recommendation from the committee before he acted on that. I see no reason why it should not be given as wide circulation.

The WITNESS: I should like to emphasize we do not regard ourselves as being a party in a two-sided dispute. We believe we have been given a job to do by parliament and we try to do it and carry it out and to give parliament as much information as it desired. We do not think it is a part of our job to be advocates for any particular legislation existing or proposed. I do not think we are a body that should argue a case of that kind.

Mr. BEAUDOIN: I should like to move that this committee recommend to the C.B.C. that as wide circulation as they can give it should be given to this brief, within their financial means.

The CHAIRMAN: You have heard that motion. What is the pleasure of the committee with respect to that?

Mr. FULTON: Leave it to the steering committee where everything else goes.

Mr. Knight: I presume there will be some opportunity for discussion before a vote is taken on that question.

The CHAIRMAN: That is why I put it to you in the manner in which I did.

Mr. BERTRAND: We will have another brief from Dr. Frigon this afternoon. We should wait.

Mr. BEAUDOIN: The reason why I asked the members of the committee to make up their minds as quickly as possible is that there is an element of news in this, and the microphones are open now. It might go on the air in the two o'clock newscast.

Mr. FULTON: They can do that, anyway.

Mr. BEAUDOIN: They may not give it as complete coverage as they might otherwise. There could be a special broadcast put on in order to have this distributed across the country.

By Mr. Knight:

Q. I should like to ask Mr. Dunton if in his opinion it would be wise for the C.B.C. to allow itself to be pushed into the position of being on the defensive?—A. We would not want to be. We do not think we are in a position or should be put in a position of defending or attacking any legislation. We do think it is perfectly right and proper for us to tell about the job given to us. I think we have been remiss in not telling more about what we do under the job given us.

Mr. BEAUDOIN: I can always withdraw the motion and tell Mr. Dunton that the wish of the committee, if the other members express themselves in the same manner, is that they give careful consideration to the publicity to be given to this brief.

The CHAIRMAN: As a matter of fact, I had in mind asking some questions myself about the public relations work of the C.B.C. I have felt rather critical of it, that is, there was not enough of it done. The reason I have not expressed any criticism was I knew they did not have very much money, but I think probably the question of public relations will come up yet. I think whoever it was who first invoked the maxim about it being a good thing to blow your own horn had something, and that as nobody else will blow the C.B.C's horn they had better blow it themselves a little bit more.

Mr. BEAUDOIN: Before we adjourn I have finally found in the proceedings of the committee of yesterday afternoon that it was agreed that if the C.B.C. had some returns ready for this morning in answer to questions put by Mr. Fulton or Mr. Ross that the first ten or fifteen minutes of each sitting, that is, this morning and this afternoon, would be used to discuss that.

I had not seen that part of the proceedings when we had a discussion earlier this morning on the procedure but in all fairness to Mr. Fulton and Mr. Ross, I think this afternoon, at 4.00 p.m., we should deal with what ever returns the C.B.C. has ready to file, and that the witness should be questioned on the answers thus filed. I understand part of this questioning will, at the same time, include rebuttal, rebuttal by the C.B.C.,—I have looked at the nature of the questions—so we will not be in any way losing time.

Mr. ROSS (*St. Paul's*): I think Mr. Fulton should be allowed to ask those questions this afternoon.

Mr. BEAUDOIN: I may read this in the typewritten copy: "Let us agree on the procedure. If the answers which have been asked for are ready tomorrow morning at 11.00 a.m. then we might proceed for the first five or ten minutes with the answers filed to the questions which have been asked previously. If those which are not ready tomorrow morning are ready for our afternoon meeting at 4.00 p.m., when we open our meeting, we might also take ten to fifteen minutes to take care of those questions."

The CHAIRMAN: That pretty well irons out the dispute we had earlier this morning. I felt pretty sure it would work out all right.

Mr. FULTON: It did not work out just the way it was agreed, but it is all right.

Mr. ROBINSON: Mr. Chairman, in fairness to Mr. Robinette, it is not suggested in any way that he overstated his instructions or overstated the person from whom he received those instructions. While the proceedings have been going on this morning, I checked the proceedings and on page 276 he says this: "This brief is to be presented to you on behalf of the Canadian Daily Newspapers Association, which represents the majority of the Canadian daily newspapers in Canada." Then at page 288 the member newspapers of the Canadian Daily Newspapers Association are listed. Then at page 289 Mr. Fleming asked this question: "May I follow that up with a question in line with a question we asked of the C.A.B.? Has this brief the endorsement of all members of the association?—A. It is the collective view of the association. As you realize, in any association including the Bar Association, there is a cross-fire of opinion, but this is presented as the collective view of all the members."

Then on page 292 a question by Mr. Beaudoin reads as follows: "Q. Did you circulate this brief to all your members before it was finally adopted in the form in which it is presented here?—A. No. The brief gave a committee authority to incorporate the principles discussed at the general meeting. All the members of that committee have seen the brief and have agreed upon its terms."

Then the members of the committee are listed as Mr. Harry Kimbler, Mr. H. L. Garner, Mr. Fred Mercier, Mr. Philip Fisher, and Mr. Clifford Sifton.

I think that clears up Mr. Robinson's position and it still leaves it to this committee to decide whether the representations made by him represent the eighty-six members of the C.D.N.A. or whether it is only the feeling of this particular small group.

Mr. ROSS (*St. Paul's*): I move we adjourn.

The CHAIRMAN: The meeting stands adjourned until four o'clock to-day.

The meeting adjourned at 1.10 p.m. to meet again this afternoon at 4.00 p.m.

AFTERNOON SESSION

—The committee resumed at 4.00 p.m.

The CHAIRMAN: Gentlemen, a quorum came into the room but I did not notice it as I had my back to the committee, so that I have been holding you up a little.

Mr. Dunton has finished his brief and Dr. Frigon has certain additions to make to it. The two are joined together and are complementary to each other so probably you would hear Dr. Frigon now and question both of them together as has been the practice.

Mr. FULTON: Just before you go on to that, Mr. Chairman, you will remember at the close of this morning's meeting reference was made to a passage in yesterday's proceedings where it was decided there would be a period allowed for questioning at the beginning of the morning or afternoon session, and I would like to go ahead with the questions now.

The CHAIRMAN: I suppose that is right but it is only a very short hold-up to proceed the other way and have your questions follow immediately upon Dr. Frigon's presentation. You are right, however, and the statement having been made I think it has got to be done that way if you insist.

Mr. FULTON: I do not care to be put in the position of insisting upon something to which I am not entitled, but I did ask last night—

The CHAIRMAN: Yes, you are quite right.

Mr. FULTON: How long is Dr. Frigon's brief going to take?

The CHAIRMAN: I do not think it will be very long.

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

Dr. FRIGON: If I am left alone it will take a matter of ten minutes but if I am questioned it will be different.

Mr. FULTON: I think I would prefer to proceed with the questions.

Mr. GAUTHIER: If it is going to take too long we will have to sit to-night.

The CHAIRMAN: That is a decision we can make later.

Mr. GAUTHIER: I would move that we do so.

The CHAIRMAN: Well, it was understood this morning that Mr. Fulton would go ahead and no one wants to hold you down to fifteen minutes, but it was suggested that we devote in the neighbourhood of fifteen minutes to questions.

Mr. REID: Is Mr. Fulton the only member who is going to be allowed to ask questions?

Mr. FULTON: Let us hear Dr. Frigon then.

Mr. BEAUDOIN: I understand, Mr. Chairman—

The CHAIRMAN: Mr. Fulton apparently yields and he says let us go on with Dr. Frigon.

Mr. FULTON: Subject to the one request that when Dr. Frigon finishes I be allowed to ask my questions.

The CHAIRMAN: You will be the first one called on.

Dr. FRIGON: In answer to some remarks contained in the C.A.B. brief and also to a question of Mr. Ross I would like to discuss for a few minutes the matter of frequency location. I have a chart in my hand here which has two graphs. The bottom one is simply a reference chart and the one we are interested in is the top one. In this rectangle you can see a vertical line. This is supposed to represent the description of frequencies used in wireless. This chart is not to scale because you would need one about a thousand times this long, as you can see. Now this is the point I wish to bring out. Frequencies which are used in broadcasting, or which can be used in broadcasting, start at 10 kilocycles and go up to frequencies of 30,000 megacycles. Now in that last band there are spots which are used for broadcasting. They are coloured on this band and the first band is what is used for broadcasting. That is what is called the broadcast band, from 550 kilocycles to 1,600 kilocycles, and the other bands higher up in the scale are for television and are coloured green. This band, the yellow band, is for frequency modulation. The point I am trying to make is this: all these frequencies in every country in the world are under the control and regulated by one body. Now the ones used for point to point communication, used in shipping, in air navigation, and in police work, are applied for to the licensing authority for use under certain regulations which are adopted by the government. In Canada the Department of Transport, under Mr. C. D. Howe, is the authority which regulates and controls those frequencies. Now as you can see there are many services besides broadcasting which are involved in these regulations and control. Mr. Ross asked for some graphic representation of the difference between AM and FM. It is very hard

to explain with a simple graph, but here is a graph which tries to illustrate the point. At the bottom of the chart is a picture of the electrical wave form of a sound wave consisting of a single pure tone. In the "Amplitude Modulation" figure, to the left of the dotted line, is the steady carrier wave of an AM transmitter during a silent period when no modulation exists. To the right of the dotted line is shown the effect of adding the sound wave, which, by means of suitable circuits, controls the amount of power in the transmitter output wave and produces amplitude modulation. Note that the individual waves all have the same length and frequency before and after amplitude modulation. Only the amplitude is changed.

In the upper figure is the corresponding picture for Frequency Modulation. To the left of the dotted line, the unmodulated carrier has exactly the same shape as the unmodulated carrier of the middle figure. When the sound wave is added the change is again indicated on the right hand side of the dotted line. In this case, the size of amplitude of the resulting wave remains constant but the wavelength and number of cycles or frequency of the waves change with the applied sound wave. This resulting wave, whose frequency varies above and below the original value in step with the sound wave, is called frequency modulated wave. The process of producing this type of wave is called Frequency Modulation. Now whether that explains the matter I do not know but that is the way it is usually represented. I would like to file these two documents for reference to the committee.

Mr. REID: I daresay that little band, where it comes down to nothing, is the New Westminster station, blanked out.

The CHAIRMAN: As a matter of fact where it is curving just there, it is the sound of the bagpipes on that particular wavelength.

Mr. REID: The sound of the bagpipes is on every morning over C.K.N.W.

The CHAIRMAN: No wonder you are having trouble.

These, of course, cannot be printed but can be filed as exhibits.

Mr. REID: For your information the bagpipes are on the air free.

The CHAIRMAN: There is a serious mistake being made there.

Dr. FRIGON: Well, of course, books have been written on what I have said in about three minutes so, if you want any more information I will try to answer the questions that come up. Now I would like to cover two specific points covered by the C.A.B. brief, television and facsimile, also brought up by Mr. Ross. The important people who know about broadcasting realize it is too early to introduce television into Canada. The chairman talked about it this morning and pointed out some people he met recently have told him that. After all, there are no cities in the world of less than 1,500,000 population which have television stations. There are stations in the States, New York, Philadelphia, Washington, Chicago, Detroit, Los Angeles, San Francisco, and Schenectady. Stations exist in those cities because there was a possibility of starting television in New York, with a population which is as large as that of Canada. All those stations were started because they had behind them the power of very powerful manufacturing concerns who are interested in creating a market for their equipment. There is a vast amount of financial help available and the money which is invested in television is invested in the hope that, at some future date, television will be a big thing and bring revenues and profits. In Great Britain there is only one station at present, although the B.B.C. is planning to build more television stations. The B.B.C. we are told this year are spending something like £1,000,000 on television and they have a budget ready for next year, or the year after, which will call for $8,000,000 or £2,000,000 in one year. Those are big sums which are absolutely out of our

reach. Nevertheless in the States with all this money behind television and all this experimentation, there are only at present, I suppose the figures are not up to date because they are selling sets now in rather large quantity, but, we will say in New York there are only between ten and twenty thousand receiving sets. In Great Britain after fifteen years of television broadcasting, even if you take into account the war years, there are only between twenty-five thousand and thirty-five thousand sets. That is a small figure compared to the number of radio sound receivers that exist there. You can see, both in the United States and in Great Britain, the only two countries where there is television in the world to-day, only very huge sums of money available can introduce television broadcasting and keep it going.

Mr. GAUTHIER: Is there no television in France?

Dr. FRIGON: No, there is not. They have been experimenting but there is no television in France.

Now no serious broadcaster, even the most enthusiastic, will tell you that television will take care of itself commercially in the States for years to come even with the huge market facilities over there. When you come to Canada of course the question is quite different. We have nothing in the way of market that they have in the States. Our manufacturers have not got the capital or financial backing required to put television in the field and we simply have to wait until conditions are different. In the States at the present time the largest screen used on a television receiver is 16½ inches by 22 inches and that is not very large. The set which is being pushed by R.C.A. and sold by other large concerns sells for $500 odd, installed with a screen 6¼ by 8¼ inches. In Canada, that same set would sell for something above $700 so you can see with all this money and all this promotion that you hear about, television itself is, even in large centres like New York, almost in a primitive stage. The television stations in New York only broadcast for a few hours a week. It has not reached anything like the popularity or the expansion of sound broadcasting.

The CHAIRMAN: How many hours a week do they broadcast?

Dr. FRIGON: N.B.C. is on the air five evenings a week at the rate of two to two and a half hours a day plus some sports broadcasting, and so on, in the daytime.

Now in television there are two groups talking. There are the salesmen and the promotional people who try to sell television to the public in view of the huge market which, in some future years, may bring benefits to the manufacturer selling sets. The other group are the engineers and the men responsible for the financial support of television. Those people have to be more factual and proceed step by step. I think that is our position in Canada where it is in our interest to proceed slowly when starting so that we may learn. We think that if we should start in with television we may have difficulty in providing finances. For instance, last year we prepared an estimate as to how much it would cost us to build transmitters, one in Toronto and one in Montreal, with a view to having two hours a day, five days a week. That would cost us at least $2,000,000. Who can say it would be worth that? Then, too, what would happen at the end of two years; suppose we did put one or two stations in the air and set them up and operated them for two years with no possibility of keeping them going; what would happen to them, and what would happen to the receivers who would find their sets without programs being broadcast. I would be curious to know how many television sets there are operating in the city of Windsor, where they have seven television stations just across the border.

The CHAIRMAN: Have you no means of learning?

Dr. FRIGON: We have not tried to learn, Mr. Chairman. I can assure you that it must be a very small number if any. For instance, in order to put on a broadcast service of that kind, among other things, you would have to have a suitable van from which to broadcast field events and things of that kind, and a van of that type would cost in the neighbourhood of $100,000; and then you would have the problem of maintaining that van and keeping its equipment in good condition to give good service. So we are firmly of the opinion that television has not yet reached the point where it is ready for use in Canada because of the financial requirements involved. Anybody could experiment with television in Canada on a laboratory scale. A lot of people could have been experimenting with television in studios, but nothing has been done to our knowledge in the field of such experimenting. For the purpose of the public, putting on the air a signal which can be heard by anybody, that is a different matter altogether. For reasons which I have just explained, I think it is too early for us to start in that field.

Now, there is another point raised in the C.A.B. brief to which I will refer; and, if I may, I will read these notes I have here:—

> Once more the C.A.B. brief exhumes the old statement that the so-called power freeze caused the permanent loss to Canada of much potential coverage. This statement is to be found on pages 149 and 150 of this year's Hansard (page 24 of the printed brief).
>
> Here are the cold facts. Between 1932 and 1941 there was in existence an agreement between the U.S.A. and Canada. Under this agreement there were seven channels on which Canadian stations were permitted to use power up to 50 kw. On *all the other channels* the power was limited to a maximum of 1 kw. Any increase in power meant special negotiations with U.S.A. authorities.
>
> The 1936 ruling then applied only to seven stations, and of these only three,
>
> CJRM Regina 1 kw.
> CFRN Edmonton 100 watts
> CHNC New Carlisle 100 watts
>
> could have increased their power beyond 1 kw. The remaining five channels were all occupied by stations operating at more than 1 kw.; CFCN, Calgary, 10 kw.; CFRB, Toronto, 10 kw.; CKAC, Montreal, 5 kw.; CRCM, Montreal, 5 kw.; CKGW, Toronto, 5 kw. The 30 channels occupied by these stations could then, and can now, technically be occupied by 50 kw. stations; and no Canadian coverage has been lost. Of the three stations which could have increased their power only CHNC, New Carlisle, has lost any potential Canadian coverage, and any potential loss in service area due to the freezing order is offset to a large extent by the improved propagation on the lower frequency of 610 kc., as against its previous channel 960 kc.
>
> Insofar as Kelowna is concerned, there are two stations of 1000 watts each, which are just a thousand miles away. One of these is located in Winnipeg, Canada, and the other in Pierre, South Dakota. A similar situation exists with regard to Kamloops, there being two United States stations, one of which is 900 miles away and the other 150 miles distant. In view of the fact that the United States stations in each case were in operation prior to the assignment of these channels at Kamloops and Kelowna, we are not in a position to increase the power on these channels under the agreement.
>
> Insofar as CKRC, Winnipeg, and CKOV, Kelowna are concerned, both stations were and are still operating at 630 kc. At all times and previous to the Havana agreement, they were bound to use a directional

antenna if they wanted to operate above a 1 kw., the reason being that the 630 kc. channel in 1936 was a shared channel, Canada having special permission for Canadian stations at those points. CKRC then operated at 1 kw. (day) and 0.5 kw. (night) and CKOV at 100 watts (day) and night). Mr. Sedgwick referred to protected contours of 1 mv/m and 2 mv/m. Prior to March 29, 1941, there was no recognized protected contour as there were no international engineering standards. The 2.5 mv/m protected contour became effective with the Havana agreement. One thing the Havana agreement did was to establish engineering standards which make it possible today to guarantee to any station a definite interference-free coverage according to such engineering standards. So far as Kelowna is concerned, the owner of the station who had first applied for a 5 kw. station has changed his mind on the ground that he found out it would not be economical for him to do so. Instead, he is operating another station at Penticton and has attempted to obtain another station at Vernon with the permission to operate the three as a local network. The last request was not granted and there are indications that the owner of the station is thinking of moving his operating center from Kelowna to Penticton. So you can see that the whole picture is still in the development stage and it is wrong to say that the station has lost coverage because of the power freezing.

The only other station which was adversely affected by the freezing order was CJOR, Vancouver. If CJOR had increased power to 5 kw. in 1936, CFQC, Saskatoon, would have been subject to severe interference or would have had to move off the channel. In other words, a gain by CJOR would have meant a loss to CFQC. But it is doubtful whether in either event there would have been any net loss in total Canadian coverage.

A full statement on the whole subject was made to a similar committee in 1944, and may be read on pp. 80-81 and 267-270 of the Minutes of Proceedings and Evidence of the 1944 committee. Discussion and clarification of the statement may be found at pp. 332, 335, 336, 337 and 531.

There is one other point I would like to clear up. I was asked yesterday whether 1580, which we proposed to use for Chicoutimi, could be used somewhere else in Quebec, and whether 860, which is used in Toronto could be used somewhere else in Ontario. And then somebody told me that under the Havana agreement I should have said yes. Well, both answers are right.

The CHAIRMAN: The answer is, yes and no.

Mr. ROBINSON: That is what confused me last year.

Dr. FRIGON: Under the Havana agreement this station on a frequency of 1580 is authorized for use in the province of Quebec, and 860 was retained for use in Ontario. You notify the use of a frequency at any point. For instance, when we notified the United States that we were going to use 1580 at Chicoutimi and that we were going to use 860 in Toronto it limited the use of those frequencies to those points and to nearby points; because, from the time that we notified the United States of our intention of using the frequencies at the points I have indicated, they could use those frequencies, the same channels, for other stations, provided they did not interfere with the coverage of our stations in Canada, and providing our stations did not interfere with their coverage in the States. But if we were to move 860 from, say, Toronto to Port Arthur it would be quite possible that some stations would have been assigned the same channel in the United States with the understanding that our station would be in Toronto and from Port Arthur they would come within the range of interference at the new location. At the same time it can be

said that the Havana agreement stipulated that the frequencies could be used in Ontario or Quebec, as the case may be, yet in practice there is the understanding that these frequencies would be used at certain specific points, and we are to that extent obligated to keep operating from those points. Under the international agreement we could signify our intention or desire to change the location of these stations to another point within the province to which they were assigned, and in due course we would no doubt receive authority to move those stations to new locations; but, those are things which are just not being done, otherwise you would have chaos.

Mr. REID: I have a question which I would like to ask Dr. Frigon.

The CHAIRMAN: Go right ahead, Mr. Reid.

Mr. REID: I was particularly interested with your reference to television. You said that only cities which had a population of a million and a half or upward would be practical points at which to establish these stations. You also intimated that it would not be possible for the C.B.C. to embark on such an installation because the cost is considered prohibitive. Now, my question is this: why should a private station which wishes and is ready to take the initiative in television be denied that right by the C.B.C.? I have before me indication which indicates that on the date of July 10, 1946, an application was received from a radio station operator in Nova Scotia for permission to operate a television station. Now, my question is, if the C.B.C. do not find it practical to embark in this new field, and if there is a private owner who can put on and apparently has the necessary funds and is ready to proceed with the operation of a private station, why should he not have the right to receive the necessary licence, providing he is willing to go ahead and try to develop television, if he wants to take that chance?

Dr. FRIGON: I think our chairman could answer that. I would like to say this before he submits his views; that I do not believe any station in Canada could give anything like acceptable service to listeners at the present moment.

Mr. REID: Well, they should have a chance to try, anyway. Apparently here is a station which is willing to try it. Of course, I do not know whether they have the equipment or not.

Mr. BEAUDOIN: Mr. Reid, do you know on what terms the application was made?

Mr. REID: No, because the information was not available to me. I would like to have it. This matter came up last year.

The CHAIRMAN: As is well known, sometimes questions will be answered by one of the witnesses and sometimes by the other; I understand that Mr. Dunton is going to reply to your question.

Mr. DUNTON: It just happens that I have before me a copy of a letter from Dr. William Coates Borrett, relating to this matter which I would like to read to the committee:—

THE MARITIME BROADCASTING COMPANY LTD.
CHNS

July 10, 1946.

Mr. G. C. W. BROWNE,
Radio Branch,
Ottawa, Ontario.
Dept. of Transport,

Re: Television

DEAR MR. BROWNE:—As you are aware, we have an application in for Frequency Modulation and Facsimile and have had correspondence with you in reference to Frequency Modulation.

We also desire to have on file an application for Television, if and when such things are granted.

Will you kindly acknowledge receipt of this letter.

Yours sincerely,

(Sgd.) WM. COATE BORRETT,
Managing Director.

Mr. REID: Might I ask you one other question, what is your policy on television? Might I have that?

Mr. DUNTON: Yes, I tried to explain it very briefly in what I said this morning, and it goes back to statements made by the radio committee in 1939, at which time the committee said that no part of the public domain in this field should be alienated. In view of that fact the C.B.C. has wanted to go carefully about any recommendation for television licences. That was our thought then, and that was our submission to the committee last year and to the committee this year, that the time has not yet come to consider starting either in a private way or through public facilities the development of television in Canada. And I pointed out this morning, I think, that none of the television applications from existing stations were for experimental purposes, they were all letters asking about full licences.

The CHAIRMAN: All right, Mr. Fulton.

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

By Mr. Fulton:

Q. You will recall yesterday that Mr. Smith asked for another return in connection with the application of Mr. Ryan for a licence to broadcast in Ottawa. He wanted the completion of the affidavit filed by Mr. Ryan by having included the name of the notary public who took the affidavit?—A. I think the Department of Transport could answer that. I understand the stenographer just was not able to read the notary's name on the original.

Mr. CATON: The name is Seguin of the county of Hochelaga in the province of Quebec.

Mr. BEAUDOIN: The only reason why the name was omitted was—?

Mr. CATON: The typist could not decipher the name.

By Mr. Fulton:

Q. Mr. Diefenbaker asked this morning for any letters from the minister or any other ministers in connection with this application?—A. I think the request was fuller than that. I think the question yesterday was for all written material dealing with all applications for Ottawa stations at the time. Our staff has been working very hard on it. We have here copies of letters in connection with Mr. Ryan's application and a copy of a brief which Mr. Ryan read to the board when he appeared before it. This really should be added to the material from the Department of Transport.

Q. Is that Mr. Ryan's first or second application?—A. The second, the one which was acted upon.

Q. In asking for the copies of correspondence and reports, we had hoped to find something along the lines of the report of the technical committee which was submitted on Mr. Ryan's first application. Have you got that there

now?—A. No, that becomes pretty much a sort of inter-office communication. Usually the technical committee just makes a note on the technical questions. We can try to look it up to see if there is any useful information there.

Q. Do not the applications for licences come before your joint technical committee?—A. Yes.

Q. Is the report of that committee on the first application there?—A. I do not think we have that. We can try to find it.

Q. Do you know the terms of that report? I put it to you the report reads as follows:

> While it is possible to operate a radio station in the 560 kilocycle band with a directional antenna, such is undesirable due to the fact that with the directional aerial necessary the coverage would not be uniformly good but contain large dead areas in which the signal would be weak and practically nil.

Mr. BEAUDOIN: From what are you reading?

By Mr. Fulton:

Q. I am asking if that is included in the report of the joint technical committee?—A. I do not know. We can look it up.

Q. Was the first application turned down?—A. Yes. As I remember it the first application was turned down.

Q. Then Mr. Ryan, Mr. Shearer and Mr. Freiman submitted subsequent applications?—A. Yes.

Q. Were those applications for operation with the same kilocycle frequency under the same terms as the previous application?—A. Could I just have a minute to check that? Mr. Shearer's was also for 1,000 watts on 560.

Q. My point, and the point I should like covered is whether the subsequent applications were in the same terms or for a licence to operate in the same frequency and subject to the same restrictions as to directional antenna as Mr. Ryan's first application?—A. We know Mr. Shearer's was for 560 and presumably showing a satisfactory technical plan.

Q. If the first application was turned down, what happened in the meantime to cause the technical committee and the board of governors to change their minds and grant the application the second time?—A. I think the board of governors partly turned it down because it did not consider, at that time, it was a good idea to have another station in Ottawa. It was not just due to the technical recommendation whatever it was. The board was acting with other things in mind, or at least, in addition.

Q. Yes, I think they probably were, especially the second time. I am asking you what considerations were in their minds when they granted it the second time and gave preference to Mr. Ryan?—A. The chief thing was, I think, that all the applicants and Mr. Ryan in particular showed the board good arguments in favour of another station giving a good broadcast service. It was argued that an additional station would improve the general service available in Ottawa. That was the chief factor in changing the board's ideas.

Q. I should like an answer, if you cannot give it now you can furnish it later, as to what the report of the technical committee was on the first application?—A. We will try to get it.

Q. We have established that later the board changed its decision. I am asking you what caused the board to give a preference to Mr. Ryan when there were three applications in at that time.

The CHAIRMAN: May I just interject at this point? I do not think you can ask for that or press it unless Mr. Dunton is quite sure. You cannot ask one person to say what was in the minds of various people sitting on a board nor, unless he can be absolutely certain by advice from the other members, can you place any reliance on it after it is given.

Mr. FULTON: That is a very extraordinary statement to make about the chairman of the board of governors.

The CHAIRMAN: The chaiman of the board of governors, no more than the chairman of this committee, can state what the views of the members are. He cannot do that any more than a chairman of a committee can state the views of the committee except as they are formally expressed.

By Mr. Fulton:

Q. There must have been some considerations which caused the board to change its mind and which caused the board to prefer one man over another. I am asking you what those considerations were?—A. I think I can give you more information on the technical side. The first time the question came up it was felt there should be further considerations operative regarding the release of network programmes over the local stations, moreover there was no frequency without directional antenna and a technical brief for an antenna design and frequency had not been submitted. This application did come up apparently with the proper technical support and the board rejected it, or rather did not recommend it be approved then because it did not believe the addition of another station would be of benefit to broadcasting in Ottawa at the time.

By the Chairman:

Q. Excuse me, but just at that point, what date was that refusal?—A. June 5, 1945.

Q. Were you chairman of the board at that time?—No.

Q. Did the board record those reasons you have given?—A. Yes, they would be recorded.

Q. They have recorded the reasons why they were refusing it?—A. Yes.

Q. It is by reason of that being recorded you have answered as you did?—A. Yes I am reading from notes on the file.

By Mr. Fulton:

Q. When it was granted subsequently you were the chairman of the board of governors?—A. When the Ottawa question was officially considered and the recommendation made about it. This application came back after that and as I remember it was reported to me at the time, Mr. Ryan thought he could produce new evidence as to why there should be a station in Ottawa.

Q. And did the others?—A. And the other applicants I think, too, had come along in the meantime. So, the board arranged for all three to come to the same meeting and present their reasons as to why they thought there should be another station in Ottawa and why they thought each one in particular should be the best person.

Q. Can you give us or have provided copies of the briefs submitted by each of the applicants?—A. They are coming, Mr. Fulton. I am trying to go ahead. Then the board considered the briefs, the material submitted by each of these people. There was quite a long discussion, questions and answers, with each of them. Then, after all that it decided to recommend Mr. Ryan be granted the licence.

I think Mr. Smith asked for all the written material dealing with it. We have been able so far to get copies of the correspondence relating to Mr. Ryan's application. I have that and I can file it. I have one copy of a brief which Mr. Ryan presented to the board and on which he was questioned. I would ask if possible that we get this back. It is our file copy and we have not had time to make copies of it.

The CHAIRMAN: I think that would be satisfactory, to file it with the committee temporarily.

By Mr. Fulton:

Q. May I repeat my request for the other two briefs?—A. I have a copy of Mr. Freiman's brief which, again, I would ask to have back because it is the file copy. I have a copy of the endorsations for Mr. Shearer. I do not think Mr. Shearer had any written brief. He presented his arguments orally and supported them with copies of endorsations from various organizations who thought there should be another station.

Q. You say he did not submit an engineering brief?—A. When I refer to a "brief" now, I am using it in the sense of arguments and reasons why a person should have a licence, not a technical brief. These briefs dealt with considerations as to why there should be a station and why these people should be the people to have it; why they think they could do the best job of programming the station. I would file these two briefs and repeat that request.

Q. In the granting of applications, Mr. Dunton, does radio experience and the length of experience in radio have any bearing as to who will be the successful applicant?—A. It is one of the things the board considers, yes. In this case Mr. Ryan had a great deal of experience in radio and so had Mr. Shearer. Mr. Shearer was an old C.B.C. employee, so we knew of his experience. In this case there were quite a few things to consider. It was not too easy. Mr. Ryan had experience and his policy was known. Mr. Shearer also had a good deal of experience and his policy was known. Mr. Freiman had not had experience but, on the other hand, we know he had done a lot of public service work around Ottawa and was interested in cultural activities.

Q. In giving or refusing licences in the past has the fact that the interest applying for the licence is a local interest been given as a reason?—A. Yes the board has liked to recommend licences for local people.

Q. Where did Mr. Ryon live at the time he made his application?—A. At the time he was living in Montreal but he said he was going to move to Ottawa. He emphasized the fact he had lived in the Ottawa Valley area.

Q. But at that time he was living in Montreal?—A. Yes he was living in Montreal. Mr. Shearer had not always lived in Ottawa but Mr. Freiman, of course, was here which was a strong point in his favour.

Q. Did Mr. Shearer have more practical experience in radio than Mr. Ryan?—A. I think he had longer experience and therefore probably more, but on the other hand the board felt more convinced by Mr. Ryan's argument about why there should be a station and how it would be operated and how he would programme it.

Q. I wonder why that would be, in as much as Mr. Ryan's previous arguments had not been sufficient to convince the board?—A. I was not on the board at that time and I do not know what they were. I gather from what I have heard that he did not present very many arguments. He reapplied and I imagine went at it more seriously and presented both a written statement and an oral statement. He presented some very carefully worked out arguments.

Q. Did you not at the time of Mr. Ryan's application, at the time this was considered, know who he was and what his activities had been?—A. Yes. I think he provided pretty full information to the board in a written statement, in letters and in questioning. He had experience with a radio station in Windsor, with the Hudson's Bay Company, with Cockfield Brown. Mr. Shearer is quite a veteran in radio. Mr. Ryan's experience went back quite far. He had been with Cockfield Brown and had done a good deal of radio work with them.

Q. But in active radio operations he had only had two years' practical experience?—A. I think that is about all with a station, but with the agency he had quite a lot of experience. I think he organized the radio section of Cockfield Brown and had several years on the agency side which, of course, can be very practical radio work.

Q. This report of the technical committee had apparently refused Mr. Ryan's application previously. Why did those considerations no longer apply in so far as this new application was concerned?

Mr. BEAUDOIN: Before the question is answered I should like to know if this joint technical committee to whom Mr. Fulton is always referring has any official status. I have never heard of this joint technical committee before. It may be that the C.B.C. and the Department of Transport because of the division of powers and the consultations they have between themselves have organized a certain group of technicians to do some sort of work, but I do not think it should be referred to as being the committee which refused the application. It is either the board or the licensing authority which would refuse the application.

Mr. FULTON: I did not mean to refer to it as the committee which refused it.

Mr. BEAUDOIN: That was your sentence.

Mr. FULTON: What I intended to say was that it was the recommendation of the joint technical committee through whom these applications are submitted for their consideration.

Mr. BEAUDOIN: Those reports would be confidential, anyway. It would be work that was requested to be done by the chairman of the board or by the board itself. I do not think we should ask the chairman to give us this information. He can provide what is in the minutes of the Board of Governors. That has always been the practice in the past.

Mr. FULTON: As Mr. Reid pointed out this is the only court of appeal which exists for these matters. Here we have a position where we have an application previously submitted and previously turned down. Then we have it brought up again and three people applying and the application is granted to one of them. I think we are entitled to know and should know why the application was granted to that particular person and what were the considerations that made the board reverse their decision.

Mr. BEAUDOIN: If the board acted on a recommendation of the joint technical committee it would be because they asked the joint technical committee for an opinion.

The CHAIRMAN: I rather think Mr. Beaudoin's objection is hardly sustainable. Mr. Fulton is asking to what extent a certain report influenced the board. I do not know whether Mr. Dunton can answer if the question is put that way. I should think he could not answer because no man can tell to what extent something influenced some person else, not unless he has a clear statement from that other person, but as far as Mr. Fulton has gone I think the questions are in order.

The WITNESS: May I add that I thought I had explained before that the first time the recommendation was made against the application it was not on technical grounds. According to the notes of the board it was rejected because in the opinion of the board it was not a good time to have another station in Ottawa. The board later, among other things, was convinced by the material submitted that it was a good time. I should add that quite often unfavourable recommendations are made against applications and those applicants come back and submit more material and further argument, further information, and the applications receive favourable recommendation.

By Mr. Fulton:

Q. We have this situation, Mr. Dunton, that before June of 1945 an application for a radio licence on a frequency of 560 with directional antennae had been submitted and that application was turned down. You have heard my question as to the report of the technical committee there. It comes up again after June of 1945 with Mr. Ryan applying and, incidentally you have told me once before that priority of application is not a guarantee that a person will receive a licence when it comes up again. It is granted to Mr. Ryan under the same terms as the previous application. I want to ask you this. Was the fact that Mr. Ryan organized a meeting here in Ottawa, the last meeting of the campaign, and was radio publicity manager for Mr. King's election campaign, a consideration in the granting to him of this licence? A.—If that is so, it was certainly not a consideration.

By the Chairman:

Q. Did you know it was so?—A. I did not know myself.

Q. Was it so?—A. I do not know.

Mr. FULTON: Since the chairman has asked that question I should like to read from a newspaper report of that meeting.

Mr. DIEFENBAKER: It certainly would not be a detriment.

The CHAIRMAN: No, I would hope not.

Mr. FULTON: This is from the Ottawa *Journal* of June 9th, 1945, reporting a meeting on June 8th.

> Five minutes before Mr. King spoke, a Montreal man, Frank Ryan, explained to the crowd how to applaud "to make it sound good." They must, he instructed, start the applause with a short sharp burst, sustain the volume and then cut it off abruptly. "You must clap loudly" he advised, "to show that you have plenty of enthusiasm." At that one of the hecklers in the upper seats shouted: "But we haven't any enthusiasm, Bud." During the early stages of Mr. King's address, and at its conclusion, Mr. Ryan "cued" the applause. To bring it up he swept his hands up from the floor and pushed them above his head. And to cut the applause, he flattened his hands in the manner of a college cheer-leader "ending a stunt."

That is in the report of a meeting here in the auditorium on July 8th at which Mr. Ryan presided in that capacity.

The CHAIRMAN: By reading that you desire, I presume, to insinuate that did have something to do with influencing the Board of Governors?

Mr. FULTON: I asked Mr. Dunton whether it did. Then you asked a question.

The CHAIRMAN: The answer is "no", and I wondered why you wanted a further answer.

Mr. FULTON: You asked whether it was a fact Mr. Ryan acted in the capacity I have referred to, and I read the report to answer that question of yours.

The CHAIRMAN: I would hope, as Mr. Diefenbaker says, that Mr. Ryan's activities in that regard would not be a detriment, although I can quite understand you would desire that they should be a detriment.

Mr. DIEFENBAKER: I am sure it did not have a detrimental effect.

The CHAIRMAN: I would hope not.

Mr. FULTON: I can only say that I have asked for the tabling of certain papers. I have asked for an explanation as to why this application was turned down on one occasion and was later granted to the same applicant after June

11, 1945, and against two other applicants at least one of whom had more radio experience than Mr. Ryan. I shall require a more satisfactory explanation than I have been given before I am convinced that the fact to which I have just referred was not an influential factor in the granting of that licence.

The CHAIRMAN: In other words, your vote will stay the same.

Mr. FULTON: I hope I have put it quite straight.

The CHAIRMAN: Your vote stays the same.

The WITNESS: I would suggest it might be helpful to Mr. Fulton and the members of the committee to read some of the written material that is available apart from the oral presentation before the board which you could not have heard. I would suggest that you compare this written material. I think it is quite unfair to suggest in any way or to impute to the board of Governors any influence of the kind you have been.

The CHAIRMAN: I think you are quite mistaken. Their intention is not to arrive at facts from reading material that was before the board. The real aim is to get on the record the fact that Mr. Ryan had something to do with a Liberal meeting, and the purpose has been served.

Mr. FULTON: I am not going to quarrel with you. We all occasionally impute motives, but the real aim is to establish that as between three candidates who on the face of it are apparently equal, and perhaps the unsuccessful candidates even a little more qualified, the licence was granted to one, and to suggest that the reason is that there were other considerations which may have been an influence. Incidentally, Mr. Dunton, in connection with your last statement that it is quite unfair to accuse the Board of Governors . . . I think those were your words. . . . In paying attention to that sort of thing, you must remember that all the briefs we have had here, and many of the points that have been made, have been to the effect that the Board of Governors is not a free agent, is not an independent agent in the granting of these licences. That is one of the objections to the secrecy surrounding the meetings of the Board of Governors.

The WITNESS: In what sense is it not free, in making its recommendations?

By Mr. Fulton:

Q. Yes.—A. I tried to explain it is a free agent, a completely free agent in whatever recommendations it makes. It is not in the granting of the licences, but in its recommendations it is an entirely free agent.

Q. Not in granting the licences.—A. Not in granting them. In its recommendations it is. What somebody else does with its recommendations is not its business.

Q. I think in the granting of the licence one of the factors was the fact to which I have referred.

Mr. REID: I can assure Mr. Fulton that these things do not carry as much weight as he thinks. I appeared three times before the board and was turned down hard. Perhaps there are others around here who carry more weight with the C.B.C. than I do, but I thought I was helping my constituents.

The CHAIRMAN: You did not get to first base.

Mr. REID: No.

The CHAIRMAN: Are there any further questions along this line?

Mr. DIEFENBAKER: Would you allow me to ask for the production of the letters that I asked for?

By Mr. Reid:

Q. I want to ask one question about Mr. Ryan. I am not particularly interested in Mr. Ryan, but I want to ask one question of Mr. Dunton. We were presented here with a copy of the application to the Department of

Transport. Is there another application that has to be filled out by an applicant which goes to the C.B.C. apart from the copy of the application given to us in this brief?—A. Following the recommendation of last year's committee that applicants for licences be asked to indicate what amount of public service they will give, we have asked the Department of Transport to send out with their licence application form a form asking further information from the applicant.

Q. There are two forms. We were presented here with a form headed "Canadian Broadcasting Corporation," and there are a certain number of questions on that application form. The information is more exhaustive, shall I say, than the application presented to us by the Department of Transport. I am wondering which application prevails. Which one does the applicant have to fill out in the first instance?—A. The Department of Transport one, but in addition, following the recommendation of last year's committee, we are asking applicants to assist us in making a recommendation by filling out a form covering roughly their programme plans and intentions.

Q. Then you have a completed form similar to that made by Mr. Ryan, have you?—A. No, this has only started in the last month when we got the system going following the recommendation of last year's committee. In his written submission to the Board of Governors Mr. Ryan gave a lot of information about his programme plans.

Q. As I say, I have no particular interest in Mr. Ryan at all. I do not know who he is. He has got a licence, and God bless him, but this information is not complete and I should like to see it complete. Before I draw your attention to what is not complete about it may I ask Mr. Dunton if these are the questions that are asked of every applicant. I know it is not put out by your department, but you must have knowledge of it. Is this the same application form and are all these same questions asked of every applicant for a radio licence?—A. I am not quite sure what you have in your hand.

Q. I have a copy of the correspondence dealing with the application of Mr. F. Ryan to establish a private commercial broadcasting station in Ottawa.—A. That is the Department of Transport application form, the formal application for a licence.

Q. To your knowledge the application form that goes out is similar to that in all instances?—A. That is a Department of Transport matter, but I am pretty sure they are.

Q. When you are reviewing the applications you would surely look at the application form?—A. Certainly, and in my experience it is the same.

Q. I want some answers that are not in this document. If you look at page 3 of the copy you will see a question which is not filled in. I am anxious to know what it was. Question 16 refers to the area to be served including an estimate of the population.

The CHAIRMAN: Would you repeat that last question?

Mr. REID: Question 16 refers to the area to be served, including an estimate of the population, and it is not answered. There is just a blank. If we are being provided with full information why is it not filled out?

The CHAIRMAN: That is what you are saying, that it is not filled out?

Mr. REID: That is correct.

The CHAIRMAN: What is your question on that?

By Mr. Reid:

Q. My question is why is there no answer to question 16 and if there is an answer what is it?—A. From the point of view of the Board of Governors when it was looking at the application I do not think that would be a very

important question because it would know roughly from the technical application, the frequency and the power, and the location, Ottawa, the area to be served.

Q. You are bearing out what I thought. When an application was made out by CKNW they were requested to give the area and you held them to it. That is why I am blaming you for discrimination. And what is exhibit B? Why has not exhibit B been appended? It is all very well to get these returns in this fashion, Mr. Chairman, some of the members are not particularly concerned, but I want them to be complete. I do not see exhibit B at all. I see exhibit A, and I see exhibit F.—A. That is a Department of Transport return and perhaps some of their officials can answer that.

Q. Exhibit B has reference to the letters from the civic organizations, the board of trade, the Chamber of Commerce, the civic government body. CKNW had to supply that information when they applied for their licence and I want to know what is being done here? I am against this business of discrimination.

The CHAIRMAN: Mr. Reid, you apparently did not get the full import of the answer.

Mr. REID: Where is exhibit B?

The CHAIRMAN: You directed your question to Mr. Dunton and the answer was that it was a Department of Transport matter and he has been just wanting you to hesitate long enough to get the transport officers to give him the answer.

Mr. REID: As we were dealing with the Ryan case I thought I would ask through you.

The CHAIRMAN: There is no objection to you asking him but he says you have got the wrong man. Perhaps Mr. Caton could answer that,

Mr. CATON: Yes, I can explain. At the time Mr. Ryan's application was received the form was not available. It had not been put into effect, that is the form for application for licence.

Mr. REID: Do you mean to tell me before that time radio stations were passed without having to tell the area they were to serve.

Mr. CARTON: Well, we had a form which was a technical form, but it fast became obsolete as time went on, and as the result of our experience these new forms were developed and provided.

Mr. REID: Just tell me why you held up CKNW and demanded from them the area away back in 1944, and then you tell me this is something new?

Mr. CATON: The only reason I can give you concerning CKNW having to fill it in or complete it is the fact that the form was in effect.

Mr. REID: Could I have a copy of the form?

Mr. CATON: This form was not sent to Mr. Ryan until, I believe, after the board's decision when the minister requested that we get full financial information with respect to Mr. Ryan. I think you will see that in a memorandum that is on the file.

Mr. REID: But he was asked there to state the area and there is nothing on the form. I was objecting to the fact that it is blank.

