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HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

MAY 21 19

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1

WEDNESDAY, MAY 6, 1959

TUESDAY, MAY 12, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

E. L. Bushnell, Acting President, Canadian Broadcasting Corporation; and Charles Jennings, Controller of Broadcasting.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21199-5—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.

Vice-Chairman: J. Flynn, Esq.

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Campeau,
Chambers,
Chown,
Dorion,
Fairfield,
Fisher,
Forgie,
Fortin,
Horner (*Jasper-Edson*),
Jung,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Rouleau,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Tremblay—33.

J. E. O'Connor,
Clerk of the Committee.

ORDERS OF REFERENCE

WEDNESDAY, April 29, 1959.

Ordered,—That a Select Committee be appointed on Broadcasting to consider radio and television broadcasting together with the Annual Report of the Canadian Broadcasting Corporation, and to review the operations, policies and aims of the Corporation and its revenues, expenditures and development, with power to examine and inquire into the matters herein referred to, and to report from time to time their observations and opinions thereon, and to send for persons, papers and records;

That the Committee have power to print such papers and evidence from day to day as may be deemed advisable or necessary;

That the Committee have power to meet while the House is sitting;

That the Committee shall consist of 35 members;

That Standing Orders 66 and 67 be suspended in relation thereto.

MONDAY, May 4, 1959

Ordered,—That the Special Committee on Broadcasting, appointed on April 29, 1959, be composed of Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Campeau, Chambers, Chown, Dorion, Fairfield, Fisher, Flynn, Forgie, Fortin, Halpenny, Jung, Kucherepa, Lambert, Macquarrie, Mitchell, Morris, McCleave, McGrath, McIntosh, McQuillan, Nowlan, Pickersgill, Pratt, Richard (*Ottawa East*), Robichaud, Rouleau, Simpson, Smith (*Calgary South*), Smith (*Simcoe North*), Taylor and Tremblay.

FRIDAY, May 8, 1959

Ordered,—That the name of Mr. Horner (*Jasper-Edson*) be substituted for that of Mr. Taylor on the Special Committee on Broadcasting.

ATTEST

LÉON J. RAYMOND,
Clerk of the House.

21199-5—1½

MINUTES OF PROCEEDINGS

WEDNESDAY, May 6, 1959.

The Special Committee on Broadcasting met at 10 a.m. this day for organization purposes.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Campeau, Chambers, Chown, Fairfield, Flynn, Forgie, Fortin, Halpenny, Jung, Lambert, Macquarrie, McCleave, McGrath, McIntosh, McQuillan, Nowlan, Pickersgill, Pratt, Richard (*Ottawa East*), Simpson, Smith (*Calgary South*), Smith (*Simcoe North*), Taylor, and Tremblay. (28)

On the motion of Mr. Smith (*Calgary South*), seconded by Mr. Bell (*Saint John-Albert*), Mr. Halpenny was elected Chairman.

Mr. Halpenny took the Chair and thanked the members of the Committee for the honour extended to him.

On the motion of Mr. Fairfield, seconded by Mr. Bell (*Carleton*), Mr. Flynn was elected Vice-Chairman.

The Chairman read the Order of Reference and called for certain routine business motions.

On the motion of Mr. Smith (*Simcoe North*), seconded by Mr. McCleave,

Resolved,—That, pursuant to its Order of Reference of April 29, 1959, this Committee print 1000 copies in English and 400 copies in French of its Minutes of Proceedings and Evidence.

On the motion of Mr. Lambert, seconded by Mr. McGrath,

Resolved,—That the quorum of this Committee be set at 10 members.

On the motion of Mr. Smith (*Simcoe North*), seconded by Mr. Macquarrie,

Resolved,—That a Sub-committee on Agenda and Procedure, comprising the Chairman and 6 members to be named by him, be appointed.

Agreed,—That insofar as is possible, meetings will be scheduled so as not to conflict with the meetings of the Standing Committee on Estimates.

Following discussions, it was decided that the first meeting of the Committee will be held on Tuesday, May 12, at 11 a.m and will commence with a statement by Mr. Ernest Bushnell, Acting President of Canadian Broadcasting Corporation.

At 10.15 a.m. the Committee adjourned to the call of the Chair.

J. E. O'Connor,
Clerk of the Committee.

TUESDAY, May 12, 1959.

The Special Committee on Broadcasting met at 11.00 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint-John-Albert*), Brassard (*Lapointe*), Campeau, Chambers, Chown, Fairfield, Fisher, Flynn, Forgie, Fortin, Halpenny, Horner (*Jasper-Edson*), Jung, Kucherepa, Macquarrie, Mitchell, McCleave, McGrath, Nowlan, Pickersgill, Pratt, Richard (*Ottawa-East*), Simpson, Smith (*Calgary South*), Smith (*Simcoe North*), and Tremblay. (28)

In attendance: Messrs. Ernest L. Bushnell, Acting President of Canadian Broadcasting Corporation, assisted by Colonel R. P. Landry, Controller of Administration; Messrs. Charles Jennings, Controller of Broadcasting; Marcel Ouimet, Deputy Controller of Broadcasting; G. R. Young, Assistant Controller of Broadcasting (Station Relations); W. R. Johnston, Assistant Controller of Broadcasting (Commercial); J. P. Gilmore, Controller of Operations; Marcel Carter, Controller of Management Planning & Development; R. E. Keddy, Director of Organization; A. M. Henderson, Comptroller; R. C. Fraser, Director of Public Relations; A. G. Cowan, Director of Northern & Armed Forces Service; Hugh Laidlaw, General Counsel; Barry MacDonald, Secretary—Board of Directors; J. A. Halbert, Assistant Secretary—Board of Directors; and R. L. Dunsmore, Chairman, Finance Committee—Board of Directors.

The Chairman observed the presence of quorum and announced the composition of the Sub-committee on Agenda and Procedure, as follows: Messrs. Pickersgill, Chambers, Mitchell, Fisher, Campeau, and R. A. Bell.

Following discussion of suggestions relating to the scheduling of the Committee's work, Mr. Bushnell was introduced and, in turn, introduced officers of the Corporation.

Mr. Bushnell reviewed the organization and development of the Canadian Broadcasting Corporation; its programming, history and aims.

Agreed,—That Organization charts distributed to the members of the Committee on May 11 be incorporated in the record of today's proceedings.

Mr. Charles Jennings, Controller of Broadcasting, was called and reviewed and commented upon a document entitled "The National Program Service", copies of which were distributed to Members on May 11th.

Mr. Jennings was questioned briefly on his statement.

Upon invitation of the Chairman, members suggested topics that might be usefully explored at future meetings.

At 12.30 p.m., the Committee adjourned to meet again at 9.00 a.m. on Thursday, May 14th.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

Tuesday, May 12, 1959.
11.00 a.m.

The CHAIRMAN: Gentlemen, we have a quorum. First of all I wish to announce the composition of the subcommittee on agenda: Messrs. Pickersgill, Chambers, Fisher, Mitchell, Bell (*Carleton*) and Campeau.

Mr. PICKERSGILL: I would like to raise a question. I spent the week-end very profitably occupied on reading over all the debates of the broadcasting legislation of last session. I want to express the hope, which I am sure will be shared by the Minister of National Revenue, that this committee address itself precisely to those things to which the Minister of National Revenue suggested we should address ourselves; that is, to an examination of the new legislation and how the new legislation has worked. That should have priority. All the presentations made to us should be directed to that end.

I hope we can have an understanding in this committee that that is what we will do and not just travel all around the lot which might very easily happen if there is not some direction.

The CHAIRMAN: Thank you.

Mr. SMITH (*Calgary South*): I think the principle enunciated by Mr. Pickersgill probably is a good one. Certainly, however, I hope it is not the suggestion to place any limitation, because all we are governed by are the terms of reference of this committee.

From a personal standpoint I agree the principle is satisfactory, providing it is not suggested that any limitation be placed in respect of going back into some of the past history as it might relate to future legislation or future activities.

The CHAIRMAN: Are there any other comments? I shall introduce to you Mr. Ernest Bushnell, the Acting Chairman of the Canadian Broadcasting Corporation. First of all, I would ask Mr. Bushnell to introduce his confreres, and then Mr. Bushnell will give an introductory statement. The suggestion from the chair is that we allow Mr. Bushnell to complete his statement before any questions are asked or interruptions made. Is that agreeable?

Agreed.

Mr. Bushnell, will you introduce your confreres?

Mr. ERNEST BUSHNELL (*Acting President, Board of Directors, Canadian Broadcasting Corporation*): Thank you, Mr. Chairman. I would ask these gentlemen here to stand up as their names are called.

First, I would like to introduce R. L. Dunsmore, sitting at my right. Mr. Dunsmore is the chairman of the finance committee of the board of directors. Next is Colonel R. P. Landry, controller of administration who is sitting at the back; Mr. Charles Jennings, controller of broadcasting, and beside him Mr. Marcel Ouimet, deputy controller of broadcasting; Mr. George Young, assistant controller of broadcasting (station relations) and Mr. W. R. Johnston, assistant controller of broadcasting (commercial). Then I would like to introduce Mr. J. P. Gilmore, controller of operations and Mr. Marcel Carter, controller of management planning and development; Mr. R. E. Keddy, director of organization; next Mr. A. M. Henderson, comptroller. I had hoped we would

have with us Mr. W. G. Richardson, director of engineering, but unfortunately I am advised he has been afflicted with the 'flu bug which probably was passed along from me. Then we have Mr. R. C. Fraser, director of public relations and Mr. A. G. Cowan, director of northern and armed forces service; Mr. Hugh Laidlaw, general counsel; Mr. Barry MacDonald, secretary of the board of directors and Mr. J. A. Halbert, assistant secretary of the board of directors.

That, sir, is a list of my colleagues, most of whom, indeed all of whom, are located at the head office in Ottawa.

At the back of the room I see a gentleman whom I would like to introduce. He is here for another reason. Mr. W. F. Galgay is here from Newfoundland and this may be the only opportunity he will have of visiting these sessions.

That completes my introduction.

The CHAIRMAN: Thank you, very much.

Mr. BUSHNELL: Mr. Chairman, Mr. Minister and members of the 1959 parliamentary committee on broadcasting:

I am sure you will understand if I open my remarks with a few brief acknowledgments.

First, I should like to acknowledge our great debt of gratitude to Mr. Davidson Dunton for his services to Canadian broadcasting. For twelve years—momentous years in the development of broadcasting in this country, which saw the advent of television—he gave wise and imaginative guidance as chairman of the board of governors. In his new and challenging role as president of Carleton University he carries with him our thanks and our good wishes.

Some hon. MEMBERS: Hear, hear.

Mr. BUSHNELL: Then I should like to express, on behalf of our president, Mr. J. Alphonse Ouimet, his regret that he will not be taking part in these deliberations. I am happy to tell you that he has made remarkable progress and is now enjoying almost fully restored health and vigor, certainly more vigor than health which is characteristic of the man; he is gradually resuming his administrative duties, which are in themselves a very heavy load; but it is felt—and very wisely, I think—that he should not assume additional responsibilities for another eight to ten weeks. And I might at this time pay tribute to the fine way in which my colleagues in the CBC have helped me during the months of Mr. Ouimet's enforced absence. Fortunately, I have also had a great deal of help and guidance from the board of directors and the members of the executive committee of the board in recent months, during which, as you are aware, we have had to face some particularly difficult problems.

Mr. Chairman, at this point I thought I should congratulate you, inasmuch as you are the chairman of the largest radio committee that has ever sat. I think thirty-five members is something of a record. This is, I believe, the fifteenth parliamentary committee. My recollection tells me as well that we have had at least three royal commissions. I might add that it has been my misfortune, if you like, to have participated in one way or another in all of those fifteen parliament committees and the three royal commissions, and I would hope to survive another.

The CHAIRMAN: We also hope so.

Mr. BUSHNELL: It is now four years since the corporation had an opportunity to report directly to parliament through a committee such as this. The last committee on broadcasting was held in 1955. Since that time the CBC has submitted its annual reports to parliament through the minister designated for that purpose as required by statute. I understand that you have the most recent report—that for the year 1957-58—before you as a basis for your study and analysis.

While the corporation has not been before a committee in the last four years, its policies and operations have been the subject of full and detailed scrutiny during the intervening period. Beginning concurrently with the last committee, for a period of more than a year, the closest possible study of all phases of broadcasting in Canada was undertaken by a royal commission headed by Mr. R. M. Fowler.

At the same time, a study made for the CBC of its financing was supplemented by a special study made for the Fowler commission. Both studies were made by a firm of financial consultants. This was followed in March, 1957, by the report of that commission which, among other things, recommended the continuance of the single national system of broadcasting composed of both public and private stations.

At its last session, parliament dealt with broadcasting and enacted in September the Broadcasting Act, which is the legislation governing the activities of the Canadian Broadcasting Corporation. This act was proclaimed on November 10, 1958.

Mr. Chairman, I thought it might be helpful, before dealing with current activities of the corporation, to give you a broad outline of how the corporation has developed. I hope in so doing I am not unnecessarily trespassing upon your time. I believe that such a review will serve as a background to your questions and to the answers which my colleagues and I will do our best to give.

Canada's present broadcasting system, like other communications media, has been shaped by the needs of Canada. The story of our communications is one of a continuing concern with economic and geographic pressures and against the over-development of natural north-south lines of contact which exert a strong and continuous influence upon Canadian life. Since 1929 broadcasting in Canada has been studied by three royal commissions and fourteen parliamentary committees and parliament has enacted three major pieces of legislation to control it and shape it to Canadian conditions and requirements.

The Broadcasting Act of 1958 establishes the Canadian Broadcasting Corporation for the purpose of operating a national broadcasting service in Canada. The CBC is directly responsible to parliament. The Corporation's independence of the executive government in its staff appointments and its program operations has been recognized by all parliamentary committees and all royal commissions as one of the most important characteristics of our Canadian broadcasting system.

The purpose of the CBC is to provide a national radio and television broadcasting service for the whole nation, reaching Canadians in every part of the country, so far as that is economically practicable; to provide program service in the two main languages in Canada; to develop the best possible national service of Canadian programs, together with programs brought in from outside the country.

The national broadcasting service must aim to serve Canadians in all walks of life, old and young; to bring programs of pleasure and of value to them; to meet in fair proportion their varying interests and tastes; to use the tremendous power of radio and television to provide many things that people want—varied entertainment, information, ideas, opinions, reflections of many developments, of many aspects of life; to offer much that is diverting and relaxing, but also to offer things of beauty and of significance. In reviewing the many reports of parliamentary committees on broadcasting, I found, among others, in the report of 1943 this cogent sentence. "A wide diversity of tastes and interests are encountered and to meet the listening public on a variety of levels and endeavour to strike a happy balance will remain a challenge to the ingenuity of those people directing the affairs of the Canadian Broadcasting Corporation." If that challenge existed in 1943, I can assure you it is a greater challenge today.

As it strives to serve Canadians with all their diversity of interests, the national service should enrich the lives of individuals. At the same time, it should stimulate the life of the nation in many ways: by offering opportunities for Canadians to appreciate and share in their artistic and creative abilities; by giving them a chance to laugh—and sometimes I hope to laugh at themselves, which is a very good thing occasionally—and enjoy the same amusing and pleasant things together from coast to coast; by giving them an opportunity for new insights and understanding; by helping them to know and understand one another, and to know other parts of their country; by stimulating and strengthening the interests of Canadians not only in other Canadians, but in the achievements, ideas and creative work of other peoples as well.

To carry out this responsibility, the corporation has had all the powers necessary to establish and operate a broadcasting organization, and now with its former regulatory functions transferred to the Board of Broadcast Governors, it can, does and proposes to concentrate solely on its operating role.

Among the broadcasting systems adopted by different countries throughout the world, the Canadian system is unique in its use of privately-owned and publicly-owned radio and television stations as essential parts of an integrated national operation. This is where the Canadian system differs, say, from the Australian system. In Australia, while there are both public and private stations, they have little to do with one another—that is hardly true because since the advent of television in Australia they are working much more closely together than in the past—since each has its own transmitters in most parts of the country. In Canada, on the other hand, the CBC depends on private stations for much of its coverage, and private stations on the CBC for much of their programming—a practical and money-saving arrangement.

In fulfilling its purpose, the corporation plans and produces a great number and variety of programs. It also imports programs from outside the country. It distributes this program service from Newfoundland to British Columbia through the operations of networks—national as well as regional, the latter to take care of regional needs. In its relations with sponsors and advertising agencies, the corporation is engaged in the production and the importation of commercial programs and their distribution.

On the technical side, the CBC is involved in complex operations related to the establishment and operation of studios, transmitters and the hiring of network facilities. In other respects, for example in its relationships with employees, the corporation resembles in many ways other industrial and public organizations of comparable size. Its administrative problems include maintaining a healthy relationship with a staff of 7,000 as well as the engagement of nearly 18,000 persons who appear before the camera and microphone annually. About 5,200 employees are organized and belong to duly constituted labor unions. Sometimes there are rather complicated negotiations with the six different staff unions and the performers' unions, but by and large we get along pretty well together.

One of the characteristics of CBC broadcasting is that it does not charge the consumer directly for its service and relies on advertising and some form of public support for its revenues. Because of Canada's small population, its two languages and its vast distances, the cost of a nation-wide radio and television service, basically Canadian in content and character, is I suspect, greater than any commercial company could support profitably. Thus, if it is to discharge the responsibility placed upon it by parliament, the CBC has to rely partly on public funds to meet its financial requirements. The whole question of finance and expenditure control, and its obvious relation to the quantity and quality of program output—and it is also a matter of distribution—is under constant study by management and the board of directors.

In addition to national service in sound and television broadcasting, the corporation acts as an agent of the government in managing the international service which broadcasts by shortwave in 16 languages and supplies Canadian transcriptions to various parts of the world. The funds for this service are provided by special votes of parliament. Policies for the international service are determined in consultation with the Department of External Affairs.

Started during the present year as the result of a special appropriation, but to be continued under the general provision of funds by parliament, is a northern service of the CBC. This is a development of the former arrangement whereby CBC made tape recordings of some of the national program service available to stations in northern Canada. In a similar way CBC has since 1951 provided tape recorded programs and shortwave news broadcasts for radio stations serving the Canadian armed forces abroad, the costs of this being recovered from the Department of National Defence.

Where the corporation differs from many other organizations in Canada is in the nature and scope of its product and in the extent and method of its distribution. The product of the corporation is programs—radio and television programs—and each program is an individual creation. It must be individually planned and custom-built. There is no mass production—nor can there be.

During the current year the corporation expects to broadcast some 50,000 of its own network productions in radio, totalling over 13,000 hours. In television, annual production of programs is around 10,000 totalling about 5,000 hours. These programs originate from various parts of Canada—some in English and some in French, some for radio and some for television—and cover the broad range of human experience and interests. Imports are not included here.

Some—like news, sports, national events, drama, variety and popular music—serve a very wide audience. Others are designed to interest a more specialized audience or to serve a special purpose—examples are children's programs, programs for women, for farmers and fishermen, religious programs, school broadcasts, programs on national and international affairs, on business and economics, on labor, and on political affairs. I rather suspect in some parts of Canada in the next few weeks you may be hearing, and indeed viewing, several programs of matters political which probably will include business, economics, labour and those things which I just have mentioned above.

Some of these programs demand months of planning and the effective coordination of many varied components. Others—radio interviews, for instance—may be arranged at comparatively short notice. Costs may vary from $50 or less for a local radio program to $400,000 for the 1957 royal visit on radio and television. I might interject that probably the costs of the forthcoming visit of Her Majesty and Prince Phillip will cost as much, if not more, and I am sure none of us will regret spending one penny of that amount.

All of this program output is arranged in weekly schedules, in which every effort is made to achieve a reasonable balance. This balance has to take into account the size and character of the potential audience, and the extent of the program's distribution, nationally or regionally.

CBC program service is described in detail in a separate submission under the title of 'The National Program Service' and I should like to have our Controller of Broadcasting, Mr. Charles Jennings and his deputy, Mr. Marcel Ouimet speak to you about programs at one of the early upcoming sessions of this committee.

You have heard me mention the word "distribution", and I think possibly the next few paragraphs should explain to you just what is meant by "program distribution".

Program Distribution

Another of the corporation's responsibilities is to make its national program service available to as many Canadians as possible, in English or French. In this country the only practical way of doing this is by extensive network operations, since the range of any individual broadcasting station is somewhat limited. A great many stations must be linked together by a network to serve the whole country. The CBC has its own transmitting stations serving certain areas, but, as I have said before many other areas have to be served through private stations connected to CBC networks.

The volume of network radio broadcasting has grown by almost ten times since the CBC was established by parliament in 1936. Today the corporation operates five networks—trans-Canada, French, Dominion in radio, and French and English networks in television. Each has a special character. The details of networks and stations are set out in another submission, entitled 'Radio and television networks'. The maps and information in this submission will, I hope, help you to understand the complexities of this aspect of our operations. I might mention that the facilities required to connect our television network are, we believe, the longest in the world.

Of course, we do not know what our friends in Russia have, but we are still under the impression that our network facilities are longer than theirs.

A word about CBC stations and coverage. I shall try to explain to you later this word "coverage".

CBC Stations and Coverage

When the CBC came into being, it set a general objective which its then Chairman, L. W. Brockington, Q.C., expressed as 'making it possible for every Canadian to hear the corporation's programs and of providing the best programs wherever obtainable.'

In 1937 a technical survey was undertaken to determine the precise coverage of the network and of all Canadian stations, as well as the extent and character of interference. This survey revealed that approximately 50 per cent of the population was being given assured coverage but that rural Canada was receiving much less service. To remedy this situation and to provide adequate coast-to-coast facilities, the Board of Governors approved a long-term plan, the essential feature of which was the ownership by the CBC of high-power stations occupying clear channels to serve both urban and rural listeners.

Some time later, in order to help overcome geographical difficulties hampering reception in certain areas (notably in the East Kootenay and Cariboo districts of British Columbia and parts of Northern Ontario, Quebec and New Brunswick), a new type of station was developed. This was the LPRT, or low power relay transmitter. This type of transmitter could be fed directly from the network lines (those lines already paid for and in use to connect the larger centres) and the transmitters of this type were meant to give coverage to areas which received little or no service from regular broadcasting stations, either CBC or privately-owned. Since 1940 the corporation has installed these low power transmitters in some 50 areas which receive full service of the Trans-Canada or French network.

However, many more are needed if CBC service is to be as truly national as you would like it to be.

Members of this committee, and members of parliament generally, are rather familiar with this peculiarly Canadian problem of bringing national service to isolated areas. The corporation conducts a continuing study of areas from which such applications come to have these LPRTs installed. Our engineering and research departments collect relevant data—the potential radio homes,

the source of power, the means of providing service and, most important of all, the cost of installing and operating the proposed stations through linkage to existing network lines. From this data, our cost index per radio home is determined. CBC management and board of directors (and the former board of governors) was and is now supplied with a report on the basis of which the corporation can come to a conclusion as to those locations for which licences should be sought, subject, of course, to the availability of capital and operating funds for such additions to the national service.

We now come to that rather interesting subject—not in any sense deprecating radio, but this subject of television. It may be helpful if I were to review for you, as briefly as I can, the growth of C.B.C. television.

In the years preceding television in Canada, the CBC gave a lot of thought to Canadian needs and conditions. It came to the conclusion, rightly or wrongly, that the development of television broadcasting should be undertaken by the corporation as part of the national broadcasting service. The CBC recommended to the government the licensing of publicly-owned television stations supplemented by individual private stations connected with the CBC-operated network.

In 1949 the government announced an interim plan pending the report and recommendations of the royal commission on national development in the arts, letters and sciences, which was known as the Massey commission, headed by our now Governor General. This interim plan involved the establishment of national television production centres at Toronto and Montreal, with transmitting stations in each of these cities. The government loaned the CBC the necessary capital funds. The CBC was asked to provide programs for private broadcasting stations which might shortly become operative in other parts of Canada.

In 1951 the report of the Massey commission strongly recommended a national television system and specifically that the CBC proceed with plans for national coverage and for the production of television programs in French and English. It also recommended that all private stations licensed be required to serve as outlets for national programs.

In May, 1952, the corporation submitted to the government a proposal for the development of a nationwide television system. This called for CBC stations and production centres at key points across the country as a basic framework. In addition individual private stations should be licensed in other areas and would extend coverage of the national service through their affiliation to the CBC network. CBC estimated that this pattern would provide service to approximately 75 per cent of the Canadian population.

In the autumn of 1952, the government announced its plan for the development of television in Canada or "further development", I might say. It indicated willingness to permit the CBC to establish further television production centres and stations at Vancouver, Winnipeg, Ottawa and Halifax, and provided loans for the purpose. In addition, the government suggested it would license private stations to serve areas not served by CBC facilities. Its objective was to make national television service available to as many Canadians as possible through cooperation between private and public enterprise. Under the plan all licensed private stations would carry national program service, in addition to programming of their own, and no two stations would be licensed to serve the same area. Some six and almost seven years later, after the announcement of this plan, Canadian television is available to approximately 90 per cent of the population, but, may I add regretfully, there are many unserved areas demanding TV service.

Let us deal now with the basis for recommending C.B.C. installations.

In making its 1952 submission to the government, the Board of Governors put forward recommendations for CBC production centres and transmitters in each of the principal geographic regions. The board took this step because it thought it desirable that there should be CBC originating points in all of these key areas so that the national service could reflect the regional as well as the national characteristics of Canada and so that there would be regional opportunities for Canadian artists, performers, writers, technicians and engineers. It also was the opinion of the board that the corporation should be provided with its own facilities in areas where large populations could be served in order that the national system could be supported by revenues from commercial operations—that is by advertising—thus lessening the extent of dependence on public funds.

In addition, the Board of Governors considered that it was the responsibility of the CBC to provide television service through relay transmitters in areas which appeared unlikely to be able to support a private station. As I have said before there are many demands for service. The CBC gives earnest consideration to all these. However, it must study them within the limits of its resources and must proceed on the basis of making installations which provide service to the greatest number for the lowest cost or expense. In its planning, CBC management has worked out certain criteria for the extension of coverage through CBC facilities. These criteria, intended to ensure the economical use of public funds, are:

(1) A broadcasting channel should be available in the area.

(2) In order to qualify for consideration the population of a centre should exceed an established minimum.

(3) A reasonable balance should be maintained between geographical areas and the French and English languages

(4) A study should be made of population distribution and topography to determine the most effective and economic transmitters to install.

(5) Consideration of the method of providing program service for a potential CBC installation should take into account the comparative costs of service by (a) network connection, (b) off-air pickup from another CBC transmitter and (c) television recordings, originally called—and it has now almost become a nasty word—"kinescopes".

(6) Annual operating costs per television home served should be determined for each potential installation in order to provide unit cost comparison. Other things being equal, the potential installation with the lowest unit cost should receive attention first.

Mr. Chairman, may I pass along to the Broadcasting Act, the new Broadcasting Act, copies of which I assume you have before you. If not, they are certainly available. I am sure you all have them. Maybe you have not brought them with you, but they can easily be obtained, although I do not know whether they are necessary at this particular time.

The new Broadcasting Act proclaimed November 10, 1958, provides for a Board of Broadcast Governors to regulate the establishment and operation of networks, the activities of public and private stations in Canada and the relationship between them, and to recommend to the licensing authority on applications for all new stations. As the BBG will obviously be available to appear before you, it is not for me to say just what its functions or responsibilities are. The act does confirm the status of the Canadian Broadcasting Corporation as a crown corporation for the purpose of operating a national broadcasting service.

It ensures that there shall be a board of directors. I do have something more to say about the board of directors, and I think I should make it clear at this point, because there seems to be a considerable amount of confusion

in the minds of some people as to the difference between the Board of Governors, which was the C.B.C. Board of Governors and which has been replaced by the Board of Broadcast Governors, and the C.B.C. Board of Directors.

I am going to add to the confusion in a little while by telling you something about this Board of Directors, but the act also sets out quite clearly certain financial and other provisions relating to its operation.

In connection with extension of C.B.C. coverage—probably, at this point I should tell you, because we use this term "extension of C.B.C. coverage" quite frequently, just what that involves, or might involve. It might mean the installation of a high power transmitter or a low power transmitter somewhere. It might mean the installation of a relay station or, indeed, it might mean the extension of the microwave system. Those are the things that are encompassed, if you like; at least that is the way we use the expression "extension of coverage".

The Broadcasting Act requires the C.B.C. to submit a five-year capital program to the government by November, 1959 and, as I indicated a moment ago, to apply for authority to establish new broadcast installations. This means—and I think this is rather important—that C.B.C. applications involving extension of coverage and the installation of new stations are also heard at public sessions of the Board of Broadcast Governors and are recommended on by the B.B.G. to the Minister of Transport.

I have tried to explain the steps which the C.B.C. must take in developing additional radio and television coverage to stress the fact that there are many areas where coverage is not yet available, and I have tried to tell you some of the reasons why these people in these unserved areas are now literally demanding service from the C.B.C. It may also be drawn to your attention that when the last parliamentary committee on broadcasting met in 1955, our television service was available to 73 per cent of Canadian homes; now it is available to 90 per cent of them.

You may wish to question those figures at some later time. I hope Mr. W. G. Richardson, our director of engineering, will be able to make it a little more clear. If he is not able to, there are others who will be able to make this clearer than I propose to at this time.

There is one other fact which I mentioned but which I should perhaps restate in the clearest possible terms. To extend either radio or television coverage requires not only capital, but also operating funds. In 1956 the corporation submitted to the Fowler Commission a capital program covering a period of seven years. This program provided for progressive extension of coverage, as well as for other developments in the radio and television fields. A further revision of coverage plans will be reflected in the five-year capital program to be submitted this year.

Mr. Chairman, I think I will say something about our C.B.C. board of directors. I think most of you know the act, and I am sure you do realize that under its provisions, as I have indicated before, the regulatory and related functions formerly exercised by the C.B.C. Board of Governors are now the responsibility of the Board of Broadcast Governors, which is a completely new body as I explained a moment ago. This gives fresh emphasis to the corporation's primary function of providing a national broadcasting service. It is with this task that our board of directors, appointed last November, is mainly concerned. Our directors are: Mr. J. Alphonse Ouimet who is president; Mrs. Kate Aitken of Toronto; Mrs. Ellen Armstrong of Calgary; Mrs. Alixe Carter of Salmon Arm, British Columbia; Mr. R. L. Dunsmore of Montreal; Mr. Raymond Dupuis of Montreal; Mr. R. W. Ganong of St. Stephen, New Brunswick; Mr. C. W. Leeson of Stratford, Ontario; Dr. C. B. Lumsden of Wolfville, Nova Scotia; Dr. W. L. Morton of Winnipeg; and, of course, myself.

We also have in attendance from the board of directors, Mr. Barry MacDonald, secretary, whom I will introduce to you, and Mr. Jack Halbert, the assistant secretary.

The board of directors is responsible for CBC operational and financial problems. In the main it deals with such matters as:

(*a*) the establishment and revision of by-laws;

(*b*) the establishment of basic policies and directives.

(*c*) the consideration and approval or rejection of broad operating plans;

(*d*) the approval and recommendation to parliament of annual capital and operating budgets;

(*e*) the approval of proposals to the appropriate Minister and the Minister of Finance for submission to the governor in council of a five-year capital program.

(*f*) the recommendation and submission of the annual report to parliament; and

(*g*) the overall direction of the corporation's affairs.

The CBC board of directors held its first meeting on December 4, 1958, and passed by-laws which provide for the conduct of meetings of the board, and the establishment of executive, finance and program committees.

The executive committee, generally speaking, is vested with full authority to act for the Board of Directors between meetings of the board should any unusual or emergency situation arise. The president is chairman of the executive committee which also includes the chairman of the finance committee, Mr. R. L. Dunsmore, the chairman if the program committee (myself) and two other directors, Mrs. Aitken and Mr. Dupuis.

The finance committee of the board (composed of Mr. Dunsmore, Mr. Ganong and Mr. Leeson, as well as Mr. Ouimet and myself) is required by by-law to survey the financial operations of the corporation and submit to the board, as the board may require, a report of such financial operations, including any recommendations it may have with respect to them. The functions of the finance committee may include any of the following:

(*a*) review monthly financial statements as prepared and presented by management;

(*b*) submit to the board at each regular meeting a financial statement and recommendations thereon;

(*c*) review and recommend on the financial implications of any transactions involving CBC;

(*d*) review financial submissions of the corporation to the treasury board;

(*e*) review and recommend to the board on the annual capital and operations budgets and keep in touch with budget developments;

(*f*) review and recommend to the board on the over-all salary budget for management personnel;

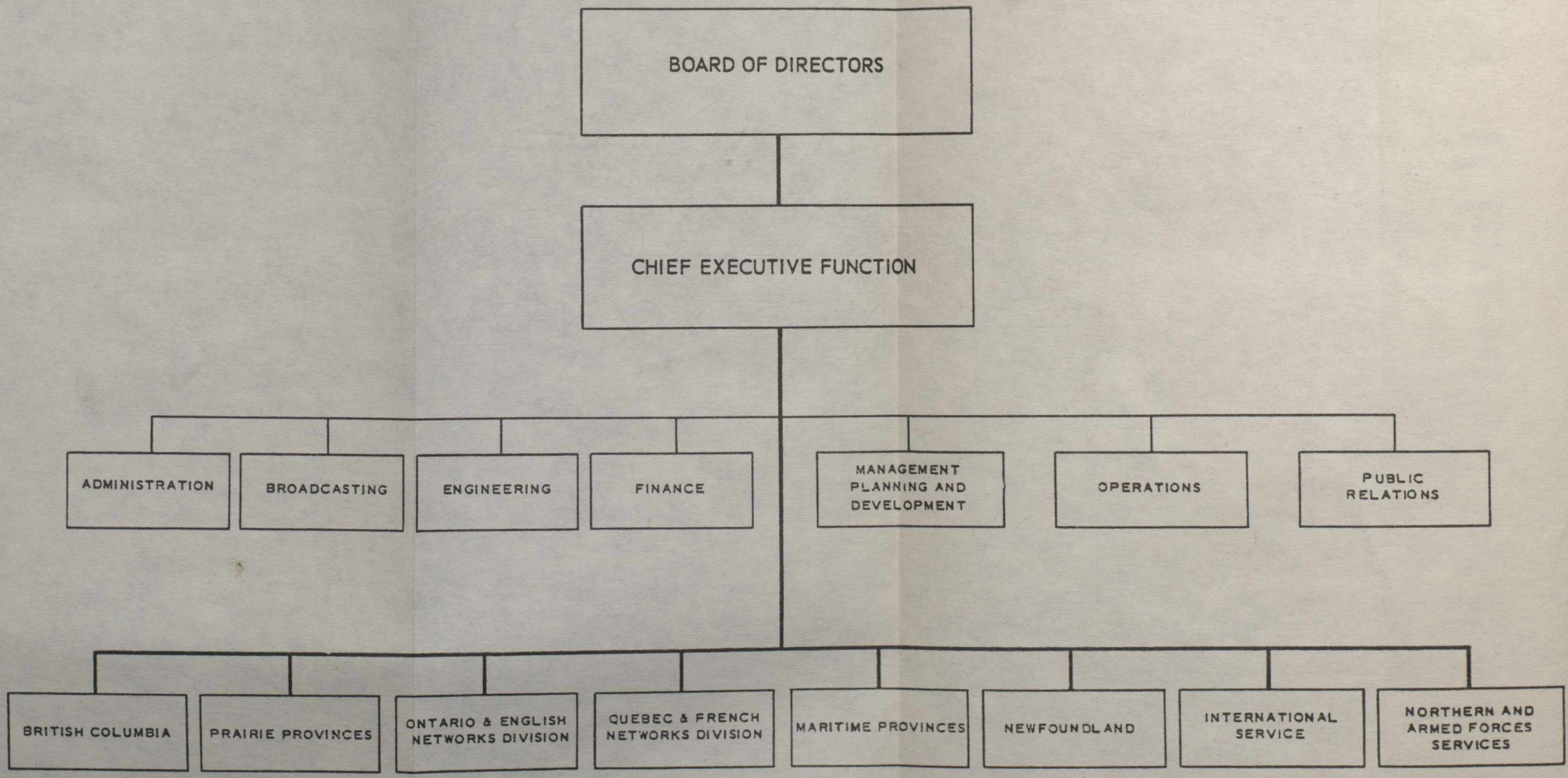
(*g*) request studies by management of any financial operations of the corporation;

(*h*) recommend to the board, or in an emergency to the executive committee, on proposed changes in any CBC operation to improve the financial position of the corporation;

(*i*) review and recommend to the board on financial and operational forecasts;

(*j*) review and recommend on any financial matter referred to it by the board, the Executive Committee or by Management through the President.

CANADIAN BROADCASTING CORPORATION



OFFICE
OF
DIRECTOR OF ORGANIZATION
19 NOVEMBER 1958

The board of directors asked Mr. R. L. Dunsmore to be chairman of its finance committee and already this committee of the board has performed most useful service.

I think I mentioned before Mr. Dunsmore is the chairman of the committee so I will pass on to the third and largest committee of the board, and that is the program committee.

As I have mentioned, the program committee is composed of myself, Mrs. Aitken, Mrs. Ellen Armstrong, Mrs. Alixe Carter, Mr. Raymond Dupuis, Dr. Lumsden, Dr. Morton and Mr. Ganong.

On behalf of the board of directors, the program committee may:

(*a*) review the established program policies of the corporation;

(*b*) recommend to the board such changes in policy and such new policies as may appear desirable;

(*c*) review program standards of the corporation;

(*d*) recommend to the board such changes in standards or such new standards as may appear desirable;

(*e*) review the program performance of the corporation in the light of established policies and standards;

(*f*) receive such reports and other information from management as may be necessary for the performance of the foregoing functions.

Now, if I may, I would like to deal rather briefly with the C.B.C. organization.

C.B.C. Organization

The organization of the corporation is shown on two charts which I believe are available to you through the Clerk of your Committee.

The CHAIRMAN: They have already been distributed.

Mr. BELL (*Carleton*): I think they should be printed in the proceedings, Mr. Chairman.

The CHAIRMAN: Yes; thank you, Mr. Bell.

The first chart shows the broad areas of responsibility in the corporation's administrative structure. It indicates that at head office, the chief executive, Mr. Ouimet, is assisted by a group of senior officers who specialize in areas of administration, broadcasting, engineering, finance, management planning and development, operations and public relations. Those are the gentlemen whom I introduced to you this morning.

The head office of the corporation is by statute located in Ottawa. In order to meet the varying needs of a big country and to try to resolve the difficulties presented by the existence of seven time zones, the C.B.C. is divided geographically into six regions for purposes of administration and operations. These are: British Columbia with headquarters in Vancouver, prairie provinces with Winnipeg as its centre, the Ontario and English networks division directed from Toronto, the Quebec and French networks division with Montreal as its central point, the maritime provinces with offices in Halifax and Newfoundland directed from St. John's.

At some time later I hope to give you the opportunity of meeting some of our regional directors, the people who are in charge of the various sections I have mentioned. We also have two other administrative units: The International Service—of which Mr. Charles R. Delafield is the head—having its headquarters in the Radio Canada building in Montreal, and the Northern and

Armed Forces Service—Mr. Andrew Cowan is the director of that service—directed from Ottawa. The latter deals with broadcast service to the Yukon, Northwest Territories, to the northern area of certain provinces, and to Canadian armed forces overseas through transmitters operated and paid for by the Department of National Defence.

I am sure that by this time you have become pretty well confused about the director business. First let me say this, that when we had a Board of Governors we were able to use the term "director" rather freely in the organization; but after we got a Board of Directors we found out we had so many directors of our own that it became very confusing. Let me put them in this order. There is the Board of Directors—whom I named—that was appointed by the government, and the directors of the regions are C.B.C. employees responsible for administration and the progamming in their areas. Then we unfortunately have as well—I should not say "unfortunately"; we are pleased to have them, but it is unfortunate that we cannot find a better name for them—a number of other directors. For example, you have heard me mention the director of engineering. He, also, is one of the paid employees of the corporation. So I hope that you can keep these terms that I am using clearly in your mind and differentiate between the Board of Directors, directors of the regions, and directors of divisions or sections, who are really—as I say—employees of the corporation.

Each region is headed by a director who is responsible for the interpretation and application of corporation policy. He directs the operating units, controls the activities of staff services and is mainly responsible for public relations in his region. Under him are specialized staff officers. Each operating unit is managed by a station manager or director reporting to the regional director.

It may be noticed that two areas are referred to as divisions. These have special responsibilities. In addition to being administrative centres for the geographical area, they are the headquarters for network operations. The two divisions are in Ontario for English networks and in Quebec for French networks. For these two divisions, network program directors plan the program schedules in both radio and television. They also determine at what points programs will originate, direct commercial activities and relations with affiliated stations, and in general exercise quality control over programs.

In the second chart, which is basically the same as the first, will be found the title for each of responsibility. In addition, for each staff position at head office a list of functions is given which will serve to identify the area of activity of each controller or director. Our controller of management planning and development, Mr. Marcel Carter, will, I am sure, be happy to enlighten you further in this connection, if any enlightenment is needed; and it may well be.

Briefly touching on the international service.

I would like to reiterate what I said before about the financing of the international service which goes out to the world by shortwave and recordings and provides a Canadian service of information and programs to other countries. The corporation carries on its books and shows on its balance sheet, as a separate item, the total cost of this service's real property, technical equipment, transmitters and so on. All expenditures of international service are covered by a separate parliamentary appropriation and the annual estimates of the service are approved by treasury board before being considered by parliament. They are also discussed with the Department of External Affairs.

BASIC ORGANIZATION - CANADIAN BROADCASTING CORPORATION

19 NOVEMBER 1958

TRUSTEESHIP

BOARD OF DIRECTORS
11 DIRECTORS INCLUDING
PRESIDENT AND VICE-PRESIDENT

GENERAL MANAGEMENT

PRESIDENT
CHIEF EXECUTIVE FUNCTION

VICE-PRESIDENT
DEPUTY CHIEF EXECUTIVE FUNCTION AND
GENERAL MANAGEMENT LIAISON WITH
DIVISIONS AND REGIONS

CORPORATE MANAGEMENT

CONTROLLER OF ADMINISTRATION
- EXECUTIVE ADMINISTRATION
- INDUSTRIAL RELATIONS
- LEGAL
- PERSONNEL RELATIONS
- SALARIES ADMINISTRATION
- WELFARE

CONTROLLER OF BROADCASTING
DEPUTY CONTROLLER
- AUDIENCE RESEARCH
- COMMERCIAL
- PROGRAM APPRAISAL
- PROGRAM SUPERVISION
- STATION RELATIONS

DIRECTOR OF ENGINEERING
CHIEF ENGINEER
- ARCHITECTURAL
- TECHNICAL OPERATIONS
- OPERATIONS
- PLANT
- TRANSMISSION AND DEVELOPMENT

COMPTROLLER
- ACCOUNTING DEVELOPMENT
- ACCOUNTING RESULTS AND CONSOLIDATION
- BUDGET ESTIMATES AND SPECIAL STUDIES
- FINANCIAL MANAGEMENT
- GENERAL ACCOUNTING CONTROL
- INTERNAL AUDIT

CONTROLLER OF MANAGEMENT PLANNING AND DEVELOPMENT
- EXECUTIVE DEVELOPMENT
- ORGANIZATION PLANNING
- SYSTEMS AND PROCEDURES
- OFFICE STANDARDS
- FORMS CONTROL
- INSTRUCTION WRITING
- INTER-OFFICE COMMUNICATIONS
- SYSTEMS AND WORK IMPROVEMENT

CONTROLLER OF OPERATIONS
ASSISTANT CONTROLLER
- BUDGET CONTROL
- LONG-RANGE FORECASTS OF FACILITIES, PERSONNEL AND FINANCIAL REQUIREMENTS
- OPERATIONAL PLANNING AND EVALUATION
- OPERATIONAL SUPERVISION

DIRECTOR OF PUBLIC RELATIONS
DIRECTOR - INFORMATION SERVICES
- AUDIENCE RELATIONS
- PUBLICATIONS
- PUBLICITY
- SPECIAL PROJECT EDITORS

REGIONAL & DIVISIONAL OPERATIONS

DIRECTOR BRITISH COLUMBIA
- REGIONAL OFFICES AND SERVICING DEPARTMENTS
- RADIO PRODUCTION CENTRE
- TELEVISION PRODUCTION CENTRE - VANCOUVER
- RADIO STATION - VANCOUVER - CBU, CBUX; - CBU-FM
- TV STATION - CBUT
- PRINCE RUPERT - CFPR
- LOW POWER RELAY TRANSMITTERS AT 31 LOCATIONS

DIRECTOR PRAIRIE PROVINCES
- REGIONAL OFFICES AND SERVICING DEPARTMENTS
- TELEVISION PRODUCTION CENTRE - WINNIPEG
- RADIO PRODUCTION CENTRES - WINNIPEG, EDMONTON AND REGINA
- TELEVISION RELAY CENTRE - CALGARY
- RADIO STATIONS - LACOMBE, ALTA - CBX; EDMONTON, ALTA. - CBXA; WATROUS, SASK. - CBK; CARMAN, MAN. - CBW
- TELEVISION STATION - WINNIPEG, MAN. - CBWT
- LOW POWER RELAY TRANSMITTERS AT 4 LOCATIONS

DIRECTOR ONTARIO AND ENGLISH NETWORKS DIVISION
- DIVISIONAL OFFICES AND SERVICING DEPARTMENTS
- SPECIALIST PROGRAM DEPARTMENTS
- TELEVISION NETWORK HEADQUARTERS
- RADIO NETWORK HEADQUARTERS
- TELEVISION PRODUCTION CENTRES - TORONTO AND OTTAWA
- RADIO PRODUCTION CENTRES - TORONTO, WINDSOR AND OTTAWA
- TELEVISION STATIONS - TORONTO - CBLT; OTTAWA - CBOT; - CBOFT
- RADIO STATIONS - TORONTO - CBL, CJBC, CBC-FM; OTTAWA - CBO, CBO-FM; WINDSOR - CBE
- LOW POWER RELAY TRANSMITTERS AT 15 LOCATIONS

DIRECTOR QUEBEC AND FRENCH NETWORKS DIVISION
- DIVISIONAL OFFICES AND SERVICING DEPARTMENTS
- SPECIALIST PROGRAM DEPARTMENTS
- TELEVISION NETWORK HEADQUARTERS
- RADIO NETWORK HEADQUARTERS
- TELEVISION PRODUCTION CENTRE - MONTREAL
- RADIO PRODUCTION CENTRES - MONTREAL, QUEBEC AND CHICOUTIMI
- TELEVISION STATIONS - MONTREAL - CBFT; - CBMT
- RADIO STATIONS - MONTREAL - CBF, CBF-FM; - CBM, CBM-FM; QUEBEC - CBV; CHICOUTIMI - CBJ
- LOW POWER RELAY TRANSMITTERS AT 2 LOCATIONS

DIRECTOR MARITIME PROVINCES
- REGIONAL OFFICES AND SERVICING DEPARTMENTS
- TELEVISION PRODUCTION CENTRE - HALIFAX
- RADIO PRODUCTION CENTRES - HALIFAX, SYDNEY AND MONCTON
- TELEVISION STATION - HALIFAX - CBHT
- RADIO STATIONS - SACKVILLE - CBA; HALIFAX - CBH; MONCTON - CBAF; SYDNEY - CBI

DIRECTOR NEWFOUNDLAND
- REGIONAL OFFICES AND SERVICING DEPARTMENTS
- RADIO PRODUCTION CENTRE - ST. JOHN'S
- RADIO STATIONS - ST. JOHN'S - CBN, CBNX; GANDER - CBF; GRAND FALLS - CBT; CORNER BROOK - CBY

DIRECTOR INTERNATIONAL SERVICE
- OFFICES AND PRODUCTION CENTRE - MONTREAL
- SHORT WAVE TRANSMITTERS SACKVILLE, N.B.

DIRECTOR NORTHERN AND ARMED FORCES SERVICES
- PROGRAM OPERATIONS
- TECHNICAL OPERATIONS
- RADIO STATIONS - DAWSON CITY - CFYT; WHITEHORSE - CFWH; YELLOWKNIFE - CHYK

OFFICE
OF
DIRECTOR OF ORGANIZATION

Briefly a word about CBC engineering.

The corporation has had to build its own staff of engineers, architects and technicians in order to operate and maintain all of the highly specialized electronic and mechanical equipment needed in broadcasting. These services come under the supervision of the director of engineering, Mr. W. G. Richardson, who—as I said before—will be available to supply any technical information you may require. If not, his assistant, Mr. Johnson, will be available.

Now a word or two about CBC staff.

The national broadcasting service is built on the contributions of individual members of our staff. They have many specialized capacities. We determine the salary differentials for different staff positions through a job analysis and assess the relative value of new jobs and re-assess positions, the nature of which has been altered. Staff statistics, except for individual salaries, are available. All of our procedures dealing with staff and welfare matters are the responsibility of the controller of administration, Colonel R. P. Landry, who is prepared to answer any question or give information you may desire.

Then a word about C.B.C. information services.

One of the areas to which the corporation has given increasing attention over the years is that of informing the public about C.B.C. program activities. It has been our conviction, and this has been supported by others who have studied the problem, including parliamentary committees, that our own facilities are the best means at our disposal for this task. The responsibility for C.B.C. information services rest with our director of public relations, Mr. R. C. Fraser, who will be attending most of the sessions, I hope, of this committee and will be available to answer questions which committee members may be interested in.

Then, if I might pass on to our relations with staff unions.

The corporation, because it is a federal body, comes within the review of the Minister of Labour and the Canada Labour Relations Board according to the terms of the Industrial Relations and Disputes Investigation Act of 1948. CBC union relations date back to May of 1952 when the American Newspaper Guild—that is, ANG—was certified by the Canada Labour Relations Board as a bargaining agent to represent a unit of reporters and editors employed in the CBC news service. Since then four other unions have been certified at various times, so that presently 76 per cent of staff are represented by unions. The remaining 24 per cent is made up of management, supervisory and confidential employees who have been excluded from collective bargaining under the Canada Labour Relations Act.

Mr. Chairman, you will see a long list of the unions with which we have agreements, and I would beg your forgiveness if I do not read them to you, except to say, in very general terms, that I think we have about 5,200 all told listed here. They range from the largest—the IATSE group of 1,530 and the NABET group of 1,200—down to a rather small group of building service employees.

The CHAIRMAN: Is it agreeable, ladies and gentlemen, that this be put in the record?

Agreed to.

At present there are nine agreements in force.

Union	Employees Covered	Approximate Number
Canadian Wire Service Guild (Local 213)	News Department Clerical, Production	140
Association of Radio and Television Employees of Canada (ARTEC)	Clerical, Production & Announce staff	2,100
Association of Radio and Television Employees of Canada (Building Maintenance Group)	Building Maintenance Staff	50
Building Service Employees' International Union Local 298 Montreal (BSEIU)	Janitors and Cleaners	65
Building Service Employees' International Union Local 244 Vancouver (BSEIU)	Janitors and Cleaners	10
Building Service Employees' International Union Local 204 Toronto (BSEIU)	Janitors and Cleaners	75
International Alliance of Theatrical Stage Employees (IATSE)	TV Production, Staging, Film & Crafts	1,530
National Association of Broadcast Employees and Technicians (NABET Master Group)	Technical	1,200
National Association of Broadcast Employees and Technicians (NABET TV Studio Watchmen)	Television Studio Watchmen	30

Mr. BUSHNELL: Now our Relations with Talent Unions, which may interest you.

In addition to discussing matters with unions representing staff, the corporation deals collectively and bargains with authors, artists and musicians. I do not want any misunderstanding when I differentiate between artists and musicians, because musicians are artists; there is no question about that. The corporation negotiates with the Canadian Council of Authors and Artists (CCAA) and the American Federation of Musicians (AF of M).

In the fiscal year 1957-58 the corporation engaged approximately 625 individual musicians as well as some 1,200 performers affiliated to CCAA. Most of these artists were, of course, used on a number of occasions for a total of almost 60,000 performances in the year.

There is no agreement in contract form between the AF of M and the corporation. The rates and conditions governing musicians and radio and TV are outlined in two letters from the AF of M to the corporation. The first major interruption in the relationship between the corporation and its employees, experienced in Montreal at the beginning of this year, arose by reason of the refusal of some union members to cross a picket line which had been established by management non-union employees. Members of this committee will understand that this was an unprecedented situation for the corporation; indeed it may be safe to say that it was almost unprecedented on the national labor scene. At this time I will only say that with the help of all concerned, the corporation is providing what it hopes and believes a normal radio and television service on its French networks.

Now we come to a rather important part of my statement, which will be amplified later by Mr. Henderson and others. It is the part having to do with finance.

Financial

You have our last annual report containing our financial statements for the fiscal year ended March 31, 1958, which I would ask you to note was duly certified by the Audior General of Canada.

We are now completing our accounts for the past fiscal year which ended March 31st. It will be some weeks yet before this is final and the Auditor General is in a position to certify to the correctness of our financial statements. However, as required by the Broadcasting Act, we shall be placing our report in the hands of the minister by the end of June for tabling in parliament.

The financial statements for this fiscal year—that is, for 1958-59—will reflect full implementation of the financial provisions of the Broadcasting Act, which became effective November 10, 1958, and which provided among other things for conversion of the corporation's loan indebtedness to the government of Canada into a proprietor's equity account on the books of the corporation.

In this introductory statement I feel I could give you some helpful information about the financial operations and controls of the corporation. The corporation must conform to the requirements of the Financial Administration Act, particularly for certain aspects of its operations, and those particularly affecting capital expenditures. In accordance with section 30 of the Broadcasting Act the C.B.C. may purchase, lease or otherwise acquire or dispose of real or personal property but must seek approval of the governor in council for transactions, other than those involving program material or rights therein, for a consideration in excess of one hundred thousand dollars or for a period in excess of five years.

As I have said before, section 35(2) provides that within one year after the coming into force of the Broadcasting Act and every fifth year thereafter the corporation shall submit to the minister and the Minister of Finance for submission to the governor in council a five-year capital program proposed by the corporation, together with a forecast of the effect of this program on the corporation's operating requirements. The corporation has always followed the practice of submitting both a capital budget and an operating budget to treasury board for its next financial year. It is customary to prepare and discuss the proposed expenditures with the minister to whom the C.B.C. reports and the officers of the treasury board in the closing months of the calendar year and the submissions, as approved, are included in the departmental estimates submitted to parliament annually. For example, in November, 1957, the corporation submitted its estimates for the fiscal year 1958-59 which were then approved by parliamentary vote in August of 1958. The total amount of these estimates so approved was $60,140,000 consisting of $51,491,000 for radio and television operations and $8,649,000 for capital expenditures. Our accounting of these will be reflected in the financial statement for the year ended March 31, 1959, to which I have referred.

After approval of the estimates by treasury board the corporation then establishes internal operating plans and related budgets designed to provide yardsticks and benchmarks against which actual performance can be and is carefully measured monthly during the course of the year. The practice followed is similar to that employed by, I presume, any commercial business. However, it takes on an added importance for the corporation since expenditures must be kept within the total estimates approved by parliament for the year.

There is a budget committee at our head office for the purpose of coordinating, reviewing and recommending to the president and our finance committee and then to our board of directors, all of the corporation's budget estimates and any changes therein both with respect to our specific annual requirements on capital and operations as well as the five-year forecasts which have to be submitted to the minister reporting to parliament for the C.B.C. and the Minister of Finance under the provisions of the Broadcasting Act.

The effective functioning of our budget estimating requires that we base our forecasting on sound operational policy and plans. This demands the close and continuing attention of all of our senior officials at head office and in the regions. Our controller of operations, Mr. J. P. Gilmore, is responsible for coordinating this work. The planning decided upon in this way must be evaluated in terms of its financial requirements. This is the responsibility of our comptroller, Mr. Max Henderson, who with his head office staff and the regional chief accountants, carries out all financial estimating, costing, compilation and reporting thereon.

As the year progresses, the chief accountants in each of our regions prepare monthly financial reports. In addition to being consolidated by the comptroller at head office for this monthly report for management, these individual regional reports are the basis on which the officers in charge of various operating units take action. In this way all management officers keep a close watch not only on how money is spent but how efficiently various supervisors are managing their operations. Any unusual or extraordinary expenditure is the subject of management analysis and action at once.

Another financial control in the corporation's regular operations is a continuing internal audit carried out under the direction of the comptroller. This provides spot checks on the management of units and on the handling of particular transactions.

The corporation believes that, within the framework of broad policies and principles laid down by its board of directors, it should make as much money as it can from its commercial operations, compatible with its objectives which I think have been rather carefully spelled out by previous commissions and committees. There are two very good reasons for this:

(1) to help lessen the cost of a national enterprise that must continue to rely on funds provided by parliament to maintain a high standard of service; and

(2) within sensible and economically justifiable limits, to expand its services to its shareholders, the public of Canada.

I think I have already mentioned this two or three times, but it leads me to the next paragraph, so I hope you will allow me just to speak again about this five-year forecast of estimated capital requirements.

The basis on which this forecast will be made is now under close study by managements and the board of directors. The work involved must be completed by November of this year—that is a short time to do it in.

Certain very basic assumptions should be made in such a forecast. Specifically we are obliged to estimate to what extent the recommendations of the board of broadcast governors are likely to affect our present operations and future plans. We must assess the impact of private station competition on our revenue from commercial operations. In addition, we ourselves face a number of capital projects which must be undertaken if we are to achieve our goal of maximum efficiency at minimum cost to the Canadian taxpayer; and probably as good an example of this is in the importance of consolidating our production facilities in the large centres of Montreal and Toronto where we are now too widely dispersed.

Mr. CHAIRMAN: I hope this report has not wearied you. Probably it has wearied me a little more; I seem to show some evidence of that. It is just the voice more than the physical effort, but there are many other aspects of this complicated business which I might have included, and I know there will be many questions you will wish us to answer. My colleagues and myself are here to do just that, as well as we can.

Thank you very much gentlemen, for giving me such fine attention here today. Thank you, Mr. Chairman.

The CHAIRMAN: Mr. Bushnell, we are obliged to you for this most comprehensive report.

I see it is 12:15, and we can do one of two things. We can proceed with this report and review it page by page with questions, or, although I think it is a little too early, we could adjourn this meeting. What is your wish?

Mr. CHAMBERS: Let us carry on for a while, Mr. Chairman.

Mr. SMITH (*Simcoe North*): Mr. Chairman, I was wondering if there was some way in which you could divide the questioning for the discussion on the report so it would not be necessary to keep all Mr. Bushnell's assistants here all through the hearings. If we could decide at one hearing to deal with certain aspects, then only those experts would need to be here at that particular hearing.

The CHAIRMAN: That is the intention of the subcommittee. We will have a meeting today or tomorrow, and present our proposed agenda to Mr. Bushnell, so that he can call in those people only who are particularly interested in the questions which we will have for that date.

Mr. SMITH (*Calgary South*): I think, Mr. Chairman, that merits consideration, because in taking the report page by page you come back at various points to a variety of subjects; and if, as an example, the committee could consider on one day the question of finance and on the second day the question of production, it would provide better continuity for the committee.

The CHAIRMAN: I think you are right, Mr. Smith. There is one way we could proceed if we do not wish to go into questioning today. On page 8 of the report I notice Mr. Bushnell stated that Mr. Charles Jennings has another report on programming. If it is your wish, we could hear Mr. Charles Jennings at this time, if he is prepared to submit that report.

Mr. KUCHEREPA: How long would it take?

The CHAIRMAN: How long would your report take, Mr. Jennings,—fifteen minutes, half an hour?

Mr. CHARLES JENNINGS (*Controller of Broadcasting*): I think what I could do, Mr. Chairman, is to ask first of all, if this report on the National Program Service has been distributed.

The CHAIRMAN: Yes, it has been distributed.

Mr. JENNINGS: I might spend a very few moments pointing out to you what is contained in the report, Mr. Chairman.

The CHAIRMAN: Thank you.

Mr. JENNINGS: I think, sir, it is probably far too long to go into in the time at our disposal here, but perhaps I could go over the contents. Do the members of the committee have it?

The CHAIRMAN: Yes, they do. I think that might be wise, Mr. Jennings, if you would just run quickly over the headings of this, with any comments you may wish to make in approximately 15 or 20 minutes.

Mr. JENNINGS: Let me start this by reading the first page of it, which details what it is all about.

This chronological survey of C.B.C. programs was originally prepared as a submission to the royal commission on broadcasting during the summer of 1956.

It has been brought up to date by the addition of a section covering the years from 1956 to the present, and it has been indexed since the time it was originally prepared.

The original intention of the submission was to state the basic principles and objectives of C.B.C. programming and by means of a summarized account of the programs themselves to show how the corporation had tried to fulfil these ends.

The next page is the index. Immediately following the index you will find an introduction, running to some four pages, which states the programming policy and objectives of the corporation.

That is followed by another section which covers the activities of the English networks from 1936 to 1939, the war years, 1939 to 1945, and the ten years 1946 to 1956. Then there is a section dealing with the French network, and finally a summing up.

Then we have presented an addendum which deals with French networks from 1957 to 1958 under various headings, and the English networks under the same headings.

I do not know how long it would take—probably about ten minutes—to go through the introduction. That is the first four pages, if you would like me to state that.

The CHAIRMAN: I think that might be advisable.

Mr. PRATT: I wonder if I could ask a question arising from Mr. Bushnell's report, on page 17, which deals with programming?

The CHAIRMAN: Page 17, did you say?

Mr. PRATT: Yes, page 17 of Mr. Bushnell's report. I wonder if the committee could have a more detailed definition of the difference between "program policy" and "program standards" before hearing this report?

The CHAIRMAN: It has quite a considerable amount to do with Mr. Jennings' initial report.

Mr. PRATT: Yes, and that is why I ask the question now, Mr. Chairman.

Mr. JENNINGS: It might emerge in the report, on my reading this introduction.

The CHAIRMAN: That is all right then. Do go ahead, please, Mr. Jennings.

Mr. JENNINGS: The CBC was created by parliament to provide Canadians with a broadcasting service suited to the particular needs of this country.

It is answerable for its operations to parliament in the first instance and ultimately to public opinion.

The scope of its service has been determined by the national wealth and the needs of the people; its shape by geography and two official languages; its character by the democratic climate of our society.

Its programs, principally Canadian in origin but augmented by a selection from abroad, have been concerned with entertainment and relaxation; the imparting of objective news and information; the vitality of the nation's democratic institutions and values—free speech, the rule of law, respect for the individual, freedom of worship, freedom of inquiry; the health of the nation, the efficiency of its economy and its good repute abroad; sport; the education of youth; and the creative arts are the lifeblood of its programs.

Its policy has been to invest each program according to its nature with that degree of relaxation, humour, stimulation, escape, inspiration or excitement necessary to arrest and hold the listener's interest.

Its organisation has been developed on a regional basis in order to tap for program material the thought, aspirations, traditions and art of individuals, groups and communities in every part of the country.

Its regional policy is a three-way system of serving the particular needs of the people of the regions in such fields as school broadcasts, news, farm and fisheries broadcasts; of fostering and sustaining local and regional thought and traditions so that they may contribute to national programs; and of developing and sustaining talent in the fields of music, drama, and writing on a basis of professional competence in all regions.

Out of this regional diversity the Canadian character has grown, slowly and at times frustrated by *sectionalism* and *factionalism.* But the richness of its promise has already been reflected in many CBC programs.

Believing that the citizen of a free society is a complex of interests, tastes and capacities for enjoyment, the starting point in the production of CBC programs is the conception of listeners and viewers as individuals, not as a mass. As a listener or viewer he cannot be classified for the convenience of program producers as highbrow, lowbrow, or middlebrow; jazz fiend, long hair or sports fan. Packaging individuals neatly into such categories for easy handling is a totalitarian device; the combinations of tastes in the individual vary widely. The same individual may have within him the capacity to enjoy symphonic music, boogie woogie, farce, wrestling, political discussion and religious experience.

It is this variety in the individual that gives our society its character and civilised life its richness.

The program spectrum of CBC is made as broad as possible in order that tastes already formed may be sustained and new ones encouraged.

CBC cannot at any one time provide a range of programs wide enough for all listeners and viewers to find their choice immediately. But it can and does provide such a range during the course of the day, the week or the month.

Within its resources CBC has made the democratic compromise of trying to serve all of the people some of the time rather than some of the people all of the time. Broadcasting a few types of programs most of the time, in the belief that this is the way of giving the public what it wants, degrades the listener or viewer from an individual to a type.

CBC conceives it to be its duty to provide as wide a range of programs as possible from which the individual listener or viewer may choose. This involves a reciprocal obligation on the listener or viewer to accommodate himself as far as possible to the times at which programs of his choice are scheduled. Only in this way can the interests of as many as possible be served during the broadcasting day.

The CBC attempts to serve the largest number of listeners at the times most suitable for them by carefully devised patterns of scheduling and by its system of regional broadcasting: farmers at noon, housewives in the afternoon, children in the late afternoon, families in the early evening, adults in the late evening.

It does not regard radio listening or television viewing as a full-time occupation for any indivual or section of the nation. No program schedule could be devised for the benefit of a single individual or group. To use the vast resources of radio and television to broadcast certain types of programs exclusively at the expense of the widest possible selection, to starve or leave unawakened certain capacities for enjoyment while others are glutted, would be a misuse of these resources, an impairment of their great potential.

In the final analysis, broadcasting produces nothing tangible, no 'end product', only an impact on the minds of listeners or viewers.

In the course of years and even generations it is hoped that the impact of CBC programs will enlarge the understanding and stimulate the creative genius of Canadians.

Understanding begets tolerance. As citizens of a nation embracing two cultures and languages, two aboriginal races and many other racial stocks, sectional economic interests and a scattered population, Canadians have need of an extra portion of tolerance and understanding.

One of the tests of healthy democracy is the tolerance of unpopular minority opinions, of new expressions of art and ideas, either native or imported, which are essential to the nation's development.

In the furtherance of Canadian arts—music, drama, ballet, design—CBC has set its sights at the international level. The commonwealth of creative art is international and national standards like good currency should be freely exchangeable among civilised peoples.

The vitality and efficiency of CBC can only be maintained by constant and constructive public criticism. Such criticism helps to maintain and improve artistic and technical standards, to inform and inspire program producers, to destroy complacency and preserve good taste.

While taking pride in its achievements of the past twenty years, CBC is aware of its constant duty not only to maintain recognized standards but to create new ones in keeping with the nation's growth and with scientific, artistic and social advances. It is aware of its opportunities and responsibilities as the second largest broadcasting system among the free nations and as the national broadcasting system of one of the leading western powers.

The values of western civilization which Canada has inherited and taken for granted for a long time are being challenged for the second time in this generation. CBC played a vital part in the national effort during World War II; it has an equally vital part in the competitive co-existence of the cold war.

CBC programs in their multiplicity and variety can help to quicken and enrich Canadian life in all its aspects.

Shall I go on and read the final paragraph which describes the body of the report?

The CHAIRMAN: I think you might as well, and that will complete it.

Mr. JENNINGS: The body of this report will deal with programs in detail, and will endeavour by the mention of outstanding programs during the last twenty years to show what the corporation has achieved in entertainment of all kinds, and in information, education and inspiration. The program service is in two sections, French and English, though the closest possible liaison is constantly maintained. Separate reports on French and English programs are presented. From them it will become clear that the corporation has always kept before its eyes the importance of integrating, so far as is possible, our two main cultures, of helping the two historic elements of the Canadian people to better mutual understanding and sympathy, and of drawing on the traditions of both for its programs.

The CHAIRMAN: Thank you very much, Mr. Jennings. Mr. Pratt, did you get the information you required from it?

Mr. PRATT: Not yet.

Mr. JENNINGS: I have tried to describe it this way, that in the field of policies we try over a broad range to decide what we shall do; and in the field of standards to decide how we shall do it.

Those are the two general approaches we make to the assessment of our program service generally. It's a continually changing thing.

Mr. PRATT: With regard to your last paragraph, why have you not have one production centre for French and English programs in the city of Montreal, and could not you bring to fruition one centre for Toronto and Montreal?

The CHAIRMAN: I suggest we hold off of any questioning right now.

There are two things I would like to mention. Have any members on the committee any charts or briefs that you think you might require at a later date, particularly those that might take some time to prepare? I think, in all fairness to Mr. Bushnell and his group we should ask for them now.

Mr. CHAMBERS: I have not read through this program completely, just having got it last night, and some of the information might be contained in there; but I would like a chart showing administrative responsibility for production and programming. We have heard of all sorts of producers and technical producers, and I am not clear as to the distinction. I would also like a chart—and this has been talked about by Mr. Bushnell—a chart for programming responsibility, how it evolves.

I would like two other things, a copy of the staff regulations and the method of establishing staff requirements.

The CHAIRMAN: Is there any reason, Mr. Bushnell, why they cannot be prepared?

Mr. PRATT: They could be brought out in some form or another.

Mr. SMITH (*Calgary South*): I would like, in the area of production, to learn or have placed before us any surveys of opinion as to whether the objectives mentioned here are being accomplished, if there are any.

Secondly, with relation to finance, I would like a breakdown of the administrative costs in relation to program costs.

Mr. BUSHNELL: Very well.

Mr. PICKERSGILL: I think Mr. Smith has anticipated what I was going to ask for. I had in mind we should be given all the details of the possible budget on which the estimates of the current year are based.

Mr. CHAMBERS: And the method of preparing them.

The CHAIRMAN: They can be produced.

Miss Aitken, and gentlemen, the next scheduled meeting of this committee will be on Thursday, May 14, at 9.30 a.m. in this room.

Mr. PICKERSGILL: Mr. Chairman, before we adjourn, I wonder if the steering committee, could meet right away?

The CHAIRMAN: I was going to ask the steering committee to remain in this room.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2

THURSDAY, MAY 14, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

E. L. Bushnell, Acting President, Canadian Broadcasting Corporation; R. L. Dunsmore, Chairman, Finance Committee, Board of Directors; A. M. Henderson, Comptroller; and J. P. Gilmore, Controller of Operations.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21204-3—1

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ON

BROADCASTING

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Smith (*Calgary South*)
Smith (*Simcoe North*)
Tremblay

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, May 14, 1959.

The Special Committee on Broadcasting met this day at 9.30 a.m. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Saint John-Albert*), Campeau, Chambers, Chown, Fairfield, Fisher, Flynn, Forgie, Fortin, Halpenny, Horner, (*Jasper-Edson*), Macquarrie, Morris, McCleave, McIntosh, Pickersgill, Pratt, Richard (*Ottawa East*), Robichaud, Simpson, Smith, and Tremblay—(23).

In attendance: Mr. E. L. Bushnell, Acting President of the Canadian Broadcasting Corporation, assisted by Messrs. R. L. Dunsmore, Chairman, Finance Committee, Board of Directors; A. M. Henderson, Comptroller; Barry MacDonald, Secretary, Board of Directors; J. A. Halbert, Assistant Secretary, Board of Directors; J. P. Gilmore, Controller of Operations; R. C. Fraser, Director, Public Relations; V. F. Davies, Director of Accounting Services; J. Pelland, General Accountant; and A. Watkiss, Senior Accountant.

The Chairman observed the presence of quorum and made a brief statement concerning the Subcommittee's decision to consider first the financial aspect of the Corporation's activities.

Mr. Bushnell was called and introduced Mr. Henderson who outlined the financial structure and accounting procedures followed by the Corporation.

Copies of the Broadcasting Act were distributed to Members.

Messrs. Bushnell and Henderson were questioned. Mr. Dunsmore answered questions concerning progress made by the Finance Committee of the Board of Directors in the framing of recommendations which would result in an improvement of the Corporation's financial position.

Mr. Gilmore was questioned with regard to the accuracy of the Corporation's operational budget.

At 10.55 a.m. the Committee adjourned to meet again at 9.30 a.m. Friday, May 15th.

J. E. O'Connor,
Clerk of the Committee.

21204-3—1½

EVIDENCE

THURSDAY, May 14, 1959.
9.30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum.

This morning I would like to report to the members of the committee that your subcommittee met immediately after the meeting on Tuesday morning. It was agreed that as far as possible we should try to follow a very definite pattern in our examination of the officials of the C.B.C. It was felt that one of the more important aspects of the work would be to review the financial affairs of the corporation, principally those contained in the Annual Report of 1957-1958. I myself feel it would be desirable to have from the corporation a general statement as to its policy, particularly in respect of its accounting system, with proper emphasis on the manner in which its financial operations are regulated and controlled.

Yesterday as a result of discussing this with Mr. Bushnell and his associates, it was felt it would be in the interests of the committee if we allowed Mr. Bushnell or one of his associates to make a statement on the financial aspects and in that way we would save time. If at the end of the statement you wish to ask questions you may do so. Is that agreeable?

Agreed to.

The CHAIRMAN: At this time I will call on Mr. Bushnell.

Mr. ERNEST BUSHNELL (*Acting President, Canadian Broadcasting Corporation*): Mr. Chairman, this morning we have with us Mr. A. M. Henderson, C.A., who is our comptroller and chief financial officer. He is familiar with all the financial practices of the corporation. He has been with us for some eighteen or twenty months and has had an opportunity to review the financial position of the corporation in the year 1957-1958. Also he has been able to bring our accounting practices more into line with what was requested by some of our consultants.

I should like to make it clear that the financial consultants who were engaged by the corporation were engaged prior to the time of the appointment of the Fowler commission. Mr. Henderson, however, has had a full opportunity to explore all the accounting practices of the corporations' policy before and since. Therefore, I think in the interest of brevity, I would like to ask Mr. Henderson to take over in order to explain to you—not at too great length—just what is the financial position of the corporation in that particular year and also some of the developments which since have taken place.

Mr. A. M. HENDERSON (*Comptroller, Canadian Broadcasting Corporation*): Mr. Chairman and gentlemen, I have put together a few notes designed to outline as briefly and succinctly as possible the basis of the financial structure of the corporation, its accounting system, its system of internal check, its control of expenditures, the preparation of its budget, and so on.

Mr. Chairman, if you feel it is satisfactory, I would like to run over a little bit of the background because it is important to have this in order to understand the steps now being taken under the new act. I will endeavour to do so within the space of about thirty minutes.

The CHAIRMAN: That will be in order.

Mr. HENDERSON: As Mr. Bushnell explained in his introductory remarks last Tuesday, the C.B.C. received its funds from several sources over the past years, from radio receiving set licence fees from 1936 to 1953, from statutory grants of various amounts—sometimes on an actual basis and sometimes over a term of years—from government loans which have carried provision for payment of interest and repayment of capital and from grants of amounts equal to the excise tax collected on sales of receiving sets and parts. This latter source commenced in 1953 but ceased on November 10, 1958, with the coming into force of the new Broadcasting Act.

Government loans were made to the corporation at various dates until March 1956, generally for capital purposes. In the meantime, as part of a five-year statutory provision commencing in 1951-1952, grants were made toward the operating deficit of the radio service in the amount of $6,250,000 annually. In 1956, this was increased by an additional grant of $12 million for the television service. The grants for 1958 and 1959 represented estimates approved on an annual vote basis to meet the operating requirements of both services.

In the six years 1954 to 1959, the corporation received from the government amounts which totalled in 1954 $23 million up to an amount in 1959 of $60 million. From commercial sources in 1954 it picked up $8 million, so that its total income was $31 million. In 1959 it picked up $30 million to arrive at a total income of $90 million. You will therefore note that over this six-year period the corporation increment in commercial revenue has increased from 26 per cent to 34 per cent of the total, while its income from government grants has decreased from 74 per cent to 66 per cent of its total income.

The new Broadcasting Act became effective on November 10, 1958. Under paragraph 35 of this new act the minister is required to lay before parliament annually a capital budget and an operating budget for the next ensuing fiscal year approved by the governor-in-council under the recommendation of the Minister of Finance. The effect of this on the corporation's affairs is that commencing with its fiscal year beginning April 1, 1959, the funds estimated to be needed by the corporation will be voted on an annual grant basis by parliament annually and this source will be the only one from which the corporation can obtain its needs over and above commercial revenues it can earn.

With the coming into force of this act on November 10, 1958, payments from the consolidated revenue fund of amounts equal to the taxes collected under the Excise Tax Act in respect of sales of radios and television sets and equipments ceased. We had estimated our income from this source through March 31, 1959, at $12 million. By November 10, 1958, we had collected $9,806,448, hence the government paid us the balance of $2,193,552 by means of a supplementary estimate passed by parliament in March, 1959. It should also be pointed out that effective with the coming into force of the new act, revenue from licence fees collected by the corporation ceased. Our estimate for these through March 31, 1959, was $410,000. By the time the act came into force on November 10, 1958, we had collected $459,000 as fortunately most of the fees were payable by the first of the year.

The Broadcasting Act contained certain financial provisions under section 33(4) and 39(1) and (2).

Section 33(4)

> The corporation shall in its books of account establish a proprietor's equity account and shall credit thereto the amount of all money paid to the corporation for capital purposes out of parliamentary appropriations.

Section 39(1) and (2)

(1) Upon the coming into force of this act the Canadian Broadcasting Corporation shall pay to the receiver General of Canada such part of the working capital of the corporation as the Minister of Finance determines to be in excess of $6 million, to be applied in reduction of the indebtedness of the corporation to Her Majesty in respect of loans made by or on behalf of Her Majesty to the corporation, and the remainder of such indebtedness is hereby extinguished.

(2) The amount of the indebtedness extinguished by virtue of subsection (1) and the amount of the capital surplus of the corporation at the coming into force of this act as determined by the Minister of Finance shall be credited to the proprietor's equity account in the books of the corporation.

The proprietor's equity account provided for in section 33(4) was formally opened by journal entry on the corporation's books under date of November 10, 1958 to give effect to the transactions required under section 39(1) and (2) as and when the figures hereunder were finalized by the Minister of Finance. We furnished the minister with an interim monthly balance sheet of the corporation dated October 31, 1958 for purposes of entering into discussions with his office relative to the determination of our working capital as provided for under section 39(1) and (2). In view of the fact that this balance sheet was necessarily of an interim character in that physical inventories of supplies and various year-end accruals were not available at that date coupled with the fact that it had not been audited by the Auditor General of Canada, it was proposed that the corporation make a payment on account toward the reduction of its working capital with the balance to be settled when our year end balance sheet at March 31, 1959 was finalized and audited by the Auditor General of Canada.

This interim settlement was made on April 13 last in the amount of $4,075,492 and as stated, is subject to final examination of our balance sheet of March 31, 1959 when certified by the Auditor General. As a result of this payment our working capital stands reduced to approximately $6 million as determined by the representatives of the Minister of Finance.

We are at present engaged in finalizing our annual accounts at March 31, 1959 and, as Mr. Bushnell remarked in his introductory statement, it is expected that the Auditor General will shortly be in a position to verify to the correctness of our statements. These will then be considered by our board of directors in mid-June and transmitted to the minister promptly thereafter. These final statements will thus reflect the full implementation of the financial provisions of the Broadcasting Act and the final accounting under section 33(4) and section 39(1) and (2) of the new act.

Now turning to the budget estimates, I have already explained how under the financial provisions of the Broadcasting Act, section 35, it is provided that the minister shall annually lay before parliament a capital budget and an operating budget for the next ensuing financial year of the corporation. The act provides that within one year of coming into force of this act and every fifth year thereafter the corporation shall submit to the minister and the Minister of Finance, for submission to the governor in council, a five-year capital program proposed by the corporation together with a forecast showing the effect of the program on the corporation's operating requirements.

Excepting for the requirements that the five-year capital program must be submitted in this pattern in the future, the corporation has been following the pratice of submitting both its capital and operating budgets to the treasury board annually for the next ensuing financial year. This is prepared in the

closing months of the calendar year for submission by the minister to the treasury board where the proposed expenditures are discussed and approved prior to their inclusion in the departmental estimates laid before parliament annually. Thus, it was during November 1957 that the corporation submitted its estimates for the fiscal year 1958-59 to treasury board, which estimates were then approved by parliament during August 1958. The total amount of these estimates as approved was $60,140,000, consisting of $51,491,000 for radio and television operations and $8,649,000 for capital expenditures. Our accounting of these will be reflected in our financial statements for the year ended March 31, 1959 which, as I have stated, will be available by the end of June.

On December 1, 1958 the corporation likewise submitted its estimates for the fiscal year 1959-60 to treasury board, the total of which were included in the government estimates for 1959-60 and amounted to $58,404,000 in respect of the net operating requirements of the radio and television services and $9,197,000 for the capital requirements of these services including replacement of existing capital assets. Details of these figures for 1959-60 are to be tabled in parliament under section 35 of the Broadcasting Act in due course.

Turning now, Mr. Chairman, to the accounting system and procedures. Due to the rapid expansion of its operations with the advent of television in 1951 when the C.B.C.'s rate of operations was at a level of only $11,500,000 annually compared to the figure of $51,491,000 I just gave you for 1958, the corporation has had its full share of internal administrative problems and this was particularly true in the field of its accounting methods.

Until the end of 1957, the corporation maintained two sets of accounts, the general operating records in Ottawa and those from which the budget reports and operations were prepared in the field. During the year, expenses were recorded in the general books of account in Ottawa as they were made and accounts payable were set up at the year end so that for the year the accounts were on an accrual basis. Hence to prepare monthly statements from the general books of accounts maintained on this cash basis on the one hand, and on a commitment basis on the other, would have been meaningless.

Accordingly since methods such as these would not lend themselves to effective monthly interim accounts, it was the practice of the corporation to close its books only annually for the financial statements to be verified by the Auditor General of Canada.

Financial consultants were retained to study the situation in light of the report of the financial advisor to the royal commission on broadcasting. As a result it was recommended among other things that financial control of the corporation be improved by divorcing network from station operations and by submitting to management periodic statements of income and expenditure for each network and each station. It was agreed that these recommendations could be most readily implemented by the following steps:

(1) The decentralization of accounting functions from head office to the regions.

(2) A conversion of the money commitment records maintained at the regions into books of accounts based on the double entry principle.

(3) The preparation of income and expenditure statements for each C.B.C. station, region and network by the regional chief accountants under the direction of the comptroller and the consolidation of these statements by the comptroller at head office for presentation to management.

These new procedures were brought into effect on April 1, 1958. Since that date we have issued monthly individual income and expenditure statements governing the operations of each of our wholly owned television and radio stations and each of our national and regional radio and television networks

together with a consolidated picture for the corporation as a whole, tying into a monthly consolidated interim balance sheet.

I should say at this point that certain difficulties were encountered both in the format and presentation of these monthly figures during the past fiscal year because as you can appreciate, we had no corresponding figures for the previous year with which to compare them nor could we adequately reconcile our requirements with our internal budget figures. However, these difficulties are straightening themselves out and beginning April 1, 1959 we are producing what we regard as a most informative statement of the individual operations compared with detailed figures on the same basis for the previous year and with our budget estimate for the month in question.

With regard to control of expenditures I have sought, Mr. Chairman, to outline our accounting system briefly and I will now refer to the manner in which I am able to lay its results before the management and the finance committee of our board of directors.

Each month before the close of the month following we complete an interim balance sheet and statement of income and expenditure and related statements for the corporation for each regional point broken down by the individual results of each of our radio and television stations and each of our radio and television networks, regional and national.

These statements are submitted on a consolidated basis by me and reported on in a written monthly report directing management's attention to developing situations along with constructive comments toward their solution. Thus, we have the facts before us on which immediate remedial action can be based. Special attention is given to what we might call routine type expenses such as travelling, telephones, overtime and the like which can so often get out of line in an organization as far flung as ours. In addition, numerous special studies are under way regularly in my department both in head office and in the regions on which I also report in these monthly submissions.

It is particularly heartening to me as comptroller that these reports are examined and discussed exhaustively with my associates and they are also the subject of detailed reviews with Mr. R. L. Dunsmore, the chairman of our finance committee, and his associates when the finance committee of our board of directors meets monthly.

In the same manner in which I report in this way on a consolidated basis for the corporation as a whole at head office, the regional chief accountants in St. John's, Halifax, Montreal, Toronto, Winnipeg and Vancouver, who are responsible to me for their accounting direction, are reporting on their own regional statements to the directors of the respective regions.

In my opinion this type of operation from an accounting standpoint is decentralization at its best. The more you can break down expenses in an operation like ours by department, and by objects, and do so by means of comprehensive monthly accounting control statements to be placed in the hands of operating management, the better control you have over expenditures. Figures in this way diagnose a developing situation before the event, which is the time to check it.

I am very pleased with the way in which my head office accounting staff, the regional chief accountants and their staffs across the country have responded to the many changes we have made and the enthusiastic manner in which they are discharging their responsibilities at all levels.

As comptroller, my role is that of chief financial officer of the corporation and this involves sharing the responsibility with the president and vice-president in the signing of all cheques and agreements even though, as in the case of any large organization, this work must be delegated in certain areas. Nevertheless, the responsibility is mine to see that the financial and accounting implications are in order before any commitments are made. I should

mention also that we also maintain a continuing internal audit of our head office and regional operations in accordance with a program of work approved by the Auditor General of Canada.

Evaluation and costing of budgets.

I have already mentioned how our annual budgets require to be submitted to treasury board in the closing months of each calendar year. This year is a particularly heavy one for us in this regard because not only do we have to submit the five-year forecast to the minister by next November, but we have also to be specific in respect to the first of these five years which will be our 1960-61 budget estimate both for the operating and capital requirements of the radio and television services. This year we want to have our entire capital and operating budget plans evaluated, costed and apportioned internally as between our various departments before we meet to discuss them with the officials of treasury board in the fall.

As you can appreciate, preparation of budgets six to eight months in advance of the beginning of a fiscal year is not easy. And it is further complicated by the fact that on the television side the business is essentially seasonal, that is, programming is comparatively light during the six months following April 1, before the winter schedules begin around October 1. This means that in spreading our available funds throughout the year, we must be very careful to see that we have an adequate carry-over into the winter months. We would have liked to see our fiscal year altered to run from, say July 1, or October 1, which is the way an ordinary corporation would meet this problem. However, this is impractical so long as we are required to conform to the treasury board schedule I have referred to.

Our evaluating and costing of the operational planning, which is the backbone of our budgets is done in an orthodox manner in consultation with the operating people at all levels in the regions following which the planning is evaluated and costed and the finished figures submitted to our budget committee at head office, then to management, and to the finance committee of the board of directors for ultimate approval. As you will appreciate from your knowledge of our affairs, we are required on the operations side to estimate our gross expenditures in both services which we do by departments and objects of expense based on our program planning, then to estimate the commercial revenue we expect to earn. This latter is an extremely difficult thing to do just at this time because we do not know what impact private stations competition is likely to have on our revenue in the future from commercial operations.

Having carried forward our evaluating and costing over the year ahead, we then determine our immediate monetary availability ahead over quarterly intervals by costing up our product, i.e., our program schedule by application of our standard costs. This procedure serves as a cross-check on our apportionment of the year's budget and as such is of importance to us because of the sudden shifts which are likely to occur on very short notice in our program schedule. Unlike a manufacturing company which if its sales are falling can keep the goods on the shelf and sell them next week or next month, we cannot do this. Our commodity is time and this does not keep. If we have to cancel a sponsored program and replace it with a national service one to cover, let us say, a Springhill disaster, or something of that kind, then we not only lose the entire revenue involved from the sponsor, including our package price and time charges, but we have to turn around and pay the full cost of its replacement without any revenue recovery at all. The impact of shifts like this can have a most devastating effect on a carefully planned budget.

The corporation's record in living within its operating budgets has been a particularly impressive one over the years and this will embrace the results

for the year ended March 31, 1959. On the capital expenditure side the results have been even more impressive in that the corporation has not actually expended more than 73 per cent of its annual budget in any of the past four fiscal years. As I have already stated, the unexpended portion of these grants whether relating to capital or operations are refunded to the receiver general following certification of our annual accounts by the Auditor General of Canada.

Mr. Chairman, I have endeavoured to outline the major aspect of these things which are my responsibility in the corporation. If there are any questions I should be pleased to do my best to answer them.

Mr. SMITH (*Calgary South*): Mr. Chairman, are we going to be able to obtain transcripts of these statements or any other statements that we are likely to have, in advance of their presentation? It is very difficult to follow something as lengthy as that without having it in advance.

The CHAIRMAN: I think this is about the last of the statements and if we feel it is advisable after this to have statements from the C.B.C.—I think we can arrange for sufficient copies for the committee.

Mr. BUSHNELL: May I say, Mr. Chairman, that we had no prior information as to what procedure you would wish to follow. Probably we assumed that you might wish to go into the program field next; and I must say that it was only after your sub-committee met on Tuesday, that we were aware of the fact that the financial aspects of our work would be required for this morning. So this has been done, I must admit, rather hurriedly; and I apologize for not having copies of it.

The CHAIRMAN: I am sure the committee understands.

Mr. FLYNN: Mr. Chairman, Mr. Bushnell mentioned that Mr. Henderson had been appointed to his present post prior to the report of the Fowler commission. Would you say that Mr. Henderson was appointed to follow the recommendations of this commission, since he occupies the position of chief financial officer?

Mr. BUSHNELL: I might say that while we have had as treasurers Mr. Bramah and his assistant Mr. Schnobb, the strain during the early months of television was rather heavy, and unfortunately both of these gentlemen had a setback in health. Not only for that reason but for others as well, we brought in Mr. Henderson who had a very fine record in business, accounting and what not, and who has been with some very large firms in Canada.

As a matter of fact we felt it was highly desirable to have someone of Mr. Henderson's stature to head up our whole financial department. The matter had been under consideration; but when the Fowler commission actually recommended it, we certainly went along with their recommendation.

Mr. FLYNN: So we can say that their recommendation had been followed in advance?

Mr. BUSHNELL: That is correct.

Mr. PICKERSGILL: Mr. Chairman, I have about half a dozen questions which are all connected. I think it would be more convenient if I should ask a question and it be answered at that time. The first question which I would like to put to the comptroller is this: when did the system of annual appropriations start? When did parliament start making annual appropriations for the C.B.C.?

Mr. HENDERSON: I would say that would be in 1957-58.

Mr. PICKERSGILL: And there has been one each year since?

Mr. HENDERSON: Yes.

Mr. PICKERSGILL: My second question is: Mr. Bushnell stated the other day at the bottom of pages 23 and 24 of his typescript, as follows:

> The corporation has always followed the practice of submitting both a capital budget and an operating budget to treasury board for its next financial year.

I wonder if Mr. Bushnell was using "always" in the sense of from the beginning, or "always" from the time when annual appropriations became necessary, because I must confess I just frankly do not know. I have always assumed up to this time that the corporation, having its own revenues, would have no occasion to be going to treasury board.

Mr. BUSHNELL: I do not think that is entirely correct. I believe actually that while we did not necessarily have to have the full approval of treasury board, nevertheless such matters were discussed with treasury board from time to time. That is according to the best of my recollection.

Mr. PICKERSGILL: I wonder if for the next meeting Mr. Bushnell would get a little precision about it. I could imagine capital projects where you would need treasury board approval.

Mr. BUSHNELL: You are speaking of the operating side?

Mr. PICKERSGILL: You said here both capital budget and operating budget. It is the operating budget in particular with which I am concerned. Personally, I have no recollection of this before 1957 and I was a member of treasury board—I was an alternate—from 1953. I wonder if we could have that.

Mr. BUSHNELL: I will check on that.

Mr. PICKERSGILL: I could easily be wrong, but I would like to know. The next question I would like to put to the comptroller is this. I looked hastily through the act again and there is nothing in it that I am able to find that says anything about these annual appropriations. The act says the corporation must submit.

Mr. HENDERSON: An annual and operating budget.

Mr. PICKERSGILL: Yes, and it is presumed on the basis of those budgets the Minister of Finance will frame his estimates. I mean there is nothing in the Broadcasting Act that obliges the government to pay anything to the corporation. That is the way I read it; am I correct in that?

Mr. HENDERSON: I am not a lawyer, sir.

Mr. PICKERSGILL: Perhaps I could direct that question to Mr. Bushnell.

The CHAIRMAN: I think he is like you; he is not yet a lawyer either.

Mr. PICKERSGILL: Well, I wonder if the chairman would get for us an opinion on that point because I read the financial provisions over and there is nothing whatever to say that the corporation will get any revenue whatsoever.

Mr. BUSHNELL: I would take it if it does not state it most clearly that it is certainly implied.

Mr. PICKERSGILL: I think there would be no quarrel about the fact it was implied. It was discussed. I have the debates here. It was discussed during the debate last year.

Mr. BUSHNELL: I remember it very well.

Mr. PICKERSGILL: The point I am getting at is this. In the circumstances, how do you go about submitting. Perhaps I should put my question direct. Does the corporation draft the estimates for submission to treasury board or does it merely draft a budget and leave the drafting of the estimate to treasury board?

Mr. HENDERSON: The corporation costs up its operational plans as to what it wishes to do in the form of memoranda, with appropriate statements of discussion leading up to the final figure. They discuss with the officials of treasury board, which leads to a meeting of them, and following their approval or disapproval of those figures, the total finds its way into the official government estimates and is accepted or not accepted. In my experience, several have been accepted and find their way into the blue book total in February of each year.

Mr. PICKERSGILL: The point is this. Do you discuss the details of your operating expenditures? I do not mean day to day details, but the objects of your expenditures and the relative amount for the various objects with the officials of the treasury board.

Mr. BUSHNELL: Yes, in broad general terms, but in no detail.

Mr. PICKERSGILL: For example, they discuss with treasury board officials whether so much will be devoted to administration and so much devoted to programming? What is the nature of this discussion?

Mr. BUSHNELL: Well, the nature of the discussion is a very simple one. We ourselves more or less decide upon how much money should be put into the program section, and how much should be put in for administration, knowing very well we have to live within the total amount. We try to break it down. We go to the officials of treasury board and say: these are our recommendations.

Now, my experience with treasury board officials has been a short one. I am not making any apology, but actually in the past our president has done this, along with the comptroller, and it has only been my experience, to have to appear before treasury board officials on one or two occasions lately. I can only tell you the results obtained from my own experience. These matters certainly are discussed. I am not going to tell you for a minute that someone might not say: well, what about this item; do you think that is adequate or inadequate. We simply say: gentlemen, these are our recommendations. In that regard my only experience is that I cannot recall at any time when the officials of treasury board have said to us: look, we do not like this or that.

Mr. HENDERSON: If I may point out, sir, the C.B.C. is a proprietary corporation under schedule "D" of the Financial Administration Act. Section 80 of the act is specific in requiring our corporation annually to submit to the appropriate minister an operating budget for the following financial year for the corporation, for the approval of the appropriate minister and the Minister of Finance. We are functioning under that section, the same as all the other corporations listed.

Mr. BUSHNELL: Crown corporations.

Mr. PICKERSGILL: In other words, by submitting that budget, it is recognized that the officials of treasury board have a perfect right to criticize your budget and suggest there should be changes in it or, perhaps, that something should be eliminated? I think I should direct that question to Mr. Bushnell.

Mr. BUSHNELL: I think the officials have a perfect right to make any suggestion they are inclined to make.

The CHAIRMAN: That is with the original total budget?

Mr. BUSHNELL: Yes, with the original total budget.

The CHAIRMAN: If treasury board approves the total budget and breakdown, you could juggle that to a degree without going back to treasury board?

Mr. BUSHNELL: Yes.

Mr. PICKERSGILL: I have not the estimates here before me. Perhaps I should have looked at them. However, you have more assistants than I have. Is not the estimate a single figure? In other words, the corporation gets a global sum of money and can spend it any way it likes, notwithstanding the recommendations made by treasury board?

Mr. BUSHNELL: Not entirely.

Mr. PICKERSGILL: In what respect is that not correct?

Mr. BUSHNELL: In this respect: that we expect to give a reasonable breakdown within three or four objects, and that is all.

Mr. PICKERSGILL: Well, could you or perhaps the comptroller give us an indication of what that breakdown is?

Mr. HENDERSON: We submit our budgets to treasury board, with all the normal detail so as to permit an intelligent understanding of what we are doing, why we want the money and what it is going to cost. We submit it in accordance with what we might describe as our broad policy areas. We have the program area, the distribution and the administrative area. We set our figures up in such a way that it relates what we want to spend against what we spent last year. We set down our reasons and that forms the basis for our discussions with them. We have to set the figures up in some pattern of that type.

Mr. PICKERSGILL: The point I am getting at is that you set them up in that type in order to make as convincing a case as you can to treasury board, although you are not bound at all by those divisions within the item. If you find you are short in one respect and over in another, you can transfer them without reference to treasury board.

Mr. HENDERSON: If we do break it up into two or three captions, we would be expected to live within the total of those captions. If we have a large figure for programming we can switch that around as we see fit. We have to have that manoeuvrability for the reasons I have already given.

Mr. PICKERSGILL: In order to save time, could you read the headings which are in the estimates for 1959-60?

Mr. CHAMBERS: It is set out here in the blue book:

> Grant in respect of the net operating requirements of the radio and television services $58,404,000
>
> Grant for the capital requirements, including the replacement of existing capital assets, of the radio and television services .. $9,197,000

The international short wave broadcasting service is broken down.

Mr. PICKERSGILL: That is a government service. I think I know the answer to that. If you get an item, as long as you spend within that item, you can spend it in any way you like, without any further reference to treasury board. In other words, it would then appear, although you make a guess to treasury board for the purpose of giving them illustrative figures to justify the global amount required, once they have that amount it is up to you to spend it to the best of your ability without any further reference to the board.

Mr. HENDERSON: Yes, unless we find we are going over or under and a revised estimate is called for. We may take one off in the course of the year to see how we are doing. We may be over in one and under in another.

Mr. PICKERSGILL: I have a couple more questions, particularly in connection with the control of expenditures, in which I am very interested. In connection with the control of expenditures, I think the comptroller said this was discussed with the chairman of the finance committee and the board

of directors. Is the control of expenditures discussed in any way with any civil servants, with anyone at all in the government service?

Mr. HENDERSON: The answer is this: I report both to the president and vice-president, who are members of the finance committee and to Mr. Dunsmore, who is the chairman.

Mr. PICKERSGILL: There is no review by treasury board?

Mr. HENDERSON: To my knowledge, none at all.

Mr. PICKERSGILL: I have one final question. When you go before treasury board, as you did last November—I think you said last November—to present your request for the new estimates for 1959-60, did you have any discussion with them? I do not mean the global amount, but about the details of the previous year's expenditures?

Mr. HENDERSON: We could only show an estimate of how the previous year's estimates were going to come out. The figures were not final at that time, and they are not today. However, they will be final in a week's time.

Mr. FLYNN: Could you give those general figures for 1958-59?

Mr. HENDERSON: I can only say they are within the amount that was voted for that year. We are pleased to report they will be within the grant and we shall be refunding money to the government.

Mr. SMITH (*Calgary South*): Is the information I requested at the last meeting available? I had asked for a breakdown in administrative costs as compared to operating costs.

Mr. BUSHNELL: No, Mr. Smith. That will take time and we hope to have that information for you shortly.

Mr. SMITH (*Calgary South*): I have a question concerning the projection of figures. In his statement Mr. Bushnell discussed the projection, which is not completed; and its implication on operating costs, as he says in his report, will be taken into consideration. I think anyone would be concerned about a deficit, but I am concerned with its relationship from one year to the next. Is there any projection made by you or the corporation as to where you expect to be in the next five, ten or perhaps more years in relation to this deficit?

My second question is this. I notice your finance committee recommends to the board proposed changes in your operation to meet the financial position of the corporation. Could you give me any indication of the projection of the deficit in round figures and any indication as to what recommendations have been made to improve the financial position of the corporation by the finance committee?

Mr. BUSHNELL: First, I think we should define the word "deficit". I take it you are speaking of the amounts that are voted by parliament; is that correct?

Mr. SMITH (*Calgary South*): Yes.

Mr. BUSHNELL: Not having any very large crystal ball, I would hesitate very much to project what these amounts might be in succeeding years because it is a very changing medium. There are many aspects that could change the amount we might require or that we might think we require. However, there is this one safeguard, if you like; you have heard this term "our five-year capital plan" used time after time, and we are in the midst of preparing it. Now then, when that is submitted, and if it is approved—obviously your operating requirements, the amount of money that you will require, are to some extent predicated upon the amount of capital you spend, because there is little point in getting a lot of money with which you cannot do anything in terms of studios, extension of coverage and that sort of thing.

I would hesitate very much even to suggest at this time what we feel our requirements will be certainly for more than the next five years, until this five-year capital plan has been looked into very carefully.

Mr. SMITH (*Calgary South*): Perhaps I had better ask you a direct question. Then, actually, to date you have made no estimate of what it might be?

Mr. BUSHNELL: None, other than the projection that we came up with for the Fowler commission, which may well have to be revised in the light of economic conditions and other matters.

Mr. SMITH (*Calgary South*): What about my second question. What recommendations have been made to the financial committee? Could the information as to how to improve the financial position of the corporation be tabled?

Mr. BUSHNELL: By that do you mean how to improve the financial position?

Mr. SMITH (*Calgary South*): I am quoting from your statement and, perhaps, not too accurately.

Mr. BUSHNELL: Where was that?

Mr. SMITH (*Calgary South*): On page 16. It is the responsibility and the function of the finance committee to:

> Recommend to the board, or in an emergency to the executive committee, on proposed changes in any C.B.C. operation to improve the financial position of the corporation.

Have you received any recommendations in connection with any improvements?

Mr. BUSHNELL: May I answer your question, Mr. Smith, by saying that you must not overlook the fact—I hope you do not—that this new board of directors was created only on November 10 and had its first meeting on December 4. Despite all the expertness they may have—and we have some very fine persons on that finance committee, as I said before, headed by Mr. Dunsmore—they have not had a full opportunity of studying our operations and I think it would be pointless for them to make recommendations so early.

Mr. SMITH (*Calgary South*): I appreciate that; but may I suggest that perhaps it is conceivable the similar group which operated before may have made some recommendations. Have those been acted upon? I recognize you have improved your position from your commercial operations. You gave us the figures. I am wondering if there were any other recommendations presented to you?

Mr. BUSHNELL: Not as yet.

The CHAIRMAN: Perhaps we should ask Mr. Dunsmore when he thinks he may be able to make some recommendations, whether it will be in the next month, or year, or two years.

Mr. R. L. DUNSMORE (*Chairman of the Finance Committee*): Well, Mr. Chairman, I would like to repeat what Mr. Bushnell has said, that we require a background of the financial operations in the broadcasting field. We are like the man who was carving a piece of wood and someone asked him what he was carving. He said "a horse". The man asked him: "how do you do that if you have not a model?" He said "I cut away the things that do not look like a horse. He might have been guided by the approbrium that is connected with a certain part of the horse, and cut away that part—which would be a great mistake, as that part of the horse is very necessary to the horse". So we are still in the throes of trying to see all the parts that belong to this particular type of business.

The CHAIRMAN: Have you yet found a model?

Mr. DUNSMORE: Seriously, Mr. Henderson covered it by saying he is now in the position where he can make a comparison of this year's results with last year's; and on the basis of that it should be possible to come up with something constructive for the broadcasting financial structure within the next six months.

Mr. PICKERSGILL: May I ask a supplementary question and direct it to Mr. Bushnell. Is this horse on the payroll?

Mr. BUSHNELL: May I answer by saying maybe a part of it.

Mr. FISHER: Do I understand from what Mr. Henderson has read that for a number of years the C.B.C. has been well within its budget and has returned money to the government?

Mr. HENDERSON: Not every year; but it has lived within the funds that have been given to it. There might have been some extraordinary situation develop where they had to go back. I would have to check the record in that connection.

Mr. FISHER: You do not know how often in the last decade you have had to have extra or supplementary votes?

Mr. HENDERSON: Offhand, I cannot speak specifically, but it has operated within the last several years out of the money it has been given; and this year we will come out again.

Mr. FISHER: Well, this may be exemplary from an accountancy point of view, but might not this be an indication of over-caution? Also, where it is concerned with this, might it not also operate as sort of a brake in both programming and administrative expenditures?

Mr. BUSHNELL: No, I would not think so. In spite of the fact that it has been suggested that we are not very good businessmen at times, we are given a certain amount of money to spend in the first place. We may recommend we need so much money for the objectives for which we were created and progressively, I must admit quite frankly, year after year we have tried to build up the national system; and once that money has been voted we stay within those limits. Maybe our only fault has been that we have not asked for enough.

Mr. FISHER: What happens when you get a situation like, say this year, where you have rather extraordinary expenditures in connection with the royal visit? A huge block of money is probably going to go to broadcasting football games, for which you will have to take a large contract.

Mr. BUSHNELL: Do not make any predictions.

Mr. FISHER: When you have large block expenditures like those within a year, does that not bump down and, under your present system where you have the big general vote, lead to a sort of cutting in minor and fringe items?

Mr. BUSHNELL: That is not necessarily so. Let us take the royal visit. As a matter of fact, we had a fair indication that it was coming along and we made provision for it. In connection with football, no contract has been signed and there is a possibility it might not be, in spite of some of the statements that have been made in the press. But, within reasonable limits, provision is made in advance; and when these special events come along, the money is actually there to provide for them.

Mr. FISHER: I was looking at it in another way. You have no difficulty in taking care of exceptional program expenditures, and such things have no bad or poor effect upon your other operations.

Mr. BUSHNELL: Let me put it to you this way. We put a few dollars by in the sock in case something unexpected happens. If it happens, the money is there; if it does not, we are at liberty to spend it in other ways, or keep it as a surplus.

Mr. SMITH (*Calgary South*): How large is the sock?

Mr. BUSHNELL: It is not very big.

Mr. BELL (*Saint John-Albert*): How did the strike affect your revenues? I would not call that a special event.

Mr. BUSHNELL: I think Mr. Henderson has some figures in connection with that. However, Mr. Bell, I would prefer it if you would let us take that under consideration and report to you later.

Mr. BELL (*Saint John-Albert*): That will be all right.

Mr. FISHER: May I follow up, Mr. Chairman, on something that linked with something which Mr. Smith was asking. It is in connection with your capital budget. The Fowler commission recommended some kind of five-year plan. In so far as the act is concerned, your decision is that you will continue to go on a one-year basis, but within this one-year basis you would have to plan on the capital side of it for a longer period. When you have gone to treasury board with your capital budget is it correct that they have been quite willing to consider the fitting of the capital program for one year into a long range picture?

Mr. BUSHNELL: Mr. Henderson, would you comment on that.

Mr. HENDERSON: The act provides for a five-year forecast which, as you say, comes up this year. As I said, the first year will be specific; the remaininf four years will be what we expect we are going to have to spend on capital account, and at the same time what the operational cost implication is going to be in connection with that planning. As I understand, they are not approving that, but it adds to the extension of our annual requirements. If we say we are embarking on this approach over the next five years and going to spend so much money during the first year, we will be given a tacit approval that we can spend the first instalment, knowing the four will follow.

Mr. FISHER: Suppose you were going to extend your television network to cover the hinterland, which holds the interest of quite a number of members; this would have to be done on a long-range forecast. If the forecast is being presented this year, it should give us an indication as to what the plans of the corporation will be in that particular regard.

Mr. HENDERSON: Yes, that is the purpose of it.

Mr. MCCLEAVE: I have several questions in elaboration of a point which Mr. Henderson made, that in his opinion it would be preferable if the fiscal year were changed to a different period. First of all, I would appreciate it if he would pursue again the advantages of such a change. I think one suggestion was that it would start on July 1.

Mr. HENDERSON: As any accountant knows, it is one of the fundamentals to want to have your fiscal year coincide with your business year, particularly if your business is of a seasonal trend. It is beneficial to have the full impact of the season in the centre of it. In this way you are able to plan all your financial matters or accounting work in a more orderly fashion and it would be more logical, so far as our operations are concerned, if we were to have it run from July 1 or October 1.

However, by virtue of the requirements imposed on a proprietary corporation, a crown corporation, under the Financial Administration Act, it necessitates our doing our estimating eight months before the fiscal year starts. To make this change we would have to be eighteen months ahead. Because

July 1 would not tie in with November, we would get further than ever behind and that would make our forecasting even tougher than it is.