Mr. CATON: The references have already been submitted, I think, to the board of governors of the C.B.C.

Mr. REID: Mr Chairman, the other questions are filled in and, for the information of the members of the committee, there are certain questions asked here in this form but this particular question is blank and I think I am well within my rights in asking about it.

The CHAIRMAN: There is no person interfering with your questioning.

Mr. REID: I am not interested in Mr. Ryan and I am only out for one purpose, to show the gross unfairness and discrimination of the C.B.C.

The CHAIRMAN: In suggesting that any person is quarreling with your right to ask, I think you are wrong.

Mr. REID: This gentleman can get me exhibit B, the old form.

The CHAIRMAN: Mr. Caton, do you suppose you could get that?

Mr. CATON: Yes. If available in our file.

Mr. REID: And I hope he is not too long about it.

The CHAIRMAN: Mr. Caton will endeavour to supply it.

The WITNESS: I think it might help, Mr. Chairman, to say the letters of reference for Mr. Ryan are included in his submission to the board of governors, as I remember it.

The CHAIRMAN: Are there any other questions?

By Mr. Diefenbaker:

Q. I have just one question on this matter and then I have some other matters on which I have to ask questions. Was there not an application by Mr. Allard and Mr. McKinnon for the same frequency that was given to Mr. Ryan?—A. There had been an earlier application which reached the board from Mr. Allard and Mr. McKinnon but it was for a different frequency.

Q. Was it not for the same frequency? Did you not have an application for the same frequency?—A. I do not have any record of it.

Q. You would have a record if there had been an application?—A. Yes.

Q. So there was not an application by those men for the same frequency? —A. I believe not.

Q. What frequency did they apply for?—A. 970 kilocycles.

Q. And what was the decision?—A. That was about the same time as Mr. Ryan's application and the board recommended denial, not on technical grounds, but because it did not believe another station could be supported in a manner which would contribute to broadcasting in Ottawa.

Q. What was the date of that application?—A. The first note we have from transport is of April 21, 1945.

Q. How long after that was Mr. Ryan granted a licence?—A. Mr. Ryan was rejected, I think, at the same time as the first application was recommended for denial, I think on the same date,—yes, June 5th; but Mr. Ryan decided, apparently with some others, to keep on trying and produced other arguments.

The CHAIRMAN: Are there any other questions?

Mr. REID: Are we at liberty to ask questions of Dr. Frigon?

Has a list been submitted or could it be submitted without a great deal of trouble of the salaries you are paying in the C.B.C. I notice in the C.B.C. magazine, a cutting of which I hold in my hand, that you make the statement that the C.B.C. is paying higher salaries than those paid by private radio stations. Now would it be a difficult matter to get the salaries that are paid?

Dr. FRIGON: We have submitted the salary ranges before and we can do it again if you wish us to do so.

Mr. REID: I do not want you to go to a great lot of trouble but the statement has been made by you.

Dr. FRIGON: Yes, that is right.

Mr. REID: You also make the statement, for stations have been built that are self-supporting and will provide extra revenue. My question is have they provided extra revenue?

Dr. FRIGON: They have not been built yet.

Mr. REID: I beg your pardon?

The CHAIRMAN: They are not built yet.

Mr. DIEFENBAKER: I would like to ask some questions in regard to the matter of letters from ministers.

The CHAIRMAN: Pardon me, just a moment, Mr. Diefenbaker. Gentlemen, I know it has been the desire to finish the questioning of Mr. Dunton and Dr. Frigon as well as the Department of Transport officials. I would like to know from you whether you propose to sit to-night. I wonder if it would be wise for us to make our decision in that respect now. I do not mean that we should adjourn now as it is only 5.30 o'clock, but I think we should settle a matter of that sort now.

Mr. GAUTHIER: Why not adjourn at 5.45 and come back here at 8.30?

The CHAIRMAN: Let us settle whether we shall sit to-night.

Mr. REID: Is Mr. Dunton coming back?

The CHAIRMAN: That is the purpose of the meeting to-night, to conclude questioning, if possible.

Mr. REID: And I want Mr. Browne here. I want to discuss station CKNW.

The CHAIRMAN: As I said on numerous occasions, you will be given every opportunity possible. What about this sitting to-night? Let us consider that for a moment.

Mr. DIEFENBAKER: It is very difficult to sit to-night. The House is now on estimates and in order to be able to be here this afternoon I had to ask the Deputy Speaker to hold certain items over until my return.

The CHAIRMAN: Gentlemen, what is your will and pleasure? Is there a motion one way or the other?

Mr. GAUTHIER: I move that we sit to-night; that we adjourn at 5.45 and come back here at 8.30.

Mr. REID: That suits me all right as long as we can get on to station CKNW.

The CHAIRMAN: Are you ready for the question?

Carried.

That means that we will sit to-night at 8.30 o'clock.

Mr. REID: Thank you, sir.

The CHAIRMAN: Now, to clear up that question of yours, Mr. Diefenbaker.

Mr. DIEFENBAKER: I have a number of questions to ask. The first was with respect to letter of ministers.

The WITNESS: In reply to that request by Mr. Diefenbaker I wish to file this correspondence.

The CHAIRMAN: Mr. Diefenbaker, do you want to use them right now? I don't care, I just wondered whether the clerk has to put a mark on them.

Mr. DIEFENBAKER: Well, Mr. Chairman; how many of them are there?

The CHAIRMAN: Oh, there are, I would estimate, probably forty. The clerk will give them to Mr. Diefenbaker to look at in his spare time. He has a lot of spare time.

Mr. DIEFENBAKER: I think that was a proper observation, Mr. Chairman; forty letters from ministers will take quite a bit of spare time.

By Mr. Diefenbaker:

Q. Now, I want to ask Mr. Dunton if there are any applications for licences still outstanding in Saskatchewan, Alberta and Manitoba?—A. There

are previous applications which I think were made a few years ago; and I think I am correct in saying that they were for French language stations in Edmonton, Gravelbourg and Prince Albert.

Q. Prince Albert?—A. Yes. We have recently heard that at least two of these applications are to be revived; they haven't come from the Department of Transport yet, but I think they are being revived again; and I think those are the ones for the stations in Edmonton and Prince Albert. I think those are the only ones pending in those provinces.

Mr. BEAUDOIN: Gravelbourg, too?

The WITNESS: I think chiefly Edmonton and Prince Albert. That is my understanding.

By Mr. Diefenbaker:

Q. Which ones?—A. Edmonton and Prince Albert. We understand that the Gravelbourg application is not being pressed very hard.

Q. Are there any other applications?—A. I do not think so; no, not that we know of.

Q. Are the applicants for these French-language stations the same applicants who filed applications previously?—A. I understand they are the same organizations, and I think probably much the same people.

Q. And have these new applications come before you?—A. No, they have not come to us from the Department of Transport; while we were in Toronto there was some misunderstanding—a number of representatives arrived down there by train before we received the applications from the Department of Transport so we were not seized of their contents; but out of courtesy we agreed to hear them in the absence of getting their applications from the Department of Transport. We heard them and we did discuss it with them the matters involved. Of course. we could not come to any decision or recommendation because we did not have any supporting material before us.

Q. I see, but in the absence of the applications you took some information as they had and wanted to place before the board of governors. Did you say that was two weeks ago?—A. That was last week in Toronto. It was mostly oral, I think, because we did not have any proper written information before us such as we usually get from the Department of Transport with applications and so on.

Q. But you say there are now no other applications before the board of governors from Saskatchewan than the ones mentioned?

The CHAIRMAN: You mean before the board of governors.

The WITNESS: Not that I am aware of. My working officials confirm that.

The CHAIRMAN: I think that quite clear; you mean applications before the board of governors now for recommendation one way or the other by them?

Mr. DIEFENBAKER: That is right.

The CHAIRMAN: And Mr. Dunton in answer says no, not that I am aware of.

The WITNESS: There is nothing else of which we know at this stage.

By Mr. Diefenbaker:

Q. That is all right. In connection with the matter raised by Mr. Fulton regarding the station in Ottawa, I would like to ask you a few questions about radio CKVL in Verdun. Am I correct, that certain Verdun citizens applied for a licence?—A. I think that is right. I think we have some information on that. Speaking now from memory, I think there was an application which the board recommended favourably. That did not go through for some time. In the meantime another group of citizens applied but the board had already recommended the first application.

Q. There were three applications?—A. Will you excuse me just a minute?

Q. Yes, surely.—A. All that we can remember, Mr. Diefenbaker, is the two.

Q. Who were they from?—A. The first one from Mr. Titlemain.

Q. Jack Titlemain?—A. That is right.

Q. Who is the other one from?—A. Mr. R. E. MacKay.

Q. When did Mr. MacKay's application come in?—A. We got it from the board by letter of January 10, 1945.

Q. And Mr. Titlemain?—A. The first one was on March 30, 1940.

Q. Yes; what did you do at that time?—A. It was denied on the grounds of no frequency being available.

Q. Yes; when was the next one.—A. Then he applied on May 30, 1944; at that time for a 1 kilowatt station on 990.

Q. And after that?—A. That was recommended for denial; the board at that time thought the coverage in Verdun from Montreal stations was good enough.

Q. What date was that, please?—A. That was June 26, 1944.

Q. Then when was the next?—A. When he came back after that, that July, and presented a good deal more evidence showing that Verdun needed a station and that he would be providing a local community of Verdun service which would be useful, and so on.

Q. Yes; and when was that granted?—A. There was a recommendation by the board. Then it went on the usual way. It was sent back to the board without being granted. That is where the delay came in. It was sent back to the board in November of 1945. The board reaffirmed its recommendation.

Q. That being?—A. November of 1945.

Q. Now is this the final date on which this Jack Titlemain got his licence? A. Yes, it was recommended again then.

Q. He is the publisher of *Radio World*, or *Radio Monde*, isn't he?—A. I believe he has some connection with it; I am not sure what it is.

Q. What connection did you hear he had with it?—A. I have forgotten just what it was. It seems to me I heard that he had been the publisher. I have been hearing so many rumours—the last thing I heard was that Mr. Marcel Provost is publishing it.

Q. But until recently I think you said you heard that he had been publishing it?—A. It is all very vague. I have heard a number of remarks, rumours just out of the air. I believe I heard he was either the publisher or behind *Radio World*.

Q. *Radio World* is pretty well built up with C.B.C. advertising and publicity, isn't it?—A. I wouldn't say so, Mr. Diefenbaker. As Dr. Frigon explained, we have a sort of contra-account with *Radio World* by which they take time on C.B.C. stations to advertise their magazine and we buy space in the magazine to advertise C.B.C. programmes, and so on. They charge just the regular rate and they have the same arrangement, I understand, with other private stations.

Q. What other publishing companies beside *Radio World* enjoy that arrangement?—A. I do not think—I do not know that we have a similar arrangement with any other publisher. *Radio World* is the only magazine serving the radio listener on a more or less national scale.

Q. And it has a very wide circulation among radio listeners?—A. I do not think it has a very big circulation. We understand it is sold pretty much right across Canada.

Q. You will admit this, that it is generous in its approbation of everything C.B.C. does?—A. No, it is often extremely vitriolic in its criticism of things the C.B.C. does.

Q. I do not think I have read those issues.—A. I can show you quite a lot.

Mr. BEAUDOIN: I think you should be supplied with the files.

By Mr. Diefenbaker:

Q. I am supplied with the files. I am also aware of the fact that a very large amount is spent on advertising by the C.B.C.—A. I am sorry but I tried to explain that actually no cash—

Q. What was the total amount spent for advertising?—A. I tried to explain it is on a contra account basis.

Q. I know, but a contra account is still advertising even though no money is paid?—A. I think it was about $19,000 last year but actually no cash changed hands. We provide time on the station and get advertising in *Radio World*. It seems a good arrangement.

By Mr. Beaudoin:

Q. You do not do anything except give time?—A. If there was a balance left over there would have to be a payment in cash.

Q. The magazine does business with you and you do business with it and at the end of the year you arrange the balance?—A. We try to arrange it so there is no balance.

By Mr. Diefenbaker:

Q. The fact that it is a contra account means that the C.B.C., in respect of the periods turn it over to Mr. Provost, is actually losing revenue?—A. We give him value.

Q. So instead of paying money you have actually turned over time which is equivalent to it?

Dr. FRIGON: It is not exactly contra account. We have two different contracts. One is a contract to sell time on the station and one is a contract to buy space in the paper. There is an agreement between the two firms that, over all, the two accounts should balance. There is nothing which calls for an exact amount of money to be spent one way or the other. It is an agreement. Our publicity people are supposed to watch the balance. At times we owe them money and at times they owe us money. Over the year it is supposed to be balanced.

The WITNESS: I should like to add that Mr. Provost has exactly the same arrangement with a number of private stations.

By Mr. Diefenbaker:

Q. That is what I want to get, who else?—A. I said that Mr. Provost has a similar arrangement with private stations.

Q. But, so far as the C.B.C. is concerned this is the only example in respect of which a publication receives time in a contra account in return for advertising?

Dr. FRIGON: The reason is very simple. When this thing started *Radiomonde* was the only paper of which I know which was devoted exclusively to radio. We have refused to deal with papers not exclusively devoted to radio. Since then *Radio World* was started and we have dealt with them, but that is the only other publication.

Mr. DIEFENBAKER: Is there any other paper in Canada devoted exclusively to radio?

Dr. FRIGON: There is one which has been founded about a year ago called *Radio Vision*. It is in Toronto and it is the only other one of which I am aware. It has not applied for a similar arrangement.

Mr. DIEFENBAKER: If it did, it would get it?

Dr. FRIGON: I suppose it would.

The WITNESS: A lot of its circulation is in the United States, but I suppose it would.

Mr. DIEFENBAKER: How much was spent on advertising last year?

Dr. FRIGON: $14,000, I think.

The WITNESS: That was the subject of a parliamentary return at your request, I think.

Mr. DIEFENBAKER: Yes, but it was not very complete and that is why I am asking these questions.

The CHAIRMAN: We will adjourn now until 8.30 this evening.

The committee adjourned at 5.50 p.m. to resume again at 8.30 p.m.

EVENING SESSION

The committee resumed at 8.30 p.m.

The CHAIRMAN: I see a quorum, gentlemen. As you know there is a good deal of correspondence piled up and it has been the custom to place it on the record as we go along. A few of them have to be read, but most of them have to be noted: The first letter comes from Saint John, addressed to me and has reference to a conversation which I had with Senator McLean. He came in to see me and afterwards this letter came.

SAINT JOHN, N.B.,

June 24, 1947.

Mr. RALPH MAYBANK, M.P.,
Chairman of the Radio Committee,
House of Commons.

DEAR Mr. MAYBANK,—With reference to Senator McLean's recent conversation with you, we should like to confirm his statement that our radio station in Saint John, N.B., CFBC did not subscribe, either directly or indirectly, to the recent propaganda sponsored by the Canadian Association of Broadcasters.

At our instructions our call letters were deleted from the newspaper advertisements, which recently appeared in support of private radio stations inserted by the C.A.B., and further we withheld the broadcast of the specially prepared transcribed message.

Yours very truly,

FUNDY BROADCASTING CO. LTD.,

R. B. BRENAN,
Vice President.

Mr. REID: May I just ask a question right there. My question is, is my memory at fault when the brief was presented on behalf of the newspapers, that nothing was set out there as to how they obtained the brief or how they obtained acquiescence of all the members of the association?

The CHAIRMAN: It was made a matter of record this afternoon. I think you were out at the time. There had been some question raised about that in the course of the meeting and Mr. Beaudoin had read an editorial, and there had been some other comment. Later on Mr. Robinson made record of everything of the kind about which you are now asking. He showed where the quotations might be found on this point and it is all a matter of record in to-day's meeting.

Mr. REID: The reason I ask is usually, when you belong to a union, you all abide by the majority vote and you don't just come along and when you lose your vote and put yourself on record that you did not vote. When you

are in a meeting, belonging to an association, you generally abide by the wishes of the majority. Now these fellows are coming along and saying "I was not there and I am not in favour of what they did".

The CHAIRMAN: It is only a matter, as far as I am concerned, of making the record. Another letter has been addressed to me:—

June 27, 1947.

RALPH MAYBANK, Esq., K.C., M.P.,
Chairman,
Special Committee on Radio Broadcasting,
House of Commons,
Ottawa, Ontario.

DEAR MR. MAYBANK:—The London Free Press Printing Company owns and operates Radio Station CFPL, London. CFPL is a member of the Canadian Association of Broadcasters and the *Free Press* is a member of the Canadian Daily Newspapers Association.

Although we are a member of both of these associations, we do not subscribe to the views recently placed before the Radio Committee by the associations and wish hereby to disassociate ourselves from the two briefs and the opinions presented verbally to the Radio Committee by the witnesses who represented the associations.

Very truly yours,

THE LONDON FREE PRESS PRINTING COMPANY,

By: W. J. BLACKBURN,
President.

The next is a letter of the C.A.B. addressed to me:

SEDGWICK, MANLEY & FORD
BARRISTERS & SOLICITORS
JAMES P. MANLEY, K.C., JOSEPH SEDGWICK, K.C.,
GORDON W. FORD

TORONTO, CANADA,

June 25, 1947.

CHAIRMAN,
Special Committee on Radio Broadcasting,
Houses of Parliament,
Ottawa, Ontario.

MY DEAR MR. CHAIRMAN,—When Mr. A. D. Dunton was giving evidence before your Committee this year, some reference was made to the "Promise of Performance" form that was sent out to the licensed broadcasting stations, and Mr. Dunton left the impression that this form was circulated pursuant to recommendations made by the 1946 Committee, which he apparently considered to be an authorization binding the Board of Governors of the C.B.C. I refer particularly to pages 16, 44, 49 and 51 of Mr. Dunton's evidence before your Committee this year. The matter was raised in the course of my evidence in response to a question put to me, and is dealt with on pages 240-242 of the transcript. Reading over these references it seems to me that the evidence leaves room for some misunderstanding and that a clearer statement might be useful.

I think we can agree that the powers of the Board of Governors of the C.B.C. are as set out in the Broadcasting Act, and their power to regulate is such power as that Act gives them and no more. As I pointed out in my evidence, no regulation has ever been passed by the Board of Governors of the C.B.C. under the Broadcasting Act, or by the Minister under the Radio Act, requiring radio stations to send in any form such as this "Promise of Performance". If the authority is to be found in the recommendation of the 1946 Parliamentary Committee, the comments that occur to me are:—

(1) A Parliamentary Committee is as its name implies, a Committee of Parliament only, and its duty is to enquire, within the limits of its reference, and to report to Parliament. It is then for Parliament to take such legislative action based on the report as it may see fit. The report of the 1946 Committee was tabled in the House of Commons on August 16, 1946 (see Votes and Proceedings, 1946, page 711), but was neither accepted nor rejected and certainly was not implemented by legislation.

(2) The report is merely the view of a majority of the Members of the Parliamentary Committee and has no legal force whatever. To amplify, it is not an order or direction binding on the C.B.C., or on anybody else, and for the Officials of the Corporation or of the Department to adopt this recommendation as being an authority to them to demand from licensed broadcasting stations certain promises of performance, and to threaten that failure to provide the information as requested may result in unfavourable action on the part of the licensing authority, is an abuse of power and a completely unwarranted one. Unless and until the recommendations of Parliamentary Committees are crystalized by either legislation or order in council having the force of law, the C.B.C. has no right to act on such recommendations, and should and must confine itself to such powers as are granted to it by its legislation.

The matter is of the greatest importance; we have already pointed out that in our opinion existing legislation vests too much power in executives or administrative bodies such as the Board of Governors of the C.B.C. and that in itself is bad enough, but the situation is aggravated if the Board is to add to its legal powers a quite illegal authority arising from mere recommendations of a Parliamentary Committee, which recommends to Parliament for its action and not to the Board of Governors at all.

On other occasions in the past the C.B.C. has, in dealing with the private stations, relied on recommendations contained in reports of the Parliamentary Committee. We feel that it should be made clear to the Governors and Officials of C.B.C. that the reports of your Committee are reports to Parliament, and are only to be acted upon when Parliament has seen fit to adopt or implement them.

I am writing this with the greatest deference and certainly with no intention to criticize the helpful work that your Committee has done and is doing; I do think it desirable however, that our views on the "Promise of Performance" demand and the accompanying threat should be clear of ambiguity.

Yours very truly,

JOSEPH SEDGWICK.

JS/mf.

We have not, as a rule, been reading letters which come from individuals but we have just been indicating the nature of them. There is here a letter from H. P. Blackwood, K.C., Winnipeg, Manitoba, addressed to the chairman of the radio committee and I would characterize it as being a number of suggestions or comments in general upon radio programmes and the business generally.

The next is from the Canadian Federation of Agriculture, Ottawa, in a letter from H. H. Hannam, the president, addressed to me.

THE CANADIAN FEDERATION OF AGRICULTURE

OTTAWA, CANADA

June 21, 1947.

RALPH MAYBANK, M.P.,
Chairman,
Special Committee on Radio,
House of Commons,
Ottawa, Canada.

Dear Mr. MAYBANK,—It is the desire of the Canadian Federation of Agriculture at this time to re-affirm to your Committee the policy of the Federation in support of public ownership of radio in Canada, as exemplified by the present set-up of the Canadian Broadcasting Corporation.

The Federation's policy in this respect was clearly set forth in the brief presented to the Radio Committee in 1944, jointly by the Federation and the Canadian Association for Adult Education. On that occasion we expressed our firm belief in the fundamental soundness of the principle of public ownership, operation and control of a national broadcasting system, and gave support to the constitution and organization of C.B.C., as being in line with the maintenance of this principle.

We respectively request that you bring this letter to the attention of your Committee at its next public session, and sincerely trust that our viewpoint will again receive the earnest consideration given to it in the past.

Yours very truly,

H. H. HANNAM
per W. L.
President and Managing-Director.

The next one is from the Board of Trade of the City of Halifax, dated June 19, 1947, and addressed to myself. It reads:—

R. MAYBANK, Esq., M.P.,
Chairman of Select Committee on
Radio Broadcasting,
Ottawa, Ont.

Sir,—At a meeting of the council of this Board of Trade held on Tuesday last, the matter of unfair competition by C.B.C. with privately owned stations was discussed at length.

At that meeting a letter addressed to you by the Canadian Chamber of Commerce was discussed, and subsequently a conference was held with local representatives of privately owned stations regarding the unfair position in which the latter were placed.

Owing to the rulings of the broadcasting commission it was decided to request a full investigation leading to a more favourable situation for those who have invested capital.

We fully endorse the suggestion of the Canadian Chamber of Commerce in this respect, and trust it will have your favourable consideration.

Yours very truly,

(Sgd) E. A. SAUNDERS,
Secretary.

The next one is from the Prince Rupert Chamber of Commerce. It is dated at Prince Rupert, B.C., June 14, 1947; also addressed to myself, and it reads:—

June 14, 1947.

R. MAYBANK, Esq., M.P.,
Chairman, Select Committee on Radio Broadcasting,
Ottawa, Ont.

DEAR SIR,—This Chamber requests that your Select Committee will discuss and consider two matters as follows:

1. The granting of full use of radio facilities now actually in existence and operation at Prince Rupert but put to a restricted use only. This has particular reference to the land-line on which network programmes are fed into the local station CFPR. At the present time, of programmes actually available, the local listening public cannot get those it wants to hear, but only those permitted by existing C.B.C. decisions. The desired programmes are commercially sponsored. We have no brief for any commercial sponsor but it is a well-known fact that the Imperial Oil Hockey Programmes are most popular, and when the new regulation came into effect this one programme was certainly the most missed. We are informed that the Kelly Douglas programme, Happy Gang, etc. are desired and they and others would have a large interested following here. In so far as the hockey programmes are concerned we know that they reach CFPR but are not permitted to go on the air. We also know that this is due to negotiations between various governmental departments over the use and revenue of the land-line. However when the Canadian Government Telegraphs, Canadian Broadcasting Corporation, Canadian National Telegraphs etc. are all supposed to be publicly owned and all have their capital expenditures and deficits (if any) footed by the public we feel we have an interest. Further we feel that facilities originally constructed at public expense, as war needs dictated, should be operated for public benefit now, i.e. for those who helped to pay for them in the first place. Your committee can demand and get authentic information upon all features and angles of this matter which are not available to us.

2. Construction of low power "booster" or "repeater" broadcasting units upon the line now carrying C.B.C. programmes at such points as Terrace, Hazelton, Smithers, Burns Lake, and Vanderhoof, B.C. According to our information these points get no daylight reception of Standard wave at all although each town has the land-line which carries C.B.C. service passing through it. At a public convention the Canadian National offered to have their personnel throw switches and do such other operational chores as may be involved, so that there would be no operating expense. This covers a large area of British Columbia which never hears CFPR and only gets CBR, Vancouver, after dark and then with no certainty.

We feel that both these matters can properly be discussed by your Committee as matters of a more than purely local interest. Some slight investigation of the area covered by the small towns listed will confirm this.

Yours faithfully,

EDWARD T. APPLEWHAITE,

Secretary.

Mr. REID: That should be taken with reservations. There is a station in my constituency, CKNW, which initiates work of that kind and is carrying it on in the Fraser valley district.

The CHAIRMAN: The next letter is from the Ontario Federation of Agriculture, under date of June 23, 1947, addressed to myself, and it reads:—

June 23, 1947.

Mr. RALPH MAYBANK, M.P.,
Chairman, Radio Committee,
House of Commons,
Ottawa, Ont.

Dear Mr. MAYBANK,—We, the Ontario Federation of Agriculture, have heard that strong representation has been made by private stations opposing the present set-up of C.B.C. and demanding an independent commission be established.

As expressed in our telegram of June 24, 1946, and further in our letter to you of August 2nd, the Ontario Federation of Agriculture is strongly in support of the present policy as outlined under the Broadcasting Act of 1936. We have confidence in the Board of Governors and staff of the Canadian Broadcasting Corporation, and broadcasting channels must remain public property.

It is our understanding that representations now being made are emanating from those selfish private interests who wish to control the wave lengths for their own advantage and for the purpose of propagating whatever interests they may represent.

The Ontario Federation of Agriculture has appreciated the interest shown by the smaller local private stations in giving time and disseminating information relative to the agricultural problems, and we do not feel that they are the parties who are making this an issue.

We feel that we again wish to emphatically state our position and hope that you will draw this to the attention of your Committee.

Yours very truly,

V. S. MILBURN,

Secretary-Manager.

The next one is from the Canadian Arts Council, dated June 23, 1947. It reads:—

June 23, 1947.

MR. RALPH MAYBANK, M.P.,
Chairman of the House of Commons,
Radio Committee,
House of Commons,
Ottawa, Ontario.

DEAR MR. MAYBANK,—The Canadian Arts Council representing the sixteen national arts organizations of Canada would like to present to the House of Commons Radio Committee their point of view with respect to

the radio services in Canada. Accordingly, I am enclosing a memorandum which sets forth our views on this matter. The Council believes that radio should be used to stimulate and to develop the artists of Canada; that it should serve the highest interests of Canadian artists; that it should be a great civilizing instrument, continuously offering opportunities for cultural and educational growth to the people of Canada.

The Council believes that the C.B.C., if it is to continue to give leadership in this field, must have increased revenues. It urges general support for the Corporation's request to the Radio Committee for these additional revenues.

We should like to give wide publicity to our point of view and should like to release the memorandum almost immediately after your presentation of it to the committee. Would you therefore be kind enough to wire me collect letting me know the time at which you propose to bring the memorandum to the attention of the committee?

For your information I am enclosing a list of the officers of the Canadian Arts Council.

Respectfully submitted,

Yours very truly,

CANADIAN ARTS COUNCIL,

CLAUDE E. LEWIS,

Secretary.

And the memorandum reads:—

THE CANADIAN ARTS COUNCIL

MEMORANDUM TO THE HOUSE OF COMMONS RADIO COMMITTEE

JUNE 23, 1947

A resolution, endorsed by delegates attending a conference of the Canadian Arts Council held on June 22 of last year, suggested three major objectives for radio in Canada.

1. The further stimulation of creative effort in the arts, looking toward the development of an important Canadian culture, by offering stronger inducements to composers and playwrights to undertake the composition of new plays, operas and music.
2. Increased opportunities and financial rewards to actors and musicians, with a continual improvement in professional standards and in increasing measure of security.
3. A constant concern for the development of better taste in listening, with at least as much serious or classical music as jazz music in order to reach all classes of the public.

The resolution was directed in the first instance toward the C.B.C., but since the Committee is dealing with the entire field of radio, the Council hopes it will bring these objectives to the attention of privately-owned stations as aims to guide them in their public service broadcasts.

In connection with the third point, the Canadian Arts Council urged the C.B.C. to follow the principle of two-and three-level programming now practised in England—making available to its listeners at all times a choice between a so-called 'popular' entertainment and programmes of serious and fine entertainment with educational and cultural value. The Council believes that there is a large and growing demand for the latter type of programme, which is not being consistently and continuously met at present by private stations. The C.B.C. has, however, done more to meet this demand.

In its resolution the Council expressed the hope that if this choice is constantly available, with the continuing results of popular education, public taste will improve immeasurably here, as it has in England under the B.B.C. The late Lord Keynes, in a statement which appeared in *The Listener* of July 12, 1945, referred to the part played by the B.B.C. in this respect: "Our war-time experience has led us already to one clear discovery: the unsatisfied demand and the enormous public for serious and fine entertainment. This certainly did not exist a few years ago. I do not believe that it is merely a war-time phenomenon. I fancy that the B.B.C. has played a big part, the predominant part, in creating this public demand, by bringing to everybody in the country the possibility of learning these new games which only the few used to play, and by forming new tastes and habits and thus enlarging the desires of the listener and his capacity for enjoyment. I am told that to-day when a good symphony concert is broadcast as many as five million people may listen to it."

Conclusion

It is obvious that the C.B.C. cannot give leadership in attaining the three objectives listed above with its present revenues; these revenues must be substantially increased. The Canadian Arts Council urges the House of Commons Radio Committee to make this possible by recommending that the entire licence fee be turned over to the Corporation, or that the fee be increased, or that a grant be made to the C.B.C. from public funds.

Only with additional revenue will the C.B.C. be able to carry on with the task it has so well begun: achieving better standards of citizenship and culture; stimulating the intellectual and artistic life of the Nation, and encouraging a Canadian charcter, culture, and way of life.

OFFICERS OF THE CANADIAN ARTS COUNCIL

Honorary president—Ernest Fosbery
President—Herman Voaden
Vice-President—Jean Bruchesi, Charles David, A. H. Gillson, Lawren Harris, Ernest Lindner
Secretary—Claude E. Lewis
Treasurer—Erma Lennox Sutcliffe

MEMBERS

The Royal Canadian Academy of Arts
The Royal Architectural Institute of Canada
The Canadian Authors' Association
La Société des Ecrivains Canadiens
The Federation of Canadian Artists
Canadian Music Council
The Dominion Drama Festival
The Canadian Handicrafts Guild
The Canadian Guild of Potters
The Canadian Group of Painters
The Canadian Society of Painters in Water Colour
The Canadian Society of Painter-Etchers and Engravers
The Sculptors' Society of Canada
The Canadian Society of Graphic Arts
The Canadian Society of Landscape Architects and Townplanners
The Arts and Letters Club.

There follows a list of members which, unless you desire me to read, I shall file with the letter. It will be included as part of it.

The next is a letter from R. G. Roche, expressing opposition to the C.A.B. brief and support of the C.B.C.

The next letter is from the Maritime Federation of Agriculture. It is in two parts. The telegram is as follows:—

June 24, 1947.

Mr. RALPH MAYBANK,
Chairman Special Committee on Radio Broadcasting
House of Commons, Ottawa

Our membership representing broad cross section farming population definitely opposed any radical change in present CBC control believing present system in best public interest stop Canadian Federation of Agriculture and Co-operative Union of Canada have our confidence in any briefs they may submit stop Our organization lacks money to conduct advertising and publicity campaigns expressing views of farm people on present controversy over radio control and must look to your committee to protect the interests of citizens generally as against the claims being made by radio stations operated in interests of advertising revenue.

MARITIME FEDERATION OF AGRICULTURE

ROY GRANT

c.c.: Canadian Federation of Agriculture, Ottawa
Co-operative Union of Canada, 193 Sparks St., Ottawa
Canadian Association of Adult Education

This is the letter attached to the wire. It is addressed to me and reads as follows:

THE MARITIME FEDERATION OF AGRICULTURE

THE DISTRICT UNIT OF THE CANADIAN

FEDERATION OF AGRICULTURE

P.O. Box 368, MONCTON, N.B.

June 24, 1947.

Mr. RALPH MAYBANK,
Chairman Special Committee on Radio Broadcasting,
House of Commons, Ottawa, Ontario.

DEAR MR. MAYBANK:—To-day we wired you as per attached copy of day letter.

Our membership is very definitely concerned with the control of radio broadcasting. This matter has been up for discussion at our major farm organization meetings in one form or another over a long period of years. There is definite distrust in the minds of farm people in regard to the objectives of some of the interests who today are attempting to secure more control over radio broadcasting and while there has been some criticism expressed from time to time in regard to some of the programmes put out by the C.B.C., on the other hand, the general feeling has been that the interests of the public are protected in many other ways under our present system and we would be lothe to see any radical change made, at least until we have had a chance to further express our views.

Instead of more freedom for private broadcasting stations, the opinion of many of our member bodies as expressed at meetings has been that advertising and programmes put out by these stations should be

much more closely censored than has been done in the past. Advertising can be a tremendous power for good and in the same manner if the privilege is allowed to be abused, it can be equally as powerful an influence for bad, particularly in radio advertising.

A personal incident might be cited to this effect. A few mornings ago at the breakfast table, a programme was heard, extolling the virtues of Kidney Pills. Our eleven year old boy mentioned that so and so's mother and also someone else whose name we have forgotten, were using these kidney pills. Further questioning brought out the fact that the merits of these famous kidney pills were one of the current topics of conversation among the school children and the general impression being created was that people should be using them.

We cited this incident to illustrate the power of suggestion in the minds of youngsters which if directed in the right channels could well perform extremely valuable services.

Probably we might cite one other incident which came to our attention a few years ago. Provincial Governments added very considerable expense to the taxpayer to provide veterinary service for our agricultural people. One of the hard working veterinaries in this province happened to be in our office when Radio came up for discussion and he immediately 'blew up'. His job was to do all in his power to assist in helping live stock on the farms. In prescribing veterinary medicine, he gave the best current advice; yet frequently he found that in spite of his best efforts at persuasion, people were more inclined to accept the propaganda put out by some of these Wonder Cures which in the opinion of the Veterinary were mainly water with a little colouring in them. One touching radio drama about the merits of this Wonder Cure having saved "Brown Betty", the pet horse of the family touched a tender cord in the heart of many listeners with the result that the next trip to the store found many bottles of this famous Wonder Cure transferred to the family medicine shelf so that it would be on hand in the event of any emergency.

Barnum of Circus fame is credited with the statement that people like to be fooled. He may be correct but we think you and your Parliamentary Committee will agree that people also have a right to certain protection from unfair and unjust propaganda.

The writer has personally followed with a great deal of interest the reports issued by the various Parliamentary Committees on Radio, in many of which, you yourself, figured prominently. We have been impressed with the fairness with which your committees have received the various representations made and personally we feel satisfied that the public's interests are in good hands and we look forward to a continuance of our present broadcasting system which may be opened to some criticism but which on the whole we believe, does give the public a fair measure of protection.

Yours truly,

MARITIME FEDERATION OF AGRICULTURE,

ROY GRANT,

Secretary.

The next letter comes from the United Farmers Co-operative Company Limited. It is addressed to me and reads as follows:

THE UNITED FARMERS CO-OPERATING CO. LIMITED,

TORONTO 2, ONTARIO,

June 26, 1947.

MR. RALPH MAYBANK, M.P.,
Chairman,
Radio Broadcasting Committee,
House of Commons, Ottawa.

DEAR SIR,—Members of the Board of the United Farmers Co-operative Co. are disturbed about reports from Ottawa that there has been increased pressure on your committee to recommend the establishment of an independent governing board to regulate and control both the publicly owned system and private stations. There is superficial fairness to this proposal, but it is based on the false premise that there are now two competing systems. If there are, there should not be. If there are, the privately owned system exists in spite of the repeated declarations of parliament and the people that radio in Canada shall be publicly owned and controlled. The privately owned stations were to be allowed to carry on to perform a local broadcasting service. If the licensing of private stations to perform a local service is going to mean an unending agitation for increased status, including the right to unfettered competition with publicly owned networks on which rest greater responsibilities for public service and therefore higher operating costs, then, in our opinion, your committee should consider whether parliament has already given these private stations too much scope rather than too little.

All this does not mean, of course, that the administration of the C.B.C. is perfect. There may be many improvements possible in that administration. But the way to get such improvements is not to destroy the C.B.C. by discarding the fundamental idea on which it is based. It is rather to consider grievances and defects on their merits and take such remedial action thereon as may seem proper.

It is the carefully considered opinion of our Board—representing over 100 local co-operatives and 30,000 members in Ontario—that the present demand for an independent commission to govern both the public system and the private local stations may only prepare the way for further demands and encroachments—and that its effect will be to whittle down public control of radio until it becomes meaningless.

Public radio in Canada has many achievements to its credit. It has developed Canadian programmes, Canadian talents, and put Canadian problems and Canadian affairs on the air in a way that privately owned commercial radio would not have done—in a way that competitive commercial stations could not have afforded to do. Public radio has provided valuable services to farmers and others in scattered areas with material and at a time of day such as private stations would not and could not provide. The people of Canada cannot afford to throw away what public radio has achieved—and let us repeat our belief that the granting of this request for a separate and independent governing commission would be the beginning of the end of effective public control of radio.

We will appreciate your earnest consideration of our representations.
On behalf of the Board,

Yours sincerely,

LEONARD HARMAN,
General Secretary.

Mr. REID: May I ask if the secretary acknowledges all these letters?

The CHAIRMAN: Well, they are always acknowledged either by the secretary or by myself. I think in these cases they were acknowledged by me.

Mr. REID: It looks like a stock letter would cover them all.

Mr. Ross (*St. Paul's*): Might I ask the chairman, just in passing, how many of these letters you have received?

The CHAIRMAN: I do not know.

Mr. Ross (*St. Paul's*): Have you received a hundred?

The CHAIRMAN: The secretary suggests 25, but I think there would be many more than that. As a matter of fact I have been kept so busy answering them I have not been able to keep track of them.

Mr. Ross (*St. Paul's*): The only thing I have been thinking about is this; you are putting on the record letters which really do not mean very much. They are single letters, and if you only have a hundred of them out of 12,000,000 people, I do not think it is fair to put them on the record.

The CHAIRMAN: I am not insisting they go on the record. The policy has been that some of them should go in and as a result of that policy being adopted I have been forced to follow it. The policy as a result of what has been said so far has been that letters from private individuals would be commented upon and when they were from organizations they could be read and go upon the record. Now, it is rather hard to say where we should draw the line. We may not like the composition or the opinions expressed in a letter, and even though it is from an association, might feel we should not spread it on the record.

Mr. Ross (*St. Paul's*): The thought which was running through my mind was, how many people are represented by these letters?

The CHAIRMAN: That is something which each person can judge for himself. Here is one from the Maritime Federation of Agriculture and I suppose it represents a fairly large number of people.

The next letter is from Toronto and is a letter from an individual.

Mr. REID: How many more have you?

The CHAIRMAN: This letter comments generally on a number of matters in connection with radio and comes from one Ben Nobleman, 430 Manning Ave., Toronto.

Mr. REID: I should like to hear that one. Why pass that one up?

The CHAIRMAN: The next letter is from Malcolm W. Wallace, 91 Walmer Road, Toronto, which is in general support of the C.B.C.

Another one is from General Spry of the Boy Scouts Association who says:

CANADIAN GENERAL COUNCIL

THE BOY SCOUTS ASSOCIATION

Dominion Headquarters

OTTAWA, June 25, 1947.

DEAR MR. MAYBANK,—On May 20 I sent you a letter on file reference No. 501-1 expressing appreciation for the support given the Boy Scouts Association by the independent commercial radio stations of Canada. On the same date I sent a similarly worded letter to Dr. McCann in which appreciation was expressed for the support given by both the C.B.C. and independent stations.

On return to my Headquarters from a speaking tour, I find that only one of these letters, the one addressed to you expressing appreciation for the support given by the independent commercial radio stations, has been

tabled before your Committee. I would appreciate it if you would bring to the attention of your committee the fact that a similar letter was written on the same date, May 20, to Dr. McCann expressing appreciation for the support given by the C.B.C. as well as the independent stations. For your information I attach a copy of my letter to Dr. McCann.

There has at no time been any desire on my part to differentiate between the C.B.C. and the independent stations for both have been most generous in the support which they have extended to the Boy Scouts Association.

Very sincerely,

D. C. SPRY,
Chief Executive Commissioner.

This is a copy of his letter to Dr. McCann:

May 20, 1947.

DR. J. J. MCCANN, M.P.,
Minister of National Revenue,
House of Commons,
Ottawa.

DEAR DR. MCCANN,—On behalf of the Canadian General Council of the Boy Scouts Association, I wish to express appreciation for the support which Radio Stations in Canada give to this Association.

Throughout the years the Canadian Broadcasting Corporation, and the independent radio stations, have been most generous when asked to make time available for the Boy Scouts Association. This is particularly noticeable during the annual observance of Boy Scout-Girl Guide Week. Both the C.B.C. and the independent stations have featured special broadcasts dealing with Canadian Scout and Guide activities, and in addition have used a number of sport-announcements which have been prepared and sent to them.

I know that the C.B.C. and the independent stations are subject to heavy demands from volunteer organizations throughout the country. I want to take this opportunity to advise those responsible for radio in this country, that the Boy Scouts Association appreciates the support which the C.B.C. and the independent radio stations give to Canadian Scouting.

I am,

Very sincerely,

D. C. SPRY,
Chief Executive Commissioner.

Mr. REID: As a point of information would you tell me if the previous letter is for or against? I presume you have read it over carefully. Would you tell me whether it is for or against?

The CHAIRMAN: I think it is neutral in favour of one side.

Mr. REID: That is what I thought. That is why I wanted it read. Which is it?

The CHAIRMAN: I do not know. If you gentlemen will come to an understanding that letters which are sent to this committee should not be read it will not hurt the feelings of the chairman any.

Mr. GAUTHIER: File them all.

The CHAIRMAN: I don ot think you would want to do that. There are a large number of people who desire to send this sort of thing to this committee. Very often they represent a body of opinion. Surely citizens have a right to express themselves and to receive something more than just cavalier treatment. This committee has decided in favour of reading those that come from organizations and not the others. Any person who desires to read the others may do so. I feel that this committee surely will agree on consideration that such consideration is due to the numerous communications we get, some being more valuable probably than others.

Mr. REID: I was going to suggest with a view to expediting the matter, not that it appears to matter at all, that perhaps the steering committee could look over all letters and pick out those that should not be filed.

The CHAIRMAN: I think you are probably quite right, but the committee has decided on that way, and that is where we were situated to-night. I do not know whether any person had the floor when we adjourned or not.

The WITNESS: Mr. Chairman, I have the answers to questions Mr. Reid asked this morning. Perhaps you would like those now.

The CHAIRMAN: I think Mr. Reid wanted those as soon as he could get them.

The WITNESS: This is the answer to the question about Taylor, Pearson, Carson Company Limited. To the best of our knowledge there are twelve private commercial stations which are operated by the Taylor, Pearson, Carson company limited under an operating agreement with the licensees. They are CKOC, Hamilton; CKRC, Winnipeg; CKCK, Regina, CKRM, Regina; CJOC Lethbridge; CJCA, Edmonton; CFAC, Calgary; CFGP, Grande Prairie; CJAT, Trail; CKWX, Vancouver; CJVI, Victoria; and CJCS, Stratford.

To the best of our knowledge the Taylor, Pearson, Carson interests have a share of ownership in six stations, CKOC, Hamilton; CJOC, Lethbridge; CKWX, Vancouver; CJVI, Victoria, CJCS, Stratford and CFGP, Grande Prairie. There is at the present time an application on which the board has not made a recommendation for their acquiring a minority interest in CFAC, Calgary and CJCA, Edmonton. To the best of our knowledge they have a 50 per cent interest in CKWX, Vancouver.

By Mr. Reid:

Q. Have you that information before you when applications are made for private stations? Is it the policy of the board to ignore what might be built up as a network of private stations, and why are you granting them freely?—A. In view of regulation 31-A, subsection (c) against multiple ownership we are very interested in these interlocking interests that are built up. That is one reason we have got certain knowledge of these various interests.

Q. When was the last one granted? I refer to this All Canada private network?—A. I do not think it is quite All Canada. I am referring to the Taylor, Pearson, Carson operating companies or related interests. As I understand it All Canada Radio Facilities is a company which acts as a sales representative and a supplier of transcriptions to about thirty-one different radio stations.