The CHAIRMAN: Have you made representations to Treasury Board to change it this year?

Mr. HENDERSON: We have discussed it with them, Mr. Chairman, and we fully appreciate their problem. Accordingly, we have adapted ourselves to it, and we are operating, I would say, reasonably satisfactorily under the established pattern.

Mr. MCCLEAVE: You do say if you were to change it it would be of no advantage to you at all, do you agree?

Mr. HENDERSON: Yes, it would be six of one and half a dozen of the other, in a situation of this kind.

Mr. CHAMBERS: In view of this five-year capital program which is to be presented shortly, has there been a sort of hold-back on capital expenditures until that long-range program is brought down?

Mr. BUSHNELL: No.

Mr. CHAMBERS: Then we should not expect any considerable increase in capital expenditures in the future, after this program comes down? It will be a continuing affair?

Mr. HENDERSON: Yes, very definitely.

The CHAIRMAN: Mr. McIntosh?

Mr. MCINTOSH: I have a supplementary question to Mr. McCleave's. I would like to ask the comptroller how he can estimate ahead of time if he has not got what the previous expenditure was?

Mr. HENDERSON: The expenditure in the previous period we have already budgeted for, and for each month. Under the system I have outlined, we are watching our performance So we are able to make a pretty shrewd guess how we are going to come out, for comparative purposes.

Mr. MCINTOSH: You are forecasting your estimates for next year on your estimates of last year?

Mr. HENDERSON: That is the usual way to estimate what you are going to spend in the future, to look at what you have spent in the past.

Mr. MCINTOSH: You do not know what you spent in the past?

Mr. HENDERSON: We have a very close estimate of what we spend because we kicked off at the beginning of the year with an established budget. Each month we match what we have actually spent against what we estimated we would spend for that month. We know eleven months ahead what we are going to spend. Looking at our operation and discussing it with the operating people, we are able to work out a fairly correct estimate of what our final expenditures are going to be.

Around the end of December it is quite easy to say what we think we are going to wind up with on March 31.

Mr. MCINTOSH: If you find out that you have additional moneys you can appropriate that to some other expenditure not included in your original budget?

Mr. HENDERSON: We are able to do that provided we are within the limits of our total grant.

Mr. DUNSMORE: The corporation recently established a budget committee and this budget committee, along with its other duties, will sit down every three months and review the actual expenditure against the budgeted expenditure.

If such a thing as the Springhill disaster, or anything of that sort, injected itself into the operation and distorted our expenditures from what we had originally budgeted for, an adjustment is made at that time by the budget committee. From there on you adjust it yourself to meet the rest of the year within the framework of the budget.

The CHAIRMAN: Prior to the formation of this group of which you are speaking, how had you been on budgetary control—within a quarter of one per cent or something like that?

Mr. HENDERSON: Extremely close. I think Mr. Gilmore has the exact figure on that.

Mr. J. P. GILMORE (*Controller of Operation, Canadian Broadcasting Corporation*): For the current fiscal year, under one per cent so far as we are able to forecast at the moment on the operating side of the budget; and this operating side is tied in to the programming schedule, which is costed and compared, so that we can compare the actual budget as we go along through the year. This is estimated because the schedules change approximately in line with the quarterly period of the year.

Mr. FISHER: I am interested in the liaison that is established with the board of broadcast governors in so far as your budget requirements are concerned. While I see you shaking your head, Mr. Bushnell, I think the object and the purpose of the board of broadcast governors is to ensure the continued existence and efficient operation of the national broadcasting system. You are part of that system. Certainly, there are regulations and controls but, of course, they have not been exerted yet, but they could have an influence on your economy. How is that going to be worked out?

Mr. BUSHNELL: I must admit quite frankly, that is a matter which has not been worked out in any detail as yet, although we have had several meetings with the board of broadcast governors. We have told them as clearly as possible what we think our requirements are likely to be.

Actually, the board of broadcast governors has no control whatsoever over our expenditures. However, it is conceivable that the board of broadcast governors might, in its wisdom, make a decision which would have some effect on our expenditures.

Mr. FISHER: This was one of our fears.

Mr. BUSHNELL: All right; but, on the other hand, let me put it to you this way, that we are working very closely with the board of broadcast governors, and are keeping them informed as to the plans we have, so they will know what we have in mind and we will know what they have in mind. As a matter of fact, I think it will work out extremely well.

The CHAIRMAN: Mr. Smith?

Mr. SMITH (*Calgary South*): Mr. Chairman, it has been said, in looking at the income account of the corporation, that you do not clear the sizeable proportion of a commercial account from production charges that you actually should. This is a charge often levelled by your critics. It has been said in some instances there are programs from which you actually recover only 15 to 20 per cent of the production charges. There was a reference made to this in the recent commission.

I wonder if you could give an explanation as to whether there is authenticity to that statement?

Mr. BUSHNELL: Yes, there is some authenticity but certainly not 15 to 20 per cent, I can assure you of that. We have a very definite scale of charges, based on several factors. Actually, I think it would be more appropriate if we put them before you at some later date.

The CHAIRMAN: I was going to suggest, Mr. Bushnell and Mr. Smith, that if we hold that aspect until we discuss programming—which, I would imagine, will be immediately after we are through with the financial operations of the C.B.C.—and if it is suitable to the Committee we will allow that type of question to stand.

Mr. SMITH (*Calgary South*): Oh, fine. It is just that it is related to the cost of operation, and that is the reason why I introduced it at this stage.

Mr. BELL (*Saint John-Albert*): Mr. Chairman, I would like to ask a general question about the percentage of your expenditures that is related to salaries. How does that compare with other years of operation? Is there a trend, in any way, up or down, as a percentage of your expenditures; and how does it compare with other corporations—similar businesses—of course, always realizing that perhaps this is a special type of operation?

Mr. BUSHNELL: I should think, Mr. Bell, as in other businesses, there has been a natural increase; but percentage-wise the amount expended on salaries, to the best of my knowledge, is about the same for last year as it was in previous years.

Obviously, the economic situation, our agreements with unions, create a natural increase, but percentage-wise, of our total expenditure, I think this remains very much at approximately the same level.

Mr. BELL (*Saint John-Albert*): Then the increase in salaries is comparable, in a general way, with other types of business; but may I ask how does the percentage itself compare with other businesses, as far as expenditures, the total percentage of expenditure, is concerned?

Mr. BUSHNELL: Actually I think that would be very difficult to determine, because I could not tell you, let us say with regard to Imperial Oil or General Motors, what percentage of their expenditure would be on salaries.

Mr. BELL (*Saint John-Albert*): I am sure your accounting branch would have some knowledge of that, because it is very much an element of discussion at wage agreement meetings—what percentage salaries are of the total expenditure. There must be some knowledge, sir. Do you have any access to other expert management figures in this regard, or do you merely operate with your own accounts?

Mr. HENDERSON: I would say you have to view the picture of the corporation's growth, as I mentioned, from 1951 when television started, to the point where it has reached its present size. I think its salary and wage bill compares very favourably with other large corporations, bearing in mind it is very difficult to make those comparisons and also bearing in mind the fact the C.B.C. is alone in Canada without having the benefit of any companion businesses with which you could compare it.

Within the corporation 74 per cent of the employees are unionized and, therefore, operate pursuant to union agreements. The remaining 26 per cent are management and supervisory personnel who are not members of unions.

I would say, Mr. Chairman, that the percentage of the expenditure on salaries and wages has not changed radically for the last three years, in proportion.

The CHAIRMAN: Perhaps you could check that before the next meeting?

Mr. BELL (*Saint John-Albert*): What is that?

Mr. HENDERSON: I would have to check that.

Mr. BELL (*Saint John-Albert*): I would like to have that information.

Mr. HENDERSON: We will bring that before the committee in the form of a short table.

Mr. PRATT: I take it that salaries are kept distinct from your fees paid to performers?

Mr. HENDERSON: Yes.

Mr. BUSHNELL: That is quite correct.

Mr. FISHER: In most of the government departments which we have been analyzing in committee we meet the problem of wage and salary schedules being ineffective, at times, in competing with private industry. You do not have that problem in your particular organization, or do you?

I gather in many government departments that retaining staff is a continuing difficulty. Do you have this problem?

Mr. BUSHNELL: We certainly do have that problem, yes; there is no question about it.

Mr. FISHER: How have you met it?

Mr. BUSHNELL: Let me put it to you this way. We do not believe our salary ranges are in any sense abnormal, either high nor low. We compare with other public utilities and crown corporations.

Let me say this, that at one time—and particularly in the lower and medium brackets—we had a great deal of difficulty in retaining staff. That has been adjusted now, and it is adjusted in a number of ways.

Actually, the effect of union agreements has made it necessary for us to match the amount of take-home pay—if I might put it that way—given to our supervisory and confidential staff. I must also say that there are a great many people in the corporation who seem to be rather dedicated and they do not float around looking for other jobs too often, for which we are very grateful.

During the early stages of television and at the time when private stations were being established, we did lose a number of our experts, for one reason or another. Let me give you an example: here is a chap probably in the film department, who is the supervisor of that department. He is a specialist in that field. Then, a private station opens up and they want someone. This man is experienced in programming and has probably had some experience in engineering; and this private station actually wants to put him in a position of greater importance.

We lost a lot of our people that way, particularly in the engineering and technical field. We are still losing some.

Mr. FISHER: It is not a serious loss?

Mr. BUSHNELL: I would not say it was too serious.

Mr. FISHER: You do not have to plan to meet it with any special salary inducements?

Mr. BUSHNELL: No.

Mr. FISHER: Let us look at the position from another point of view. Your comptroller said there was nothing really comparable in Canada, on a large scale, which we will agree. However, taking private radio and television stations, what sort of comparison do you get between the wages paid by the C.B.C. and private stations? Have you made any studies of that, or have you any idea what the comparison is?

Mr. BUSHNELL: No, actually, we have not any access to the salaries they pay. The only way in which we could find out would be to ask various persons in the private stations. We have a fair idea. Let me put it to you this way: that salary scales, in private stations, vary very extensively.

The CHAIRMAN: I think we might conclude that by stating that if they did not pay comparable salaries they would continually lose personnel to private stations.

Mr. SMITH (*Calgary South*): It is an interesting figure and one which I would like to see at a future meeting. I would ask for certain financial breakdowns. I would like to receive the operating costs of one or two C.B.C. stations, both the number of personnel employed and the operating costs of these individual stations. I think that might make an interesting comparison.

The CHAIRMAN: I agree that would make quite an interesting study.

Mr. SMITH (*Calgary South*): That is, if it is obtainable.

Mr. HENDERSON: I would like to take that under advisement, because, as I stated in my remarks, we only introduced this breakdown by stations, by networks, in 1958. It has since been subjected to considerable refinement and it is only for the month of April, 1959 that we will have our first real one coming out. It is coming off the books at the moment but it caught up in the year's closing.

Mr. SMITH (*Calgary South*): Up to now you have had no indication of the actual costs of a particular operation?

Mr. HENDERSON: We have an indication, and I would be prepared to provide an approximation, if you would bear with us, on that basis.

Mr. SMITH (*Calgary South*): Thank you.

Mr. HENDERSON: We will provide that concurrently with the other material.

The CHAIRMAN: Mr. Pickersgill, if you will not be too long we will go ahead with your questions.

Mr. PICKERSGILL: I have a series of questions I would like to ask, and I doubt if I could complete all of them, but I could ask one or two.

I think the first question should be put to Mr. Bushnell, and that is: has the corporation set its own figures for the estimates since 1957? In other words, have the amounts which were asked for from the government been granted without any diminution?

Mr. BUSHNELL: Since 1957?

Mr. PICKERSGILL: The comptroller told us that is when the annual appropriation started. Before that you had your own revenue, over which the government had no control.

Mr. CHAMBERS: On a point of order, Mr. Chairman, are we not getting into the area of the treasury board, which is a confidential area?

Mr. PICKERSGILL: If Mr. Bushnell feels it is an improper question, I will not press him for an answer, though I would hope that Mr. Nowlan would then give us an answer.

It will be remembered this was probably the point on which we made the strongest objection to the present act, in opposition. We said the corporation was going to be under the thumb of the Minister of Finance, and I think the trend of the answers we received this morning made that abundantly clear. I would like to know whether there are any facts to support that, whether the corporation figures—when they are submitted for its requirements—were met without question by the Minister of Finance and treasury board; or whether they were reduced. That will prove whether or not our fears are right.

I do not want to involve Mr. Bushnell—this is a political question and I recognize that—and if Mr. Bushnell does not want to answer it—

Mr. BUSHNELL: I would prefer not to.

The CHAIRMAN: I think we will have to adjourn now, but before we do, I would like to welcome Mrs. Kate Aitken, who is sitting at the rear of the room as an observer.

We are going to have to accelerate this a little bit. Shall we meet this afternoon after orders of the day or tomorrow morning? May I ask for a show of hands on the matter?

Mr. PICKERSGILL: We simply cannot sit this afternoon. There is a very important debate going on in the House of Commons.

The CHAIRMAN: Gentlemen, I would just as soon meet tomorrow morning; and let us sit from 9:30 until 11:00. Is that agreeable to the committee?

Agreed.

The CHAIRMAN: We shall meet tomorrow morning.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3

FRIDAY, MAY 15, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

E. L. Bushnell, Acting President, Canadian Broadcasting Corporation; and A. M. Henderson, Comptroller.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21216-7—1

SPECIAL COMMITTEE ON BROADCASTING

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Vice-Chairman: J. Flynn, Esq.

and Messrs.

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R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Campeau,
Chambers,
Chown,
Dorion,
Fairfield,
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Forgie,
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Horner (*Jasper-Edson*),
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Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Rouleau,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

FRIDAY, May 15, 1959.

The Special Committee on Broadcasting met at 9.30 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Messrs. Fairfield, Fisher, Flynn, Forgie, Fortin, Halpenny, Horner (*Jasper-Edson*), Jung, Macquarrie, McCleave, McIntosh, McQuillan, Pickersgill, Pratt, Richard (*Ottawa East*), Robichaud, Simpson, Smith (*Calgary South*), and Tremblay—(19).

In attendance: Mr. E. L. Bushnell, Acting President of the Canadian Broadcasting Corporation, assisted by Messrs. R. L. Dunsmore, Chairman, Finance Committee, Board of Directors; A. M. Henderson, Comptroller; Barry MacDonald, Secretary, Board of Directors, J. A. Halbert, Assistant Secretary, Board of Directors; J. P. Gilmore, Controller of Operations; R. C. Fraser, Director, Public Relations; V. F. Davies, Director of Accounting Services; J. Pelland, General Accountant; and A. Watkiss, Senior Accountant.

The Chairman observed the presence of quorum and Mr. Bushnell asked permission to elaborate on certain statements and answer questions which arose at the last meeting of the Committee.

Agreed,—To print as an appendix to the record of today's proceedings a table detailing expenditures of the Corporation for the year ended March 31, 1958. (*See Appendix "A"*)

Messrs. Bushnell and Henderson were further questioned concerning the finances of the Corporation and asked to prepare certain data for the Committee's next meeting.

Questions relating to production costs, sponsoring and other forms of recovery were asked and in view of the reluctance of the witnesses to produce figures, on the grounds that such information might prejudice the Corporation's competitive position, the entire problem was referred to the Sub-Committee on Agenda and Procedure.

A request that every effort be made to expedite the printing of the Committee's proceedings was accepted by the Chair.

Agreed,—That a Table entitled "Comparison of Gross Payroll to Total Expenditure" be printed as an appendix to today's proceedings. (*See Appendix "B"*)

At 10.55 a.m. the Committee adjourned to meet again at 11.00 a.m. Tuesday, May the 19th.

J. E. O'Connor,
Clerk of the Committee.

21216-7—1½

EVIDENCE

FRIDAY, May 15, 1959.
9.30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum. This morning we will start with a short statement from Mr. Bushnell which more or less will review one or two points of the last two days' meetings.

Mr. ERNEST BUSHNELL (*Acting President, Canadian Broadcasting Corporation*): Thank you, Mr. Chairman. After reviewing the notes we had taken of the proceedings, particularly yesterday's meeting, I thought it might be useful to comment on one or two matters that may not have been too clearly dealt with.

First of all, I should like to say a word or two on the question of future planning. I think it was Mr. Art. Smith who brought this up. As has been mentioned so many times, the corporation is engaged in providing a five-year forecast in accordance with the requirement contained in section 35 (2) of the Broadcasting Act. I would like to emphasize that the work now being done on this forecast is simply a matter of bringing up to date, in terms of today's economic and technological conditions and in the light of the knowledge of three more years of the development of the national service, the work we did in presenting a similar forcecast for the Fowler commission.

I would further emphasize that our operations today, for the past two years and for the coming year ahead, are based on the forecasts that we prepared at that time, and are related very closely to them. I am sure you understand and appreciate that long before there was any necessity to do so because of a statutory requirement, it is, and always has been, our practice to plan well ahead.

Mr. Smith asked how far we attempted to project our thinking in terms of the planning for the future—five, ten, or twenty years. The answer is a very simple one—just as far ahead as developments in a medium as fast-expanding as television can be foreseen.

I might give you an illustration. In the Fowler commission presentation we mentioned the possibility of video tape. Since then there has been a rapid development in video tape; and while we made some forecast as to our possible requirements or potential, we are now faced with something new technologically in the television business. I think it is safe to say that within the next twelve months we will have to provide at least twenty of these video tape recorders—and that would be a minimum—each of which costs approximately $75,000. So, within a period of three short years, we are faced with an expenditure—if my calculations are correct—of about $3 million, that was not too well foreseen. If you like, it was envisaged, but we did not know at what time it might be available. At the time of the Fowler commission these video tapes were in the experimental stage. I think this is as good an illustration as any to show you just how quickly this thing can change.

Mr. SMITH (*Calgary South*): Thank you, Mr. Chairman. My question is related to production, but it deals with the same subject. I understand and can appreciate the problems you have. Surely the use of video tape in itself represents substantial savings from a production operation point of view, does it not? Is it not true that the use of tape in the system could, to a very substantial degree, cut down your production charges to something less than one-half in some instances?

Mr. BUSHNELL: That, Mr. Smith, is something on which I could not give you a positive answer. On the other hand, you know we have a delay centre at Calgary; and while it is not cutting down our costs, it is improving our service very much, because of the time zones we have. If we did not have that delay centre in Calgary, people in Alberta and on the west coast would be getting television programs at very inappropriate hours.

Now, you ask about cutting down production costs. That is problematical for this reason; we are not yet sure what attitude the various performers, artists and whatnot will take toward it. Neither are we sure as to what the position of the technicians will be. As you know, at the moment there is a big controversy going on in the United States as to union jurisdiction over the use of video tape. In that respect we may have some difficulty in the future. I think it is a little too early to say.

Mr. SMITH (*Calgary South*): From a technological standpoint it is true that the use of tape will unquestionably facilitate more flexibility in your operations, and cut costs, provided you can work out a basis with your union agreement.

Mr. PRATT: Do you suggest, Mr. Bushnell, that there is more objection on the part of the artists and technicians to the use of video tape than to the kinescope?

Mr. BUSHNELL: Yes, I think so.

Mr. SMITH (*Calgary South*): Have you an answer to my question?

Mr. BUSHNELL: All things being equal the answer is yes.

Mr. PRATT: Why would that be?

Mr. BUSHNELL: Because video tape is so much better than kinescope. May I say this—

Mr. PRATT: They object on the grounds that the quality is better?

Mr. BUSHNELL: No, not that; but actually the use of kinescope was the only way in the beginning by which we could get proper distribution. With video tape, the thing is practically permanently recorded and it can be distributed all over.

Mr. PRATT: So can kinescope.

Mr. BUSHNELL: Yes, but, as a matter of fact, there were not too many people who had the ancillary equipment to use kinescope.

The CHAIRMAN: Gentlemen, I am afraid we are getting too far away from finances and getting into the field of production, which will be our next item. Mr. Bushnell, will you please continue with your statement.

Mr. BUSHNELL: Now, turning to the matter of the presentation of our estimates to treasury board. We had considerable discussion on this yesterday and I would like to come back to it by saying that, once the corporation has prepared its budget estimates for a given year, they are carefully discussed with officials of treasury board. Since, as has been mentioned, we are a crown corporation under schedule D of the Financial Administration Act, as such, using the public funds of Canada, we must demonstrate to the appropriate department of the government our needs for these funds and the manner in which we intend to spend them. We welcome the opportunity to discuss the details of what we are planning to do and to justify any increases over a previous year's spending to these officials, so that they may be fully informed prior to our estimates being presented to parliament.

Turning to a question of yesterday, I believe it was asked by Mr. Fisher, who wished to know whether or not the corporation had found it necessary at any time during the last ten years to go back to parliament to have supplementary estimates approved for its operational needs. The answer is that

the corporation has never applied for supplementary estimates, although supplementary estimates were voted in 1956-57 when our main estimates were delayed due to the work being done for the Fowler commission, and again in 1957-58 when our estimates which had been supplied by governor general's warrant were confirmed by supplementary vote.

I think it was Mr. Bell who asked the question yesterday as to what effect the labour dispute in Montreal had on our revenue and expenditures. While the full financial implications of this dispute are not yet available, preliminary indications are that, generally speaking, what we lost in revenue we made up in savings on expenditures. Obviously we lost considerable revenue by virtue of cancellation of some television productions and, correspondingly, we saved considerable on the expenditures which were not made on these cancelled programs.

Mr. Chairman, might I file with you another statement that was asked for by Mr. Arthur Smith? The statement is the income and expenses, a comparison of them, for the year ended March 31, 1958. I believe those are available, or have they been distributed?

The CHAIRMAN: They are being distributed.

Gentlemen, do we have an agreement to print this report as an appendix in the record of these proceedings?

Agreed.

(See Appendix A).

Mr. BUSHNELL: I would like to clarify that statement. This is the comparison you asked for between the program costs and operating costs.

The CHAIRMAN: Mr. Pickersgill, please?

Mr. PICKERSGILL: The first question I would like to put to Mr. Bushnell was, in part, anticipated by his statement. He told us, if I understood him correctly, that as far as future planning was concerned, what the corporation had been doing in the last year or so and particularly recently, was to bring up to date those forecasts which were made by the C.B.C. at the Fowler commission.

The first question I would like to put is this: is it possible to make a forecast of capital expenditure for this five-year budget in any realistic fashion at all without at least making concurrently, if not in advance of that, a forecast of operating expense?

Mr. BUSHNELL: Probably I did not make that too clear when I spoke about it before.

Actually, I think I said that operational expense to some extent depended and was predicated upon the amount of capital available for the construction of studios, the purchase of new equipment, and that sort of thing.

Mr. PICKERSGILL: It seems to me—and I put it in the way of a statement because it is easier to contradict it than when framed as a question. It seems to me that in determining a capital budget you would have to have first some idea of whether you were going to be able to use the capital you were going to acquire.

That would be predicated upon a certain conception in advance of what you would be able to get for operating expense, and I think you made that pretty clear.

I see Mr. Smith looking at the original statement; and that is the impression I got from your original statement to us. Is that correct?

Mr. BUSHNELL: Yes, I think that is substantially correct.

Mr. PICKERSGILL: There should be available at the time—whether it would be available to the committee or the public, is another matter—but in the

corporation next November, when you have your five-year capital budget, there should also be available a five-year projection of your operations.

Mr. A. M. HENDERSON (*Comptroller, Canadian Broadcasting Corporation*): There will be. We are required under the act to file along with the five-year capital budget, a statement showing the incidence of this, if you will, on the operating expense to us as a practical matter. That means a five-year forecast of operational expenses and operational costs, because of the impact of what we plan in the capital budget, exactly as you say. Operational-wise the two will travel along together.

Mr. PICKERSGILL: It seems to me, sir, that what was in the mind of the Fowler commission when they pointed out—and I am not going to take the time of the committee to read it, but it is pages 276 and 277—that what really could be, should be, and ought to be forecast was operating expense, and in view of the technological changes it was not very realistic to try and make these capital budgets five years ahead. The act is the exact antithesis of the recommendations of the Fowler commission, as we pointed out in the debate.

An Hon. MEMBER: In your interpretation.

Mr. PICKERSGILL: Facts are facts, whether I interpret them or somebody else does.

What I am trying to get at is this, in preparing a five-year operating budget—which the comptroller told us has to be done before you can prepare anything like a serious capital budget—what, do you start on as your base?

The Fowler commission, in its recommendation, said there should be a fixed sum for six years ahead, so the C.B.C. would know what it was doing and have some terms of reference in the act. It has none.

All you know is, you can go and submit a budget to the Minister of Finance each year, and he may approve that or he may cut it down. There is no guide line at all, it seems to me.

How are you going to meet this problem?

Mr. BUSHNELL: Mr. Chairman and Mr. Pickersgill, we do not anticipate very much difficulty in meeting it. When we plan ahead we take this year's figure, with regard to the amount of money that we have spent. In our plans we expect to be able to say so much next year, and the year after. That is all laid out. So far we have not met with very much difficulty.

I am bound to admit that probably the other arrangement that was suggested by the Fowler commission might have been a better one.

Mr. PICKERSGILL: My views on that subject are well known.

Mr. SMITH (*Calgary South*): We are examining the witness' and not you.

Mr. PICKERSGILL: Quite, I quite agree; but what I am trying to find out is, in default of that objective standard, in default of something known over a period of years—which the Fowler commission pointed out in their view was essential to the independence of the corporation—have you from the government any assurance you can at least count for a number of years ahead on the amount you have this year?

Mr. BUSHNELL: I think that is a question you might well ask the government. I cannot tell you.

Mr. PICKERSGILL: I think so too.

Mr. PRATT: Mr. Chairman, Mr. Henderson has already pointed out that this is the fastest growing medium in the world, and it has changed so rapidly it would be very difficult to forecast the operating budget for that length of time; and, while the operating budget does bear some relation to the capital budget, nevertheless it is a varying relationship.

Mr. BUSHNELL: I think you are quite right. It is like any other business: you must start with your operating budget, but your capital budget in your books is an entirely different thing.

Mr. SMITH (*Calgary South*): May I ask, Mr. Chairman, of Mr. Bushnell if this point has been regarded as a serious one, and does it present any obstacles. Have you received any recommendations from your directors, or has there been any opposition of which you are aware?

Mr. BUSHNELL: None that I am aware of.

Mr. PICKERSGILL: I would like to go back to a question which I do not think was answered before. You have termed it your forward planning. Presumably, you are already thinking now of the budget you are going to submit. I am not talking about the five-year budget, but the operating and capital budget for the year 1960-61, which will have to be approved by treasury board some time in November. How do you go about preparing that? What do you start with as a base figure? Have you any assurance? We know we are going to have a colossal deficit. Are you going to have to bear part of that deficit?

Perhaps I could elaborate my point by saying that when Mr. Harris became minister of citizenship and immigration and took charge of the National Film Board—and that is a government agency—he said this. "You have so much money. I will tell you what I recommend"—and he carried this through for the preiod that he was in: when he became Minister of Finance, "I tell you this so you can do your forward planning," and I confirmed it when I succeeded Mr. Harris. "You will not get any more for your operating for the next five years, except to meet some unusual situation that cannot be foreseen now."

You can count—as far as we can possibly commit ourselves—on three or four years of planning to have a particular budget annually, but you are not to plan any more; you have to cut your quota according to your cloth. Have you any such indication from the present government?

Mr. BUSHNELL: No, I take it you are suggesting that Mr. Harris and probably yourself put a ceiling on the expenditures?

Mr. PICKERSGILL: No, we indicated that they should not fall below a certain floor.

The CHAIRMAN: Did you do that in writing?

Mr. PICKERSGILL: No, but it was stated in parliament.

Mr. SMITH (*Calgary South*): Perhaps I might read the section which has been referred to; it is section 35 subsection 2 of "an act respecting broadcasting", chapter 22, and it reads as follows:

> (2) Within one year after the coming into force of this act and every fifth year thereafter the corporation shall submit to the minister and the Minister of Finance for submission to the governor in council a five-year capital program proposed by the corporation together with a forecast of the effect of the program on the corporation's operating requirements.

May I suggest that this provides exactly the stop-gap on one hand, yet it gives flexibility to the corporation to proceed in its operations over a foreseeable period which would satisfy the types of media with which you are dealing. Surely there is the fact that this leaves with the governor in council, which is in turn the people of Canada, the whole question of determining the final expenditures; and I think this is where it is properly placed.

Mr. PICKERSGILL: My question is still unanswered. I was not talking about a five-year budget at all. I was talking of an annual budget, and what

the guide-lines were; what assurance the corporation had that in 1960-61 it would get as much as it would get in 1959-60. I think Mr. Bushnell said that they had no assurance whatever.

Mr. BUSHNELL: We have no iron clad guarantee, but we have high hopes and every expectation of getting it.

Mr. PICKERSGILL: Mr. Harris and I gave an assurance, as far as any government could give it, because no government can give it; it has to be voted by parliament. This government is in a pretty good position to carry out an undertaking like that, yet you have no such assurance.

Mr. BUSHNELL: No.

Mr. PRATT: Mr. Pickersgill wanted to maintain a status quo.

Mr. PICKERSGILL: I wanted to maintain the independence of the C.B.C., and that is the corporation which is operating under the present statute. I am not blaming the officers at all; but under the statute the corporation is completely under the thumb of the treasury.

Mr. SMITH (*Calgary South*): That is absolutely wrong, Mr. Chairman.

Mr. SIMPSON: Mr. Chairman, this may not be the time to bring this question into the picture, but seeing that we are—

The CHAIRMAN: Is your question in any way related to the financial aspect, Mr. Simpson?

Mr. SIMPSON: My question is on the financial aspect because it has relationship to extended services. Seeing that we are on this five-year planning, concerning which the hon. member has said that he was only asking a question about this year's budget, I think it might be the time for us to have a look at information in relation to the ten per cent of the people who are not presently serviced by C.B.C. television.

The CHAIRMAN: Might I ask that you be good enough to hold that last question until we get into production and extension of services, and that type of thing?

Mr. SIMPSON: That will be quite all right, but I think it does tie in with this question.

The CHAIRMAN: I realize it ties in with the five-year capital budget, but we will be coming back to it.

Mr. FISHER: I do not want a qualitative answer, but I would like to ask Mr. Bushnell this question: despite the change, does he notice, as far as financing is concerned, any really revolutionary difference since the change of government?

Mr. BUSHNELL: No.

Mr. PICKERSGILL: My question is this: in the days when the C.B.C. had revenues which were not under the control of the government, that is, up until 1956 when it had the revenue from the excise tax, and under the Massey report, revenue which went directly to the C.B.C. and which it could spend as its board of governors determined, the corporation was really independent.

Now, as you have told us, it has to be discussed with treasury officials and tailored to some degree to their views and ultimately to the views of their minister. That is what I meant by saying that the corporation was under the thumb of the minister. As I was about to say, Mr. Pratt says this is a growing medium, and Mr. Simpson says there is a demand for services in the outlying regions. I quite agree with them. But what sort of policy do you have? How do you try to figure out how much more you are going to ask for each year?

Mr. BUSHNELL: That is very simple, as to how we figure it out. I do not want to go into a long statement at the moment, but as I have tried to indicate,

we have in mind definite plans for the next five years. In other words, we operate basically from the kind of service that we want to give to the public. That is number one.

It might include an extension of programming services, let us say, in the farm broadcast department, or it might mean an extension of services—and I am sure Mr. Jennings will touch on it—in school broadcasting. We have all these things in mind. They are all put down on paper right now, and they are planned for the future.

Mr. PICKERSGILL: When I planned my budget for the next year I had a fair idea—or at any rate an idea—of the maximum I was likely to get; and I knew that if I spent too much on one thing, I just would not have it to spend on something else. That is what the Fowler commission suggested should be the position of the corporation; but it is not so. You have no upper and no lower limits in the act. How do you decide what next to ask for? What is the degree of control upon you? You say that the government gives no indication one way or another. Do you know what you are likely to be able to get?

Mr. BUSHNELL: I do not think that we have ever known what we were likely to get, from the very beginning.

Mr. PICKERSGILL: You got $1 million from the Massey commission.

Mr. BUSHNELL: All right. That was the only thing we were guaranteed, but we did not know what the revenue from the sale of receiving sets was going to be.

Mr. PICKERSGILL: Last year it was a good deal higher.

Mr. BUSHNELL: We were away out there, because the development of television was a great deal faster than we anticipated; so that for the first three or four years we had a surplus.

Mr. PRATT: Mr. Pickersgill seems to be trying to solve this problem by putting it on a five-year basis instead of on a one-year basis.

Mr. SMITH (*Calgary South*): Some of us seem to be making a lot of assertions, and I suppose one final one will not do any harm.

We have a situation, as we have it expressed here, with a medium which has to be treated flexibly from the production standpoint, and the question of maintaining costs within a certain normal period of time. This presents problems. We have section 35 which has been referred to, and which suggests that those costs be dealt with on a five-year basis.

Mr. PICKERSGILL: But only the capital costs.

Mr. SMITH (*Calgary South*): It is also related to operating expenditures. We too have read that section, and I would point out that where you have a growing deficit—I do not like the word deficit, but where you have an excess of expenditures over income—and it is becoming increasingly greater every year, it seems to me a very good safeguard to have some authority in government to determine, from one five-year period to the next, where the limitation on this expenditure is going to begin and end. I think that is exactly the reason why this was covered in the act.

Mr. HORNER (*Jasper-Edson*): Mr. Chairman, just to clear up the basis of this, I would like to ask Mr. Bushnell if, in his opinion, the C.B.C. since its inception has not had a close relationship to the treasury of Canada, in that they were making current loans even when the C.B.C. had their own revenue, and so on. I suggest they were always intimately connected with the government in power with regard to their financing.

Mr. BUSHNELL: So far as I know, that is the case.

Mr. HORNER (*Jasper-Edson*): Would you not say also that in the development of television you were again intimately connected with the government

in power at that time as to how much money you were going to spend on capital and the development of television at that time?

Mr. BUSHNELL: Yes, obviously.

Mr. FISHER: Mr. Chairman, I just want to ask a question for information, sort of ahead of the kind of question Mr. Simpson is going to ask. Could you have prepared for this committee your figures on what you estimate is the maximum cost, say per household, for both radio and television in so far as the extension of service to the hinterland area is concerned?

That seems to me to be very important in any discussion of the kind that is going to be brought up later. Would you have those figures—the way you were appraising this in the five-year forecast?

Mr. BUSHNELL: Are you asking if we have them, or whether we will have them?

Mr. FISHER: Whether they will be available.

Mr. BUSHNELL: Yes, indeed they will.

Mr. SIMPSON: Following along that line, possibly we could have charts and maps available for the unserviced areas in relation to the areas that are now serviced.

The CHAIRMAN: That would be quite a job, I suggest, because there are about 90 areas, are there not?

Mr. SIMPSON: Maybe we could have one or two big maps.

Mr. FISHER: I think it is an excellent idea, because I think a visual presentation of this hinterland problem to the members of this committee who do not have hinterland areas might be very educational.

Mr. BUSHNELL: It will take a little time to prepare something that actually would be of very great value, but we will certainly try. I am sorry that Mr. Richardson, our director of engineering, is not here today.

Mr. FISHER: That is another request I wish to make in this regard. Could we have Mr. Richardson here some day to explain the technical aspects of this extension of development?

Mr. BUSHNELL: Yes, by all means.

Mr. MCQUILLAN: Mr. Chairman, I was also going to ask for a map. I have a feeling that perhaps the C.B.C.—especially the television service—does not cover as large an area as they think it does, or as they contend it does.

The CHAIRMAN: I think that Mr. Bushnell could possibly supply one large map, and we might visualize it on that.

Mr. MCINTOSH: In regard to the policy of the C.B.C. for these hinterlands, is it the policy to pass the servicing of these hinterlands to private stations to see if they can make it pay, and the C.B.C. to carry on in other areas where the private stations could not operate?

Mr. BUSHNELL: Yes.

Mr. PICKERSGILL: On that very point, Mr. Chairman, I was going to ask when they arrived at this capital budget. I am very much interested in the hinterland itself, because three-quarters of my constituency is not covered by the present television facilities.

Mr. SMITH (*Calgary South*): If it had been, you would have done much better.

Mr. PICKERSGILL: I would have got all the votes, instead of 75 per cent.

Mr. FISHER: That is a declaration of war.

Mr. PICKERSGILL: No, peace. To be serious, this point has puzzled me about—and this is partly as a result of an answer given to Mr. Fisher yesterday—the extension of services. All these capital expenditures connected with

the extension of services geographically obviously depend upon a decision that the C.B.C. cannot make; it is a decision that the board of broadcast governors is going to make, as to which of those areas will be served by private stations and which will be served by the C.B.C.

It seems to me that it is going to be quite unrealistic to produce any kind of five-year capital budget in this field. I am not talking, of course, about capital improvements in existing facilities that are not going to be changed, but in all this area in which the board of broadcast governors has made some fundamental decisions. I was wondering if there had been any discussion yet about the division of this field, about how much of it was going to be privately developed and how much of it was going to be publicly developed. Have the C.B.C. had any discussion with the board of broadcast governors on that?

Mr. BUSHNELL: Yes, we have.

Mr. PICKERSGILL: Do you feel that that will be pretty well settled before you produce your capital projection next November?

Mr. BUSHNELL: Certainly there will be a very large measure of understanding and agreement between our board of directors, management and the board of broadcast governors. There again, I think it would be very difficult to predict, or try to predict, just where applications for private stations are going to come from. But there is a very large area of flexibility in our capital budget. In other words, if we were planning on putting in a station—

Mr. FISHER: At Kapuskasing?

Mr. BUSHNELL: No, not at Kapuskasing.

Mr. PICKERSGILL: Grand Falls or Gander?

Mr. BUSHNELL: All right, Grand Falls or Gander, or my own home town of Omemee. I wanted to get that in.

Mr. MCCLEAVE: Can you spell that, Mr. Bushnell?

Mr. BUSHNELL: Yes; O-m-e-m-e-e.

The CHAIRMAN: In the township of Ops.

Mr. BUSHNELL: That is correct. If we were planning on putting in a high power station, or a medium power station—I would not say a relay station, because if we are putting in a relay station, it would not be the right place for a commercial station: at least, we would not imagine it would be the right place for someone to spend half a million dollars in the installation of a private station—and someone else came along and said, "We will do it," we would say, "All right; let us have a look at it," and we would then be able to determine how much it would probably cost us to connect that station. There is a great deal of movability and flexibility there.

Mr. PICKERSGILL: In that context, Mr. Chairman, I would like to ask Mr. Bushnell this question: has the C.B.C. formulated any views on any place? Take Gander, Grand Falls, about which I have heard something: I understand that there is at least one private company that is interested in that area. I have also heard that there is a good deal of desire on the part of the community to have the C.B.C. go there.

Have you any views about places like that, where a private company is willing, where it is to the advantage of the national service, taken as a whole—

Mr. SMITH (*Calgary South*): Mr. Chairman, are we still on finance?

The CHAIRMAN: Could we please get back to finance?

Mr. PICKERSGILL: It is on finance; it is a question of whether it is private money or public money.

The CHAIRMAN: I realize all that; that is exactly the point I cut Mr. Simpson down on. We will come back to that.

Mr. FISHER: Leave it to another day, Mr. Chairman.

The CHAIRMAN: We will have to leave it to another day; it is a quarter after ten right now. Are there any other questions strictly related to finance? For example, I am not too happy about decentralization.

Have you found, Mr. Henderson, that your original decentralization of accountancy, for example, is in your estimation, paying off as it should; or do you think that you should discontinue the decentralized aspects of accountancy and get it all back in one area? Do you feel it is costing you more money, with your IBM equipment, and so on?

Mr. HENDERSON: With some reservations, sir, I think the decentralization—as I stated in my remarks yesterday—is paying off in the accounting field, because you always have to have your accounting right next to your operations. So long as our operations are divided up into regions, as they are, across 4,200 miles, I feel much happier having the accounting of the C.B.C. right next to them, where statements and accounts go out and come right back to the same place.

The CHAIRMAN: Then you are happy the way it is?

Mr. HENDERSON: Yes.

Mr. MCINTOSH: Suppose the C.B.C. did start a station in one of these areas and there was an offer made by a private concern to purchase that station after it had been operating, what is the policy of the C.B.C. in that regard in respect of replenishing its capital?

Mr. BUSHNELL: That is something which has never come up so far. I would have to bring that up with my board of directors. I do not know what the policy would be.

Mr. SMITH (*Calgary South*): I think this question falls within the area of finance. You have spoken of the relatively small area of Canada which as yet has to receive television coverage. In projecting your program planning for some years ahead you will undoubtedly provide these facilities. This question of income and expense, however, may become higher; unquestionably it will, the forecast indicates that. Do you ever foresee the day when the C.B.C. will act as a producer of shows and then, in agreement with the private stations, turn over the assets of transmission to private industry and, under regulation of the B.B.G. act as a producer of shows and gradually leave the transmission business as such?

Mr. BUSHNELL: Are you asking me if I have ever foreseen that? Do I foresee that?

Mr. SMITH (*Calgary South*): Yes?

Mr. BUSHNELL: I do not.

Mr. SMITH (*Calgary South*): You intend to stay in the business competitively, without any exceptions whatsoever?

Mr. BUSHNELL: I do not think that is actually for us to determine. As far as the corporation is concerned, however, I have never heard it suggested that we should get out of the transmission field.

Mr. MCCLEAVE: That view has been put forward before some royal commissions.

Mr. SMITH (*Calgary South*): The suggestion has been that you act as a producer of shows rather than as a competitor of private broadcasting.

Mr. FISHER: One of the outstanding features of the Fowler report was a clear indication that the revenues for private stations—this is in respect of radio but the indications are it would extend to television—were extremely

lucrative. I believe one of the suggestions here is that you are going out for more of that business, which would seem to be going into the area of the private stations. Can you go for more income from these sources without overlapping into the field of the private stations and their sources of income?

Mr. BUSHNELL: We are certainly going out after more business. We have been going out after more business since the Fowler report was tabled in parliament. I am speaking particularly of radio. Up until that time we were limited in what we could do because of the recommendations of the Massey commission. I think, however, it is safe to say that even with the extra effort we put into selling advertising on radio, as far as I am aware, we have not done very much harm to any private station. We have gone out and obtained new business. We actually have got clients to spend more money. We have not taken anything away from the private stations. Right from the very inception in television we have been most aggressive in selling. We intend to continue along that line.

Mr. FISHER: That is fine. I heartily approve. I wish to move a bit further. It has been your practice to supply both radio and television programs to private stations across the country which are on your networks. If those programs are commercial programs, they receive certain revenue.

Mr. BUSHNELL: Yes.

Mr. FISHER: And you provide to them free of charge the actual package. Is that right? I mean free of charge to the stations?

Mr. BUSHNELL: Yes.

Mr. FISHER: The problem on which I wish to touch is that the B.B.G. has power to enforce on the stations certain powers in so far as the amount of advertising they may use is concerned and the amount of local telecasting and broadcasting they will originate. To your knowledge did it ever come into the mind of the C.B.C., when they had the regulatory control, that they could bargain, with regard to the provision of these free services which they were supplying, in order to force these private stations to do either more local telecasting or to give up some return in respect of the spot advertising revenue they were picking up from your programs?

Mr. BUSHNELL: Mr. Fisher, if I may say so, I believe that question is one which I would like to have you ask the board of broadcast governors. I do not know what is in the minds of the board of broadcast governors at the moment.

Mr. FISHER: I suppose it is not fair to ask for a rehash of the past.

The CHAIRMAN: What would we attain if you did?

Mr. FISHER: I just want to know whether or not the idea ever was considered to be practicable?

The CHAIRMAN: In those days, Mr. Bushnell, was it not done to a degree?

Mr. BUSHNELL: I take it, Mr. Fisher, that you are saying because we provide, if you like, a package containing commercial programs and non-commercial programs that we should then seek some part of the revenue of the private stations in return for that sustaining service. Is that correct?

Mr. FISHER: Yes.

Mr. BUSHNELL: Then may I suggest to you that actually what is happening is that the private stations are carrying the non-commercial programs at no cost to us, other than the cost of distribution, and we feel that is a pretty good quid pro quo.

Mr. FISHER: That is what I wanted to find out.

Mr. MCCLEAVE: I have some questions on the general theme in respect of the ability of the C.B.C. to raise money for its own operations. These

questions are concerned with the radio side. Would Mr. Bushnell acquaint us, in general, with how much revenue is being raised commercially by the C.B.C. in its radio operations? Would he also tell us whether the sales people whom the C.B.C. has are paid by commission or by salary?

Mr. BUSHNELL: I am not in a position to give you the exact figures in respect of part one of your question. I am, however, in a position to answer part two. All our sales people are paid by salary only, and not by commission.

Mr. MCCLEAVE: Do you think there might be some virtue in examining the idea of putting them on commission?

Mr. BUSHNELL: It may well be. It has been considered from time to time.

Mr. MCCLEAVE: It could be tried even in one area as an experiment.

Mr. BUSHNELL: There is no question about it; it is worth considering.

Mr. SMITH (*Calgary South*): Yesterday when I asked Mr. Bushnell whether or not he was concerned over the fact that the corporation was not recovering the full percentage of the revenue in respect of commercially produced programs, he was kind enough to suggest he might provide us with an explanation of this situation. At least, that is what I understood.

I do not wish to ask you to provide us with a large amount of unnecessary statistics, but I imagine you would have readily available the costs, for instance, in respect of the General Motors theatre. I am thinking that often we hear of the tremendous cost of producing a television show. I would like you to give us some comparison between similar productions in Canada and the United States. I understand you actually import about 50 to 55 per cent of these productions. I think these cost figures would be interesting. Could you give us that comparison; would that be possible?

Mr. BUSHNELL: Mr. Smith, I think I went a little bit far yesterday in saying I would provide charts for you. On reflection, because of the highly competitive situation that we are in, I would prefer not to give you specific figures for any specific program. I think that would be unfair, and I think you would agree with me that it is; but I think that we can tell you in pretty clear terms just what the policy is and I would be prepared to do that—probably at our next session.

Mr. SMITH (*Calgary South*): Frankly, Mr. Bushnell, I am very concerned with the suggestion that you are recovering in some instances, as I have been told, only 20 per cent of a commercial production; and it seems to me when we are talking about revenue methods by which we can improve the financial position, this might be one method of doing it.

The CHAIRMAN: Would you be satisfied, Mr. Smith, if Mr. Bushnell gave us a cost breakdown of a typical one-hour television show? There are not too many of those.

Mr. FORTIN: That is the information the public wants to know.

Mr. SMITH (*Calgary South*): Could we have, say the cost of the General Motors show. I would like to know the costs which are charged to overhead and the general breakdown of the cost of operation. If you feel this is something which would interfere with your operations, I would not push my request.

Mr. PICKERSGILL: In connection with the point which Mr. Bushnell has raised, I think we should give very careful consideration to whether the C.B.C. should not be treated in the same way as the Canadian National Railways. I think if Mr. Bushnell would take five or six of these—whatever number he thinks—and average them, it would create sufficient anonymity and that would not be unreasonable; but to take any one is going quite clearly to create a problem. Now that the C.B.C. is expected to be in competition with private stations, who are not going to be asked for this information, I do not think it is fair to ask for those figures.

Some hon. MEMBERS: Why?

Mr. PICKERSGILL: For the same reason we did not ask the Canadian National Railways for it. Mr. Meighen laid down the rule, which everybody has accepted, that if the crown was going to be in these types of operations, this is the kind of information that is of value to the competitors, and it is not in the public interest to give it. I feel this is an important principle on which we should not push Mr. Bushnell.

The CHAIRMAN: I will hear a few more members on this matter.

Mr. PICKERSGILL: As a privilege to me, Mr. Chairman, could I—

The CHAIRMAN: Do you wish to complete your statement?

Mr. PICKERSGILL: I just wanted to say I have to leave the committee and there was one question I would like to put so I could have an answer at the next meeting. I was wondering if at the next meeting the comptroller could give us a detailed explanation of this new policy of separate accounting for the individual stations. I think that is a very progressive thing. This ought to give us a better control of expenditures and I would like to be told how it works.

Mr. MCCLEAVE: I am in the same position, Mr. Chairman. I would appreciate it, if you could bring back at a later time the amount of commercial revenue obtained by the C.B.C. on its radio operations.

Mr. FLYNN: I would like to have the breakdown between radio and television for the last five years.

Mr. HENDERSON: The breakdown is available for the year ending March 31, 1958. It is set forth at page 30 in the annual report, which you have in front of you. There, you will see the commercial revenue derived from both services.

Mr. FLYNN: Is that the average for the last five years? I think you mentioned yesterday the figures for 1953.

Mr. HENDERSON: The figures for 1954 were in the table I gave, but there I had them grouped together. It would be a simple matter to provide you with a sheet of paper showing the figures for five years. I will prepare that information for the next meeting.

Mr. MCINTOSH: I would like Mr. Bushnell to qualify his statement that he did not think it would be fair, rather than have someone else in the committee qualify, as has been done.

The CHAIRMAN: I was going to suggest, gentlemen, that we consider that point at our subcommittee meeting, and I hope the members would be kind enough to be governed by the decision of the subcommittee. Will that be satisfactory?

Mr. SMITH (*Calgary South*): Yes. May I perhaps say, for the benefit of the committee, why I am interested in this material. As I said initially we heard references to the tremendous costs—and unquestionably they are—for producing these various shows. I am interested to know just how competitive the C.B.C. is and, keeping in mind the quality of the show we are getting, whether or not they are being produced having regard to the matter of costs. The only way to find that out is to have an example. Also, I feel, sir, that it would be interesting to have the percentage that is charged off to administration expenses, and any other such costs. That is my purpose.

Mr. BUSHNELL: So we will have the record clear, I should say that at this moment there is not any television show on which the corporation pays anything like 80 per cent of the cost. You mentioned the figure 20 per cent.

Mr. SMITH (*Calgary South*): That, Mr. Chairman, was in a completely different context. I am talking now in connection with the costs of the show. When mentioning 20 per cent as a figure, in connection with the recovery

of costs for producing a show commercially, I had in mind that often the C.B.C. did not obtain anything like the value for the show when they sold it; in fact, in some instances I think they obtained as little as 20 per cent.

Mr. BUSHNELL: That is not true.

Mr. SMITH (*Calgary South*): Will the percentage of what they may have recovered be made available to us in say half a dozen shows?

The CHAIRMAN: May I again suggest that all these requests be taken up with the steering committee.

Mr. FLYNN: Will it be possible then to have the production cost of sustaining programs?

Mr. BUSHNELL: I think we could give you a very good illustration of that, yes.

The CHAIRMAN: That is of TV, do you mean, or radio?

Mr. FLYNN: Television and radio.

Mr. BUSHNELL: Yes, we could give you a good cross-section.

The CHAIRMAN: Is there any particular show you have in mind which is not competitive?

Mr. FLYNN: I have several, but some of them, I understand, Mr. Chairman and Mr. Bushnell, are produced for a while on a non-commerical basis, and then later on they are sold.

Mr. BUSHNELL: That is right.

Mr. PRATT: Mr. Chairman, is there any particular reason there should be less secrecy about a sustaining show rather than a big star show?

Mr. BUSHNELL: Do you mean a commercial show?

Mr. PRATT: Yes.

Mr. BUSHNELL: I think there is and I do not want to prejudice the thinking of the committee, or your subcommittee, but the simple fact is we are in a highly competitive business. And right at this stage I am trying to make our reservation clear. Mr. Smith has mentioned General Motors, and would like to know what percentage of the cost of the General Motors Theatre, General Motors pays.

Mr. SMITH (*Calgary South*): That is just one of my questions.

Mr. PRATT: I would like to remind Mr. Bushnell that we are also in a rather competitive business.

Mr. SMITH (*Calgary South*): What is that?

Mr. PRATT: Members of parliament.

The CHAIRMAN: I think Mr. Smith is trying to find out, do the taxpayers of Canada subsidize advertisers such as General Motors of Canada?

Mr. SMITH (*Calgary South*): That is the point.

Mr. FLYNN: When Mr. Bushnell says they are in a highly competitive field, it seems a strange thing that most of the private TV stations seem to be operating with profits, whereas the C.B.C. is operating with a deficit of $60 million a year.

Mr. PRATT: In fairness to the C.B.C.—

Mr. FLYNN: I mean, on a competitive basis.

Mr. PRATT: Would Mr. Bushnell think it feasible for private stations or private networks to maintain the standard of live productions and still be in the black?

Mr. BUSHNELL: No, definitely not; that is my personal belief.

The CHAIRMAN: Mr. Simpson, please?

Mr. SIMPSON: In relation to the cost of these programs, we are talking about—or Mr. Bushnell was talking about—being in a highly competitive business, that of producing these commercial programs.

In respect of programs, say, that are produced by the C.B.C. and are put on the air without any commercial backing behind them, what would be the reason for not being able to get the costs of those?

Mr. BUSHNELL: We could do that, Mr. Simpson.

Mr. SIMPSON: I mean, programs that did not have any commercial sponsor.

The CHAIRMAN: Have you any one particular program in mind, Mr. Simpson, that you would like to ask about?

Mr. FORGIE: "Front Page Challenge".

Mr. SIMPSON: No, I have not, but somebody suggested "Front Page Challenge" as one.

Mr. BUSHNELL: "Front Page Challenge" is sponsored, of course.

Mr. FISHER: What about "Folio"—sort of, the high and low of Folio?

The CHAIRMAN: That would be interesting.

Mr. HORNER (*Jasper-Edson*): With a comparable program that is on.

Mr. SMITH (*Calgary South*): May I ask a question in connection with auditors? I wonder if I might ask Mr. Bushnell who are the company auditors? Are they still P. S. Ross & Sons?

Mr. HENDERSON: No, the Auditor General of Canada.

Mr. SMITH (*Calgary South*): Do you have any private auditing at all?

Mr. HENDERSON: No, except the internal audit department of my own, which I mentioned yesterday.

Mr. SIMPSON: I think the question I am trying to get at is this. In relation to these C.B.C. shows, even the ones that are sponsored and have commercial revenue coming in, could we not get the cost of them to the C.B.C., even in some cases if we leave out how much the sponsor has to pay to produce those? I mean, the actual cost of production. Those would not be on a competitive basis?

Mr. BUSHNELL: Actually, I am not quibbling on this point. We could provide that, but it is very easy to identify particular programs with a sponsor; and I do not think I have yet made my point quite clear. I spoke of General Motors. Their program costs so much. It is an hour of drama. They have two or three competitors, and their programs cost so much.

I do not actually think that, from a straight business standpoint it is, if I might use the word, "ethical" to put on the public record, or to state publicly just how much each of those companies is paying the C.B.C. vis a vis the others.

Mr. SMITH (*Calgary South*): Would you agree to having these companies —not hypothetical ones, and not averages—but would you agree to giving five or six productions such as this, without naming the fact it was General Motors, or someone else, which actually sponsor them?

The CHAIRMAN: Productions A,B,C and D etc?

Mr. SMITH (*Calgary South*): Yes. Not hypothetical ones, but without actually giving their identity.

Mr. MCINTOSH: Mr. Chairman—

Mr. SMITH (*Calgary South*): May I have an answer to that question first?

The CHAIRMAN: Mr. Bushnell, would you like to answer Mr. Smith?

Mr. BUSHNELL: Mr. Smith, I still have some reservation about that because I do not think it would be very difficult for you astute gentlemen to identify productions A, B and C with a definite company.

Mr. PRATT: How about some company's show no longer on the air?

The CHAIRMAN: Just a moment, Mr. McIntosh. Do you want to answer that, Mr. Bushnell?

Mr. BUSHNELL: We have not lost too many advertisers, and I do not know whether we could.

Mr. PRATT: That is not what I hear in the business. The world is full of performers who no longer have a show on the air.

Mr. BUSHNELL: Let us not get into performers. You can ask Mr. Jennings about that.

The CHAIRMAN: Mr. McIntosh, and then Mr. Jung.

Mr. MCINTOSH: Surely, the public of Canada is entitled to know how much they are losing on certain shows. We are not interested in those who are paying their way, but if there are some shows losing, is the public not entitled to know how much they are losing?

Mr. BUSHNELL: We can provide very good illustrations. You have heard my reason, and I think it is a very good reason.

Mr. MCINTOSH: Your reason is all right for those paying their way.

The CHAIRMAN: Gentlemen, may we leave that aspect up to the subcommittee?

Mr. JUNG: My question has to do with a matter of interpretation. I am not quite sure what is meant when we say "competitive". Do you mean "competitive" among private firms wishing to put on a television program, coming to the C.B.C. and asking you to put on a show for them, in comparison with what private television stations could do for them?

Mr. BUSHNELL: No, I refer to "competitive" in the sense of being competitive, if you like, between motor car companies, or soap companies, but not as between the C.B.C. and private stations.

Mr. FORTIN: This question will be put to the subcommittee, but I want to make my position clear. I am not ready to accept the decision of the subcommittee because the point which we cannot get this morning is one which interests the people, and they want to know about it.

Mr. FISHER: What is it that the people want to know?

Mr. FORTIN: The people want to know how much a production costs.

Mr. RICHARD (*Ottawa East*): Not any particular production, but "a" production.

Mr. FORTIN: That is right.

Mr. SMITH (*Calgary South*): A minute ago I asked if P.S. Ross and Sons were the auditors, and you quite correctly said that they were not. They have done some internal examination of the financial operations of the corporation, have they not?

Mr. HENDERSON: They were employed as consultants to examine the accounting picture, to which I made reference yesterday; and they were employed prior to when the Fowler commission got under way. I believe they concluded their work in the Spring of 1958.

Mr. SMITH (*Calgary South*): What type of examination was this? What was its purpose?

Mr. HENDERSON: It was an examination of the practices and methods of the entire system. The subjects which were required to be taken up, as the chairman queried a little earlier, were the establishment of cost rates, criteria to be employed and rearrangement of staff. They worked very closely with us. Possibly they used the staff of the corporation. It was a standard type of approach as is usually employed in work of that type.

Mr. SMITH (*Calgary South*): Would this report or its conclusions be available to us?

Mr. HENDERSON: We have a copy of their report.

Mr. SMITH (*Calgary South*): Might I suggest that it would be of interest, and a form of document that the committee should have an opportunity to look at.

Mr. HENDERSON: The report is the one which they furnished to the corporation on the conclusion of their work. It is not detailed.

Mr. SMITH (*Calgary South*): It is not in any way restricted, Mr. Chairman?

The CHAIRMAN: No.

Mr. SMITH (*Calgary South*): May I ask if this was not the same firm which acted as the financial advisers to the commission?

Mr. HENDERSON: No, they were not. One of the partners, a Mr. Guy Hoult, was employed as financial adviser by Mr. Fowler and his associates; but not the P.S. Ross firm.

Mr. SMITH (*Calgary South*): Do you not think that it was an unusual situation to have them advising on a client?

Mr. HENDERSON: I was not here at the time and I am not familiar with the details.

Mr. BUSHNELL: As I recall it—and I would like this committee to remember one fact—at that time we had a chairman of the board of governors and we had a general manager. I was assistant general manager, and these were largely matters of policy. They were dealt with by the chairman. To the best of my memory we had engaged P. S. Ross and Sons to make an examination, if you like, of our whole financial structure. When the Fowler commission was appointed, as I recall it—and this may be pure hearsay, because I cannot recall attending any meeting when this was decided—Mr. Fowler came to Mr. Dunton and asked if the corporation would have any objection if Mr. Guy Hoult, who was a member of the P. S. Ross firm—and I think a very important one—was used by the Fowler commission.

Mr. SMITH (*Calgary South*): You were not concerned with the problem of the fact that an auditor would be reporting on his client?

Mr. BUSHNELL: No.

The CHAIRMAN: I think it is time we concluded this meeting.

Mr. HENDERSON: May I just table the figures which were asked for by Mr. Bell yesterday in respect to the percentage of our total salaries and wages as against our total expenditures. He asked for these figures and he asked for any possible critiera we might have against which they could be measured.

I have taken the fiscal years 1955-56, 1956-57, and 1957-58.

In the year 1955-56 our salaries and wages, out of our total expenditures were 37.34 per cent; in 1956-57 they were 37.01 per cent; and in 1957-58 they were 37.11 per cent. As you can see, they are all very close.

In respect to the request for any possible criteria against which to measure it, I have reference to the B.B.C. which in many respects is comparable to us in these matters, although they have a larger staff. After examining their accounts in 1956 and 1957 I found that their salaries and wages in relation to their total expenditures averaged in both those years slightly over 40 per cent.

The CHAIRMAN: Thank you very much.

Would you care to have figures printed as an appendix to to-day's proceedings?

Agreed.

(See appendix B)

Mr. SMITH (*Calgary South*): May I ask if the clerk of the committee would be good enough to check with the printing bureau to see if we could not obtain as fast as possible the evidence of these meetings? It would be a great advantage and would simplify matters if, for example, the statement which was read yesterday could be printed and placed in our hands promptly. I realize that they are busy, but if such a request is made and certainly with the great personality which the clerk of the committee evinces, he should be able to persuade them to do so.

The CHAIRMAN: Thank you. You are all acquainted with our plans. We have the C.B.C. as our witnesses now; then we are going to have the C.A.B., and then the B.B.G., following which we will recall the C.B.C.

May we leave the matter of finances as of now until we recall the C.B.C., and go on at our next meeting to the subject of production. That will be next Tuesday at 11 a.m.

Mr. PRATT: In regard to divulging competitive secrets of a commercial nature, I still think as the general public is expected to foot these bills, that the representatives of the public should have the facts, and I agree with Mr. Fortin.

The CHAIRMAN: Thank you for your opinion.

Mr. SIMPSON: In leaving the financial picture until probably the closing days of this committee, or until later, it would be interesting to know now—due to the answers we have had in relation to the cost of productions—if at the time they come back we will be able to get figures such as the amounts paid out for interviews, because I know this is something of tremendous public interest.

That is not the case in my area, because we have not got television yet; but everywhere I go people are asking, and they do spread some fantastic figures around as to what some of these employees are making. It would be interesting to find these things out.

Mr. FISHER: Do you mean employees, or some of the people who are hired for special projects and seem to be specially favoured?

Mr. SIMPSON: That is right; and a lot of them seem to appear on different programs.

Mr. SMITH (*Calgary South*): Mr. Chairman, may I suggest that you do as you indicated you were going to; that is, have the steering committee meet and then give your decision to the board and have that information filed with us for the next or following meeting?

The CHAIRMAN: Yes.

Mr. SMITH (*Calgary South*): If, at that time, the committee is still not satisfied, the matter can be brought up again.

Mr. SIMPSON: That is fine.

Mr. MCCLEAVE: I have some information from Mr. Henderson, but I would like to get the question and answer on the record. It is very short. I intend to use it at a future time.

Could Mr. Henderson give the amount of money paid for any one year —say, the year ending March 31, 1958—to Broadcast Music Incorporated and other performing rights societies?

Mr. HENDERSON: In the year ending March 31, 1958, the corporation paid Broadcast Music Incorporated $40,000, and during the same year the corporation paid the Canadian Association of Publishers, Authors and Composers $273,000.

The CHAIRMAN: Thank you very much, sir. We will adjourn until 11.00 o'clock Tuesday morning.

CANADIAN BROADCASTING CORPORATION

(Appendix A).

EXPENSES AS PER STATEMENT OF INCOME AND EXPENSE FOR THE YEAR ENDED MARCH 31, 1958

Particulars	Programs	Engineering	Network Transmission	Administrative	Commercial	Information Services	TOTAL
PROGRAMS							
Performers fees, scripts, film rentals and performing rights	19,137,265						19,137,265
Salaries and wages	11,215,787	6,701,216					17,917,003
Premises	—	1,841,932					1,841,932
General production	2,565,851	1,122,098					3,687,949
							$ 42,584,149
DISTRIBUTION							
Film distribution							
Salaries and wages	494,581						494,581
Kinerecording and film distribution	1,647,804						1,647,804
Wirelines and Microwave			4,612,670				4,612,670
							$ 6,755,055
STAFF SERVICES, GENERAL ADMINISTRATION AND SUPERVISION							
Salaries and wages	4,546,476	1,418,227		1,517,897	721,486	573,628	8,777,714
Premises	1,320,276	185,668		163,889			1,669,833
General Administrative	1,563,824	141,842		1,078,641	115,501	486,172	3,385,980
							$ 13,833,527
TOTAL	42,491,864	11,410,983	4,612,670	2,760,427	836,987	1,059,800	$ 63,172,731

Commissions to Advertising Agencies and U.S. Networks:—for agencies generally at 15% of station time and facilities revenue only	4,790,221
—for U.S. Networks, generally 50% of station time revenue only	
Payments to private stations: being their share of station time revenue	4,089,174
Interest on Loans by Government of Canada	922,806
Amortization of improvements to properties held under lease	284,040
	$ 73,258,972

OTTAWA, MAY 15, 1959

APPENDIX "B"

CANADIAN BROADCASTING CORPORATION

Comparison of Gross Payroll to Total Expenditure

Year	Total Expenditures	Salaries and Wages Included Therein	%
1955/56	48,909,	18,263,	37.34
1956/57	61,395,	22,725,	37.01
1957/58	73,259,	27,189,	37.11

Ottawa, May 14, 1959.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 4

TUESDAY, MAY 19, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

E. L. Bushnell, Acting President, Canadian Broadcasting Corporation; C. Jennings, Controller of Broadcasting; M. Ouimet, Deputy Controller of Broadcasting; and J. J. Trainor, Assistant to Director of Audience Research.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21218-3—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.

Vice-Chairman: J. Flynn, Esq.

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Campeau,
Chambers,
Chown,
Dorion,
Fairfield,
Fisher,
Forgie,
Fortin,
Horner (*Jasper-Edson*),
Jung,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Rouleau,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

TUESDAY, May 19, 1959

The Special Committee on Broadcasting met at 11.00 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. R. A. Bell (*Carleton*), Tom Bell (*Saint John-Albert*), Campeau, Chambers, Dorion, Fairfield, Flynn, Forgie, Fortin, Halpenny, Horner (*Jasper-Edson*), Kucherepa, Lambert, Macquarrie, Mitchell, Morris, McCleave, McIntosh, Pickersgill, Pratt, Richard (*Ottawa East*), Robichaud, Rouleau, Simpson, Smith (*Calgary South*), *Smith* (*Simcoe North*), and Tremblay—28.

In attendance: Mr. E. L. Bushnell, Acting President of the Canadian Broadcasting Corporation, assisted by Messrs. R. L. Dunsmore, Chairman, Finance Committee, Board of Directors; Charles Jennings, Controller of Broadcasting; Marcel Ouimet, Deputy Controller of Broadcasting; Marcel Carter, Controller of Management, Planning and Development; J. P. Gilmore, Controller of Operations; R. C. Fraser, Director of Public Relations; Barry MacDonald, Secretary, Board of Directors; J. A. Halbert, Assistant Secretary, Board of Directors; R. E. Keddy, Director of Organization; J. J. Trainor, Assistant to Director of Audience Research.

The Chairman observed the presence of quorum and read to the Committee a letter sent to Mr. Bushnell on May 15th conveying the decision of the Sub-committee on Agenda and Procedure on the question of the production of figures relating to program costs.

Mr. Jennings was called and elaborated on the statement he made before the Committee on Tuesday, May 12th, concerning "National Program Service" and outlined in particular program policies and standards.

Arising out of series of questions asked at a previous meeting, Mr. Bushnell tabled the following charts and summaries, copies of which were distributed to the members of the Committee and ordered printed as an appendix to the record of today's Proceedings: (*See Appendix "A"*)

1. Record Audience for Election Coverage 1958
2. Growth of Audiences—Canadian Produced Television Programs
3. Percentage of CBC Radio and Television Network Broadcasting—Sample Week Summer 1958
4. Percentage of CBC Radio and Television Network Broadcasting by Form of Communication—Sample Week Summer 1958

Mr. Trainor was questioned concerning audience size and audience reaction, sampling methods and analysis of audience trends done by the Corporation.

Mr. Jennings and Mr. Bushnell were further questioned concerning programming, and Mr. Ouimet gave information concerning news service, news commentary, and educational and school programs on the French language network.

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Agreed,—That the arrangements be made in order that in future a French language reporter and translator be present at meetings of this Committee.

The questioning of Messrs. Bushnell and Jennings continuing, at 1.00 p.m. the Committee adjourned to meet again at 9.30 a.m. Thursday, May 21st, 1959.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

TUESDAY, May 19, 1959
11 a.m.

The CHAIRMAN: We have a quorum, gentlemen. You will recall that at our last meeting we decided that we would leave finance, because there were several reports that were requested, and go on to programming.

Following our meeting we had a subcommittee meeting, and the following letter was sent to Mr. Bushnell by the clerk of the committee, Mr. O'Connor:

OTTAWA, May 15, 1959

Dear Sir:

The chairman has instructed me to confirm that the following decision was taken at a meeting of the Sub-Committee on Agenda and Procedure of the Broadcasting Committee at its meeting this afternoon:

"Compile for presentation to the committee as soon as possible detailed production costs including administrative expenses for ten unspecified one-hour and half-hour 'a' time conmmercial television programs of a musical, dramatic or other nature, broadcast during the month of January, 1959, and relate total production cost to revenue recovered from sponsor in each case".

It is understood that such programs should be fair samples of day-to-day programming.

Yours sincerely,

J. E. O'Connor,
Clerk of the Committee.

That was ten programs, made up of either half-hour or one-hour "A" time—that is, evening—commercial television programs of either a musical, dramatic or other nature. Mr. Bushnell, have you had time yet to prepare this?

Mr. E. L. BUSHNELL (*Acting President, Canadian Broadcasting Corporation*): I think we could, Mr. Chairman. We are in a position to give you that information today. Unfortunately, I was not able to get in touch with you, but I was going to suggest that the month of January was not, probably, the best month, because I would like to include in this report some of the commercial programs that are carried on the French network. Unfortunately, the month of January was not a typical month.

If you would prefer to have those figures, if you just leave it with me and have those figures changed for another month—let us say, November; I would hesitate to take December, either, because that is Christmas month—

The CHAIRMAN: Our reason for asking for the month of January was that we thought that was sufficiently in the past that you would have all your costs correlated. Perhaps you would like to let it go along as the subcommittee suggested, and then bring in the costs of two, three, four or five French shows at a later date.

Mr. BUSHNELL: That is quite all right.

The CHAIRMAN: Is that agreeable, gentlemen?

Mr. SMITH (*Calgary South*): I was going to suggest, Mr. Chairman—having asked for this information initially—that I believe it is pertinent to

have the French programs; but conceivably Mr. Bushnell could take as a selection, in additon to the ten we have asked for in January, a selection of a similar group for the last month that they were producing.

Mr. BUSHNELL: I think November would be a typical month: it is the beginning of the commercial season and we are well under way at that time.

Mr. SMITH (*Calgary South*): But I would prefer the committee make the selection of the month, rather than the C.B.C.

Mr. BUSHNELL: That is fine.

Mr. FORTIN: Am I right in understanding that these will be the only figures available to the committee?

The CHAIRMAN: If, after you have heard the evidence from the witnesses on this, you are not satisfied that that is what you want, you will so indicate, and you will get the information that you require. But I would suggest that we try to understand this: that information will be given to us without the names of the shows; they will be identified, I would imagine, as "A", "B", "C", "D", et cetera; is that right?

Mr. BUSHNELL: That is correct.

The CHAIRMAN: If this is satisfactory, we are satisfied; if not, so move.

Mr. SMITH (*Calgary South*): I also made that point to the steering committee, that this does not necessarily end the examination on the subject of costs; but it was felt we should first of all, make an assessment of the information we have acquired, and then decide what further information is necessary.

Mr. PRATT: I am a little puzzled as to exactly the reason for the great secrecy. It seems to me that where trade secrets are concerned, it is usually where there are questions of low-cost production, whereas we are dealing here with the secrets, more or less, of high-cost production. There is very little competition, I believe, from private stations on live television; is that right?

Mr. BUSHNELL: That is correct.

Mr. PRATT: Then where is the area of secrecy?

Mr. BUSHNELL: The area of secrecy, I think should be—if I may say so—reasonably plain. It is the secrecy between competitors in business, competitors in the motor car business, the soap business, the analgesic business—if you like—or any other business.

Mr. PRATT: That is what I thought: the competition is between commercial interests; the secrets are not the secrets of the C.B.C.?

Mr. BUSHNELL: No.

Mr. PRATT: It is the commercial secrets of competing firms that you are asking us to respect?

Mr. BUSHNELL: That is right.

Mr. FORTIN: Even if we do not have the price paid by the sponsor for a certain program, we would be interested to know—because I know that this is what people are interested in knowing—how much such a program costs. The idea of our asking this question is also to give a break to certain comedians, certain reporters, because the public hears that such a comedian gets $50,000 a year. It is unbelievable. This special comedian needs to have his reputation watched. If it is true, people should know; if it is untrue, we must give this comedian—I will not mention the name—a break, and prove to the public that the figures they heard were just rumours, without any foundation whatsoever. That is the idea; it is not because we want to know what is going on, especially.

The CHAIRMAN: I realize that, Mr. Fortin.

Mr. PRATT: I think Mr. Fortin is using the word "comedian" in the French sense of "performer" or "actor"; am I right?

Mr. FORTIN: Yes, "performer".

The CHAIRMAN: I think Mr. Pratt is an expert on that.

Mr. SMITH (*Calgary South*): You were never paid that much, John.

Mr. FORTIN: I was not pointing to anyone.

The CHAIRMAN: Could we go along with the shows that we asked for and then, at the end of the questioning, if you are not satisfied with the information we have, the subcommittee will meet again and we will figure out exactly the type of information that you might require. Do you have those ten unspecified one-hour and half-hour production costs, Mr. Bushnell?

Mr. BUSHNELL: I am prepared, Mr. Chairman, to give a full statement on this now. I understood at the beginning that you would probably ask Mr. Jennings to start off. It is immaterial to me; I will do whatever you like.

The CHAIRMAN: If it is satisfactory to the committee, it is satisfactory to the chair. Is that agreed gentlemen?

Agreed.

The CHAIRMAN: Mr. Jennings, will you read your statement.

Mr. SMITH (*Calgary South*): May I suggest, Mr. Chairman—and I am sorry to interrupt—that it would perhaps serve a useful purpose if the information that we have asked for were to be filed with the proceedings of today's meeting, so that we would have an opportunity of examining and studying it. Is that possible?

Mr. BUSHNELL: I am afraid it is not. Mr. Gilmore, I believe, is preparing the statement for us, and I notice him shaking his head. Therefore, he has not got the whole statement in the manner in which he would like to have it presented.

Mr. SMITH (*Calgary South*): I understand then, Mr. Bushnell, that we are not only receiving a statement showing the relative costs, but we are also receiving a statement describing this, as a narrative of this information; is that correct?

Mr. BUSHNELL: That is correct. That will be ready by Thursday and will be presented at that time.

Mr. CHARLES JENNINGS (*Controller of Broadcasting, Canadian Broadcasting Corporation*): Mr. Chairman, at the first meeting of the committee a week ago today there was distributed a document which we called "The National Program Service", and I read to the committee the introduction to it which attempts to outline the objectives of the corporation. At that first meeting Mr. Pratt asked for clarification of the meanings of program policy and program standards as they appeared in the terms of reference of the program committee of the C.B.C. board of directors. At that time I gave him a very short definition, and today, if I may, I would like to start out by covering this ground of policies and standards in a rather wider way, inasmuch as they bear more strongly, I think, than any other factors on the output which we present. May I touch on policies first?

All our program policies are based on the primary conception of the C.B.C. as a public corporation, engaged in presenting a national service of radio and television broadcasting to the people of Canada. Here are the eight broad policies that spring from that conception, and I would like to comment on each of them as I go along.

First of all, significant tastes, interests and needs of the Canadian public should be served by C.B.C. programs. This policy, we think, is a natural expression of the fact that, as a public corporation, we are meant to serve all

Canadians. It also involves recognition of the fact that there is not one broadcasting audience, but many audiences, which have common tastes and interests and, at the same time, one individual with a variety of tastes might well be a member of several audiences.

What this means, of course, is that we try to set up a broadcasting schedule which contains a wide variety of subject matter. Naturally, in a mass medium such as television and radio, those interests which are common to the greatest number of people occupy a major place in the schedules, and that explains the predominance of entertainment programs generally.

Second, that comparable program service should be provided for the country's two main language groups. Our aim in this policy is to put out a comprehensive program service in both languages and, at the same time, to encourage as actively as possible, an interchange of ideas and programs between the two services to the advantage and, we hope, the enrichment of each.

Third, that broadcasting should acquaint Canadians with the history, traditions and culture of their country and should show people in one part how their fellow-Canadians in other parts live, work and play. We think of radio and television as instruments for national unity—of forces to increase understanding of our varied traditions and of our mutual problems. In a country where geography and economics are sometimes at variance with the development of nationhood, it is important to try to foster understanding and the vision of the unity that underlies our diversity.

Fourth, that the entertainment, artistic and cultural resources of Canada should be used to the fullest possible extent. In a sense, this is a two-sided policy. We try to exploit and develop Canadian talent as widely as possible; and, while we hope our audiences are being entertained by Canadian performers, we are at the same time fostering their development by giving them opportunity. And increased interest and support by the audience provides an opportunity for the growth of more talent which, in turn, will have a chance to perform. The mere fact that Canadian talent has a national platform upon which to perform, and that such performance receives financial and professional recognition, obviously encourages the development of talent and of artistic resources which might lie dormant without this incentive.

Fifth, that programs from other countries—which serve Canadian interests and needs—should be broadcast on the C.B.C. Because we live beside the United States, English-speaking Canadians, particularly, appreciate the value and interest of programs from outside the country. We try to find regular places in our schedule for programs from outside Canada. They give interest and variety, and the great American variety shows especially, are frequently on a scale which this country lacks the artistic or financial resources to produce here in comparable fashion.

Sixth, that such major institutions in our national life as the church and the school should be served with the assistance of advisory bodies representing those institutions. I think it is obvious that broadcasting should try to play as important a part as possible in both these fields, and we try to carry out our work here through national councils appointed for the purpose.

Seventh, that the area of news and public affairs, including political broadcasting, should be the subject of special safeguards designed to ensure that the public be as fully and fairly informed as possible. In news, in opinion broadcasting, and in political broadcasting the closest supervision is maintained always to ensure integrity and balance. Not only in the corporation's own internal rules and regulations, but in the corporation's white paper on Political and Controversial broadcasting have we tried to spell out the rules governing the application of these policies.

Eighth, that commercially sponsored programs should form part of the service. Commercial programs have been a feature of Canadian broadcasting from the very first. From the inception of the national service they have been recognized, not only as an important source of revenue, but many outstanding programs which Canadians wanted to hear were available on a commercial basis.

Mr. Chairman, having outlined those eight broad broadcasting policies, may I say a few words about standards? When I tried to give a brief definition to Mr. Pratt last week, I said policies were the things which guided us as to what to broadcast; standards were the things which guided us as to how to broadcast. Once you have decided upon doing something, immediately you are faced with the question of how you are going to do it; and in our case in broadcasting I think we can set out our standards under three main headings: artistic standards, standards of taste, and public affairs standards. I would like to say just a few words about each of these.

In the case of artistic standards, by their very nature they cannot be completely rigid; one man's meat may well be another man's poison. Subjective factors invariably play a part in them. But in matters such as speech, and in musical and dramatic performances, recognized and reasonably objective standards exist and can be applied. However, they will not be found written down in any handbook or manual.

In the C.B.C. we try to apply these standards by appointing people of proven ability so that they try to see that recognized standards—say, in the field of drama and music—are applied in the selection of singers, musicians, actors and other performers. We supplement these experts by using outside authorities as consultants and as adjudicators for auditions of talent.

Standards of taste and propriety apply to every area of broadcasting as they do to every area of life. There are accepted standards of good taste, good behaviour and good manners which come about through experience and common sense; and, while they may not be set down as a set of precise rules, a variety of directives issued from time to time as occasion arises exists.

When I mentioned policies in connection with news and opinion and political broadcasting, in a sense I touched on standards; but I would like briefly to amplify that now. These are standards of objectivity, balance and fairness which apply to news, controversial and public affairs programs; and these standards have been carefully developed to guide, not only C.B.C. staff, but outside and free-lance broadcasters on all such programs. These kinds of standards are easier to formulate than are artistic standards. Thus, talks and political broadcasting policy and standards generally are covered in our own internal rules and regulations, and by the white paper on political and controversial broadcasting. News, policy and style and taste are also dealt with, not only in the internal rules and regulations, but in such things as the radio-television style guide, the style guide for C.B.C. News Round-up and its French equivalent *La Revue de l'Actualité*.

The field of news commentary is governed by the same general standards that apply to the news itself. Our objectives are a full and fair analysis of news development, and an expression of all major shades of opinion about them. To achieve and maintain a balance in these programs, there is a continual and careful scrutiny within the corporation.

Those, Mr. Chairman, are the remarks I wanted to make about policies and standards and the approach which we make to these things in both English and French and in radio and television.

There is one final thing I would like to say. Mr. Smith asked, at the session a week ago, for copies of surveys which would indicate trends in programs where we seem to be reaching our objectives. We are giving the clerk a set of three, which have been selected from a fairly wide list. These are

actually summaries of surveys. While they are rather lengthy, the full surveys are available. These three cover a survey indicating how audiences for certain programs have increased over a period of time; and while, again, these have been singled out, others can easily be made available. They also show a survey undertaken to learn something about hockey audiences, and a survey which gives in two charts, one a rather broad, and the other a more detailed breakdown for both radio and television, indicating how we try to reach our objective of giving as wide a service as possible to listeners, with a wide range of different programs.

The CHAIRMAN: May we have the permission of this committee to have those printed as an appendix?

Agreed.

Mr. PRATT: May I refer to the top of page 27 in the report, and a statement made by myself which probably ranks as one of the greatest political statements ever made, because, having read it, I doubt if anyone could criticize me one way or the other. What I was referring to was the last paragraph in the opening of the report on the national program service, in which one of the policies is definitely stated as being to integrate, so far as is possible, our two main cultures, of helping the two historic elements of the Canadian people to better mutual understanding and sympathy, and of drawing on the traditions of both for its programs.

My reference, while it was not a criticism, was that this policy could probably have better been brought to fruition by having one production centre in a large city such as Montreal, for both languages, rather than separating them into French production in Montreal and English production in Toronto, in a country the size of Canada which could well afford two large production centres. I hope I have made myself clear this time.

Mr. SMITH (*Calgary South*): Mr. Chairman, I wonder if I may ask the witness if he would be kind enough to provide us with a survey. It is possible he may have misunderstood me; he said, "a survey where it seems we are accomplishing our objective". That was not quite the intention of my question. I am not—for the benefit of the question—particularly interested in whether you are accomplishing that or not. What I want to find out is whether you are accomplishing the objectives; I do not just want a survey of those objectives you feel you have accomplished.

The second question is: are these surveys as such conducted purely by a department of the C.B.C., or have you had any surveys which were completed by any independent group who might analyse the problem for you?

Mr. JENNINGS: Except for what you might call some small internal surveys that we set up for one thing and another, all our surveys are conducted for us by independent, outside agencies.

Mr. SMITH (*Calgary South*): I gather, then, that we could have this provided? If we selected an area you could provide a survey to determine whether the objectives which were outlined in your initial statement were being accomplished? For those we asked for, we could obtain an independent analysis of whether those objectives were being accomplished?

The reason I ask that is because—as the witness points out—of the difference in the standards of taste which are so wide, that this committee will never determine, of its own knowledge, whether a particular production is good or bad. It occurred to me that a survey of a particular area by an independent group would give some indication as to whether these objectives had been accomplished.

Mr. JENNINGS: I think that would be a fairly difficult kind of survey to undertake. The surveys we do undertake with the three main people with whom

we work cover quantitative assessments, from which our audience research bureau attempts to read interpretations.

Mr. SMITH (*Calgary South*): May I be more specific? Do you, through any of the independent organizations, or other means, survey an area such as the city of Regina, or the province of Saskatchewan, to determine whether the type of productions which is being put on the network system is being generally accepted by those areas?

Mr. JENNINGS: May I ask Mr. Trainor, of our audience research bureau, to answer that question? I think he can answer it much more expertly than I can.

Mr. J. TRAINOR (*Assistant to Director of Audience Research Bureau, Canadian Broadcasting Corporation*): We have our internal surveys, but our audience study surveys are done once a month by International Surveys Limited, Elliott-Haynes Limited, and now by Neilsen's in some areas. These just give audience size, not reactions. From these, month by month, we try to analyze trends to see what is—

The CHAIRMAN: Does that not actually give you a picture of audience trends?

Mr. TRAINOR: Yes, it should. For instance, page 2 shows the growth of the audience on some different programs in February of last year, compared with January, February, and March of this year. It shows that the program is being accepted—at least, we assume it is—because it is getting larger audiences.

Mr. SMITH (*Calgary South*): Regina, of course, is a poor instance.

Mr. PICKERSGILL: Why is Regina a poor instance?

Mr. SMITH (*Calgary South*): You will understand, if you permit me to continue the question. Regina, of course, is a poor instance because there is no other choice for the Regina people than the one television network. In a city such as Toronto, do you conduct a survey with respect to the C.B.C. productions to see what the reaction is?

Mr. TRAINOR: Not a survey concerning reactions; but we are proposing to do one now in Toronto to see just what people feel about our Toronto station as compared with American competition.

Mr. SMITH (*Calgary South*): As a summary to my question: there is no survey that would provide the information I have actually asked for?

The CHAIRMAN: Except a survey for trends, audience trends, which we can get several places—either Elliott Haynes, or B.B.M., or your own research report. Is it a Gallup type of job you do in your own research department?

Mr. TRAINOR: No, just a sample, and everything is checked by a commercial research house. We take the data and analyze it each month and compare it to previous months, thereby getting the trend.

Mr. SMITH (*Simcoe North*): Mr. Jennings, when he was making his statement, said the C.B.C. tried to serve programs suitable for each significant interest group within the country, and when you are broadcasting—this relates to what the other Mr. Smith said just now—in an area, for instance, where there are commercial television and commercial radio stations, do you take into consideration in your programming what interest groups are being served by the commercial stations in the same area?

Mr. Charles JENNINGS (*Controller of Broadcasting, Canadian Broadcasting Corporation*): No, I cannot say we do, Mr. Smith.

Mr. SMITH (*Simcoe North*): I was referring, for instance, to the amount of popular music that might be broadcast on your Toronto stations. Do you consider what service is being given by the private broadcasters?

Mr. JENNINGS: No, I cannot say we do. What we try to put out is what you might call a balanced service; and what I meant when I said that is that we try to serve different audiences—like farmers' audiences at noon, and children's audiences in the afternoon.

Mr. SMITH (*Simcoe North*): I realize that you generally take that into consideration. So, in one sense, you might be competing for the same type of program.

Mr. CHAMBERS: Mr. Jennings was speaking of balance, and he spoke, in his introduction the other day, of providing a service for those who perhaps were not in the majority in the matter of taste. This interests me a great deal, and I would like to know who figures out what is the balance. In other words, everyone is in agreement you should provide a certain amount of, let us say, lesser-known classical music; but who says how much?

Mr. JENNINGS: It is difficult to answer that question, Mr. Chambers. Any schedule for the moment is a sort of thing in being: a radio schedule is a thing in being; and our television schedule is a thing in being.

With our own planners we are in constant consultation and discussion with outside interests, through fan mail. In this kind of situation we discover whether a program seems to be successful, or we discover there may be needs and interests that should be filled. It is that sort of push-pull planning on a short range basis that goes on. I think it would be quite impossible to arrive at a schedule which was absolutely mathematically correct in the amount of each of its components.

Mr. CHAMBERS: I mean, is some estimate made through your research department, or through some other body, to establish the size of audience interest in each of these groups? For instance, it is a criticism heard that the C.B.C. itself has too much of what is described as lesser known works of little appreciated composers. Is this based on some knowledge on the part of the C.B.C., that there is an audience of a certain size for this type of music?

Mr. JENNINGS: Yes, it is. I do not know what you mean by little known works of little known composers. I do not think they occupy an enormous amount of time in our schedule. They occupy very little time, as a matter of fact.

Mr. HORNER (*Jasper-Edson*): Mr. Chairman, I was a little disappointed in Mr. Jennings' statement on policy, in that on page 3 of the statement he says:

> In the final analysis, broadcasting produces nothing tangible, no "end product", only an impact on the minds of listeners or viewers.

Here I come to what I think is probably one of the most important considerations broadcasting, particularly television broadcasting, has in Canada today. That is the impact on the mind of the viewer, particularly with regard to mental health. He says they have an advisory council from the churches and other organizations. What I would like to know is, do not you think an advisory council on mental health is important? Do not you have an advisory council on mental health? For example, do they have any advice with regard to patent medicines advertising, that is becoming so fantastic on television these days—that is, with regard not only to the products they sell, but the method by which they are trying to sell them? I mean, this business of showing a pill going down somebody's insides, and so on. It is, on occasion, very wrong, as far as mental health is concerned.

Here we have a medium with which we can do a great deal of good, or with which we can do a great deal of harm. We have various—

The CHAIRMAN: What is your question, Mr. Horner, please?

Mr. HORNER (*Jasper-Edson*): I want to know whether or not they have any mental health adviser, with regard to C.B.C. television in particular.

Mr. JENNINGS: Yes, quite definitely. We have been doing broadcasting in mental health on the radio for ten or twelve years, and from the very beginning.

Mr. HORNER (*Jasper-Edson*): That is not my question.

Mr. JENNINGS: And the same thing on television.

Mr. HORNER (*Jasper-Edson*): I want to know whether you have any mental health advisory committee which advises you with regard to the impact of other programs on the mental health of people generally?

Mr. JENNINGS: No, we have not.

Mr. HORNER (*Jasper-Edson*): Do you not think that is an important factor?

Mr. MCCLEAVE: That is left up to the producers, Mr. Chairman.

Mr. JENNINGS: As far as the second part of your question is concerned: all this kind of advertising of medical goods, and so on, is approved by the Department of National Health and Welfare, as to its factual accuracy and, indeed, now I would imagine that factor is very much the affair of the board of broadcasting governors.

Mr. PICKERSGILL: Mr. Chairman, to follow up that question, is it true that all the advertising, the scripts and so on, are looked at in advance? I think that is what you are trying to get at.

The CHAIRMAN: Do you mean the patent medicines?

Mr. PICKERSGILL: Yes.

Mr. JENNINGS: This copy comes to us with the approved stamp from the department on it.

Mr. PICKERSGILL: From the Department of National Health and Welfare?

Mr. JENNINGS: Yes. I do not know what the bureau is.

The CHAIRMAN: Canada is different, then, from the United States on that?

Mr. JENNINGS: I am not sure of the situation in the states: I do not know whether there is any control of this sort at all.

Mr. FAIRFIELD: Perhaps to establish and pin-point the independent surveys that are made, I wonder if we could have a breakdown of costs of the audience research bureau in the past year, to show payments to commercial firms outside the C.B.C. for independent surveys?

The CHAIRMAN: On the audience trend, or the complete survey which they might have taken?

Mr. FAIRFIELD: Any surveys they might have taken.

Mr. JENNINGS: Are you asking what we pay for commercial surveys?

The CHAIRMAN: The total dollar amount you might have paid to independent investigators.

Mr. FAIRFIELD: Or a trend examination, anything like that.

Mr. BUSHNELL: Again, I am afraid this is a situation somewhat similar to others I have mentioned. Actually, we deal with three of four firms, and I do not think they would want us to disclose the amount of money we pay to each.

Mr. FAIRFIELD: The total amount?

Mr. BUSHNELL: Yes, the total amount we can give, by all means.

The CHAIRMAN: Yes, that could be done. Is that what you wanted Dr. Fairfield?

Mr. FAIRFIELD: That is, as compared with the audience research of the C.B.C.

Mr. LAMBERT: In this particular field of programming, are you now giving consideration to the philosophy of broadcasting and television known as block programming as against feature programming?

Mr. JENNINGS: Do you mean, say, on rock and roll?

Mr. LAMBERT: Block programming, where you have the same type of thing for two or three hours, where a man is in charge. There is one man in charge and he handles a period of, say, three hours, as against, say, having four or five people with a program of this and a program of that, and swing it into something entirely different?

Mr. JENNINGS: I think I see what you mean, when you talk about this kind of block programming. There are two examples of this on trans-canada radio now, Preview in the morning, and the other, Tempo, in the evening.

While it is a little block, in a sense, handled by one master of ceremonies, if you want to call it that—that is particularly so in the case of Tempo. But the intention is to supply a pretty wide variety of things like Rawhide,—Max Ferguson,—news and music. In the morning you have weather reports, band concerts and time signals.

Mr. SMITH (*Simcoe North*): Mr. Lambert was referring to a type of program such as C.B.C. Wednesday Night, people who are interested in more or less cultural programs?

The CHAIRMAN: Are you talking about television or radio?

Mr. LAMBERT: In the afternoons, where you go after teen-agers because they are at home?

Mr. JENNINGS: We say we are going after a great many people driving home in their cars.

Mr. LAMBERT: In the morning people consider they want something to jog them along a little bit. You do not have the sweet and schmaltzy music on in the morning.

Mr. JENNINGS: We do not. In the morning we find people want news, weather and time. These are the main things they want. The music we try to keep as brisk and bright as possible, as a sort of framework with it. In the case of Preview we have direct reports, which fall under the heading of news.

Mr. LAMBERT: Further to that, in view of the fact that private radio and television stations are going into this block programming, or are considering it, have you given any thought to consulting with them and seeing whether that is the trend?

Mr. JENNINGS: I think it would be a pretty difficult thing for us to consult in any one area. We have as part of our service in this kind of thing, Preview and Tempo, and that goes right across whatever network is available at the moment; and part of this is local.

It would be an almost impossible task in each area to consult and try to plan your service, with three different private stations in a town. I think what we do is to try to keep a pretty close eye on our own service and make it as competitive as possible, within the general framework of policy as to the kind of service we put out; and we try to develop our audience as satisfactorily as possible.

Mr. LAMBERT: Does that go, even when the fact is you may be on the left foot when everybody else is on the right foot?

Mr. JENNINGS: I am not quite certain what that means, but it does mean there may be an audience covered by a station with an opposite program, or a program which will not develop a big audience; but we put it on because we know there is an audience for it.

Mr. SMITH (*Calgary South*): Mr. Jennings, I am not going to become involved in trying to assess whether program A is better than program B. It would be a great mistake, because of the diversification of opinion we have already had before us. But we have had many references made—in your

statement, in Mr. Bushnell's statement, and in the corporation's statement—on the question of Canadian content. The C.B.C., as I understand it, has set itself up as the champion of retaining a substantial Canadian content in their program which, I think, is all to the good provided it is not taken to the extreme.

Perhaps I might first of all ask what percentage of American programs you are importing?

The CHAIRMAN: The percentage in television or radio?

Mr. SMITH (*Calgary South*): In television.

Mr. JENNINGS: I would think the network percentage is, at the moment, 60 Canadian and 40 outside—and that would include American, and Great Britain. It would include outside stuff, about 60 per cent on television network being Canadian.

Mr. SMITH (*Calgary South*): Has that altered since the Fowler Commission? Has it altered to the extent of those figures actually being reversed; and at that time were you on a 40-60 basis with the American programming?

Mr. JENNINGS: We have always tried not to go below 50; but the trend is, and what we are trying to do, is to increase always the Canadian amount of content in the schedule.

Mr. SMITH (*Calgary South*): I believe the officials of your corporation have indicated you are concerned about the impact on the lives of young Canadians, in the event that this maintenance of Canadian content is not continued. I wonder if you would suggest that, perhaps, the lives of the children in Vancouver or Toronto, as an example—which see, perhaps, 80 per cent American content—are any different in their upbringing from the lives of the other Canadians who see purely Canadian content?

Mr. JENNINGS: I think that is a long-term thing, and I could not answer specifically.

Mr. SMITH (*Calgary South*): Do you ever think that perhaps the question of Canadian content—which admittedly is a good thing—becomes an obsession with the C.B.C. and we therefore get quantity rather than quality in Canadian content?

Mr. JENNINGS: I would say not, no. I do not think we become obsessed with the idea of doing things Canadian. I think we have a good deal of self-confidence in the fact we can produce good Canadian shows with Canadian talent.

Front Page Challenge on television networks is an example of a Canadian program which has started up in the last eighteen months, and it has been received enthusiastically.

Mr. SMITH (*Calgary South*): I was not going to discuss specific programs, because I could name a few to which there has been no enthusiastic reaction.

Mr. JENNINGS: I think there is no doubt about that—and I could do that myself.

Mr. SMITH (*Calgary South*): You have made the statement you believe you are not overreaching in endeavouring to obtain a vast volume of Canadian content, and you are not sacrificing quality in many instances in these programs.

Mr. JENNINGS: I do not think you can overreach, so long as the material you put out is good.

Mr. SMITH (*Calgary South*): That is why I am interested in having these surveys, to determine whether public reaction was good.

The CHAIRMAN: Mr. Morris?

Mr. MORRIS: Mr. Chairman, has it been established how far we are permitted to go in the committee with reference to specific programs?

The CHAIRMAN: Would you repeat the question, Mr. Morris?

Mr. MORRIS: I wanted to know what the view of yourself and the committee was as to specific programs.

The CHAIRMAN: I think it is very much like a buyer in a departmental store. I mean, a buyer may be right 60 per cent of the time. He certainly does not buy the things that he likes personally. Different ones in this room, on this committee, are going to dislike one, two, three, four or five different programs. I do not think we should consider our personal likes and dislikes. I think we have enough evidence available of the trend in radio and television so we can find what the majority or minority in Canada like. I do not think we should get involved in the discussion of a particular program, showing our personal likes or dislikes.

Mr. PICKERSGILL: I think Mr. Morris raised a very important question of order, on which I would like to make one very brief observation.

Surely there is not going to be in this committee, which is part of a free parliament, any restriction on the questions that are going to be asked. I can see some reasons why the president or the acting president of the C.B.C. would not wish to answer some of the questions, and he could give us reasons for that; but I should think we can ask any question we like.

The CHAIRMAN: By all means; I am suggesting that we could meet here for seven years if each one of us talked about individual programs and our likes and dislikes. We have the material available from all the different research bureaus, such as Elliott Haynes and B.B.M., or from the C.B.C. research department; and then I think we can talk about what the people of Canada like.

Mr. MORRIS: I do not think this is a matter of personal preference; it is not on that level. Perhaps we can put that question, and see.

The CHAIRMAN: Try it out for size.

Mr. MORRIS: I have in mind a program carried on the trans-Canada network, Hawaii Calls. Why is this being used for the propagandizing of the tourist industry in another country, when it could be used on a rotating basis for the tourist industry of this country? For instance, in this season it could be British Columbia Calls, Alberta Calls, Manitoba Calls. Then we could keep some of our tourists' money in our own nation.

Mr. BUSHNELL: Let me say that, I think that particular program is largely traditional; it has been there for twenty years. Furthermore, it is free; it does not cost anything.

Mr. MORRIS: Do you advance that explanation or argument for leaving it there or taking it off?

Mr. BUSHNELL: Not necessarily so; but I recognize the fact there is certainly an amount of propaganda in it. But, on the other hand, a lot of people like Hawaiian music, and they like it to come from the horse's mouth.

Mr. SMITH (*Calgary South*): We are back to the Calgary stampede again.

Mr. BUSHNELL: Do not get things mixed up. This is the other horse.

Mr. MORRIS: I am glad to know which end of the horse we get the program from.

My question, though, is—and I hope I am not violating good sense in this—not just the popularity of this program, but we are here talking about Canadian content. This program has been mentioned to me by really top-flight tourist promotion people, who say that at this time it contradicts other federal government activity in an effort to encourage Canadians to see their own country.

Mr. JENNINGS: There is a long history to this. It started up as part of an exchange series on the Mutual Broadcasting System. Then it was found that Hawaii Calls was popular, and it stayed on in the schedule. I have not heard it myself for some time, and I had not realized it was getting loaded with tourist attraction matter; but Hawaii Calls has always had this to some extent. At the same time, we do try in other programs to promote and encourage other tourist bureaus.

Mr. MORRIS: Could Mr. Bushnell and Mr. Jennings take another look at this and see if it can be altered?

Mr. PICKERSGILL: Is Mr. Morris suggesting those cowboys from Charlottetown should be put on the program?

Mr. MCINTOSH: I am particularly interested in the opening statement in this brief, where it says:

> C.B.C. was created by parliament to provide Canadians with a broadcasting service suited to the particular needs of this country.

I understand the impending fight between Durelle and Moore, according to press releases, will be covered by radio and television in the states only.

I have four or five questions I want to ask on that. I understand the promotion of this is held by the International Boxing Commission and, in particular in Canada, Mr. Quinn, a promoter in Montreal; is that correct?

Mr. BUSHNELL: That is correct.

Mr. MCINTOSH: Is the C.B.C. carrying on any negotiations with Mr. Quinn at the present time?

Mr. BUSHNELL: Yes.

Mr. MCINTOSH: My second question is, what obstacles appear to be in the way of completing the contract?

Mr. BUSHELL: Money.

Mr. MCINTOSH: My third question then is, have you made any arrangements with other broadcasting firms, or advertisers, in case you are successful in coming to terms with Mr. Quinn?

Mr. BUSHNELL: Mr. McIntosh, are you asking if we hope to have a sponsor for that particular television show, if we are successful in getting the rights?

Mr. MCINTOSH: Yes.

Mr. BUSHNELL: That is correct.

Mr. MCINTOSH: My fourth question is, is Mr. Quinn or the I.B.C. responsible for the present press release with regard to this fight not being telecast in Canada?

Mr. BUSHNELL: Yes, I think they are. This is a matter of negotiation, and right at the moment we are still negotiating with Mr. Quinn. Quite frankly, we think he wants more money than the fight is worth, and he places certain restrictions on it which we will not go for. Those restrictions are black-outs in certain areas in which there is a very limited number of people who will pay $2, $5 or $10, whatever it is, to go and see the fight; and Ottawa is one of them. If Mr. Quinn does not come around, as far as Ottawa is concerned, and remove it from the blackout list, there is going to be trouble.

Mr. MCINTOSH: In the ring?

Mr. BUSHNELL: I hope there is trouble in the ring; otherwise we are spending a lot of money for nothing.

Mr. MCINTOSH: Is it right that you have had negotiations on two previous occasions with this particular person?

Mr. BUSHNELL: That is correct.

Mr. McINTOSH: I understand also there is some suggestion that this is to be telecast only in theatres; and if that is so, how many theatres are equipped in Canada to have that?

Mr. BUSHNELL: I am not prepared to say that, but I should think quite a number, because some of the professional fights in the United States are seen in theatres in Canada; but I cannot tell you the number.

Mr. McINTOSH: Would you say the percentage was small?

Mr. BUSHNELL: I would say it would be quite small.

Mr. DORION: I would like to ask a question about this report at page 3. I am referring to this sentence:

> One of the tests of healthy democracy is the tolerance of unpopular minority opinions, of new expressions of art and ideas, either native or imported, which are essential to the nation's development.

I would like to have further clarification about this expression "unpopular minority opinions"—"the tolerance of unpopular minority opinions." I would like to know exactly what you have in your mind.

Mr. JENNINGS: Although it does not exist at the moment, because it does not qualify—

Mr. DORION: Because in the province of Quebec you have certain commentators who are not very popular. Is it because you want to be tolerant toward unpopular minority opinions?

Mr. JENNINGS: I do not think we put on unpopular minority opinions for the sake of putting them on; but when in our wisdom, through consultations and study, we feel an opinion should be broadcast, then it is part of the kind of output I have tried to describe, and we feel it is our duty to do it.

Mr. DORION: Another question: will you tell us who is responsible for the preparation of your news bulletins, commentaries and the composition of panels for the discussion of questions of public or political concern?

Mr. JENNINGS: In the case of news casts, the C.B.C. news service is responsible for the preparation of bulletins and the selection of speakers who give news reports.

Concerning the question of opinion broadcasting, commentaries on the news, and panels, that is the responsibility of the talks and public affairs department.

Mr. DORION: Who is responsible in that department?

Mr. JENNINGS: The department is headed up by a supervisor, but I suppose you would say it is a corporate responsibility, as part of the corporation's activities.

Mr. DORION: The supervisor is who?

Mr. JENNINGS: On talks and public affairs?

Mr. DORION: What is the name of your Montreal representative? I would like to have his name.

Mr. OUIMET (*Deputy Controller of Broadcasting, C.B.C.*): The representative for the French network is Mr. Thibault.

Mr. DORION: And he is responsible for the news?

Mr. JENNINGS: No. The C.B.C. news service is responsible for the news broadcasts. It is our news bulletins you mean?

Mr. DORION: I mean who is in charge, or who is responsible for your news services at Montreal?

Mr. OUIMET: The chief news editor in Toronto is W. H. Hogg, and the supervisor of news over the French network is Bruno Comeau.

Mr. DORION: We should have these men present, Mr. Chairman.

The CHAIRMAN: If you wish to have them called.

Mr. SMITH (*Calgary South*): May I return to the question of Canadian content?

Mr. CHAMBERS: I have a supplementary question, Mr. Chairman.

The CHAIRMAN: Very well.

Mr. CHAMBERS: It is on the same line as the balance you spoke about earlier, particularly in regard to political and controversial broadcasts. Are the people who were named responsible for maintening this balance?

Mr. JENNINGS: No, there are the heads of the news service.

Mr. CHAMBERS: You mentioned earlier a Mr. Thibault of the talks department, and their responsibility for balance.

Mr. JENNINGS: Yes, under policy direction and consultation.

Mr. CHAMBERS: Is there a directive given to them by the corporation directors and from management, in the way of a formula or something of that nature, as criteria by which they are supposed to achieve this balance?

Mr. JENNINGS: Yes, quite definitely.

Mr. CHAMBERS: On the question of political and controversial: do you try to keep your balance in proportion, let us say, to the opinions in the country, as shown by surveys?

Mr. JENNINGS: I take it you are speaking of political broadcasts on free time?

Mr. CHAMBERS: No; I mean commentaries on the news.

Mr. JENNINGS: I doubt if that would be possible. So many of these commentaries depend on the news at the time. I am not speaking of news bulletins, but commentaries on news and happenings in the country. I would think that any person presenting the news, whether it be via a newspaper or the C.B.C. or what have you, would find it very difficult to assess the news value of a thing, by which opinions could be expressed in relation to some short of percentage basis in the country.

Mr. CHAMBERS: The Gallup poll shows that socialist opinion in this country generally runs from ten to twelve per cent. Do you attempt to limit socialist opinion on panels to that percentage? Do you tell your people to pay closer attention to the shades of opinion in the country when they are choosing commentators?

Mr. JENNINGS: In the presentation of news commentaries—we have been presenting them for twenty years in radio, and now in television—we continually try to pay attention to the problem of giving a balanced view of opinions, but I do not think we make reference to Callup polls and say we will give more of an opinion about this or that.

Mr. FORGIE: Would your criterion not be the opinion of the listening audience? You surely must have run into it during those twenty years?

Mr. JENNINGS: I would think that by and large over the years the broadcasts in this field have been well accepted, and that people think the C.B.C. does a pretty good service in giving opinions about what is going on in the country.

Mr. BELL (*Carleton*): In his initial statement Mr. Jennings spoke of certain internal rules of the corporation which govern the objectivity of newcasts. Could the committee have a look at those rules?

Mr. JENNINGS: Yes, quite easily. I could read you a couple of excerpts before producing them.

The CHAIRMAN: No, you had better produce them.

Mr. BELL (*Carleton*): At the next meeting.

Mr. MCCLEAVE: On the first subject of outside talks, does anybody look over the list of speakers chosen by those responsible for outside talks to determine whether there is not too much repetition of individuals—that is, to see that the outside talks man is not sending up the same people week in and week out? Thas is something that has grown up among a great many Canadians. I am not expressing my own paranoia, but rather an behalf of a goodly number.