Q. The reason I asked that was because the statement has been made on behalf of CKNW on three occasions at least that they asked the C.B.C. for an increase in power and it was given to either All Canada or the Taylor, Pearson, Carson outfit. Each time they got it and naturally, of course, suspicion is arising. It is becoming a very powerful group.

By the Chairman:

Q. There is some distinction to be made there, is there not? All Canada is one company and what do you call the other?—A. Taylor, Pearson, Carson.

Q. That is a completely different company. Do you know whether they have the same shareholders or are they completely different?—A. From the information we have the interests in the different companies are rather involved. I think Taylor, Pearson, Carson is the name of the company that does the operating, and also that it or allied interests hold some shares and ownership in All Canada Radio Facilities. I understand Taylor, Pearson, Carson have some share in that. The Sifton interests have some share, I understand, and the Southam interests have some share.

By Mr. Reid:

Q. When demands have been made for other private stations have you asked them for information regarding their connection, and if you have found out that some other interests were connected with them were they asked to relinquish those interests? If so, why has this present outfit been allowed to get away with it?—A. We have tried to get as complete information as we could when applications came out for new licences or for changes in ownership or for changes in substantial shareholding and ownership. I do not think that recently there have been any very large increases in the Taylor, Pearson, Carson holdings. There is an application now for them to get a minority share in the Calgary and Edmonton stations in which they are already operating under an operating agreement. In view of the regulation we do try to find out what interests are involved.

Q. Let us be fair about it. Is that request not made to the applicant?—A. Yes.

Q. To set that out in the form?—A. Yes. When an applicant comes either for a licence as a company or as an applicant for a transfer of a licence to be transferred to that company we ask who is behind the company, where the money is, what interests control the company, who they are.

Q. Could I have, not just now, but sometime before the committee is over, information as to the dates when the private radio licences were issued to private radio stations where they have some connection either with Taylor, Pearson or All-Canada?—A. We could—

Q. You must have that information.—A. Yes, a lot of them go back pretty far—all the licences were ganted a number of years ago.

Q. Give me it within a year.—A. We will do the best we can.

Q. Give me last year, 1946.—A. I think in different cases the licences would have been granted a number of years ago and at some date Taylor, Pearson and Carson had an operating agreement to run a station for the licences.

Q. I do not want to put the words in your mouth, but it does raise suspicion in the minds of others who were turned down when we see a group of individuals who were able to get from the board licences to operate—A. I should explain that most of these when they operate—Taylor, Pearson and Carson do not hold licences; someone else does. They have an agreement to take over the management of the station and the licensee is still responsible and presumably has some financial agreement with the owner of the station.

Q. Until there are proper rules put into effect to control these private networks I think it is just as well, until the rules come into effect, that these things be watched.—A. We are trying—

Q. Bit by bit they may gradually control the whole network of Canada. Until we have better defined and rigid rules they may become very serious. I know you cannot stop it. I have a reasonable complaint, I think, that these people have been able to obtain licences when applications were made by other private owners and who did not get the wavelength but Pearson and Taylor did.

The CHAIRMAN: I do not suppose you have any means of knowing when stock transfers take place after a radio licence has been granted, have you?

The WITNESS: They are reported to the Department of Transport and they may pass that information to us.

By Mr. Reid:

Q. If a frequency of 550 or 850 was granted, say, in the province of Alberta, would it go into the interior of British Columbia or to the Pacific coast?—A. It would depend on so many technical factors and the class of station and the frequency to be used and all the terms of the Havana agreement. I could not answer one case. We have very local separation between one province and another; there likely will be interference.

Q. Coming to CKNW, may I ask if you gave any information to Dr. McCann contained in a letter that he sent me which I have before me and which is dated November 14, 1946, in which he made the following statement—and I know he did not have this information in his office; he must have got it somewhere, and I am endeavouring to find out who supplied him with the information—this is what it says:

> May I also point out that the Board of Governors recommended the granting of a licence for a local community station in New Westminster on the basis of representations made for such a station by Mr. Bill Rea. In his letter of application dated July 22, 1943, for a licence to establish a 250 watt station in New Westminster, he states in fact "That move of Bellingham's" (from a 250 watt local station to a 1 kw. regional station on 790 kcs.) "will clear 1230 kc. for a 250 watt local station in New Westminster. This is the authorization I seek.

And my question to you is: Was that statement that I just read given to him by you or your officials?—A. I think very likely, Mr. Reid, that it was, for some inquiries from Dr. McCann were made, I understood, because of inquiries you directed to him.

Q. If you did give Dr. McCann that statement, why did you not give him the complete statement, because it was taken as a part only from a communication dated July 22, 1943?—A. There would have been a number of communications.

Q. I am speaking of the application placed before Mr. Rush, Department of Transport, July 22, 1943, when Rae made the application for the station; and that quotation I have just read is a quotation from the application made; and like many other statements sometimes made, half truths are worse than whole truths. If one is to quote from that it should be quoted more fully.—A. I have a copy of that letter which was sent from the Department of Transport to the C.B.C.—a letter dated July 22, 1943. It is about five pages of single space.

Q. The reason I asked that is because on three different occasions three different reasons were given by C.B.C. for refusal of the increase of power to this station. They are different reasons, and on two occasions at least it was stated that when the licence was granted to CKNW it was granted for the city of New Westminster and local coverage alone, which I dispute, because in the very document you have in your hand, I think you will read on page 2 this:—

> The reason it is hoped that 250-watt authorization will be given rather than 100-watt, is that KIRO now enjoys such a tremendous signal in the Fraser Valley. To do its job, the new CKNW should deliver a clear noise-free signal right up to Mission, Hatzic and Abbotsford. Here, in the centre of the Fraser Valley, there's a big hill, the other side of which is the Sumas Prairie, the logical territory of the Chilliwack station.

Now, I am wondering when you were giving the information to Dr. McCann it was not drawn to his attention that when Mr. Rea made his application there was more than the city of New Westminster included. When he was asking for that radio station he was asking for the Fraser Valley as well. Now, I know you are not responsible for the minister's letter, and I am not holding you to account for that, but I am not giving the whole letter. At the time the application was made by Mr. Bill Rea he asked not only for New Westminster but for the Fraser Valley. Washington KIRO was coming so hard there, and it was felt we should have a local station in New Westminster to offset Bellingham's station; and still on three occasions three different reasons were given why increase of power to offset that very thing could not be granted.

Mr. BEAUDOIN: Are you quoting from the application of Mr. Rea to the C.B.C. or to Transport? Are you quoting from the report granting the application?

Mr. REID: No, I am quoting from the letter sent to the department in the first place for a licence.

Mr. BEAUDOIN: By Mr. Rea?

Mr. REID: By Mr. Rea, before the licence for the station was granted. There was the application of Mr. Rea for an increase in power or a change in frequency to offset not only the United States station, but to allow the residents of the Fraser valley to hear and whose head town and chief town is New Westminster. On all the occasions that he has applied for this he has been told, "When you got the licence, Mr. Rea, you got it for the city of New Westminster alone," and I claim that that is where the injustice has been done. He wanted it for New Westminster and part of the valley as well where I live.

The CHAIRMAN: Mr. Reid, I gather that the question is not completely clear. You have read from a letter that Dr. McCann sent you and you have said that you assumed the information in that letter came to him from Mr. Dunton.

Mr. REID: From Mr. Dunton or some other official.

The CHAIRMAN: I think Mr. Dunton agrees with you that in all probability it did come from him. Is your question now "Is this all the information that you gave him?" Is not that your question?

Mr. REID: Yes, I asked: Is that all the information he gave, and if so why did he not give the entire contents of the information on file which is at variance with that paragraph?

The CHAIRMAN: You have that mixed up with a good deal of statement. I do not think it is completely clear at the moment. The question is, "is that all the information you gave Dr. McCann about this matter or did you give him more, and if that is all, how does it come about that is all the information you gave."

The WITNESS: I do not remember, Mr. Chairman. We had an inquiry and I remember supplying the best information I could as an answer. I have a good deal of material here now and I would be glad to answer any questions.

Mr. REID: I could go further, Mr. Dunton, on the document you have, if you will look at page 2 you will see CKNW will be the first radio station privately owned on the Pacific coast to offer farm service. When making application Mr. Rea was not offering farm service solely to people in the city because the city is the head of the valley, and all the people came there for the market. He wanted to give farm news, but in all the applications to Ottawa he has been turned down.

Mr. BEAUDOIN: It may be that you are reading from Mr. Bill Rea's letter when he applied for his licence. It may be that was his request, and it may have been his ambition to obtain a frequency which would cover not only New

Westminister but the Fraser Valley. But was it granted as he asked? When the C.B.C. said "all right, Mr. Rea, we will grant you a licence" did they give him as much territory as he asked for?

Mr. REID: The interpretation of that would hinge on what a local station is. Where are you going to draw the line? At the time he made the application representation was made against him having a licence by owners of radio stations in Vancouver, and at various times when he appealed he was told if they increased his power his station would become a Vancouver station.

Mr. BEAUDOIN: That is right.

Mr. REID: New Westminster is just eleven miles or so from Vancouver and I don't suppose you would have a frequency low enough that it would not go into Vancouver. I don't suppose you could get a frequency that low.

Mr. BEAUDOIN: I think you are right there.

Mr. REID: And yet they say if he was given a little more frequency it would be another Vancouver station. That has riled some of the people out there and I tell the committee that I live seven miles out and often at night-time we cannot hear CKNW. You would not even allow him to have a directional antenna so as to direct it seven miles out or more, and so at night-time we are blanketed from the United States. I think our request, or our kick, is legitimate regarding what has taken place on this matter.

Mr. BEAUDOIN: I do not want to argue the question with you. It is only because I want to have this clear in my own mind. If they have granted a licence which was meant to be a community station, a licence for the city of New Westminster, and to reach that objective they had to give it 250 watt power, it may be the radius which the 250 watts covers would also reach the city of Vancouver.

Mr. REID: It goes to Victoria and right up the coast. The way we are placed geographically, there is a hill and it will not go out into the valley and whether they like it or not it is covering Vancouver fully now but we cannot get it at night seven miles out. The stand has been taken that the station is just for the city of New Westminster but that is not according to the facts.

Mr. BEAUDOIN: You are not suggesting the C.B.C. should do anything as far as correcting the terrain situation? The terrain may be such that the power you have is of no benefit.

Mr. REID: I would not blame that on the C.B.C. at all, but I do blame them for doing nothing to provide Canadian radio in the district in which I live. There is no reason why we should be blanked by the U.S. stations when we want to turn on to CKNW, the local farm station which gives us good programmes and the farm news. There is no reason at all for the attitude of the C.B.C.

Mr. BEAUDOIN: Are the listeners in New Westminster serviced satisfactorily with the station?

Mr. REID: Oh yes, and I think it is fair to say CKNW has more listeners in Vancouver and New Westminster than the other radio stations. I think that is a fair statement of fact, and I do not think any of the owners of the radio stations would refute it, owing to the types of programme and the interest which the management takes in it.

Mr. BEAUDOIN: Does it go clear into the city of Vancouver as well as New Westminster?

Mr. REID: Yes, you can even go around in Vancouver and pick it up in your car.

Mr. BEAUDOIN: Your station is very lucky. Take a station like CKC Montreal, a 1,000 watt community station, given to the city of Montreal, it is also lucky because with that power it reaches sometimes three-quarters of the province of Quebec but still it is not a Quebec station, it is a Montreal station.

Mr. REID: That may be so, but I am asking Mr. Dunton about taking an extract from the letter and giving it to the Minister when the whole letter was not revealed with the facts contained in the application.

The CHAIRMAN: I am wondering if you are correct saying that the whole story is not revealed to the minister? That is only an inference you are drawing.

Mr. REID: I will be corrected if Mr. Dunton will tell me what information he gave the minister?

The WITNESS: I do not recall exactly.

The CHAIRMAN: It would have to be looked up.

Mr. REID: It is strange the minister was stopped halfway through a sentence when he might have got the whole letter.

Th CHAIRMAN: I do not agree with you that it is quite so strange. I have often seen letters which I have received from a minister in which I have received a part of another letter .

Mr. BEAUDOIN: Did you ever write to C.B.C. and ask them?

Mr. REID: Why ask me that?

The CHAIRMAN: No, he has also appeared before them.

Mr. REID: I can show you where I have appeared, but I think probably I did wrong appearing before them. I do not remember appearing while Mr. Dunton was there, but I want to be fair and I will say I appeared three times before the C.B.C. and was courteously received. However, being courteously received is one thing and results are another. It was the results that I was after and not the enjoyment of courtesy.

The CHAIRMAN: It would seem you did appear before Mr. Dunton, because there is a note here "At 4.15 on November 27, Mr. Tom Reid, M.P., and Mr. Rea came before the board."

Mr. REID: Yes. Well I do not want to continue this but I want to ask Mr. Dunton, in the light of the representations I have made, and some of the further facts I have brought out, would he have the whole matter looked into.

The WITNESS: The board is always glad to consider applications of that kind.

Mr. REID: Would you take it officially now, and would you consider it now?

The WITNESS: We can only deal with things coming to us from the Department of Transport.

Mr. REID: I will advise Mr. Rea to make another try.

The CHAIRMAN: Advise him to make another try to the Department of Transport.

Mr. REID: I think I have a statement here and I am going to ask Mr. Dunton if it is true. Has he or any official, made any statement to the Department of Transport to the effect that there is no use of Mr. Bill Rea making any further applications.

The WITNESS: I do not know of any statement.

Mr. REID: Well that statement has been made by some of the officials and I think I can produce it—that there is no use of Bill Rea applying at all; that he is just out of luck.

The CHAIRMAN: Now if you are going to make that charge do you not think you ought to be complete about it and state who it is that is saying it?

Mr. REID: I think I will find it in a moment.

The CHAIRMAN: If that is going to be charged, the person ought to be here.

Mr. REID: I will just hope, Mr. Chairman, the mere fact of me bringing this up is not going to further prejudice Mr. Rea.

The CHAIRMAN: I would not think so.

Mr. REID: I will get the statement in a moment or two. I will give you the name—

The CHAIRMAN: That is what I should think would be the right thing to do.

Mr. REID: —so that I will not be accused of taking this statement out of the air and quoting it. I have one statement here from Mr. Bain in which they told him not to make any application for change in frequency—"the matter however may be opened if and when the United States reach a final decision regarding the ultimate disposition of this channel."

The CHAIRMAN: Mr. Reid, let us stay with the one point, please.

Mr. REID: I am speaking to the one point, Mr. Chairman, I will find the other before the evening is over.

The CHAIRMAN: Then could we leave that until you do find it?

By Mr. Reid:

Q. I want to ask Mr. Dunton why it was that CKNW cannot get the right to use a directional antenna?—A. I do not think, Mr. Reid, the board ever had an application before it for a directional antenna from that station. I understand there was some correspondence with Transport, and there were some technical difficulties in the way it was put up. I might say right away that it is my view and I think likely it will be the view of the board that they would have no objection at all to a directional antenna decreasing the signal toward Vancouver and increasing it in the direction of the Fraser Valley, if that could be arranged.

Q. Would the increased frequency interfere with C.B.C.?—A. That depends on what frequency it was; if it did not interfere technically, it would not.

By Mr. Beaudoin:

Q. Would it interfere with other stations in the vicinity?—A. That would depend on the particular frequency used, Mr. Beaudoin, and the technical limitations; of course, we could not permit it to interfere with other stations.

Q. If it were to cover the city of Vancouver as well as the present community stations of Vancouver, I imagine the Vancouver stations probably would complain about it.—A. I think it does pretty well now. The application and the original recommendation by the board was for a community station to serve New Westminster.

Q. This station Mr. Reid is talking about, I understand is a very active station.—A. So I undertsand.

Q. It carried a great many programmes, spot announcements and that sort of thing.—A. I understand a great many.

Mr. REID: It is the only radio station where the announcer goes out and helps the little communities. He goes out and goes into the market every day and goes around the stalls and gets the prices of farm goods and people in the valley can get the prices right at home. He also covers public events and broadcasts from right out on the street. For instance he met the troops coming home, spoke to the soldiers in the compartments on the train even before they got off the train —in fact he is the only live wire we have out their in radio.

Mr. BEAUDOIN: That procedure is also followed in a good many other stations. Sometimes when radio stations are very active they will go out and sell a lot of spot announcements; but I had better wait and ask these questions when we study the brief submitted by Mr. Dunton.

Mr. REID: Here is the statement for which I was looking, Mr. Chairman. It is in a letter written to me by Mr. Rea, the owner and manager of station CKNW. He says:—

> RCA engineers inquired of Mr. J. W. Bain, who is in charge of frequencies at the Department of Transport, and was told by Mr. Bain that there would be "no use" preparing a technical brief for the use of 1030 kc's by CKNW because the board of governors had instructed the Department of Transport that CKNW would not be considered for an increase of power.

That is the statement to which I referred a few moments ago. I regret that I could not find it just at the time, but there it is. That is why I ask Mr. Dunton now: has he or any of his officials ever made any such statement, or has anyone from the transport board made any such statement; or told station CKNW not to make any further application.

The CHAIRMAN: That is not quite the same as no application; it is an application respecting a particular frequency.

Mr REID: It states: "—would not be considered for an increase of power."

The CHAIRMAN: Yes.

The WITNESS: The recommendations of the board are on the record. You have them, Mr. Reid. They are the opinion of the board, and they voice the recommendations made against increases in power, specifying the reasons for asking for certain increases in power, and on certain channels; and the board has recommended against them.

By Mr. Reid:

Q. Yes, but I am not speaking of the past. I am speaking of this year. This statement was made in March of this year.—A. I cannot speak for somebody else.

Q. Surely even when a third application is turned down that does not bar the person for all time from submitting any further application?—A. As far as we are concerned, certainly not.

Q. That statement makes it look that it is fixed for all time. That is a terrible statement, if you told some officials that.—A. I have not told anyone that, nor has the board.

Q. Pardon?—A. I say, I have not told anyone that, nor has the board.

Q. Well, I am glad of that, and I shall be glad to tell Mr. Rea.

The CHAIRMAN: What is the name, Mr. Reid?

Mr. REID: Mr. Rea. I hope, as I say, that this station will not be prejudiced further; because I think a grave injustice has been done, and I am going to keep at it until we have it cleared up. I want station CKNW to be able to serve our people out there, especially where I live. The C.B.C. have done nothing to prevent American stations, from covering or developing that territory. Just the other day I saw a full page ad "Listen to Washington stations." We are blanketed out at night and yet we must buy a Canadian radio licence.

The CHAIRMAN: Now, Mr. Reid, what do you want now? Are there additional questions, or is there any additional information you wish?

Mr. REID: It looks as though I am not getting very far. I may as well leave it at that.

The CHAIRMAN: Are there any other questions? Then we will resume questioning on the brief.

Mr. REID: I will tell them to make another application.

By Mr. Fulton:

Q. Have you the information I asked for the other day on the *Globe and Mail* application?—A. Yes, I have it. In what I am about to say I am putting together information from our own files and those of the Department of Transport. There was an application on file from the *Globe and Mail* when the C.B.C. was set up, on November 1, 1936, for a 50,000 watt station in Toronto. That application was recommended by the board for denial in March of 1937, as it was the policy of the board to recommend for denial all applications of privately-owned stations requesting more than 1,000 watts. I doubt very much if there would have been a frequency available for 50,000 watts in any case. In a letter of November 30, 1942, the Globe Broadcasting Company, Limited, the broadcasting company under control of the Globe Printing company, applied for the transfer of the licence of station CHML, Hamilton, from the Maple Leaf Radio Limited. This application was recommended for denial in the December, 1942 board meeting as the board favoured the station being owned by a local Hamilton organization; and, moreover, the station would have come under the management of Mr. R. H. Thompson, who already owned several other frequencies. It was considered again in 1943, and recommended for denial for the same reasons.

Mr. Ross (*St. Paul's*): What are the reasons that you gave, again?

The WITNESS: The board favoured the station being owned by a local Hamilton institution; and, moreover, the station would have been under the management of Mr. R. H. Thompson, who already owned several stations. Then there was a letter on May 30, 1944, with a request for a 50,000-watt FM and facsimile station. This request was considered at the June, 1944 meeting and recommended for denial. The board at that time was recommending the approval FM applications from individuals and companies engaged in the manufacture of receivers, and for receiver-test experimental purposes.

By Mr. Fulton:

Q. Where was that last station?—A. I haven't a note of that. I take it was for Toronto. The application was, of course, put on file and subject to reconsideration. Then, the Department of Transport on October 30, 1945, wrote to the applicants to ask whether they were still interested in pursuing the application which was on file.

Q. Which application was this?—A. That is the application for FM in May, 1944. There is a letter dated November 6, 1945, advising that the preparation of a technical brief would be undertaken and asking that the application be considered still active. That is the last word, and that brief has not been filed.

Q. Is the policy still the same, Mr. Dunton with respect to local ownership of stations?—A. It is not so much a complete policy. It is one of the points that the board considers in making recommendations about licences. The board has found a number of different factors come up and that is one thing we have thought it wise to encourage, ownership by people or organizations in the community. It is not a definite thing. It often cannot be.

Q. Let me ask you this; if the present owner of a local station is willing to sell, is not being squeezed out, and this organization which is offering to buy is competent to give good service, what is the policy objection there?—A. I think in the case of a transfer, it is harder. I think it is the same general one. We have brought it preferable that radio stations be owned, at least to a considerable extent, in the community itself rather than absentee ownership. As I say, there is no definite line policy. We have thought it is preferable to encourage that.

Q. There was I believe another radio station in Hamilton at that time, at the time of the first application in 1942 and 1943?—A. Yes, CKOC was in operation.

Q. Do you know anything of the ownership of the station at that time?—A. CKOC?

Q. Yes, at that time?—A. I am not sure.

Q. I hate to be a trouble maker, but my information is it was owned by outside interests at that time?—A. We would have to check back to see what we have in the records. I mentioned two reasons; one of favouring local ownership and the other was, apparently, an objection to R. H. Thompson who would be managing it and who also owned several other stations.

Q. It seemed to me that I saw a report in the press that R. H. Thompson had acquired the ownership of other stations since that time.—A. I think it was newspapers.

Q. Did not those newspapers, in turn, control radio stations?—A. I do not think so. We know nothing because we would expect to be advised by the Department of Transport if there were any actual changes in ownership of radio stations.

Q. If he had offered to divest himself of ownership or cut off his connection with the company and had offered it under different management, would that have taken care of that objection?—A. I am not sure. It is difficult for me to talk about a thing which happened several years ago. There might have been various considerations at that time. I am afraid I don't know now and I would not like to speak about it hypothetically. I can only speak about what is on the record.

Q. I appreciate that. Is that application regarded as alive, that application for an AM station?—A. In 1945 the applicant wrote stating he wished to keep it alive but has not sent in the brief.

Q. That was on the 50,000 watt FM station?—A. Yes.

Q. What about the Hamilton station?—A. So far as I know that just died completely and I have not heard that CHML, Mr. Soble, is talking about selling out.

Q. Where was Mr. Soble living at the time he acquired that station?—A. I do not know. I think he was manager of CHML when he got control of it.

Q. That does not agree with my information, but I do not want to go into these points at too great length. What about the 50,000 watt station? You say that application is still alive. It was first made in May, 1944?—A. This is for the FM?

Q. Yes.—A. I do not think there would be a chance under the Department of Transport specifications for 50,000 watt. There are different specifications now. I do not think that power thing would be completely vital, but they have not submitted a technical plan for the station under the specifications asked for by the Department of Transport.

Q. They have indicated they would, so I take it they are not prejudiced in their application by the fact they have not yet submitted a technical brief?—A. No, it might still come in any time.

Q. I remember that I asked yesterday whether you were in a position to say what would be the attitude to this type of application when FM applications are unfrozen on July 1. Here, we have a case of a paper which made an application for a Bona Fide broadcasting station in 1942, tried again in 1944 for an FM station and is still waiting as the record shows. I know personally, and no doubt many of the members of the committee know, that they have pioneered in the field of facsimile broadcasting. Did you know, Mr. Dunton, that they had sent over an experimental facsimile recording machine with the second division when they went overseas?—A. No, I did not. To my knowledge they have never talked to us about facsimile broadcasting.

Q. They have been very interested in that field and yet they are not able to pursue it to a practical conclusion?—A. They do not see to be pressing very hard to get a station since it is a year and a half since they were asked if they wanted to submit technical plans.

Q. I think it would be fair to assume that, having heard the announced policy of the C.B.C. up until July 1, and because they are a newspaper and because facsimile licences were not to be issued, they thought it would be no use?—A. Perhaps that is so.

Q. I am not asking you to commit yourself, but what else could they do? What else could people do who want to make a contribution?—A. It seems to me the best thing would be to get a proper application in with all the details.

Q. In other words you would like them to send in a technical brief?—A. Naturally, that has to come in before the application can be acted upon.

By Mr. Beaudoin:

Q. That is the actual practice?—A. Yes.

Q. That is what applicants have to do?

By Mr. Fulton:

Q. Is that the only thing which is holding up consideration of their application?—A. They say the application is alive. Actually, it is nothing more on the record than a letter saying they are interested. If they want to really press it, they should furnish the Department of Transport with the technical information, and all the other information required of a licensee including information about their programming and so on. They should supply all the facts which are required of an applicant.

Q. I cannot speak for the *Globe and Mail,* but I know if I were a corporation —and I am not saying corporations are not interested in profits for their shareholders—I would not commit myself to a lot of expense if I knew there was no point in going forward with the application. In other words, do you not think you could offer them a little encouragement with regard to your policy on granting applications? Is it possible to expect them to proceed otherwise?—A. In the first place may I say my understanding is there is very little expense attached to an FM application, technically or otherwise. Secondly I think it would be quite improper for me, as a member of our board that is going to make a recommendation, to give any indication. I have not looked at the files but there may be lots of other previous inquiries from the Toronto area. I certainly could not give any indication of what the recommendation of the board would be. One thing that would help a great deal would be if this committee would make a recommendation, as I think the committee said it would do last year, regarding newspaper ownership. That would help us very much.

Q. Somebody has to make a decision as to who will be given FM facilities quite apart from the question of newspaper ownership?—A. Yes, and presumably we will have to make recommendations regarding that. I think it will help if we know the feeling of this committee on newspaper ownership. That will be one thing cleared up, but it will still be a very difficult question. It is not going to be easy.

Q. Do you not think it is fair to say your inability to make a decision has perhaps been a deterring factor to these people who want to get ahead with facsimile experimentation?—A. We have said after July 1 we will go right ahead and make recommendations. It is up to them to try us and see if we do not. If we do not we can be criticized.

Q. I think this is my last question. How about these other considerations? You mentioned firstly that you desire to encourage local ownership; secondly, that you desire to discourage chain ownership?—A. There is an actual regulation about that.

Mr. REID: They were not doing much to discourage it.

Mr. FULTON: That is what I was thinking.

By Mr. Fulton:

Q. I was wondering if you could give the same weight to these factors in each case so that people contemplating making an application will know just exactly what factors they have to take into consideration before they have a chance of success.—A. On multiple ownership there is a definite rule about that. It seems to me the other things are mostly fairly obvious. I think it would be hard to lay down definite rules to say that any person who had not lived in a town for some time could not get a licence, as there might be cases where an outsider could do a better job, or to say that a person had to have five years radio experience. In some cases perhaps a fairly new person or organization can do a good job, but I think there are various factors that should be taken into account in trying to estimate an applicant or an applying organization. I think it is very hard to lay down completely definite things outside of, of course, there must be financial responsibility and they must have proper technical plans.

By Mr. Reid:

Q. I notice you say here that the board's policy regarding television was a policy inaugurated in 1936. That is a long way back. My question to you is do you review that every year, and has it been reviewed every year since then?—A. We have given a lot of thought to television, particularly in the last year and a half since the war when the possibilities of television seemed to be getting a little nearer. We have thought about it a good deal and put a good deal of study on it. The Board of Governors went as a whole down to New York to see for itself and try to make some estimates. The management now has officials who are assigned particularly to studying television development.

Q. How many radio stations are there in Vancouver?—A. Sound broadcasting?

Q. Vancouver itself.—A. Four; CBR, CKWX, CJOR and CKMO.

Q. How many are there in Ottawa?—A. Three and one in Hull.

The reason I ask that is that it seems terrible to me that you should have designated CKNW as a Vancouver station when the actual number of licences collected in the city of Vancouver last year was 74,289 and in Ottawa 38,869 and they just have one station less. You gave the new station to Mr. Ryan with 5,000 watts, and all you would allow us was 1,000.—A. CFRA is 1,000 watts.

Q. 1,000 watts?—A. Yes.

Q. Even if it is 1,000 watts why should you have that coverage around Ottawa when Vancouver has twice the number of radio licences and only has one more station? We had last year 11,917 radio licences in New Westminster.—A. One thing is the French language population of Hull.

Q. Hull covers Ottawa just like the United States covers New Westminster and Vancouver. The more I look into this the more ridiculous it is.

The CHAIRMAN: You should let the witness answer the question without interrupting.

Mr. REID: If he had a grievance as we have, perhaps he would feel the same way.

The CHAIRMAN: You broke in in the middle of the answer.

Mr. REID: I am sorry; I beg your pardon.

The WITNESS: I was going to add that in Vancouver, as you pointed out, there is a lot of service from American stations, and a great many listeners listen to service from across the border.

Q. You admit that, but I would like C.B.C. to discourage that.—A. Of course I do.

Q. It bears out what I said. We could get along even if the C.B.C. was not there at all. I am asking the question why you allow this extra station in Ottawa to have that licence and yet you are holding CKNW as a Vancouver station. When you add 74,000 to 11,000 that makes 85,000 or 86,000 radio licences in the two cities, as a matter of fact, as against 38,869 in Ottawa which has almost the same number of radio stations.—A. I think one point is the question of Hull. I have not got the figures here.

Q. You certainly did not tell that to Mr. Ryan but you told the owner of the New Westminster station that it was a Vancouver station and yet there are double the number of radio licences issued in Vancouver and New Westminster than there are here.—A. I do not know what the question is.

Mr. BEAUDOIN: Certainly you would not include the station in Hull as being an entity which could be included in the number of English speaking stations. It is the only French language station in the entire district here of Ottawa and Hull.

Mr. REID: You can go down into Ottawa and there is a French speaking section down there that I feel sure would enjoy the Hull station.

Mr. BEAUDOIN: Hull is so close to Ottawa. It was meant to serve the Ottawa French population and the Hull population at the same time.

Mr. REID: As far as radio is concerned, although we may be farther away in miles, we are just as close.

Mr. FULTON: I do not like to be insistent but I had not quite finished with my questions when Mr. Reid started. I wonder if I could go back to them. I am sorry for the break in continuity.

The CHAIRMAN: Before you do that I should like the committee to consider something. Mr. Reid and Mr. Fulton were both told that certain questions which they had on their minds might be asked before proceeding with the brief. They have each taken up a considerable amount of time.

Mr. REID: I thank you.

The CHAIRMAN: We are still waiting to get on with the questioning on the brief. Personally it does not make any difference to me. I can endure for quite a long time, but the committee will have to consider whether it desires to come to a conclusion and get on to executive session where they can discuss the report. The committee will also have to consider whether it desires Mr. Fulton and Mr. Reid to continue much longer upon the line of questioning which was apparently a subject opened up to them, or whether the committee wants to get on now with questions on the matter of Mr. Dunton's brief.

Mr. REID: I am nearly finished.

Mr. FULTON: I have about three more questions.

The CHAIRMAN: If there is any desire on the part of the committee to make a decision on the point now is the time to do it.

Mr. BEAUDOIN: I think if Mr. Fulton has only one or two more questions to ask it is all right. I do not object to that, but I have a few questions to ask on the brief, and I think we should proceed to questions on the brief as soon as we can.

The CHAIRMAN: Mr. Caton is here, too, who might be questioned upon the statement which was put before us earlier in the day coming from Mr. Browne.

By Mr. Fulton:

Q. I want to ask a few final questions on the matter of the *Globe and Mail*. I would have gone right on had I been permitted. I am thinking of the time in 1942 when the *Globe and Mail* made its application. I am really asking for

information here. The Toronto frequencies were full. In other words, they could not have got any station in Toronto?—A. I do not know. I doubt it. Certainly if they could, they could not have secured a 50,000 watt in 1937. I think there has been one station since, a daytime operation station in Toronto.

Q. The point I am trying to get at is that they were virtually forced to go outside of Toronto to get a station, and I am wondering if that is a fair statement.—A. I think it is so. There was not at least a good frequency available in Toronto. There was no frequency—possibly one that could have been used for daytime operation.

Q. Would it apply to the purchase of a station in Hamilton? Other papers do own stations, do they not? It has been possible for other papers and paper interests to acquire stations both before and since you became chairman of the Board of Governors.—A. Yes. I explained that since the committee of 1942 the board has felt that newspaper applications should be particularly well justified and there should be a very good reason for them.

Q. Do you admit that in view of these events the *Globe and Mail* has been prejudiced with the other papers in its effort to obtain a radio station?—A. There may be some complicated questions in Toronto. None of the other newspapers has a radio station. I think in Toronto it is pretty fair.

Q. You mean the other newspapers in Toronto?—A. Yes, none in Toronto have a station.

Q. The other newspaper interests have stations?—A. In Toronto?

Q. No, I am talking about the Sifton papers and the Southam papers.—A. I am thinking of the competitive situation in the Toronto area.

Q. You have not answered my question.

By Mr. Beaudoin:

Q. And Toronto would be the place where the situation is the fairest as far as newspaper ownership is concerned?—A. I think if you look into the records you will find miscellaneous applications for other Toronto papers for different radio facilities.

By Mr. Fulton:

Q. Of course, they were interested because they wanted to experiment in this facsimile broadcasting.—A. You say I did not answer your question?

Q. I think probably you answered it as well as you could answer it in view of all the circumstances.

By Mr. Beaudoin:

Q. On page 4 of your brief—this morning's brief— under the heading "Network Control" you told us that last year you were granting permission to stations to hook-up— —A. Subsidiary hook-ups.

Q. Have you followed the same procedure since last year?—A. Yes.

Q. You never refused any station an occasional hook-up?—A. Yes, there may have been some refusals. I cannot say that every application has been granted, but a good number have been.

Q. The practice generally has been continued?—A. Yes.

Q. Now, on page 5 under the heading "Advertising Limitation" you refer to certain regulations prohibiting certain categories of advertising. Do you not have within those regulations provisions which prohibit too much advertising of spot announcements, for instance? A station might have a fifteen-minute broadcast in which are included many spot announcements; is there a limitation on the number of spots which may be broadcasted?—A. There is a general limitation of 10 per cent time.

Q. Did you ever make a survey in order to find out how many stations were guilty of not observing those regulations?—A. There have been checks. We have not been trying to enforce that 10 per cent proportion very definitely. It would be an extremely hard thing to do in any case. We set it there as a target. We think it is about right. We have not tried to police it with stop watches, but to a certain extent we check stations up on it.

Q. You told us last year that you were very lenient in the enforcement of your regulations, but could you not cite cases in which it is obvious that the regulations are not observed?—A. In this particular case of exceeding 10 per cent?

Q. Yes.—A. I cannot offhand. I think there must be quite a few actually going over the 10 per cent of the programme period. There are some stations running a great number of spot announcements and when it gets too high we think it does not make very good listening for the public.

Q. In other words, you have power to regulate and to enforce your regulations, but you do not enforce them very much?—A. Some of them are enforced a good deal. We have not tried to be too strict because it is an extremely difficult thing to do—to clock a programme and then the advertising content.

Q. Do you not have the staff hired for that purpose—to make those checks?—A. Yes, we have a regulations division which does some checking. As I explained to the committee last year, though, we prefer to go, as far as possible, on a sort of honour system and not have too much policing. But the stations know the regulations and we think they will carry them out, as they do; but we occasionally make checks and sometimes we get complaints—quite often—from other stations, and we check up to see if our regulations have been violated. We can get a lot of information from the station logs.

Q. When you get complaints like that do you notify the station which is infringing?—A. Yes.

Q. And what sort of notice do you send?—A. It is a fairly informal letter bringing it to their attention and asking them for an explanation. Later there is a provision for a fairly formal notice if there is a violation before it is charged to the local station. In other words, a charge to be brought before the Board of Governors at the end of the licensing years when they are making recommendations.

Q. In the enforcement of the regulations, do you think you do all that you should do?—A. We could be a little more—

Q. Is it because of lack of finance?—A. I do not like the idea of thinking of being severe. I think we want to be fair and we want the stations to co-operate with us and we want to co-operate with the stations. That is the spirit that we want to do it in. I think if we had a little more staff we could probably do a fairer job and do a little more catching of some people who are not quite playing fair and are getting an unfair advantage over stations that are following the regulations fully.

Q. What I cannot understand is that we read in the C.A.B. and C.D.N.A. briefs so many remarks to the effect that your control is so severe and so absolute as far as the regulations and the law which grants you that control are concerned and yet you admit you are lenient and you are trying to be as fair as you can. Do you not think you are a little too fair?—A. I do not think we are too fair. Perhaps it would be to other people's advantage if we had a little more check-up. I think in the first place that the regulations themselves leave plenty of scope for broadcasting activity. They are designed to stop some of the serious abuses and put everybody on a fair basis.

Q. Don't you think that if an independent regulatory body is asked for it is because you are too lenient in the enforcement of the regulations?—A. I do not know—

Q. And that the independent body could regulate in the real sense of the word?—A. Perhaps it could. I do not know.

Q. Is it to your knowledge that stations in a fifteen-minute broadcast will put in about seven spots?—A. Yes.

Q. Of over a hundred words?—A. Yes.

Q. And that they even interrupt musical recordings right in the middle of a song and put in a plug for something?—A. I have heard of them doing so.

Q. Do you not do anything about it?—A. I do not think that violates the regulations. It is not good broadcasting.

Q. Does it not violate the regulations that you could have seven spots in fifteen minutes; that is more than 10 per cent?—A. More than 10 per cent? It might be, yes.

Q. What do you do with those cases?—A. If somebody is definitely exceeding the 10 per cent we could check up, but we have been, frankly, pretty easy.

Q. In other words you know there are many stations who do put on more than ten per cent of advertising in their programmes?—A. Yes.

Q. And you have not done anything?—A. We have not been strict because it is a very hard thing to police.

Q. If this committee was to recommend that you have a staff to enforce the rule strictly, would it involve a lot of expense?—A. Not a great deal of expense. I think in any case that we should have a little bigger regulation staff to do that. We could do more checking without a great deal of expense.

Mr. Ross (*St. Paul's*): Mr. Beaudoin, I do not think the C.A.B. said the C.B.C. were too severe.

Mr. BEAUDOIN: I know that, they said the controls with which they are equipped are too absolute and yet, apparently, they do not use the controls as much as they should.

By Mr. Beaudoin:

Q. Now you said, on page 5, that you had many present applications from private stations to join the C.B.C. network. Can you give us the names of the stations which have made application to join the C.B.C. network?—A. I could not give them offhand but they are coming in every month or two. They have been coming in regularly in the last year or two and I imagine before that. As new stations come up, or when stations develop more, they apply. What is often overlooked when they are affiliated, basically, with the network, they are getting service which costs the licensed payers money to deliver.

The CHAIRMAN: What do you mean by that? Would you just amplify that?

The WITNESS: We will say there is a station in an area which has not got network affiliation now. It would like affiliation and perhaps we would like to bring service there, but it would cost us money to pay for the wire lines to bring service to the station. In addition part of the services which they will be carrying on the station will be provided from C.B.C. funds which, in a large part, come from the licence moneys.

Mr. Ross (*St. Paul's*): You pay them for the use of their station?

The WITNESS: No, it is by an affiliation agreement under which they get a revenue from the network commercial programmes they carry. They get revenue through the affiliation.

The CHAIRMAN: You asked whether they paid them.

The WITNESS: They get commercial revenue through the network.

Mr. Ross (*St. Paul's*): Do you pay them for carrying sustaining?

The WITNESS: No, the reserve time is part of the affiliation agreement.

By Mr. Beaudoin:

Q. On page 6, Mr. Dunton, you claim that anything which may be described as news is not controlled by the government but by yourself. To what extent is it controlled by yourself? The second paragraph says "The government has nothing to do with the approval, or changing, or administering of these regulations. That is all the responsibility of the C.B.C.".

Can you explain the control you exercise on news?—A. It is all laid down in regulation 13, which provides for a check on the source of news, and one or two other provisions about advertising with news. Apart from that we have no control over news whatsoever. The regulation is there, and there is no provision for us in any way of checking or influencing what news is carried.

Q. Did you ever write the private stations in order to ask them what their news services are?—A. I do not know that we have written them but under regulation 13 every news source, apart from local news, should be approved by the corporation—that is the agency, or whatever it is. I suggest the reason for that, the only reason, is so there would be a check against foreign news services coming right into Canadian air channels.

Q. But you never interefered with the stations in their operations of news casts?—A. Absolutely not.

Q. By making them declare their news casts?—A. No.

Q. Or questioning the delivery of them?—A. Absolutely not.

Q. In other words this control over news is not placed by law absolutely and utterly within the control of yourself?—A. No, there is no authority under the regulations to have any interference with news. There is one regulation under which you can question a broadcaster in advance if there is a suspicion of possible violation of the regulations, but we have no authority under our own regulations to interfere with news.

Q. What do you do about the control of programmes to which you refer on page 7. What control do you exercise over the programmes except receiving the logs from the private stations?—A. The only control is laid down in the regulations. We make the regulations which are public and which can be seen or discussed by anyone. The control over the programmes originates in the private stations.

Q. In practice how does it work?—A. In practice they just carry on their broadcasting activities.

Q. Has anyone ever complained to the C.B.C. for prohibiting them from making their broadcasts?—A. There have been complaints. The usual thing is for a broadcasting station, if they are doubtful about a programme, to come to our programme division and sometimes we disagree with the station. Sometimes it violates a regulation and sometimes it does not, but the usual way is for the station to go ahead and broadcast.

Q. But you have a listening post to check on all broadcasts?—A. We do not do that as a usual practice. Occasionally when we hear of something, or if it is found a station has violated the regulations, we check up and ask for an explanation. If the explanation is satisfactory that is the end of it.

Q. Perhaps you would get complaints from the locality?—A. Yes, we might get them from the private broadcasting stations.

By Mr. Ross (St. Paul's):

Q. I thought the Department of Transport monitored private stations? —A. Yes, they used to do some monitoring but I do not think there is any done now.

Q. It is in this brief?—A. That is for technical reasons Mr. Ross.

Q. I beg your pardon?—A. It is for technical reasons, interference on the air, and to see that they are modulated properly.

The CHAIRMAN: They operate what is called a monitoring service to catch improper interference, and that sort of thing.

Mr. BEAUDOIN: Mr. Caton, what is the type of control you exercise?

Mr. CATON: We monitor broadcasting stations and other stations to see that they adhere to their frequencies in accordance with the international and regional agreements, but we do not monitor for the purpose of enforcing the C.B.C. programme regulations.

Mr. BEAUDOIN: For instance if a station in Mexico, or the United States, is on the same channel as a station in Canada and it is not supposed to be there on that channel, do you have authority, according to the Havana agreement, to report that?

Mr. CATON: Yes, we notify the Havana office immediately.

Mr. REID: May I ask a question there. We have that difficulty with the now very famous CKNW. They raised the power of a station in the state of Washington but no step has yet been taken about it.

Mr. CATON: There is intereference on every station. There is no such thing as a station without interference. The Havana agreement laid down certain requirements of tolerable interference levels above which interference must not rise. But you cannot get anywhere a station which is free of interference. A local station of 250 watts in the daytime would probably give a satisfactory signal; of course, it varies with its terrain, up to 24 miles. At night that might be cut down as low as 12 or 18 miles because of the interference that is allowable on these channels.

Mr. REID: I hope, Mr. Dunton, you have not forgotten to show me that list of fees you pay. I am interested in knowing what you pay to these people.

The WITNESS: Will you please pass that around to Mr. Reid.

Mr. REID: I want to see that. I hope I will not be disappointed when I see some of the fees you pay.

The CHAIRMAN: Are you through, Mr. Beaudoin?

Mr. BEAUDOIN: Yes, Mr. Chairman.

By Mr. Ross (St. Paul's):

Mr. Chairman, I would rather like to ask two or three questions. You say here on the first page of your brief that there has been a most intensive publicity campaign conducted by the C.A.B. My recollection is, and probably you saw it as well, that there was a strenuous campaign carried on some years ago. Do you recall that?—A. It seems to me that I do, yes.