Mr. JENNINGS: That is definitely not the case. From my own office alone there is a continual pressure to use as wide a range of speakers as possible in this broadcasting field; but there is also another aspect to it; that some people are good broadcasters, while some are not. That is a thing we have to take into consideration within the framework of the plan as a whole. There is no question that some are better broadcasters than others. There is also the situation where people are not available, or where someone may be willing to broadcast via television but not via radio. Generally, there is continuing pressure to make sure that we have as wide a representation of individuals as is possible, and as good broadcasting as possible.

Mr. MCCLEAVE: Are these people from outside ever restricted for this very reason?

Mr. JENNINGS: For what very reason?

Mr. MCCLEAVE: You say you give them surveillance.

Mr. JENNINGS: We do not interfere with what commentators say.

Mr. MCCLEAVE: Have you never criticized some people for what they said?

Mr. JENNINGS: I have had occasion to criticize our own people; but when I had occasion to criticize them they had particular difficulties which hinged on the situation which I have mentioned. They seemed to have fairly reasonable explanations as to why a broadcast by such and such a person was justified; the information available would be that some other person did not want to broadcast. This has happened many times. I think that hardly two weeks pass without my having a conversation in this field of action; but we try to keep our broadcasts as wide as possible, and to distribute them as widely as possible.

Mr. MCCLEAVE: I have a question which is criticism of the C.B.C.: that in its dramas there seems to be a standard practice for actors or personalities in Toronto, or perhaps in other centres, to be perhaps engaged continuously in these performances. I think a year ago we were on a Jack Creley Bick, but this year it seems to be Fred Davies or Charles Templeton who are showing up at almost any hour of the day or night. Is there any policy of trying to diversify the plans of the C.B.C. when hiring these people?

Mr. JENNINGS: Again I might say that we try to get the best people we can. I myself find occasion to make the same kind of criticism, that one person may appear too often; but again the factors I have mentioned come into play.

You mentioned artists, and that there might be a small body in Toronto. But because of the C.B.C. we have a pretty professional group of people making their living out of broadcasting. I do not think they form any kind of clique; but the situation is that these people are in a position to make a living out of their profession, and they might quite easily move to New York. They are of a calibre where they might easily move off and make good in New York. In fact, some of them are doing that.

Mr. MCCLEAVE: There is one aspect of my question: suppose a man is employed as a commentator and suddenly he wants to produce plays, or wishes to star in a play. This happened to the person I have in mind. Is there not a

danger that, just because he is well known at the C.B.C., your people would determine the plays or works that are going to be produced, while somebody else is going to be shut out?

Mr. JENNINGS: By mere proximity? I suppose there would be a human or natural tendency for that, but it is something we try to prevent.

Mr. PRATT: I think that in all branches of show business it exists. The man on the spot is apt to get the work. I think the C.B.C. has the aim of keeping Canadians employed without over-exposing them in television, but it is a very difficult problem.

Mr. JENNINGS: We have another problem. Where these people become popular—and not only with the C.B.C.—I suddenly find on my television set one of our more serious actors in a commercial spot. There is nothing very much we can do about that. However, there is a possibility, that his value as an actor, for certain collateral work, might quite well be inhibited.

Mr. SMITH (*Calgary South*): Do you have some in the reverse position, where a commercial representative turns up in a dramatic production?

Mr. JENNINGS: I saw that happen just the other day, and I shook myself, because I wondered what was going on.

Mr. SMITH (*Calgary South*): I understand that actors have a rather limited field; but is there not a pool of actors to which you try to limit yourself, and therefore these people seem to be appearing continuously?

Mr. JENNINGS: I do not know how much it is limited. We are coming to the time of year when the direction is going into reverse. This week rehearsals commenced at Stratford and we found that our pool was much shallower than it was last week; but I think it is a growing pool.

Mr. SMITH (*Calgary South*): Yes. One of the things that worries me is —if I may just revert to the Canadian content aspect again—you would not care to give us a definition of what you consider to be Canadian content? I assume you are responsible for determining the Canadian content?

Mr. JENNINGS: Not I, personally.

Mr. SMITH (*Calgary South*): Then may I ask who is responsible?

Mr. JENNINGS: What do you mean by "Canadian content"?

Mr. SMITH (*Calgary South*): No. I asked you my question first.

Mr. JENNINGS: Generally speaking, Canadian content in a show would consist first of all in the fact that it was written by a Canadian, performed by Canadians, and produced by Canadians.

Mr. SMITH (*Calgary South*): You would consider a Montreal-Toronto hockey game as having Canadian content, of course?

Mr. JENNINGS: Yes.

Mr. SMITH (*Calgary South*): My concern is this: the volume of money that we are spending is sizeable in relation to maintaining this Canadian content; and if it is on a basis that we are importing 40 Americans to 60 Canadians, possibly the proportion of the amount of cost would be somewhere in that same area? Would that be a correct assumption?

Mr. BUSHNELL: No, not on the United States side, because the importation of American programs is very much less costly than the creation of a Canadian program.

Mr. SMITH (*Calgary South*): My figures would be even more extreme?

Mr. BUSHNELL: We can go out and buy an American syndicated film to be put on the air, and we can buy it at a cost of $4,000 to $5,000 for half an hour of syndicated feature. We could go on doing that sixteen hours a day, and it would certainly be less costly than paying money for a broadcast by Canadian artists.

Mr. SMITH (*Calgary South*): That is a very fine statement. Nobody suggests that it should be done in this committee. We are only trying to determine what we are getting in the way of Canadian content, and whether or not it should be enlarged. You are aware of the private broadcasters who are also responsible and who carry out a fairly sizeable amount of Canadian content in their projects?

Mr. BUSHNELL: Indeed.

Mr. SMITH (*Calgary South*): Is there any attempt made by the C.B.C. to make sure that they are carrying the full amount of Canadian content, and is there any area in that connection having to do with private broadcasting?

Mr. BUSHNELL: Very definitely. We have two meetings each year with our television affiliates when these matters you have raised are fully discussed.

Mr. JENNINGS: And if I may intervene, there is also a program advisory committee made up of representatives from private stations and the C.B.C. which discuss actual programming matters.

The CHAIRMAN: How old is that committee?

Mr. JENNINGS: I think it is a little over two years old now, or about two and one half years.

Mr. MCINTOSH: You have said that it costs from $4,000 to $5,000 for a half hour program from the United States. What would it cost you for the same type of Canadian program?

Mr. BUSHNELL: It would probably cost us three times as much.

Mr. TREMBLAY: In the first part of your report I read the words "education in respect to school broadcasts". What is meant by that expression?

Mr. JENNINGS: In school broadcasts, for example in radio, for many years now we have put them on in collaboration and consultation with the national advisory council on school broadcasts. The provincial broadcasts we work out with each of the provincial departments of education concerned, as well as in collaboration with the national council on school broadcasting.

On television, in 1955-56 we had two series of school broadcast experiments, but we have not had a further experiment since. We collaborated with Manitoba and Nova Scotia in conducting those experiments. We have no comparable kind of broadcasting on the French network.

The CHAIRMAN: Along the same line have you ever had a closed circuit educational experimental program,—that is, tying in one teacher with several different schools?

Mr. JENNINGS: What we are doing is to look at all these kinds of techniques to find out how television can best be used to assist the teacher in the classroom. Some people are very keen on this master-teacher technique and regard it as the best way of helping the teacher.

Mr. TREMBLAY: I would like to ask Mr. Ouimet a question.

(Continued in French).

The CHAIRMAN: I am afraid your question will not appear in the minutes because we do not have a French speaking reporter. Perhaps Mr. Pratt would ask your question for you in English.

Mr. PICKERSGILL: Mr. Chairman, Mr. Tremblay has a perfect right to ask his question in French.

The CHAIRMAN: Yes, but we do not have a French reporter. We can send for one, or we can wait until the next meeting. I regret that we do not have one today. That has been the past policy at all committees meetings until this morning. I think it is a good idea, to provide me, myself.

Mr. PRATT: May I ask one question in the meantime.

The CHAIRMAN: Mr. Dorion comes first.

Mr. DORION: Mr. Jennings, you told us that so far as the supervisor of news programs was concerned, it was Mr. Bruno Comeau?

Mr. JENNINGS: For the French network, while for the English network it is Mr. Hogg.

Mr. DORION: When was Mr. Bruno Comeau appointed?

Mr. OUIMET: It dates back to some time last spring. Actually there was some delay; because he had to transfer from his previous position. However he was in full operation in the early fall.

Mr. DORION: Who was there before Mr. Comeau?

Mr. OUIMET: His predecessor was Mr. Roger Bourbonnais.

Mr. DORION: I would like to hear from Mr. Bourbonnais.

The CHAIRMAN: We will suggest that to the subcommittee.

Mr. DORION: At page 57 I read a sentence in your report as follows:

> The French speaking news editors have developed in Canada a French radio style that is clear, direct, and impartial.

Did your staff receive any criticism about the impartiality of that system on the French radio?

Mr. JENNINGS: We have had over the years criticism that comes up from time to time with respect to the impartiality of our news services, but when we have looked into them, it has only been rarely that we have not been able to satisfy ourselves that the editors were carrying out the rules and regulations which I have promised to give to you, and which lay down quite clearly the matter of treatment of the news. I am speaking of the C.B.C. news service.

Mr. FORTIN: You probably conducted an inquiry in each case. But are you aware that on the French network the four commentators that we hear every day belong to the same newspaper, that the four of them are active members of a certain socialist party,—and we have some who are really good? You mentioned the fact that we have to have someone who is broadcast-minded, but those four that we see every week—I shall not give you the names unless you ask for them—belong to the same newspaper.

Mr. JENNINGS: I think we must be very clear in our definition of the C.B.C. news service, which does give a factual objective service of news reporting. This is put out in daily bulletins, regional bulletins, national bulletins, and so on. We rely mainly for our material on the two main news services, the Canadian Press and the United Press International, working with the C.B.C. news service. I take it, however, you are referring to the commentaries on the news?

Mr. FORTIN: Mr. Dorion was speaking about impartiality.

Mr. JENNINGS: Yes, I wanted to make it quite clear that there is a clear distinction between the production of news commentaries and of news bulletins.

Mr. FORTIN: He asked another question subsequently, concerning a certain part of your report.

Mr. DORION: That is in news.

Mr. JENNINGS: I thought I answered that.

Mr. TREMBLAY: I would like to repeat my question, Mr. Chairman. So far as the French network is concerned, would you tell me what is the meaning of those words, "education of youth and school broadcasts"?

Mr. OUIMET: So far as the school broadcasts are concerned, I think Mr. Jennings has been very clear in pointing out that we have been very careful,

through the history of the corporation, very careful in our relations with the provinces in matters of pure education. I am using the word "education" in the English sense in this particular case. The word "éducation" in French, of course, has another connotation; the word "education" is much broader.

What we do on the French network is, and we do have some educational broadcasts, but they are adult education broadcasts. We consider youths, to a certain extent, as on the way to becoming adults, particularly the graduates of our classical colleges, and even those who are in earlier years at college. This is the difference we make. We have never embarked—on the French networks of the C.B.C.—in the type of school broadcasting carried by the English networks, because, for one reason or another, I suppose, we have never been able to secure the cooperation of the various governments over the years. We are a federal corporation, as you know, and therefore we are very conscious of the fact that there exists the British North America Act. Mind you, there have been approaches made over the years to various officials of the governments, but these approaches have never led to fruition. But, on the other hand, it seems to me it is interesting to notice that some of the English broadcasts which are prepared for Ontario, with the cooperation of the Ontario Department of Education, are also used in the province of Quebec, in the English language, with the cooperation of the Department of Education.

In the French language, whether the lack of school broadcasting is a loss to the French-speaking people, or whether it would be a boon, remains to be seen. But up to now we have never been able to give anybody what we actually call school broadcasting.

Mr. DORION: Is it because you are not sure of the mentality of your own educators?

Mr. JENNINGS: Let me make this quite clear. These broadcasts are worked out with the Departments of Education. We supply the facilities and they provide the content, and no content is on the air which is not approved by the provincial Department of Education concerned.

Mr. TREMBLAY: What is the difference between "pure education" and "education"?

Mr. OUIMET: I do not mean "pure" education. Perhaps I have not expressed myself as clearly as I should. Again, personally, I too would prefer to express myself in French, because when you discuss such shades in the meaning of certain words like "education" and so forth, you inevitably have a conflict. The word "education" in English as applied to in-school teaching is actually covered by what we call in French "instruction publique"—instruction in the schools, instruction in the schools of the province. I do not feel that the word "éducation" in French covers the same ground, because the word "éducation" can be limited to higher education, education in the universities; to education of the adults, and it could also refer to education within the family. This is generally the way we use it in the French language—the word "éducation" as commonly used within a French family.

Mr. TREMBLAY: It is the sense, in your mind? When you make a distinction between "pure education" and "education" for adults, and so on, you have in mind a certain kind of education; but it is not, necessarily, the right sense of the word "education"?

Mr. DORION: I would not like to enter into a discussion with you on the word "education", but I recall to you that a very important judgment was rendered by Sir Lyman Duff in 1938, giving to the court the more extensive meaning.

Mr. TREMBLAY: Mr. Ouimet, could you tell me if education is the aim of the C.B.C.?

Mr. OUIMET: Among its objectives, the C.B.C. has as its main objectives—if I recall—to entertain, to inform and to educate

Mr. ROULEAU: In the broad sense of the word?

Mr. OUIMET: In the broad sense of the word.

Mr. PICKERSGILL: Mr. Jennings, could you answer this: within the ordinarily accepted meaning of the appropriate section of the British North America Act—that is to say, the jurisdiction over schools: and that is what it is, of course, in the British North America Act—am I correct in understanding that the C.B.C. does not give any broadcasts of this character—that is, broadcasts for schools or broadcasts directed to school children for the purpose of instructing—in any province unless it is done with the complete approval of the competent provincial authorities?

Mr. JENNINGS: That is correct.

Mr. CAMPEAU: Could you tell us what discussions were held between the proper authorities in Quebec and the C.B.C. in regard to its educational programs?

The CHAIRMAN: You mean, between the Department of Education of the Province of Quebec and the C.B.C.?

Mr. CAMPEAU: That is right.

The CHAIRMAN: Regarding educational programs?

Mr. CAMPEAU: Yes, because the statement was made that they were broadcast in other provinces and not in Quebec.

Mr. BUSHNELL: I think, Mr. Chairman, we had better clear up that point. These discussions have gone on for many years and, as I recall it, actually the basis on which our broadcasting to schools was formed was done largely by the late Dr. Frigon and his program people at that particular time. Obviously—

Mr. CAMPEAU: That was a long time ago?

Mr. BUSHNELL: That was a long time ago.

Mr. CAMPEAU: No attempts were made—

Mr. BUSHNELL: I would not say that no attempt has been made; but there does not seem to be any definite wish on the part of the provincial education authorities for us to embark on the same kind of broadcasts which are intended for listening to in school; and if it is not the wish of the provincial government that we should do that, obviously we stay out of that field.

Mr. JENNINGS: If I may make a supplementary comment, Mr. Chairman, there is a difference of opinion, I would gather, as to the value of radio for in-school listening in connection with the curriculum.

Mr. CAMPEAU: I would like to know if this is an expression of opinion on the part of the C.B.C., or is there an official statement from the school authorities in Quebec?

Mr. BUSHNELL: I would doubt very much if there is an official statement. Certainly, we would have to look back over our records for many years. I am just not competent to say, Mr. Campeau, whether there was any exchange of correspondence, let us say, ten, 12, or 15 years ago: I cannot tell you. Mr. Ouimet may know.

Mr. OUIMET: If I can test my memory, the discussions which took place had perhaps no official character—they never reached the official stage—because in certain circumstances we were not led to believe that we should press on with the idea of doing in-school broadcasting. In other words, they were mostly unofficial, or informal discussions.

Mr. CAMPEAU: When you speak about "no official character", I would like to know whom these discussions were with, because you know the system in the province of Quebec and you know who is responsible for the education field.

Mr. JENNINGS: I think that our position in the C.B.C. is simply this: in the very beginning, I do not think—as a matter of fact, I am sure we did not go to the education authorities of the schools in the provinces and say, "We want to do school broadcasting". What we are doing, in cooperation with the provincial departments of education is cooperating and collaborating with them in a field in which they have expressed a wish to be; and in all the provinces but Quebec we present programs prepared by the departments of education which are produced over our facilities.

Mr. PRATT: Along those lines, Mr. Chairman: I think some of us are missing a very important point that has been known in the theater for a long time—if you cannot entertain without educating, you cannot, conversely, educate without entertaining.

While we are on this very high-minded plane, I would like to ask if the state of moronic western movies to which we are, at great cost, subjected, is as a result of audience survey.

Mr. JENNINGS: It is not a result of audience surveys, Mr. Pratt. I do not know whether I would use the same description, "the state of moronic western movies". I have heard other comments about their value as programs and about their appeal as programs.

Mr. PRATT: That is a form of audience survey, is it not?

Mr. JENNINGS: It is not a form of audience survey; it is an impression that one makes.

Mr. PRATT: It may be that I am unfortunate, but at the very time I turn on my television set there always seems to be a succession of men chasing other men with guns, beating one another up violently. It does not seem to be in keeping with one of your objectives, the education of youth. I realize that fairy tales are sometimes violent; but I was curious as to whether this was a result of an audience survey which showed that the great majority of people watching at the moment were in favour of such programs, or whether it was as a result of your need for economical operations.

Mr. JENNINGS: No: I think we can show you that when these westerns are on, they attract very large audiences indeed.

Mr. PRATT: I am sure, adults as well as children.

Mr. JENNINGS: It is completely debatable, and certainly within the C.B.C. itself it is a topic of argument as to whether we have too many of them or not.

Mr. PRATT: That is my point. Is it as a result of a survey or study of these programs that they are more popular than others?

Mr. BUSHNELL: Excuse me, Mr. Chairman; may I add something to that. Quite frankly, I think we have too many of them. But actually, I suppose, the fact that some of our sponsors realize that they are big audience pullers has a certain effect, if you like, on our decision.

They are out for a mass audience. Then there is the other consideration too, that some of these westerns are not too expensive, and the sponsors come along to us and say, "Look here, Mr. C.B.C.: this is a program that we bought in the United States. We are showing it in the United States: why can't we show it in Canada?, and if it is not too violent, I must admit that probably we have been a little bit lenient. But it is a matter that is under consideration, and very definitely.

Mr. PRATT: I am not criticizing the westerns themselves: I, myself, have made some of the worst ever made. But I was just asking the question in connection with the tremendous volume of these things that seems to be appearing. They seem to be growing broadcasts, rather than diminishing.

Mr. BUSHNELL: It is a trend that probably in six months or a year from now will be entirely different.

The CHAIRMAN: It is a great trend in the United States also.

Mr. FLYNN: Mr. Chairman, I wish to revert to the question of the restricted number of good broadcasters. I was wondering if we could take it as an inevitable consequence that some minority opinions will have more chance to express themselves because their protagonists are better broadcasters?

Mr. SMITH (*Simcoe North*): Mr. Chairman, I have a question concerning school broadcasts. Is it not a fact, Mr. Jennings, that in Ontario, for instance, the Department of Education supplies the actual material for the broadcasts and the C.B.C.'s part in it is largely technical services and advice?

Mr. JENNINGS: They not only supply the material, but they pay for it. We supply the facilities. Coming back to Mr. Pratt's remarks about entertainment, I think one of the roles the C.B.C. has played in this—in consultation with the education authorities—is to make them attractive, to give them a certain amount of showmanship.

Mr. SMITH (*Simcoe North*): The department of education are the people who supply the program, and therefore, if there is any bias in it, it is not C.B.C. bias at all; it is purely the bias of the department of education for the province that is concerned?

Mr. JENNINGS: That is correct.

Mr. CHAMBERS: I want to come back to what Mr. Fortin was asking a few minutes ago—this, to me, vitally important question of balance. Would it be possible—in the case of the French network, for instance—to supply us with a list of, say, the ace commentators who are used most frequently, over some convenient period, say six months or a year? Also, what percentage of the time does each have? Do you follow my question?

Mr. JENNINGS: Yes. I think we can supply you with full details of commentators and what programs they were on.

The CHAIRMAN: At some future date.

Mr. CHAMBERS: I would like to get some idea of who is getting most of the time.

Mr. JENNINGS: This is the French network?

The CHAIRMAN: The French network show.

Mr. JENNINGS: We keep those records very carefully.

Mr. CHAMBERS: This includes the panel shows?

Mr. JENNINGS: That is correct.

Mr. CHAMBERS: The question I put to you, Mr. Chairman, is a question of order, to see if I might have this. I would like to have a transcript of a program called Man to Man which appeared on the trans-Canada network on Monday, May 11, at 9 p.m.

Mr. BUSHNELL: So would I.

Mr. JENNINGS: I might say, I am in the process of securing one for myself.

The CHAIRMAN: Mr. Chambers, may I suggest that, if they find it, we can have it.

Mr. DORION: We have to vote the funds.

Mr. SMITH (*Calgary South*): Mr. Chairman, I wonder if I might ask Mr. Jennings a question dealing with the production of a particular program or programs? Mr. Bushnell, in his statement—and I shall read the excerpt—said "Each program is an individual creation. It must be individually planned and custom-built. There is no mass production—nor can there be". And that is a perfectly understandable situation.

I wonder, though, in view of the experience in Britain and in the United States—where they film these individual programs—if we make any

attempt—as they have done, very successfully—to sell these outside of Canada with the Canadian content that we have dealt with so extensively. I believe we have, to a very limited degree, and perhaps Mr. Jennings or Mr. Bushnell might comment on that.

Mr. JENNINGS: I think I could tell you what we are doing in that field. we are selling an increasing amount of what we call export programs, particularly dramas, to the Indepent Television Authority in Britain, to the B.B.C., to the French television, to the A.B.C., (the Australian Broadcasting Commission), to the States—would you like me just to run down the list?

Mr. SMITH (*Calgary South*): If it is not too extensive.

Mr. JENNINGS: It is not terribly extensive. One-hour live dramas—we have sold five to A.B.C. Television in New York—

The CHAIRMAN: Is this in the last 12 months, or what?

Mr. JENNINGS: This is since September, 1956. We have sold abroad 98 one-hour dramas on kinerecording, 15 to the B.B.C., two to Australia, two to Granada in the United Kingdom—which is one of the television production companies—39 to Associated Television—another of the independent companies in Britain—G.T.V. private television in Australia, 39 of them; and it says here, one to the Brussels World Fair; but that was a Canadian program we supplied to the Canadian pavilion for performance there.

Mr. SMITH (*Calgary South*): This is all since September, 1956?

Mr. JENNINGS: Yes. These were one-hour plays on kinerecordings. Half-hour plays on kinerecordings—we have sold 65, 43 of them to the B.B.C. in London, and 22 of the Australian Broadcasting Commission. One-and-a-half-hour dramas, on kinerecordings—and these are fairly rare—we have sold two to the B.B.C., one to the National Educational Television Center in the United States, and we also sent an hour-and-a-half show across to Brussels, which was played in the Canadian pavilion.

Mr. SMITH (*Calgary South*): May I interject here. Do I assume that, in the usual circumstances, there are programs, or productions, that have had their initial playing in Canada?

Mr. JENNINGS: Oh, yes; they have been performed over the television network here and, by an arrangement with the Artists Association—including a step-up fee—we are permitted to export them; and we recover—I cannot say what the scale of payment is, but we sell these fairly profitably.

Mr. SMITH (*Calgary South*): This is an attempt, therefore, to change the flow of programs which consequently have been coming in here. Otherwise, this is a move to present some of the talent we have in Canada outside of Canada. This is an honest attempt but it is not very impressive, in view of the length of time. Is there any chance or hope of setting that up?

Mr. JENNINGS: Yes, very much so. I might mention here another Canadian production going on at the moment, the R.C.M.P. series, in which Crawley-McConnell, the C.B.C and the B.B.C. are jointly producing 39 half-hour films, which we hope will be seen around the world. Already it has been sold in Britain, Australia and Canada, and we are very confident of a sale in the States before too long.

Mr. SMITH (*Calgary South*): May I ask in relation to revenue, if this is a determining factor in arriving at the costs to the countries that buy this? How do you assess the costs?

Mr. JENNINGS: I am not sufficiently familiar with the formula. It consists of what it costs us to make this available for export. There is an additional fee for the artists, an additional fee for the writers and materials used in preparing the kinescope, and the costs to the C.B.C. involved in making it.

Mr. SMITH (*Calgary South*): There is some attempt to assess the amount of the initial costs of production in the revenue you receive from having it accepted abroad?

Mr. JENNINGS: Yes.

Mr. PRATT: Is it the intention of the C.B.C. to use video tape for export purposes, rather than the old-fashioned kinescope?

Mr. JENNINGS: You may have noted that when I gave export figures before, I said: five one-half hour dramas, live, to the States; and I later mentioned a large number of kine releases to Australia and Britain, where they use them. But American networks, for a long time now, have not been interested in kine quality. Certainly, I hope in the future, and it is the case now, that video tape is of sufficient quality that the American networks will accept it.

Mr. PRATT: Is the C.B.C. extending its video tape facilities?

Mr. BUSHNELL: Yes, very definitely.

Mr. ROBICHAUD: The main question I have in my mind was asked by Mr. Chambers. I hope when we are supplied with the list we will have the time used by each one, say, in the last twelve months; and that it will include both French and English networks.

Mr. JENNINGS: Yes.

The CHAIRMAN: Do you mean the number of occasions?

Mr. ROBICHAUD: Yes, say in the last five years. I have another question I do not think has been asked so far. Mr. Bushnell, could you tell us what percentage of C.B.C. programs must be used by private stations? I have in mind radio and television. Do they have a selection, or do they have to use specific programs?

Mr. BUSHNELL: Yes we are in a position to furnish that information. I doubt if we have it with us today. There has been for years—let us go back to radio—a definite pattern established on what we call "reserved time" and option time, and by and large the private stations have observed it; and, indeed, in many, many cases they are carrying much more C.B.C. service than our agreements call for. We do have to allow some time for their own community promoters, for their own local advertisers; but we can certainly give you very specifically the agreement between ourselves and private television stations in terms of, almost, minutes.

The CHAIRMAN: This agreement is identical with each one of them, is it?

Mr. BUSHNELL: Yes.

The CHAIRMAN: Any further questions, Mr. Robichaud?

Mr. ROBICHAUD: My questions have been answered.

Mr. SIMPSON: Mr. Chairman, my question is actually supplementary to Mr. Chambers', and it is in relation to these commentators that are taken on by the C.B.C. for news commentary. In relation to what Mr. Jennings said, that there were specific men allotted to determine this work, has the C.B.C. not a public relations bureau or a press information bureau besides this? What is the liaison, if any, between the C.B.C. and the general press?

Mr. JENNINGS: This relation between the C.B.C. and the general press is carried out through the press and information department.

Mr. SIMPSON: Is that a new department?

Mr. JENNINGS: No, it is many years old.

Mr. SIMPSON: How do you find that has worked out,—fairly good?

Mr. JENNINGS: I have very little first-hand contact with it, because it is a department by itself; but I gather it is doing fairly successfully.

Mr. BUSHNELL: I think I can answer that.

Mr. SIMPSON: Can you tell us something of the duties it carries out?

Mr. BUSHNELL: I think I could answer that by saying that probably the C.B.C. gets more coverage in the newspapers of Canada than any other organization in Canada, probably, except for parliament; I am reminded of that.

The CHAIRMAN: Are you through, Mr. Simpson?

Mr. SIMPSON: Yes.

The CHAIRMAN: Any further questions?

Mr. BUSHNELL: If you would like it some time, I would be very glad, as a matter of fact, to have a display in this room which you could look at before or after a meeting, or at any time, indicating the amount of coverage the C.B.C. gets for its various programs. It is rather astonishing.

Mr. SIMPSON: I was wondering if during these discussions the problems of commentators used by the C.B.C. were discussed between this group and the general press?

Mr. BUSHNELL: No, that department has nothing whatever to do with the selection of commentators.

Mr. MACQUARRIE: I would like to invoke the popular word "balance" in considering the fact we are talking about the national service. I wonder how much consideration is given in the selection of commentators, in the matter of geographic balance in such matters as weekend reviewers and Critically Speaking performers. These are staffed largely by university people, and there are fifteen universities in the maritimes. I wonder what category of reasoning was invoked and why more maritimers are not used?

The CHAIRMAN: Possibly they are not photogenic.

Mr. MACQUARRIE: Many of them are, I am sure.

Mr. BUSHNELL: It is conceivable that there is a technical problem there. I know it has happened that on the maritime network a great many of the maritime people are used; but when we come to a national television broadcast of that type, actually it is quite expensive to reverse the network. The program probably at that time, or around that time, is originating in, let us say, Toronto, and if you hop to the maritimes to pick up a special speaker for, let us say, five minutes, the cost would be very, very high indeed. That is a partial reason.

Mr. MACQUARRIE: The examples I am thinking of are on the radio.

Mr. JENNINGS: In Critically Speaking we do attempt to give geographic representation; and I was not aware myself that in the over-all picture the maritimes seemed to be suffering.

I have heard—I have forgotten the name, but it is from Halifax—a chap who does first-class broadcasting in Critically Speaking.

Mr. MACQUARRIE: Maybe I am wrong in assuming they are suffering.

Mr. JENNINGS: I do not know.

Mr. BUSHNELL: I think probably we are wrong.

The CHAIRMAN: That is a good admission.

Mr. LAMBERT: How much use do you make of the facilities of the National Film Board in your productions?

Mr. JENNINGS: We do not make any use of their facilities at all, that we are aware of; but we do get television programs from them. We have the occasional individual program, and we have a regular Sunday series which goes practically the year round. These series are paralleled on both the French and English network.

Mr. LAMBERT: Do you utilize their films or productions?

Mr. JENNINGS: As individual programs and series.

Mr. SMITH (*Calgary South*): Mr. Bushnell, do you think this board should come under your responsibility?

Mr. BUSHNELL: No.

Mr. LAMBERT: Has there been any consideration given to cooperation or amalgamation of the production side?

Mr. BUSHNELL: We have enough headaches without that.

Mr. PICKERSGILL: I would like to put a supplementary question. I must say that I do not take any offence at Mr. Bushnell's reflection upon an agency for which I used to be responsible.

Mr. BUSHNELL: There is no reflection intended.

Mr. PICKERSGILL: I wonder if enough really serious consideration has been given to the fact we have in the National Film Board one of the best equipped —at least so I was told when I asked parliament for the money—one of the best equipped production agencies in the country; and whether there is enough effort made to see that it is adequately used for all the public services?

Mr. BUSHNELL: I think the answer to that is, yes. We have a liaison committee and work very closely with the National Film Board. Then, again, there is this problem of the C.B.C. giving too much work, if you like, to the National Film because, as you know, there are a great many commercial film organizations in this country and they just do not like it. As a matter of fact, we had them down here this week complaining bitterly about the fact we were cooperating too freely with the National Film Board.

The other fact is, I think, the National Film Board—at least this has been my experience in talking to some of the senior officials—is pretty well occupied with its own work.

At one time, I think when Mr. Arthur Irwin was head of the National Film Board, I personally, and some of my colleagues, had a meeting with him and we asked him about taking on the job of some of our film processing and work of that kind. He said, "I am sorry, Mr. Bushnell, we just cannot do it."

Mr. PICKERSGILL: It was not the point of giving your work to the National Film Board I was on; the point I had in mind was that a lot of public money is invested in that plant. What I want to be as sure of as one can be is that that capital and facilities were being used fully completely; and I would not envisage it as being impossible that the C.B.C. itself might use part of those facilities. I do not mean, giving the National Film Board programs to make, but making sure those facilities are adequately used so that the taxpayers are getting full value for their money.

The CHAIRMAN: We will have to leave it on that note.

Mr. ROULEAU: I would like to make a suggestion for the steering committee. Since some of us are more familiar with the activities of the French network, while others are more familiar with the activities of the English network, would it be possible to set up a subcommittee to study the activities of the French network? In our province, at least, we have a lot of criticism against the C.B.C. French network. I would think it would be a good thing to have that committee.

The CHAIRMAN: We will take that up at the subcommittee, consisting of Messrs. Pickersgill, Chambers, Fisher, Campeau and Bell.

Mr. ROBICHAUD: Very well.

Mr. PICKERSGILL: I am sure Mr. Mitchell would not object, though he is not here, if at the subcommittee Mr. Robichaud could come instead of Mr. Mitchell.

The CHAIRMAN: By all means. We shall adjourn until Thursday of this week, at 9.30 a.m.

(Appendix A)

Record Audience for Election Coverage 1958

An estimated national audience of 7,860,000 persons witnessed the live CBC television and radio—CBC and private—coverage of the election results between 9:00 and 10:00 p.m., E.S.T., March 31. This figure was obtained by Elliott-Haynes Ltd in a coincidental telephone survey conducted during the most convenient hour for measuring simultaneously audiences in five time zones from Sydney to Victoria.

This national audience was composed of a television audience of 5,786,000 persons and a radio audience totalling 2,074,000 persons who were reached by the CBC and private-station broadcasts in English and French during the measured hour. The CBC telecast was viewed by 4,014,000 persons in 1,295,000 English-language households and by 1,770,000 persons in 492,000 French-language households. A cumulative total of 4.2 millions had viewed the full evening CBC television coverage of last year's election.

English-language radio listeners amounted to 1,581,000 persons in 565,000 homes while the French-language radio audience was calculated to be 493,000 persons in 149,000 homes.

Keenest interest in the election coverage was registered in the Prairies where TV ratings reached 85 per cent between 9:00 and 9:30 p.m., local time. Interest in the Maritimes and amongst French-language viewers in Ontario and Quebec was at about the same level, with ratings at the 70 per cent mark.

Ratings for English-language viewers in Central Canada were lower, averaging in the mid-50 per cent area. About one-quarter of the potential audience in the Central region, probably concentrated in southern Ontario, preferred viewing television programs from nearby United States stations.

In British Columbia the simultaneous measuring period of 9:00 to 10:00 p.m., E.S.T., was of course three hours earlier by local (Pacific Standard) time. A low rating of 22 per cent of all TV homes viewing was recorded during the evening meal period though radio listening at this time was higher than anywhere else in Canada. As the evening wore on, TV wiewing increased and radio listening decreased in British Columbia.

Growth of Audiences for the Following
Canadian Produced Television Programs

English Network Programs	Number of TV Homes Viewing			
	1958	1959		
	February	January	February	March
	(000)	(000)	(000)	(000)
Front Page Challenge	860	1,350	1,330	1,275
Folio*	370	660	620	580
Close-Up*	290	650	780	690
G.M. Presents*	720	800	970	860
Cannonball	950**	1,320	1,280	1,260
Country Hoedown	800	1,000	1,070	1,020
'Cross-Canada Hit Parade*	650	970	1,010	940
N.H.L. Hockey	950	1,110	1,120	1,120
Showtime*	500	920	1,000	940

French Network Programs	Jan.-Mar.	Dec. - Apr.	
	1958 (000)	1958 (000)	1959 (000)
Music-Hall	632	688	634
La Famille Plouffe	661	765	778
L'heure des Quilles	393	527	511
Le Point d'interrogation	479	577	597

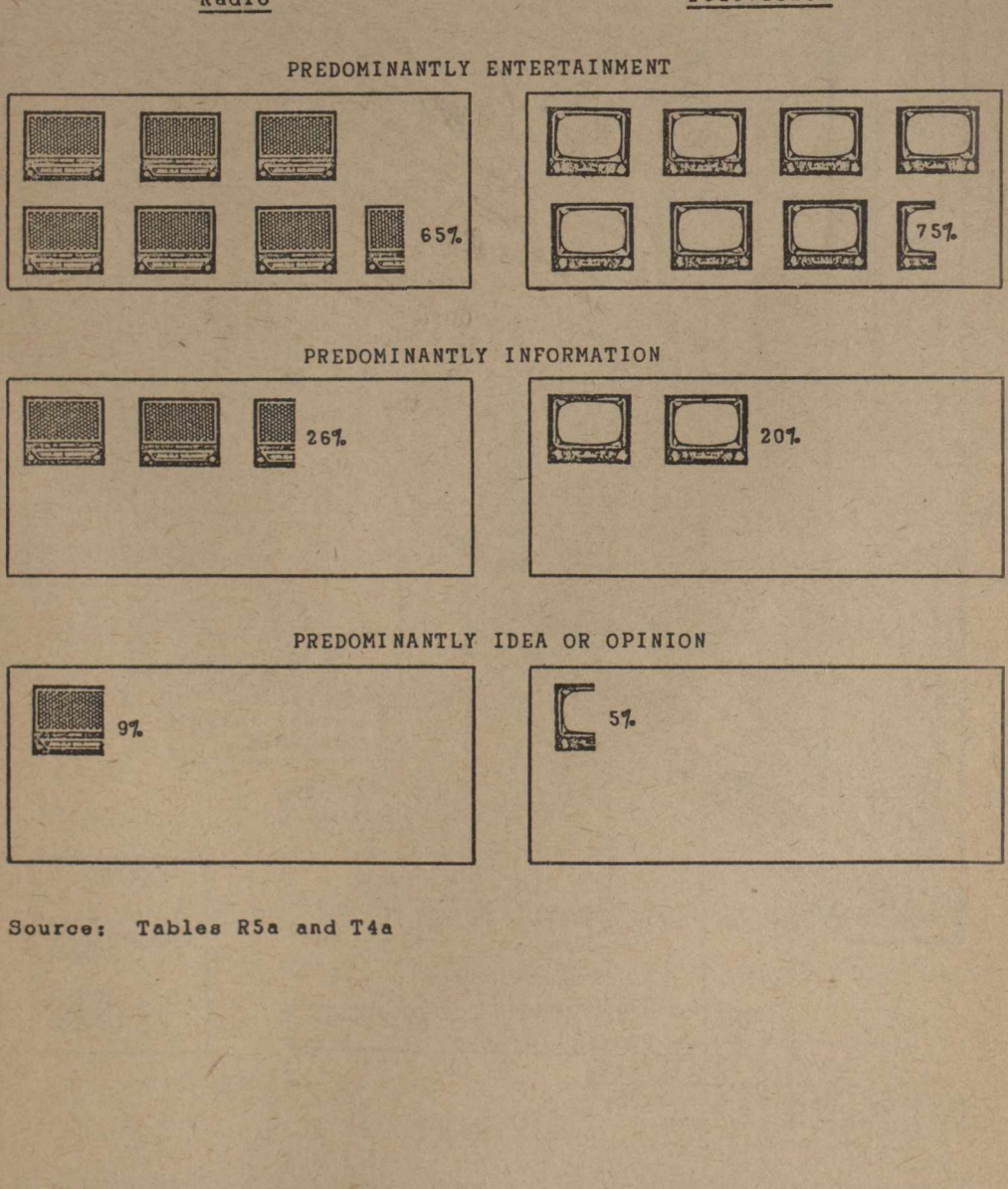
* The increase in the number of TV homes viewing may be due to changes in program scheduling.
**Tugboat Annie scheduled.

Source: International Surveys Ltd.

May 14, 1959.

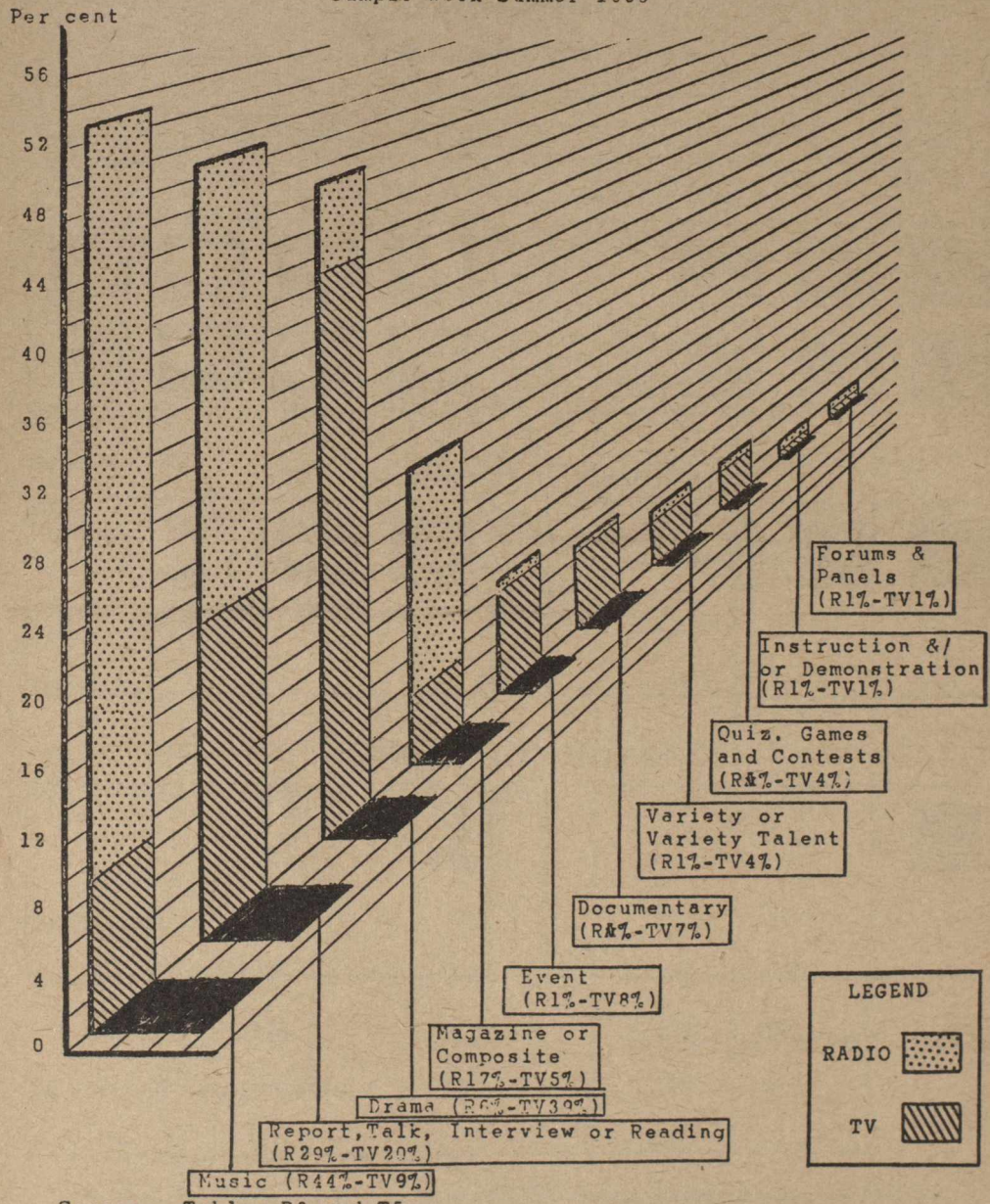
PERCENTAGE OF CBC RADIO AND TELEVISION
NETWORK BROADCASTING
BY BROAD FUNCTION
(Estimated)

SAMPLE WEEK SUMMER 1958



Source: Tables R5a and T4a

PERCENTAGE OF CBC RADIO AND TELEVISION NETWORK BROADCASTING
By Form Of Communication
(Estimated)
Sample Week Summer 1958



Source: Tables R6 and T5a
& Less than 1 per cent.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament
1959

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SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 5

THURSDAY, MAY 21, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

E. L. Bushnell, Acting President, Canadian Broadcasting Corporation; and Charles Jennings, Controller of Broadcasting.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21254-8—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.

Vice-Chairman: J. Flynn, Esq.

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Campeau,
Chambers,
Chown,
Dorion,
Fairfield,
Fisher,
Forgie,
Fortin,
Horner (*Jasper-Edson*),
Jung,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Rouleau,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Tremblay—33.

J. E. O'CONNOR,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, May 21, 1959.

The Special Committee on Broadcasting met at 9.30 a.m. this day, the Chairman, Mr. Halpenny, presiding.

Members present: Miss Aitken; Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Chambers, Dorion, Fairfield, Fisher, Flynn, Forgie, Halpenny, Horner (*Jasper-Edson*), Kucherepa, Lambert, Macquarrie, Morris, McCleave, McIntosh, Pickersgill, Pratt, Richard (*Ottawa East*), Robichaud, Simpson, Smith (*Calgary South*), Smith (*Simcoe North*), and Tremblay. (25)

In attendance: Mr. E. L. Bushnell, Acting President of Canadian Broadcasting Corporation, assisted by Messrs. R. L. Dunsmore, Chairman, Finance Committee, Board of Directors; Charles Jennings, Controller of Broadcasting; Marcel Ouimet, Deputy Controller of Broadcasting; J. P. Gilmore, Controller of Operations; Marcel Carter, Controller of Management, Planning and Development; R. C. Fraser, Director, Public Relations; R. E. Keddy, Director of Organization; Barry MacDonald, Secretary, Board of Directors; J. A. Halbert, Assistant Secretary, Board of Directors.

The Chairman observed the presence of quorum and reported to the Committee that a proposed motion, to subdivide the Committee's study of the Canadian Broadcasting Corporation by separating consideration of the English network services from the French language service and referring the latter to a specially designated operational subcommittee, was discussed and referred to the Speaker for consideration and advice.

The Chairman also expressed the opinion that as all members of the Committee were equally interested in studying the programming of the French language network, the Committee should first complete its consideration of the English network services and then devote whatever time is necessary to a thorough study of the French language service.

Mr. Bushnell elaborated on a statement he made at the Committee's last meeting held Tuesday, May 19 with regard to the broadcasting of a coming sports event, and was questioned concerning the Corporation's relations with various sports bodies and its attitude towards sports in general.

Following the answering of certain questions asked at previous meetings concerning fees paid to guest speakers and commentators, Mr. Bushnell tabled for inclusion as appendices to today's printed proceedings the following documents:

1. C.B.C. Television Program Cost and Revenue Notes (*See Appendix A*)
2. C.B.C. Gross Revenue for Past Five Years (*See Appendix B*)
3. A Chart and Explanation of the Administration of a Sample Television Program (*See Appendix C*)
4. C.B.C. News Directives and Style Guides (*See Appendix D*)
5. Copy of a letter from Mr. P. S. Ross & Sons, Chartered Accountants, to the General Manager, Canadian Broadcasting Corporation, dated May 1, 1958 (*See Appendix E*)

21254-8—1½

Messrs. Bushnell and Jennings were questioned concerning the objectivity and impartiality of C.B.C. News programs, and Mr. Jennings read a statement regarding relations between the Corporation and privately-owned stations, dealing with option time and radio reserved time.

Copies of C.B.C. Times were distributed to members of the Committee.

At 10.55 a.m. the Committee adjourned to meet again at 11.00 a.m. on Tuesday, May 26, 1959.

J. E. O'CONNOR,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

THURSDAY, May 21, 1959.
9.30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum. As we promised you at the last meeting we do have French interpreters and reporters here this morning.

We had a meeting of the steering committee yesterday afternoon, and it was decided to recommend to the committee that we continue the questioning on English programming and then, when we have completed the English programs, we will proceed with the French network. I think in that manner we can save a considerable amount of time.

The steering committee feels that the reason for that is that the rest of Canada is just as interested in what is happening in French-speaking Canada as are the people in French-speaking Canada.

Is that agreeable to the committee?

Agreed.

Mr. SMITH (*Calgary South*): May I ask a question, Mr. Chairman?

The CHAIRMAN: If I might just continue. Our French questioning will be reported in the same way as in the Estimates Committee. That is, if it is in French it will be translated into English on the spot. It goes into the record in English, with the French appearing in the appendix.

Is that agreeable to every person?

Agreed.

The CHAIRMAN: We had a proposal submitted to the steering committee by Mr. Rouleau. I do not think it is necessary to read it, but I have sent it down to Mr. Speaker for a decision, and he has promised to give me a decision on the proposal as soon as possible. Would you like it read?

Mr. PICKERSGILL: I think it should be read.

The CHAIRMAN:

> Whereas the Canadian Broadcasting Corporation comprises two separate networks, one in the English language and the other in the French language;
>
> Whereas those two networks are dealt with separately in the report submitted by Mr. Bushnell to the parliamentary committee set up to inquire into the corporation's activities;
>
> Whereas the direct management of the French network is distinct from that of the English network;
>
> Whereas each network has its own distinct services and programs;
>
> Whereas it would be desirable and logical for the parliamentary inquiry to bear on both networks;
>
> Whereas the purposes of the inquiry would be better achieved by dividing the parliamentary committee in two sections;
>
> Consequently, it is moved by Mr. Guy Rouleau, M.P. for Dollard, seconded by Mr. Noel Dorion, M.P. for Bellechasse—

This was signed by Mr. Guy Rouleau, but as yet I have not had any letter, signature or other indication from Mr. Noel Dorion, as to his intentions.

> —that the parliamentary committee, for the purposes of its inquiry, set up a subcommittee which will consider more specifically the operations and activities of the C.B.C. French network, and that, accordingly, the said committee submit this request to parliament.

As I stated, I have already sent that to the Speaker for a decision, and he has promised me a decision very shortly.

If it is agreeable to the committee, I think we will start off with a short statement from Mr. Bushnell. I know he wishes to file some of the information you have asked for.

Mr. ERNEST BUSHNELL (*Vice President, Canadian Broadcasting Corporation*): Thank you, Mr. Chairman. There is one point that I would like to clear up. I think a reference was made last Tuesday to the Moore-Durelle fight, and an observation I made has been interpreted rather widely in certain parts of Canada, at least. I have been so informed. I would like to make it clear as to what my intention was when I made the statement.

The transcript reads:

> If Mr. Quinn does not come around as far as Ottawa is concerned, and remove it from the blackout list, there is going to be trouble.

I am not backing away from that for one minute. I happen to live in Ottawa, and if that fight does not come into Ottawa I am going to hike somewhere near the North Pole; and that is what I meant. I mean, if it does not come into Ottawa and some other cities—Quebec City and Kingston, for example—the C.B.C. is going to be in trouble; and, quite frankly, unless the blackout restrictions are removed in certain areas we are certainly going to take a very serious second look as to whether we carry the fight in other parts of Canada at the price asked for by Mr. Quinn.

I hope that clears that up.

Mr. PICKERSGILL: I would like to put a question on what has been said. Some of us are rather unsophisticated about these things, and I happen to be one. I wish Mr. Bushnell would explain to us what this blackout business means. I do not know enough about the background of it.

Mr. BUSHNELL: It means, simply this—

Mr. PICKERSGILL: You will have to start with the A. B. C. in this thing.

Mr. BUSHNELL: All right. The "A" is the place of origin, which will be in Montreal; the C.B.C. will televise that fight from there. It will then be distributed over its networks in both French and English; but Mr. Quinn is insisting that it will not be televised over the transmitters of CBMT, CBFT, the Sherbrooke station, either of the Ottawa television stations, or the Kingston station.

All the blackout means is that we simple do not transmit a particular item in any of those areas. That would remove from our potential audience well over a million people.

Mr. SMITH (*Calgary South*): I was going to say, Mr. Bushnell, while you are commenting on this situation, could you bring us up to date on a similar situation? That is to say, with regard to your negotiations on the broadcasting of the Big Four football? You have the same difficulty, I understand?

Mr. BUSHNELL: Yes, we have the same difficulty, but to a somewhat lesser extent. Actually, the blackouts imposed upon us by the I.R.F.U., commonly referred to as the Big Four, and the W.I.F.U., the western conference, are not as extensive as those required or apparently being requested by Mr. Quinn. Let us take the west, for example: if we are making a pickup out of Winnipeg, let us say, then our Winnipeg station cannot televise that game.

Mr. SMITH (*Calgary South*): You have not yet reached an agreement, but you are satisfied that you will?

Mr. BUSHNELL: We have reached it.

The CHAIRMAN: You have a question, Mr. Bell?

Mr. BELL (*Carleton*): I was going to follow the same line.

The CHAIRMAN: Mr. McIntosh, I know you had a question.

Mr. MCINTOSH: You have made quite a statement, Mr. Bushnell. What control have you over Mr. Quinn picking it up and televising it to the United States? Supposing that he did not agree and said there is going to be a black-out in Canada, what control have you over him?

Mr. BUSHNELL: I think, Mr. McIntosh, we have considerable control in this sense, that it will be a matter of negotiation with respect to price.

Mr. MCINTOSH: But can you prohibit him from picking that up in Montreal and telecasting it in the United States?

Mr. BUSHNELL: Oh no.

The CHAIRMAN: Would they have to use your basic services in Montreal?

Mr. BUSHNELL: We have been supplying those services to—

The CHAIRMAN: N.B.C. or C.B.S.?

Mr. BUSHNELL: A.B.C., actually.

Mr. FISHER: It is customary, in telecasting, both to a degree in Britain and also here, to blackout in local areas from which it is possible to draw people; and certainly Ottawa is within range, for people driving out, seeing the fight and driving back to Ottawa. There is the promoter's side to it.

Mr. BUSHNELL: There are always two sides to every question, I grant you that.

Mr. SIMPSON: Supplementary to Mr. Smith's question: in relation to football broadcasts, do you run into any difficulty whatsoever in relation to blackouts required by associations in regard to Grey Cup games?

Mr. BUSHNELL: No.

Mr. SIMPSON: None whatsoever?

Mr. BUSHNELL: None whatsoever.

Mr. PRATT: May I ask a question supplementary to this?

Mr. Bushnell, are the international facilities controlled by C.B.C. or Bell Telephone in the area, say, Montreal, Plattsburg, Burlington or whatever it is?

Mr. BUSHNELL: They are controlled by the Bell Telephone, I imagine in conjunction with A.T.&T. in the United States.

Mr. SIMPSON: While we are on this angle of broadcasting sporting events, have the C.B.C. looked into the possibilities or investigated the possibilities of carrying the game of the week from the major baseball league?

Mr. BUSHNELL: Yes, we have. This is on television, you mean?

Mr. SIMPSON: On television, yes.

Mr. BUSHNELL: Yes, we have looked into it, and I must confess that I just cannot give you the reasons why we are not able to carry it. Probably Mr. Jennings might; I do not know; but I know we have had to turn it down.