Q. What I am trying to get at is this, do you think that the campaign put on by the C.A.B. could be classified as very intensive?—A. I do so, Mr. Ross; because it used large advertisements in 75 newspapers, and I understand also that it had the use of 80 odd radio stations. I would say that any campaign of that size, supplemented as it was by pamphlets, speeches and so forth, backed up by some 80 radio stations and 75 newspapers, could reasonably be classified as intensive.

Q. How far away from the Aird report have you got?—A. I think the basic principles are still pretty well much the same as expressed in the Aird report. I think the principal deviation is the increase in opportunities given to private stations.

Q. In view of the campaign which is going on, and I remember I think one of the officials of the C.B.C. mentioned the fact that as far back as 1942, if my recollection serves me right, there was an intensive campaign being carried on. Perhaps the chairman remembers that. In view of that fact, and in view of this fact, that you have the Elliott-Haynes report, don't you think something should

be done about it? Apparently the Elliott-Haynes report was about equally divided, perhaps a little more in favour of the private station and so on. In view of that fact would you object to having something like a royal commission set up?—A. No, I would not object.

Mr. Ross (*St. Paul's*): Don't you think it might be advisable to have something of that kind set up?

Mr. BEAUDOIN: I think that is up to us to recommend.

Mr. Ross (*St. Paul's*): In view of the brief you received from the C.A.B. in which they said the present legislation is rather out of date and there is need for improvement and so on—

The WITNESS: I think that is a little beyond my province. I have tried to tell you what we are doing.

The CHAIRMAN: I was going to say, Mr. Ross; of course, if the witness desires to go outside of his province in answering you there will not be any objection.

Mr. Ross (*St. Paul's*): He said he would not object.

The CHAIRMAN: No; excuse me, he said—I was going to interpose but he remarked himself that it was outside his province. I do not think it is any part of the business of this witness to give evidence as to the value of a royal commission; however, the witness himself says he thinks it is outside of his province.

Mr. Ross (*St. Paul's*): Well, I thought that was what he said.

By Mr. Ross (St. Paul's):

Q. Another thing, do you think in this resolution which was adopted by the C.A.B. out there at Jasper Lodge asking for the appointment of an independent licensing and regulatory body to have jurisdiction over all radio in Canada was intended to include the whole spectrum?—A. We do not know that, Mr. Ross.

Q. Or would it not be that they were thinking more of the regulation of the C.B.C. with which they are in competition?—A. I really do not know. I take it from their brief that they were asking for a body to regulate just broadcasting.

Q. Then there is this question: they are asking for this separate body and you have given us your opinion; as a matter of fact, as I understand it, you or witnesses for the corporation have said that they would not like to see any change; you would not like to see any?—A. I do not think we said that. As I tried to say this morning, Mr. Ross; in our view we do not think it is for us to talk about the fundamental laws for the control of radio. We have tried to give you the facts and to suggest some dangers we see in the changes. We think that is a matter for parliament.

Mr. REID: Mr. Chairman, I would like to ask the witness—

The CHAIRMAN: Mr. Ross has the floor.

Mr. Ross (*St. Paul's*): I have it here now. No, sorry, I have not.

Mr. REID: Mr. Chairman, I would like to ask Mr. Dunton a question or two.

The CHAIRMAN: Mr. Ross, do you mind if Mr. Reid interposes at this time while you are looking up your material?

Mr. Ross (*St. Paul's*): Not at all, Mr. Chairman.

By Mr. Reid:

Q. If radio stations engaged musicians, do they have to come through certain channels. For instance, let us say a certain singer out in the country wants to come in and broadcast over a station, who makes the decision whether or not they will take that singer in? Do they have to go through certain channels? Do they have to go through the union?—A. I think they are free,

but in some places the question of union affiliation may arise. That is a question for the Musicians Union to answer. I think in general they are pretty free, in most places.

Q. Who picks the musicians who belong to the union?—A. I think Mr. Murdock could tell you that, I do not know. I think most musicians—

Q. That needs revising; there are some of them who cannot sing a note?—A. I do not think singers are in the musicians union. I think they are instrumentalists.

Q. I have not the information yet which I want. I want to know if these crooners are paid and what musicians are paid?

The CHAIRMAN: You might tell us that story of the bugler, and what he was called.

Mr. ROSS (*St. Paul's*): You wish to continue your legislative, executive and judicial powers under your own heading?

Mr. BEAUDOIN: That is not a fair question, Mr. Chairman.

The CHAIRMAN: Mr. Dunton has already said a great many times he is not advocating legislation of a certain type, nor that it be continued or changed. Is it fair to put a statement into his mouth? He has said a great many times, it is not our province to advocate legislation or to advocate that it should not be changed.

The WITNESS: I think what the chairman says is my position.

Mr. ROSS (*St. Paul's*): I know, but surely he has an opinion on whether he wants to continue having the policy he has at the present time and whether he thinks it is more advantageous to have it that way than it is to have a separate judicial body.

The CHAIRMAN: To press this witness for an opinion on it is not either fair to the witness nor do I think it is in order. He is not here to give opinionative evidence. He is reporting on a job.

The WITNESS: We have tried, Mr. Ross, to show you how the system is working; how we are carrying out our responsibilities. We naturally think we are trying to do as good a job as we can. We suggest some possible dangers we see in a change. I think that is as far as we can go.

Mr. ROSS (*St. Paul's*): I am not criticizing the job you are doing so far as broadcasting is concerned. The C.A.B. has said they have found you fair. In their brief they felt the powers you have are too great. I simply asked you if you wanted to continue those powers, if you thought it was best for your corporation to continue them or not.

Mr. BEAUDOIN: What the C.A.B. is asking is another body to regulate them. After the few questions I have asked the witness, it is clear the C.B.C. hardly regulates at all.

The WITNESS: I think it is really up to parliament to decide. We try to put all the facts before you and any suggestions as to the dangers we see. Then it is up to parliament to decide whether or not any changes should be made.

The CHAIRMAN: That makes me think he has been reading the Prime Minister's speeches.

Mr. ROSS (*St. Paul's*): I guess I cannot get an answer.

The CHAIRMAN: If I were the witness I would not give you an answer, but he can do what he likes.

The WITNESS: I think the way our board feels is pretty well summarized by what I said this morning.

By Mr. Ross (St. Paul's):

Q. That is what I judged from your brief, if you believe in your brief?— A. I do.

Q. Then you believe you want the situation practically in status quo?— A. I do not think it is a question of my saying or our board wanting anything. We are trying to give you the information and any ideas we have.

Q. You have asked for direction from this committee?—A. On several questions, yes.

Q. On a good many questions. Do you want direction on this question?— A. I do not think it is a question on which we can be directed.

Mr. BEAUDOIN: If the committee feels disposed to give a direction he will have to take it. If we make a recommendation and it passes through parliament, he will have to take it.

By Mr. Ross (St. Paul's):

Q. All I was trying to do is this; there is a controversy going on and time after time I have come to this committee and listened to the controversy. They have said there is a campaign going on, now how is that going to be corrected? How are you going to get rid of the campaign?—A. I do not know. We do not feel that is our business.

Q. You complain about it, but you do not give any suggestion as to what should be done?

Mr. BEAUDOIN: Those who started the campaign, were they justified in starting it in the first place? It may be your opinion that they were justified but it may be the opinion of others in this committee that they were not justified.

Mr. ROSS (*St. Paul's*): I would suggest where there is smoke there is fire.

Mr. BEAUDOIN: Some of us may not see any smoke or fire.

The WITNESS: This reminds me, there are a couple of not very important matters upon which we would be glad of guidance from the committee. These matters relate to documents which previous committees have approved and which are now up for study.

Mr. REID: The chairman may see differently from me, but I cannot see a quorum.

The CHAIRMAN: Would you put this on the record, then we will consider that question?

The WITNESS: One of the suggestions on the white paper related to an increase in time for provincial political broadcasts. At the present time the way it works out, they get a quarter hour every week for federal broadcasts and one quarter hour every two weeks for provincial broadcasts. It has been suggested that be changed so the provincial broadcasts could be every week.

The next thing is that under the C.B.C. regulations no employee may be a candidate for public office or support a candidate for public office by speech or writing. Our staff council has asked if this could be amended so the employees could participate in public affairs of a local or municipal nature. The board has considered this but wishes to consider it a little more. It was of the opinion there would not be a great objection to having a regulation rather like the civil service regulation providing that employees can, I think, with permission take part in municipal office.

Mr. REID: That had better be given some thought because every province has not the same status to-day in regard to public life and the way things are handled.

The WITNESS: That is why we would be glad to have any opinion this committee has, because it has political implications.

The CHAIRMAN: It being hot, you would like it handled by this committee.

The WITNESS: It has aspects outside broadcasting and we would be very grateful for the guidance of this committee.

By Mr. Ross (St. Paul's):

Q. Do you pay municipal taxes in the city of Toronto?—A. No.

Dr. FRIGON: We pay service taxes; water rates, but we do not pay real estate taxes.

Mr. ROSS (*St. Paul's*): You do not pay municipal taxes or school taxes?

Dr. FRIGON: No.

Mr. BEAUDOIN: From the questions which were asked by Mr. Ross while questioning the witness as to his ideas for support of the board and changes in the law and so on, I think he is reflecting the views of the majority of the members of the committee.

Mr. ROSS (*St. Paul's*): Should what?

Mr. BEAUDOIN: I think you are reflecting the views of the majority of the members of the committee that we should go into the discussion of whatever may be part of our report to the House. I assume that was your idea, that we start our executive meetings as soon as possible in order to see what we are going to put in the report.

Mr. ROSS (*St. Paul's*): I was not reflecting any views of the committee.

Mr. BEAUDOIN: Those are certainly my views. I am anxious to discuss with the other members of the committee the point you have raised; that is, are we going to recommend a separate board or amendments to the legislation? Are we going to leave the set-up as it is? I thought we would be ready to suggest that we go into executive session next week.

Mr. ROSS (*St. Paul's*): I cannot speak for Mr. Fleming, he is not here. I thought you suggested you were to have a steering committee meeting early next week.

Mr. BEAUDOIN: Yes, my suggestion, which I think was agreed upon, was that the steering committee meet early next week in order to organize a series of executive meetings to discuss the report.

Mr. ROSS (*St. Paul's*): My recollection was you were to have a steering committee meeting early next week. Mr. Fleming will be there. I imagine that would be the best way to do it.

The CHAIRMAN: What about this—

Mr. ROSS (*St. Paul's*): I should not like to speak for the other members of our party.

The CHAIRMAN: What about this, that the committee stand adjourned to be called to meet again next Thursday unless called earlier by the steering committee? It is understood that the steering committee will meet just as soon as possible. I may say to the committee if you agree on that that personally, I am going to recommend to the steering committee that we get down to executive meetings just as soon as possible.

Mr. ROSS (*St. Paul's*): Where is the head of the musician's union?

The CHAIRMAN: Well, I do not know.

Mr. BEAUDOIN: Next Thursday, time will be reserved for him. There will be a period of time for him next Thursday. I do not think that would change our course if we decided to go into executive meeting now.

The CHAIRMAN: It is understood we are adjourning early on account of the urgent request of the press.

The committee adjourned at 10.55 p.m. to meet again on Thursday, July 3, 1947.

SESSION 1947

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 12

THURSDAY, JULY 3, 1947

WITNESSES:

Mr. Walter M. Murdoch, Executive Officer American Federation of Musicians of the United States and Canada.

Mr. A. Davidson Dunton, Chairman, Board of Governors, and Dr. Augustin Frigon, General Manager of the Canadian Broadcasting Corporation.

Mr. W. A. Caton, Assistant Chief Radio Inspector, Department of Transport.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1947

ORDER OF REFERENCE

TUESDAY, JULY 1, 1947.

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

MINUTES OF PROCEEDINGS

THURSDAY, July 3, 1947.

The Special Committee on Radio Broadcasting met at 11 o'clock. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Diefenbaker, Fleming, Gauthier (*Portneuf*), Hansell, Bently, Laurendeau, Maloney, Maybank, Miller, Mullins, Robinson (*Simcoe East*), Reid, Ross (*Hamilton East*), Ross (*St. Paul's*), Winters—18.

In attendance:

From C.B.C.—Messrs. Dunton, Frigon, Manson, Palmer, Bushnell, Bramah, Maurice Goudrault, Supervisor of Station Relations for the Province of Quebec;

From Transport:—Messrs. Caton and Smith.

Mr. Harry Sedgwick of Toronto was also present.

The Chairman read the Steering Committee Report dated July 1st (*see this day's evidence*).

Mr. Beaudoin moved the adoption of the report.

After discussion, Mr. Fleming moved in amendment that recommendation 1 of the said report be amended by deleting the words "neither of them" in the last sentence and substituting therefor the word "both".

The question being put on the amendment, it was negatived.

The main motion was resolved in the affirmative.

The Chairman read the following communications addressed to himself:—

1. A letter from the Secretary of the National Farm Forum dated May 26, 1947;
2. A letter from the Canadian Congress of Labour of June 27;
3. A letter from the Co-operative Union of Canada dated June 27.

He filed a letter from L. M. Allan of Vancouver, B.C.

The Chairman tabled the following returns produced by the Department of Transport, and copies were distributed:—

1. Copies of correspondence relating to the transfer of a licence from Dr. G. M. Geldert (CKCO) to CKCO Limited;
2. Copies of correspondence respecting applications to establish a private commercial broadcasting station.

Tabled also were the following as produced by the Canadian Broadcasting Corporation:—

1. Copies of C.B.C. correspondence dealing with Application of *Thomas F. Ahearn* to establish a private commercial broadcasting station in Ottawa.
2. Copies of C.B.C. correspondence dealing with application of *Lawrence Freiman* to establish a private commercial broadcasting station in Ottawa.

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3. Copies of C.B.C. correspondence dealing with application of *T. J. Allard* and *Keith A. MacKinnon* to establish a private commercial broadcasting station in Ottawa.
4. Copies of C.B.C. correspondence dealing with application of *Charles Shearer* to establish a private commercial broadcasting station in Ottawa.
5. Copies of C.B.C. correspondence dealing with application of *Gordon F. Henderson* to establish a private commercial broadcasting station in Ottawa.
6. Resolutions from the Minutes of the Board of Governors of C.B.C. dealing with the transfer of licence of station CKCO, Ottawa.
7. Resolution from the Minutes of the Board of Governors of C.B.C. dealing with applications for the establishment of a radio station in the Ottawa area.
8. Copies of C.B.C. correspondence dealing with transfer of station CKCO, Ottawa.

Mr. Walter M. Murdoch, Executive Officer of the American Federation of Musicians of the United States and Canada, was called and examined.

He was assisted by Mr. J. W. McMaster, solicitor for the Federation.

Mr. Bowerman tabled a list of questions which were answered by Mr. Murdoch.

Mr. Beaudoin, vice-chairman, presided in the momentary absence of the Chairman.

After a brief discussion on a new order of procedure, the Committee adjourned at 1.05 p.m. until 4 o'clock this day.

AFTERNOON SESSION

The Committee resumed at 4 o'clock, Mr. Beaudoin, Vice-Chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Fleming, Gauthier (*Portneuf*), Hansell, Bentley, Laurendeau, Maloney, Maybank, Miller, Nixon, Robinson (*Simcoe East*), Reid, Ross (*Hamilton East*), Ross (*St. Paul's*), Winters.—(17).

In attendance: Same as at the morning sitting and Mr. J. E. Rogers of Toronto.

Mr. Walter M. Murdoch was recalled. His examination was concluded and he was retired.

The Chairman tabled two communications which were taken as read:—

1. A letter from Mr. Marcel Provost of *Radio World* dated July 3;
2. A telegram from Harry Dawson, manager of C.A.B., dated July 3.

After discussion, Mr. Bowerman moved that the examination of Messrs. Dunton and Frigon be now proceeded with.

In amendment thereto, Mr. Fleming moved that Mr. Caton of the Department of Transport, be questioned.

The question being put on the amendment, it was resolved in the affirmative.

Mr. Caton was thereupon recalled and questioned on Mr. Browne's brief relating to administration control of radio copies of which were tabled and distributed on June 26.

Mr. Maybank took the chair. After a brief discussion on procedure Mr. Fleming moved and it was resolved that the Committee sit this evening from 8.00 till 9.30 o'clock for questioning.

At 6.15 the Committee adjourned until 8 o'clock to-night.

EVENING SESSION

The Committee resumed at 8.20 o'clock, Mr. Beaudoin, Vice-Chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Fleming, Gauthier (*Portneuf*), Hackett, Hansell, Bentley, Maybank, Mullens, Nixon, Robinson (*Simcoe East*), Ross (*St. Paul's*).—(13).

In attendance: Same as at the afternoon session.

Mr. Caton was recalled. His examination was concluded and he was retired.

Messrs. Dunton and Frigon were recalled. Their interrogation in which they were assisted by Mr. Hugh Palmer was concluded and they were retired.

Mr. Maybank took the Chair.

A list of questions of Mr. Bentley was answered by Mr. Dunton.

At 9.40 the Committee adjourned until 2.30 o'clock on Friday, July 4, for an executive session.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

July 3, 1947

The Special Committee on Radio Broadcasting met this day at 11 a.m. The Chairman, Mr. R. Maybank, presided.

The CHAIRMAN: The first item on the agenda is the report of the steering committee which reads:—

July 1, 1947.

To the members of the parliamentary committee on radio.

GENTLEMEN:—Your subcommittee on procedure begs to report as follows:—

1. The question of whether Mr. Howe or Mr. Chevrier or both of them might be called as witnesses before the radio committee was considered and it is the recommendation of your subcommittee that neither of them be called.
2. Yonr committee recommends that the examination of witnesses be closed on Thursday, the 3rd instant. The witnesses to be examined are Mr. Murdock of the Musicians Union and Mr. Caton of the Department of Transport. It may be also, that some members of the committee desire to question further the officials of Canadian Broadcasting Corporation.
3. Your subcommittee also recommends that the committee should meet in executive session at 2.30 on Friday the 4th instant for consideration of the various matters which have been before the committee.

Respectfully submitted,

RALPH MAYBANK,
Chairman.

That is the report of the steering committee. It is only fair to say it is not a unanimous report, but you cannot put that into the report itself. What is your will and pleasure respecting it?

Mr. FLEMING: Mr. Chairman, unless somebody wants to move the adoption of it...

Mr. BEAUDOIN: I so move.

Mr. FLEMING: I should like to offer an amendment along the line of the discussion in the steering committee. It has to do with whether Mr. Howe should or should not be called as a witness. Members will recall that question was referred to the steering committee at the last meeting. It arose out of the submission to this committee of this document on the letterhead of the Department of Transport which deals with a number of matters and undertakes, among other things. to answer the C.A.B. brief.

What I am proposing now is what I proposed in the steering committee, that Mr. Howe should be called as a witness before this committee. I am bearing in mind that this committee heard from our chairman at the last meeting a statement attributed to Mr. Howe, the gist of which was that he had no knowl-

edge of the preparation of the brief, and the government was not standing behind it. I think that is not enough. This is a brief that comes to us on the letterhead of the Department of Transport. It undertakes to make quite sweeping generalizations, not only merely on matters of administration, not merely on technical questions, but also on broad questions of policy that this committee has to review and which have been the subject matter of representations both from the C.A.B. and from the newspapers association and the C.B.C. itself as well as a number of other organizations.

As this document has undertaken to go into the question of policy I think the only way we can come to grips with the question of policy as set out in the brief is by going to the man who interprets government policy for Canada with respect to all features of licensing and all functions of the Department of Transport with respect to radio. That, of course, is the Right Hon. C. D. Howe.

There is another aspect to this matter, too, I should think that in view of the turn this matter has taken, and the discussion that was held at the opening of the last meeting, it is only fair to Mr. Howe that he should be invited to come before the meeting.

Mr. BEAUDOIN: Why do you not leave it to Mr. Howe to decide what is fair to him?

Mr. FLEMING: Then I will express my view that Mr. Howe ought to be here to make his own statement, and I express that view very strongly. I pointed out to the chairman, as he will recall, that his statement, as I read it in the evidence, not having been present when the statement was made, might possibly have suggested that Mr. Howe conveyed his statement to the chairman on his own motion. The chairman has made it quite clear to the steering committee that it was he who called Mr. Howe inviting his comment on the article that appeared in the *Globe and Mail* on the morning of the committee meeting, and in which it was intimated that this brief, coming with the apparent authority of the minister, was a blast which settled any possibility for the Liberal members on the committee to give free expression on the question of the setting up of an independent body to exercise the licensing and controlling functions.

The CHAIRMAN: Permit me an interjection there for the sake of clarity. I would not have you understand I said to Mr. Howe that this apparently— I stress the word "apparently"— came from him. It was not that I thought that was apparent. That word is being used now. It did not seem to me that it came from the Department of Transport but I did not say that to him.

Mr. FLEMING: I brought the point up.

The CHAIRMAN: I want to make sure you understand that the words "apparently an official statement" were not mine at any time.

Mr. FLEMING: In fairness to the chairman it was he who called Mr. Howe, not a case of Mr. Howe calling him.

The CHAIRMAN: That is right.

Mr. FLEMING: And the statement was made over the telephone by Mr. Howe under those circumstances.

The CHAIRMAN: That is right.

Mr. FLEMING: Having all those factors in mind may I say that this is a most important question. It is undoubtedly the biggest question this committee is going to have to face and make recommendations on to parliament this session. It may be in many respects the most important issue confronting any parliamentary committee on radio for many years. I submit to the committee that on a matter of this importance we should not go any further on this Department of Transport brief without having the minister here to give his own personal views on the matters dealt with in this brief. I would move in amendment that Mr. Howe be requested to appear before the committee as a

witness to discuss the matters contained in the brief submitted on the letterhead of the Department of Transport.

Mr. BEAUDOIN: Question.

The CHAIRMAN: Are there any other remarks? Are you ready for the question?

Mr. HANSELL: I am sorry that I was not at the steering committee meeting owing to another engagement. Perhaps if I had been there I would have been more informed than I find myself at the present time. It does seem to me if there is any urgency on the part of any individual to have someone appear, whether it is Mr. Howe or anyone else, that we might give consideration to it. With the urgency that is suggested by Mr. Fleming I would not like to turn it down. It looks as though perhaps it might be something we were afraid of. I would be in favour of the amendment.

The CHAIRMAN: Any further remarks?

Mr. DIEFENBAKER: Mr. Chairman, I would think that this problem is one of the most important to come before this committee. The result of the divided authority in regard to radio has become very apparent and has culminated in the representations made by Mr. Browne. The C.B.C. apparently is in the position of being subject to a trifurcated division of authority between three ministers, the ministers of transport, reconstruction and national revenue. I would think it would be of very great importance to the people of our country as a whole to find out whether or not the time has not now come when authority over the C.B.C. should be vested in one department. It is in connection with that that I personally would like to hear of Mr. Howe's views as well as those of Mr. Chevrier and Dr. McCann. Certainly there can never be that degree of efficiency that we would like the C.B.C. to operate under if there is divided responsibility.

As far as Mr. Chevrier is concerned I asked him a question in the House the other day as to whether or not he had any knowledge of this representation by Mr. Browne in advance of its presentation to the committee. The answer he gave me was that he had not, as I interpreted his answer. Is that the proper interpretation, Mr. Chairman?

The CHAIRMAN: I was not present when the question was asked. I do not know.

Mr. BERTRAND: That is correct.

Mr. DIEFENBAKER: That being so a rather serious situation arises.

Mr. BERTRAND: He said at the same time it was not a branch of his administration.

Mr. DIEFENBAKER: That is true. He said that, but Mr. Browne is the controller of radio, I believe it is. I never can get these names of these high officials. As such he must speak with authority that certainly would not be possessed by someone holding a lower position which indicates, at least, that he occupying that position has certain views. Men occupying positions such as that do not express views diametrically opposed to those held by the heads of their departments. At least, it certainly is not customary for them to do it.

I should like to see all the ministers come before this committee on this question, not only Mr. Howe but all the ministers because if we do not make a recommendation on this question of divided authority we fail to discharge, as I see it, a major responsibility of this committee. When you have divided authority you have uncertainty. When you have divided authority you have no one in the House who is able to answer with authority in regard to the course being taken by the C.B.C.

Mr. ROSS (*St. Paul's*): Ever since I have been on this committee it has always been the same thing as to this divided authority. In the earlier days we had two general managers. That was straightened out to a certain extent, but

we have always had that divided authority of the ministers. I think it is about time that we had Mr. Howe and the other ministers before us to tell us why they have it that way. It has always seemed to me that there has been a certain amount of passing the buck from one minister to another when questions have been asked both here and in the House of Commons. I heartily agree with Mr. Fleming that the ministers should be brought before us for questioning.

The CHAIRMAN: Any more remarks?

Mr. REID: The other day I remember making the remark that there were three ministers involved in the control of radio and some member undertook to correct me and said there were two. I am one of those who have taken the viewpoint we are in danger of having radio bedevilled the same as agriculture has been bedevilled by three cabinet ministers having something to do with agriculture. I venture to say if I got up in the House of Commons and challenged members of parliament there would not be twenty-five who would know which minister was responsible or how many ministers were responsible. When you have a situation where the peoples' elected representatives do not know who is responsible for the conduct of the C.B.C. I think it is up to this committee to have some explanation. There may be a very logical one. I do not know. Personally I should like to hear. It may be perfectly right to have three ministers all having something to do with it. It may be necessary to have that, but I think this committee should hear the reasons for having them. It might clarify some of the demands being made by certain members for a special commission to handle the C.B.C. Therefore I think that for the benefit of those who are advocating that the matter should be clarified to some extent in the minds of the members, especially myself because I do not know.

The CHAIRMAN: Any other remarks.

Mr. HANSELL: We have not heard the other side of the question, the other picture. Nobody has suggested anything.

The CHAIRMAN: No person.

Mr. HANSELL: As to why we should not call Mr. Howe.

The CHAIRMAN: Any person who does not desire to talk does not have to.

Mr. HANSELL: It is a self-evident fact that if there is no particular objection he should be called.

The CHAIRMAN: It may be that the situation is something like the person who was interviewed by a man who was running for office and he would not declare himself one way or the other but finally he said he was going to vote the other way. He said, "I have not heard the other man but I have heard you." He would not vote for that man. It may be that is the position of those who are not making any remarks.

Mr. HANSELL: I do not know whether I relish the inference.

The CHAIRMAN: I think that is the inference.

Mr. HANSELL: My own view respecting my remarks—

The CHAIRMAN: Not your remarks; that is not what I meant. What I meant was that it looks to me as if those who are not speaking are listening and not being impressed by those who have spoken sufficiently to answer them. That is all I mean. I did not mean anything personal in the matter at all.

Mr. HANSELL: All I will say is that we are discussing whether or not to call a minister of the Crown. Some of us would like him to come. It appears that some are ready for the question, and I rather suggest that they are voting against it, and yet they have not expressed why he should not come. That is all I want to say.

The CHAIRMAN: That is a factual statement. There is no question about that.

Mr. BEAUDOIN: Question.

The CHAIRMAN: Are there any other remarks? Are you ready for the question?

Mr. HANSELL: You can read my inference now if you want to.

The CHAIRMAN: Those in favour signify in the usual way. This motion is for the adoption of the steering committee's report.

Mr. FLEMING: Is the vote not on my amendment?

The CHAIRMAN: I did not know you made it formally as an amendment.

Mr. FLEMING: Oh, definitely.

The CHAIRMAN: The amendment comes first. Mr. Fleming has moved in amendment to the motion that Mr. Howe—or Mr. Chevrier or both?

Mr. FLEMING: I should like to have them all, principally Mr. Howe.

The CHAIRMAN: Will we put them all into the amendment?

Mr. FLEMING: You can put Mr. Howe and Mr. Chevrier. Dr. McCann is a member of the committee and will be here to speak for himself.

The CHAIRMAN: The amendment is that Mr. Howe and Mr. Chevrier be called. Those in favour of the amendment?

Mr. WINTERS: Just as a matter of information on that amendment, the main motion says that they be not called. Is it in order to move an amendment saying that they be called?

The CHAIRMAN: That is right. I did not remember the way it was worded, that they be not called. However, there is an amendment that is possible which would be the acceptance of the committee's report except clause 1, which I suppose would answer the same purpose. Technically I think to word the amendment the way I have done it is not correct. Would you put it that way because after all it is a test of opinion? It does not make much difference.

Mr. REID: We all know what it means.

The CHAIRMAN: That was what I was thinking. How about putting it that way?

Mr. FLEMING: If we are concerned about the details I have before me the report of the steering committee and there are three branches to it. I refer to the first one. It reads:—

> The question of whether Mr. Howe or Mr. Chevrier, or both of them might be called as witnesses before the radio committee was considered and it is the recommendation of your subcommittee that neither of them be called.

I should like to amend that by striking out the word "neither" and substituting the word "both". As to paragraphs 2 and 3, I am offering no amendment to those because I am in accord with them, but I move that recommendation No. 1 be amended as I have indicated, by striking out the word "neither" and substituting the word "both."

The CHAIRMAN: All right. I think probably it is still objectionable verbally, but as long as nobody else raises that it does not make much difference. The idea is pretty clear. You have heard that amendment. Those in favour of the amendment please signify. Six. Opposed, if any? Ten. The amendment is lost. Those in favour of the motion that the committee's report be adopted? Opposed, if any? That motion is carried.

Gentlemen, the next matter is to file, and in some cases read, a few letters which have come to the chairman. The first one comes from Mr. L. M. Allan of Vancouver, and is generally critical of the C.B.C. The next letter is from the National Farm Radio Forum.

Mr. REID: Did you say you received a letter from someone in Vancouver critical of the C.B.C.?

The CHAIRMAN: The custom is not to read letters that come from individuals, but to file them only, and to read letters that come from organizations.

Mr. REID: I wanted to be sure that I heard you correctly.

The CHAIRMAN: I should not be surprised if that writer has a number of kind words to say for the New Westminster station, but I think he is critical in some other respects.

Mr. FLEMING: These letters which are being filed are not being printed in the record?

The CHAIRMAN: The only ones we generally print in the record are those that come from organizations and which are read. The others are just filed. This letter is addressed to me by the secretary of the National Farm Radio Forum. It reads:—

May 26, 1947.

Mr. RALPH MAYBANK,
Chairman of the Special Committee on
Radio Broadcasting,
Parliament Buildings,
Ottawa, Ont.

DEAR MR. MAYBANK:—My position as secretary of National Farm Radio Forum in its important job of adult education prompts me to write you this letter in support of the Canadian Broadcasting Corporation in its present form. As my appointment to this position has been a comparatively recent one I can probably best speak from my experience as Provincial Forum Secretary in Quebec. Two years of close association with Farm Forum people in that province has proven to me beyond all doubt the value of this public service programme.

Meeting farm people in their communities and in their home, seeing at first hand achievements resulting from the Forum programme has greatly impressed me with the importance of this work. The success of the project is evidence of the value of C.B.C. facilities and an indication of the complete co-operation offered by C.B.C. staff and officials.

Experience with similar nation-wide programmes in the United States using the facilities of private stations have been a complete disappointment. In fact, Canada alone can boast of a nation-wide farm listening group programme such as Farm Radio Forum. Surely this proves the value of a co-ordinated national radio system such as C.B.C.

As evidence of continued and growing interest in the forum programme I would like to suggest that this year there is a substantial increase in the number of groups meeting in spite of a very severe winter. Additional encouragement lies in the fact that organized radio listening groups in every part of Canada last year undertook and completed more community betterment projects than ever before. Again I suggest that this has been made possible through the facilities of the Canadian Broadcasting Corporation.

One further point, it's very difficult to estimate the value received from weekly national farm broadcasts such as the Farm Radio Forum programme. During the past seven years farmers across this wide dominion have met over the airways and exchanged ideas. It has been an unparalleled experience resulting in a much happier working relationship between the east and west. Only a publicly-owned national broadcasting system will give this much needed service.

Farm people have, through their experience in Forum activities, a fairly clear understanding of the present structure of C.B.C. While details of organization may not be thoroughly understood, certainly the general principles are clear. They are anxious that nothing be done to disturb what they regard as an essential service in Canadian radio.

I trust you will give serious consideration to the points I have raised. They are extremely important to the farm people of Canada.

Yours very truly,

JOSEPH G. GALWAY,
National Secretary.

Mr. REID: On a point of information may I ask why you are singling out certain letters to read? To go back to that first letter which you said you had from a man in Vancouver and which was critical you looked at it and passed it over. Then you come to another letter and you say, "I will read this." My point of information and what I desire to know is why you do that? Is it left to you to choose what letters you will read to this committee and what letters you will not read?

The CHAIRMAN: The letters to be read are those from organizations. Letters from individuals are to be treated in the manner I first stated according to past practice which has been going on now for some time. A few days ago there must have been about twenty of the one kind which were noted and about five, mixed as to their presentation, of the other kind. I recall to you that I said after reading a great many of them, some pro and some con, that I should be very glad to escape the business of reading even those, but that has been the decision for some time. It is on the ground of organization in the one case and private individual in the other case.

Mr. FLEMING: I should like to ask you a question about that which arises out of the printed proceedings of the meeting of June 26th, No. 10, pages 445, 446, 447, 448, and 449. We do not find any motion in the committee in respect to that, and we have printed here what appears to be a letter written by Mr. A. G. Hunt of Vancouver, British Columbia. It is a long letter in which he sets out some newspaper articles written by one Jack Scott. I was wondering how that came to be printed. It is a letter from an individual, and it attaches newspaper comments, not always in the most temperate language. Certainly it is not an organization brief but yet it apparently was not only read but is printed in our proceedings.

The CHAIRMAN: Mr. Plouffe tells me that it was so ordered at the time by the chair. I do not recall it. If I did so it was certainly an oversight because my understanding has been—and I thought I had followed it—that letters from individuals were to be noted and letters from organizations were to be read and therefore printed. I would say that there has been an error made some place, and from what the clerk tells me it must have been my error.

Mr. REID: The reason I asked was to be fair. If you read one letter you should read them all. However, you say that is the practice of the committee that only letters which are from organizations and read should be printed.

Mr. MILLER: How do these letters originate? Are they unsolicited?

The CHAIRMAN: I could not tell you.

Mr. MILLER: How do they get in here?

The CHAIRMAN: All I know is the King's postman brings them. May I now read a letter from the Canadian Congress of Labour.

Mr. HANSELL: Before you are through with that other letter I note that they ask that consideration be given to the observations they make. Of course,

they are not here to present these observations. They have done so in a letter. I notice that while they urge the continuance of a nationally owned broadcasting system they do not say how the farm forum programmes would be any less effective, or how the farm forum programmes would be affected in any way . . .

The CHAIRMAN: May I interrupt for a moment.

Mr. HANSELL: May I finish my sentence?

The CHAIRMAN: I thought you had finished the sentence.

Mr. HANSELL: How the farm forum programmes would be effected in any way by a simple change in policy relating to separate regulatory body.

The CHAIRMAN: What I wanted to say at that point was that all that is being done is to present these to the committee. Discussion on them can occur at a later time. The order of the day is go on with certain questioning. This is only preliminary, and all discussion upon these letters, except, of course, certain questions for clarification, can come up later.

Mr. HANSELL: The only thing is I would like a reply sent to that letter. Would that come up now or later?

The CHAIRMAN: I think you should deal with what reply should be made later except an acknowledgement as a matter of courtesy, which I have already sent. I do that in all cases.

This next letter is from the Canadian Congress of Labour, addressed to me, and reads:—

June 27, 1947

MR. RALPH MAYBANK,
Chairman, Parliamentary Radio Committee,
House of Commons,
Ottawa, Canada.
DEAR MR. MAYBANK:

With all other newspaper readers, the officers of our Congress have followed with considerable interest the lengthy submissions presented to your committee by the independent radio stations under the auspices of the Canadian Association of Broadcasters. Because the association has chosen to condemn the Canadian Broadcasting Corporation, almost without reservation, meanwhile presenting the so-called independent stations in a very virtuous role, the Congress has decided that we have an obligation to submit an opinion to your committee on what we think of the present radio situation.

As labour represents a substantial section of the radio public, particularly in industrial areas, we feel that all stations, both those operated by the C.B.C. and those independently owned, have an obligation to make definite provision for the views of legitimate Labour groups to be heard.

The Canadian Broadcasting Corporation has recently inaugurated a series of programmes entitled "Labour and Business Take Stock", in which equal opportunity is given Labour and Management to discuss matters of current interest. This programme, which for example, gives our Congress representatives six and one-half minutes every two weeks, is not a sufficient opportunity for public expression. Yet we feel it is a move in the right direction, and we are hopeful that the programme will subsequently be extended.

On the other hand, the reception that Labour has been accorded by independent stations in response to our requests for opportunities of this nature has, with a few notable exceptions, been far less favourable than that accorded by the Canadian Broadcasting Corporation. In the opinion

of our Congress, the very minimum that independent stations should provide, as a matter of routine, is a programme of the forum type handled by a local committee on which Labour should be represented.

It is true that some stations have programmes of this nature, but the majority of stations which our unions have approached have taken the attitude that the sole determining factor is whether the union is able to finance the cost of the programme to be charged at the regular rate. Many of our local unions are not in a position to meet such expenses, and independent stations deprive these important community groups of the freedom of the air.

In short, our experience has convinced us that while the independent radio stations and the Canadian Association of Broadcasters have indulged in a lengthy campaign of condemnation of the Canadian Broadcasting Corporation, a large number of independent stations are not fulfilling their obligations to perform community service. We believe that whether publicly owned or privately owned, radio stations should perform a service to the community, and we are taking this opportunity to request your committee to take the necessary steps so that action will be taken by the appropriate authorities to see to it that independent stations give liberal service to the community or at least a service complementary to the lip-service they have given to their own virtues, while condemning the Canadian Broadcasting Corporation.

Yours sincerely,

P. CONROY,
Secretary-Treasurer.

I think the only other letter is from the Co-operative Union of Canada. It is addressed to me and reads:—

June 27, 1947.

Mr. RALPH MAYBANK, M.P.,
Chairman, Special Committe on
Radio Broadcasting,
House of Commons,
Ottawa, Canada.

DEAR SIR,—Representatives of various co-operative organizations across Canada are concerned lest the fact that the Co-operative Union of Canada has not presented a brief to the Special Committee on Radio Broadcasting this year will be taken as an indication that Co-operative Union has lost interest in government policies in radio or that the view of the organization has changed.

I write to say simply that this is not the case.

The Co-operative Union of Canada still supports whole-heartedly the legislation under which the Canadian Broadcasting Corporation operates. We believe that radio in Canada both in its private and public aspects should continue as at present. There are not two radio systems in Canada. There is one. The private stations are a useful and necessary part of that system.

The suggestion made by the Canadian Association of Broadcasters that both public and private radio should be controlled by a Board which is neutral and not responsible for the operations of either is an ingenious and plausible one but we believe that public radio could not give good

service to the people of this far-flung country and at the same time compete for revenue in the commercial field with a private network established for the purpose of making profits.

Yours sincerely,

RALPH S. STAPLES,
President.

Those are all of that type of communication. I do not know of anything else that has to be filed this morning except two returns to questions. The first is copies of correspondence dealing with the transfer of private commercial broadcasting station licence for CKCO from Dr. G. M. Geldert to CKCO Limited. I am not sure but I believe that results from a request by Mr. Smith.

Mr. FLEMING: That has not been distributed?

The CHAIRMAN: No. Secondly we have copies of correspondence dealing with applications to establish a private commercial station in Ottawa. I think that is as a result of a question by Mr. Smith, too. These are to be filed as returns to questions. I understand there is a copy for everybody for distribution now.

Mr. FLEMING: May I ask if that last one is a different volume of correspondence from the one that was previously distributed entitled, "Copies of correspondence dealing with the application of Mr. F. Ryan to establish a private commercial broadcasting station in Ottawa"?

The CHAIRMAN: Without examination I could not answer that myself. Is it?

Mr. CATON: Those are the other applicants.

The CHAIRMAN: It is apparently different. It is supplementary.

Mr. FLEMING: It would have been helpful if we could have had this before to-day. It is very bulky. We have to look it over before the evidence closes to-night.

The CHAIRMAN: I could not file that until now though. Gentlemen, that concludes the preliminary matters. I believe Mr. Murdoch is in the room. I am told he is.

Mr. ROSS (*St. Paul's*): Before you go on with that I should like to ask if any of these others which have been read from organizations for instance, and so on, are solicited? Is there any correspondence between the C.B.C. and those organizations in connection with those letters? If there is I should like to have it filed.

The CHAIRMAN: Mr. Dunton will be before us some time today. You can ask him at that time.

Mr. DUNTON: We have the copies of our correspondence here. Perhaps it would help the members if we could complete that now. Perhaps we can file that now.

The CHAIRMAN: On the same matter that Mr. Ross is dealing with?

Mr. DUNTON: On the Ottawa application.

The CHAIRMAN: No, that is a different matter. Were you requested to supply similar material with reference to Ottawa?

Mr. DUNTON: A like request.

The CHAIRMAN: Probably you had better let me have that and file it now. Are there copies for everybody?

Mr. DUNTON: No. There are several copies.

The CHAIRMAN: The C.B.C. was also asked to file correspondence with reference to this Ottawa station. They are filing copies of their C.B.C. correspondence dealing with the application of Thomas F. Ahearn to establish a private commercial broadcasting station in Ottawa. Are the others here?

Mr. DUNTON: There are other headings as you go down. There are other sections dealing with different applications.

The CHAIRMAN: I read that first one correctly?

Mr. DUNTON: Yes.

The CHAIRMAN: Oh, yes, I see. This contains several things. There are also copies of C.B.C. correspondence dealing with the application of Lawrence Freiman to establish a private commercial broadcasting station in Ottawa. There is the same with reference to T. J. Allard and Keith A. MacKinnon, the same with reference to Charles Shearer, and the same with reference to Gordon F. Henderson. Then there is a resolution from the minutes of the Board of Governors dealing with the application for the establishment of a radio station in the Ottawa area, and a resolution dealing with the transfer of the licence of the CKCO, Ottawa. Then there are copies of C.B.C. correspondence dealing with the transfer of station CKCO, Ottawa. There do not appear to be a sufficient number to give one to everybody, but it will be filed and there are a number here for distribution but not quite enough.

Mr. FLEMING: I should like to ask with reference to the correspondence filed by Mr. Caton and the correspondence just filed now by Mr. Dunton if it was not possible to submit that in advance so that members could have had a look over it in advance. Here we are at what we had hoped might be the last day of taking evidence and we are swamped with material in face of the committee's request passed at the very first meeting that any briefs of any kind that were to be presented should be submitted in advance.

Mr. BEAUDOIN: I think in all fairness to the members of the staff of C.B.C., which has to dig in order to gather together all this correspondence and prepare it and bring it to the committee, that we should congratulate them on having been able to put this material before us at this time. It is all right to ask a question and say "I want the correspondence for so and so," but it takes a certain time to make all these copies for everybody. I think we should ask Mr. Dunton just what it cost, for instance, to prepare all these things, and the extra hours of works which have to be put in by the departmental employees.

The CHAIRMAN: That is the Department of Transport's submission you have in your hand.

Mr. BEAUDOIN: Either the Department of Transport or the C.B.C.

Mr. DUNTON: Mr. Smith's request was made quite recently. I believe it was at a meeting last week. Our staff has been working extremely hard since then getting things out. With the holidays were only able to complete them this morning.

Mr. DIEFENBAKER: I think it has been done very efficiently and very effectively, to bring it down at this time. It is a very voluminous document and it must have taken a very considerable amount of work.

Mr. FLEMING: I was wondering how we were going to get through it. Somebody will have to look it over.

The CHAIRMAN: Mr. Murdoch who is here has been called before the committee on the request of Mr. Coldwell.

Walter M. Murdoch, Executive Officer of the American Federation of Musicians of the United States and Canada, called:

The WITNESS: Mr. Chairman, I have brought along with me Mr. J. W. McMaster, our solicitor, not to muddy the water, but just to have the advantage of seeing this very important committee function.

The CHAIRMAN: You are quite at liberty to have Mr. McMaster come forward and give you any assistance you think you need.

Mr. DIEFENBAKER: I do not know whether that is a suggestion that lawyers sometimes do muddy the water.

The CHAIRMAN: You know it is quite all right to say anything like that. It is always open season on lawyers. You have been asked to come here by the committee. It was a request of one of the committee members. I imagine you yourself will not know exactly what is required of you. Speaking to you as chairman I do not know myself what is required of you, but we thank you for having come. I want to say to both you and Mr. McMaster that the policy followed here with witnesses is to request the witness to endeavour to be completely at ease. They may sit or stand, take off their coats, smoke when they wish, and so forth. You are to act as though you were simply at any other informal meeting. You have nothing prepared?

The WITNESS: Nothing. Perhaps I should say I was in at the birth of radio in Canada, the C.B.C., in that I was invited by the Hon. Mr. Massey to attend the dinner in the York Club when Mr. Charlesworth was appointed.