Mr. JENNINGS: We could not carry it on a regular basis last year because on Saturday afternoons the television schedule was broken into by so many other things—the Queen's Plate, other races and things like that. But this year we are trying to see whether we can get in as many as can be admitted into the schedule. This turns on the many things we have discussed with the private television stations at our program committee meetings. There is a great desire for this game on Saturday afternoon, and I hope we can get it this summer.

Mr. SMITH (*Calgary South*): When would it be started?

Mr. JENNINGS: I will let you know later.

Mr. SIMPSON: It may be possible to take them all?

Mr. JENNINGS: We cannot take them all.

Mr. SIMPSON: But it may be possible to take intermittent ones?

Mr. JENNINGS: Yes, the odd one.

Mr. KUCHEREPA: Can you see any strict policy relevant to black-outs, having to do with a particular team in the league itself? I am thinking more of Toronto and Hamilton, where they have a black-out in the Toronto area when the Argonauts are playing in Hamilton.

Mr. BUSHNELL: That is correct.

Mr. KUCHEREPA: Is there any firm policy as far as the C.B.C. is concerned?

Mr. BUSHNELL: It is not a C.B.C. policy, but the policy of the league.

Mr. KUCHEREPA: But in negotiations the C.B.C. has something to say as to how far this black-out goes?

Mr. BUSHNELL: I am afraid we have very little to say.

Mr. KUCHEREPA: How far does the black-out go?

Mr. BUSHNELL: If Toronto is playing in Hamilton, for instance, the black-out extends to Toronto, Hamilton, Barrie and Kitchener.

Mr. KUCHEREPA: In the area of?

Mr. JENNINGS: An area of 75 miles; approximately a 75-mile radius from the point of pickup.

Mr. PICKERSGILL: There is one other question I have, and that is this: there was some suggestion made—and I forgot who made it—that this fight in Montreal could be picked up by an American network and broadcast in the United States. This may not be a proper question for the C.B.C. at all, but for the B.B.G.; but what would be the legal situation about that? Can American networks come in and pick up anything like that in Canada and broadcast it in the United States, or is there any control? This is really for information.

Mr. MCCLEAVE: That would be for the B.B.G., I suggest, Mr. Chairman.

Mr. JENNINGS: I think that is something the B.B.G. will have to take a look at. We have not prohibited that in the past to any great extent.

Mr. PICKERSGILL: The question is, could you; and it is not whether you have in the past.

Mr. JENNINGS: Could we?

Mr. PICKERSGILL: Yes, could you?

Mr. JENNINGS: In fact, I cannot answer that.

Mr. CHAMBERS: In fact, they use your cameras?

Mr. BUSHNELL: We supply them, at a price.

Mr. PICKERSGILL: But I am asking about the legal situation.

Mr. MCINTOSH: You answered my question "no", and that is the same question.

The CHAIRMAN: I think that is a question for the B.B.G.

Mr. PICKERSGILL: I will be quite happy to leave it to them.

Mr. SIMPSON: This may be more off the track, but could we have some information on the policy of the C.B.C. in relation to the same type of broadcasting if somebody, the promoter or somebody else, wants to sell the rights for closed circuits, such as in theatres? What does that come under?

Mr. BUSHNELL: There is nothing to prevent him that I am aware of. That is not broadcasting.

Mr. SIMPSON: No, it is not broadcasting.

Mr. BUSHNELL: It does not come under the C.B.C., and I would not think it comes under the B.B.G.; and I doubt if it comes under the Department of Transport.

The CHAIRMAN: If any place, it would come under the Department of Transport?

Mr. BUSHNELL: Yes, if any place.

The CHAIRMAN: Mr. Bushnell?

Mr. BUSHNELL: Thank you, Mr. Chairman. I think last Friday Mr. Simpson asked for figures indicative of the ranges of fees paid to speakers and those participating in interviews. I take it, Mr. Simpson, you are mainly interested in television?

Mr. SIMPSON: That is right.

Mr. BUSHNELL: In reply, I would advise that the speakers who appear in half-hour programs—such as Citizens' Forum, Fighting Words, Press Conference, Les Idées en Marche, Prise de Bec, Rencontre—are paid a fee range of $50-$75. For shorter programs the range is $30-$60. For chairman and speakers appearing on other half-hour programs the fee depends to some extent on the degree and nature of their participation. That is, if they are demonstrating some article, either the article itself or graphically, the fee is somewhat higher. It ranges from $50 to $200.

I think it might be of interest to make a comparison of these various ranges with the last report I gave to this committee, in 1955.

Radio talks: half-hour talks, of which there are comparatively few, the range today is from $90 to $140; and in April 1955, from $75 to $125. Quarter-hour talks, today $40 to $75; and in 1955, $35 to $60. Ten-minute talks, today the range is $30 to $50; and in 1955, $25 to $50. Five-minute talks, today $20 to $35; and in 1955, $15 to $30. Two or three-minute talks, $15 to $25; and it was the same price in 1955.

The CHAIRMAN: If you bring a speaker in from another area, do you pay expenses in addition to that; travelling expenses that is?

Mr. BUSHNELL: Yes, in some cases. In some cases, it is an all-embracing arrangement. We might pay him a higher fee and let him pay his own expenses, but in most cases we actually arrange a definite fee in advance and pay the ordinary travelling expenses.

Mr. BELL (*Carleton*): Including Lady Docker and Randolph Churchill?

Mr. SMITH (*Calgary South*): This range is very small, I recognize that, but I would be curious to know how you determine the range. For instance, what is the basis upon which somebody gets $50 and someone else gets $75?

Mr. BUSHNELL: Well, that is done largely, I should imagine, by negotiation. We try to get him at the lowest possible price, but if we cannot and we want someone very badly we might go a little higher.

Mr. FISHER: Am I correct in assuming that the members in the provincial legislature or at federal level do not get any recompense for appearing on public affairs programs of any kind?

Mr. BUSHNELL: I could comment on that, but having been told once or twice before that my remarks were facetious, I am not going to say anything now.

Mr. PICKERSGILL: I was going to ask Mr. Bushnell if the victims of Press Conference were ever paid any fees.

Mr. BUSHNELL: No; as a matter of fact we feel, Mr. Pickersgill, it is rather the other way around, that for the privilege of being on Press Conference we should ask them to pay us for the time; but we do not.

MISS AITKEN: Could we have an estimate of what the entire cost of a program like Front Page Challenge or One of a Kind is?

Mr. BUSHNELL: I think we are coming to that in a moment, Miss Aitken, not in specific terms, but in a general way, and I think the information you are asking for will be made available later.

The CHAIRMAN: Mr. Simpson?

Mr. SIMPSON: In relation to the speakers, and expenses for bringing in the speakers, have the C.B.C. a scale or set regulations of expenses, or do the speakers coming in put in an expense account?

Mr. BUSHNELL: In our negotiations with them we give them a rough idea. We certainly put a limit on them. In other words, they cannot go and hire three suites in the Royal York Hotel, if you like. But for important persons, we give them what we consider to be adequate remuneration for their expenses; and, as a matter of fact—like the rest of us—they have to turn in vouchers for moneys paid out.

Mr. FISHER: I want to ask some questions about the roster which you tend to keep for public affairs broadcasts, and I ask the questions with this point in mind, that I think, by a too narrow selection, you may lead to two things: that is, a certain bitterness amongst people in the fourth estate and, secondly, those people, because of the amount of income they get from the C.B.C., may be prejudicing their freedom of comment in other ways.

Can you indicate what your plans are to expand the scope of the number of people you are using on public affairs broadcasts; and when are you going to consider very seriously the hiring of some of those people that you think are top notchers on a permanent basis, making them C.B.C. employees and giving them the chance to move?

Mr. BUSHNELL: I think Mr. Jennings covered that in part, and I think it will be also covered more substantially when we table the list of speakers that we have used on these various programs of opinion throughout the year. We have definite plans for expanding the roster; but, as Mr. Jennings explained—I think to you—the other day, there are very practical and very real difficulties.

There are some newspapers, actually, who certainly do not want their representatives, their journalists, their columnists, to take part in television or radio broadcasts. There are others—and I know of one, who has told me that he would be frightened to death to appear before a television camera; he simply will not do it.

There are others, actually, who, for one reason or another have not the time, and they simply say that the fees we pay are not adequate to recompense them for the time they have to spend. Those are some of the practical difficulties that we have.

Mr. FISHER: What do you say about the point or getting them into your employ, or developing your own employes in this field?

Mr. BUSHNELL: We have several observers and commentators in other capitals of the world, and we have been giving serious consideration, to appointing someone to cover Ottawa.

Mr. FISHER: Just one?

Mr. BUSHNELL: Actually, at the moment we have a small news department here; but probably one, maybe two—certainly it would have to be two; one in the French language and one in the English language—and we just have not yet found the right man. Actually, we could find the right man if we could pay him enough money.

Mr. FISHER: Are there not indications that you could find the right man if—as Mr. Jennings says—some people you have found are more photogenic, more presentable, and better than others?

Mr. BUSHNELL: That is a matter of personal choice with them, whether they want to leave their publication and join the C.B.C., which might be a little bit precarious.

Mr. MCCLEAVE: Why publication?

Mr. FISHER: I have heard a lot of people complain very strenuously about the fact that Maclean's and Chatelaine seem to get very much advertising, because people are introduced as "so and so of Maclean's". Is that aspect of it necessary?

Mr. BUSHNELL: That is a condition, actually. The publishers of that paper and that magazine insist that their representatives should be identified.

Mr. FISHER: Are you aware of the criticisms that keep coming up, for example in the Thompson newspapers, on this very theme?

Mr. BUSHNELL: I certainly am.

Mr. FISHER: Well, I wish you would consider very seriously ways of meeting that criticism.

Mr. MCCLEAVE: Mr. Chairman, these are questions which put the parliamentary committee spotlight on Close-Up, and I hope Mr. Bushnell and Mr. Jennings can get the answers to them for some time next week.

Mr. CHAMBERS: Mr. Chairman, I have a supplemental questions on this.

The CHAIRMAN: If it is a supplemental question, all right.

Mr. CHAMBERS: You were thinking of putting one or more persons on the news staff in Ottawa. Would this be as a news reporter, or as a commentator?

Mr. BUSHNELL: A news reporter only.

Mr. CHAMBERS: Because I think the idea of having a "tame" commentator in the C.B.C. would be very dangerous.

Mr. PICKERSGILL: Mr. Chairman, I have a supplemental question and it is very much along the same line as Mr. Chambers' question, but I would like to pursue the thing a little further.

I would like to be told what advantage the C.B.C. sees in having even a news reporter. I understand that over past years the C.B.C. has always prided itself on getting its news from the news services and keeping itself out of this really quite dangerous field of even reporting news. I just wondered why it was you now feel there should be a change in this policy.

Mr. BUSHNELL: We recognize the dangers, Mr. Pickersgill, and we do get a great flow of news from the regular news services. But we feel that with a representative of the C.B.C. on the job it would not be necessary always for him to do the direct news reporting, but he would then be in a position to inform our news editors in Toronto, Montreal and elsewhere with respect to background on certain items that may not have been covered too fully by the press services.

Mr. FISHER: Is your reasoning on this that you cannot go into the news comment field because you are a public corporation? I am thinking with regard to the C.B.C., of Eric Sevaried and the role that Elmer Davis once played.

Mr. BUSHNELL: We feel that should be done by people who are not employees of C.B.C.

Some Hon. MEMBERS: Hear, hear.

Mr. BELL (*Carleton*): May I ask a question, Mr. Chairman? I am not saying that I personally feel that this word should be spread around; but is there not a great deal of validity in the fact that certain members of the press gallery have as great scope—and even as expert knowledge—as members of parliament; and therefore it would be impossible to get away from the fact that they would have these extra qualities and would, therefore, be more in demand than others?

Mr. BUSHNELL: That is quite correct.

Mr. PICKERSGILL: I am not really satisfied about the necessity of reporters —even news reporters—being attached to the C.B.C. I would really like to hear a reasoned answer to that very grave misgiving that I confess I have.

My feeling is that the Canadian Press—which is a cooperative agency, owned by all the newspapers in Canada—is an excellent news service, and that for the preservation of the political independence of the C.B.C. it would be very much better—unless they have some real complaints with regard to the Canadian Press—not to be entering this field and not to be duplicating this expenditure. We know all these services cost money. They are costing more money all the time, and it comes out of the taxpayer's pocket. I have grave doubts as to whether the public will get value for additional money spent in this field, when the Canadian Press and, for that matter, the other agencies, seem to me to be doing a pretty competent job.

I would really like to hear what the argument is on the other side. I am not saying I have a closed mind on this, but I have grave doubts about it.

Mr. SMITH (*Calgary South*): May I ask a question for clarification, Mr. Chairman? Is Mr. Pickersgill suggesting the complete elimination of the news service, or purely a repetition of the Canadian Press on television?

Mr. PICKERSGILL: The C.B.C., which has existed now since 1936 and which, until very recently, depended for its news source on the press agencies from whom it bought its services, according to my understanding is now embarking upon news gathering on its own in respect of the country, particularly here in parliament.

Mr. BELL (*Carleton*): That is not right.

Mr. JENNINGS: This man would not compile news as dispatches; he would voice reports on sound and film. This is the reason that we feel we want our own man here—to compile factual reports for radio and film reports for television. There is no difficulty.

Mr. PICKERSGILL: This does not come into the radio field at all, then?

Mr. JENNINGS: Yes; this man will report for radio and for television.

Mr. PRATT: Am I right in assuming that this man would be a broadcasting technician, rather than a news technician?

Mr. JENNINGS: He would be definitely a reporter.

Mr. PRATT: I gather from your words that he would be primarily a broadcasting technician, and that the reporting ability is secondary. That is the answer to Mr. Pickersgill's question, as I understand it.

Mr. PICKERSGILL: The answer does not satisfy me. I still have very grave misgivings.

The CHAIRMAN: What kind of an answer would you like, Mr. Pickersgill?

Mr. PICKERSGILL: I think we ought to pay some attention to the taxpayer's money that is being spent, and I fail to see that there is any need for the C.B.C. to enter this field. Again, I would say I am not prejudging the question, but no argument I have heard yet has convinced me that this departure is a wise one.

Mr. BUSHNELL: Mr. Pickersgill, would you be so kind as to permit us just to give the matter a little more thought?

Mr. PICKERSGILL: I would be very happy.

Mr. SMITH (*Calgary South*): Mr. Chairman, I add a little support to Mr. Pickersgill's remarks. I think that on occasion a newscaster goes beyond his responsibility of quoting wire service and the old-fashioned habit, I suppose, of making news interesting is inclined to be almost slanted. Inasmuch as there are samples of that, it is, to a very substantial degree, in sympathy with the opinion expressed by Mr. Pickersgill.

Mr. BELL (*Carleton*): Mr. Chairman, I share Mr. Pickersgill's misgivings in relation to this, although I would like to keep an open mind until Mr. Bushnell has had an opportunity of presenting a considered statement to the committee.

Mr. PICKERSGILL: I feel exactly the same way.

The CHAIRMAN: You mentioned, Mr. Pickersgill, the saving of money, as if that were a personal trait. I think every person on this committee has that feeling; we would all like to save the taxpayers' money.

Mr. PICKERSGILL: I am not claiming any monopoly in any field.

Mr. CHAMBERS: The Canadian Press provides, of course, excellent service, but it is true that all they provide is wire service. Anything like a television interview of a news source, in Ottawa or elsewhere—or a radio recorded interview in Ottawa or elsewhere—is not and cannot be provided by the Canadian Press; it has to be supplemented by something, surely. I would be interested in hearing what the C.B.C. has to say.

Mr. FISHER: Is not the major cost factor in producing this sort of thing the question of cameras and facilities rather than the reporter?

Mr. BUSHNELL: Yes.

Mr. FISHER: So, in essence, the objection, from the point of view of cost is nonsense.

The CHAIRMAN: Gentlemen, may we leave that now until Mr. Bushnell has had time to prepare an answer on this?

Mr. MCCLEAVE: I have two questions with regard to the television program Close-Up. The first is, was Miss Sylvia Murphy paid for her guest interview—that is, for appearing as a guest on the program—some time towards the end of the winter?

The second question concerns the appearance of Charles Templeton on Close-Up on the night of May 6, when I understand the interview was done from New York by Pierre Berton with Vance Packard on motivational research. Mr. Templeton made a brief appearance at the end of that program to answer some questions. I am interested in how he got to New York, whether the C.B.C. paid his way there, whether they paid his hotel expenses, and whether they paid for his appearance on that program.

Mr. BUSHNELL: May I answer that question later?

The CHAIRMAN: There are one or two members who wish to ask questions, but Mr. Bushnell still has a part of his statement to read, so perhaps, gentlemen, you will hold your questions until he has concluded.

Mr. BUSHNELL: I think it was on Tuesday that Mr. Robichaud asked questions about the requirements of the corporation in respect to release of network programs by affiliated radio and television stations. At that meeting I outlined how we meet semi-annually with our television affiliates and it was indicated that there is a joint C.B.C.-affiliate station program committee which works as required between meetings with affiliated stations. One of the recent achievements of this program committee is a plan for "option time", as we call the document covering the basis of reserving time for television network programs on stations affiliated to the network.

In my opening statement I recounted how the government in the fall of 1952 decided that private stations would be licensed on condition, as recommended by the Massey commission, that they release national television program service in the areas since the Canadian system was to be one of single stations. At that time the C.B.C. informed prospective licensees that they could count on a minimum of ten and one-half hours of network service. From this minimum through actual practice over the last six years, affiliated stations have carried from the network more and more service, averaging approximately 40 hours a week in the last year.

It was agreed that there should be a more clearcut modus operandi—over the years at the start of each program season, stations were advised of the option time for the season and negotiated concerning commercial network programs to be scheduled. The result was the committee study I mentioned a moment ago. On March 20 at a general television affiliate meeting there was agreement to the plan put forward which provided for the division of the broadcast day into time classifications A, B, and C. This was done on the premise that the network and the station should have opportunity to serve the various audiences during the broadcast day. The resulting network option time plan divides the class times as follows:

Class 'A'—(36 hours—6:00-11:00 p.m. Monday to Saturday
5:00-11:00 p.m. Sunday)
Network—20:30 hrs.
That is evening or night time.
Affiliates 15:30 hours.

Class 'B' is late afternoon time. Class 'C' is any other time, morning, afternoon and night—anything like that. I have a tabulation here which sets out these classes and hours, which could be included in your record, if you wish.

The CHAIRMAN: Is that agreed, gentlemen?

Agreed.

Mr. BUSHNELL:

Affiliates 15:30 hrs.
Class 'B'—(14 hours—1:00-6:00 p.m. Saturday
1:00-5:00 p.m. Sunday
5:00-6:00 p.m. Monday to Friday)
Network— 7:00 hrs.
Affiliates 7:00 hrs.

Class 'C'—53 hours (All other times back to 8:00 a.m. Mon.-Fri. and to 9:00 a.m. Saturday and Sunday)
Network—26:30 hrs.
Affiliates 26:30 hrs.

Total (103:00)	*Class*	*A*	*B*	*C*	*Total*
	Network	20:30	7:00	26:30	54:00
	Stations	15:30	7:00	26:30	49:00
		36:00	14:00	53:00	103:00

This is the general basis of the plan. I am sure the committee will understand that there are ancilliary provisions needed to cover exceptional circumstances in an operation as complex as scheduling programs for the television network across the Country. Some of these special clauses provide for scheduling of live actuality and other special programs which run for longer periods than are contemplated in the basic plan. Another provides that specific scheduling be reviewed at the Spring affiliates meeting each year and that the network undertakes to supply the affiliates with firm schedules by August 1st to take effect at the end of September.

Radio network requirements are set out in what we call 'reserved time' schedules. For the trans-Canada network, the reserved time requirements vary from 14:00 hours for the maritimes to 11:00 hours for the prairies, Ontario and Quebec and 10:15 hours for British Columbia. Most stations release a good deal more of the network service than is required by reserved time. The average at the present time is 27:34 hours per week.

For the French network, reserved time commitments total 12:21 hours. The average weekly network service carried by affiliated stations is approximately 30 hours.

On the dominion network, reserved time comes to 5:15 hours for the Maritimes and 5:00 hours for Ontario, Quebec and British Columbia. The average service released by Dominion stations works out to 13:57 hours a week.

How we figured that extra minute out, I do not know. It comes to about 14 hours a week out of a total of approximately 30 hours of network service available to them.

In radio it might be of interest if I explain that before the advent of television the trans-Canada and French networks through a combination of reserved time and sponsored network service there was a network obligation on affiliated stations of some 30 hours a week. At that time the average weekly hours of network service ran in the neighbourhood of 45 hours. Sponsorship of radio network programs has almost completely disappeared as a result of the impact of television in the United States and in this country. In the circumstances created by the Broadcasting Act, which imposes a network regulatory role on the board of broadcast governors, the Corporation is presently engaged in a thorough study of radio network operations and when the results of this study are available, proposes to discuss them as a new basis of affiliation with private stations connected with our networks as a preliminary to an official approach—jointly we hope—to the board of broadcast governors in this connection.

If I may go on, I would just like to outline for you the material which we have available today for distribution in reply, if you like, to the request of several members for certain information. I think it was Mr. Dick Bell who brought this up. I do not know whether or not he asked a specific question. You may recall, however, there was considerable discussion on the objectivity and impartiality of news. Mr. Bell asked if we would table regulations regarding balance and fairness of our newscasts. That material is here and I will ask Mr. Jennings to present later certain excerpts from the regulations which are widely distributed among our news editors and news writers.

The next item is the final letter from P.S. Ross and Sons. Then I believe Mr. Flynn asked for a table showing the gross revenues in respect of T.V. and radio for the last five years. That is available today.

Then, if I might refer to the letter Mr. O'Connor sent to me as a result of the discussions of the subcommittee, we have available today the program costs. I think that was something to which Miss Aitken referred. We shall be able to table this today. Mr. Gilmore will be able to give you a great deal of information. That is in respect of the English network. The French network will come later. I think your subcommittee was to decide on the month.

The CHAIRMAN: If we were, we neglected to do so. We shall do so.

Mr. SMITH (*Calgary South*): May I ask, as a matter of procedure—

The CHAIRMAN: Just a moment, please. Is it agreed we will have all these documents included as an appendix?

Agreed.

Mr. SMITH (*Calgary South*): Mr. Bushell mentioned we will have, as an example, Mr. Jennings to comment on the question of allocation of costs. My point is, do you propose to discuss this following his examination, or do we go back to finance, as you suggested before we take up this matter?

The CHAIRMAN: I think we could discuss it now, and later go back to finance.

Mr. BUSHNELL: I think Mr. Chambers asked for charts showing the administrative responsibility for programming. We have that available. I believe the question was in two or three parts. I think the explanatory notes attached to the chart will quite adequately cover the information sought.

The CHAIRMAN: Is it agreed this will be included as an appendix?

Agreed.

The CHAIRMAN: All right, Mr. Tremblay.

Mr. TREMBLAY: (*Interpretation*) Mr. Chairman, we have been given tables here showing the cost of producing some of these programs, that is to say, the English programs. When in the near future we get similar cost production figures for some French programs, I now wish to say I am not satisfied with what we have before us. I do not accept this way of proceeding. We get general accounts and do not get any indication of what programs are involved.

So, Mr. Chairman, I would like to say what we have to judge is the quality of the program as it is related to the cost of the program. The taxpayers expect us, as their representatives to give them explanations on the cost of production and on the quality of these programs. So I cannot accept that we should get these general figures without any regard to the program involved.

Mr. Chairman, the radio committee was set up in order to make a general inquiry of C.B.C. administration practices. This followed upon numerous representations which had been made by the taxpayers. We simply cannot be really satisfied with these general explanations which are given to us. What we need to know are the costs of production in each particular case so that we may see if we really are getting our money's worth, so to speak.

Mr. SMITH (*Calgary South*): May I speak on a point of privilege. I do not suggest I necessarily disagree with Mr. Tremblay, but I merely remind you, Mr. Chairman, the steering committee decided they would request certain information. This information has been provided. You then suggested you would like to have Mr. Gilmore speak to it. I think in all fairness Mr. Gilmore should be permitted to do that and then we should determine whether or not we have received what we want.

When I asked for this information I indicated I would not be completely satisfied unless we received all we initially asked for. I think, however, Mr. Gilmore should be given an opportunity to speak.

The CHAIRMAN: I was going to say the same thing. I know you have a further question, Mr. Tremblay.

Mr. TREMBLAY: (*Interpretation*) Mr. Chairman, I regret I do not agree with Mr. Smith. I recall when we decided on the procedure referred to by Mr. Smith, our colleague, Mr. Fortin, said he would not submit to the decision of the advisory board, or advisory committee, if it was not what we wanted to know. I was in agreement with that.

The CHAIRMAN: Mr. Tremblay, the feeling of the steering committee was that we would ask the C.B.C. to give us, as we stated in this letter, the detailed costs compiled as soon as possible. This was to include production costs and administration expenses for ten unspecified one-hour and half-hour shows. We asked that they be identified as A, B, C, D, E, F, and so on. As Mr. Smith has said, he stated that he might not be satisfied with this. At least it is an attempt, however, on the part of the steering committee to cooperate with the C.B.C. If at the time you get the costs of the French-speaking shows you and Mr. Fortin, or any group, do not think they are sufficient, then at that time I would suggest a motion be made to this committee. Would that be satisfactory for today?

Mr. TREMBLAY: Yes.

Mr. FLYNN: Mr. Chairman, may I ask a question concerning the decision of the steering committee. It was decided that this applies only to the commercial programs. It has been agreed, I think, that he would give us all the figures of the so-called sustaining programs.

The CHAIRMAN: That is right.

Mr. FAIRFIELD: At the last meeting I asked for comparative figures of the cost of the new audience research department of the C.B.C. as compared to the amounts they have paid out in the past year for commercial intelligence. So far we do not have that figure.

Mr. BUSHNELL: May I offer my humble apologies. I am afraid we cannot do everything at once and also keep the wheels of broadcasting rolling at the same time. It will be available as soon as possible.

Mr. MACQUARRIE: Mr. Chairman, the discussion goes around in circles and my comments may be a little late. Mr. McCleave spoke about the program Close-Up. I wonder if the C.B.C had any ethical qualms about presenting a program on the state of Ghana, a commonwealth state, commenting on the views of the leader of the opposition, without eliciting views from the leader of the government, whom the C.B.C. at times represents as being too busy for any of his supporters. I myself was rather shocked at such a procedure, of going to an opposition leader when you are working on a half-hour program. I will not make any comment on the domestic predilections on that. However, I wondered about this program.

The CHAIRMAN: It would appear you are not the only one who is wondering.

Do you wish Mr. Bushnell or Mr. Jennings to carry on now?

Mr. BUSHNELL: May I ask which of the various items I have mentioned here you would like to deal with.

The CHAIRMAN: I think we should have the first item first.

Mr. BUSHNELL: The objectivity and impartiality of news.

Mr. MCINTOSH: Before we start on that, may we have an answer to Mr. Macquarrie's question.

Mr. BUSHNELL: I quite agree there are wide differences of opinion on that matter. Actually, we started out with the best of intentions. We tried our best to get the leader of the government to participate on this show. He very assiduously avoided us. Whether it is right or wrong to present only the views of the opposition I am not prepared to say.

I think, actually, that we were right in trying to give as best we could a cross-section of what was happening in the state of Ghana. We had gone to considerable expense. Do we scrap the whole thing simply because the leader of the government refuses to take part in it? That is the problem we are faced with day in and day out.

Mr. FISHER: Is it not true that nobody in Canada has a vote in Ghana, and therefore this is a very unimportant question?

Some Hon. MEMBERS: Not at all.

Mr. FISHER: A question about what the opposition said may be more interesting to Mr. Pickersgill than some other people here.

Mr. MACQUARRIE: I think the people in Canada are, or I certainly hope they are quite interested in the development of Ghana. I think a program that gives no voice to the official head of that country certainly is not proper.

Mr. BUSHNELL: I did not hear it or see it, but I am informed we had a statement from the Governor General of Ghana following our news last night who probably put the whole thing in its proper perspective.

Mr. BELL (*Saint John-Albert*): Mr. Chairman, I understand that last Sunday—although I did not see the show—that in the special broadcast on parliament greater attention was given to the opposition in the Senate than to the government party there.

Mr. PICKERSGILL: There is more of it.

Mr. BELL (*Carleton*): The same should apply here then.

The CHAIRMAN: I think if it is agreeable, lady and gentlemen, we will go on to a discussion on the objectivity and impartiality of other news.

Mr. FISHER: I want to know if I can bring this up some time. I want to ask Mr. Bushnell certain questions on the program "The Nation's Business", and I want to ask him if he has considered putting that on at a later time, in order to pick up a better listening ratio. It has one of the lowest of all programs, and I feel one of the reasons is the time. I know politicians are bad examples, but the time is the thing.

Mr. SMITH (*Calgary South*): As I said earlier, I have no conflict with Mr. Tremblay, and wanted merely to hear the witness' opinions. But we are wandering from one thing to another without coordination and synchronization, and I suggest we start with one item now, otherwise we will be here all day discussing individual problems.

The CHAIRMAN: If we went on to the objectivity and impartiality of news, which Mr. Bell asked for, then we would be on to that for the rest of the day. Do you wish Mr. Jennings to make a comment on that?

Mr. BUSHNELL: That is what I would prefer.

Mr. JENNINGS: Mr. Chairman, at the last meeting there was rather a general discussion on the objectivity and impartiality of the C.B.C. news service, and that was brought to a close by Mr. Bell asking for the internal rules and regulations which govern the operation of the C.B.C. news service.

What I have done on the paper that is being put before you today is to give you extracts from a very large book and the range of what that book contains is shown by the first 10 or 12 pages. The first page shows you the contents of the various sections of the book. Section 14 is the internal rules and regulations; then follow supplementary directives, general; news room operations; flashes, emergency operations, and so on, down to the heading "style guide."

We have given you, in the succeeding pages, the individual index for each section. I suggest we might thumb through it, and under the "Internal Rules and Regulations," in alphabetical order, you see a couple of pages of various subjects.

It is the same thing under section 15, supplementary directives, general. Section 16 is news room operations. That starts off with "Clean copy"—that has to do with the condition and type of paper, and so on. Section 17, "Flashes, emergency operations, V.I.P. deaths"; section 18 deals with the handling of elections. Section 19 is again supplementary directives, for television; and is followed by section 20, supplementary directives, for radio.

Section 21, release restrictions; and section 22, style guide.

Beyond that, I have gone through the various sections and have picked out these specific directives which you may want to look at. You may want me to read them to you. They are pretty well self explanatory.

The first is 14.7 "Integrity of C.B.C. news", and starts by saying:

> The policy which guides operations of the C.B.C. national news service is based on the primary conception that this service is in the nature of a public trust; to present by radio and television all the significant news of the day's happenings in Canada and abroad factually, without bias or distortion, without tendentious comment, and in a clear and unambiguous style.

Then section 14.8; "Accuracy".

The CHAIRMAN: Are there any questions on the integrity of the C.B.C. news?

Mr. SMITH (*Calgary South*): Would you like to repeat that question?

Mr. PRATT: Mr. Chairman, I have a question which refers to the impartiality of the news. Sometimes it works in reverse, to the good of the public. I have received a brief of the Canadian Federation of Mayors and Municipalities, and one of the complaints is that under C.B.C. regulations, all radio stations are prohibited from advertising or broadcasting any information pertaining to elections, but that certain local radio stations had interpreted this regulation as applying also to plebiscites.

A case in point was in the city of Victoria, British Columbia, where a plebiscite had been held seeking authorization from the ratepayers to build a new bridge to replace an old bridge which become dangerous for public use.

The CHAIRMAN: Would that not be under the B.B.G. regulations, Mr. Pratt?

Mr. PRATT: My question is, has there been any improvement in that situation whereby these rules do not hold these local stations hide-bound to its interpretation?

Mr. BUSHNELL: That is no longer our responsibility.

Mr. PRATT: But has the change come about?

Mr. JENNINGS: As far as I know.

Mr. PRATT: I am not asking that as a question of policy, but as an actual fact, in application.

The CHAIRMAN: I would suggest we hold that for the B.B.G., and we can get a factual answer on it from them.

Mr. PRATT: I did not realize the answer was that difficult.

The CHAIRMAN: They are not suggesting what the answer is.

Mr. JENNINGS: I think that in the regulations of the B.B.G. a plebiscite is still defined. I would have to look at it.

Mr. PRATT: It is still defined as being one of the questions not discussable on public broadcasting?

Mr. JENNINGS: As I recall—and I do not want to put these remarks on the public record as an authority on it...

Mr. PICKERSGILL: I think I should put this question not to Mr. Jennings, but to Mr. Bushnell, because I am sure a question of this sort would go right to the top of the corporation.

Perhaps I should preface it by saying that several years ago a question was put on the order paper in parliament asking the members of the then government if they had communicated with the C.B.C. regarding any of these programs.

I will put my question in a more restricted fashion: Has the C.B.C. had any complaint from any member of the present government about the integrity or any other aspect of the news service?

Mr. BELL (*Saint John-Albert*): Are you sure of the answer to this before you ask it? It may ruin him, politically.

Mr. BUSHNELL: I think I can in all truthfulness and honesty say the answer would be "no".

Mr. MCCLEAVE: Or from the opposition?

Mr. BUSHNELL: Or from the opposition either. Clearly, it is not inconceivable I might meet some member of parliament on the street who would say to me, "why the heck did you put that item in the news broadcast last night?" But other than something that is completely informal and rather personal, the answer is, definitely, no.

Mr. SMITH (*Calgary South*): Surely, you had one from the opposition concerning the dinner for Mr. Smallwood?

Mr. MCCLEAVE: That is the federation that wrote in, and not a member of parliament.

Mr. FLYNN: What is the explanation? Did you explain you had made an error in not putting the picture of Mr. Pickersgill applauding?

Mr. JENNINGS: I think, quite seriously, you will see from what we have put before you here, the very specific, clear-cut directives under which the news service operates all the time.

In connection with the thing Mr. Pickersgill or Mr. Smith mentioned, there immediately followed that incident a revision or, rather, an addition to the news directives which I refer you to as 19.10.1 and 19.10.2, the last and second to last page. The last page is the relevant one really.

> 19.10.1 Newsfilm Editing—Responsibility. Final responsibility for the content of all news programs rests with the TV editor-in-charge, or his delegate within the news service. This includes the editing of newsfilm. While all editors should realize that the preparation of news for television requires a high degree of cooperation, bringing together the best skills and cooperation with other departments—

The cutting department, editing, and so on.

> —this does not relieve the news service of responsibility for content in line with established policies that govern the accuracy and integrity of our news.

It then goes into detail:

> 19.10.2, Filming and Editing Public Speeches. To avoid the highly improper inter-cutting of inappropriate shots in newsfilm reports of political or other public speeches, the following safeguards must be observed:
>
> When filming speeches, change lens after each complete sequence, alternating between medium shot and medium closeup. If there is applause or booing, keep the camera rolling to the end of the demonstration, either holding on the speaker or, if possible, panning over to the audience for visual reaction.
>
> Do not shoot unrelated applause by the audience. If a sound camera is being used to take crowd shots for cutaways, shoot neutral scenes showing people, but not people who are applauding or booing.
>
> In the film editing—under editorial supervision—never under any circumstances use "unrelated" sound-on-film reaction scenes as cutaways, and be extremely careful about what you use even as a silent cutaway.
>
> Before use, all edited film must be screened by the editor responsible to ensure that the above safeguards have been observed.

The CHAIRMAN: I would suggest that is fixed now.

Mr. JENNINGS: This followed immediately upon the heels of that regrettable incident.

Mr. PICKERSGILL: On a question of privilege, I did not raise this at all, but I asked the question as to whether there has been any member of the government—and I do not mean "member of parliament"; I mean only ministers of the crown.

The CHAIRMAN: Mr. Bushnell said, "no".

Mr. PICKERSGILL: And Mr. Bushnell said "no", as I understood it.

The CHAIRMAN: Right. Continue, please, Mr. Jennings.

Are there any other questions on the integrity of the C.B.C. news?

Mr. BELL (*Carleton*): A hasty review of this would seem to indicate that, as a statement of principle, it is to be commended highly. The problem is whether human frailties permit the carrying out in full of the lofty principles set forth herein.

Mr. JENNINGS: They may be lofty principles, but they are also day-to-day working directives that all our editors are subject to; and they are regarded very strictly indeed and are followed very strictly indeed by the news editors in charge at all our news rooms.

Mr. SMITH (*Calgary South*): Not to the extent, I hope, of going to the opposite direction, by over-regulation?

Mr. JENNINGS: I hope they do not over-regulate.

Mr. FISHER: Have you any indications your news service is popular and well listened to and well watched?

Mr. JENNINGS: Very much so, very many indeed.

Mr. FISHER: In other words, there is a wide public acceptance, regardless of comments members of parliament may have made about bias and integrity?

Mr. BELL (*Saint John-Albert*): They have not much choice, to look at other news services.

Mr. JENNINGS: I think in Toronto, for example, in the Toronto area, the national television news service has a very high rating, and also the national radio bulletin at ten o'clock, eastern daylight time. That has stood up tremendously well, in spite of television competition. It has, all through the years, been an outstanding broadcast so far as listener acceptance is concerned.

The CHAIRMAN: In the competitive market in Toronto you have one of the highest ratings on news, as compared to the Hamilton or Buffalo stations.

Mr. JENNINGS: Yes.

Mr. PICKERSGILL: I have a question I would like to put—and I am not a viewer of television news because it is too late at night for me.

Mr. JENNINGS: There is a very good bulletin in Ottawa, at 6:45.

Mr. PICKERSGILL: But it has been represented to me by people who view it habitually that it is too brutal. I would be interested in Mr. Jenning's comment on this. I am not endorsing it at all. I am told there has been far too much portrayal of violence. In other words, if I may use an analogy, I will not mention any Canadian newspaper—but it is too much a "news of the world" in character.

The other complaint is the foreign coverage is too extensive, and the Canadian coverage is not extensive enough.

I would just be interested to hear Mr. Jenning's comments. These comments have come from other people, I am sure, and I would like to hear what Mr. Jennings has to say about it, because I am certainly not endorsing these views at all.

The CHAIRMAN: This is completely hearsay?

Mr. PICKERSGILL: No, not hearsay, but completely "see-say", I think.

Mr. SMITH (*Calgary South*): As a committee member you are responsible for saying that.

Mr. PICKERSGILL: I am not responsible for them, but merely represent someone.

Mr. SMITH (*Calgary South*): You are not responsible at all?

Mr. PICKERSGILL: No, that is quite right. With regard to this I am not responsible at all, and I made that very clear in this matter. I wonder if we could have an answer to that?

The CHAIRMAN: You would like an opinion from Mr. Jennings?

Mr. PICKERSGILL: Yes, I think these are very serious opinions.

An Hon. MEMBER: This is one person's opinion only.

Mr. RICHARD (*Ottawa East*): I hope Mr. Smith at his next meeting will realize that he is infringing some of the rules that he wants us to keep in his own committee.

Mr. SMITH (*Calgary South*): Yes, I fully realize that.

Mr. JENNINGS: To answer the first part of your question, Mr. Pickersgill, personally I do not have that reaction, that we have too much violence, myself; but, again, in our rules and regulations for the conduct of the news service we have pretty strict instructions about that, about handling all stories of violence; and I do not myself have that impression.

As to the second part, I think we can give you figures as to the balance between national news and international news. So far as Canada is concerned we try, right across the country, to get as much as possible through our own stringers, and through the cooperation of the private stations who have their own stringers. This works out through the television news cooperative, which is operated by the C.B.C., in which the private stations supply film clips of local items to central points; and the C.B.C. feeds this out to member stations of the cooperative.

Mr. LAMBERT: This is particularly noticeable in the morning radio news, that there is a variation as between eastern Canada and western Canada, and they are an entirely different type of program. Here, in Ottawa, we get direct reports, which you do not get in western Canada. I was wondering what was the reason for the difference. I would have thought you would carry through the national news bulletin, say, on the eight o'clock news in the morning.

Mr. JENNINGS: In radio the morning bulletin is a regional one, and the main national bulletin is at ten o'clock at night.

So far as direct reports are concerned and Preview Commentary, we now make these available by line to other regions, where they can be fitted into their own news programs. I am rather surprised you are not getting direct reports in the west.

Mr. LAMBERT: No, because the morning news is a straight ten minutes of news without direct reports.

Mr. JENNINGS: We have introduced a pattern here from 7.00 to 9.15 which include direct reports through it, and time signals, and so on. If this is a successful pattern—it is part of the changing face of radio—if this is successful it will be instituted in other parts of the country; but these reports are being made available.

Mr. LAMBERT: I find them rather good hearing, as against the rather—

Mr. JENNINGS: Straight news bulletin?

Mr. LAMBERT: Yes, the straight news bulletin.

Mr. JENNINGS: Yes.

Mr. DORION: Mr. Chairman, I understood that the last rule contained in the document which we have in our hands was added after a certain incident. But regarding the other rules, I would like to know when these rules were enacted.

Mr. JENNINGS: This book started off, Mr. Dorion, with the inception of the C.B.C. news service, and it has been growing all through the years. The later inclusion of the last two rules—19.10.1 and 19.10.2—is indicative of how the thing is growing all the time. As I said, it started off from the inception of the news service.

Mr. DORION: Do I understand that every commentator for the corporation, every commentator has this document in his hands?

Mr. JENNINGS: No, sir, not commentators—the news service.

Mr. DORION: The news service?

Mr. JENNINGS: Yes. As a matter of fact, when the latest one was put out it had this introduction to news staff, from the chief news editor. This was in June, 1956. In this production dated 1956. It says:

> This book has been 15 years or more in the making and began even before the start of the C.B.C. national news service on January 1, 1941.

Actually, before we started to broadcast news bulletins on the air and the staff was being assembled and the news service was being created, these regulations and directions were being created, even before the first bulletin was broadcast on the air. There were directions as to how they should conduct themselves in the news service.

Mr. DORION: Have you something here for the commentators? I suppose you have rules and regulations for the commentators too?

Mr. JENNINGS: Yes. We have the white paper on controversial broadcasts.

Mr. DORION: Was it established recently?

Mr. JENNINGS: No. It has been in existence for many years. The statements on controversial broacasting go back to the very inception of the corporation.

Mr. DORION: I hope you will have an opportunity to file that.

Mr. JENNINGS: Since the legislation changed, I believe the white paper is a document which has been issued by the Board of Broadcast Governors. I think it incorporates a good deal of the content in the C.B.C.'s white paper. We are in the process of restating formally, as a formal affair, directives and policies which determine controversial broadcasting.

The CHAIRMAN: I know Mr. Kucherepa and Mr. Macquarrie have questions. We must, however, close off this meeting inasmuch as Mr. Art Smith and his committee on estimates will be sitting here within ten minutes. Would you so move?

Mr. SMITH (*Calgary South*): I would so move. Might I ask as a matter of procedure whether or not I am correct in saying we will follow on with the statements on cost, and also the letter? Also I wonder if we might give some consideration to having a look at some of the C.B.C.'s operations, preferably in the city of Toronto, or some other point, so as to examine in action some of its functions.

The CHAIRMAN: Yes,—that is, if we are invited and I believed we will be invited by Mr. Bushnell and his associates. We will take up that matter with the steering committee.

Mr. FISHER: I am concerned with the change the C.B.C. is making internally in respect of its group insurance plan. I would like to know when I might bring that up in the committee and whether or not there is any place for it. There are strong criticisms of the change in the plan which the C.B.C. is now considering.

The CHAIRMAN: I would imagine that will follow under the heading of personnel—public relations and personnel. If there is any particular information you wish, you might ask Mr. Bushnell now, so that he can have it prepared.

Mr. CHAMBERS: When is our next meeting?

The CHAIRMAN: On Tuesday at 11:00 a.m.

Mr. JENNINGS: May I distribute these copies of CBC Times?

The CHAIRMAN: By all means.

Mr. BUSHNELL: May I extend to all of you a very hearty invitation to be our guests in Toronto at any time you feel is opportune. We would be delighted to show you all the facilities we have. We cannot show you those we do not have, but we will endeavour to impress you with the fact that we need more.

The CHAIRMAN: Thank you, Mr. Bushnell.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

M. TREMBLAY:

Monsieur le président, nous avons ici, devant nous, des tableaux nous indiquant le coût de production de certains programmes. Il s'agit ici des programmes du réseau anglais. On nous remettra, probablement bientôt, le chiffre sur le coût de production de certains programmes français. Je voudrais faire remarquer que je ne suis pas du tout satisfait de ce qu'on nous a présenté. Je n'accepte pas cette façon de procéder. On ne nous donne là que des chiffres généraux, sans indication des programmes auxquels ces chiffres réfèrent. Ce que nous voulons juger ici au comité, c'est de la qualité des programmes.

Ce que nous avons à juger, nous voulons juger de la qualité des programmes en fonction de leur coût, et ce que les contribuables exigent de nous, à titre de leurs représentants, c'est que nous puissions fournir des explications sur le coût de la production et la qualité des programmes. Alors, je ne puis accepter que l'on nous donne simplement ces indications générales, sans égard aux programmes qui sont mis en cause.

Et, pour terminer, j'ajoute ceci: le comité de la radio a été institué dans le but de faire une enquête générale sur l'administration de la société Radio-Canada. Cela fait suite aux représentations très nombreuses qui ont été faites par les contribuables, et nous ne pourrions vraiment être satisfaits de ces explications très générales qui nous sont données. Ce que nous désirons, c'est de connaître quel est, dans le cas particulier de certains programmes, le coût de production, afin que nous puissions voir si ce que nous payons en vaut vraiment la peine.

* * *

M. TREMBLAY:

Monsieur le président, je ne suis pas d'accord avec mon collègue M. Smith. Je rappelle ceci, que le jour où l'on a décidé de cette procédure à laquelle M. Smith a fait allusion, notre collègue M. Fortin a bien fait remarquer qu'il n'entendait pas se soumettre aux décisions du sous-comité, du comité consultatif, si celles-ci n'étaient pas dans le sens de ce que nous désirions savoir. Et, à ce moment-là, j'ai dit que j'étais exactement d'accord avec M. Fortin.

APPENDIX "A"

CBC TELEVISION PROGRAM COST AND REVENUE NOTES

The attached tabulations provide examples of typical program costs for ten programs seen during the month of January 1959 as part of the English language Television network service.

On the revenue side, the main items are the sale of time and the program package charge. It should be noted in connection with revenues that the Broadcasting industry has as its main commodity on-air time. Time is sold in the form of spot announcements and in the form of periods occupied by programs. In the examples given in the attached sheet, program time is represented by revenue to CBC and private affiliated TV stations.

It must be remembered that the time occupied by these programs is time of the national TV network service which, by definition of the Corporation's objectives, is to be programmed, along with all other service hours, to give a balanced and varied program fare. In seeking and obtaining participation of commercial sponsors in sharing the costs of these programs, the objectives are to provide clients with a vehicle for their commercial messages in one of the most effective impact media yet devised by man, while at the same time reducing the costs of these programs to the Canadian public. Furthermore, commercial contributions to program production costs enable the CBC to improve the quality of these and other programs and, in fact, may enable the Corporation to develop other service programming which would otherwise represent too high a cost.

Now a word about rates and program costs. If, as in the United States, our Canadian population was sufficiently dense to justify a high-enough time charge for CBC and private stations, then a possible profit could result from these commercial operations. It should be noted that time charges are based on the population covered by a given station. This fact is best illustrated, probably, if we recall that it requires some fifty Television stations and over 4,000 miles of microwave network connections to achieve the population coverage in Canada which, in the United States or the United Kingdom, is attained with one station in New York or London.

The same commercial principles are applied in Canadian Television program sales as are used in the United States. However, where there is a loss incurred in program production charges for major productions by United States networks, the station time charges more than make up for such losses.

As to the question of whether the CBC's commercial operations are not resulting in a high-enough charge to the advertiser, it is abundantly clear to our Commercial Sales people through sales resistance and from the definite statements of the Association of Canadian Advertisers and the Canadian Advertising Agencies Association to the Fowler Commission that our revenue is just about what the market will bear. They have complained about the high cost of Television.

Television is indeed an expensive medium. This is a well-known fact to CBC program planning people and to the people who have developed Television programming in this country. All the elements of the theatre, broadcasting, and the motion picture industries are combined here in the production of a varying program fare from hour to hour, from day to day, and from year to year. It might be of interest to take a quick look, however, at the program costs in Canada in comparison with those in the United States. Quite apart from the examples given in the attached sheets, a category analysis will show that, for 90-minute dramas, the average United States program cost is $135,000, whereas the CBC cost is under $42,000. In the hour drama category, the comparison is $81,000 for United States productions and approximately $29,000 for Canadian.

In half-hour dramatic production, the American average of $41,400 compares with the Canadian average of $11,350. The one-hour variety program has an average cost of $112,000 in the United States compared with $47,750 in Canada, and the half-hour quiz shows in the United States average $28,250 compared with a $6,500 cost in Canada. These figures are provided, in the case of the United States programs, from an industry publication of high repute and, in the case of Canadian programs, from an average of our Fall-Winter production schedule.

To summarize then, it would be correct to state the objectives of CBC programming and sales people in the Television production field is to produce a good schedule and to sell, at the best price possible, such of these productions as are available for sponsorship while at the same time maintaining the quality of the programs and as low a cost as possible.

With these notes, the attached data is submitted.

CANADIAN BROADCASTING CORPORATION TELEVISION SERVICE

PRODUCTION COSTS AND ASSOCIATED INCOME.

Program	Production Costs	Administrative Overhead	Total Costs	Receipts		
				Program Contribution	Station* Time	Total
	$	$	$	$	$	$
A	1,263	77	1,340	1,375	3,628	5,003
B	6,216	378	6,594	3,750	2,118	5,868
C	12,963	789	13,752	5,500	2,502	8,002
D	20,722	1,261	21,983	8,500	4,197	12,697
E	11,087	675	11,762	5,200	2,342	7,542
F	6,609	402	7,011	3,700	1,982	5,682
G	11,091	675	11,766	4,000	2,188	6,188
H	6,995	426	7,421	3,750	2,146	5,896
I	5,475	333	5,808	3,600	2,424	6,024
J	20,832	1,268	22,100	5,600	2,374	7,974

*Net of payments to private affiliates.

APPENDIX "B"

CANADIAN BROADCASTING CORPORATION

GROSS REVENUE FOR PAST FIVE YEARS

In Thousands of Dollars

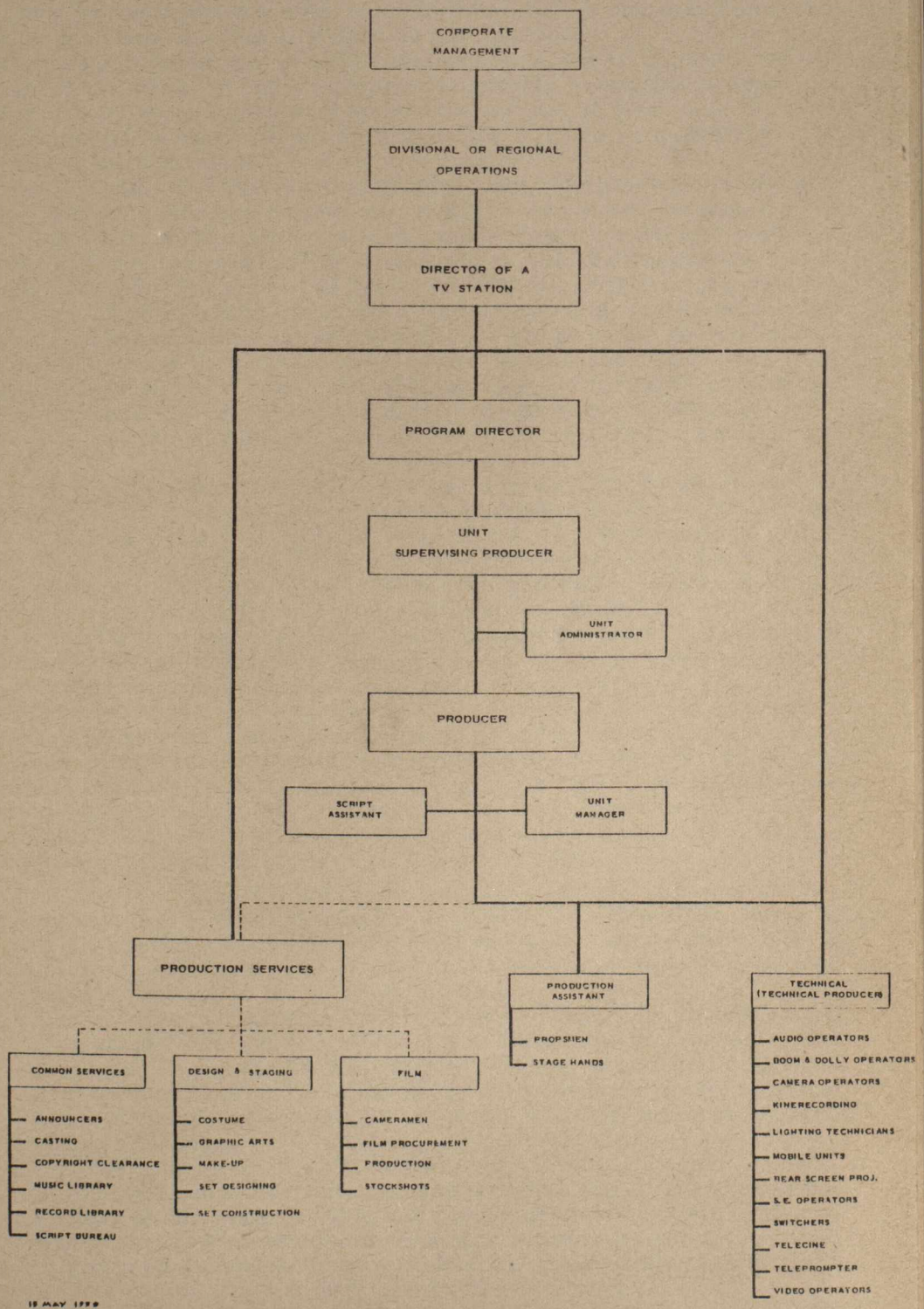
Years Ended March 31

	1954	1955	1956	1957	1958
Radio	$ 5,085	$ 4,054	$ 3,332	$ 2,446	$ 2,030
Television	2,319	8,340	16,140	21,467	26,380
	7,404	12,394	19,472	23,913	28,410

OTTAWA
MAY 20, 1959

(APPENDIX C

CHART SHOWING ADMINISTRATION FOR A TV PRODUCTION



18 MAY 1959

NOTES ACCOMPANYING CHART SHOWING ADMINISTRATION OF A TV PRODUCTION

The accompanying chart gives the basic organization structure within the CBC through which flows responsibility for programming. In its application there may be variations according to local circumstances and conditions, thus the same individual at times may perform two functions.

Corporate Management is responsible to the Board of Directors for the conduct of the affairs of the Corporation to provide a national broadcasting service; it receives, interprets and applies the policies of the Board; it establishes corporate policies for all aspects of the Corporation's activities and controls the operating units.

The Department of Broadcasting at Head Office develops and recommends policies and standards and outlines an overall objective and balance for the national program service (local, regional and national networks, French and English language, sponsored and unsponsored), its distribution through owned and affiliated network stations and evaluates the whole output or any program in relation to policies and standards. The Department of Operations co-ordinates the preparation of current operational plans including hours of operation, development of the broadcast services and budgets and recommends them for approval; analyses and appraises the operations of divisions, regions and services ensuring that operations are carried out according to plans and conforming to operating standards, and recommends operating objectives and policies.

At Divisional Headquarters in Toronto for English Networks and in Montreal for French networks are directed the programming, sales, scheduling, station relations and promotional activities of the television networks. With regard to programs, the Network Director and his staff co-ordinate and supervise network program planning and presentation pursuant to policies, standards and objectives of the national program service; co-ordinate for the network the programming activities of specialist departments; maintain liaison with Broadcasting officers and committees working on program development projects and supervise maintenance of quality of network programs.

In addition to network responsibilities the divisional director, in common with other directors of geographical areas, or Directors for Provinces, as they are called, interprets and applies Corporation policy in the area he directs; establishes regional policies; manages the activities of operating units and supervises the direction of regional television and radio networks.

To clarify the details of production responsibilities shown on the chart a description of the main functions of each position follows:

> The Director of a Television Station interprets and applies Corporation policy in directing and co-ordinating activities of his operating unit; initiates and recommends operating plans and related budgets; ensures proper application of allotted funds and the best use of personnel and facilities in the interests of the Corporation.
>
> The Program Director at his station interprets and applies CBC program policies; receives, develops and formulates program ideas and proposals; plans and schedules programs; supervises activities of production staff; controls and administers program budgets; ensures maintenance of program quality and as required aids and assists in network program planning.
>
> The Unit Supervising Producer assists the local Program Director in planning and organizing programs within his field, e.g. drama, variety, public affairs, sports, etc.; when approved, assumes responsibility for their production including supervision of production staff, control program expenditures and other costs related thereto and maintenance of program standards and quality of performance.

The Unit Administrator assists the Supervising Producer and/or Program Director and producers reporting to them in administration of personnel, talent relations and financial matters; assists the Supervising Producer or Program Director in conducting such activities for his officer and may also deputize for the Supervising Producer in his absence.

The Producer, under the supervision of the Supervising Producer and/or the Program Director may contribute to program planning by development of original ideas, by refining and developing ideas submitted by others or by formulating program patterns and plans on formats provided to him; he is directly responsible for the overall quality of the program; he may commission writers to prepare scripts; he selects the performers who are to appear on the program. Through the appropriate channels, he specifies and arranges for services from design, staging, film and from other areas common to both radio and television. Through the technical producer, he arranges for technical personnel and facilities to meet the requirements for his program. He plans and schedules rehearsals. He deals himself, or arranges for others to deal, with problems related to collective agreements with performers' and staff unions. He administers, with the assistance of a unit administrator or unit manager as assigned, the budget allocated to his program subject to regulations and limitations established by the office of the director of the television station. On sponsored programs, he may consult with agency representatives or other representatives of the sponsor. He is the senior Corporation representative at the time his program is produced and is responsible to handle any emergency situation. He ensures that the policies of the Corporation are followed in such matters as good taste, quality of performance and maintenance of production standards.

The Script Assistant acts as control-room assistant and secretary to the producer throughout the preparation and production of specific programs; notes and records all instructions of a producer during rehearsal or telecast and in the event of the absence of the Producer during a telecast, may be required to act on his behalf in the control-room.

The Unit Manager is assigned to assist a producer or producers in compiling estimates of costs of productions, in controlling these costs for him and in making business arrangements necessary to the television production.

The Production Assistant assists the producer in the detailed planning and execution of television programs; co-ordinates all non-technical studio activities and, on the studio floor, in accordance with instructions from the producer personally directs action during camera rehearsal and production.

The Technical Producer is the technical assistant of the Producer in the production of a program; directs all technical operations for the program to which he is assigned, including the work of cameramen, audio and video operators, boom and dolly operators, lighting technicians, sound-effect operators, switchers, rear-screen projectors and teleprompter operators; he also arranges, as required for use of mobile unit, kinerecording and telecine facilities.

The Producer also secures assistance from the Production Services some of which are common to radio and television, such as announcers, casting, copyright clearance, music library, record library and the script bureau. Others in the design, staging and film areas are exclusive to television. It should be noted that these departments are not responsible directly to the producer, but they provide services he requires to his specifications.

APPENDIX "D"

CBC NEWS

DIRECTIVES AND STYLE GUIDE

CONTENTS

Section		
14	Internal Rules and Regulations	135
15	Supplementary Directives—General	136
16	Newsroom Operations	137
17	Flashes, Emergency Operations, VIP Deaths	137
18	Elections	137
19	Supplementary Directives—Television	138
20	Supplementary Directives—Radio	138
21	Release Restrictions	138
22	Style Guide	138

SECTION 14

INTERNAL RULES AND REGULATIONS

Accidents, Fires, Etc.	14.13, 15.27, 15.22
Accuracy	14.8, 15.3, 16.6, 14.21
Arrests—Evidence	14.23
Attacks and Rebuttals	14.33, 15.11
Casualties—Service and Civilian	14.14
Chief Editor—Responsibility	14.2
Contempt of Court	14.27
Cooperation—TV and Radio	14.10
Correctives	14.21, 16.6
Crime and Sensation	14.12, 14.17, 14.24, 15.21
Criticism—Judges	14.28
Defamatory and Scandalous News	14.20, 14.22
Definition of Functions	14.1
Editor Responsibility—Flashes	14.38, 17.1
Evidence—Arrests	14.23
Fires, Accidents, Etc.	14.13, 15.27, 15.22
Flashes—Editor Responsibility	14.38, 17.1
Gambling, Lotteries, Etc.	14.19
Good Taste	14.18
Impartiality	14.16
Integrity of CBC News	14.7
International News	14.36, 15.6
Libel and Slander—Legal	14.22, 14.20
Lotteries, Gambling, Etc.	14.19
Manager, National TV News— Responsibility	14.3
News Sources	14.9
News That Might Cause Internal Friction	14.34
News Values—Film	14.11
Notification of Legal Action	14.29
Political News Handling	14.31, 14.35, 19.13, 19.9, 20.4, 15.5.1
Privilege—Definition—Meetings	14.25
Privilege—Television	14.26
Regional Authority	14.6
Regional Editor-in-Charge—Responsibility	14.4
Regional Editor-in-Charge TV—Responsibility	14.5
Reporting Crimes	14.24, 14.12, 14.17
Sensation and Crime	14.12, 14.17, 14.24, 15.21

Sensitive Areas—Television: Courts, Privacy, National Security. 14.30
Slander and Libel—Legal 14.22, 14.20
Special Bulletins—Flashes 14.37
Speculation and Prediction 14.15, 14.35
Speculative Political Stories 14.35, 14.15, 14.31, 19.13, 19.9, 20.4, 15.5.1
Suicides 14.17, 14.24, 14.12
Summarizing of Statements 14.32
Union Contracts 14.29.1, 15.32

SECTION 15

SUPPLEMENTARY DIRECTIVES—GENERAL

Abuse of News Terms 15.2
Accident and Disaster Stories 15.22, 14.13, 15.27
Accuracy—When in Doubt 15.3, 14.8, 14.21, 16.6
Actors' and Musicians' Rights 15.23, 14.29.1
Attacks on Persons or Institutions 15.11, 14.33
Business Developments—Constructive News 15.16
CBC References 15.38, 15.20
Canadian News 15.5
Clarity—Remember the Invasion from Mars 15.26
Closers, Spot News, Opinion, Editorials 15.7
Commercialism and Publicity 15.29
Constructive News—Business Developments, etc. 15.16
Credits for Contributors 15.34
Crime Stories 15.21, 14.24, 14.12, 14.17
Derogatory Words 15.18
Developing Stories—Fires, Floods 15.27, 14.13
Disaster and Accident Stories 15.22, 14.13, 15.27
Dropping "Mister" 15.24, 22.8
Editorials—Canadian 15.8
Editorials, Spot News, Opinion, Closers 15.7
General Interest Sports 15.30
Holding Persons Up to Ridicule 15.23
International News—Propaganda 15.6, 14.36
Interviews—Payments 15.35, 19.8
Key Names—Repeating 15.28
Missing Persons, Police Requests, Appeals 15.25
Musicians' and Actors' Rights 15.32, 14.29.1
Network Speeches, Etc. 15.41
News From and About the CBC 15.37
News Tips—Payments 15.33
Opinion, Spot News, Closers, Editorials 15.7
Payments—Interviews 15.35, 19.8
Plugging Programs 15.39
Police Requests, Missing Persons, Appeals 15.25
Profane Language 15.17
Propaganda—International News 15.6
Provincial Politics 15.5.1, 20.4, 14.31, 14.35
Publicity and Commercialism 15.29
Recapitulation of Attacks 15.12
Repetition 15.14
Requests for News Film—Legal 15.43
Requests for News Texts 15.42
Requests for Photographs, Stills—Publicity 15.44
Requests for Special Consideration 15.10
Scalping 15.15
Sponsored News Forbidden 15.1, 15.31
Sports—Contracts; Sponsorship 15.31, 15.1
Spot News, Closers, Opinion, Editorials 15.7
Statements that are Broadcast 15.40
Statements to Press 15.36
Stories on Television or Radio Developments 15.20, 15.38, 15.37
Supplementing the News by Telephone 15.4
"Technical" News 15.19
Tendentious Comment 15.9
Use of the Direct Quote 15.13

SECTION 16

NEWSROOM OPERATIONS

Clean Copy	16.15
Competing Newscasts	16.11
Cooperation with News Announcers	16.16
Corrections—Last-Minute News	16.7, 14.21, 14.8, 15.3
Corrections—Regional Responsibility	16.6, 14.21, 14.8, 15.3
Critical Editing	16.20, 16.22
Deadlines	16.19
Duty Periods	16.5
Editing—Style	16.22, 16.20
Errors—Making Corrections	16.7, 14.21, 14.8, 15.3
Filing Source Material and Bulletins	16.17
Highlights, Recap	16.23
Initialling Bulletin Copy—Numbering, Word Count	16.18
Initialling Directives	16.2
Inquiries—Telephone Calls	16.12
Job Memos	16.4
Keeping Bulletins in Character	16.21
Last-Minute News; Corrections	16.7, 14.21, 14.8, 15.3
Network Control	16.9
Newsmagazine and News Roundup	16.10
News Roundup and Newsmagazine	16.10
Opening and Closing Announcements for Newscasts	16.24
Recorded Telephone Interviews	16.14
Records—Filing Bulletins and Source	16.17
Regional Directives	16.1
Review Directives	16.3
Telephone Calls—Inquiries	16.12
Teletype Installations	16.13

SECTION 17

FLASHES, EMERGENCY OPERATIONS, VIP DEATHS

Deaths of Important Persons	17.9
Deaths of Important Persons—Central Newsroom Responsibility	17.12
Deaths of Important Persons—Radio	17.11
Deaths of Important Persons—Regional Responsibility	17.13
Deaths of Important Persons—TV	17.10
Emergency Announcements	17.8
Emergency Operations—Radio	17.7
Emergency Operations—TV	17.3
Flashes, Special News, Bulletins	17.1, 14.38
Flash News—Radio	17.4, 14.38
Flash News—TV	17.2, 14.38
Flash News—Central Newsroom Responsibility	17.5, 14.38
Religious Programs	17.6

SECTION 18

ELECTIONS

Elections—Advance Plans	18.2
—Blackout	18.6
—General Approach	18.1
—Local Coverage	18.5
—Municipal—General	18.11
—Municipal—TV	18.12
—National Service	18.4
—Nominations	18.9
—Popular Vote	18.10
—Results	18.7
—Schedules	18.3
—Statements from Leaders	18.8

SECTION 19

SUPPLEMENTARY DIRECTIVES—TELEVISION

Anonymity of Interviewers 19.12
Background Music 19.18
Cooperation with Film Editors 19.15
Copyright—Film 19.4
Copyright—Photographs 19.4.1
Domestic Political Statements 19.13, 14.31, 14.35, 19.9
Editorial Control of Visual News 19.3
Fees—Freelance Interviewers and Reporters 19.01
Film Coverage of Political Statements or Interviews 19.9, 19.13, 14.31, 14.35
Film Editing Services 19.16
Film Interviews 19.8, 15.35
Freelance Interviewers and Reporters—Fees 19.10
Performance Rights 19.5
Photographs—Copyright 19.4.1
Press Conferences 19.11
Regional Return News Areas 19.19
Removal of Edited Film or Outs 19.17
Requests from U.S. Television Stations and Networks for CBC News Film 19.20
Scripting Film—TV 19.2, 22.12
Spokesmen in Sound-on-Film Interviews 19.14
Sports Events—Performance Rights 19.6
Visual Presentation TV News—Purpose and Techniques 19.1
a) Maps
b) Graphs, Drawings
c) Objective Cartoons
d) Subjective Cartoons
e) Headlines
f) Figures
g) Words and Quotations
h) Still Photos of Personalities
i) Stills of Places
j) Stills of Objects
k) Props
l) Graphic Abstraction
Waivers from Performers—Stunts 19.7
Writing and Presentation—TV News 19.2, 22.12

SECTION 20

SUPPLEMENTARY DIRECTIVES—RADIO

Feeds to Other Newsrooms 20.2
Provincial Politics 20.4, 14.31, 14.35, 15.5.1
Special Inserts 20.1
Special News Programs 20.3

SECTION 21

RELEASE RESTRICTIONS

Release of Stories Received in Advance 21.1
Release Safeguards 21.2

SECTION 22

STYLE GUIDE

Abbreviated Forms 22.3
Abbreviations 22.9
Correct Reference—Ministers: Cabinet and Gospel 22.7
Correct Reference—Titled Persons 22.6

Film Writing—Style 22.12, 19.2
Punctuation 22.4
Reference to the Queen 22.14
Rewrite Source Copy 22.10.1
Rewriting 22.1
Scripting Film—TV 22.12, 19.2
Sports Jargon 22.2
Tongue Twisters 22.1.1
Use of Mr. 22.8, 15.24
Use of the Direct Quote 22.10
Words to Beware of 22.11

INTERNAL RULES AND REGULATIONS GOVERNING NEWS POLICY

14.7 *Integrity of CBC News.* The policy which guides operations of the CBC National News Service is based on the primary conception that this service is in the nature of a public trust; to present by radio and television all the significant news of the day's happenings in Canada and abroad factually, without bias or distortion, without tendentious comment, and in a clear and unambiguous style.

That this policy is followed without deviation is the responsibility of the Chief Editor. In actual operation, it devolves on the individual editors who are responsible for the preparation of CBC news broadcasts.

It is realized that if any channels were opened whereby pressure could be put on editors to include or exclude certain news, modify it in any way, or give it special emphasis, the integrity of the service would be lost immediately. With that in mind, editors must at all times appraise and present the news in their newcasts strictly on the basis of its objective news value.

14.8 *Accuracy.* Accurate news must be the first consideration. Stories must be faithful to the available facts. It is the responsibility of CBC editors to query and verify any story which appears to be inaccurate, incomplete or unclear, checking if necessary with the original source of the story. Editors and reporters must cultivate an alertly critical attitude in satisfying themselves of the factual accuracy of every story.

14.9 *News Sources.* CBC news bulletins are based on source material supplied by the authorized news agencies, or obtained by CBC staff as assigned, or by accredited freelance reporters and cameramen. Opening of new sources or contracting for new services must first be approved by the Chief Editor.

14.12 *Crime and Sensation.* News should not be treated in a sensational manner. Crime stories should be handled with discretion. Remember that they go direct into the home of the listener and viewer. In the case of crimes where mental illness is indicated; in family crimes that might involve murder and/or suicide; and in so-called love killings, all film coverage must be referred to a news supervisor for mature and objective assessment before it is used.

14.15 *Speculation and Prediction.* CBC editors and reporters should not editorialize, speculate, or predict in their presentation of the news, but should stick to the facts. Speculative comment can be reported, however, when made by an identified authority and so attributed.

14.16 *Impartiality.* All controversial news must be treated with absolute impartiality. Both sides of the issue must be given equal emphasis as they become available.

14.18 *Good Taste.* In all writing and film coverage the canons of good taste should apply, particularly with reference to physical and mental handicaps or deformities, race, color or creed.

14.21 *Correctives.* When we are wrong, we should say so promptly, and take remedial measures to correct the error. If the error is in source copy we may in some cases refer to the agency by name; in others it is sufficient to refer to earlier "erroneous reports". Or it may be necessary to say that we made the error "in earlier CBC News reports". Depending on the nature of the error it may be sufficient to hold the corrective until the corresponding newscast next day. But usually it is best to make the correction in the first available newscast, repeating it in the corresponding newscast later.

LEGAL

14.22 *Libel and Slander.* The greatest care should be taken against broadcasting prejudicial and unprivileged statements.

Anything that detracts from the good name of any person may be defamatory, and defamatory statements or pictures are likely to lead to legal action for damages. The same is true if you impute unfitness or misconduct of a person in his trade and calling. (Saying a newsman is a congenital liar.) You can defame a product (saying such-and-such a car is defective) as well as a person.

Provision has been made in each region for access to legal advice through the News Supervisor. Make full use of this. Call our lawyer and if still in doubt leave it out. What may be privileged publication in the press is not necessarily so in broadcasting because most provincial statutes deal only with newspapers.

This is particularly true in TV where for many years we will be breaking new ground. Even in radio broadcasting the law is not yet clear on many points of libel and defamation.

14.30 *Sensitive Areas—Television: Courts, Privacy, National Security.* While TV newsmen and cameramen should be given every reasonable chance to exercise initiative, there are some sensitive areas that cannot be invaded without the risk of public censure.

One of these areas is in the administration of justice; specifically in our courts of law. Another is that of an individual's right to privacy. Still another, the area of national security.

It is impossible to specify all individual cases, but they would include such things as an attempt to set up cameras in a court of law or in Parliament or (for the first time) in Provincial Legislatures *without prior authorization.* Another instance would be the coverage of certain defence matters such as the location of radar stations and new weapons on the security list.

Before such stories are assigned to cameramen or others, or before such material is put on the air, clearance must be obtained from the Chief News Editor.

CONTROVERSIAL NEWS

14.31 *Political.* In handling Canadian political news, including legislative debates, you must keep constantly in mind our basic policy that all controversial news must be treated with absolute impartiality, and both sides of a given issue must be given equal emphasis as they become available.

To hold views on political matters is not only the privilege, but the duty of every citizen of a democratic state in which the party system is an accepted vehicle for the expression of public choice. It is taken for granted, however, that no CBC news editor will permit his personal views, whatever they may be, to exert the slightest influence on the manner in which he may handle political copy.

It cannot be too strongly emphasized that in this regard, as in others, the CBC News Service occupies a position of public trust in giving Canadians a straightforward, balanced and unbiased presentation of the news. Neither

political predilection, personal friendship, nor any other consideration must be permitted to affect in the slightest degree the integrity of our newscasts or news programs.

14.32 *Summarizing.* Particular care should be exercised in presenting any summarized statements attributed to political leaders. Sometimes, in reducing a long statement to a short paragraph, simplification may result in distortion. Make absolutely certain that the full intent and meaning of the original statement is clearly expressed in any summary you write.

14.33 *Attacks and Rebuttals.* If an item is used that deals with an attack on the Government, or a particular party, by a member of an opposing party, equal prominent should be given to the reply, even though it may come several days later. The lapse of a few days between the attack and the reply, pressure of other news, or another editor handling the trick, might cause an unfair omission. To guard against this, editors should make a special point to keep other members of staff informed and advised by specific reminder to be on the lookout for the reply.

There are times when political news may come almost entirely from one side of the House, for several days in succession. This is often the case during budget debates, etc., when members are given the floor for a fairly extended period. In order that CBC News may not, under such circumstances, appear to be one-sided, it is often a good idea to preface such items with some such opening as:—

"Criticism of the Government by members of the Opposition continued today, etc."

"Government members continued to hold the floor in the debate on such-and-such, etc."

or any similar opening that would indicate just why the news seemed to present one side so consistently.

14.34 *News that Might Cause Internal Friction.* In a young and growing country like Canada, there are bound to be certain stresses which are, in normal times, an indication of healthy development, and which are not dangerous when counter-balanced by tolerance and understanding. But such incipient antagonisms should always be viewed as having dangerous potentialities.

With this in mind, the greatest discretion and good judgment should be used in handling any news items that might exacerbate the feelings of any particular group in this country.

The CBC News Service, like the CBC as a whole, has an important function in helping Canadians achieve mutual tolerance and understanding in the interests of national unity. English speaking vs. French speaking, Gentile vs. Jew, native-born vs. foreign-born, employee vs. employer, East vs. West, all these and other potential antagonisms can, if permitted to develop, threaten Canada's future as a nation. It is most important that the presentation of news should not in any way encourage such antagonisms.

It is not suggested that anything of real news interest should be suppressed or modified, but it should always be remembered that an injudicious turn of phrase may make a news item unnecessarily offensive to some Canadians.

14.35 *Speculative Political Stories.* In handling stories that speculate on important domestic political developments, you should attribuate them to an identified authority, or in some cases to the news agency which carried the story.

However, if there is any doubt as to the authenticity of the report or if it appears to have serious implications, check back through the supplying agency or, if need be, call the person quoted to verify the statement before including it in your newscast.

14.36 *International News.* Sensational, inflammatory or derogatory phrasing should be avoided in handling international as well as domestic news. This should be kept particularly in mind during any period of crisis. (This rule, of course, cannot apply to quotation from statements by statesmen or other persons whose opinions are of unquestioned news value and significance.)

In international news, stories of a speculative or rumour type are at times of too great news significance to be ignored. Such stories should be clearly designated as rumour, and the source of the story, or the news agency carrying the story, should be quoted.

It should also be taken into account, that the nationality of the news agency may in some degree affect the handling and emphasis of its international news stories. This is true of Iron Curtain countries and attribution is MUST, indicating our awareness that "news" from such sources may well be propaganda.

15.6 *International News—Propaganda.* In periods of international tension, it is especially important that the public should be kept fully and fairly informed. Violent and inflammatory language should be avoided even if it is contained in news agency copy. Such phrasing has a far greater impact when delivered by voice. The propaganda war is one of the cold facts of the cold war, and all editors must show their awareness of this in their news handling.

If verbal attacks on the West have news value, they should be presented in proper perspective. When Western replies are available they *must* be used. And Western comment should also be used to give balance to Communist proposals that without factual background may appear quite plausible. If no Western comment is available, say so, but use it when it is.

All stories from Communist countries must be identified as to source, so that the listener can be made aware of the possibility that they are propaganda. All may not be propaganda, but the source must be given in all casses. ("A dispatch from Communist Poland says xxx", or "the Communist radio in Prague claims xxx"). Usually it is better to avoid the verb "announced" since this gives such statements an authoritative ring they may not deserve; by the same token avoid referring to "the *official* news agency" of a Communist country. If you want to say that the agency speaks for the government this can be said in so many words.

15.7 *Spot News, Closers, Opinion, Editorials.* For the most part both radio and TV deal best in spot news, although there is room for good human interest and featurish stories, especially if they can be kept short and sharp. Such items make good closers, marked MUST to ensure they are read. It should be recognized that some stories are just too complicated or statistical for broadcast. But the challange is to find a way to present them *acceptably.* Failing that, they should be left out.

Stories quoting controversial *opinion* should be attributed to source and presented in proper balance. Often the *editorial* opinions of newspapers or periodicals are news; in the Western democracies they often indicate a trend of public opinion; in the totalitarian countries they directly reflect the views of the state. In using the latter you must *identify the source;* otherwise the listener has no way of weighing their true value nor judging whether they are legimitate news or propaganda. The danger of carrying such opinion stories lies in the presentation of only one side of an issue. Therefore one-sided opinion stories should not be overplayed as to position or space.

15.8 *Editorials—Canadian.* Only under very exceptional circumstances should editorials from *Canadian* newspapers dealing with controversial topics be carried. To report such opinion might lead listeners and viewers to feel that the CBC shared the opinion quoted, by giving it wider circulation, and it would

be necessary also to quote at some length from many papers in different parts of Canada in order to give a balanced picture. If a political leader, or official spokesman replies to an *editorial attack,* that becomes legitimate news and it would then be necessary to give the gist of the editorial.

If a summary of opinion on a Canadian news development is available from The Canadian Press, it may justify some reference in a CBC news story, even without quoting individual editorials. In such a case, the agency should be credited.

15.9 *Tendentious Comment.* Care should be exercised in opening sentences in stories dealing with announcements of government policy, to avoid phrases such as "housewives all over Canada are happy because" or "here is cheering news for B.C. taxpayers" etc. Opposition parties take exception to this type of presentation of government measures. In handling controversial stories that yet might have a humorous aspect be careful that the humor or irony cannot be misinterpreted. Keep it factual. News readers must keep straight-faced, even-voiced in presenting controversial items and *follow text.*

15.10 *Requests for Special Consideration.* Persons who feel they should be given special consideration—members of Provincial or Federal governments, departmental officials, groups, commercial interests, municipal officials or persons well-known in the community—may make demands or suggestions in connection with the handling of news. While such requests should be met with ordinary courtesy, they should in all cases be told very clearly that it is the policy of the CBC News Service to handle news on its news value alone, free from all personal or partisan considerations. If they attempt to give such stories direct to the newsroom, they should be advised to offer them to The Canadian Press and the British United Press.

On our part, we should ask for no special consideration by governmental sources and should avoid any such phrases as "exclusive" or "special to CBC" in presenting such news.

15.45 *Controversy—Voice, Actuality and SOF Reports.* Our aim is to ensure accurate, factual and balanced political coverage and in the general field of controversy. These principles for reporting controversial news factually and fairly apply not only to politics but to labor-management disputes and to other matters of disagreement:

> Supplementary reports (on any subject and whether done by staff or freelance) should follow the same principles of objectivity and impartiality as our newscasts. Both in the writing and in the voicing.
>
> They should be factual reports of events or background information, having however the added color and life that comes of good writing, vivid phrasing and descriptive material. Intemperate or provocative language must be avoided.
>
> They can and should *report* opinion, but this must be attributable; our news reports must NOT be expressions of personal opinion. They are written, in effect, for the news or feature pages, not the editorial pages.
>
> As in straight news items, they must achieve political balance; including the answers to charges when and where available.
>
> In interviews, loaded questions that might indicate editorial opinion on the part of the interviewer must be avoided.
>
> Remember that CBC News takes responsibility for all its reporting; it cannot be shifted to an individual reporter.

15.46 *Domestic Political Balance — Integrating Newscast/Supplementary Report.* In every case, the balance within the whole news period (newscast *and* direct report on radio: news item *and* SOF or live insert on TV) should be

carefully weighed. This includes the position, content, and length of items; frequency of use (repeat of same item) in relation to sound news value and in relation to when the news has broken or the event taken place.

Special care is needed in writing continuity (the intro to set up; closing to round off) for the SOF or direct reports. In some cases, necessary balance can be obtained by a factual reference to what has happened before; what opposition spokesmen, for example, have had to say about the subject.

Every effort—directed from the national newsrooms but also carefully considered at the source (usually Ottawa)—must be made to line up spokesmen to give the opposing view. In many cases these are best done by interviewers asking pertinent questions; in the case of especially sensitive controversy, by independent, freelance interviewers rather than by CBC staff. (While it is useful to be able to say we tried to get a spokesman—and perhaps failed—this does not relieve us of the responsibility to try other means of achieving balance.)

Use should be made of SOF or voice reports by freelance reporters or CBC correspondents to go with the voices of the political figures, rounding out the picture and "giving the other side", where this is needed to balance partisan statements.

In all cases, experienced supervisors should set up the handling of these occasional but highly-important assignments, with the responsibility to see they are followed through on the air.

18.1 *General Approach.* Elections are news and the results are the important thing. They should be given as simply, promptly and accurately as possible.

However, supplementary material including background, color, interviews with candidates and commentary can be extremely interesting.

Careful planning well in advance ensures the best election service.

Post-mortems are useful, but don't throw away the benefit of past mistakes. Keep careful files on elections past and review them whenever another comes up—provincial, federal, municipal or by-election.

If you work out new techniques of presentation share them with all other newsrooms.

Federal and Provincial Elections, By-Elections

18.2 *Advance Plans.* Plans for special coverage of all elections must be made in detail well in advance. They should include a check with news agencies to find how they intend handling results and from what source. *The importance of a close check with the agencies cannot be over-emphasized,* since this will disclose the adequacy of the planned news agency election service in relation to our needs and will enable you to request additional coverage or to make other arrangements if necessary.

In all such elections, the agencies should be credited with all *tabulations* that are used; the credit included in each bulletin. (Visually, where pertinent, on TV). These tabulations would include Party standings for which the agencies assume all responsibility. They should also be credited when they accept responsibility for *reporting* (not "conceding") victory in an election. The fact that *CP service is copyright* should be mentioned at the start of each hour of service.

Close cooperation and liaison should exist between the radio and TV newsrooms on election night and a great deal of duplicate work may be avoided by a central setup. The extent of coordination should be determined at an early stage in the preparations. The drawbacks of simulcasts should be recognized.

18.3 *Election Schedules.* Both radio and television Editors-in-Charge should consult their local program officials to draft a schedule of bulletins. It is suggested that in provincial elections a *minimum* of five or ten-minute

bulletins every half hour, starting about half an hour or an hour after the polls close should normally make for adequate coverage. In the provinces with larger legislatures, a continuous service of bulletins may be needed. Copies of the draft schedule should be sent to the Chief Editor for his information.

18.4 *National Service.* In the handling of federal elections, national service will be coordinated in Toronto (in Montreal for French) but provision will be made for *basic regional service.* The national periods will serve largely to supplement this basic service.

18.5 *Local Coverage.* In both radio and TV local coverage, or supplementary coverage, should be arranged where needed on CBC stations.

18.6 *Blackout.* Two days before any election, a reminder of the *48-hour* blackout should be posted by supervisor in each newsroom. During this period, no routine campaign speeches may be carried nor any review of campaign issues. Any last-minute charges, replies or counter-charges of extraordinary importance should be referred to the Editor-in-Charge or Chief News Editor for decision. A factual advance on the election is permissible, mentioning the contending parties.

18.7 *Results.* No results of *any election* may be broadcast in any area holding elections *before the polls close.* For example, if by-elections are held in the Maritimes and B.C. on the same day, the Maritime result cannot be broadcast in B.C. until the polls in B.C. have closed. The reason: to avoid influencing the vote. The same principle applies to broadcasting federal results across the country.

18.8 *Statements from Leaders.* The Editor-in-Charge or the representative of the Talks Department should line up the leaders of all major parties for statements in person when the overall result of the election is known.

18.9 *Nominations.* We should carry only the newsworthy nominations, not the routine naming of candidates because it is impossible to carry them all. Some, however, may be of unusual interest: the nomination of party leaders, key ministers, or the like. Mention should be made of the other contesting parties, if they are already in the field, to give fair balance to any nominations that are reported.

In the same way, *routine campaign speeches* can be ignored. A sensible procedure is to cover only the *party leaders,* apart from any particularly newsworthy announcements or unusual breaks.

18.10 *Popular Vote.* It is particularly important that election news should be handled in a completely factual and objective way. Some words and phrases have an emotional significance that might indicate that the CBC shared in the joy of a political victory or the disappointment of defeat. Any phrasing should be avoided that might make such an inference possible.

Care should be taken in reporting the overall result of an election when one party wins a big majority of the seats. News agencies may describe such a result as a "landslide" victory or an "overwhelming" victory for the winning party. But we should be wary of such sweeping terms since in some cases the party winning a large majority of the seats actually receives a bare majority of the *popular vote.* Editors should always try to obtain for use, preferably on election night, a tabulation of the popular vote.

Care should also be used in quoting from the post-election comment of party leaders, to see that this is evenly balanced.

19.9 *Film Coverage of Political Statements or Interviews.* Often the best way to present any story, even one with partisan political implications, is to have the central figure himself tell it. However, political stories can also be handled as interviews, either by staff or non-staff interviewers since they can elicit the essential news by pointed questions. This also helps to keep

the nature of the news clip and its length under our control. It is sometimes best to use a freelance interviewer in handling hot domestic political controversy.

In some cases it may be desirable to ask a minister or member to repeat (or even to give an advance on) a statement made in Parliament or Legislature. In such cases, it is important to make sure that what is being shot is the part we want from the actual statement and not paraphrasing that would give it a partisan twist.

In the rare case where you might film a statement in advance, you should check on its actual presentation. (We must, of course, present any filmed material for what it actually is; not lead viewers to believe that this is the actual presentation of the statement when it is not.)

In all cases it should be made clear that by shooting such interviews or statements we make *no commitment* to show part or all of them. This is a decision for the Editor-in-Charge or for the editor on duty in assembling his newcast.

19.10.1 *Newsfilm Editing—Responsibility.* Final responsibility for the content of all news programs rests with the TV Editor-in-Charge, or his delegate within the News Service. This includes the editing of newsfilm. While all editors should realize that the preparation of news for television requires a high degree of cooperation, bringing together the best skills of news editing and film editing, this does not relieve the News Service of responsibility for content in line with established policies that govern the accuracy and integrity of our news. (See also below).

19.10.2 *Filming and Editing Public Speeches.* To avoid the highly improper inter-cutting or inappropriate shots in newsfilm reports of political or other public speeches, the following safeguards must be observed:

When filming speeches, change lens after each *complete* sequence, alternating between medium shot and medium closeup. If there is applause or booing, keep the camera rolling to the end of the demonstration, either holding on the speaker or, if possible, panning over to the audience for visual reaction.

Do not shoot *unrelated* applause by the audience. If a sound camera is being used to take crowd shots for cutaways, shoot neutral scenes showing people, but not people who are applauding or booing.

In the film editing (under editorial supervision) never under any circumstances use "unrelated" sound-on-film reaction scenes as cutaways, and be extremely careful about what you use even as a silent cutaway.

Before use, all edited film must be screened by the editor responsible to ensure that the above safeguards have been observed.

Appendix "E"

Copy

P. S. ROSS & SONS

Montreal, Toronto, Saint John,
Ottawa, Vancouver, Calgary,
London, Ont.

360 St. James Street West
MONTREAL 1.

May 1, 1958.

Mr. J. A. Ouimet,
General Manager,
Canadian Broadcasting Corporation,
P.O. Box 806,
Ottawa, Ontario.
Dear Sir:

We recently completed the assignment undertaken in November 1956 to review the accounting methods and procedures of the Canadian Broadcasting Corporation and wish to report to you briefly on the objectives and scope of the review.

Throughout we worked closely with officers and personnel of the Corporation. Every effort was made to keep the officials concerned—both operating and accounting—advised of developments and to have them active in the working out and installation of new procedures. When new procedures were drawn up, the installation was done mainly by Corporation personnel who had the responsibility of operating under such revised precedures. In some cases we limited ourselves to a review of proposals drawn up by your personnel.

At all times we had the full co-operation and assistance of your officers and staff. Their advice was of great help to us.

Objectives:

The objectives may be summarized as:

1. The decentralization of accounting to parallel the decentralized organization.
2. The elimination of detailed accounting records at head office where considered appropriate and the establishment of an integrated accounting system.
3. The recording in the accounts and financial reports showing a separation of the results of station operations from network operations and a separation of these results between sustaining programs and sponsored programs.
4. The revision of accounting methods to strengthen accounting control and reduce costs.

It was planned that our work would be completed so that the changes would be put into effect for the fiscal year 1958/59 commencing April 1, 1958.

Some of the new procedures will not be put into operation in full until after April 1, 1958. These comprise principally those phases of program costing where it is most convenient to have the changes effective at the commencement of the "program" year, ie., July 1, and the introduction of some accounting equipment which is scheduled for the summer of 1958. We believe that the Corporation personnel is qualified to complete the installation of the new procedures and to carry out the continuing review and study to which procedures should be subjected in the light of changing conditions.

Scope:

Our work has been mainly concerned with procedures in the Comptroller's office and in the regional accounting offices. In the course of the assignment we visited all accounting offices of the Corporation. Insofar as information flows from sources outside these offices it was necessary to examine the clerical procedures in other sections of the Corporation organization. In general we limited the scope of our work in these other sections to the phases of recording and reporting information which were essential to establishing proper accounting procedures.

Program:

Each phase of our assignment was planned with your personnel and the program proceeded with smoothness despite the difficulties encountered in making changes in an enterprise as large as your Corporation.

Conclusion:

During the course of our engagement, Mr. A. M. Henderson, C.A., joined the Corporation as Comptroller. In accordance with your suggestion we will be pleased to continue our relationship with the Corporation as Financial and Accounting Consultants, as and when required throughout the next year, for the purpose of meeting and discussing with Mr. Henderson and others of the Corporation any problems that might arise in the application of the new procedures.

Yours very truly,

(Sgd.) P. S. ROSS & SONS.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament
1959

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SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE
No. 6

TUESDAY, MAY 26, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

E. L. Bushnell, Acting President, Canadian Broadcasting Corporation; J. P. Gilmore, Controller of Operations; and A. M. Henderson, Comptroller.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21266-2—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.

Vice-Chairman: J. Flynn, Esq.

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Campeau,
Chambers,
Chown,
Dorion,
Fairfield,
Fisher,
Forgie,
Fortin,
Horner (*Jasper-Edson*),
Jung,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Rouleau,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

TUESDAY, May 26, 1959.

The Special Committee on Broadcasting met at 11.00 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Campeau, Chambers, Dorion, Fairfield, Fisher, Flynn, Forgie, Fortin, Halpenny, Jung, Kucherepa, Lambert, Macquarrie, Morris, McCleave, McGrath, McQuillan, Pickersgill, Pratt, Richard (*Ottawa East*), Robichaud, Rouleau, Simpson, Smith (*Calgary South*) and Tremblay—(27).

In attendance: Mr. E. L. Bushnell, Acting President of the Canadian Broadcasting Corporation, assisted by Messrs. R. L. Dunsmore, Chairman, Finance Committee, Board of Directors; J. P. Gilmore, Controller of Operations; R. C. Fraser, Director, Public Relations; Marcel Carter, Controller of Management, Planning and Development; Charles Jennings, Controller of Broadcasting; Marcel Ouimet, Deputy Controller of Broadcasting; R. E. Keddy, Director of Organization; Barry MacDonald, Secretary, Board of Directors; J. A. Halbert, Assistant Secretary, Board of Directors; and M. Henderson, Comptroller.

Following the observation of quorum by the Chairman, Mr. Bushnell made a further statement concerning production costs and the competitive position of the Canadian Broadcasting Corporation.

Moved by Mr. Smith, seconded by Mr. Pratt, the following proposed motion, "That all costs of production of both commercial and sustaining television programs in both the English and the French networks be presented, at the earliest possible date, to the Committee for the last complete month, itemizing these costs and relating them to recoveries made from sponsors and other sources".

Messrs. Bushnell and Gilmore explained the implications of the adoption of such a motion and its ultimate effect on the Corporation's relations with sponsors.

Following further questioning of Messrs. Bushnell and Gilmore, it was agreed that the proposed motion be passed to the Sub-committee on Agenda and Procedure for consideration.

Agreed,—That a table entitled "Canadian Broadcasting Corporation Sustaining Television Programs-Representative Production Costs-1958/59 Program Season" be printed as an appendix to the record of this day's proceedings. (*See Appendix "A"*)

Messrs. Bushnell, Gilmore and Henderson were questioned concerning details of the aforementioned table, and agreed to prepare for a future meeting of the Committee a more detailed breakdown of the costs of certain programs.

Agreed,—That the proposed motion by Mr. Rouleau, forwarded to the Sub-committee on May 19 be not proceeded with and that the Committee continue its examination of both the English and French language networks.

At 1.45 p.m. the Committee adjourned to meet again at 9.30 a.m., Thursday, May 28, 1959.

J. E. O'Connor,
Clerk of the Committee.

21266-2—1½

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

TUESDAY, May 26, 1959.
11:00 a.m.

The CHAIRMAN: Gentlemen, we have a quorum.

Mr. PRATT: Mr. Chairman, just a small question of privilege in the record. On page 98 at lines 14 and 17, the word is "spate" and not "state". And then at line 22 cross out the three words "at the very" and replace them by the word "every". This is what I really said. Thank you, Mr. Chairman.

Mr. MCCLEAVE: On a question of privilege, I would like to mention a correction of the record at page 92, a little more than half way down the page:

> I think a year ago we were on a Jack Creeley Bick,—

It should be: "kick", with a small "k".

The CHAIRMAN: Is that all, Mr. McCleave?

Mr. MCCLEAVE: There is a reference that was omitted in the Proceedings and Evidence which was the words "old pals act." I do not see it in the record, and I do not recall the exact place.

Mr. BELL (*Carleton*): Also on a question of privilege, at page 117 the last statement on that page is one attributed to me, but is one for which I am sure I cannot take credit.

The CHAIRMAN: You are not the author? Does anybody here know who made that statement if Mr. Bell did not?

The question is:

> May I ask a question, Mr. Chairman? I am not saying that I personally feel that this word should be spread around; but is there not a great deal of validity in the fact that certain members of the press gallery have as great scope—and even as expert knowledge—as members of parliament; and therefore it would be impossible to get away from the fact that they would have these extra qualities and would, therefore, be more in demand than others?

Mr. SMITH (*Calgary South*): May I suggest, in view of the statement of Mr. Bell, you describe it as "an hon. member"?

The CHAIRMAN: Thank you very much, that is a good solution.

As arranged last week, we will begin with the C.B.C. television programming costs and revenues, which is appendix A, page 133 of our printed proceedings. Mr. Bushnell has a short opening statement relative to these notes. Mr. Bushnell, please?

Mr. ERNEST BUSHNELL (*Vice President, Canadian Broadcasting Corporation*): Mr. Chairman, may I begin by saying it would appear the emphasis in earlier meetings of the committee on the subject of the C.B.C.'s commercial operations suggests the need for a further statement by the corporation about

its negotiations with sponsors and advertising agencies. This need has been highly-lighted by press comment which indicates that the corporation's position in its business dealings is not clearly understood.

Coincident with the development of Canadian talent and the production of Canadian television programs, the corporation makes every effort to enlist the support of Canadian advertisers and to have them sponsor Canadian productions. It has had considerable success in this direction. However, in such efforts it faces a two-fold problem: (a) the size of the Canadian sponsor's budget; there is a limit to the amount of money advertisers can make available for television.

May I comment, at this stage? This morning I checked with certain specialists in the advertising field, with the dominion bureau of statistics and others, and, as I had supposed, there are not more than 15, at the outside, 15 commercial organizations, commercial firms, let me put it, in Canada who can spend in advertising, in all the media, over $2 million annually. The figure actually is probably less than 15.

Mr. SMITH (*Calgary South*): What is the source of that information?

Mr. BUSHNELL: The source of the information is from trade papers, the dominion bureau of statistics and, I think, from some advertising agencies.

And then (b) the economics of television are such that live TV production is inherently expensive; program material on film, or direct from United States networks, is substantially cheaper to the Canadian advertiser than live Canadian programs of comparable quality.

In its development of Canadian production, C.B.C. tries, as a matter of policy, to create as wide a variety of programs as possible. The production cost of some is relatively low; some are in the middle range; while others are quite expensive. What C.B.C. endeavours to obtain is sponsorship of the broadest possible range of live programs—and the continuation of such sponsorship on a long-term basis.

In conducting its negotiations the C.B.C. deals with advertisers and their agencies on as uniform a basis as can possibly be arrived at. But it must be remembered that separate sponsorship arrangements have to be made for each program—and that no two situations are exactly alike.

In negotiating for the sponsorship of Canadian produced programs, the corporation frequently finds itself involved with a group of advertisers who are competing vigorously with each other in everything they do. In addition to the competition that exists between sponsors, there is often very keen competition among the many advertising agencies who are negotiating with C.B.C. on behalf of their various clients. In this situation, the corporation conducts its business dealings in what it feels is a fair and business-like manner. Each program available for sponsorship is dealt with on an individual and highly confidential basis. We do not disclose to one sponsor the details of our negotiations with another—nor do we discuss with an advertising agency anything pertaining to the advertising plans or advertising expenditures of any company other than the clients of that agency.

To adopt any other course would, we feel, be unfair to sponsors. It would we feel, in fact, be a breach of business ethics. But there is more to it than that. It would be prejudicial to the interests of the corporation itself. On the one hand, every advertiser endeavours—and properly so—to obtain the maximum in advertising value for the lowest possible expenditure. Sponsors and their agencies do everything they can to keep costs to a minimum. The C.B.C. on its part, strives for every dollar of commercial revenue it can obtain. In every case it drives the hardest bargain it can.

If it is to continue to do that, the corporation must continue the practice of conducting its sales negotiations confidentially. Its position vis-a-vis

advertisers and agencies, and its future dealings with them, would be seriously impaired if the terms and conditions of its sales arrangements were a matter of public knowledge.

That, Mr. Chairman, is my statement.

Mr. SMITH (*Calgary South*): Mr. Chairman, I wonder if I could raise a point? When the question of these costs was initially brought up I mentioned, at that time, that I would like to receive certain information from Mr. Bushnell, from the corporation, and, in all fairness to him he provided almost exactly the information for which I had asked. But I stated at that time it may not be satisfactory, depending, of course, on a number of circumstances, to which I will make some reference.

Mr. Bushnell has just made another statement, and has, at this time, brought into it the position of the advertiser, and, in particular, the advertising agencies.

I am going to read a very short excerpt of what has been their official position, which was given to the royal commission.

Before doing that, I want to make it clear, Mr. Chairman, the point I am endeavouring to establish. This committee, if it is going to be successful, among its many areas of examination is going to have to determine, foremost, in what direction we are going with relation to costs and the expenditure of the taxpayers' money. Secondly, are we receiving value for the money the taxpayer is paying for the production?

I do not propose personally to become involved in determining whether one program is better than another, but I do feel the question of the costs must be foremost in our minds. In the statement we have been given by Mr. Bushnell it begins in relation to these costs, that perhaps the best that can be said of it is that of the ten examples the C.B.C. loses on eight of them.

The CHAIRMAN: That is on page 132 of our printed proceedings, gentlemen.

Mr. SMITH (*Calgary South*): Of these eight the amount that was lost is around $50,000.

Mr. Bushnell goes on to say, in his report, as a justification of this, that based on their discussion with the advertiser and with the agent, the amount that is being charged against these productions is more than likely all the traffic will bear. The complaints of the respective advertiser indicates this. Quite obviously, I suggest to you, no advertiser, when approached by a sales executive, is going to say that he is happy with the price or wishes to pay more.

Obviously, his reaction is going to be, as it has always been in business, that the costs are too high.

These figures are useful purely to show us the need for a further examination of the costs in relation to the C.B.C. operation, and this is only one facet of costs I wish to examine, but it is an important one.

We have listened at some length to the suggestion that this would place, if we discuss these costs in some detail—place them in the position of identifying the companies. Then it would be said this would put the C.B.C., as a corporation, in an unfair competitive position, and it would also open the question as to the business practice between competitive companies, in that they also would be discriminated against; and it is said that this would disclose information which it was not in their interest to have disclosed.

We have been making comparisons all along of comparable situations in other countries; and, perhaps, Mr. Bushnell does not consider this is comparable. But I draw to the attention of the committee that in the United States—he refers quite often to trade publications—there is published exactly the information that we are asking for in this committee.

This information is published in trade publications which are open for anyone to see at any time, if they have the price of a quarter. They show the cost of these shows as a gross figure; cost in relation to average shows; and cost, including talent and production charges. These are costs which include the 15 per cent agent's commission.

The CHAIRMAN: Is that what the advertiser pays?

Mr. SMITH (*Calgary South*): I am reading right now from "Sponsor", which is a weekly trade publication on TV and radio that the advertisers use.

Mr. MCCLEAVE: Mr. Chairman, the same material will also be found in "Broadcast", the business weekly television and radio, and Television Management Bagazine of Broadcast Advertising.

Mr. SMITH (*Calgary South*): I would like to make a final point. We have, in my view, got to receive a complete disclosure of the costs of operation of the corporation to determine whether or not this money is being spent in the best interest of the public of Canada.

We have got to determine what percentage of these costs are being subsidized by the taxpayer, in so far as the corporation pays a proportion of these various productions. We must determine whether or not we are receiving anything like the value the C.B.C. says we are receiving. We must determine whether or not the statement contained in Mr. Bushnell's initial statement and his subsequent remarks are based on fact or pure opinion.

I suggest the only way we can do that, if we are to fulfil our duty as members of this committee, is to ask for a complete disclosure. I am, therefore, going to move—but perhaps before I do that, let me read this, because Mr. Bushnell, after all, raised the question of advertising and agency costs.

> The cost of producing live shows in Canada is not yet justified by the commercial return. The C.B.C. have sought to meet this by offering Canadian produced network shows at very substantial network discounts, designed to use the full amount of the advertising dollar as far as it will go. They encourage support of this policy by offering separate but related inducements to particular advertisers. They discourage and impede it by refusing to disclose the real costs, by denying the advertiser or agency any effective or audible voice in the production or personnel of the shows and by rejecting any financial advantages that could be gained by competition. In the result the advertiser has no assurance that he is getting what he is paying for and is restricted to supporting only that talent which is recruited by the C.B.C.

So, I maintain that the argument that the advertiser would object to this being opened up from a competitive standpoint—

The CHAIRMAN: Once again, you are quoting from what?

Mr. SMITH (*Calgary South*): I am quoting from the brief of the Association of Canadian Advertisers, presented to the recent Royal Commission on Broadcasting.

The CHAIRMAN: Thank you.

Mr. SMITH (*Calgary South*): Therefore, my argument is that the suggestion that the companies concerned, who have been paying for these productions, resent having this information made public is hardly valid, and that the people who carry on the contractual work for them made a protest of this nature.

Therefore, sir, I am going to move—and you may refer it to the steering committee, if you feel it is necessary—that all costs of production of both commercial and sustaining TV programs in both the English and French networks be presented, at the earliest possible date, to the Committee for the

last complete month, itemizing these costs and relating them to recoveries made from sponsors and other sources.

Mr. PRATT: I second that motion.

Mr. Chairman, in addition even if the C.B.C. wishes to maintain the confidence it has with the commercial sponsors, I see no difference between that and disclosing the costs of the program.

The CHAIRMAN: Any further discussion on the motion?

Mr. PICKERSGILL: Mr. Chairman, just before the motion is put; I wonder if the committee would object to hearing what Mr. Bushnell's comment is?

The CHAIRMAN: Yes, I think in all fairness to Mr. Bushnell and his associates, he should complete his statement, and then we will put the motion.

Mr. BUSHNELL: There is one thing I would like to make clear, and that is the question of costs. What the advertisers mean actually in that statement that was made to the Fowler commission is this, that they believe the C.B.C. is charging them for costs which should not be a part, any part, if you like, of the burden they have to bear.

In our costs,—the figures that have been given to you, gentlemen,—are included, not just talent charges, not just script charges, but we charge for everything. The studios are rented. We pay rental to ourselves for sustaining programs and when we allow—not "allow" an advertiser but, indeed, we invite him to use our studios, to use our mobile equipment, to use our cameras, or anything like that—then there is a charge included; and the amount that the advertiser is paying is a certain proportion of the total cost. We are dealing with a cost accounting basis; and, I think, quite properly. That is businesslike as far as I can see it.

All right. Those costs are in there. Now then, as a matter of fact, on top of that administrative costs are charged, the president's salary is charged, part of my salary is charged, part of our administrative set-up is charged, if the program originates in Toronto, and those charges are put in there. That makes these costs look abnormally high.

The CHAIRMAN: Is that not so with the N.B.C., the C.B.S. and A.B.C., in their method of cost accounting?

Mr. BUSHNELL: They probably do, but I know of certain cases, and I could not disagree with Mr. Smith on the point that these figures are published, but I would like to have it confirmed that the figures that are published are actually the figures or, at least, the amounts that are paid by sponsors. Because I happen to know this, that in many instances the American networks defray a part of the costs of programs; but there is a reason for that. In the United States they have a very large population, and they have 100-odd stations on their networks. They have standard rates, and when all that is added up they have a very substantial profit, if you like, from the sale of network time, and on their owned and operated station time, and so on.

There is not any question in the world about it, that in many, many instances the American networks—if we like to use that word "subsidy"—are subsidizing American advertising.

I can give you an illustration. Here, not long ago, a two-hour program —I think it was called "Meet me in St. Louis"—was put on by N.B.C. It was a spectacular. The production cost of that program was well over half a million dollars. If there is one advertiser in the United States who can pay anything like half a million dollars for that show, I would like to know who he is.

Mr. SMITH (*Calgary South*): There is a difference. You say American stations are subsidizing American advertising. That may well be true, and we have, for example, from this record a clear statement that the C.B.C. is

also subsidizing Canadian advertisers; but the difference is this, that this is being done with public funds, and, surely, we are entitled to know to what extent.

Mr. BUSHNELL: Let me turn the coin over and put it to you this way: Would you agree actually, instead of the C.B.C. subsidizing advertisers, advertisers to some extent, are subsidizing the C.B.C.?