I have attended several of these committees. I have not given or prepared a brief for years because we were content to read the record of the committee and enjoy the general confusion that sometimes arose, evidenced in the printed word. I hope that the clerk will spell my name with an "h". My forebears were Scotch. My name is Walter M. Murdoch. I am here at your disposal. I have been reading the record and I find you have had some artful dodgers before you who have not known everything the committee wanted them to know. So far as I can I will be perfectly frank and candid in answering any question any member of the committee wishes to ask.

Mr. BOWERMAN: I have a series of questions here. Perhaps if I gave them to Mr. Murdoch it would expedite matters in the answering of them. Then any other questions could follow.

The CHAIRMAN: Instead of asking them one after another you propose to hand them all over at one time?

Mr. BOWERMAN: Yes.

The CHAIRMAN: I do not suppose there is any objection to that. Will you pass them up? Gentlemen, these are the questions of Mr. Bowerman on which he would ask Mr. Murdoch's opinion. Who are eligible for membership in your union?

Mr. REID: I was going to suggest before we begin questioning that the usual procedure in committees is for the witness to state what position he holds, how long he has held it, and I should like to know who asked Mr. Murdoch to come here. That would give us a general background. I think Mr. Murdoch should tell us that. I do not know who he is. I hope he enjoys the confusion to-day when he reads about it in the record.

The WITNESS: I will.

Mr. REID: I hope you enjoy yourself to-day but personally I should like to hear what position he holds, and so forth. I must profess my ignorance right now.

The CHAIRMAN: It should be pointed out Mr. Murdoch did not come here on his own request but rather he was subpoenaed or requested to come, whichever is the proper way to express that. It was as a result of a motion of this committee and the steering committee afterwards.

Mr. REID: You said some member asked him to come.

The CHAIRMAN: I said that, but after all it has been a matter of record at three or four or five meetings.

Mr. REID: I am not objecting.

The CHAIRMAN: I know, but on the other hand it is the record that has been open to us at about five different meetings. Mr. Coldwell requested that he should come. In due course he filled out the certificate that is required when a witness is to be called. The committee passed that to the steering committee with power to act. The steering committee thereupon did act and requested Mr. Murdoch to come. That is the background of his appearance here this morning. There is one question you have asked which remains unanswered. That is what is the status of Mr. Murdoch in the Musicians union. Would you mind giving us that?

The WITNESS: I was elected president of the Toronto Musical Protective Association some sixteen years ago and have been annually elected since that time.

By Mr. Reid:

Q. How many members?—A. In Toronto in excess of 2,000 members.

Q. You extend all over the nine provinces?—A. No, no, that is just Toronto. Then ten years ago I was elected at a convention in Louisville as Canadian executive officer for Canada of the American Federation of Musicians. It is in that capacity that I am appearing this morning at your invitation.

Mr. REID: That is important. That gives us the background.

The CHAIRMAN: The questions Mr. Bowerman is asking are:—

1. Who are eligible for membership in your union?
2. In what capacities are any of your members used in broadcasting?
3. To what extent do you believe radio has encouraged or discouraged the development of musicians in Canada?
4. Are many of your members employed permanently by private community stations?
5. Can you give us any idea of the number?
6. Similarly can you give us information regarding employment in the C.B.C.?
7. Has your union any constructive suggestions to make regarding the improving of radio programmes in Canada?
8. Do you think the policies of radio stations in Canada encourage the development of local musical talent?
9. Is there any difference in the policies of the C.B.C. and the private stations in this respect?
10. Do you think the Broadcasting Act and regulations under it require change or amendment? If you do will you say in what particulars?
11. The suggestion is made that the present system of radio broadcasting in Canada endangers freedom of expression. What is your view?
12. Criticism is being made of the prohibition of the use of electrical transcriptions and recordings in certain circumstances. What is your view?
13. I understand that your union receives royalties on recordings used by radio stations. What are they?

14. It is said the international president of your union dictates to the radio stations and therefore to the public. What have you to say about this criticism?

Those are the questions submitted by Mr. Bowerman for Mr. M. J. Coldwell. Mr. Murdoch, in so far as you feel you can, would you deal with those questions?

The WITNESS: No. 1: Who are eligible for membership in your union? Any qualified musician over the age of 16 years on any instrument. Since I arrived this morning somebody asked me if there were any bagpipers. Yes, we have a bagpipe player. We had two, but one unfortunately is not with us any more.

Mr. ROBINSON: Did anything serious happen to him?

Mr. FLEMING: He blew himself up.

The CHAIRMAN: The committee seems to suspect the other one got shot, but I do not believe that.

Mr. REID: They need not add to the confusion of which the witness spoke any further, because it is a rather serious matter. He mentioned one or two. Later on I will ask him one or two questions regarding that.

The CHAIRMAN: I was going to try to get this idea to you. It may be that when a question is being dealt with some members would want to ask supplementary questions at that particular point. What do you think of that? Which way would you like to proceed? Would you like to have these questions all answered and then go back over them or deal with them as we go along?

Mr. WINTERS: As you go along.

The CHAIRMAN: Is that pretty well agreed?

Mr. FLEMING: As long as we are not anticipating a later question.

The CHAIRMAN: If that happens we will indicate that at the time. That is the first question answered.

By Mr. Hansell:

Q. Did I understand Mr. Murdoch to say the membership was pretty well confined to the Toronto area?—A. Oh, no. We have 10,000 members in Canada, all over Canada.

The CHAIRMAN: You recall that he said the office of the organization was in Toronto and that there were about 2,000 there, but that he also represents Canada, and that in Canada there would be about 10,000.

By Mr. Gauthier:

Q. Have you members in all provinces?—A. Yes. Our membership in Montreal, for instance, is around 1,500. Quebec city has a very fine membership and also Halifax and Saint John.

By Mr. Reid:

Q. Is there any test made, or do you just accept a person at their face value as being a musician and leave it to the public to decide?—A. There is a test provided, but may I say to Mr. Reid we do not say who are professionals any more than you do in sport. If a man takes $5 for playing a game of football at the cricket grounds in Hamilton he becomes a professional and the public decides. If they were to employ someone and pay them for it then we take them into our organization.

By Mr. Beaudoin:

Q. Can you say how many locals you have across the country and where they are located?—A. I can give you that. I can tell you from memory but it would be better to give it to you correctly. The answer is that we have the following locals: Brandon, Manitoba; Brantford, Brockville, Calgary, Edmonton, Halifax, Hamilton, Huntsville, Kingston, Kitchener, London, Montreal, Niagara Falls, Ontario, Ottawa, Peterborough, Port Hope, Port Arthur-Fort William, Quebec city, Regina, Sarnia, Saskatoon, The Sault, St. Catharines, Saint John, St. Thomas, Stratford, Toronto, Vancouver, Victoria, Waterloo, Windsor and Winnipeg. In all we have 31 locals.

Mr. L. R. Beaudoin, vice-chairman, assumed the chair.

By Mr. Hansell:

Q. Is your union pretty well confined to actual musicians?—A. Yes.
Q. That is those who play instruments?—A. Yes.
Q. No voice at all—A. That is right.

By Mr. Reid:

Q. Are the rates set by your union as to what these musicians must obtain or charge?—A. Yes. Each local has complete autonomy and they set their own rates and conditions. The only interest we have is, for instance, in a chain broadcast where one local is competing with another. Then by negotiations between locals and the people involved those rates are set.

Q. The musicians set their own rates?—A. That is right.

Q. So that the pipers who play would set their own rate?—A. No, the pipers will not. Their association will for them.

Q. Their association?—A. That is right.

Q. How do they compare with the others?—A. It is just the same. We do not differentiate at all. We treat them with the same respect as we do any other instrument.

Q. I am glad to hear that.

Mr. HANSELL: I do not think my question anticipates a further question. If it does . . .

The VICE-CHAIRMAN: It is a little hard to know. We have already forgotten the other questions.

By Mr. Hansell:

Q. I am interested in the particular connection between the Canadian union and the American Federation of Musicians.—A. That is very simple. In Toronto 60 years ago a group of men—you will pardon me for using this illustration but I know something about it—had a little meeting in Mr. Claxton's music shop on Yonge street. They decided to have an organization. They had minutes. We have a copy of the first minutes which suggested that the treasurer had to appear at every meeting and produce the funds of the association so they could be counted as evidence that the funds were still available. At this meeting there was $9.75 available.

These organizations were all over Canada and the United States. Finally the American orchestras would come through and American promoters would come through with theatrical companies and that sort of thing and would leave town and forget to pay Canadian musicians. There was not a great deal anybody could do about it.

Finally the American Federation of Musicians was formed. Different organizations joined and became affiliated, and so did the Canadians in the same way. So every local in Canada is a local and affiliated with the American Federation of Musicians with the same representation as any American local.

At the last convention which was held in Detroit just two or three weeks ago, and at which the C.B.C. had a representative at the opening session, every local in Canada from Halifax to Victoria was present with the exception of Huntsville. Apparently the weather and the fish were rather good up there and they did not come, but everybody else did from all over Canada. That is the connection. They have delegates to the convention. They have their national executive officer elected who happens to be your humble servant at the moment.

By Mr. Fleming:

Q. Are you affiliated with the American Federation of Labour?—A. We are.

Q. And is the famous Petrillo the president of the organization you represent?—A. He is the president of the American Federation of Musicians of which fact we are extremely proud.

By Mr. Hansell:

Q. In the matter of executive control of the two unions?—A. There is only one union Mr. Hansell.

Q. There is only one American Federation of Musicians, but what affects the American Federation of Musicians affects you in Canada?—A. It depends on whether it is a local issue or whether it is an international issue. The locals in Canada, as I have said before, have absolute local autonomy in fixing scales, conditions, and everything else.

The VICE-CHAIRMAN: Your situation as far as the musicians are concerned is not a unique position in Canada. There are other organizations which are affiliated to the American Federation of Labor, and are in the same position as you are. They are linked with the American body.

The WITNESS: That is right.

By Mr. Miller:

Q. You have no separate Canadian union, you are all just members of the American body, and it would seem rather top-heavy domination?—A. Are not the companies top-heavy? For instance, take General Electric in Canada, would you not say it was a body top-heavy with American control; and the same would apply to Westinghouse, and so on.

Q. That does not matter, I am asking you.—A. I am telling you, there is no domination at all.

The VICE-CHAIRMAN: Can we move to the second question?

By Mr. Gauthier:

Q. Who decides whether it is a national or international issue?—A. I beg pardon?

Who decides whether it is a national or international question?—A. Give me an example?

Q. You said a moment ago that it all depends.—A. I know what you mean.

Q. The Canadian association is bound to the American one whether it is national or international.—A. May I say to you this, Mr. Chairman. In the matter of international broadcasting we are dealing with Canadians, Americans, British or Russians, and on that sort of thing you can see the issue would be international. Where we are dealing with such things as records and transcriptions that are going all over the world, that is a national issue.

Q. Who decides that?—A. It does not need a decision.

Q. Is it Mr. Petrillo?—A. No, Mr. Petrillo decides nothing.

Q. That is not my information lately.—A. May I say, Mr. Chairman, that we might as well have this out clearly and put on the table now. In the United States 330 newspapers own radio stations. Every gain that the American

Federation of Musicians gets is a gain that comes out of the till of the 330 newspapers who own the radio stations. The press is always anxious and welcome to take cartoons and other syndicated matter off labour, and, unfortunately, the people in Canada read those newspapers and swallow what is stated, holus-bolus without thinking out the facts at all. I want to say to you Mr. Chairman, and members of the committee, that Mr. Petrillo does not dictate the policy of the American Federation of Musicians any more than you personally dictate the policy in the House of Commons, and I say that not knowing what parties you belong to. Does that answer your question?

The VICE-CHAIRMAN: Shall we go on to the second question?

Mr. HANSELL: Not quite, because we are on a very important thing I believe. There is a tremendous principle involved in this matter of control.

The WITNESS: Mr. Chairman, are we investigating the American Federations of Musicians or are you talking about radio in Canada? If the latter is true I can spend as much time as you like.

By Mr. Gauthier:

Q. All at once Mr. Petrillo decides there is to be a strike and then what—A. No he does not.

Q. Wait a minute, all the musicians in the States— —A. He does not do that.

Q. Mr. Petrillo decides ——A. No.

Q. —that the Canadian Federation will go on strike in sympathy, and what happens?—A. Mr. Petrillo does not. You are building a straw-man, Dr. Gauthier. Mr. Petrillo does not decide at any time that there will be a strike. He has not the power, and he has never done that, and never will. We are just talking about a straw-man.

Mr. HANSELL: Put it in another way. Supposing the American Federation of Musicians decides to go on strike over a certain issue, how would that affect the Canadian part of that organization? Would your people go on strike too?

The WITNESS: Of course. If the American Federation of Musicians of which we are part and parcel, after negotiation decide to go on strike, most certainly we would go on strike.

Mr. REID: Dealing locally, regarding local transcriptions in this country, I belong I may say to an international trade union, and if it was a local matter we could go on strike without any O.K. from the American body. Similarly a strike of their's would not put us out on strike and I presume that is what you were referring to a moment?

The WITNESS: That is right.

Mr. REID: You would not go on strike over a local matter?

The WITNESS: Is it not silly for me to stand before an intelligent committee, anticipating decisions that might arise, whether the decisions be local, provincial or national. The decisions must be made when the matters come up.

Mr. REID: I just wanted to keep the record clear.

The VICE-CHAIRMAN: Can we move on to the second question?

Mr. HANSELL: I did not want to muddy anything up. Some of us believe in unions, Mr. Murdoch, and I believe in unions. I represent a constituency that has very strong unions but there are some of us who are particularly interested in seeing that there is no American dictatorship in our Canadian unions. Now that is the fundamental point that some of us are concerned about.

The WITNESS: Let me say something about Mr. Petrillo. I read the record hurriedly once over, up until half way through No. 9 on the train coming down.

I noticed Mr. Hansell put himself on record as saying he did not like Mr. Petrillo, but I am quite sure that if Mr. Hansell knew Mr. Petrillo he would undoubtedly like him because Mr. Petrillo is a likeable man. As far as Mr. Petrillo being a dictator that is the last thing that I would ever suggest, but that is done by the press. There has been a great deal of money spent in telling the people of the world that his second name is Caesar. Every member of that family has got a Caesar somewhere. Mr. Petrillo had all those cartoons I mentioned done up in photostat size and put around in his general office so that the boys, when they come in to ask for something, can really enjoy the art gallery they have created.

Mr. BENTLEY: The chairman said there would be no anticipatory questions until you had covered the list. I think you have anticipated from Nos. 1 to 14 already.

The VICE-CHAIRMAN: Well, it is very hard to control. The witness has indicated that he was not asked to come here and answer questions as to the history of his movement or the way it functions. He has said that questions put to him will be answered in so far as they pertain to our country and our work here. After all these questions have been dealt with, if the witness wishes to do so, he may answer other questions such as the ones that are being asked right now, but I would ask the members of the committee to put their attention back to the questions that are now before Mr. Murdoch. I think there should be an attempt to move to the second question and at the end, we can always come back to other questions if Mr. Murdoch wishes to answer them and that will be all right. At the present time, let us get on with the 14 questions that have been put by Mr. Bowerman.

By Mr. Miller:

Q. Just a few more words. I asked a question but the witness endeavoured to floor me on it.—A. I beg your pardon, I did not intend to do that.

Q. If this man Petrillo is not a sort of boss-king or dictator, or whatever you call it, why was it necessary for the American congress to pass restraining laws to curb his power?—A. Well, I assure you, Mr. Chairman, if a member of the committee or any other member of the Canadian House of Commons ever proposed any of the foolish legislation that is proposed in the American congress, he would be laughed out of the House.

Q. The American papers and the American congress are both wrong and Petrillo is right, is that it?—A. No, I wish you would get this clearly, gentlemen. We have an executive board consisting of the presdent Mr. Petrillo, the vice-president Mr. Bagley, a Los Angeles lawyer, a treasurer, Mr. Gamble of Boston, four members on the executive from the United States, and myself from Canada. We decide these issues which are referred to us by convention. Mr. Petrillo does not decide those issues and has never attempted to in the years which he has been president. He has been a member for seven years, and his predecessor was there for forty years. Every year, annually, he is elected president of the association by nearly 1,000 delegates. A lot of them are lawyers and people who have gone through law school by playing an instrument and they still keep their interest. They are really intelligent people and they elect him each year. We have the greatest respect for Mr. Petrillo because we know him.

Mr. Maybank resumed the chair.

By Mr. Beaudoin:

Q. Mr. Murdoch, in what capacity are any of your members used on the radio? That is the second question.—A. In what capacity? They are used as instrumentalists of course. We are not interested in singers at all. That is a

pretty broad question and it is pretty wide. Is there anything behind that? In what capacity are any of our members used in broadcasting? Instrumentalists, symphonic orchestras—

Q. Trios and quartets?—A. Yes.

Q. I think you might amplify there whether your members find more work coming to them from sponsors or through sustaining programs put on by private stations or the C.B.C.?—A. Well, that is a question. There are private stations who do give members of the Federation in Canada employment. I do not want to embarrass Mr. Sedgwick who was here, but his station, CFRB, has through the years provided employment to our members. That is also true of CKEY, of Toronto, recently. These gentlemen are most reasonable people and they do provide employment. Now outside of that,—

Q. Are you not forgetting some stations in Montreal?—A. Not the private stations. I mean their employment is not serious. Marconi are going to but they have not so far. Their employment would be around $8,000 a year in the past.

Q. Have you some figures as far as CKAC is concerned?—A. I have not the figures because I did not know what you were going to ask.

The CHAIRMAN: You are doing very well.

The WITNESS: In the matter of the private stations there is just the odd attempt, here and there, but generally the private stations have not made any serious attempt to employ professional musicians, and I say that without fear of contradiction. There is an occasional station here and there, for instance the station in Calgary would have one fifteen-minute programme a week with local people. The station in Brandon has a symphonic programme of three people for fifteen minutes once a week. That was their contribution to the culture of Brandon. The trouble is, Mr. Chairman, the American Federation of Musicians permitted recordings and transcriptions to get away from them and they made the weapon that was generally responsible for throwing them out of employment. Mr. Petrillo has said that the chap who delivers ice could not feel so badly when he was told that there was no more ice required because the people had a mechanical refrigerator. The iceman does not make the refrigerator, but in our case we have produced the means of displacing many of our people.

By Mr. Reid:

Q. May I ask you, Mr. Murdoch if you have such a thing as a closed shop?—A. Very definitely, Mr. Reid.

Q. For instance in a radio station?—A. Very definitely, a closed shop. We put it this way. We do not call it a closed shop but there is no use fooling about it. We say that we do not want to dictate the policy in a station but if they propose to use the library service exclusively made by the Federation, the transcription service made by the Federation, chain broadcasts originating in Halifax, Montreal, Quebec city, Ottawa, Toronto, Winnipeg and Vancouver, if they want to utilize those services we feel that they should employ us exclusively. If they do not wish to—

Q. What about the musicians in person. I quite follow you with all the matters you have mentioned but I have particularly in mind the hearing of musicians themselves who go on the air.—A. How is it done?

Q. Have you a closed shop on that? Say a station wants to take on a half dozen musicians singly?—A. We are not interested in the vocalists at all.

Q. I am speaking of the instrumentalists?

Mr. BEAUDOIN: Who are not members of the musicians union?

The WITNESS: If station "A" wants to employ some non-union musicians what is the answer?

Mr. REID: Yes.

The WITNESS: We say you have got a perfect right to have them but you must count us out, and you should hire them for 365 days a year because we do not mix at all.

Mr. MILLER: Would you not even let them play records?

The WITNESS: We certainly would not supply them with material to defeat ourselves.

By Mr. Reid:

Q. Well it is important. I did not want to interject a personal matter but I am just thinking that I was glad to be here a little while ago when you told us about the two pipers on the air. I am just wondering what my own position would be.—A. Your own position, Mr. Reid, would be if you want to play on a radio station, you go to the local where you live, get a card and take it to the station and say that you want to play the pipes. If they pay you a proper fee there is nothing involved. Then you are making a contribution to the organization that is helping musicans.

Q. Now I am going to make one suggestion in so far as your pipers are concerned. You better have some one judge them before you take them into the association at all because many of them should not be on the air.—A. I have heard a great deal about your playing, Mr. Reid, although I have never actually heard you. I know something about the bagpipes and I think the record is 62 notes per bar and I would be glad to hear you and recommend you to a local after we are through.

Q. I am sorry to have interrupted the proceedings but it is important. I personally will take the opportunity offered with respect to the musicians union because I am occasionally on the air and I do not want to be looked upon as a scab, shall we say.

Mr. BENTLEY: When these questions were presented you were kind enough, or the committee was kind enough to deal with the question submitted, because we wanted the answers correctly. As far as these other matters are concerned they are all very interesting but I would like the answers to these questions on the record and I think we should continue with them. If there are other matters after that which the members care to investigate, Mr. Murdoch, if he wishes, may answer but I suggest we carry on as we started.

The CHAIRMAN: Mr. Bentley, I do not think the questions have been far enough away from being supplementary questions for me to rule them out of order. The committee decided that it would permit supplementary questions and it is always possible to get a little bit far away. It would be too dictatorial on the part of any chairman to be continually ruling supplementary questions out of order. However, the members will cooperate in keeping on the track, and I feel sure that there will be no need for my intervention. Now Mr. Beaudoin is in order; he was asking questions at the time Mr. Bentley raised his point.

By Mr. Beaudoin:

Q. I would like to know what treatment your members receive from the Canadian Broadcasting Corporation as far as sustaining programmes are concerned, standby orchestras, and so on.—A. The C.B.C. has done a very great deal more through the years than any other agency to employ on sustaining broadcasts. Nobody can take the credit for commercial broadcasts, whether it be the C.B.C. or private stations because, they come in from advertisers and that is a great source of revenue. On sustaining programmes there is not any comparison between the employment that is given to us by the private stations and that given to us by the C.B.C. They will be surprised to hear me speaking so kindly of them because we have had our differences from time to time.

Mr. FLEMING: Is that in any sense attributable to the area covered by the respective broadcasts?

The WITNESS: No, Mr. Fleming. There are exceptions in the cases of the private stations to which I have referred, and of which I have intimate knowledge, and I do get reports from all over Canada. If I had known the general situation was being gone into I would have brought my file on records of employment in Canada, which would have given you the specific amounts of employment given by every station in Canada. I had the return last year and I intended to submit it. It did not reflect very favourably on the private stations. Some private stations are operating legitimately and do deserve consideration. I say that of the two stations I mentioned where they are doing a good job, but most of the private stations are mulcting the musicians for all they are worth. To our way of thinking they should not have a licence at all. We have no sympathy for them. I have a case, and I have the evidence here with me, where I propose to ask the board of governors of the C.B.C. to recommend to the Department of Transport that a licence be removed because, after signing contracts, they have chiselled, cajolled, promised and defrauded our members in Toronto of an amount in excess of $7,000. Now what right has a radio station of that sort got to carry on. We are going to ask the board of governors to remove the licence and there is not a gentleman in this room who would not support this fully if he read the evidence which I have with me on that one station. Now I was brought up under private ownership. I believe in it personally. I believe in private enterprise and I was very much opposed to this C.B.C. commission when it was first formed. I thought it was a bad thing.

Mr. GAUTHIER: That is your privilege.

The WITNESS: Yes. Who said that?

Mr. GAUTHIER: I did.

The WITNESS: I want to remember that when I get back home. However, I want to tell you in our practical experience the C.B.C. has done a magnificent job, as far as they have had the money, for the musicians in Canada, and I say that without qualification.

By Mr. Miller:

Q. Going back to the question which we have got away from. Do you think it is a bad thing that on stations where your musicians are operating there is a prohibition against military bands, high school orchestras, and young musicians who are just coming along? Do you not think it would be better for the young musicians and those bands, and also for the future of your union, if these youngsters were encouraged instead of being discouraged?—A. No, I do not think so.

Q. Why?—A. Well you know if anybody who played an instrument was permitted to mix with our members, there would always be a backlog of those dear little people whose parents should hire a hall rather than put them in competitive work. For instance, in Portage la Prairie, if you had a technical school there and your master took out the class in bricklaying, plumbing or something else, to do a job in a public institution, you know what would happen. You would say that is not fair. The same thing applies to professional musicians. It would not help professional musicians at all. It would not help radio. It might be sweet to the parents but it might sound like a very indifferent thing to the rest of us who are listening.

Mr. BEAUDOIN: I do not think Mr. Miller's questions and Mr. Murdoch's answers quite agree.

The CHAIRMAN: That was responsive to your question was it not Mr. Miller?

Mr. MILLER: It is a pretty fair answer.

The CHAIRMAN: Yes, I thought it was responsive to the question.

Mr. BEAUDOIN: I think Mr. Murdoch is trying to say he is opposed to doubling up bands and so on where you have three union members and five non-members was that not the point?

Mr. MILLER: It does matter whether they are on the same programme or not. They cannot get on the station if it is tied up with the union. I am speaking that is, of the high school orchestras, the bands, and so on.

The WITNESS: Yes, they can. Where you get somebody who wants, for reasons that you gentlemen all know, to get a group, and use influence to get a group before the public, there are ways of doing that without coming into competition with professional musicians. Those young people are taught by our members who have permission to do that and they appear with them at their schools. Some of our symphony men play in Sunday school orchestras and that sort of thing and there is no restriction there.

Mr. MILLER: Some lawyers teach Sunday school but that does not make them Christians.

The CHAIRMAN: If you start interweaving your questions with too much irrelevancy, goodness knows how far afield we will go.

Mr. MILLER: You can withdraw that.

The CHAIRMAN: Just watch for irrelevancy.

Mr. GAUTHIER: Are the lawyers in your union just practising lawyers or musicians?

The WITNESS: Now they are practising lawyers.

Mr. FLEMING: What do you mean "just practising lawyers"?

Mr. GAUTHIER: They may be practising.

The CHAIRMAN: Just a moment, before you continue? The question on which these supplementaries are now proceeding is this: "In what capacities are any of your members used in broadcasting?" Now the supplementaries being asked flow from that and we have gone too far away.

Mr. FLEMING: Mr. Chairman, I have a couple of questions.

By Mr. Fleming:

Q. Going back to the other question about the representative use made by the C.B.C. and private stations, you gave a general answer on that. What is the tendency amongst the private stations now? The two to which you gave high marks were large stations located in a large city?—A. That is right.

Q. Now let us get away from the large places out into the smaller places?—A. Hamilton, for instance.

Q. No, a much smaller place. Have they the same opportunity for giving or for using the services of union musicians as we will say the C.B.C., whose stations are located in the large centres where you have strong locals?—A. Well, Mr. Fleming, I have a letter here and with your permission, Mr. Chairman, I will not read the name of the station.

Q. Is this the special case you referred to?—A. No, this is another one. This is an attitude in a city smaller than Toronto or Hamilton, and, by the way, I would say Mr. Sable of CKML should be added to the list of people who are trying to do a job to give the local musicians employment. I want to say he deserves that credit. That is the letter that I wrote.

Q. Can you give a substance without reading the letter?

The CHAIRMAN: It seems to be very short.

The WITNESS: This is a letter I wrote to a radio station because I had complaints from our local people that they were not giving them any employment at all and so I wrote this letter as executive officer for Canada.

DEAR SIR.—

The Federation is rather disturbed upon receiving representations from our so and so local that they have not been able to negotiate for employment on your radio station.

As the essential ingredients of the successful operation of your station in the matter of library service, recording, transcription, possible chain broadcast, are produced exclusively by members of the Federation we feel that you should spend at least 5 per cent of your gross revenue for the employment of our Federation members on your sustaining programmes.

The writer has presented the Federation's views to the association of Canadian broadcasters and some of the other stations have very gladly made this agreement. It is beyond reason to expect the Federation to continue to supply you with the service before mentioned if you refuse to negotiate for the employment of our members in your jurisdiction. Will you, therefore, be good enough to let me hear from you at your convenience.

Yours truly.

The result of that was that the radio station wrote as follows, addressed to myself.

DEAR SIR.—I was very pleased to receive your letter this morning although I was expecting your visit for the past few months. I may say that I was surprised to read you received reports from your so and so local that they have not been able to negotiate for employment on my station. The fact is that they have never tried to negotiate. I am entirely open for discussions as I have been for the past six months and I do hope, this time your Mr. so and so will be favourably disposed to take these discussions. I must tell you that I have asked for a rate card of some kind indicating prices to be paid to union members but up to now I have had no reply whatsoever. I do look forward to the opportunity of meeting you.

I naturally sent it back to the local and said what is happening. Here is a perfectly reasonable man who wants to negotiate and employ you and what has happened. He says in reply:—

Mr. Ross (Hamilton East): Who is "he"?

The WITNESS: Our local member. He writes to me and says:—

Reference is made to your letter of May 28th together with a copy of a letter from Mr. so and so, the managing director of so and so in which he says in part:

> I must say I was surprised to read you received reports from your so and so local that they have not been able to negotiate for employment on my station. The fact is that they have not tried to negotiate.

The enclosed letter from Mr. so and so will give the lie to that statement more eloquently than any words of mine.

Now he sends the original letter and this letter that he got on October 26, 1946,

DEAR MR. SO AND SO: (He is addressing this to the secretary of the local involved) Following my letter dated September 27, 1946, I am sorry to inform you our board of directors is definitely not prepared to take steps in the presentation of live talent.

This decision was reached by the board last night.

Yours very truly.

Now that is the sort of thing we do meet in a number of cases. I have other cases similar to that.

By the Chairman:

Q. Do I understand you have presented to the committee just now something which is typical of your dealings with private stations?—A. Yes sir, it is.

Q. With certain exceptions?—A. That is right.

Q. Because if it were not presented as typical I would not think it appropriate to lay it before the committee.

By Mr. Fleming:

Q. I think you should expand your answer, Mr. Murdoch and indicate when you say this is typical, how many experiences of that kind, what proportion of the number of private stations in Canada, does that represent in your dealings with them?—A. I can only mention those of which I have knowledge.

Q. We are not asking you the names of the individual cases?—A. I would not want to give them.

Q. Have you had a dozen cases?—A. Yes, well, I happened to be in a certain city and was down to see the people there who wanted to see me, our local people. We had our usual meeting. We began discussing radio and they told me this story, that the local radio station, private station, was not paying. That is a station that has applied for an FM licence. Do you know the reward they gave them for playing a programme for them? They were kind enough to give them a transcription to take home of what they had accomplished. In other words, they handed them an apple or an orange instead of paying them properly for services they rendered.

I went about two weeks afterwards to another station in Ontario, a very prosperous city. One man had been giving service for seven years on the promise of the station that a sustaining programme was right around the corner. Before he belonged to the union and after he belonged he had been giving free service. One of their members said, "I live so many miles away and it costs me $2 to get here. I should like my expenses". They said, "What do you mean pay your expense of $2? We let you on the air". That is in a progressive Ontario city, and it is disgraceful.

Q. You indicated you were taking a case to the C.B.C. Have you taken any cases or made an appeal in general in this respect to the C.B.C.?—A. To the C.B.C., yes, we have.

Q. With a view to its exercising some control over the private stations in this respect?—A. We have negotiated with the Canadian Broadcasting Corporation in the matter of the applications they receive for an extension of the time that they can play transcriptions. You know under the old restriction from 7.30 to 11 was supposed to be live talent. Then, they gave certain concessions here and there. We asked that no more be given until we would supply them with a report on the employment of live Canadian talent that a station was using.

By Mr. Beaudoin:

Q. The C.B.C. gives concessions to private stations?—A. Right, and accepts some themselves. The general counsel of the Canadian Association of Broadcasters, a very capable lawyer, as you know, Mr. Joseph Sedgwick, and Mr. Murray, who at that time was the general manager of the C.B.C., collectively suggested that we take some of these private stations and put them on a black list, that we should simply say to them, "Here, you are not playing the game." That was a joint recommendation from the C.A.B. and from the Canadian Broadcasting Corporation that we put them on the black list, which is a horrible

thing to have to do. That did not come from Mr. Petrillo, Mr. Miller. That came from the C.B.C. and the C.A.B. I do not want him to get blamed for that.

By Mr. Miller:

Q. There is a distinction?—A. Right.

Q. To avoid confusion on the record, Mr. Murdoch, suppose an independent station has not available a sufficient number of your men or musicians; what is their position? Can they use both?—A. No, do you not see—let us take your situation. Have you a station in Portage la Prairie?

Q. No, they would not give us one.—A. That is too bad. Take any station. There are in Canada 10,000 musicians who would be very happy to assist them. Geography does not mean a thing. We have in Toronto the greatest bunch of westerners you ever saw from Winnipeg, from Calgary, people who were starving out there because they could not get any employment. They have come down to Toronto. Others have gone west to Vancouver from Calgary. I am sorry Mr. Smith is not here. I regret very much he is not here because a lot of good musicians left Calgary to go to Vancouver and other places because they were starving to death in Calgary. That is the answer.

Q. The answer is then that if these musicians have moved to Toronto these independent stations in the west would be up against it if they could not get your men?—A. They can always get our men. Right now, there is an experiment going on. It was mentioned in the proceedings by Mr. Dunton or Dr. Frigon. I am not sure which. I just read it once. You will pardon me if I misquote it. It is in connection with their experiment in Winnipeg, moving in some key men to make possible a broadcast from Winnipeg. That is an excellent idea. The private stations have the same right to do that.

Q. Take Brandon.—A. Yes, right. I know Brandon very well.

Q. Are there any of your musicians there?—A. That is most interesting. We had a young man come in. He played the oboe which is an unusual instrument. We have had of lot of men come back from the service. I said to him, "You play the oboe"? He said, "Yes, sir". I said, "Where do you come from"? He said, "I am a transfer member from Brandon". There are some excellent musicians from Brandon. They have just finished the fall fairs with 21 Brandon men playing the class A fairs this last week. I helped them write the contract. There are excellent musicians in Brandon.

Q. In talking about that so and so independent station a few minutes ago, what did you mean by your reference to 5 per cent?

The CHAIRMAN: Five per cent on your gross?

The WITNESS: About four years ago I met some of the principals of the Canadian Association of Broadcasters. We met in my office and we had a very nice conversation. There was Mr. Sedgwick, Mr. Campeau, Mr. Cook, Mr. Rice of Edmonton. We had a chat. I suggested to them they should plough back into the broadcasting industry 5 per cent of their gross revenue. At that time they did not think it was an unreasonable thing. Then I started to preach the gospel of 5 per cent. I was invited to Calgary. I went there in 1945, I believe it was, to meet the western musicians and talk to them about ploughing it back. I told them of some of the outstanding musicians who had to leave the west to go east and out to the coast for employment. They said they would do something about it. Nothing happened. Later we had a conversation with Mr. Evans, the secretary of the C.A.B. at that time. They were having a convention in Quebec and they said they would propose it and discuss it there.

This year we were having our convention at the same time they were meeting in the west. I went down and had a few moments with them on their very kind invitation. Then a subcommittee came to see me. That convention

is over now for several weeks and I have not heard yet what they propose doing. I am not going to blame the good, decent members of the Canadian Association of Broadcasters, the people of the type who want to make the industry a worth while industry and make a contribution to Canada. I do not want to blame them, but they are a very loosely woven organization. While you gentlemen can say to me this morning, "What is the position of the American Federation of Musicians" and I can tell you, if you read the record of the special committee you will find out how responsible they are, how unfortunate anybody is to be put in the position of having to speak for the individual stations of the C.A.B. They are very loosely woven and if they do not like the way their principals act out they go. They are in and they are out. They are not responsible as to policy. They disagree with each other and have quarrels on principle.

By Mr. Reid:

Q. May I ask this question for information? In the event of a local station operating in a small town or village hiring one or two musicians belonging to the union and that radio station receives letters to the effect, "for heaven's sake do not let that man play again; we do not like him", what attitude does the union take? What do you do when that radio station says, "We cannot afford to employ that man any more. Our public on whom we depend to keep the radio station operating do not like him whether or not he belongs to the union". I come back to the first question. Who judges these musicians? The public after all have some say, have they not?—A. Sure.

The CHAIRMAN: Just a moment. I think that question is rather poorly connected with the question, in what capacities are any of your members used in broadcasting? I will admit you can establish a chain, but it is rather too remote from the question on which we are now allowing subsidiaries. May I also direct your attention to the fact that there are fourteen questions in this memorandum and we are at No. 2. Would you not be prepared to go on with the third question?

By Mr. Fleming:

Q. I have one question. I did not get a chance to finish asking Mr. Murdoch about this. I take it from your answers you have no complaint about not getting co-operation from the C.A.B.? You referred to that case when the C.A.B. and the C.B.C. joined together to take a measure that you thought would help to get you justice but you have a definite complaint about some private stations?—A. Yes. And, Mr. Fleming, the C.A.B. as an organization has never been in a position to sit down and say, "These things we will do, and these things we will not do". The best they can do is to say, "We will go back and attempt to educate our people". You know as a practical man that in a business organization, a trade association, you have got to have some very definite commitments. We find ourselves in the position that they will not say to us definitely yes or no. They cannot make any commitments so it is a matter of dealing with individual stations largely after the style I read out in that letter.

Q. Of course, the C.A.B. cannot give orders to its members in matters of that kind?—A. No, they cannot.

Q. You are not complaining about any lack of co-operation from the association as far as its powers may go, are you?—A. Mr. Fleming, they do nothing. They absolutely do nothing. I have been on this job for about nine years trying to get them to come to something reasonable. Representative stations do, yes, some of those I have mentioned, and there are others who will sit down around a table and discuss this problem as a business problem in the interests of Caanda. That is their franchise. They want to do something with

it, but the great bulk of them just want to bleed it for every nickel they can that is in it without making any contribution to musicians or Canadian development or talent. That is true.

Q. You are not suggesting that an association made up of its members has any power over its members in matters of that kind?

The CHAIRMAN: Order.

Mr. FLEMING: You do not suggest it can do anything more than advise and request?

The CHAIRMAN: That question is out of order for this reason, that it has been asked either three or four times. He said a few minutes ago that the association as such just could not do that. He gave us quite a dissertation. If it were cross-examination the same question might be asked three or four times in different ways, but not here in the manner in which we are endeavouring to proceed. That is question No. 3 which was to what extent do you believe radio has encouraged or discouraged the development of musicians in Canada. I suggest to you we take that as being sufficiently covered and go on to this one. Are many of your members employed permanently by the private community stations?

The WITNESS: No, there is not one musician employed by private stations permanently as a musician. The station at Windsor, which has been mentioned in this committee in the record, has a pianist on for some months in the year, but there is not a staff orchestra in a private station in Canada. Up until three or four years ago—and again I apologize for mentioning CFRB—they did have an accompanist there for some years, but the answer is that there are no musicians employed exclusively by radio stations as musicians. The New Westminster station has one of our members, Ray, who operates that station and who plays bass and belongs to the union in Vancouver, and is a member of the C.A.B.

The CHAIRMAN: That takes us to question 5, can you give us any idea of the number? You have got that in your answer to the previous question.

By Mr. Hansell:

Q. Are there no small orchestras permanently employed?—A. No, sir.

Q. Are there any regularly employed? When we say permanently that may last for a year or two, but are there not any small orchestras employed for two or three months at a time or a season?—A. No. You see they are employed for a series of programmes. It is thirteen weeks, twenty-six weeks, fifty-two weeks. They get certain discounts because of the continuity of the programme. There may be a station that has a barn dance on Saturday night and has the same group playing week after week, but we would regard that as a miscellaneous employment, not regular employment.

The CHAIRMAN: The next question is, similarly can you give us any information regarding employment in the C.B.C.?

The WITNESS: Yes. We have in Canada eight originating stations where either Trans-Canada or Dominion programmes originate. Starting at the west coast there is Vancouver, Winnipeg, Toronto, Ottawa, Montreal, Quebec city, and Halifax. We have had a conference with the officials of the Canadian Broadcasting Corporation and have composed our views on those stations. That is the bulk of the employment that is provided by the C.B.C., but they do give some in Edmonton, small miscellaneous engagements there. If I have misstated it, Mr. Bushnell will correct me. Then there is Chicoutimi. I forgot that.

By Mr. Hansell:

Q. There might be a case where, for instance, the music department of a college would employ their own musicians?—A. On their own station?

Q. No, on a private station, on an independent station?—A. No, there is not.

By the Chairman:

Q. What is the answer to that?—A. I do not know of any.

Mr. HANSELL: What I am trying to bring out is there might be a difference between a station employing musicians and a university or even a sponsor.

The CHAIRMAN: Oh, yes, the sponsor has been dealt with already in this way. You have said that there are musicians on the air because of sponsors, but that there is no responsibility or credit or discredit given to either the C.B.C. or the private stations with relation to that?

The WITNESS: Quite right.

By the Chairman:

Q. Because it is not the private station which develops the talent but the sponsor?—A. Yes.

By Mr. Hansell:

Q. I can understand that the music faculty of a university or a small college might desire to advertise their music department by putting on a regular programme which their own musicians would be engaged in.—A. We do not know of any, and I would say if they did they should pay something for it in the same way they would if they used the press or any other method of advertising. If every person who taught music in Canada wanted to advertise their products on the air the rest of the professional musicians could stay at home, and the standard would drop horribly, of course.

Q. I have in mind a programme in asking that question, but it is all right.

By Mr. Ross (St. Paul's):

Q. I want to ask a question. Are there any of your members permanently employed by the C.B.C.?

The CHAIRMAN: He has just answered that question.

The WITNESS: No, there are very few that are employed by the C.B.C. permanently.

By Mr. Ross (St. Paul's):

Q. How many would you have permanently employed?—A. As musicians?

Q. Yes.—A. Outside of conductors who have say two or three programmes a week I would say there was not anybody.

Q. You really have none?—A. As a matter of fact, the Federation was not very keen on having such a situation because we thought it would spread the work among more people if it were not tied up to one group.

Q. You are in the same position then as, for instance, the two stations in Toronto? The C.B.C. is in the same position as the two stations in Toronto, are they not?—A. That is right, only they give a great deal more employment.

Q. They really do not give permanent employment?—A. That is right.

Q. A station will give employment for a series?—A. That is right.

Q. Both the C.A.B. and the C.B.C. are in the same boat as far as permanent employment is concerned?—A. No, I did not say that.

The CHAIRMAN: Oh, no, he has not said that, Mr. Ross. You made a comparison between the two stations in Toronto and then switched over to the C.B.C.

Mr. Ross (*St. Paul's*): I understand what he said about the private stations not doing the job they should do in some parts of the country. That is perfectly true, but I do not want it to go abroad that the C.B.C. is permanently employing people and some of the other stations who do give employment to musicians are not giving permanent employment.

The WITNESS: That would only apply to the Toronto situation. Outside of that there is not any comparison between the employment given by the private stations and that given by the C.B.C. There is no comparison.

By Mr. Ross (St. Paul's):

Q. Is there not exactly the same situation, that both the C.B.C. and the C.A.B. do not give permanent employment to any extent?—A. Yes, technically I would say that.

By Mr. Hansell:

Q. The employment is given by sponsors?—A. No, no.

Q. And not by the radio stations themselves?—A. No, no. Commercial broadcasts are sponsored, and it is immaterial whether they are C.B.C. or private stations but on sustaining programmes that is where it comes in. That is the thing that we are particularly interested in because in that case you can develop a cultural programme or an interesting programme. When you are on a commercial programme you play what you are told to play.

Q. On sustaining programmes, whether independent stations or C.B.C., there are very few permanently employed?—A. That is right.

By Mr. Ross (St. Paul's):

Q. Your policy is you do not want permanent employees?—A. We think that a small group might be employed in the originating stations, for instance, of the C.B.C. to the exclusion of a lot of other worthy people who might want to get on the radio. Years ago we subscribed to the policy that we would like to have the work spread as much as possible, and it has helped.

Q. Your objection is simply that some of the stations do not employ enough live talent?—A. That is right.

Mr. HANSELL: Before we close at one—

The WITNESS: I should not say "enough". I should say "any live talent". Just qualify that and say "any live talent".

Mr. HANSELL: Before we adjourn would it not be well for us to reconsider our procedure in the light of what Mr. Bentley has said and when we meet at 4 o'clock allow Mr. Murdoch to finish the questions and then come back and deal with any other questions that may arise?

The CHAIRMAN: It is in the hands of the committee.

Mr. HANSELL: Mr. Murdoch can take the questions and answer them.

The CHAIRMAN: We understand that we are now going to vary the procedure and have Mr. Murdoch commence with question 7 and go on until they are all dealt with, and questions will be reserved to the end. Before we adjourn let me remind you, gentlemen, in regard to questions that to-day we stop questioning and to-morrow we go into the executive session. Any questions that are not asked by the end of to-day's hearing will have to be asked at some time that the committee decides to permit them in the future, and I doubt very much if that will ever be done. I say that to you in order that questions be shortened as much as possible because we have already decided that to-day is the end of questioning.

Mr. FLEMING: With that in mind I would suggest that we meet this afternoon at 3.30 instead of 4 o'clock.

The CHAIRMAN: We have already adjourned. I cannot entertain that now with everything in confusion.

Mr. FLEMING: You have not left the chair.

The CHAIRMAN: You cannot do it.

The committee adjourned at 1.05 p.m. to resume at 4 p.m.

AFTERNOON SESSION

The VICE-CHAIRMAN: As it was agreed at the end of our sitting this morning, Mr. Murdoch is invited to proceed to the other questions which have not been answered. It is also agreed that it is only after Mr. Murdoch has given us the answers that we may submit our further questions.

Walter M. Murdoch, Executive Officer of the American Federation of Musicians of the United States and Canada, recalled:

The WITNESS: Mr. Chairman, question 7 reads as follows: "Has your union any constructive suggestion to make regarding improving of radio programmes in Canada."

That is a very wide subject, gentlemen. I think the experiment that is presently going on in Winnipeg might be an excellent idea in other spots. That is to bring in a nucleus of a broadcasting unit to help balance the local talent. The Federation would be very happy to co-operate in that sort of a move.

Question No. 8 is "Do you think the policies of the radio stations in Canada encourage the development of local musical talent?"

No, I definitely do not. Our experience is that the stations have not been too greatly concerned as to the quality of the entertainment but have been influenced largely by whether it cost anything or not. In other words they believe in the old Methodist hymn "Thank God Salvation is Free". Of course, we know that is not so but it has been the general policy to get something for nothing, no matter how poor that talent might be.

Number 9 is "Is there any difference in the policy of the C.B.C. and the private stations in this respect".

Of course there is. The answer is yes. The C.B.C. has, through its sustaining programmes, developed and given opportunity to a lot of young Canadian talent. Some of them, of course, have gone elsewhere because we, in Canada, are not used to paying artists the money they can earn elsewhere.

No. 10—"Do you think the Broadcasting Act and regulations under it require change or amendment and if so will you say in what particulars."

The Federation would be very happy if the present regulations were more rigidly enforced and if the C.B.C. authority would correct the abuses that are brought to their attention. We feel the C.B.C. should cut down on the amount of time that is now given to private stations and their own stations for transcribed programmes. We feel that the time should not be extended, under any circumstance, and later, when I read to you the story on the recordings, I think you will all appreciate why we take the attitude.

No. 11—"The suggestion is made the present system of radio broadcasting in Canada endangers freedom of expression, what is your view?"

I am afraid I am not competent to answer that. I did read in the proceedings the other day that some of the members suggested that in connection

with the Report from Parliament Hill and the local stations, that the commercial value of the station would be enhanced. I would like to see a Gallup Poll on that.

Mr. REID: We have had a Poll in British Columbia with respect to Report from Parliament Hill.

The WITNESS: Just on speaking and playing?

Mr. REID: Speaking, as against some artists, and according to the Hayes Taylor report, it is a fact, a station is enhanced by these radio talks from Parliament.

The WITNESS: That is the good taste of the people in British Columbia.

Mr. REID: Well, we do think we are in a class by ourselves.

The WITNESS: No. 12—"Criticism is being made of the prohibition of the use of electrical transcriptions and recordings under certain circumstances, what is your viewpoint?"

I do think, as I have stated before the use of transcription should be curtailed as much as possible. I found, in discussing the situation with a western conference of the C.A.B., that one of the members said "Well now why should we use our local talent, when we can get a library service and transcription with the cream of the continent's talent. Why should we give the local pianists or instrumentalists or soloists an opportunity". I did attend also a meeting when they were gravely concerned because the government, Dr. Frigon or some of his people, were insisting that they improve their equipment, and I suggested their local talent was quite equal to some of the stuff they were using for broadcasting.

Mr. REID: Hear, hear.

The WITNESS: And they could not expect at the local fees they were paying to get the talent that compares with that in New York, Chicago, Los Angeles, Montreal and Toronto.

Now, the next one is 13. "I understand that your union receives royalties on recordings used by radio stations? What are they?

Now I am very grateful to Mr. Coldwell for asking that question. I think you will find this record very interesting. I first want to quote you from the treasurer's report. The treasurer of the Federation makes a quarterly report to the board, an annual report, and then the books of the Federation, which, of course, you are not interested in, but it is something that I think you should know, are audited by a firm Lybrand, Ross Bros. and Montgomery, Certified Public Accountants, New York City, N.Y. I go to the treasurer's report and I find that in the recording and transcription fund—would you gentlemen try and keep the two separate—records are for home use. You buy them over the counter to use in your homes, and transcriptions are those things that are made at thirty-three revolutions to the minute which are used in radio stations. They are quite separate. Now for the year ending April 30, 1947, the recording and transcription companies paid to the Federation in the United States in royalties $1,589,239.18. In Canada the recording and transcription (Canadian) paid $9,557.59.

The total revenue to the Federation for the year ending April 30, 1947 was $1,625,489.18. I want you to keep that Canadian contribution, the amount of the royalties paid by the Canadian companies in your mind. I will repeat it. It was $9,557.59. Now in the distribution of that fund all the locals of the Federation, the thirty-one locals in Canada, will receive for free music, cultural music in Canada, $74,151.17. The items are computed by Mr. McMaster who did the addition and if there are any errors they are his.

Now you are interested in how the Federation arrived at the distribution of this money. You know the newspapers said it was an iniquitous thing for

the Federation to receive any royalties on these records and that the public would have to pay. The records would be more expensive.

Mr. Chairman, the records have not been increased a penny. As to the distribution, the cost of handling them, the Federation said those funds must not exceed 5 per cent. You will be happy to know in the last year the cost of administration has been under 1 per cent of the fund. Now the average layman has not the foggiest idea of the number of records that are made, and so I quote from the president's report in recording production statistics for phonograph records. These are the 78 revolution records that you take home. From January 1st up to and including December 31, 1946 this is the result.

The number of 35 cent records produced—

Mr. REID: This is in Canada is it?

The WITNESS: In Canada and the United States. This is the continent. The number of 35 cent records was 1,604,984; the number of 50 cent records produced was 127,759,580 records; the number of 75 cent records produced was 89,397,389; the number of $1 records produced was 22,986,427; the number of $1.50 records produced was 368,826; the number of $2 and over records produced was 731,577. That makes a total in one year of 242,848,783 records.

Mr. REID: Would those all be distributed in the United States and Canada?

The WITNESS: Right. The gross sales of all the records is $156,445,721.30.

Gentlemen, I submit that is a very important industry.

(Mr. Maybank resumed the chair.)

Now, the transcription is very much smaller. The total amount earned by leaders and men during . . .

By Mr. Fleming:

Q. Would you clear up one point there, Mr. Murdoch? Are these recordings of which you speak all instrumental music?—A. Just instrumental.

Q. They do not include vocal?—A. There would be vocal accompaniment, yes.

By Mr. Reid:

Q. Can all these recordings be used on the radio?—A. They should not be. We will come to that. The Exchequer Court say no, but they are used.

Electrical transcription: These are the recordings which are made for radio. They revolve at 33⅓ revolutions per minute. A disc will run for fifteen minutes. It is a straight radio thing. In a year the total paid to our men and leaders was $1,334,467.60. The federation received in royalties from that source, which is the thing Mr. Coldwell obviously had in mind when he asked this question, $38,803.14. So that the amount we are distributing, comes altogether from the home recordings since the transcription royalties have not been touched.

Under what conditions is that money going to be spent and how? In the first place the convention set up a committee to study that. We are going to make this distribution on the basis of $10.43 per member as registered in June 1946. Then, the committee functioned and made a recommendation. You will be surprised to note in New York alone we have nearly 30,000 members in one local, local 802. In Chicago and Los Angeles we have a very large membership. On the recommendation of this committee the distribution was made in this way; in a local with a membership of 5,000, they were given $10.43 per member. After 5,000 the rest of their membership were given $2.00 per member. Those larger locals such as New York, Los Angeles and Chicago agreed that it was a fair distribution and that the money would be spent freely. Each local had to send in the price list showing their fees. They had to have the project approved.

I can tell you what each city is going to get. I can tell you in the city of Toronto our allocation is just in excess of $18,000. We are going to have eight of our military bands given an additional 24 park concerts. The rest of the money is to be exclusively used in military hospitals for salon groups, soloists, dances and concerts. We have a committee there to supervise that so every nickle of that will be so spent. Not one ticket can be sold. Nobody can make any profit out of it. If we were to print programmes, if we were to do anything other than that, we would pay the shot ourselves.

I know that you represent all parts of Canada. You may be interested in knowing how much money is going to your own constituency. Here is Quebec City, $969.99; Vancouver, $6,539.61; Toronto—

By Mr. Reid:

Q. Nothing for New Westminster?—A. It belongs to Vancouver. It is in Vancouver's jurisdiction.

Q. Vancouver may yet belong to us in New Westminster?—A. You have not a local of your own.

Q. You had better review that situation.—A. I suggest, Mr. Chairman, when Mr. Reid joins a local there and pays his dues, at the first general meeting he could move for a local at New Westminster.

By the Chairman:

Q. My understanding was you were initiating him during the noon hour; did you not do that?—A. No, I have not had a chance to hear him play.

Toronto, $18,732.28; Ottawa, $2,586.64; Peterboro, $4,516.19—I beg your pardon, that is Winnipeg. Peterboro, $4.516.20; Kitchener, $3,139.13; Victoria, B.C., $928.27; The Sault, $83.44; they are in the process of reorganization. Their membership was down. London $3,410.61; Hamilton, Ontario, $3,181.15; Niagara Falls, $1,032.53; St. Catharines, $990.85; Brockville, Ontario, $396.34; Edmonton, Alberta, $1,043; Montreal, $11,879.77; Stratford, Ontario, $969.99; Regina, Sask., $1,178.59; Brantford, Ontario, $969.; Brandon, Manitoba, $479,78; Kingston, Ontario, $917.84; Waterloo, Ontario, $636.23; Calgary, Albert, $1,043; Saskatoon, Sask., $1,126.44; Windsor, Ontario, $3,232.30; Halifax, $1,397.62; Port Arthur, $730.10; Sarnia, Ontario, $229.46; St. John, New Brunswick, $156.45. That, Mr. Chairman, completes the list and that should add up to $74,151.17.

Now, I think I have made the transcription recording matter fairly clear. In going through the auditor's report I just noticed a figure that, as Canadians, will interest us. The American Federation of Musicians has in its treasury just $5,000 short of one-half million dollars in Canadian Victory Bonds which were purchased during the war in full knowledge they would be frozen. I think you will find that interesting as Canadians. Later, you will ask any questions you wish on that.

Question No. 14, I think I answered this morning. No. 14 reads:—

> It is said the international president of your union dictates to the radio stations and therefore to the public. What have you to say of this criticism?"

I only have this to say; the president of the American Federation of Musicians takes his direction from the convention and the executive board. Personally, he does not dictate to anybody.

By Mr. Gauthier:

Q. He is not like Lewis.—A. No, he is a little short chap. Lewis is a big, tall fellow.

Q. He is not paid as much?—A. We do not want to go into that because somebody might ask me what I earn. It would be very embarrassing to have it on the record.

Q. May I ask you a question? Do you know what happened in Montreal at the Musicians Festival?—A. Yes.

Q. Will you give us an outline of that?—A. The chairman suggested I might run through these questions which are here.

Q. Are you not through?—A. Yes.

The CHAIRMAN: I thought, myself, when you started that question, Mr. Gauthier, it was one of the subsidiary questions to this list. I think probably we had better clear it up first. Will you just hold that question in abeyance for a moment?

Are there any more questions arising out of this list?

By Mr. Winters:

Q. In connection with the development of local talent and general service by radio artists, I am speaking from memory in connection with an incident in Halifax recently where some high school students attempted to give a programme as a community service.—A. May I suggest that comes under the heading of the Halifax episode. I will be glad to answer it then.

The CHAIRMAN: Just a moment, I think the question is quite in order. Will you continue it now, Mr. Winters.

By Mr. Winters:

The students attempted to give, as a community effort a programme. I understand the radio undertook to donate its time to the cause but that the Federation or union blocked the move. I should like to hear Mr. Murdoch's story on that?—A. In Halifax there is a group known at the Teen-agers. You will possibly be able to supply us with the name of the young man who is their mouthpiece; he was very prominent in the press. They wanted to put a teen-age programme on the air. They applied to the local for permission to use a non-member on the air. The local said, "We will help you develop your teenage group, but if you go on the air and an instrumentalist is used, we request that a professional be used."

Immediately this more or less irresponsible young man decided to have a personal fight with the Federation—

Mr. WINTERS: I do not think the witness should say that.

The CHAIRMAN: Just a moment, Mr. Winters. I may have my opinion too about the taste of such epithets being introduced into the evidence, but on a strict point of order I presume the witness is entitled to characterize one of whom he is speaking, howbeit the individual is not here. That comes not as a question of order but as a question of taste. I am afraid I could not rule the witness out of order on that ground.

Mr. WINTERS: I do not know the witness.

The CHAIRMAN: I do not either. The witness must be governed by his own sense as to what makes good taste in his description of people.

The WITNESS: Thank you, Mr. Chairman. And the local in Halifax said that they wanted a professional musician. I submit to you, gentlemen, that the radio station there, as Mr. Winters has said, changed their tactic immediately. What they did was to say, we will permit this group to go on the air without cost and provide them with a half-hour programme without cost; and if these teen-agers have a programme worth listening to that station could very properly have said we will supply an accompanist from the professional musicians of Halifax and there would not have been any issue at all about it. But the young man in question undoubtedly has the highest motives. He got the newspapers to carry

the torch for him and so before we knew it it was not a local Halifax matter, the publicity had spread all over Canada and the American press; and it had been going on for a couple of weeks before I knew anything about it. I did not know anything more about it than many of you. I telephoned the press and said, what is this all about and he told me that it was a purely local matter, the American Federation of Musicians as a federation did not have anything to do with it. If the local teen-age club had approached the Halifax people and talked their problem over and had been reasonable and they had a good programme and if they had obtained permission to put the programme on nobody would have known anything about it. They declined to do it that way. And I will say this, just after that the same group led by the same young gentleman, with undoubtedly idealistic motives, led the campaign against the price of the chocolate bar. Now, I just submit that to you, that there are people who will want to become notorious by picking a quarrel with the American Federation of Musicians. I think the Halifax people acted quite properly and I think the radio station there which is also owned by the newspaper very properly could have said, for all the things we get from the American Federation of Musicians at least we can provide an accompanist, a professional for that engagement; because that group had gone on the air over that station there is no reason why any number of similar groups might not have gone on also.

Mr. WINTERS: Did they have to provide for the one accompanist?

The WITNESS: Exactly, there was nothing more involved than the one accompanist.

By Mr. Hansell:

Q. Mr. Chairman, following that up; supposing you had a high school orchestra, amateurs, wanting to put a programme on a local station, would your union permit them to do so, or could they?—A. That would be entirely up to the local under whose jurisdiction they were. There would be absolutely no interference from the federation.

Q. If they had put them on, I understood you to say this morning that your union would not object?—A. If they did it properly, if they went to their local union and said, we have a high school group; for instance, only a month ago the Salvation Army came to the Toronto local and said, we want to put on a half-hour broadcast in the interest of our home for little kiddies and the money that comes in will go to that, and the Toronto local gladly said, why we will buy tickets, it is an excellent idea. It will be entirely up to the local.

By Mr. Reid:

Q. What is your attitude with respect to church organ recitals; for instance, take the programme which we get nearly every Sunday from Salt Lake City?—A. In a case of that kind, the organists at Salt Lake City are members of the federation and receive a very fine fee for the programme they play. I want to make it clear, Mr. Chairman, that the American Federation of Musicians is not interested in the organists in any church; their contracts, their association with their church is a matter in which we have no interest at all.

Q. It has been suggested that the federation is really interfering with the rights of people. Church music was among the things referred to, and it was objected because the organists did not belong to your federation. Would you tell us what the position is with respect to that?—A. We don't do that. We permit it. The air is filled on Sunday with church services. Some of the organists belong to us and others do not. There is no interference; but if they go out of the church and go to a public hall, say they go to a theatre and put on a recital, then we say they are competitive and should comply with our regulations.

The CHAIRMAN: You mean by that the Union of Church Organists?

The WITNESS: Right, Mr. Chairman.

The CHAIRMAN: I think perhaps the question Mr. Gauthier was asking does fit in at this point. I think I was mistaken in what I said, because your question is one of this type of question. Would you mind repeating it. Personally I do not remember what it was.

By Mr. Gauthier:

Q. The matter I wanted to bring up, Mr. Chairman, was with respect to the interference of the musicians' federation in connection with the musical festival held this spring in Montreal, I forget what the name of it was, and I do not know whether it was the organists or what. It was something like that. No doubt Mr. Murdoch knows what I have in mind.—A. Mr. Chairman, in Montreal they had a musical festival.

Q. Yes, that was it.—A. And they brought the children and the choirs and a band in from the United States and a band from Barrie, Ontario, and they went down to this festival—I have the file with me, all the clippings and the cuttings—and the gentleman who was running the affair was a member of the Montreal local and they cooperated with him, they even had some of their people playing in the orchestra and everything was merry and bright, no question as to the mixing of members and non-members; and one bright morning the Montreal local wakened to find out that a recording company which had a licence from us were advertising records for sale. That immediately put it on a commercial basis, and the truth of the matter was that all the federation objected to was that the man doing the recording was going to sell the records at a very, very reasonable profit, but in doing so he was breaking his licence with the federation. In other words, a trade agreement—he said to us, well for a consideration of being able to use talent through the federation—and then certain conditions followed—and then, I will operate in fairness to your restrictions; and out of this beautiful thought, this festival of little children, he had developed a commercial project. We objected and the balloon was up. Now, there is another case of which the president of the federation knew absolutely nothing. He was not even in New York when it happened, but of course he was blamed for it, he was blamed for interfering with our children. That is the answer.

By Mr. Hansell:

Q. Following along the line of the previous question you said that the independent stations did not develop live talent. Your answer was fairly definite there. How would you suggest that they encourage live talent? Or, you have made a distinction; you say, no, they did not; and the next question was, do you consider the C.B.C. is doing it; and you replied, yes, they do. How would you suggest that the independent stations could develop live talent? You suggested that the independent station always looked at the cost. We will admit that. If you are in business, or if I were in business, or if anybody else was in business we would look at the cost as well; but the independent stations have no free revenues, no gift revenues. If they are to encourage radio talent they have to pay for it out of their operating revenues?—A. That is right.

Q. How would you suggest that they do that?—A. I would suggest that they apply 5 per cent of their gross revenue to the employment and development of live talent. Five per cent is a very modest amount. They could; for instance, let us take a city we know something about—a western town, let's look at Brandon, for instance. In Brandon, they have as I said a trio, a pianist, a violinist and a clarinetist. They have other musicians in the town. They have a church organist. As a matter of fact station CKX, I think it is—I took the

trouble to spend a couple of days in Brandon and go about and see what there was and I found there was at that time not even an organ in the studio. Surely Brandon could develop local talent. Let's take Calgary; the greatest violinist Canada has ever produced, Kathleen Parlow, was born between the Bow and the Elbow, and she had to leave Calgary; she went around the world playing her violin and she is now in Toronto giving master classes on the violin. In Calgary, too, there is a young lady, Jean Cotton, who studied under Schnabel and other people; a very fine pianist. My information is that she gets a programme of some 15 to 30 minutes once a week, and she has to spend her time on teaching to assist, and she is a capable pianist.

Q. Of course, you would not use Jean Cotton as an illustration of a radio station developing live talent?—A. All right, let us take another one—

Q. She was developed a long time ago and had nothing to do as a pianist with radio stations.—A. Radio will not make a better player out of one, just gives one an opportunity to develop talent which they have. Radio stations do not run conservatories or schools.

Q. No, but that is the argument; that C.B.C. spent a good deal of their money on the development of live talent.—A. Giving opportunities for them to show themselves.

The CHAIRMAN: "Encouragement," I suppose, would be a better word to use than "development" of live talent.

Mr. HANSELL: No, no, no, it is only that because they go out taking auditions. They look for talent which may develop into real radio value. What I am getting at, Mr. Chairman, is this; it did seem to me, in answer to these two questions—I may be wrong—but it did seem to me that Mr. Murdoch was saying a quite definite "no" to the independent station and a very definite "yes" to the Canadian Broadcasting Corporation. Perhaps to some extent that is true. But, Mr. Murdoch, you do not point out this fact; that the Canadian Broadcasting Corporation does receive from the Canadian public something in the neighbourhood of $5,000,000 that the private radio stations do not receive. Therefore they do have some considerable funds to operate with for the development of live talent. In other words, whether or not it is a true picture, just divide $5,000,000 and distribute it amongst 100 stations. That would give each station $50,000. An independent station with $50,000 could afford to develop a lot of live talent. Let us be fair to both.

Mr. BEAUDOIN: You think you are in putting it that way, do you?

Mr. HANSELL: I do not suppose the Canadian Broadcasting Corporation uses the whole $5,000,000 in the development of live talent.

Mr. BEAUDOIN: It has to use it for many other functions. I do not think it is $5,000,000. I think it is about $4,000,000.

Mr. HANSELL: It is pretty close to that. Reduce the amount if you want; cut it in half and give $25,000 to each radio station or $10,000 if you like.

Mr. REID: I should like to ask Mr. Murdoch a question. First of all may I say—

The CHAIRMAN: Just a second, Mr. Reid. Was it your intention, Mr. Hansell, that what you were saying was to be treated as a question?

Mr. HANSELL: I asked a question and then made an observation. Perhaps it was partially answering my own question. If Mr. Murdoch wants to comment on my answer it is quite all right with me. Where am I wrong in my observation?

The WITNESS: Well, the Federation is not interested in the economics of the thing at all. The question I was asked was who provides the greatest opportunity for our people and I told you quite frankly.

By Mr. Hansell:

Q. It was very frank. It was no to one and yes to the other.—A. I do think you want the truth, and that is the truth; that is just the bald truth, and I cannot say it any differently. Outside of possibly half a dozen private stations practically no effort has been made to develop talent at all. That is the answer.

Mr. REID: I think it is well known not only to the committee but to every person in Canada that with the two radio systems we have one is the central system of the C.B.C. which is not in the business for profit at all. The private stations in Canada—and there is nothing wrong about it—are in the business for profit. Being in the business for profit there is only one way they can stay in business if they are going to eat, and that is by the number of listeners they have. If they have not got any listeners they have not got any advertisers. I am going to ask you a question regarding CKNW, that great radio station we have in British Columbia. They have built up their radio audience, and I think a greater one than any radio station in British Columbia, mainly through discs, transcriptions. Mr. Ray, before he took over the station, accumulated hundreds and hundreds of records. I think it is a fair assumption to say that his radio programmes from early morning until midnight are mostly or so electrical transcriptions with the exception of one hill-billy programme. On many of those records he has paid a contribution to the musicians union if they were manufactured in the United States.

The WITNESS: No, no.

By Mr. Reid:

Q. Was there no royalty paid?—A. I do not think Mr. Reid was in the room when I read the figure. The royalty on all transcriptions made on the whole continent only amounted to $38,000. I think it would be very interesting to look into Mr. Ray's record library and see how many of those that he has were made for home consumption. On the label it says distinctly that those records are not to be used for broadcasting or for any commercial purposes. The Federation has no quarrel with the recordings that are made for home consumption but when those records are taken and used for profit, for commercial purposes, we say it is not a proper thing to do. If Mr. Ray, who is a member of our Federation, is using anything but library service, legitimate transcriptions, he is not being fair.

Q. Of course, I could not tell you that. I do not know?—A. I wish you would check on that when you go back home.

Q. I will be very pleased to check on it. The thought I had in mind was that a private radio station may be injured by putting on some poor musician, some local musician who though he may belong to the Federation might not be appreciated by the audience who are listening to that station.—A. That would be a matter of discretion of your production man. I would think that after Mr. Ray had heard a person he would know whether they would be acceptable to your audience. I think Mr. Ray is very much in sympathy with the objects of the Federation because it was he who moved the vote of thanks at Calgary for the programme we presented there, and that included the 5 per cent on gross revenue to be used for talent.

The CHAIRMAN: Are there any other questions?

By Mr. Gauthier:

Q. There is a matter of policy about which I should like to ask Mr. Murdoch. We have been told that in the United States your union has refused to allow a programme using any of its members to go out on an FM transmitter as well as on an AM transmitter. Is that right?—A. No, they can go on both if

they are prepared to pay for them, but we contend there are two services there, and if they want to use them on AM they pay for it and if they want to use them in FM they also pay for that.

Q. They have to pay for both?—A. Yes.

Q. When they go on at the same time?—A. That is right.

By Mr. Beaudoin:

Q. Do you intend to apply the same condition in Canada?—A. That is a matter on which the Canadian Broadcasting Corporation has made representations to the Federation. Mr. Bushnell made representations and the Federation has not replied to the C.B.C. I think we had better wait until they formally notify them of their action.

By the Chairman:

Q. Let us get that. You are talking about a transcription which is going to be sent out over the air on AM first of all. For that you charge a certain amount and there is a royalty also paid on its use? Is that correct?—A. No.

Q. Wherein is that not correct?—A. That is incorrect in that as to a transcription that is not commercial there is no royalty paid on it. The only royalty on transcription—that is why the royalty is no small—is where there is a commercial element involved.

Q. If it is put out purely for entertainment . . .—A. There would be no royalty.

Q. If no person was making a profit on it there would be no royalty. It depends on the programme on which it is used as to whether there is a royalty?—A. Rigrt.

Q. And what has been paid the musician who made that transcription?—A. Yes.

Q. Then the same record could be used physically on FM just as it can be used on AM?—A. That is right.

Q. But when it is made and permission given, no doubt by a stamp put upon it, for FM as well as AM the payment to the musicians making it is double?—A. Right, sir.

Q. Is that true?—A. That is correct.

Q. There is one playing but double pay?—A. That is right, two uses.

Q. On the overtime principle, double pay for double use. Is that the idea?—A. That is right.

Q. And that is the way it is in the United States at the present time?—A. That is right.

Q. But there is not any settlement in that respect in Canada as yet?—A. No sir, that will be communicated to the C.B.C.

Q. That is in active negotiation at the moment?—A. That is right.

By Mr. Hansell:

Q. I should like to ask a question or two on rates if it is in order now. What are the scales of charges made by musicians as compared . . .—A. For what service?

Q. It is a little difficult for me to segregate this because I know all musicians are not in the same class. I should like to have a comparison of the rates before the war, 1937 and 1938 and now. Have they increased?—A. Thank you very much for asking that question. No, we have been asleep at the switch. The C.B.C. on sustaining programmes are paying the $6 for half an hour that they have been paying for the last ten years. I apologize that we have not adjusted the matter before.

Q. That is $6 per musician?—A. Yes, per half hour, and double for the leader, and if an audience is there it is $3 extra per musician.

By Mr. Beaudoin:

Q. Does that include rehearsals?—A. No. Rehearsals are $3 an hour.

Mr. REID: May I ask a question?

Mr. HANSELL: Is it on this matter?

The CHAIRMAN: Wait a moment, Mr. Reid. Were you finished, Mr. Hansell?

Mr. HANSELL: Not exactly on rates.

By Mr. Hansell:

Q. Is the charge made for a network broadcast at the point of origin the same as the charge for a local or single programme?—A. No, we have a programme network rate covering the eight cities that I mentioned this morning, but every other local has the right to make its own price for local broadcasts. They can say that they will play on a local station, one station, for 50 cents an hour or $10 an hour and the Federation is not interested.

Q. I should like a comparison of those rates?—A. I could not give you that.

Q. Perhaps it would not be accurate?—A. As between what?

Q. Let us take a string quartet if you want to get down to a case. Take a string quartet employing four musicians. On a broadcast over a Canadian network what would be the charge for that quartet?—A. How much rehearsal would this particular group you have in mind require?

Q. I have not anything in mind, but we will suppose they rehearse a couple of times?—A. For how long?

Q. An hour, it does not make any difference.—A. We will say the quartet rehearses for two hours. Three of them would get $6 for the rehearsal.

Q. Each?—A. Yes, and the leader would get $12 for that service. Then they would go on the air for half an hour, and three of them would get $6 and the leader would get $12. That would be the case of a quartet with two hours rehearsal.

Q. I did not figure that out as you were going along.—A. That is $18 plus $12 in the first case, and again $18 plus $12.

By the Chairman:

Q. Just one second there. Is it generally to be said that rehearsals are half as much as appearances, because that is what that was?—A. Approximtely.

Q. It comes to about 50 per cent for the rehearsal.—A. I think so, but I should like to be accurate and say that a sustaining programme is $3 an hour, double for the leader, and $6 for half an hour and double for the leader.

By Mr. Beaudoin:

Q. What is the average time for rehearsal?—A. With a quartet, of course, they rehearse hours and hours and hours that no radio station could ever pay for.

By Mr. Winters:

Q. Who says how much rehearsal time will be paid?—A. The people who are buying it.

By Mr. Hansell:

Q. Take the same quartet. What I am getting at is this. Take the same quartet and they are going to broadcast on a local independent station. What would your rates be for the same service?—A. It might be $1 an hour for rehearsal. For the half hour it might be as low as $3 or $4. It would be entirely up to the local union.

Q. Up to the quartet itself?—A. No, up to the local, they belong to in the town. Winnipeg, for instance, would have its own rates, Calgary, and so on.

Q. Anyway, the point I am getting at is that when that quartet broadcasts over a national network the cost of that is really spread over all stations affiliated with that network, or it could be if you wanted to compare rate, but if a local station wants to put on the same thing they would have to pay much more than their portion of the cost figured into the network. What I am putting over is this, that when it comes to the cost for live talent the local independent station is at a disadvantage financially on account of costs.—A. Well you most certainly can buy one article at the price of a gross in anything. They have the local station and they have the local talent and we are not asking them to spend more than 5 per cent of their gross. There is not any method by which the Federation can equalize on the cost to private stations. Some of them do, Mr. Hansell. Some of the private stations. Those I mentioned this morning do employ our people at local rates.

Q. I am trying to arrive at a fair comparison between the private stations and the network?

The CHAIRMAN: Are you through, Mr. Hansell?

Mr. HANSELL: I have a question on another line.

The CHAIRMAN: I do not know whether Mr. Reid's question is along the same lines.

By Mr. Reid:

Q. My question is much along the same line. I am not quite clear and, if the question has been asked and answered, you may tell me. I am wondering what the attitude of the Federation would be in the case where in some town there is an outstanding young person, say nine or ten years of age, whom everybody would like to hear on the piano. Now you would not want that person to join the union before he or she played over the air? The whole community might be demanding that she be heard. In any city there is a number of outstanding youths and also young ladies, and I am wondering—suppose the radio station says that a young boy of five is a marvel, or a girl of nine is another marvel, and the people are requesting by letter that they be heard—what would be the attitude of the Federation to people of this kind being heard, these young prodigies.—A. It may be as you have described, that they are wonders to their parents and they should have the right, and the citizens should have the right, not only to hear them but to see them. The Federation would suggest that a hall be hired and then you could tell precisely how many people want to hear and see them. That woul appear from the attendance and could be done without forcing that immature prodigy on the air with the result that people dash across the room to turn off their radio.

Q. The radio has allowed people to stay home and turn on their radios to hear these concerts, but you are suggesting that they go hire a hall. How can country people flock some ten or fifteen miles into a hall?—A. I think I answered the question before. Last night I heard Patsy Parr, a little girl of ten, playing over the C.B.C. from Toronto.

Q. I am hoping your attitude on this will receive public acclaim, and that no bloc exists?—A. I assure you the Federation loves little children.

The CHAIRMAN: Will you just wait a moment Mr. Reid?

Mr. REID: I would like an answer.

The CHAIRMAN: Just a moment, Mr. Reid. I do not think the witness has met Mr. Reid's question, just the same.

Mr. REID: He has not.

The CHAIRMAN: I think the question is this. Supposing a case such as Mr. Reid mentions does happen, whether it does not, the hypothetical question is asked. Such person I understand would be going on without profit and would

not be going on with any other kind of musician. Now what is the attitude of the union towards such an offering, or has the union any attitude? That is the real question.

Mr. REID: I want to know, it is important to the people of this country.

The CHAIRMAN: Just hesitate long enough, Mr. Reid, so the witness will have an opportunity to answer, if there is an answer.

Mr. REID: Why did he sit down? I did not tell him to sit down.

Mr. BEAUDOIN: He can answer sitting down.

The CHAIRMAN: Just a moment, Mr. Reid, just a moment.

Mr. GAUTHIER: We would like to have an answer.

The CHAIRMAN: There has not been a very great opportunity since the second section of this meeting started, for the witness to answer anything because just about the time he may have been opening his mouth you were again following up your remarks.

The WITNESS: Mr. Chairman, I want to answer Mr. Reid's question quite frankly. As you say it might never happen. May I suggest when it does happen the people who are interested should go see their local union of the Federation and explain all the circumstances; show the demand that there is for this person to appear, and I am quite sure the local will give them every consideration. I am also quite sure, Mr. Chairman, that I am not going to commit the American Federation of Musicians by making a statement that may be regarded as a regulation or a rule for all the locals in Canada. They will meet the problem locally as it appears.

The CHAIRMAN: May I interrupt a moment. The question is: Has the Federation a policy with respect to that? First of all you might answer that yes, or no, and then perhaps amplify it.

The WITNESS: No, Mr. Chairman, that is entirely left to the local of the Federation.

The CHAIRMAN: That is sufficient.

Mr. REID: May I ask the witness this question. Is the view expressed in regard to the question I have just asked similar on the American side, or what is the attitude? It is important because it concerns a large Federation operating across the line and operating here. What is the viewpoint across the line on that question?

The WITNESS: It is still local autonomy. They take it up with the local.

The CHAIRMAN: Have you any more questions, Mr. Hansell?

Mr. HANSELL: You said you had no increase with respect to rates for musicians? Would the same answer apply to recordings?

The WITNESS: No, no. Recordings have been increased. As a matter of fact, Mr. Chairman, may I say this. The American Federation of Musicians would be very happy if transcriptions that are used on the air, outside of the recordings you take home, were entirely eliminated. We would be very happy to do without the royalties and anything else because it would provide a lot more employment for our people.

The CHAIRMAN: Your question was: had the price been increased and the answer to that is yes. Now I guess you want to know by how much?

By Mr. Hansell:

Q. I would like to know how much?—A. From when?

Q. Take a year before the war—A. I could not give you that. I have not got the foggiest idea.

Q. 1939?—A. I have not got the foggiest idea.

Q. 1940?—A. I could not give you that either. I can give you the current rate, last year and this year. Recordings went up 50 per cent.

Q. In the last year?—A. No, in the last two years.

Q. But you do not know what they were before that?—A. Well I know what they are now, and if you just deduct 50 per cent you have it. You see, Mr. Chairman, I had not the slightest notion of what this committee was going to ask. I could have brought trunks of files down here and I am trying to be helpful.

The CHAIRMAN: I am sure the committee do not feel that you are failing in the giving of evidence. You are doing very well.

Mr. REID: You are doing well, but I want to warn you about this committee. This is a tough committee, and it is a wonder that no one warned you.

The WITNESS: This is a very pleasant committee. Everybody has been very pleasant.

The CHAIRMAN: Will you continue, Mr. Hansell?

By Mr. Hansell:

Q. I would like to straighten out the rates between network, private or local stations? I asked before respecting live talent and I would like to get the same picture in respect to recordings. What is the rate if the C.B.C. puts on a sustaining programme, we will say a half hour musical recording on the network?—A. The C.B.C. do not do that.

Q. They do not?—A. No, the C.B.C. have not yet transcribed a programme to put on the air. Some of the American chains do it for the convenience of the artist.

Q. No, but the C.B.C. uses your transcriptions?—A. They pay the same cost as anybody. They do not pay any more or any less than the private stations do.

Q. That is the point, Mr. Chairman, and it is a very important point. The Canadian Broadcasting Corporation pays a rate for half hour recorded programme which goes over quite a number of stations. If a local station wants to put on the same programme they have got to pay the same amount.—A. Mr. Hansell, may I suggest to you that a radio station can operate about eighteen hours a day for something like $7.50 by using canned music made by us. We do not sell the C.B.C. recordings or transcriptions. They buy them from the commercial people who sell transcriptions and they make their own deal. We do not know what they pay for them from the distributors of recordings. We have no control over that, and we are only interested that our people get a proper fee when the recordings are made.

Q. That may be your interest, but some of us are interested in what the comparative figures are between the local stations and the networks?

The CHAIRMAN: Yes, but you cannot hold the witness responsible for not knowing that.

Mr. HANSELL: No, I am only trying to get information.

Now it is your turn, Mr. Gauthier.

The CHAIRMAN: I only felt that the two of you were going at cross-purposes.

By Mr. Gauthier:

Q. In connection with the question I asked Mr. Murdoch about A.M. and F.M. stations, about musicians going on at the same time on A.M. and F.M. stations, you said that the station should pay two fees to a musician going on at the same time on both stations.

The CHAIRMAN: That is for a recording?

By Mr. Gauthier:

Q. No, a live programme. Do you not think, Mr. Murdoch, as everyone here knows frequency modulation is in its infancy in Canada, it would delay the improvements of frequency modulation?—A. About eight years ago, Mr. Chairman, the executive board of the Federation were invited to meet in Chicago at the Palmer Hotel, and to see a demonstration of A.M. and F.M. It was a joint demonstration by the chains and their engineers made an explanation. They hired a large orchestra and they let us hear a standard radio and then they switched this orchestra to the F.M., and of course with the F.M. higher frequency you could hear the overtones and it was a very much better show. They told us they had spent so many millions of dollars in research; they told us that the manufacturers were prepared to make machines; and they said, however, they were sorry they had not provided anything at all for additional pay for the musicians who are going to make this thing possible by their playing. They said here is the present situation. There is FM down there and there are only so many machines in New York and Chicago. Here is standard radio at this point. We want you, the Federation, to give a double service to us until our F.M. advertising comes up to here (indicating) and A.M. comes to there (indicating). We want you to be good boys and not charge even though we have spent millions of dollars in research, and even although we intend to make millions of dollars out of the manufacture of machines, we do not want you to charge anything until those points have been reached.

That is the reason the Federation said "no, in this case we are partners. We are a part of your experiment and you pay us for the dual service if you want the dual service". That was in the United States.

Mr. REID: I have just one more question. I am sorry to go back to the former question but it is very important to me because I am thinking of our young people, our young musicians, and I think Mr. Murdoch gave an answer that if there were any young people such as I mentioned, why did they not hire a hall? Now why do not some of the musicians hire a hall? Why could some of the musicians not hire a hall and be heard? Many of our people feel keenly over this very question and when you talk about local autonomy I just wonder in whose judgment it would be left to give the decision?

The CHAIRMAN: Excuse me, Mr. Reid, I do not think by any stretch of the imagination that could be called a question to the witness, and if it is a question to the witness, it is not within his province to answer that. I think you are altogether too remote from that which we might think is relevant here.

Mr. REID: You are coming pretty near to breaking the good relationship between you and I, I may tell you that.

The CHAIRMAN: I should be sorry for that but the fact is that the question, if it is a question, is not anywhere near being in order.

Mr. REID: I am not going to accuse you of being biased but you are coming close to it.

By Mr. Beaudoin:

Q. May I ask the witness what has been the relationship between the union of musicians and the C.B.C. over the past year? Is your union satisfied or do you have any complaint to make?—A. Well, it would not be truthful if I were to say that our relations with C.B.C. have been rosy all the time. We have had many differences of opinion and both of us have been very frank with each other. However, I will say this; the C.B.C. has met the issues as we have presented them and I would say that our relationships have been reasonably satisfactory. They have been improving, sir, as the years go along. We had a conference, recently, for three days. We had Vancouver, Winnipeg, Montreal and Toronto represented. We sat around a table and we had a three day conference. A great

deal of good came out of that conference. I believe our relations could be greatly improved with the private stations if they would sit down and discuss their problems with us and let us discuss our problems with them as the C.B.C. has done.

Q. You said this morning that you had read hurriedly the proceedings of the committee. You probably noticed that some associations have come up before us and have recommended that a new board be set up, a regulatory body different from the C.B.C. Would you care to comment on that and tell us in what way your union may be involved under the new set-up? What is your reaction?—A. Mr. Chairman, I think I expressed myself this morning or this afternoon when I said that the present regulations were quite satisfactory if they were enforced. That is our attitude.

Q. Do you think that the present board has failed completely in the enforcement of the regulations?—A. No, I do not. I think they have been rather benevolent at times towards some of the private stations which we feel have abused the recording transcription and non-employment of live talent features. We feel when any applications are made from these stations that the C.B.C. should properly ask, "What is your record in the employment of live talent?"

Q. Your association thinks the C.B.C. should be more energetic in making the stations observe the regulations?—A. Quite right; you state it perfectly.

By Mr. Bertrand:

Q. Mr. Murdoch specified a moment ago the double charge for AM and FM quoted the United States conference at Chicago. May I ask if you think Canada should not be treated differently in order to help develop FM for the time being?—A. I do not think I should answer that question until the negotiations are completed with the C.B.C.

Q. There are negotiations with the C.B.C.?—A. Yes, there have been.

By Mr. Gauthier:

Q. And with the privately owned stations?—A. No, the only conference we have had I described this morning.

The CHAIRMAN: Are there any other questions?

By Mr. Ross (St. Paul's):

Q. Do you think the listening public get reasonably good service through the medium of recordings? You suggested that from the point of view of developing talent, of course, there should be more live talent used but do you think the listening public get good service from the recordings which are being put on by these various stations?—A. As a musician, I would say it is not flexible. The programme has to accommodate itself to the recording. In the case of live talent, properly rehearsed, it is an entirely different show. It depends on the ability of the listener to discriminate between them.

Q. These stations do get high class recordings?—A. Yes, we make them.

Q. Your people make them and these stations get these high class recordings and put them on. Do you not think the listening public get pretty good service? —A. Mr. Ross, I would not want to answer that question.

Q. They do get good service, do they not?—A. I don't know. They may or they may not. It just depends on their taste.

By Mr. Hansell:

Q. Have you heard any particular complaints from the public in respect of recordings?—A. Just the complaints you hear, Mr. Hansell, from time to time. Some people like a certain type of programme and others do not.

By Mr. Ross (St. Paul's):

Q. Do you think the average individual can tell the difference between a recording and live talent?—A. It is very essential that it be announced. That is one of the regulations which I should like the C.B.C. to enforce very strictly.

Q. That is not the question I am asking you. Do you think the average individual can tell the difference between a recording and live talent?—A. Yes, if they have a good machine they can hear the surface noise from the needle.

By Mr. Winters:

Q. In a case where there is a short wave and standard broadcast originating from the same studio, what attitude do you take in regard to fees?—A. They should be paid double for any FM broadcast.

Q. I am not speaking of FM, I meant the short wave and standard AM broadcast originating from the same studio?—A. That is another matter which is in the process of negotiation. I do not want to comment on it.

Q. That is a matter which has been outstanding for a long time?—A. That is right.

By Mr. Ross (St. Paul's):

Q. Do you think, in the smaller towns, it would be possible to give the listening public the same advantages in good music from local talent that you can get from recordings?—A. Certainly not, any more than the local preacher would preach the type of sermon you would get from somebody in a great cathedral. The same would be true of orators. You would not have many Brockingtons around. You would have your own talent and you would want to develop those people about whom Mr. Reid spoke, these young people in the town. Most of our great artists who are appearing started in these small towns.

I give you as an example Bert Pearl who was in Winnipeg playing a piano and doing newscasts for $15 a week. He moved to Toronto and, as you know, developed originally through the C.B.C., the Happy Gang. He is a very important feature.

By Mr. Hansell:

Q. There is just one more question which is not along this line at all. I do not know that it is important, but I will use Toronto as an example. You said there were about 2,000 of your members in the Toronto organization?—A. Yes, sir.

Q. What proportion of those would depend entirely on their musical talents for their livelihood?—A. I would say radio might employ, radio and the symphony might employ possibly 400. That is just a guess. Many of the other people are fine instrumentalists and have other avocations as was suggested this morning.

Q. You would say about 400 would give their entire time to radio broadcasting?—A. That is right.

Q. As a livelihood?—A. No, not radio alone, including the symphony. There are 83 people in the symphony.

The CHAIRMAN: I do not think you are together on that point. I think Mr. Hansell's question was, you have 2,000 musicians and to what extent are they supported by radio?

Mr. HANSELL: I was going to ask two questions. Mr. Murdoch brought in radio in his answer. My first question was what proportion of those musicians are dependent entirely on their musical talents for their livelihood?

The CHAIRMAN: Not radio, but music.

Mr. HANSELL: Yes. Then, my second question would be what proportion of those make their living entirely by radio?

The WITNESS: There is not anybody who makes his livelihood entirely by radio. These people not only play on the radio but they play in the symphony; they play in salon groups, quartettes and all the rest of it. There is not any musician who is entirely a radio musician.

The CHAIRMAN: Are there any other questions?—If not, thank you very much, Mr. Murdoch.

The WITNESS: Thank you, Mr. Chairman.

Mr. HANSELL: Before Mr. Murdoch goes, there is one small point I wish to mention. Mr. Murdoch suggested this morning that I did not like Mr. Petrillo. The record does not show that I made any such statement. What I said was in respect to the powers Mr. Petrillo apparently had. I said that some of us in Canada do not like that, not that we did not like him.

The CHAIRMAN: It is not a question of not liking Mr. Petrillo, but his actions.

Mr. HANSELL: He may be a very fine man. He is a little man and generally little men are pretty fine people.

The CHAIRMAN: Indeed, they are. It is said Charles the First was a fine husband and father and might have been a fine king if they had not cut off his head.

Gentlemen, at noon hour I received a letter and telegram which I have not read thoroughly, but I have a general idea of their contents. They both come from witnesses who appeared before us and they deal with the evidence these witnesses gave and some things which have developed about their evidence since. One is from *Radiomonde* or *Radio World*.

What is your pleasure, gentlemen, shall we take them as read?

Agreed.

RADIO PUBLICATIONS LTD.

RADIO WORLD

1434 St. Catherine St. West, Montreal

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July 2, 1947.

Mr. RALPH MAYBANK, M.P.,
Chairman,
Special Parliamentary Committee on Radio,
House of Commons,
Ottawa, Ontario.

DEAR MR. MAYBANK,—Thank you very much for the courteous reception accorded to me on June 18 and 19, when I appeared before the special parliamentary committee on radio.

For the past few months, Mr. Diefenbaker, a member of the committee has been quite concerned with the activities of *Radiomonde* and *Radio World*, two radio publications of which I happen to be the managing-editor. I had hoped to have the pleasure of replying personally to Mr. Diefenbaker's questions during my appearance before the committee. Unfortunately, Mr. Diefenbaker was away from Ottawa at the time due to illness and I had no opportunity to give him the information he requested.

However, I notice from recent *Hansard* reports of the committee's sessions that Mr. Diefenbaker is still asking the same questions and I would appreciate it very much if you would be so kind as to read this letter at your next session,

so that the committee in general and Mr. Diefenbaker in particular, may be fully informed of the true state of affairs concerning *Radiomonde* and *Radio World*.

(1) Mr. Jack Tietolman, who was granted a licence for radio station CKVL, in Verdun, Quebec, is neither the sole owner, nor the majority owner of Radio Publications Limited, the company which publishes *Radiomonde* and *Radio World*. Mr. Tietolman, is the owner of 48 per cent of the capital stock of the company and is vice-president of the board of directors.

(2) Mr. Tietolman's interest in these publications is strictly financial and never since their inception has he had any voice in the editorial policy of either publication. This is a right which I reserved to myself alone when I founded these publcations and has remained so ever since.

(3) Radio Publications Limited maintain advertising contracts with at least ten private radio stations, as well as with the Canadian Broadcasting Corporation. These contracts are all on the same basis. The radio stations purchase space in our publications and in return we purchase time on the air. At the end of each year, the accounts are balanced out.

(4) Neither the Canadian Broadcasting Corporation nor any of the private stations with whom we have advertising contracts, have ever attempted to influence our editorial policy. We sell them space in our publications, but not our liberty to say what we think! If any member of the committee would care to take the trouble to read the editorials in our publications, they would find that we criticize and commend without favour, any and all radio stations in accordance with our own views on the subject, enjoying the same prerogative of free speech as any other publication.

(5) Regarding the Radio Arts dinners in Montreal and Toronto, we might say that the arrangements we have with the Canadian Broadcasting Corporation are the same as those which we have with the private radio stations. The Toronto dinner was broadcast by the entire trans-Canada network of the Canadian Broadcasting Corporation and re-broadcast by station CFRB, Toronto, for the past two years. The Montreal dinner was broadcast simultaneously by the entire French network and 90 per cent of the private French radio stations in Quebec, with each organization setting up its own technical equipment and personnel.

(6) Neither the Canadian Broadcasting Corporation nor any private radio station has ever asked us for advance texts of the speeches to be delivered during the broadcasts. In both instances federal and provincial ministers and representatives of the Canadian Broadcasting Corporation and private stations were invited to speak, it being generally understood that these dinners were being held in honour of radio artists and that all speeches would be confined to their activities.

We trust that the above information will satisfactorily answer Mr. Diefenbaker's questions and set aside any misinformation which he or any other member of the committee may have obtained about *Radiomonde* and *Radio World*.

Thanking your for your courtesy and co-operation,

We remain,

Yours very truly,

MARCEL PROVOST,
Managing-editor,
RADIO PUBLICATIONS LIMITED.

1947, Jul. 3, p.m. 12.39.

MR. RALPH MAYBANK, M.P., OTTAWA,
Chairman Parliamentary Radio Committee, House of Commons, Ottawa:

The Canadian Association of Broadcasters feels the record should be clear and accurate on certain fundamental points mentioned in two submissions that made to your committee last week by Mr. A. Davidson Dunton, chairman of the board of governors of the C.B.C. and another submitted last week on Department of Transport stationery without signature.

It is not correct to assume as Mr. Dunton apparently did, that the C.A.B. brief to the parliamentary committee attacks the Canadian Broadcasting Corporation. It does not, nor does it suggest any interference with C.B.C. broadcasting activities. The C.A.B. brief in at least three places referred to continued operation of the Canadian Broadcasting Corporation as a broadcasting body. The C.A.B. brief suggested that were C.B.C. freed of necessity for regulating and enforcing regulations it could devote all its money and energies to fulfilment and even improvement of present broadcasting activities. The great majority of C.A.B. members favour existence of C.B.C. as a broadcasting body and this assocation is already on record to that effect before your committee and elsewhere. The C.A.B. brief was in no way an attack upon existence of C.B.C. as a broadcasting body, nor upon its management, operations, finances or productions.

The C.A.B. brief was concerned solely with fundamental matters of principle, clearly summed up on the last page as follows:—

> For reasons given we urge that the public interest requires:—
>
> 1. The firm establishment of the legal right to freedom of expression on radio similar to the legal right to freedom of expression in print.
>
> 2. An independent radio licensing and regulatory body appointed directly by, financed by and responsible directly to parliament with power to license and regulate all radio in Canada.

Mr. Dunton referred to certain statements made in the C.A.B. brief as "erroneous" or "not true". These statements in the C.A.B. brief were backed by exact quotations from the Broadcasting Act, the Radio Act, and published regulations. We leave these Acts and the regulations to speak for themselves. It is not accurate to say that C.A.B. had failed to indicate intent to make its recommendations. Similar suggestions have previously been made by this association to your committee. At a meeting with C.B.C.'s board of governors in Ottawa in May of this year our representatives advised them of our desire for an impartial licensing and regulatory authority, read substantial portions of the brief later presented to your committee, and asked C.B.C.'s board of governors to join us in making the request. We felt then, as now, that such a body would be in the public interest and that the request for it deserved the support of everyone vitally interested in democratic regulation and freedom of speech.

It is not accurate to say this association had refused to accept the principle of public meetings of C.B.C.'s board of governors. This suggestion was made, and did not appeal to our representatives as fully meeting the necessary requirements for democratic regulation, we replied that the suggestion was inadequate and did not go far enough, that the only sound method is appointment of a fully impartial licensing and regulatory body possessed of judicial independence. Nor did our brief confuse the terms "broadcasting" and "radio" as suggested in the unsigned statement filed on Department of Transport stationery. Our recommendation was quite clearly that the impartial licensing and regulatory body should include under its jurisdiction all forms of radio.

Point was made of the diverse uses of radio making it increasingly vital that necessary regulation be exercised by one body, judicial in its independence, and holding public meetings.

Such a body would probably absorb the excellent technical staff of the radio division of the department of transport and other appropriate engineers. It would be fully competent to represent Canada at all international Radio conferences as the F.C.C. (a similiar body) now represents the United States.

Broadcasting may represent only 8 per cent of the frequency spectrum in an engineering sense. It represents close to 100 per cent considered in terms of listeners, general availability, and so far as dissemination of news, information, entertainment, and opinion is concerned.

While the Radiotelegraph Act has from time to time been amended, its fundamental philosophy remains that of marine communication as use of such words as watches will show in reading it.

While independent stations have been invited to send representatives to international radio conferences, their status has always been that purely of observers, in arriving at points of policy, representatives of other nations invariably consulted in advance with broadcasters: such arrangement has never been made with representatives of Canada's independent stations.

The Canadian Association of Broadcasters cannot prepare a detailed reply to the two statements in question before this committee finishes its sittings. We should like it understood that we do not concur in a number of other statements made in the two briefs in question, but are prevented by the time element from dealing with other than fundamentals.

H. S. DAWSON, *Manager,* CANADIAN ASSOCIATION OF BROADCASTERS.

We will now call Mr. Caton, of the radio branch of the Department of Transport.

Mr. W. A. Caton, Assistant Chief Radio Inspector, Department of Transport, called:

(Mr. Beaudoin assumed the chair.)

The VICE-CHAIRMAN: Well, gentlemen, I think Mr. Caton is ready to answer your questions.

Mr. FLEMING: Mr. Chairman, Mr. Caton's brief is already on the record so I think that we can start right in questioning on it. I am asking, or proposing to ask certain questions with reference to this brief.

By Mr. Fleming:

Q. You have knowledge of the brief?—A. Yes, sir.

Q. Can you tell the committee who prepared the brief?—A. Yes, sir; Mr. Browne prepared the brief.

Q. Did you have anything to do with it?—A. Yes, sir; all the administrative officers of the division more or less took part in it. This brief is the outcome of what I might say would be the views of Mr. Browne and his officers, and it is only their opinions. It was prepared on the basis of being factual information for the committee. The origin of it was, that Mr. Browne was called away before he had time to finish what he thought he had to do here. He had an urgent message from Atlantic City, important decisions were pending, and he could not spare any more time, so he prepared this brief, basing it upon some factual information that we had prepared by one of the officers of the division last year on radio administration; and while I am not acquainted with Mr. Browne's thoughts, nevertheless he left me certain instructions; and they were

that this brief was to be stencilled and made ready for the committee and presented to the committee when and if the committee wished to have it, so that as factual information it would be there for them.

Mr. FLEMING: Mr. Chairman, we can not undo what has been done in the past. The brief has now been put on the record. I would like to ask you then how opinions got into this brief which you say was intended to be factual in nature.

The VICE-CHAIRMAN: To which opinions do you refer?

Mr. FLEMING: Opinions are expressed all the way through it.

The VICE-CHAIRMAN: On what pages do the opinions appear?

Mr. FLEMING: There is opinion comment all the way through it; opinions are expressed, for instance, on the C.A.B. brief.

The VICE-CHAIRMAN: To which particular sentence of the brief do you refer?

Mr. FLEMING: They are scattered all through it, Mr. Chairman.

The VICE-CHAIRMAN: Yes, I know. I have tried to go through this brief but I have not had an opportunity of reading it all. It seems to me that there are many headings which are certainly not concerned with opinions such as those to which you refer. Would you give me an example of some of the sentences you have in mind, such as the one to which you referred in particular?

Mr. FLEMING: I do not want to tie myself down to one example. There are many statements in this brief that I would consider to be statement of opinion; and they comment by way of opinion on the statement of the C.A.B. brief, which I think is a statement of opinion on their part.

The VICE-CHAIRMAN: Are you referring to questions such as this one on the first page:—

One finds it extremely difficult to undust and, etc.

Mr. FLEMING: That is one of the very many.

The VICE-CHAIRMAN: Are they all of the same type?

Mr. FLEMING: Not necessarily all of the same type, but opinions. The witness understands what opinion is, and to what I am referring in the brief. Surely you can have that answered. You understand my question, Mr. Caton; you can answer it?

The WITNESS: Perhaps I need to add a little to what I said before. Mr. Browne had every intention of being back here and he expected that this committee would run at least another week and that he would be back within two weeks. He instructed me that should he not be back and that should the committee desire information I should appear and answer questions. Now, these are the opinions of technical men in the radio division on points on which our technical people have definite opinions. They may be opinionated in some respects, but I think the theory was that the scope of the inquiry here in the committee had digressed or was about to digress materially from broadcasting, and inasmuch as broadcasting is only one part of the administrative activities of the radio division we felt that some information should be available to the committee in regard to advice.

By Mr. Fleming:

Q. Do I understand then that it was on Mr. Browne's responsibility that the scope of this brief is what it is, including opinions as well as what you would call factual information?—A. That is it.

Q, And Mr. Browne has undertaken to offer this opinion. Because he felt that the inquiry had started to drift away from broadcasting?—A. Yes, and it was unfortunate that it came out that way. I can't help but think it was due

to a misunderstanding because our desire was only to give it to the committee for such use as they might desire to make of it. It certainly wasn't intended as a rebuttal to representations that had been made.

Q. We will put it on that basis then. Who were consulted in its preparation; anybody outside of the technical officers of the radio division?—A. No, sir.

Q. Was the minister consulted initially, or the deputy minister?—A. Not to my knowledge.

Q. Was this matter discussed with the C.B.C. at all?—A. No.

Q. On page 7, about halfway down the page you say—the paragraph beginning, "on the subject of the independent board for the control of radio broadcasting, there is one angle which I believe has not been brought to the attention of C.A.B. who are sponsoring this innovation in Canadian control of broadcasting, namely, the cost to the applicant." To whom does Mr. Browne refer when he uses the personal pronoun "I" in that paragraph?—A. That is Mr. Browne.

Q. That is Mr. Browne speaking there?—A. He wrote this.

Q. He prepared it gratuitously, I think, because I do not find in the record any request for these opinions.—A. I understand, sir, that he had talked to—I presume—the chairman, and he suggested that Mr. Browne might prepare factual information, and that as he would be back he could submit it for the committee to consider whether they wanted it or not.

The VICE-CHAIRMAN: He spoke to me, as a matter of fact. Because he was not satisfied as to the manner in which he was answering some questions which had been asked of him, he came here in a hurry from Atlantic City and appeared almost immediately, he had no opportunity of preparing himself and was not satisfied with the manner in which he had hastily answered questions, and he said to me, I believe I will prepare something; he told me that he would prepare some sort of general observations with whatever his division was concerned about. That is what happened. It was sent to the clerk of the committee, and you will recall that at one of the meetings of the committee it was presented and filed and copies were distributed to the members.

Mr. FLEMING: Was that to be on the basis of a factual statement?

The VICE-CHAIRMAN: It was not on any basis at all. There were a pile of documents to be filed.

Mr. FLEMING: I mean, your discussion with Mr. Browne.

The VICE-CHAIRMAN: Absolutely.

Mr. FLEMING: Factual information, not opinions.

The VICE-CHAIRMAN: No.

Mr. FLEMING: I think he has gone far beyond even the scope of his discussion with you.

The VICE-CHAIRMAN: I agreed with you as soon as I read this paragraph.

By Mr. Fleming:

Q. As it appears to be the opinion all the way through. Are you in a position to comment, Mr. Caton, in a general way? I do not propose to take you in detail over these things, because I do not think they are properly in this brief and I do not think they are properly before this committee. I want to ask if you are prepared to answer some questions in general about the functions of your department.—A. I will do my best.

Q. It is indicated here that there are some functions of your department that must be discharged in any event, no matter what happens in the way of transfer of the regulatory powers of C.B.C. to another body?—A. Yes.

Q. And that this administrative work, this technical work you do must be done by somebody?—A. Yes.

Q. You are saying here in effect in this brief, or at least Mr. Browne is saying, as I follow it, that this is technical work which only your radio division is qualified to do at the present time. That is correct, is it?—A. Yes.

Q. If any of the functions that are presently discharged by your radio division should be assumed by some independent regulatory body I take it there is no difficulty in the way of recruiting the necessary engineering staff from your radio division for the purpose, if necessary.—A. I would not think so except that the whole radio picture is interlocked so closely that it is very difficult to disassociate a part of it.

Q. It might be a case of taking over entirely in favour of some public body the functions now exercised by your radio division, but you are not setting that up as a great obstacle to the transfer that has been suggested.—A. That is a matter of policy as affecting the transfer of the functions of the radio division to somebody else . . . .

Q. If the functions were transferred then the staff could be taken over by the transferee.—A. Presumably.

Q. There is one subject that is dealt with in your brief that I think is properly within the scope of the author of the brief on the technical questions. It begins at the bottom of page 5 and goes over on to page 6. He is talking about the power of stations, the different classes of stations, and we have a reference here to class 2 stations and class 3 stations under the Havana Treaty. You are familiar with that subject, Mr. Caton?—A. Yes.

Q. I take it you are familiar also with the ceilings that have been imposed by the C.B.C. on the strength of privately owned and operated stations? —A. Yes, sir.

Q. How does that tie in with the Havana Treaty? You are speaking about limits here, and at the bottom of page 5 you are quoting from section 6 (*a*) of the treaty which reads:—

> For the purpose of estimating objectionable interference all stations (other than those of class 2) shall be assumed to use the maximum power permitted to their respective classes.

I think you will agree that means permitted under the treaty?—A. That is right.

Q. What is the power permited by the Havana Treaty to stations within class 2?—A. Class 2, 250 to 50,000.

Q. 250 to 50,000 watts?—A. That is right.

Q. And then class 3? It is the Havana limits I am asking for now. —A. 500 to 1,000 for 3-B; 1,000 to 5,000 for 3-A.

Q. That is 500 to 1,000 for A.—A. B.

Q. What is 3-B?—A. 500 to 1,000; that is the lower limitation.

Q. What was 3-A?—A. 1,000 to 5,000.

Q. 1,000 to 5,000 for 3-B and 500 to 1,000— —A. It is 500 to 1,000 for B and 1,000 to 5,000 for A.

Q. How do those compare with the limits permitted to those stations by the C.B.C.? Take class 2, for instance, which under the Havana Treaty can be 250 to 50,000.—A. I do not quite understand.

Q. You know that the C.B.C. has put a ceiling on these stations. We were told that 5,000 watts was the ceiling.

The VICE-CHAIRMAN: You are referring to the regulation whereby a private station cannot have more than 5 kilowatts?

Mr. FLEMING: The ceiling put on the power of the privately owned and operated stations by the C.B.C.

The WITNESS: Of course, class 2 are excluded from that, but as to the others I still do not quite appreciate what you mean.

By Mr. Fleming:

Q. All right, let us make it as plain as we can. We will forget about class 1-A because we know they are 50,000 plus. Class 2 under the Havana Treaty can go to 50,000 watts but under C.B.C. regulations they are allowed to go only to 5,000. Is that correct?—A. Yes.

Mr. R. Maybank resumed the chair.

By Mr. Fleming:

Q. Now, class 3-A are allowed to go up to 5,000?—A. Yes.

Q. And class 3-B to 1,000. The C.B.C. permits full strength under the Havana Treaty to be taken advantage of in class 3; is that correct?—A. Yes, of course.

Q. In the case of class 2 the C.B.C. is not permitting the stations in class 2 to go up to their full permissable strength under the Havana Treaty? That is correct?—A. It is not always practical for them to do it.

Q. I am not asking for the reason. I want to get the fact. The C.B.C. does not permit class 2 stations to go to the full strength allowed by the Havana Treaty?—A. That is correct.

Q. What is the effect of that? What happens in the case of—

The CHAIRMAN: Just a moment. What you have just said there is a matter of record, is it? It is not in the witness' department. You say that the C.B.C. does not permit so and so. That is not his question, is it?

Mr. FLEMING: He is familiar with it. This matter of strength is dealt with in his brief.

The CHAIRMAN: It is one of those indisputable propositions, is it?

Mr. FLEMING: Yes, and the witness is familiar with it because the matter of strengths is a matter for the radio division of the Department of Transport as well as the C.B.C. He is familiar with them and it is in his brief.

The CHAIRMAN: The only thing is when you said that the C.B.C. does not permit so and so, I thought it was within their province to answer the question relating to what they permit and do not permit.

Mr. FLEMING: He knows that and we know that. It was testified repeatedly last year that 5,000 watts is the full strength permitted under the C.B.C. ceiling.

The CHAIRMAN: I think I was probably wrong in interfering there.

By Mr. Fleming:

Q. I am asking Mr. Caton as to the effect of the refusal of the C.B.C. to permit these class 2 stations to go to their full permitted strength under the Havana Treaty. We will take any class 2 station which under the Havana Treaty can go to 50,000 and is held to 5,000 by C.B.C. regulation. Other stations, we will say, scattered throughout the United States—and they may be in other parts of Canada—come in on the same or a neighbouring frequency and then start increasing up to 50,000. What is going to be the effect on the Canadian station privately owned that is held to the ceiling of 5,000 watts?—A. I do not see how it could have a great deal of effect because those stations are protected to a certain contour. If other stations go up they must provide protection to the stations which have the classification under the treaty.

By Mr. Beaudoin:

Q. Was there a provision under the treaty as to that protection you are talking about?—A. Yes.

By Mr. Fleming:

Q. Just a moment. Look at the bottom of page 5 of your brief where you quote from section 6(*a*) of the Havana agreement.

> For the purpose of estimating objectionable interference all stations (other than those of class 2) shall be assumed to use the maximum power permitted to their respective classes.

What I am pointing out to you is that the C.B.C. or your department as the regulatory bodies in Canada, and the F.C.C. in the United States, in granting to another station that wavelength, class 2, must treat the existing Canadian station as having increased to the full permissible power under the Havana Treaty, and an exception is made by the Havana Treaty in the case of class 2. —A. No, Mr. Fleming, the fourth paragraph—

The CHAIRMAN: Do you mind if I break in there before you answer that? It is the time for adjournment, gentlemen. The committee's report this morning was to the effect that we should sit twice to-day. We only had notification to sit twice to-day. I know there has been some mention about an evening sitting, but as the matter stands at the present moment when we adjourn at 6 o'clock as we should, we would adjourn until 2.30 to-morrow for executive session. That is the way we stand. It is my duty to draw that to your attention.

Mr. FLEMING: I think we all agree we want to finish up the evidence, or live talent, as you have called it, to-day so that when we go into executive session to-morrow we can get down to the writing of the report because with the announcement made by the Prime Minister to-day we want to aim at a week from Saturday. I would move therefore that we meet at 8 o'clock to-night with a view to finishing up Mr. Caton and the C.B.C. witnesses.

Mr. GAUTHIER: Are there many other questions to ask?

The CHAIRMAN: Yes. We will not get finished to-night. I mean we will never be finished asking questions, anyway, but we can always ask more in two hours than we can in thirty minutes.

Mr. HANSELL: It is obvious we are not quite through. We are not through with the present witness, and we have to have Mr. Dunton and Dr. Frigon back again. It seems to me we should meet tonight or else meet tomorrow morning.

The CHAIRMAN: What is your will, gentlemen?

Mr. FLEMING: I would suggest to-night.

The CHAIRMAN: Would you make it 8 o'clock?

Mr. BEAUDOIN: We shoud undertake at least to finish to-night and go into executive session to-morrow, as has previously been decided.

Mr. FLEMING: So far as I am concerned I should say I am at least half way through with the present witness. As far as the C.B.C. witnesses are concerned I will keep my questions down to a very few. I am sure we can finish to-night.

Mr. BEAUDOIN: Your questions may be very few but the answers may take hours.

Mr. FLEMING: Not if the answers are as short as the questions.

Mr. BEAUDOIN: You cannot guarantee that. Let us undertake that we will do our best to finish to-night. We have got to finish to-night.

Mr. BENTLEY: When we held our meeting this morning it was agreed by the committee that we would accept the recommendation of the steering committee. I do not see any reason why we should not. I am inclined to agree with others you can go on and on asking questions, but there are other important matters members have to deal with. There will be private members' hour

from 7 to 8. There will be other matters coming up which we are all interested in. I do not believe we will get much more information here than we have. As far as the questions I submitted to you this afternoon I can get the answers to those in the House on the order paper. I am opposed to sitting to-night because of those reasons. We have other things to do.

Mr. FLEMING: I want to speak moderately on this subject, but I think we will be turning aside from our duty if we do not complete the hearing of live evidence. If we simply close off the answers now we are closing it off without having taken evidence that ought to be taken, and can be taken to-night. Mr. Bentley has referred to the recommendation of the steering committee about meetings. We recognized in the steering committee that we probably would not finish by 6 o'clock to-night. We discussed the matter of holding an evening session. We did not want to encourage the holding of an evening session if it were not necessary, but we did agree among ourselves that if we did not finish the evidence by 6 o'clock we would agree to support—we spoke only for ourselves as individuals on the steering committee—a motion to have an evening sitting in order that we may finish to-day and leave the way clear at to-morrow's meeting for an executive session to get on the report.

Mr. BENTLEY: I can see some validity in the argument of Mr. Fleming. On the other hand, if the members of the steering committee agreed that way among themselves as private individuals in conversation and did not recommend it to the committee, it may be they had in their minds that perhaps some might take up more time on questions than others. Others have not asked questions in order to facilitate the work of the committee so as to end it at 6 o'clock. The result is that now we find these members of the steering committee want to continue to-night in spite of the decision agreed upon this morning.

Mr. FLEMING: It was not a decision.

Mr. BENTLEY: A decision was made this morning to accept the recommendation of the steering committee which was to sit twice to-day.

Mr. FLEMING: There was not any recommendation against an evening sitting.

Mr. BENTLEY: Their recommendation was to sit twice to-day, if I remember correctly.

Mr. FLEMING: There was not any recommendation against an evening sitting.

The CHAIRMAN: There was not any recommendation but we decided on two meetings to-day.

Mr. BENTLEY: We have had two.

The CHAIRMAN: The recommendation, as I say, did not deal with an evening meeting. There was a private conversation or there were private conversations as Mr. Fleming says, but the report is correctly drafted, and it does not say two meetings because two meetings had already been decided upon. It says we would finish the examination to-day and go into executive session to-morrow. That brought me to this point. I have pointed out gentlemen, when we adjourn Thursday we adjourn to an executive session and that is the position I find myself in.

Mr. BENTLEY: I will not argue any more but I oppose it.

The CHAIRMAN: It is quite clear when we adjourn Thursday that we adjourn for that purpose and that we should have no more questioning. Of course it is also a fact, even after the executive session, we may have questioning, but of course there might not be very much time left.

Mr. FLEMING: I suggest Mr. Bentley that we are not going to save time be trying to cut off the evidence now. We can, with general co-operation, finish

to-night there is no doubt. But we are not going to save any time, I can tell the members that, by trying to close it off now. It would be very much better and be doing our duty properly if we had a session this evening.

Mr. BEAUDOIN: I do not think you add anything to the value of your argument by talking about our duty.

Mr. FLEMING: I move Mr. Chairman that we meet at 8 o'clock.

Mr. BENTLEY: There has been questioning of the witness for some time on matters with which I do not agree. One was a statement that is supposed to be a matter of opinion, but that opinion is not mine. Now if we are going to go on with this I feel I would like to get my information. I do not want to hold up the report but we can go on this way for days.

Mr. HANSELL: It is obvious that we are not finished and that Mr. Bentley has more questions to ask Mr. Dunton.

The CHAIRMAN: Mr. Bentley says as far as that goes he can get along without them.

Mr. HANSELL: I have not any questions now but it is obvious that we are not through.

The CHAIRMAN: I do not think any person would be able to say after all of these meetings are over that there has been very much cramping of style in the asking of questions. I think the record will disclose that there has been a very large number of questions asked, many of which I believe the questioners would consider now had occupied more time than was necessary. Over and over again you will recall that I have said let us try to push on and that we have not very much time. That occurred on numerous occasions to-day. Of course, I have no dictatorial power to force things along and I am not arguing one way or another on the matter now. If we adjourn, when we adjourn finally on Thursday we adjourn to an executive meeting at 2.30 p.m. to-morrow. It is, of course, possible at a later time after the executive session that some person would desire to get some additional questioning done, but that is not the point at the present moment. The present matter is Mr. Fleming's motion to sit to-night and Mr. Fleming has correctly stated the private arrangement made when the committee were together. Now are you ready for the question?

Mr. HANSELL: The question is on a sitting to-night?

The CHAIRMAN: If you fixed it at 8 o'clock I think your motion would be better if you had a definite hour. Would you state the hour?

Mr. FLEMING: It is just that from 7 o'clock until 8 o'clock in the House there are private bills?

The CHAIRMAN: Well, are you ready for the question?

Mr. ROBINSON: If we are sitting to-night does that finish the questioning once and for all?

The CHAIRMAN: You could never depend on that.

Mr. ROBINSON: If we are not going to finish the questioning to-night, I am very much opposed to sitting. If we have a general understanding among the members of the committee that we will finish to-night, I think we should do so.

Mr. FLEMING: I am agreeable.

The CHAIRMAN: Mr. Fleming would it not be an advantage if you fixed a cut-off hour for to-night's meeting in your motion? Would not an hour and a half be plenty?

Mr. FLEMING: I do not know how many more questions there are, but I will be very brief.

The CHAIRMAN: I think if you have not got a cut-off hour you are going to be sitting long after midnight.

Mr. FLEMING: Let us say ten o'clock.

The CHAIRMAN: Let us say an hour and a half; don't you think that will be plenty?

Mr. BOWERMAN: Mr. Fleming may take an hour and a half and there may be other members who desire to ask questions.

Mr. FLEMING: I give you my assurance I will be very brief.

Mr. BOWERMAN: If we fixed it at an hour and a half, there would be no questions asked after that.

The CHAIRMAN: Give me a period, shall we say an hour and a half?

Mr. FLEMING: All right, Mr. Chairman.

The CHAIRMAN: Is that part of your motion then?

Mr. FLEMING: If you want to put it there, you can put it that way.

The CHAIRMAN: I think it will be better to have a period set. The motion is to sit to-night from eight to nine thirty. Are you ready for the question, then? All those in favour? Opposed, if any?

Carried.

The committee adjourned at 6.15 p.m. to meet again at 8.00 p.m.

EVENING SESSION

The committee resumed at 8.00 p.m.

The CHAIRMAN: Order, gentlemen; I see a quorum.

When we adjourned I think Mr. Fleming was asking a question of Mr. Caton and I think he had got to the point of having asked the question and then stopped without the answer; isn't that right?

Mr. FLEMING: Yes, Mr. Chairman. I was wondering whether it would be easier to turn up the question or perhaps start all over again.

The CHAIRMAN: I think I interrupted as the answer was about to be given.

Mr. FLEMING: Yes. I was asking about the effect on class II channels of not being able to increase power.

The CHAIRMAN: I will ask Mr. Beaudoin to take the chair.

(Mr. Beaudoin assumed the chair.)

By Mr. Fleming:

Q. You recall, Mr. Caton, that I was asking you about the effect on class II channels of not being able to increase their strength up to the maximum allowed under the Havana treaty?—A. Yes.

Q. I think you agreed with me, did you not, that the fact that the station was not allowed to build up to its allowed power and other stations for instance in the United States are assigned the same frequency, that makes it more difficult or might make it more difficult for that station later on to build up to its full strength if it were allowed to without encountering interference?—A. It means the use of directional antennae. It would be difficult, yes.

Q. In other words you encounter interference or you would have to use directional antennae to take care of it?—A. You have to protect other stations from interference because you have a contour that you have to protect, just the same as the other fellow has to protect you. When you increase power you still have the same protection at that point.

Q. Did you say that under the Havana treaty the first man in the field in a class II frequency retains his right which he would have if he built up to his full strength even before he does so build up?—A. No, I do not think that. I think that if he goes on, say, with a stipulated power he has a prior right to that power. If any other station comes on and comes on with a set power he must protect the first station, but if the first station raises its power he has to protect the second station in that particular direction of that other station.

Q. That is just the point; we'll say station A is a Canadian station with a class II frequency and the C.B.C. instead of allowing it to build up to the strength allowed by the Havana treaty, which is 50,000 watts, allows them to build up to only 5,000 watts; and the station, or we will say two or three stations in the United States are later assigned the same frequency; now, you say that they have to protect the Canadian station up to the Canadian station's 5,000 watt strength?—A. Yes; it has to be protected to the treaty contour.

Q. But not up to 50,000 watts?—A. No. It is 2·5 millivolts, that is in power.

Q. Then, if the Canadian station later on attempts to increase its power the Canadian station must protect these American stations up to the limit of their strength in respect to this increase?—A. Yes, but it does not stop him from increasing?

Q. Oh, yes; but it might impose upon him the necessity of building directional antennae?—A. Definitely, yes.

Q. In other words, in that event, the Canadian station would have to build directional antennae, not the American station, I take it?—A. Yes, that is true; but also remember that any class II station is required to use a directional antennae for anything above say 1,000 watts, because they are sharing a 1-A channel.

Q. What I want to get at is the interpretation of your radio division of this Havana treaty clause 6(*b*) because I understand that perhaps Dr. Frigon would say a word on this later, that there has been a little dispute, a difference of legal opinion on the significance or interpretation of the treaty?—A. Yes, I know that.

Q. I understand that the interpretation put on by the radio division of the Department of Transport is that the Canadian station in class II is protected up to the full allowable strength under the Havana treaty but at any time only up to the strength it actually uses?—A. At one point, in one direction; the contour, in other words. You are talking about strength or power; he can go up to 50 kilowatts if he wants to, but the fact is that if he goes up to 50 kilowatts he must not radiate a greater signal in the direction where he has to afford protection than he did under his lower power.

Q. I am dealing with the question of who bears the onus of providing the directional antenna in the Canadian station which is kept down by the C.B.C. regulations to a strength lower than that allowed by the Havana treaty?—A. The station on that channel has to protect the others to the contour specified in the agreement. That is my personal opinion.

Q. It is not your personal opinion I want, it is the interpretation of your department that I want.—A. As I understand, that is the interpretation.

Q. Now, let us look at the text of the treaty. You quote a part of section 6(*a*) of the treaty on page 5 of your brief.—A. Yes.

Q. I want to take the whole of the section. It reads:—

Excerpt from full text of North American Regional Broadcasting Agreement:—

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 1-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.

If you are familiar with it you will be able to answer the questions yes or no, Mr. Caton. Does the radio division of the Department of Transport interpret section 6(*b*) of the Havana treaty as applying to class II stations?—A. That has been a contentious point. That has been a point of, I would not say of disagreement but, of misunderstanding. I think I am quite safe in saying that the department reads that as if class II stations were included in that second paragraph as it is in the first.

Q. You say "included"?—A. "Excepted", I mean; as if with respect to class II stations the same phrase was incorporated into that paragraph.

Q. In other words, there is an exception made from the fact that 6(*a*) has it and it is not in 6(*b*)?—A. That is the way I understand it.

Q. So that this provision does not apply in the interpretation by your department to class II stations.—A. Yes.

Q. That is correct?—A. That is correct.

Q. That is what I want to get at, and I wanted to ask Dr. Frigon about that because I believe he has a different interpretation. I want to get his interpretation on it as well as yours. Now, I take it that your interpretation is that in the case of class II stations that the Canadian stations which are being held down now by the C.B.C. regulations to a lower strength, to a lower intensity if you prefer to call it that, than the Havana treaty would permit them, are risking a loss at least on the clearance of the present channels for other stations?—A. They can go up and they can increase power, they can put their power up to the limit allowed, but they have to limit it in specific directions; they still have to protect the stations in such directions just the same as with the lower power.

Q. That is the point. The C.B.C. applying this ceiling of its own to privately-owned stations is risking a loss in the case of the frequency held by those stations in the event of an American station coming in on that frequency later on; and when it comes to a case of raising the power later the burden will be on the Canadian stations to provide the directional antennae?—A. Oh, yes, but I do not think there is a loss because they can move the location of the station so as, perhaps, to concentrate greater power in the area where they want to concentrate it.

Q. The more American stations that come in, the greater is going to be the difficulty of the Canadian station later on?—A. But not a power limitation in those directions. They have the 2·5 milivolt protection.

Q. Had we better use the word "intensity"?—A. Of course, you understand, Mr. Fleming, all we are using are class 1-A Mexican channels. We cannot go on the United States 1-A channel with class 2 stations at a closer distance than 650 miles from the border.

Q. We are dealing with class 2 stations?—A. Class 2 are secondary stations on class I channels.

Q. There has been this confusion or difference of opinion as to the interpretation of section 6 (*b*) of the Havana agreement and that is what I wanted to get at. Those are all the questions I have of this witness, Mr. Chairman.

The VICE-CHAIRMAN: Are there any other questions or are we through with Mr. Caton? Thank you very much, Mr. Caton.

By Mr. Ross (St. Paul's):

Q. In connection with your class 3 stations; if a class 3 station got in the field first and built up to whatever power was allowed it would not have to put in a directional antenna at all, would it? If it was in the field first?—A. It depends a lot on the station, I think Mr. Ross. For instance, we have this station at Kelowna and one at Winnipeg. There was an agreement or treaty in effect in 1932 based on empirical values, so much separation between stations. Now, the old CRBC would not allow that station to increase power beyond 100 watts because of this treaty or agreement which stipulated this mileage separation.

When the C.B.C. came into being, they recommended an increase of 1,000 watts to which this station went. Still, the station was getting more protection to its power because it was a one milivolt contour to which it was protected. When the Havana treaty came into effect a lot of stations had to give up some of their coverage, not only in Canada but in every other country. That was the purpose of the treaty, to make room for more stations, and to distribute the interference more equitably. That station suffered more interference but it was protected to its 2·5 milivolts contour. Now, that station could go to 5 kilowatts, but it also has to protect the station in the United States which is on the same channel as if he were operating one kilowatt in their direction. He would have to do that same thing in 1936 or 1934, whenever he went to 1,000 watts. Then, the station could go to 5 kilowatts. It would still use directional antenna and only radiate one kilowatt in the direction of the other station.

Q. Is it not a fact there are some stations in the United States that have been put up before ours in class 3 or other classes which make it impossible for us to use the same wavelength because of the interference in the United States at the present time? This is true because they were in the field first?—A. Not where we have the facilities occupied.

Q. But where they were in the field first, where they were granted licences in the United States. I have a recollection that Professor Bayly said in his statement here he was looking around and found other stations in the United States. I think Rochester was one but he said he could not use these wavelengths although they were assigned to Canada under certain conditions because of interference from stations in the field first?—A. I certainly would not question what Professor Bayly said. I think there is an explanation. The Canadian stations did not make use of those facilities with any power. In other words, if they had applied for the channel with a properly designed directional antenna, there would have been no technical reason why they would not have had the station.

Q. And would have been protected if they had applied first?—A. Yes.

Q. Now, those channels are occupied by the United States and therefore are lost to Canada?—A. I think if they had applied in time or had occupied it with a one kilowatt station they would have had their protection established.

Q. They were not occupying the channel and the United States was occupying it?—A. That is right.

Q. There was interference in Canada and therefore that station is lost to Canada. It is impossible to build that station because there is interference. Is there any way that the station in the United States can be made to put in a

directional antenna in order to reclaim that wavelength for Canada?—A. No, sir. Had the Canadian station applied for the facilities with the proper directional antenna, I have no doubt they would have got it.

Q. Were there any applications made for these stations which were turned down at that time?—A. There were stations turned down. I think that Canada, at the Havana agreement, got out of the deal more facilities than we had stations to occupy. There were many applications, but no applications firmly established with technical briefs affording directional antenna which would allow the use of the channel. I think the weakness was in the lack of the engineering preparation in the submissions.

Q. Was it not rather in the lack of encouragement, possibly, which these people got when they put in their original application?—A. I cannot say that, sir. So far as we are concerned it was a technical matter.

Q. I think I asked this question before. What were the steps in applying for an application? I think I asked that. Would you not ask the C.B.C. first of all, before you went ahead with anything, to get their green light? I do not know, but I do not think anybody wants to spend a lot of money on a technical brief unless he can be pretty sure he is going to get it. Do you think that had something to do with the lack of firmness of the applications which were put in?—A. I do not know. I am afraid I could not answer that.

The VICE CHAIRMAN: Thank you, very much, Mr. Caton. Shall we hear now from Mr. Dunton and Dr. Frigon?

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

The VICE-CHAIRMAN: Gentlemen, it was pretty much agreed this afternoon that as soon as Mr. Dunton took the stand he would answer the questions which were put by Mr. Bentley.

Mr. FLEMING: I did not know that.

The VICE-CHAIRMAN: Would you go on, Mr. Dunton, it will only take a few minutes?

The WITNESS: Shall I just read them one by one.

> How much time has the Canadian Broadcasting Company given in its public service programmes in the past six months, how much time is scheduled for trade union programmes for the remaining six months of this year on—
> (*a*) On the national network in Canada;
> (*b* On its regional networks, in each region;
> (*c*) On its major stations in Halifax, Sackville, Quebec City, Montreal, Ottawa, Toronto, Winnipeg, Watrous and Vancouver?

I would like to explain first that the C.B.C. has very few, if any, programmes programmes of many different kinds and some, of course, deal with public issues. We may have someone who is supposed to be speaking from a particular in which the time is just given over to any organization. We produce many viewpoint, for instance, the forum programmes like the Citizens' Forum and in it there may be labour leaders who appear and will naturally speak from the labour point of view. There are other programmes such as the Points of View programme on Thursday evenings, where usually two or three points of view are given by different speakers, usually contrasting or opposing points of view on a subject. There may be special programmes for special occasions such as Labour Day. On the national network I can think of several Citizens Forum programmes in which labour people have appeared on one side. There was a

particular series of two Citizens Forums, Labour Business and Government, on which Mr. Conroy appeared, with business representatives on the other side. Mr. Forsey of the Canadian Congress of Labour was on another Citizens Forum. On Points of View there have been several different labour leaders speaking. Then on the more special ones recently, there have been programmes with Freeman Jenkins. That was in answer to a special request in connection with the coal strike. Following our usual practice we offered time to both the union and the company, first on a maritime network. The time was taken by the union and Mr. Jenkins spoke on its behalf, but the company did not take the time. Some weeks later, toward what turned out to be the end of the strike, we had an application for further time and the effect of that was that we again issued an offer of time to both sides and again only the union representative, Mr. Jenkins, took the time. In connection with the fishermen's strike we had a similar request and provided a maritime network. In that case the management representative went on the air. I have forgotten the representative of the fishermen's union. At the moment they are the only ones I can think of on regional networks. The majority of our broadcasting is on national network. I should emphasize again that our main job is a national service and we do not do very much on individual stations with only local interest. Some of these other questions will bring out other points. For the last three weeks we have been running a new programme called "Labour and Business Take Stock" in which each week a national labour organization representative and a representative of the Canadian Chamber of Commerce appear on the same programme. We have been discussing for months some such programme in order to give labour and business both a chance to speak and we are running this as an experiment which we hope will be successful. On alternate weeks the two major labour organizations have speakers and the Canadian Chamber of Commerce provides the business speakers on the series. That is the only national programme week by week in which labour representatives are appearing. They will appear on various forum programmes including the Farm Forum which had at least one speaker last year, and occasional broadcasts in connection with special days or special issues as they come along. We are also going to start very soon a programme on CJBC, Toronto, "Labour News and Views". As CJBC has a good deal of non-network time that will be of more area interest, southern Ontario interest.

"Who is in charge of the Canadian Broadcasting Corporations trade union programmes for the national network, each regional network and in each station in Halifax, Sackville, Quebec City, Montreal, Ottawa, Toronto, Winnipeg Watrous and Vancouver?"

There is no person specifically assigned just on trade union programmes. As I explained we try to fit labour into our general pattern of programming and in what seems to be a fair way. Actually a good deal of this work will probably come under the division of talks on public affairs, and broadcasts where it is just part of the programme division under the director general of programmes. We have not got a separate organization for each network, but we have the regional offices in the five main regions. If something came up as it did in the maritime region, the regional representative would deal with it first and, of course, in a network operation you would have to have a good deal of co-operation and he would probably check with Toronto. If there was a particular point of policy involved it would probably come to me in Ottawa.

ii. What authority have those in charge to grant or refuse time to trade unions?

It is hard to say there is any particular individual in an organization like ours, but there is the chain of responsibility up and down. As I say the regional man might think it was right to go ahead with a particular item he was using,

and on the other hand he might very well want to check with the national programme headquarters in Toronto. In a very particular instance they would probably want to check with me in Ottawa.

"On what ruling or regulation do they make their decisions; is there any appeal from their decisions?"

I say the "they" is really part of the whole corporation responsibility. Any officer speaking as a representative of the corporation has to take his responsibility to do so, checking with his superiors if necessary. Naturally if an individual is not satisfied with a decison that he gets from the regional, or from the national programme office, he can appeal right to the board, or to myself as chairman in between board meetings.

(Mr. Maybank resumed the chair.)

Is there on any network or station of the Canadian Broadcasting Corporation a regular programme of labour news? There has not been such a one so far but one is going to start on CJBC.

What trade union leaders have appeared on National or regional networks or local C.B.C. stations in the past four months? I cannot give a complete list. I have mentioned several already, Mr. Conroy on several occasions, Mr. Bengough, Mr. Mosher, Mr. Forsey, Mr. Jenkins, whom I mentioned. That is all I can think of from memory.

Who makes the over-all policy of the Canadian Broadcasting Corporation with regard to trade union broadcasts, and the speakers to appear on them, and on what authority? I would say the corporation as a whole under its authority to carry on a national broadcasting system with, naturally, delegation of authority in different parts of the organization but the corporation as a whole taking responsibility for any decisions.

What authority does the Department of Labour exert in the matter of trade union programmes on the Canadian Broadcasting Corporation networks and local stations, and on the choice of speakers for these programmes? It has no authority. The corporation is independent in its broadcasting activities.

What amount of time on its national network, regional network and on its major stations in Halifax, Sackville, Quebec city, Montreal, Ottawa, Toronto, Winnipeg, Watrous and Vancouver has the Canadian Broadcasting Corporation given to organizations other than trade unions, including business groups; on whose authority and whose decision; and how does this time compare with that given to trade unions? As I explained before we hardly if ever give time to organizations. We may arrange programmes with a special aim in view such as for the Red Cross drive or Salvation Army, or it may be to give an opportunity for expression of a labour viewpoint. It is hard to say we have given time to other organizations. On the other hand, business groups, in the same way as labour, participate in programmes, representatives of business, in forums, in special talks. I think on the whole we have found just about the same amount of time has been given to speakers having the business viewpoint as to representatives of labour.

Did you mean question No. 7 to be included? There are one or two lines through it. Did you mean it to be included?

Mr. BENTLEY: It does not make any difference. It is not important.

The WITNESS: Why does the Canadian Broadcasting Corporation consider Gladstone Murray a suitable speaker to appear on labour management programmes, and on whose authority and decision has he spoken on the facilities of the C.B.C.? At the time of the steel strike in Hamilton there were a number of suggestions about having labour and management people speak on labour management affairs. We decided to ask for a representative of labour to speak and one on business. We got the labour representative. I have forgotten who it was now. We consulted the two major business organizations, the Canadian Chamber of Commerce and the Canadian Manufacturers Association.

Neither of them wished to suggest any individual. Then our programme people in Toronto discussed the matter with other business groups and business leaders. Two or three of those business leaders suggested Mr. Murray as a good spokesman, and he was put on for that reason.

To what business firm, industrial concern, organization or groups of interest is Gladstone Murray responsible for his broadcast statements?—A. We do not know more than I have just said. I understand Mr. Murray has a business of his own. As I say he was put on because several responsible business leaders suggested he would be a good person to give the management point of view.

Will the witness list the number and name of the news commentators now appearing on the facilities of the Canadian Broadcasting Corporation and also give the name of the organization or interests each represents and to whom he is responsible for his statements? When the corporation commissions a news commentator it is on the understanding that he speaks on his own responsibility. We never think of commissioning a commentator to speak on commentary programmes for any particular organization or interest. We do try to keep a general balance of different points of view among commentators related to their connections or their points of view.

Mr. HACKETT: May a question be asked at this point?

Mr. FLEMING: I suggest that we finish the list.

The CHAIRMAN: Up till now we have waited till the series of questions was answered.

Mr. HACKETT: I understood the series had been completed.

The CHAIRMAN: Yes. I was just saying that as a preface to remarking to you, who were not here this afternoon, that I think a question from you along that line would be proper.

By Mr. Hackett:

Q. I was going to ask Mr. Dunton what brought about the succession of commentators. Who determined when a man had commented long enough?—A. I think it is a matter of programme judgment. Again it would be first the talks and public affairs section. They would probably discuss their decisions or ideas with the director general of programmes and the supervisor of programmes. Then possibly some aspects of it might be discussed with me on the policy side, but usually it is just a matter of programme judgment by the programme department.

Q. The privilege of becoming a commentator is ardently sought by many, is it not?—A. I do not think we have many people coming and pressing for commissions. We do not pay awfully high rates.

Q. But there are incidental advantages which must acrrue to a commentator upon being associated in that capacity?—A. I suppose it naturally gives a good journalist a pretty good audience, pretty good circulation. I think a lot of good journalists rather like the opportunity.

By Mr. Beaudoin:

Q. To follow up the question of Mr. Hackett on commentators do you pay the same fee to all your commentators, or are some commentators, by reason of their years of experience, able to command a higher fee?—A. I cannot speak in detail. Perhaps Mr. Bushnell will correct me, but I think it is right to say there are scales established for different programmes. I think commentators appearing on the same programme are paid at the same rate. There may be different scales for different programmes. Weekend Review, which is a fifteen minute programme, would pay more than a short five minute programme. I think the same rates are paid for any particular programme.

Q. Let us take a five minute commentary on a half hour broadcast, for instance. Do you pay the same amount to your five minute commentators on the English speaking networks as you do your French networks?—A. I would refer that to Dr. Frigon.

Dr. FRIGON: What is the question?

Mr. BEAUDOIN: Do you pay the same amount for a five minute comment to a commentator on the English speaking networks as you do on the French networks?

Dr. FRIGON: In principle, yes. In certain instances we have not paid as high fees on the French side as we have in very special cases on the English side.

Mr. BEAUDOIN: Why?

Dr. FRIGON: Because we have not got as much money allocated to the French network as we have to the English network. We divide the expenditure in the proportion of 30 or 33 per cent between the French and the English because of the fact that as to the English there is a larger territory and they operate in different regions. The fact remains that you only have one half of the money in Quebec that you have in the rest of Canada. Your distribution of subsidy I think is fair, but nevertheless there is less cash to use for the one French network than there is for the five regions of the English networks.

Mr. BERTRAND: Is that based on the listener possibilities. Is it because there are more English listeners than French listeners?

Dr. FRIGON: Because there are more centres of origination, and I suppose generally English Canada is larger, and has a larger population than French Canada. It is a different territory to serve and a larger population. In most cases we are pleased to have the commentator. It helps to improve our broadcast. In some other cases possibly the commentators benefit most because it puts them before the public and they build up their reputation, but I am sure in certain cases we want the commentator more than they want to come. In other cases it is the other way around.

Mr. HACKETT: There is probably a greater number among the French. . .

The CHAIRMAN: What is that?

Mr. HACKETT: I say there is probably a greater number who can do it well in French than there would be in English.

Dr. FRIGON: With the population half that might be right, but that is not quite correct. On the English side we can draw from English-speaking Canadians in Canada and from the states, or even American commentators from Washington and other points. French Canada is pretty well limited to French Canada.

Mr. BEAUDOIN: But, Dr. Frigon, if it is not based on the number of stations which are included in the network for the same sort of work, do you not think that if it were not for your financial disability that you should pay the commentators across the country, whether broadcasting in English or French, the same price?

Dr. FRIGON: In principle, yes, I believe so; but to give you an extreme example, there are some commentators that we could never touch because they can earn in the states fees that we cannot pay in Canada.

Mr. BEAUDOIN: I think it would be desirable that some sort of a standard rate be established for ordinary commentators in the same class; newspaper men, for instance, that you use to broadcast week-end review reports from Ottawa and so on. You might have one from the Winnipeg *Free Press*, another from the Montreal *Standard*, another from the Montreal *Star;* but for the same sort of work or the same amount of time a French commentator from a newspaper as responsible as the others and having the same qualifications and doing the same amount of work should receive the same fees—I do not know.

Dr. FRIGON: Let me put it this way. I think that generally speaking our rates are about the same on both networks, but there are more exceptions where we pay higher rates to certain individuals in English than in French. You might have across the year fifteen commentators on the English network who will get the higher pay and only five or ten on the French network, but on the average I think the rates are fairly comparable.

Mr. BEAUDOIN: Do I understand from this questioning and from your answers that it is your policy to give about the same rates on both networks?

Dr. FRIGON: Decidedly so.

Mr. FLEMING: Mr. Chairman, I have my eye on the clock, and there are a few things I want to ask of Mr. Dunton on the subject of competition where such exists between the C.B.C. and privately owned stations.

By Mr. Fleming:

Q. Has the situation in any respect changed within the last year? I wonder, having regard to the element of time, if on the subject of competition we can leave it on the basis of the evidence of last year without going over that again? Is there any change in the situation since you gave your evidence last year?—A. I do not think so particularly. As I remember last year I did not say there was very much competition.

Q. Whatever your statement was.—A. I think the statement will stand.

Q. You think the statement will stand at the present time?—A. Yes.

Q. I will leave it at that because we are short of time. Now, I want to ask you a question on the subject of the fiscal year, and perhaps this is something that Dr. Frigon would like to discuss, and then I would like to go back to this matter of power ceiling. It has been suggested in the Committee on Public Accounts by the Auditor General in the last day or two that it would help his work if a number of Crown corporations and other bodies would make their fiscal year the calendar year rather than the government fiscal year ending March 31, and among the corporations he mentioned the C.B.C. Now, is it possible for C.B.C. to change its fiscal year with two objects in view, first, so as to facilitate the work of the Auditor General to even out his work over the year; and secondly, so that this committee year by year could have the annual report and audit statement of the C.B.C. before it instead of a statement coming now in August after the committee has risen?—A. I have not given any thought to it. I do not at the moment see any huge obstacles from the policy point of view, but perhaps Dr. Frigon might have something to say about it from the engineering standpoint.

Dr. FRIGON: In principle there does not seem to be anything in the way of making a report at the end of the calendar year. The only problem—and it may not be great—is this: we have to set our budget strictly on the revenue we expect to have for a twelve-month period. Licences are collected from the 1st of April to the end of March of the next year. We do not know what amount of money we will collect in the course of the fiscal year until the end of the fiscal year, so we have this picture that in March we have to guess about how much revenue we will get during the current fiscal year at the time the books are going to close, and there is an adjustment after the 1st of April, and by the way things have been going by the middle of March we know fairly well where we stand and we can estimate the future. Now, if we do that in December it would be just three more months that we do not know what will happen. When we reach December we will not know what amount of money may be coming in during the fiscal year, and our guess for the following year will have to be based on the eight months which have passed rather than the eleven months which have passed. That will not be a formidable matter. It is just a little more guessing on our part to give a statement.

Mr. FLEMING: That situation would be eased if the receiving set licences were also put on the basis of the calendar year instead of the basis of the government fiscal year?

Dr. FRIGON: Yes, it would be better from our point of view if they corresponded. I would not say it is such a problem that we could not give a financial report on the calendar-year basis.

Mr. FLEMING: Returning to the matter of the ceiling on the power of stations under the Havana treaty, you heard the discussion earlier on the matter of the interpretation of section 6 of the Havana treaty, and you heard Mr. Caton's evidence as to the interpretation put on section 6 (*b*) by the radio division of the Department of Transport treating the terms of section 6 (*b*) as making way for an exemption in respect of class 2 stations. Now, will you give me your interpretation on that—at least, the accepted interpretation of C.B.C.?

Dr. FRIGON: It is a very greatly involved problem because it takes in a lot of technical questions that are hard to explain here. I will put it this way for our interpretation. We claim that a station which has been assigned a frequency at the beginning when the agreement came into force—that was decided at the meeting in Wasington in March, 1941—at that time a station anywhere in North America which was assigned a class 2 channel had a priority on that channel. That station can increase its power to a limit of 50,000 watts any time.

Mr. FLEMING: Are you applying that to class 2 stations?

Dr. FRIGON: Let me complete the cycle. Any other station building on the same channel has to accept interference from the first station, whenever that one goes up in power so that it would interfere with the second station. I would like to illustrate that by a diagram. It may not look so very good in the minutes it will help to explain what I have in mind, and I will describe it as I go along.

Mr. FLEMING: Excuse me, Dr. Frigon. It is going to be very hard to get this on the record. I think we will do better if we continue the way you were going.

Dr. FRIGON: It may be for you but I want to make my arguments clear as I go along by using this diagram. Supposing a station is located at a point which I will mark here on this paper, and that all the available power is represented by this circle here. Now, suppose that this station raises its power, it would extend the coverage area over to this other point which I shall mark B. That station operates on a certain power within this contour here.

Mr. FLEMING: You mean the first station, station A?

Dr. FRIGON: The first station. At a later date station A wants to increase its power, it would go up to its half millivolt power which is indicated by this circle here. By doing that, by station A increasing its power that makes interference with station B, over here at this point which I show by a circle here. That B station would be free to use the area which I have shown here, over which area it will suffer interference above the accepted standards.

Mr. FLEMING: That is an overlapping area?

Dr. FRIGON: That is an overlapping area. To compensate that station B can increase its power to a point like this; for instance, that inner circle. It can bring its power up to such a point that this area of interference in here would disappear. In doing so this second station must use directional antenna so that it will not interfere with the contour of station A. Just the same when the A station goes up in power again, it must not interfere with the B station. Now, it is evident that at a certain point this B station may have the use of

power to achieve this to a point of 1, 2, 3, 4 or 5 kilowatts; even more. That is accepted. When we said that there was no permanent coverage lost to Canada we meant that this B station in principle—forget the C.B.C. regulations now—can always push its power up to a level that will overcome the interference from station A. Does that mean anything?

Mr. FLEMING: Yes. I think you have given us a very clear exposition of that matter. Thank you. It comes down to this; let us speak of it in terms of priority rights. I am thinking in terms of rights to operate without interference. Now, there are two possible interpretations; at least there are two interpretations which have been put upon this section 6 in the Havana treaty.

Dr. FRIGON: Yes.

Mr. FLEMING: That is that station A, the prior station, to retain its priority must step up to the full available strength.

Dr. FRIGON: No, it may; it is not "must", it is "may".

Mr. FLEMING: That is the priority extends only to the full allowable limit of treaty. That is one interpretation.

Dr. FRIGON: I would like to add this there...

Mr. FLEMING: May I just state the two alternative first, Dr. Frigon, to make it clear that there are two interpretations. The first is that the priority in favour of station A extends as far as station B, but station A may go on to the full strength allowed by the treaty and retain priority. The other interpretation is that its priority is confined to the strength it actually puts on, and that if station B comes along and builds up station A has then lost its priority in respect to any strength beyond that to which it had built up to before station B took over the channel.

Dr. FRIGON: Not exactly. The B station must protect the A station up to its 5 millivolts guarantee. The B station may be able to overcome the interference by the A station at a higher contour than ·5.

Mr. FLEMING: I suggest this, Dr. Frigon; there are two interpretations which have been put on section 6, and under the interpretation which you have put on it—which I think as I understand from you you have consistently held—section 6(*b*) does not make any exception in favour of class II stations, but the Department of Transport, as Mr. Caton gave it, say that section 6(*b*) is to be read subject to the exception in favour of class II stations. Some of the rights enjoyed by a Canadian station on the one interpretation would be lost, but under the other interpretation they would not be lost by reason of the C.B.C. refusing it as a private station to build to the full strength allowed to it as a class II station under the Havana treaty.

Dr. FRIGON: I hesitate to sum up the question by saying what I think you have in mind. In other words, if I understand you correctly, because of the fact that the C.B.C. does not allow the station to go up to 5 kilowatts it prevents that station from recovering any area which they have lost due to increase of power of other stations by reason of an American station having come in the same channel. If you go back to the basic policy established by the board you will find that the private station was supposed to give service to the community. Now, the objectionable interference with which we are dealing would hardly come within the limits of the community served by the station, and any station which is being built now is usually built in such a fashion that such directional antennae as they have to use is so applied as to concentrate their power in such a way as to protect the American station from interference. In other words, let us say you have a station today around Montreal on the south shore, and you have to protect the American stations. That station has to be built in such a way that the directional antenna will protect the American stations and will concentrate the transmission to the Montreal area so that the Montreal area will always receive full coverage from that station.

Mr. FLEMING: What you say comes down to this; if we accept the C.B.C. policy of limiting the strength of private stations to 5,000 watts it really does not matter anyway what happens because they will retain their priority for the 5,000 and the question of building to the allowable limit under the Havana treaty does not enter the picture.

Dr. FRIGON: It does not matter if you accept the theory or the principle that the private station was intended to serve a specific locality and not a countryside-wide area. The whole thing turns around that principle.

Mr. FLEMING: Quite. That is to say, you say that if C.B.C. ceilings imposed upon private stations in Canada, if that sticks then this problem of interpretation and the possible loss of rights under the one interpretation does not matter?

Dr. FRIGON: No, it does not matter.

Mr. HACKETT: The C.B.C. has over-riding jurisdiction where there is a class between private stations?

Dr. FRIGON: Not the C.B.C. These are only the recommendations of the licensing authority, which is the Department of Transport—operating under Mr. Howe at the present moment—until it decides otherwise; but we have from the start and the board has from the start—and as I said the other day, starting from the point of view of the board of 1936 there was a 1 kilowatt limit in Canada and they said we are going to maintain that ceiling and we will not negotiate with the States to get more power; we will let that ceiling stand. The board which met in November of 1936 decided that this ceiling would from then on be generally applied in Canada. That was raised to 5 kilowatts in 1944 and that is where we stand now.

Mr. FLEMING: Well, the present ceiling was fixed by the licensing authorities on the recommendation of the C.B.C. board of governors. Within the past year, since we were over this subject a year ago, has there been any change at all in the attitude of the C.B.C. towards the ceiling?

Dr. FRIGON: No.

Mr. FLEMING: You are still saying 5,000 watts is the ceiling that a privately owned station should be built up to and you have made, I think, several exceptions to that in Canada?

Dr. FRIGON: As station manager of the C.B.C. at present, that is my rule. If the board wants to change that, I will have to simply follow the ruling of the board.

By Mr. Fleming:

Q. Would Mr. Dunton care to add anything on that? Has there been any reconsideration of this question within the last year?—A. Yes, there has been. At the last board meeting a particular request came up which involved this question of class 2 stations and the interpretation of 6 (b) in the Havana agreement. The board has not really considered any change in its policy but it does want to have a pretty thorough study made of this question raised that there might be a loss of some future potential coverage in some areas. As Mr. Caton has said there has been some disagreement among the technical people on the interpretation of 6 (b) of the Havana treaty. Our board, for its own satisfaction, wants to get that thoroughly ironed out before making any future recommendations.

Q. I take it, then, the board has in mind that by one of the two interpretations to which reference has been made, these potential rights may be lost by reason of the continued imposition of this 5 kilowatt— —A. According to the arguments on one side.

Q. On the class 2 stations?—A. Yes, the board would like to have for its own satisfaction a pretty thorough understanding of that.

Dr. FRIGON: I should like to repeat what I said last week, I think it was. Our own interpretation was tested when we built CJBC in Toronto and that interpretation was maintained by the F.C.C. in the United States. CJBC in Toronto is an example of the fact our interpretation is right. I will agree that in the wording of this clause there is a certain meaning, if you take the words in the sentence which leads to a different interpretation. We tested our interpretation when we built CJBC in Toronto, and our interpretation was maintained by the F.C.C. in Washington.

Mr. ROSS (*St. Paul's*): What is the frequency range of the broadcasting band, from what frequency to what frequency?

Dr. FRIGON: From 550 to 1600 kilocycles.

Mr. ROSS (*St. Paul's*): Does the broadcasting band interlock with other bands? Mr. Caton said something about the whole broadcasting band interlocking.

Dr. FRIGON: What I think he said was this; that broadcasting stations have to use frequencies which are not within the broadcasting band. For instance, for their station to studio links and in certain cases—

Mr. ROSS (*St. Paul's*): For what?

Dr. FRIGON: For the station to studio links or for pick-ups of actual broadcasts; in other words, broadcasting stations have, at times, to apply to the Department of Transport for frequencies in the communications band, not in the broadcasting band.

Mr. ROSS (*St. Paul's*): Not in the broadcasting bands?

Dr. FRIGON: No.

Mr. ROSS (*St. Paul's*): The broadcasting band is used entirely, for broadcasting, is it?

Dr. FRIGON: Yes, but broadcasters use frequencies outside the broadcasting band.

Mr. ROSS (*St. Paul's*): What frequencies do they use?

Dr. FRIGON: They are scattered all throughout the shortwave frequencies. It is point to point transmission, not broadcasting.

Mr. ROSS (*St. Paul's*): In short wave, there are certain short wave frequencies set aside for broadcasting.

Dr. FRIGON: Not specifically. There are frequencies set aside for broadcasting, but I am not referring to that now.

Mr. ROSS (*St. Paul's*): The control of the frequencies in the broadcasting band should not necessarily come under the Department of Transport?

Dr. FRIGON: Well, the argument there is this; in all countries in the world all frequencies allocated in every point are under the supervision of one organization as they are in Canada.

Mr. ROSS (*St. Paul's*): Who is it in the United States?

Dr. FRIGON: The F.C.C.

Mr. ROSS (*St. Paul's*): They have control of everything?

Dr. FRIGON: Every frequency used in the radio spectrum.

Mr. ROSS (*St. Paul's*): I want to ask a question on something else. I asked a question of Mr. Murdoch concerning transcriptions. Could the ordinary individual tell the difference between live talent and a transcription on the radio, as a general rule, if it was not so stated?

Dr. FRIGON: It all depends on the individual.

Mr. ROSS (*St. Paul's*): Does it not depend upon—

Dr. FRIGON: And on his ear and mostly on the type of radio he uses.

Mr. Ross (*St. Paul's*): On 75 per cent of the sets used, you could not tell the difference, could you.

Dr. FRIGON: Well, if the recording is good it is very hard to tell the difference.

Mr. Ross *(St. Paul's)*: I am talking about the high class recordings.

Dr. FRIGON: High class recordings on low class receivers are very good.

Mr. Ross *(St. Paul's)*: But consider high class recordings on high class receivers. I have in mind a broadcast which was given from Halifax. It was announced that it was a recording from Halifax. I heard certain criticism of it. The question was asked why you would use these wires to send a transcription from coast to coast. Now, it was a high class recording. I asked the man who told me that if he could tell the difference. I said, "How did you know it was a recording"? He said, "It was so announced." With the really high class recording, it would be very hard to tell the difference.

Dr. FRIGON: I would say it is not the recording which is involved, but the quality of the receiver. You could have in the same room a cheap receiver and next to a high class receiver with a first class audio circuit. You play the same record or you play the same programme from recordings on both and there is a vast difference in the quality of the reception.

Now, when you come to a record player from Halifax, do not forget that you have the recording in Halifax and your set probably a couple of thousand miles away. The lines which are built at present are not built to carry the high frequencies and we cannot get all the quality which is in the voice or in the recording.

Mr. Ross *(St. Paul's)*: I wanted to ask you one further question. Is it a fact that because stations have channels which might have been occupied by Canadian broadcasting firms and which were occupied first in the United States, that some of these channels are not available for Canadian broadcsting now?

Dr. FRIGON: Some of those channels have been assigned to the United States and Canada by agreement between the two countries, so that is agreed. It is not a matter of priority use.

Mr. Ross *(St. Paul's)*: Since 1941, are there stations occupying channels in the United States which prohibit their use by Canadian stations?

Dr. FRIGON: No, those frequencies as they are, have all been laid out in the plan which was set up by the engineers in Washington in 1941. I would repeat, as I said before, that Canadian stations and, for that matter, American stations may have to take certain precautions to use directional antenna to see that its coverage is effective but it does not prevent the station from operating and obtaining the basic coverage to which it is entitled.

Mr. Ross *(St. Paul's)*: What I am getting at though is that because of interference from American stations which occupied the channel first . . .

Dr. FRIGON: I do not exactly get the idea. Suppose there was a class 1-A channel used on the Pacific coast.

Mr. Ross *(St. Paul's)*: Take the other.

Dr. FRIGON: I have to use it this way to illustrate the point I have in mind. Suppose you have a class 1-A channel occupied on the Pacific coast and the United States decided to use on that channel stations in the east end of the United States. Now, those stations would protect each other and would have to protect the Pacific coast station. If there have been two or three of them built, the field becomes a little tighter and it is just possible that, at a certain time, it becomes so tight you cannot add another station on the same frequency.

Mr. Ross *(St. Paul's)*: That may apply either in the States or in Canada but what I am thinking of is not the clear channel station but I am thinking of the other stations, say class 3 stations, which are near the border?

Dr. FRIGON: Class 3 stations? Well they are very limited in their coverage. They are decidedly local stations and they may be subject to very high interference or the contour may be very limited.

Mr. ROSS *(St. Paul's)*: It might be 5 kilowatts?

Dr. FRIGON: Yes.

Mr. ROSS *(St. Paul's)*: For instance the station at Cleveland might make it impossible to use a class 3 station in the city of London.

Dr. FRIGON: It is quite possible, but it works both ways.

Mr. BOWERMAN: Mr. Chairman, my question is along another line arising out of an answer to a question asked of Dr. Frigon in our minutes of proceedings number 9, beginning at page 367. I note in reply to this question dealing with the nations business and provincial affairs, that there is noted Quebec, Ontario, Manitoba, Saskatchewan, Alberta, British Columbia, but there is nothing here for the maritime provinces. Have there been any such political broadcasts in the maritime provinces as are noted here?

The WITNESS: Our white paper provides that those broadcasts are provided on written request. The situation is usually that requests come in from every province and the series is organized. Then this spring a request came in from Nova Scotia and I think as soon as possible we sent the director of public affairs down there for discussions with the parties because we always like to have them on a fair basis. An agreement has been reached among the parties and broadcasts are starting in September.

By Mr. Beaudoin:

Q. Mr. Dunton, can your employees form a union which would be affiliated with one of the labour unions in Canada?—A. I imagine the new Labour Code if it is applied, will answer that question.

Q. You will not fall under the jurisdiction of that Code?—A. I think we do.

Mr. FLEMING: Radio is definitely a federal responsibility.

Mr. BEAUDOIN: I know it is.

The CHAIRMAN: Your question relates to the idea of this being government owned. Is not that what you are thinking about, whether the Code covers persons employed by the government?

Mr. BEAUDOIN: Yes. In 1944 there was an opinion given by the then Deputy Minister of Justice, which said that employees of the C.B.C. could not join a union affiliated with the Canadian Congress of Labour, The Trades and Labour Congress of Canada, the A.F.L. or the C.I.O., but could form a union of their own, for instance union under the provincial laws.

The WITNESS: I will give my understanding and perhaps Dr. Frigon can follow the thing further. As I understand it we are just bound to the usual Labour Code as a corporation.

Dr. FRIGON: I may clarify this. We have had different interpretations of the laws before but we have had no occasion to test the present laws. We have had only one case where some of our employees applied for recognition. They were turned down on the ground that they only represented a section of our employees. They were a group in Toronto and I think they were told if they could organize a group across Canada we would study the application again. They never came back.

Mr. FLEMING: What about the position of the employees of private stations?

Dr. FRIGON: Well of course the plan was this, that we could not in practice have different rates, different agreements, and different conditions at all our eleven operating points in Canada, and these people were told that if they would come back and show the employees in their group, they were technicians,

were all agreed on joining one union and applying for recognition for the whole group from coast to coast, the matter would be considered again.

Mr. FLEMING: You are just speaking of employees of the C.B.C. but I am asking now about the position of employees in the private stations.

Dr. FRIGON: I do not know anything about that.

Mr. BEAUDOIN: Now Dr. Frigon on that subject, just a last question. Suppose for instance the technicians—

Dr. FRIGON: —may I add this? Our graduate engineers did apply to be recognized in the group of technical experts but they withdrew their application because there was some understanding or discussion with the engineering institute and they dropped out.

Mr. BEAUDOIN: If a group of technicians, more than twenty, as required by the law in Quebec, had been registered under the Professional Syndicates Act what would be your attitude then? What would be the procedure you would follow?

Dr. FRIGON: I think that is a technical problem because we have never had that come up. Our employees have voted again and again against anything of that sort and they seem to be very happy under the present system of the staff council. I could not tell you how the legal position would stand because it has never been tested. As it is now the employees have representatives elected by them and we discuss all points with them. They are not recognized as a union, but they function as a union in that sense, and everybody seems to be very happy about it so the problem has not been raised at all.

The WITNESS: My understanding is, and the chairman can correct me if I am wrong, but where a concern comes under a federal section I do not think they can be organized under the provincial laws.

The CHAIRMAN: I do not think that is correct. In cases where the labour legislation comes under the dominion, but it has not occupied the field, on provincial labour laws being passed they do apply.

Mr. BEAUDOIN: If there was for instance, a professional association of radio technicians formed under the statute of the province of Quebec, and you would find that all the radio technicians belonging to your stations in Quebec have become members of that union, and would not be affiliated in any way with the ordinary trades and labour movements.

Dr. FRIGON: But they have never applied.

Mr. BEAUDOIN: No, but that is what has happened.

The CHAIRMAN: I just want to make two comments if you will permit. I do not think it would be possible to get any more than four legal opinions on this to-night.

Mr. FLEMING: We could not get any without a fee.

The CHAIRMAN: So we cannot get as much diversity as is usual. The second comment that I have to make is that the hour for adjournment has arrived. We are really only departing for a short while, until 2.30 p.m. to-morrow.

The meeting adjourned at 9.35 p.m. to proceed into executive session at 2.30 p.m. Friday, July 4, 1947.

SESSION 1947

HOUSE OF COMMONS

SPECIAL COMMITTEE

ON

Radio Broadcasting

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 13

FRIDAY, JULY 4, 1947

TUESDAY, JULY 8, 1947

INCLUDING:

1. Second Report
2. Third and Final Report
3. Minutes of Proceedings
4. Index to Witnesses
5. Reference to Documents Tabled.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
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1947

HOUSE OF COMMONS

CANADA

FRIDAY, July 4, 1947.

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

SECOND REPORT

Your committee has reviewed the financial position of the Canadian Broadcasting Corporation very carefully this year and is impressed with the need of the corporation for a larger income and the committee believes that the whole of the licence fee received from holders of receiving sets should be paid over to the corporation by the Department of Transport. A like report was made last year and your committee regrets that same was not implemented. Your committee recommends that appropriate legislation be passed at this session to give effect to this recommendation.

All of which is respectfully submitted,

RALPH MAYBANK,
Chairman.

92496—1½

TUESDAY, JULY 8, 1947

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

THIRD AND FINAL REPORT

On April 2, 1947, your Committee was appointed by a resolution of the House. On Friday, May 9, it proceeded to consider the Annual Report of the Caandian Broadcasting Corporation for the fiscal year ended March 31, 1946, and to review its policies, aims, regulations, revenues, expenditures and development.

Twenty-five meetings were devoted to this study and during its deliberations your Committee heard the Chairman of the Board of Governors of the Canadian Broadcasting Corporation and its General Manager. Representations were also heard from the Canadian Association of Broadcasters and the Canadian Daily Newspapers Association. The Controller of Radio, Department of Transport, and the Assistant Chief Radio Inspector testified before the Committee. Also heard were Mr. Marcel Provost, Managing Editor of Radio Publications Limited, and Mr. Walter Elliott of the Elliott Haynes Limited, and Mr. Walter M. Murdoch, Executive Officer of the American Federation of Musicians of the United States and Canada.

In consequence of the Committee's decision, communications from individuals addressed to the Committee were filed with the clerk for the information of members of the Committee. As agreed also, letters or briefs received from associations and organizations were either incorporated as read or printed as appendices to the evidence. Numerous answers to questions put by members and produced by the Transport Department and the Canadian Broadcasting Corporation are printed as appendices to the evidence.

Both last year and this year the Canadian Association of Broadcasters (comprising membership of 89 stations) urged that regulation of broadcasting should be removed from Canadian Broadcasting Corporation. Their claim has been in both cases that the privately owned broadcasting stations are placed under the control of the Canadian Broadcasting Corporation which, they allege, is their competitor. While last year the said association urged that some different body be made an appeal tribunal to which appeals from Canadian Broadcasting Corporation decisions could be taken, this year the association went further and advocated a regulatory body having complete control over all radio (licensing as well as regulating), and this body, they averred, could operate in somewhat the same way as the Transport Board operates. They were insistent that any such organization must be set up by the Parliament of Canada as a whole and appointments to it should be by Parliament of Canada as a whole and any review of its actions must be by Parliament as a whole. They also pressed for a general revision of all laws relating to Radio, asserting them to be greatly out of date.

The Canadian Daily Newspapers Association (comprising 110 members, 39 of whom own radio stations), supported the Canadian Association of Broadcasters in the advocacy of a board such as described. Both associations argued strongly that Caandian radio laws are obsolete.

Coincidentally with its appearances before your Committee the Canadian Association of Broadcasters carried on an active campaign throughout the country by way of a wide distribution of its brief, and by means of radio

broadcasts over private stations, and also by advertisements in newspapers across Canada attacking radio legislation and administration of it as belonging to "horse and buggy days," and hence requiring revision.

Your Committee has given very careful consideration to the proposals for a separate regulating board and has also received numerous arguments from other bodies such as trade unions, agricultural organizations, cooperative societies, and the like, in opposition to those proposals, to which also the Committee has given careful consideration.

The Committee recalls that it stated in its report to Parliament last year that the functions of the two types of radio service are different; one, the private stations being designed to serve community interests, and the other, Canadian Broadcasting Corporation, designed to serve the whole of Canada by chain broadcasting; and that these two types of radio service should be complementary to each other. The area of competition is small and your Committee believes that private stations are not in danger from Canadian Broadcasting Corporation regulation.

In the result, your Committee is not prepared at the present time to suggest any fundamental change in radio regulation. The National Broadcasting System is still in the transitional and developmental stage and the prinicples underlying its institution have the same force today as when the decision to establish it was made. Notwithstanding arguments advanced we do not feel justified under all the circumstances in recommending a fundamental change now.

The Committee noted that the Corporation had discussed with the Canadian Association of Broadcasters a proposal for the holding of public hearings by the Board of Governors. Your Committee recommends that the Board of Governors hold public sessions when hearing representations on matters of licences or regulations. It believes that among other advantages this procedure should make more clear to the public and to private stations the respective functions of the Board of Governors and of the Management of the CBC. Such procedure would necessarily involve the publishing of CBC recommendations to the licensing authority on licensing matters. Your Committee also believes that after hearing such representations, the Board of Governors should give statements of its decisions or recommendations, including reasons for them.

From a revenue point of view the private stations would seem to be in a not unhappy condition. On the whole your Committee is impressed with the fact that radio broadcasting is in most cases a quite lucrative form of private business. Some stations have not made a profit but in the main the private stations have substantial surpluses. Evidence on this point came from the Department of Transport as follows:

FINANCIAL OPERATIONS OF BROADCASTING STATIONS BASED ON REPORTS RECEIVED FROM 85 STATIONS

1946

Stations where the licence fees have been based on the population density of over 500,000

Number of Stations	Aggregate Fees	Capital Investment	Operating Revenue	Operating Expenses	Surplus
9	$12,900.00	$3,643,654.10	$2,540,520.60	$1,938,994.32	$857,893.53

1 10,000 Watt Station
1 5,000 Watt Station
5 1,000 Watt Stations
1 500 Watt Station
1 250 Watt Station

Stations where the licence fees have been based on the population density of 150,000 and under 500,000

Number of Stations	Aggregate Fees	Capital Investment	Operating Revenue	Operating Expenses	Surplus
20	$13,900.00	$1,962,621.24	$2,942,189.41	$2,449,705.49	$590,004.74

1 15,000 Watt Station
1 10,000 Watt Station
2 5,000 Watt Stations
9 1,000 Watt Stations
6 250 Watt Stations
1 100 Watt Stations

Stations where the licence fees have been based on the population density of 50,000 and under 150,000

Number of Stations	Aggregate Fees	Capital Investment	Operating Revenue	Operating Expenses	Surplus
27	$8,000.00	$1,451,492.15	$2,530,408.54	$2,137,665.66	$414,413.57

19 1,000 Watt Stations
6 250 Watt Stations
2 100 Watt Stations

Stations where the licence fees have been based on the population density of 25,000 and under 50,000

Number of Stations	Aggregate Fees	Capital Investment	Operating Revenue	Operating Expenses	Surplus
17	$3,200.00	$924,762.72	$1,027,554.88	$873,513.90	$164,582.30

8 1,000 Watt Stations
6 250 Watt Stations
3 100 Watt Stations

Stations where the licence fees have been based on the population density of under 25,000

Number of Stations	Aggregate Fees	Licence Fees	Operating Revenue	Operating Expenses	Surplus
12	$276,731.84	$950.00	$309,921.37	$292,102.03	$26,251.84

2 1,000 Watt Stations
5 250 Watt Stations
3 100 Watt Stations
2 50 Watt Stations

Your Committee is aware that such a statement fails of giving a complete picture of the business of private radio stations but there is enough in it to suggest that private broadcasters may not be paying a large enough fee for the part of a monopoly in broadcasting which is granted to them, and your Committee recommends to the licensing authority that consideration be given to a revision of the fees presently being charged, perhaps with special regard to the possibility of relating them more closely to business opportunities and income of stations.

Your Committee recommends that the Canadian Broadcasting Corporation give consideration to the raising of the 5 kilowatt ceiling for private stations particularly where some future potential coverage by Canadian Stations might be affected.

Bearing in mind that parts of Canada do not benefit from Canadian Broadcasting Corporation programs or only get partial benefits therefrom, your Committee recommends that the expansion and development program of the corporation be speeded up, and that the establishment of a second French network which would provide to French language listeners alternative French language network programs as are now enjoyed by English language listeners, be included in the said expansion and development program.

Objection has been made that one year is a too short licence period; that it is hardly long enough for a licensee to make with confidence expenditures for good broadcasting or to institute major improvements in a broadcasting station. Private broadcasters represented that they should have greater security of tenure than the one year licence gives. Your Committee believes that there is much to be said in favour of a longer license period and believes it would be better to grant licences for, say, up to 3 years. Your committee also believes that renewals of licences after such a period should be made to depend among other things upon the character of the service given by the licensee; that at the end of the License period and before a licence is renewed the Department of Transport and the Canadian Broadcasting Corporation should examine most carefully, and certainly more carefully than hitherto, the manner in which the licensed broadcaster has been serving the public over the air channel which had been granted him to use. It should be understood that the committee is not recommending, in case a greater security of tenure is given, that such longer license period would in any way prevent the revocation of a licence for cause.

Your Committee approves the action of the Corporation in carrying out a recommendation of last year's committee "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 C.B.C. 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". Although some of the stations did not supply statements as requested, the Board of Governors recommended the renewal of all licences. Your Committee does not understand why any stations using public air channels should object to saying on the basis of their operations what amount of broadcast time they intend to devote to different public service activities. Your committee believes that the Board of Governors was right, since it did not recommend non-renewal of these licences, to indicate to stations which had not provided the requested statements that this fact would be taken into account in reviewing their activities before making recommendations for the licensing year 1948-49.

Your Committee is of the opinion that, in considering the activities of private stations in carrying out their duties as trustees of radio frequencies, particular attention should be paid to the amount of broadcasting devoted to community activities; to talks and discussions of public affairs; to provision for the expression of different viewpoints; to the use of local live talent; and to abuses of over-commercialism. Your Committee fully understands that circumstances vary in different areas and for different stations and believes that these variations should be taken into account by the Board of Governors.

Your Committee is of the opinion that many local stations should and could do more than they are doing to foster the development and maintenance of Canadian talent. Your Committee believes there has been an increasing tendency for private stations to rely too greatly on recordings and transcriptions. It believes that the Board of Governors should give more consideration than it has been giving to measures and recommendations encouraging the use of Canadian talent on private stations.

The Canadian Daily Newspapers Association made strong representations against any policy opposed to newspapers owning and operating radio broadcasting stations. This matter came before the Special Committee on Radio last year but the Committee was unable to give full consideration to it and reported that it would have to be dealt with at the, then, next year's committee

meeting. We have this year given consideration to the question and we report that we do not think newspapers should be treated in any different manner than other applicants for radio broadcasting licences.

Your Committee is not in favour of any absolute prohibition of the ownership by one person of more than one broadcasting station. The committee is appreciative of the desire to prevent a too great concentration of control of radio broadcasting into the hands of one or of a few people. Nevertheless, the committee would not advise going so far as to prohibit what is called multiple ownership. It recommends that when applications for radio licences are made that if there are satisfactory applicants who are not already licensees a preference should be given to such applicants over the applicant who is already an owner of one or more other licences.

Respecting television: Canadian Broadcasting Corporation has indicated it does not look with favour on the expenditure of its funds, (which are public money), on television experiments but that it prefers to watch closely developments elsewhere with a view to taking advantage of such developments for Canada at the right time. In view of the fact that the Corporation has but limited funds and must put them to the most practical use your Committee approves the C.B.C. attitude.

It has been represented that failure to grant licences to private stations or applicants for private stations to experiment in television might retard technical advance. No evidence was presented to indicate the likelihood of this. Nevertheless, your Committee favours every opportunity being given to private experiments provided always that the interests of the listening and "viewing" public are carefully kept in mind. Especially the Committee points out that whenever a licence is granted for experimental work or otherwise the lincensee must, as soon as practicable, proceed to its use as applied for. People should not be allowed to obtain television, (or any), broadcasting rights merely with a view to holding them against the time when it may become profitable to put them to use.

The Committee has understood the C.B.C. has not been allowing licences for F.M. Broadcasting. However, restrictions were removed as of July 1, 1947. The Committee believes that, subject to the requirements of good broadcasting in a community. licences should be issued to qualified applicants, subject of course, to the limitations of the frequency spectrum.

Your Committee believes that every organization which is handling public funds independent from government control, should be under scrutiny at all times and Canadian Broadcasting Corporation is such an organization; and your Committee consequently, recommends that the Radio Broadcasting Committee should be a standing committee of Parliament for the purpose of scrutinizing each year the operations of the corporation.

A copy of the printed minutes of proceedings and evidence is appended hereto.

MINUTES OF PROCEEDINGS

FRIDAY, July 4, 1947.

The Special Committee on Radio Broadcasting held an executive meeting at 2.55 o'clock, Mr. Maybank, the Chairman, presiding.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Fleming, Gauthier (*Portneuf*), Hansell, Bentley, Langlois, Laurendeau, Maloney, Maybank, Mullins, Nixon, Robinson (*Simcoe East*), Reid, Ross (*St. Paul's*), Winters.—17.

The Chairman read the translation of a letter from the Chamber of Commerce of the district of Montreal, dated July 2, 1947. He tabled a communication from Mr. Ben Nobleman of Toronto, dated July 2, 1947, addressed to Mr. Beaudoin, vice-chairman.

The Committee began the discussion of the evidence adduced before the Committee.

Messrs. Fleming and Hansell suggested that a stenographic report be kept of the Committee's deliberations on its proposed report.

It was agreed to leave this suggestion in abeyance, the Chairman undertaking to confer with respect to the possibility of an opportunity being afforded in the House for discussion.

The Chairman submitted a draft of an interim report.

Mr. Beaudoin moved that the draft report be adopted as amended and presented as a second report to the House as soon as possible.

Mr. Fleming submitted that the recommendation contained in the report was beyond the power of the Committee.

The Chairman ruled Mr. Fleming out of order.

In amendment to Mr. Beaudoin's motion, Mr. Fleming moved that this draft report be referred back to the Steering Committee for such action as it chooses to take.

The question was put on the amendment and negatived, the main motion carried.

The Committee proceeded with the consideration of a draft final report based on representations made before the Committee.

On motion of Mr. Beaudoin,—

Resolved,—That the final drafting be referred to the Steering Committee.

At 4.55 o'clock the Committee adjourned to the call of the Chair.

TUESDAY, July 8, 1947.

The Special Committee on Radio Broadcasting held an executive meeting at 4.00 o'clock. Mr. Maybank, the Chairman, presided.

Present: Messrs. Beaudoin, Bertrand (*Prescott*), Bowerman, Gauthier (*Portneuf*), Hansell, Langlois, Laurendeau, Maloney, Maybank, McCann, Mullins, Nixon, Robinson (*Simcoe East*), Ross (*Hamilton East*), Ross (*St. Paul's*), Winters.—16.

The Committee considered a draft final report of the Steering Committee.

On motion of Mr. Beaudoin,

Resolved,—That the following paragraph be included in the report, viz:

Bearing in mind that parts of Canada do not benefit from Canadian Broadcasting Corporation programmes or only get partial benefits therefrom, your Committee recommends that the expansion and development programme of the corporation be speeded up, and that the establishment of a second French net-work which would provide to French Language listeners alternative French language network programmes as are now enjoyed by English language listeners, be included in the said expansion and development programme.

On motion of Mr. Beaudoin, the draft report was adopted as amended, on division.

Ordered,—That the said report, as amended, be presented to the House as a Third and Final Report.

The Chairman informed the members that an opportunity would be given in the House for discussion.

Messrs. Hansell, Ross and McCann expressed their thanks to the Chairman and the Vice-Chairman for the efficient manner with which they presided over the deliberations of the Committee.

The Chairman acknowledged this expression of appreciation and stated that he was indebted for the co-operation he had received.

At 4.50 o'clock the Committee adjourned *sine die.*

ANTONIO PLOUFFE,
Clerk of the Committee.

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