Mr. FISHER: No.

Mr. BUSHNELL: Why not?

The CHAIRMAN: Mr. Fisher?

Mr. FISHER: I would like to ask Mr. Smith a question. I want to ask him, what was the effect of this presentation in so far as recommendations that came out of the Fowler commission are concerned?

We are considering a motion that is largely based upon a statement that Mr. Smith read.

Mr. SMITH (*Calgary South*): That is not correct. That statement, Mr. Chairman, so I may help out Mr. Fisher—and he apparently needs helping out—the fact is that this information was only read into the record because Mr. Bushnell's own statement mentioned they had enlisted the support of the Canadian advertiser. I am stating that where there is any argument it is based on the fact there would be some objections from the sponsor himself. The people who negotiate this business on behalf of the sponsor—namely, the Canadian advertising agents—have raised this objection, and that is why it is relevant.

Mr. FISHER: What did the Fowler commission recommend with regard to it?

Mr. SMITH (*Calgary South*): You have had an opportunity to read the report of the Fowler commission as well as I have had, Mr. Fisher.

The CHAIRMAN: Mr. Fisher, we are not questioning Mr. Smith; he is not a witness.

Mr. PRATT: There is some truth in what Mr. Bushnell has said. The sponsors, to some extent, are helping to subsidize, and it is quite obvious that both sponsors and the public are sharing the cost of these programs. But at least the sponsor knows how much he is paying and how much he is getting; and the public does not. Mr. Bushnell is to be complimented for fulfilling his responsibility to the sponsors; but the responsibility of this committee is first and foremost to the public.

The CHAIRMAN: Mr. Bell?

Mr. BELL (*Carleton*): I would like Mr. Bushnell to come directly to what, to me, is the issue, and then I am going to make up my mind as to how far it is important. It is a fact that in the United States with regard to any figures that have been produced there has been apparently, on the part of the advertiser, no objection at all to the production of this information, or on the part of the sponsors. If that be true in the United States, then what conceivable objection is there to the production of that information in Canada? That is an issue upon which I am going to make up my mind. I was impressed by Mr. Bushnell's initial statement, but the moment these were produced it seemed to cut the feet out from under everything Mr. Bushnell said.

Mr. BUSHNELL: I think the difference is this, Mr. Bell: as I have tried to explain to you the networks do make a profit on the sale of time. The advertisers in the United States apparently do not have any serious objection. Statements are made that P. & G. as a matter of fact, is spending $9 million, Colgate-Palmolive $7 million on television, and so on. But it has been our experience in the past that advertisers and advertising agencies in Canada have asked us not to disclose these figures on many, many occasions.

There is one other point I should like to make—

Mr. BELL (*Carleton*): Why would there be so much difference between the United States and Canada?

Mr. SMITH (*Calgary South*): How do you reconcile this?

Mr. BUSHNELL: I suggest actually you might well ask a representative of the A.C.A. or C.A.A.A. I cannot tell you that.

Mr. PRATT: Mr. Chairman, when Mr. Bushnell says "these figures", does he mean the cost to the sponsor or the cost of the program?

Mr. BUSHNELL: I think the cost of the program has been given to you, Mr. Pratt.

Mr. PRATT: In appendix A we have a very brief and, I think, a rather ridiculous list of costs. I think we need the identities and a proper breakdown of the costs.

Mr. FORTIN: Mr. Bushnell mentioned that part of the salary of the president, the rental of cameras, studios, and so on are included in the cost there. I would like to know in what proportion, in what percentage?

Mr. BUSHNELL: Mr. Chairman, I think a great deal of light could be brought to bear on this question if Mr. Gilmore—who has a statement to make and figures to put with the statement—might be allowed to do so at this time.

I do not want to hold up your motion, but I think it is only fair you should have the information we have prepared for you, which may help.

Mr. FORTIN: That will help us to find out if we are satisfied with the figures you are giving us.

Mr. BUSHNELL: Yes, that is right.

The CHAIRMAN: How long is your statement, Mr. Gilmore?

Mr. J. P. GILMORE (*Controller of Operations, Canadian Broadcasting Corporation*): Mr. Chairman, what I propose—

Mr. PICKERSGILL: I have a question I think I would like to put before this statement is read.

The CHAIRMAN: Mr. McGrath had a question before you, Mr. Pickersgill.

Mr. MCGRATH: I would like a little further clarification because, to my mind, this whole question revolves around Mr. Bushnell's statement that it is based on cost accounting.

The question I have is related to capital expenditure. I presume this system of cost accounting is carried over into your capital expenditure. This is not necessarily related to commercial programs, but to capital expenditure, and it has to do with this system of cost accounting.

I would like to refer to the hearing of the board of broadcast governors on March 16, 17 and 18. I would like to refer to pages 609 and 610 of the verbatim transcript of that hearing, to a statement by Mr. Bushnell to the Committee.

The statement in part reads:

> May I also remind you of the fact that when the C.B.C. puts in its estimate it is also on a cost accounting basis. Part of my salary and even the office boy's salary is included in it, so that the figures are on a cost accounting basis and may seem somewhat higher to you than those of a private applicant.

Further on in the same transcript, at pages 617 and 618, there is an exchange of questions between the chairman of the board of broadcast governors and the C.B.C. official with regard to capital expenditure in Kenora, Ontario:

Dr. STEWART: What about the cost of installation?

Mr. RICHARDSON (*of the C.B.C.*): Kenora, $95,000 capital.

Dr. STEWART: Is that cost accounting or straight capital?

Mr. RICHARDSON: "Straight capital."

Now I would like to have a clarification of that, because, to my mind, that is a contradiction.

Mr. BUSHNELL: Well, Mr. McGrath, it may be a slight contradiction; it might appear as such. But let me assure you of this; the way that question was put, as I understand it, was that Dr. Stewart was asking what the cost of installation would be. Incorporated in that cost, obviously, would be certain engineering charges, certain administration charges, and a number of other similar things. There is no doubt about it that this $95,000 is not only for the transmitter and the transmitter house, or whatever is going in there.

The CHAIRMAN: Mr. Pickersgill?

Mr. PICKERSGILL: My question is coming back to this motion, Mr. Chairman. Mr. Bell said that he would make up his mind largely on the question of whether a satisfactory answer could be given to the question of whether the advertisers were concerned. I could not care less what the advertisers do about this. What I am interested in is whether the public interest would be injured by the disclosure of that information.

Mr. BELL (*Carleton*): That information was never—

Mr. PICKERSGILL: Perhaps Mr. Bell would allow me to finish. I did not interrupt him.

The only ground I can see for our not accepting Mr. Smith's motion—and I mush say that he put up some powerful arguments for it today—is that which is used with the C.N.R. and other crown corporations since, that they would weaken their competitive position by disclosing information. Otherwise we should have the information.

I think we ought to have a statement from the officials of the C.B.C. as to precisely how this would weaken their competitive position; precisely in what respect.

The CHAIRMAN: We have already had that, have we not, Mr. Pickersgill?

Mr. PICKERSGILL: In view of the evidence produced by Mr. Smith just now I am not at all satisfied with the mere statement that is their opinion. I think that statement must be fortified by facts. That is to say, they would have to tell us how it would work out mechanically if this happened.

I can see what they try to do when they try to put on a program and conceal its cost, because an advertiser has to try and match competitively the highest bid they can get for it. This may be an answer to the question of how it is going to injure the C.B.C., injure their capacity to get more revenue out of advertising; and that is the only basis on which I could make up my mind, if that was made clear.

The CHAIRMAN: Mr. Smith, and then Mr. Lambert.

Mr. SMITH (*Calgary South*): Perhaps Mr. Bushnell would like to deal with the two questions together, or would you like to reply to Mr. Pickersgill now?

Mr. BUSHNELL: I can reply to Mr. Pickersgill this way: To us it is very simple. Let us take two competing companies. For example, in the electrical appliances field—or let us take the motor car field, the food field, the cigarette field—any one of them.

We go to the advertiser and say, "Here is a Canadian program of such and such a type, which we are prepared to produce, and to produce at such and such an hour." Let us say on Sunday night, Monday night or any night in the

week. That is fine. That advertiser then says to us, "How much is this going to cost?" We tell him what the costs are going to be, and he says, "We cannot afford it." We say, "Thank you very much, we will go to your competitor and see if he can afford it."

If we disclose those figures publicly we are going to be in a very difficult selling position in the future. I can assure you of this. I have been in the advertising field 25 years. I am familiar with the policies of advertising agencies, I have been manager of a private station and I know something about this. I know something about the complexities and difficulties of selling; and I have never known any situation more difficult or more complex than that which has developed since the advent of television.

The simple fact of the matter is that these programs which carry the advertising are C.B.C. programs, and we have residual rights. Some of these programs, as was mentioned the other day, are sold to the B.B.C., the Australian Broadcasting Commission, and some to the United States. They are programs we own, and we get money back. As a matter of fact, we take the advertising message out of the sponsored shows and send them over to England or the United States, where they can be used a second time; and we make money on that. That is another consideration: we hold what we call residual rights. They are our programs and not the advertiser's program; they are C.B.C. programs.

Mr. PICKERSGILL: I wonder if I can put this to Mr. Bushnell? I must say that I still think I have not quite made my point.

What it seems to me is, why is disclosure of the cost of production of these programs—which, I presume, is what Mr. Bushnell meant that he does not wish to disclose—why is that going to weaken your position as between one advertiser and another? After all, it is only competition that is going to determine that.

Mr. PRATT: That is exactly the question I asked a few moments ago.

Mr. SMITH (*Calgary South*): Mr. Bushnell said that he will reply to both questions, Mr. Pickersgill. He said that many times the sponsor and the advertising agency do come to you and ask you not to disclose the cost of these various productions. That is what you said, is it not, Mr. Bushnell?

Mr. BUSHNELL: That is correct.

Mr. SMITH (*Calgary South*): Mr. Bushnell, you are familiar with the association of Canadian advertisers?

Mr. BUSHNELL: Indeed I am.

Mr. SMITH (*Calgary South*): You were probably a member of it at one time?

Mr. BUSHNELL: No.

Mr. SMITH (*Calgary South*): Let us then put it this way: they know something about the field of advertising, and represent quite a number of advertisers. How, then, do we reconcile your statement, in which you are making a case that the sponsor does not want to have this disclosed, and yet such a large body which negotiates the costs with the sponsor, between the C.B.C. and the sponsor, say this in their brief:

> In the result the advertiser has no assurance that he is getting what he is paying for and is restricted to supporting only that talent which is recruited by the C.B.C.

The first portion of that statement, I suggest, is very relevant to what we are discussing.

Mr. BUSHNELL: I suggest it is, too. But what do they mean when they say they do not know what they are getting? They get a breakdown; they know what the costs are; and they can come to us at any time and ask what

they are. My point is they do not want it disclosed. At that particular time, the Canadian advertisers were fighting to get control of the C.B.C. package programs.

Mr. PRATT: Am I right in understanding that the sponsors can get the figures?

Mr. BUSHNELL: Yes, the sponsors get them individually; but we are not going to give to Mr. Chrysler what General Motors spent; but, certainly, General Motors knows what the costs are.

Mr. PRATT: And the public is denied this privelege? This is amazing!

The CHAIRMAN: Mr. Gilmore, will you continue with your statement?

Mr. GILMORE: I am not clear whether this document has been tabled yet in the committee.

Mr. BUSHNELL: It is the C.B.C. television program cost and revenues.

The CHAIRMAN: It is appendix A, page 131 of the printed proceedings.

Mr. GILMORE: The statement I wish to make is attached to this. Firstly, I would like to say to Mr. Flynn's question of the other day, we have this morning deposited with the Clerk of the Committee the sustaining programs costs, French and English.

The CHAIRMAN: Thank you. They will be distributed later.

Mr. GILMORE: May I read this statement, Mr. Chairman?

Mr. SMITH (*Calgary South*): Are there copies of this statement available, Mr. Chairman?

Mr. BUSHNELL: I believe they were tabled, Mr. Chairman.

Mr. GILMORE: This is the document to which you have the current cost attached.

CBC Television Program Cost and Revenue Notes

The attached tabulations provide examples of typical program costs for ten programs seen during the month of January 1959 as part of the English language television network service.

On the revenue side, the main items are the sale of time and the program package charge. It should be noted in connection with revenues that the broadcasting industry has as its main commodity on-air time. Time is sold in the form of spot announcements and in the form of periods occupied by programs. In the examples given in the attached sheet, program time is represented by revenue to CBC and private affiliated TV stations.

The CHAIRMAN: Is it your intention to read this statement? I think every member of the committee has already read it. I thought you had some supplementary remarks to make regarding that statement.

Mr. GILMORE: Yes, and I wanted to pull them out.

The CHAIRMAN: All right.

Mr. GILMORE: I think that particularly is an important point to note, that the broadcast industry does not fundamentally sell programs. The broadcast industry sells as its main commodity, time.

I would like to introduce at this time a reference to our annual report for 1957-58 where a brief breakdown is shown of the part of our revenue which comes from time, and the part which comes from commercial package program contributions.

Sixty-three per cent of our revenue as shown in the statement of income and expenditures for 1957-58 in the annual report comes from the sale of time in the form of spot announcements and station time; and 27 per cent comes from package contributions from sponsors; while the balance is made up of inter-connection charges and charges for commercial messages on programs for which we charge, as we produce them in the live programs.

It must be remembered that the time occupied by these programs is time of the national TV network service which, by definition of the corporation's objectives, is to be programmed, along with all other service hours, to give a balanced and varied program fare. In seeking and obtaining participation of commercial sponsors in sharing the costs of these programs, the objectives are to provide clients with a vehicle for their commercial messages in one of the most effective impact media yet devised by man, while at the same time reducing the costs of these programs to the Canadian public.

I might say that I would like at this time to go back in time to the start of television. When the corporation started television in the fall of 1952 in this country, we studied various ways in which we could obtain sponsorship and still, under the direction of parliament, produce our own schedule, produce our own planned schedule of Canadian content.

The first plan that came to our attention was the one which is now favoured pretty much in the United Kingdom by commercial television, and that was the concept of producing a schedule and selling slots for commercial announcements which were not in any way related to the program. This was rejected pretty fully, and I think Mr. Bushnell will bear me out in that. It was rejected pretty fully by the people whom we met in the advertising fraternity and who were our prospective clients.

The next step we took was one which we implemented, and that was the placing a time charge on the station time which was large enough to cover the whole program cost. We did no commercial business worth going forward with on this basis because the advertisers and the advertising agencies would not participate in this sort of time charge.

We then came back to the approach which is pretty well, that of the United States networks and which is our current approach, and that is our station charges, and our charge for facilities for the program package. That is a little background of the way in which this thing is operated. As Mr. Bushnell said, it has been dictated largely because of the position in another area, that of program control.

In the United States the costs which are quoted in the trade magazines are, many times, not the costs to the network at all. They are the costs to the advertising agency, or the packager whose chief business it is to package programs for sale to clients; and as a subsidiary action, he buys time on the network to show that program.

That is the fundamental difference between the Canadian broadcaster and the American broadcaster; and I suggest, sir, that in this field also, there is one fundamental difference, and that is, that the network concerned is able to charge an advertiser a station time which is more than ten times the station time rates that can be charged in Canada for the equivalent time. Because, where there are 44 million television receiving sets in the United States, covered by the American television network, there are just over 3,200,000 in Canada. That is the reason our station time cannot be as high as we would like to make it in order to charge for our main commodity, and in order to make a profit.

Mr. PRATT: I think we realize in this committee that it is very difficult in a country the size of Canada with its small population to produce live television at a profit. It is almost impossible. Our question is to find whether or not the loss is worth the money.

Mr. BUSHNELL: May I ask Mr. Pratt another question. If it is not worth the money, would you suggest that the C.B.C. get out of commercial business?

Mr. SMITH (*Calgary South*): That has not been suggested.

Mr. BUSHNELL: We are operating at a loss.

The CHAIRMAN: Please continue.

Mr. GILMORE: Furthermore, commercial contributions to program production costs enable the CBC to improve the quality of these and other programs and, in fact, may enable the corporation to develop other service programming which would otherwise represent too high a cost.

Now a word about rates and program costs. If, as in the United States, our Canadian population was sufficiently dense to justify a high-enough time charge for CBC and private stations, then a possible profit could result from these commercial operations. It should be noted that time charges are based on the population covered by a given station. This fact is best illustrated, probably, if we recall that it requires some fifty television stations and over 4,000 miles of microwave network connections to achieve the population coverage in Canada which, in the United States or the United Kingdom, is attained with one station in New York or London.

The same commercial principles are applied in Canadian television program sales as are used in the United States. However, where there is a loss incurred in program production charges for major productions by United States networks, the station time charges more than make up for such losses.

As to the question of whether the CBS's commercial operations are not resulting in a high-enough charge to the advertiser, it is abundantly clear to our commercial sales people through sales resistance and from the definite statements of the Association of Canadian Advertisers and the Canadian Advertising Agencies Association to the Fowler Commission that our revenue is just about what the market will bear. They have complained about the high cost of television.

Mr. PRATT: I am merely trying to find out what programs are worth a loss, and I do not see why these facts should be kept from this committee.

The CHAIRMAN: Please continue, Mr. Gilmore.

Mr. GILMORE: I would like to continue with this statement:

Television is indeed an expensive medium. This is a well-known fact to C.B.C. program planning people and to the people who have developed television programming in this country. All the elements of the theatre, broadcasting, and the motion picture industries are combined here in the production if a varying program fare from hour to hour, from day to day, and from year to year. It might be of interest to take a quick look, however, at the program costs in Canada in comparison with those in the United States program apart from the examples given in the attached sheets, a category analysis will show that, for 90-minute dramas, the average United States program cost is $135,000, whereas the C.B.C. cost is under $42,000. In the hour drama category, the comparison is $81,000 for United States productions and approximately $29,000 for Canadian.

I would like to introduce a quotation from the president of the Columbia Broadcasting System which I think would be of interest to the committee. This quotation is taken from "Network Practices", a memorandum supplementing statement of Frank Stanton, president, Columbia Broadcasting System Incorporated, and it was prepared for the Senate Committee on Inter-State and Foreign Commerce by the Columbia Broadcasting System Incorporated.

The quotation reads as follows:

> In 1955, the loss for commercially sponsored programs alone was in excess of $7.1 million without any allocation of general overhead such as selling and administrative expense . . . It is estimated by C.B.S. accountants that an additional $4.5 million in overhead expenses is attributable to program production. In total, sustaining programs and the loss on the sale of commercial programs cost more than $22 million in 1955.

I would like to comment on the U.S. program costs which are published and from which we have quoted here, and which have been quoted in this committee. We have tried on several occasions to pin down a direct comparison between these costs and the ones which we quote. I would like to emphasize that the costs which we quote, as Mr. Bushnell described them, are over-all costs including overhead.

You will notice that approximately 67 per cent of the overhead in the table attached is what we call administrative overhead, and it is the over-all departmental cost of a national production; whereas the cost we are able to obtain from the U.S. industry publications are very broad averages, and we cannot determine whether administrative overhead is included in them, or if so to what extent. We suffer from this comparison, because we have been asked to make an internal check on our efficiency as compared to that of the networks efficiency, and after all we can only compare ourselves with equivalent network operations in the United States. So I just give you this information in checking these costs.

According to the comparison $81,000 is for United States production and approximately $29,000 for Canadian; that is in our dramatic category, and for just our dramatic production. The American average is $41,400, and this compares with a Canadian average of $11,350.

Mr. PRATT: This is largely irrelevant to the motion which was to reveal Canadian costs.

The CHAIRMAN: I realize that, Mr. Pratt, but the statement is practically over.

Mr. GILMORE: Yes.

The CHAIRMAN: I thought we should go along with his statement, and then put the motion.

Mr. GILMORE: I will eliminate the question of the other costs.

The CHAIRMAN: Please do.

Mr. GILMORE: To summarize then, it would be correct to state the objectives of C.B.C. programming and sales people in the television production field is to produce a good schedule and to sell, at the best price possible, such of these productions as are available for sponsorship while at the same time maintaining the quality of the programs and as low a cost as possible.

The CHAIRMAN: Thank you, Mr. Gilmore.

Mr. BUSHNELL: I have one statement in answer to Mr. Pickersgill's question. In my statement I said that I firmly believe it would be prejudicial to the interests of the corporation itself, and if it is detrimental to the interests of the corporation it is detrimental to the interests of the public of Canada.

Let me enlarge on that: that if by disclosing these figures the C.B.C. is going to lose a $2 million contract, it is quite conceivable then, I think, that it would be prejudicial to the interests of the C.B.C. and to the public at large.

Mr. SMITH (*Calgary South*): You said you would lose a $2 million contract as a result of disclosing this. How would you lose that?

Mr. BUSHNELL: Time after time we have been asked not to disclose these figures publicly.

Mr. SMITH (*Calgary South*): Is there any evidence whatsoever to support that contention?

Mr. BUSHNELL: I cannot say that I have any evidence in writing, but I am informed by our sales force that such is the case.

Mr. SMITH (*Calgary South*): You would anticipate the sales force in trying to contract a sponsor saying that conceivably his costs might be increased. Now, if you were a sponsor, what do you think your reaction would

be? Would you complain? Is it not human nature that they would show some resentment at increased costs?

Mr. BUSHNELL: Certainly, there is no question but that they would complain and they certainly have complained. But we are regarded as about the toughest bargainers in the country. Let me give you an illustration.

I am going to put it to you in the form of a question, if I may do so, if it is proper, Mr. Chairman, for me to ask advice of this committee: what would you do in a situation like this: where an advertiser comes along and he is one of the biggest advertisers in the country. He says: "Mr. C.B.C., this year I want to spend a very large proportion of my advertising budget in television. Now, I have diversified products. Furthermore I recognize the fact that I must cover the two basic areas in this country. My total appropriation for this medium of television is, approximately—I shall use a round figure—$2 million. For $2 million here is what I want: I am quite prepared to pay a very substantial proportion of the cost of a Canadian origination, but coupled with that, however, is this: that because of my diversified products, I must have other time on your network; I must have time to advertise the different products that I specialize in.

Now, I want to bring in a program from the United States which my parent company pays for. I pay a very small proportion for the rights, the talent and so forth; and on top of that, I want to bring in an American film which my parent company has bought, and which costs me nothing."

What is your answer going to be when he says: "Gentlemen, I have $2¼ million to spend, and I want to spend it. I am prepared to pay you a certain proportion of the cost or what I think is a fair proportion of the cost of this Canadian orgination; and I am prepared to pay so much to you for 52 weeks in the year."

What would you do? Would you take it?

Mr. SMITH (*Calgary South*): Were I taxpayer, I would ask you this: we recognize, as most of us have in sitting on this committee, that it is going to be a difficult thing to make commercial productions profitable. But if I were the taxpayers, or having to subsidize this particular sponsor to whom you referred, I would like to know first of all by what extent, or to what degree, or how long it will take, or on what basis—I would like to know if I were the taxpayers putting up their money, what I was getting in quality.

We keep talking about the quality of these productions and relating them to the cost which the sponsor has to pay for them; and before I would be in a position to answer your question I would like to know in what direction the C.B.C. was going, and on what basis or decision they have this flexibility to make these deals with various corporations.

It is conceivable, if human nature is as I think it is—and I am not suggesting any ulterior motives—that we may have a selection here which is not in any way related to the over-all costs, between the actual costs of the show and what the sponsor pays for it; and until we get a clarification of what this means, we do not know in what direction we are going, or whether we are getting quality. That is the reason for the motion.

Mr. MCGRATH: I want to deal with this matter by saying that there are certain advertisers in this country who cannot afford to do without television advertising; and since there is only one television network in Canada, I suggest that no matter how you look at it, the C.B.C. has the edge.

Mr. BUSHNELL: I have used that edge to good advantage. It has been a pretty sharp edge on occasion.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I listened with a great deal of interest this morning to what Mr. Bushnell was telling us in order to

justify his opposition to giving us the information which we require and which we asked for I think that up until now, as he has told us, he has not satisfied us inasmuch as he has used a hypothetical argument rather than precise facts. In particular, when he tells us that the sponsors of various C.B.C. programs will probably contemplate the possibility of closing their commercial relations, or bringing to an end their commercial relations with the C.B.C. if they produce these figures, or disclose them, I would like to know what this is in actual fact, really, concretely speaking. I would like an indication of this possible attitude of the sponsor.

Mr. Chairman, before hearing from Mr. Bushnell, concerning what I was just speaking about, I would like first to recall a few of the principles involved in this matter. The other day I said—and I wish to reiterate, Mr. Chairman—that a parliamentary committee is entitled to receive information on the administration of the C.B.C. This committee is entitled to receive such informaion because it brings together representatives of the people. We are, so to speak, the bookkeepers of the people.

This must not be forgotten; it is a fact which must not be overlooked. Mr. Bushnell spoke just now of the commercial aspect of the C.B.C. I want to indicate that this commercial aspect, this commercial side of the C.B.C., exists only because the C.B.C. was set up by an act which was voted into being by the representatives of the people and that it is empowered to have commercial relationship and to have commercial status only because the representatives of the people wanted it that way.

It is as representatives of the people that we can ask for this information because of the very facts which I have just mentioned. We wish to know what is happening in such and such a way, but we want to know what is the relationship between the cost of production and the quality of the program. We do not ask for these figures just simply for the purpose of conducting a moral inquiry, or to put the cost upon any particular people. What we want to know is what the programs are worth when they are paid for by the taxpayers, and we want specifically to know what part is paid for by the sponsors, and what part is paid for by the taxpayers.

I would like to add that we shall also ask for information on non-sponsored programs, and as I said the other day, the figures received do not give this information. Yet this is an important factor. So I would like to say that what we would want to know specifically is, in terms of the program, what the costs are so that we may know whether to continue or to maintain such a program.

The CHAIRMAN: Mr. Dorion.

Mr. DORION: (*Interpretation*) Mr. Chairman, along the same general line, and in order to obtain detailed information, perhaps Mr. Bushnell would be good enough to tell me if he can, if engagements or commitments have been made regarding publicity agencies, or sponsors by contract in such a way that the amounts they may have to pay for programs may not be divulged anywhere? I would like, for example, very much, to see, if possible, the form of contract so that I might examine it.

Mr. BUSHNELL: That can be provided. We would be very happy, but it would not be filled in, of course.

Mr. MCCLEAVE: My question is supplementary to this main question. Are we dealing with anything more than an ethical problem here? In the past it has been decided not to prejudice one advertiser as against another by revealing the figures. In fact, non-prejudice was created by concealing the cost of these programs. Now the committee has asked—or it may ask that all these factors be brought into the open so that the advertisers would know

their relationship to each other. But is it anything more than an ethical problem?

Mr. BUSHNELL: I grant you that it is largely an ethical problem, but we consider it a little more than an ethical problem in that we feel it would be prejudicial to the best interests of the corporation to do it. I want to make one thing clear: the only reason in the world, and there is no other reason—why we hesitate to make these figures public is because of this whole competitive situation.

May I remind you, gentlemen, through you, Mr. Chairman, that the Fowler Commission has taken a look at all our operations. We have an internal audit and we have an audit by the Auditor General, and nowhere will you find—I am not mentioning this because you suggested it—but I want to make it clear there is no reason other than the reasons I have mentioned; there is no moral factor, there is nothing of that kind that has ever been suggested. I want to make that clear. I do not want to leave any doubt in anybody's mind.

Mr. CHAMBERS: We are not suggesting that. I would like to go one point further and say that for my part, I am making no suggestion, and I do not think anyone else here is either. But when that procedure is recommended by the Massey and the Fowler Commissions, that it should be continued by turning over sections of your time to advertising—this committee might possibly make a recommendation that instead of following the procedure that is now being followed—and as brought out in these figures which have been given to the committee on independent negotiations with each advertiser, it does seem to me to leave the possibility of inequitable treatment, and that one company is getting more of the public money than another.

We might recommend some fixed figure on sponsored programs because of distances and other matters which have been brought up—that one fixed percentage of the cost of a sponsored program should be borne by the corporation, and that the percentage should be the same for all advertisers.

It is open for us to formulate such a recommendation in our report from details and information.

Mr. ROBICHAUD: I realize that we have had this morning an elaborate and detailed discussion on the important motion which was introduced by Mr. Smith. It is a motion which really deserves very serious consideration because it involves not only the public interest but it also involves the policy of a national organization such as the C.B.C.; and if I am in order I move that Mr. Smith's motion be referred to the steering committee for decision.

The CHAIRMAN: There is already a motion before the committee.

Mr. SMITH (*Calgary South*): I think I should make it clear that in my initial statement I said I would be happy to move the motion or, if you wished, to have it referred to the steering committee. I think in fairness to the members of the committee I would be quite happy to have it referred so that the documents could be examined by all of us, or by a representative group of all parties. I think Mr. Robichaud's motion is a good one. I am agreeable to the suggestion that the motion be referred to your steering committee and that the decision of your steering committee be then made known to the general committee after a complete assessment of the evidence we have heard today.

The CHAIRMAN: Is that agreeable to you, Mr. Pratt?

Mr. PRATT: Yes, I think we can assume that regardless of whether the sponsor is a satisfied sponsor or vice versa, nevertheless, both the public and the sponsor are partners in this problem. We find ourselves in an anomalous position of one partner having all the facts and the other partner, the public, being kept in the dark.

I do not think we can continue to ask the Canadian public to go on paying for a pig in a poke. I go along with Mr. Smith's suggestion.

Mr. McCLEAVE: I would accept Mr. Robichaud's suggestion if he would use the words "for recommendation" instead of "for decision" of the steering committee.

Mr. FISHER: On the question of information, Mr. Bushnell, is this type of information available to people like Mr. Dunsmore, who is on your board of directors?

Mr. BUSHNELL: Definitely.

Mr. FISHER: Is this information available to the Board of Broadcast Governors?

Mr. BUSHNELL: If the Board of Broadcast Governors so decided, I imagine the C.B.C. would comply. This policy was started in 1938 when similar questions were asked by a parliamentary committee. Now I put it to you, gentlemen, that the policy has been adhered to since 1938 up to the present time. It was a policy established by the board of governors who were the former board. Now we have a new board of directors and, quite frankly, motion or no motion, I am not empowered to give you that information without reference to that new board of directors.

Mr. FISHER: I would like to make a motion, since other people have been making motions. If we have set up a Board of Broadcast Governors, and if we have a new board of directors who are supposed to be looking after this sort of thing, and if the main purpose of this committee is to examine the new broadcast legislation, and how it comes about, it seems to me that we are really in a blind alley in this particular motion.

Mr. PRATT: It seems to me that the information should be given to this committee even if the steering committee decides it should be given in camera, because this is the senior committee.

Mr. SMITH (*Calgary South*): The question of cost is still a vital factor to this committee when we are spending the taxpayer's money.

The CHAIRMAN: Is it agreed that this motion be referred to the steering committee for a recommendation?

Agreed.

Mr. BUSHNELL: I think it might follow as a sort of natural sequence, were we to receive the costs which have been asked for of the non-commercial programs; I mean a breakdown of them.

Mr. GILMORE: May I draw to your attention that we can provide a breakdown similar to this for the commercial exhibit already filed. This sustaining breakdown is quite extensive, and we can provide a similar breakdown for the commercial programs under the other exhibit.

The CHAIRMAN: Thank you, copies of the table on sustaining programs are being distributed now.

Mr. CHAMBERS: I have some questions on another area.

The CHAIRMAN: We had better deal with this first.

Mr. BUSHNELL: We are prepared to answer this morning if we have the time. It might throw some light on the other questions.

Mr. PRATT: These figures are for 39 weeks, in which period?

Mr. GILMORE: These are average costs, representative costs of individual programs, but not for the total series of programs.

The CHAIRMAN: What do you mean by "representative production costs" of one program?

Mr. GILMORE: Yes, one program.

Mr. PRATT: We have Folio's artists' fees $69,637. What period does that cover?

Mr. GILMORE: That is one program outlined there, Peter Grimes. We were asked for the highest and lowest of the Folio series, and you will see they are on page 2.

The CHAIRMAN: A Boy Growing Up and Peter Grimes.

Mr. MCCLEAVE: A Boy Growing Up did not have quite the appetite of Peter Grimes.

The CHAIRMAN: No, he was growing up.

Mr. GILMORE: In Peter Grimes there were many artists and the matter of long rehearsals.

The CHAIRMAN: Are there any questions on these figures?

Mr. BELL (*Carleton*): Is it not intended that at some time these should be sponsored programs?

Mr. BUSHNELL: Mr. Bell, that again is a matter of policy. The corporation has reserved certain periods for non-commercial programs, and I may say this, that at the present time our board of directors is giving consideration to the possibility of changing that policy. What the ultimate position will be, I cannot say.

Mr. BELL (*Carleton*): My point in respect of it, Mr. Bushnell, is that you did not hesitate in revealing actual costs of programs here which are now sustaining, and yet, at some future stage, you might wish to have them on a commercial basis. Would this not interfere with your so doing?

Mr. BUSHNELL: Not necessarily so. I am afraid I cannot agree with you on that.

Mr. MCGRATH: Just as an illustration, or for an example, getting back to the statement of Mr. Bushnell that costs are based on a cost accounting basis—and I presume that this holds true to the cost of the sustaining programs—in the case of the C.B.C. Folio program, Peter Grimes, where we have a grand total of $147,376, would it not be possible to have a breakdown of how this cost was arrived at?

Mr. BUSHNELL: Yes.

Mr. MCGRATH: As to exactly what percentage of the operating cost of the corporation, as a whole, was incorporated into this cost.

Mr. BUSHNELL: Yes, they are pretty much there, but we can break it down quite easily into the most minute detail.

Mr. MCGRATH: I want to get the method of this cost accounting.

Mr. GILMORE: In the case in point, may I draw to your attention, sir, that under administration overhead, $8,456, that represents the cost which was mentioned.

The CHAIRMAN: That is right. Then we will have the breakdown of these two shows, Peter Grimes and A Boy Growing Up.

Mr. BUSHNELL: A further breakdown.

Mr. JUNG: You have in part answered my question. I was disturbed about the column which is shown as "other costs". For example, the program Explorations, which is on the first page, the artists' fees are $1,132, other costs, $4,002. I wonder if we could have some other information as to what "other costs" might include?

Mr. GILMORE: Mr. Chairman, to answer the question, "other costs" is a grouping which is not identifiable in any of the three preceding headings. "Other costs" embraces, basically, film costs and this varies widely between programs. You will have one Explorations program which has no film at all,

and another one which is probably 85 per cent film, shot over four or five weeks' time, then it is edited and so on. That we put in under "other costs".

Another example of this, one of the most important elements of "other costs" in the case of Explorations, is that on one program they bring in part of the program from Winnipeg, and the program is being produced in Toronto. This is brought in on what is called a closed circuit. In other words, the feed from Winnipeg to Toronto is not being broadcast as it is brought in but as it goes back out on another network. That is the closed circuit, and that comes under "other costs".

The CHAIRMAN: Have we permission to print this as an appendix? (See appendix A).

Agreed.

Mr. TREMBLAY: (*Interpretation*) Mr. Chairman, I have a few questions regarding Teletheatre, appearing on page 1. It is said that $6,554 were earmarked for artists. Will it be possible to know what was this Teletheatre, indicated here, costing $38,449, and how many artists took part?

Mr. GILMORE: Yes.

The CHAIRMAN: We can procure that breakdown. Any other questions, Mr. Tremblay?

Mr. FORTIN: There is one thing I want to know to help me to understand. I want to know if these are figures for one production.

The CHAIRMAN: That is right, for one production.

Mr. FLYNN: Not an average.

Mr. FORTIN: On page 2 there is $700 for the commentator, because he is alone on that program. Every week he gets $700?

Mr. BUSHNELL: I am afraid, Mr. Fortin, I cannot answer that .

Mr. GILMORE: In this case it is not a single program.

The CHAIRMAN: I think this should be drawn out. Can you give us additional information next week, Mr. Gilmore, as to whether it is one program or a series of five programs, or for the whole 39 weeks.

Mr. FORTIN: For how many programs?

The CHAIRMAN: You had one other question Mr. Tremblay?

Mr. TREMBLAY: (*Interpretation*) To complete the information which was required by Mr. Fortin, may I ask how many artists are involved in the program Point de Mire, and under the heading "Artists"? Do they include producers or just correspondents and so on?

Mr. TREMBLAY: (*continuing in English*) In other words, who is the Point de Mire?

Mr. TREMBLAY: (*Interpretation*) In other words, where is the bull's eye?

Mr. PRATT: I think this is typical of the kind of information we are trying to find, not only on the sustaining but also on the commercial programs.

I would like to ask one question, Mr. Chairman. How is that "administrative overhead" obtained in comparison to "total costs".

Mr. BUSHNELL: I think Mr. Henderson is sitting in the back of the room.

The CHAIRMAN: Would you like to answer that question, Mr. Henderson?

Mr. A. M. HENDERSON (*Comptroller, Canadian Broadcasting Corporation*): I did not hear that.

The CHAIRMAN: Then Mr. Pratt will repeat his question.

Mr. PRATT: I was asking how you obtain the administrative overhead in comparison to the entire cost. Is it entirely separate, or a percentage, or rule-of-thumb, or what?

Mr. HENDERSON: It represents a distribution of the over-all administrative overhead against the products we are turning out, namely, our programs. It is applied along orthodox lines to each program. We take our possible costs in the administration area, and we relate them to the product we are turning out, of which this is a sample, and we arrive at a percentage.

Mr. PRATT: Some shows might have a higher administrative cost than others, in proportion to their total cost?

Mr. HENDERSON: You reach a percentage, Mr. Pratt, and you apply that percentage on the costs up to that point.

Mr. MCCLEAVE: May I ask a supplementary question here?

Mr. PRATT: In this case it is running about seven per cent.

Mr. MCCLEAVE: In all the English shows the administrative overhead is a little over six per cent, and in all the French-Canadian shows the administrative overhead is a little over seven per cent. I have worked them out, and it is obviously over six per cent in the English and over seven per cent in the French.

The CHAIRMAN: Would you come up here, to the front please, Mr. Henderson, so that we can all hear you?

Mr. HENDERSON: Mr. Chairman, the generally accepted practice in applying overhead is to take the total cost that is represents and to spread that cost on a percentage basis against the products you make, whether in this case they are the tailor-made, the custom-made programs which we are turning out here, in the volume Mr. Gilmore has indicated, or whatever your product is.

Mr. PRATT: May I bring one or two more specific ones to your attention? "Mr. Fix It" on page one, a total cost of $1,257, has an overhead of $76; whereas a little further down we have "La Messe", for approximately the same total cost—within $3—$1,260, and an administrative overhead cost of $92, which is a great deal higher than the $76. How do you explain that?

Mr. HENDERSON: I would have to check the specific figures on this list before I could answer that.

Mr. BUSHNELL: I think I can answer it. I think it is rather simple. It would depend largely on the time consumed in the production of each of these programs.

Mr. PRATT: I hope, Mr. Bushnell, I am asking simple questions.

Mr. BUSHNELL: I am giving very simple answers, or trying to.

The CHAIRMAN: We are a very friendly group.

Mr. BUSHNELL: In the case of "Mr. Fix It" it might be that he prepares most of his material at home and gets in touch with the producer and says, "This is what I intend to do," and then he comes into the studio, let us say, the day of the program, and everything is all ready to go. He may consume, let us say, eight or ten hours, alltold.

In the case of the other programs, where there is a very slight difference actually, it might well be and sometimes is that the other program, "La Messe", takes a little more time to prepare.

I do not think you can compare one program with another in precise terms.

Mr. PRATT: I was not suggesting that you change your methods, by any means, but was merely trying to elicit the fact it is not as exact a science as I suspected.

Mr. MCCLEAVE: I think Mr. Bushnell's answer is completely on the wrong track. If he will look at the figures he will find that for every English program the administrative overhead is a little more than six per cent of the

costs, and if he looks at the French programs he will find in every case it is a little bit more than seven per cent, so it is an exact science in this case. They have taken, I do not know how much for administrative overheads, and they are passing it on to each particular show on a percentage basis.

Mr. BUSHNELL: Mr. McCleave, may I ask your permission to take another look at that? I am qualified to give you the information as to what comprises the difference between the six and seven per cent.

The CHAIRMAN: I was going to suggest that Mr. Henderson bring in a breakdown of these two shows, based on the administrative overhead part, the $76 and $92, and let us then compare them and see if some formula is used.

Mr. LAMBERT: With a little bit of arithmetic it can be calculated. I think if you apply your 6.06 per cent to the English programs you come right on the nose.

Mr. MORRIS: I want to ask an acounting question, probably of Mr. Henderson, possibly of Mr. Gilmore. The total costs, is this under the direct control of the producer in each program?

Mr. GILMORE: Yes, it is.

Mr. MORRIS: Do you budget a certain amount for each show and—

Mr. BUSHNELL: Well—

Mr. MORRIS: You are about to say "No". But do you budget a certain amount and place it at the discretionary control of the producer, and then add the administrative overhead?

Mr. BUSHNELL: Under supervision, that is substantially true, but I think however, probably your question, Mr. Morris, will be answered when we get into Mr. Chamber's question as to the organization point—that we have to control expenditures and so on.

The CHAIRMAN: That is taken into consideration in a TV production?

Mr. BUSHNELL: Yes.

Mr. MORRIS: I am not asking about programming, but about the accounting procedure. You do set up a budgetary figure per show?

Mr. BUSHNELL: Yes, that is right.

Mr. MORRIS: And then place it in the hands of someone in a supervised discretionary capacity. Then you add this administrative overhead at headquarters.

Mr. BUSHNELL: That is correct.

Mr. MCGRATH: I wanted to ask Mr. Bushnell: in relation to sustaining programs with a fairly substantial budget—if I may refer again to the "Folio" program, "Peter Grimes", for illustration—this would be a special production, I would take it. Is there any effort or is any attempt made to measure the audience, to have an audience count on these programs?

Mr. BUSHNELL: Yes, very definitely.

Mr. MCGRATH: Would it be possible in the case of the program in question to get the audience count on it?

The CHAIRMAN: That is on "Peter Grimes" and "A Boy Growing Up". Do you want a comparison?

Mr. MCGRATH: Not a comparison of figures, but an audience count of the program "Peter Grimes".

Mr. BUSHNELL: There is this one possible difficulty. I cannot tell you which week these surveys were made. This might not fall into the week on which "Peter Grimes" was produced.

Mr. McGRATH: That is the basis of my question, sir, right there. The fact it is a special production with a fairly substantial budget, surely it would make sense there would be an audience count on this particular program; in other words, to justify the expense, if you like. What is the point of putting on an extravaganza if it is not going to be reviewed? That is my point in asking for the audience count with regard to this specific program.

Mr. BUSHNELL: We will certainly try to supply that information for you.

Mr. FISHER: On this question of audience rating, I tried to find out some information through a question placed on the order paper, and I was given no information, I gathered, because the C.B.C. only gets ratings for the first week in the month, usually; and I was just wondering how you correlate the ratings you do get with what Mr. McGrath was talking about, the expenditures you put forward.

Mr. BUSHNELL: I am not sure, Mr. Fisher, there is any direct correlation. But let me suggest this to you, that the period in which "Peter Grimes" was broadcast, under the title of "Folio", is pretty well known. It comes on at a certain time during the week, and almost any "Folio" program will give you a very large audience, quite surprisingly large. I think it would be safe to say that "Peter Grimes" probably had as big an audience as many of the others scheduled in that particular series.

Mr. FISHER: That is the point I wanted to bring out.

The CHAIRMAN: Mr. Tremblay and then Mr. Fortin; and then we will have to adjourn after that.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, following up and to complete my question of a short while ago regarding this program which we are shown on page one, that is, Teletheatre, I would like to ask regarding the section on design, staging, and so on. We have a figure of $17,519. I would like to ask how much was paid for this Teletheatre? How much was paid in terms—I mean, how much was paid; who was the designer of the scenery; who was the designer of the costumes; who was the supplier of the material for the costumes and the scenery, and who was responsible for signing the invoices on behalf of the C.B.C.?

I would like to ask how many people took part in this work regarding scenery and the costumes?

Mr. BUSHNELL: We would be very happy to try to give you a breakdown of the number of people who were involved in this, and the amount of material involved, and the manhours involved. Once again, I hope I do not create the feeling that I am being too reluctant to answer questions; but I think the answer for the most part, as far as I know, would be that it was C.B.C. employees, and I would ask you not to ask me for individual names. I have a very good reason for it.

The CHAIRMAN: We agreed to keep personalities out of this at the beginning at our first meeting, as far as names go.

Mr. LAMBERT: If Mr. Bushnell does not wish to give us particular names, we would like to know how many there were.

Mr. BUSHNELL: You are quite welcome to it.

The CHAIRMAN: He agreed to supply us with the number.

Mr. PRATT: On a question of privilege, at page 82 of the evidence, line 25, the words "could well afford", should read "can ill afford".

Mr. FORTIN: I would like to ask Mr. Bushnell if his producer is given full authority to spend whatever amount of money he feels necessary for a production, or is he given a certain amount with which he must produce his show?

Mr. BUSHNELL: He is given a certain amount for which he must produce his show, and he must stay within it.

Mr. FORTIN: But suppose he does not.

Mr. BUSNELL: I will tell you what happens if he does not.

Mr. PRATT: He goes on strike?

Mr. BUSHNELL: No, he is told when he gets his next show that he had better pare the amount for his overexpenditure off that, or we will find somebody else who can stay within the limits.

The CHAIRMAN: We must close. We have a notice of motion from Mr. Guy Rouleau. It was a suggestion that we might have a French sub-committee, but it was recommended that we take this to the steering committee, and it was agreed in the steering committee that due to the fact that all the people in Canada—like each member of this committee—are interested in what is happening in French Canada, therefore we should continue with our French interpreter. Is that satisfactory?

Agreed.

I expect that the steering committee will meet this afternoon in my office at 3.30.

The next regular meeting of this committee will be on Thursday morning at 9.30.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

M. TREMBLAY: Monsieur le président, j'ai écouté ce matin avec beaucoup d'intérêt ce que M. Bushnell nous a dit pour justifier son opposition à fournir les renseignements que nous demandons. Je pense que, jusqu'à présent, ce qu'il a dit ne nous satisfait pas parce qu'il s'est plutôt appuyé sur des hypothèses que sur des faits précis. En particulier, lorsqu'il nous a dit que les commanditaires des programmes, des divers programmes à Radio-Canada, envisageraient probablement l'éventualité d'une rupture de relations commerciales avec la Société si l'on produisait ces chiffres; je serais très intéressé à savoir, à connaître, enfin, quelles ont été pratiquement et concrètement les manifestations de cette attitude possible des commanditaires. Avant d'entendre M. Bushnell, je voudrais rappeler certains principes qui sont mis en cause ici. Je l'ai dit l'autre jour, je le répète aujourd'hui, le comité parlementaire a le droit d'obtenir des renseignements sur l'administration de la société Radio-Canada. Ce comité a le droit d'obtenir ces renseignements parce qu'il réunit des représentants du peuple qui sont comptables au peuple, il ne faut pas l'oublier. Et, justement, M. Bushnell faisait tout à l'heure allusion à l'aspect commercial de la Société Radio-Canada. Je tiens à faire remarquer que cet aspect commercial de la Société n'existe que parce que la Société a été constituée par une loi votée par les représentants du peuple et elle n'est habilitée à entretenir des relations commerciales, à maintenir un statut commercial que parce que les représentants du peuple l'ont bien voulu. Et c'est précisément à titre de représentant du peuple que nous demandons ces renseignements, parce que, eh bien, il est beau de dire que les choses se passent de telle ou de telle façon, mais nous voulons savoir quelle est la relation entre le coût de production d'un programme et sa qualité. Nous ne demandons pas des chiffres simplement dans le but de poursuivre une enquête pour, enfin, laisser peser des soupçons sur celui-ci ou celui-là; ce n'est pas cela. Nous voulons savoir ce que valent les programmes que les contribuables paient pour une part et ce que nous voulons précisément, c'est connaître quelle est la part payée par les commanditaires dans certains programmes commandités et la part payée par les contribuables. De la même façon, nous demanderons des renseignements sur des programmes non commandités, parce que, comme je le faisais remarquer l'autre jour, les chiffres qui nous ont été fournis ne donnent pas ces indications. C'est, en pratique, essayer de nous vendre un cheval sans nous le montrer. Nous voulons savoir, dans le cas précis d'un programme, ce qu'il a coûté avant de voir si nous devons continuer à maintenir ce programme.

* * * * *

M. DORION: Monsieur le président, dans le même ordre d'idée et pour obtenir plus de précision, peut-être que M. Bushnell pourrait-il nous dire si des engagements ont été pris à l'endroit des agences de publicité ou des commanditaires par contrat à l'effet que le coût des programmes, la part qu'ils ont à payer pour l'exécution d'un programme, ne serait pas dévoilé nulle part? A cette fin, pour ma part, je serais très heureux d'avoir un exemplaire d'une formule de contrat afin de pouvoir l'examiner.

M. TREMBLAY: Monsieur le président, je désire poser quelques questions concernant le téléthéâtre indiqué ici en première page. On y indique un montant de $6,554 comme cachet des artistes; serait-il possible de savoir quel était ce téléthéâtre qui est indiqué ici et qui a coûté, au total, $38,449, et combien d'artistes y ont participé?

* * * * * *

Q. Page 2...

M. TREMBLAY: Je voudrais aussi savoir, pour compléter ces renseignements que désire obtenir M. Fortin, combien il y a d'artistes à ce programme "Point de mire". Est-ce que, sous la rubrique "artistes", on tient compte du réalisateur ou s'il s'agit simplement des participants, du commentateur et des figurants?

* * * * * *

M. TREMBLAY: Monsieur le président, pour compléter la question que j'ai posée tout à l'heure concernant le téléthéâtre indiqué ici à la première page, on a, sous la rubrique intitulée "Design & Staging", etc., le montant de $17,519. Serait-il possible de savoir combien on a payé dans le cas particulier du téléthéâtre qui est indiqué ici, combien on a payé pour les décors et les costumes; quel a été le dessinateur des décors; quels étaient les dessinateurs des costumes; quel était le fournisseur du matériel et qui a signé les factures comme responsable, à titre de responsable de la Société Radio-Canada?

J'ajoute une autre question. Combien de personnes ont participé au travail du décor et des costumes?

APPENDIX "A"

CANADIAN BROADCASTING CORPORATION SUSTAINING TELEVISION PROGRAMS
REPRESENTATIVE PRODUCTION COSTS 1958/59 PROGRAM SEASON

Programs	Artists Fees	Technical Services	Design and Staging	Other Costs	Total Costs	Administration overhead	Grand Total
	$	$	$	$	$	$	$
Citizen's Forum	285	817	453	291	1,846	112	1,958
Téléthéâtre	6,554	6,980	17,519	4,789	35,842	2,607	38,449
Fighting Words	440	217	384	574	1,615	98	1,713
Chansons canadiennes	2,597	1,240	2,601	908	7,346	534	7,880
Scan	165	549	368	576	1,658	101	1,759
Fon Fon	910	462	711	429	2,512	183	2,695
Country Calendar	777	563	1,033	553	2,926	178	3,104
Demain dimanche	1,710	1,324	2,674	827	6,535	475	7,010
Mr. Fix It	250	391	318	298	1,257	76	1,333
Heure du concert	13,221	6,084	14,046	2,950	36,301	2,640	38,941
P. M. Party	1,310	683	1,320	303	3,616	220	3,836
Il était une fois	400	239	415	344	1,398	102	1,500
Explorations	1,132	1,504	2,162	4,002	8,800	536	9,336
La Messe	75	1,008	—	177	1,260	92	1,352
Close Up	5,548	2,781	539	4,654	13,522	823	14,345
CF-RCK	2,668	1,712	4,127	2,189	10,696	778	11,474
Folio—(Peter Grimes)	69,637	16,651	40,485	12,147	138,920	8,456	147,376
Reportage	250	1,898	62	1,221	3,431	250	3,681
Folio—(A Boy Growing Up)	3,925	2,611	3,003	1,843	11,382	693	12,075
Point de mire	700	351	563	1,076	2,690	196	2,886
Whistletown	447	577	1,071	2,181	4,276	260	4,536

May 25, 1959.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament
1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 7

THURSDAY, MAY 28, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

E. L. Bushnell, Acting President, Canadian Broadcasting Corporation; J. P. Gilmore, Controller of Operations; A. M. Henderson, Comptroller; and Marcel Carter, Controller of Management, Planning and Development.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21268-8—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.

Vice-Chairman: J. Flynn, Esq.

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Campeau,
*Mrs. Casselman,
Chambers,
Dorion,
Fairfield,
Fisher,
Forgie,
Fortin,
Jung,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
†Muir (*Lisgar*)
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Rouleau,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

*Replaced Mr. Horner (*Jasper-Edson*) Tuesday, May 26, 1959.
†Replaced Mr. Chown Tuesday, May 26, 1959.

ORDERS OF REFERENCE

TUESDAY, May 26, 1959

Ordered,—That the names of Mrs. Casselman and Mr. Muir (Lisgar) be substituted for those of Messrs. Horner (Jasper-Edson) and Chown respectively on the Special Committee on Broadcasting.

ATTEST

Léon J. Raymond,
Clerk of the House.

21268-8—1½

MINUTES OF PROCEEDINGS

THURSDAY, May 28, 1959

The Special Committee on Broadcasting met at 9.30 a.m. this day. The Chairman, Mr. Halpenny presided.

Members present: Miss Aitken, Mr. Bell (*Carleton*), Mrs. Casselman, Messrs. Fairfield, Fisher, Flynn, Forgie, Fortin, Halpenny, Lambert, Macquarrie, Morris, McCleave, McGrath, Muir, Pickersgill, Pratt, Richard (*Ottawa East*), Robichaud, Simpson, Smith (*Calgary South*), Smith (*Simcoe North*) and Tremblay. (24)

In attendance: Mr. E. L. Bushnell, Acting President of the Canadian Broadcasting Corporation, assisted by Messrs. J. P. Gilmore, Controller of Operations; A. M. Henderson, Comptroller; Marcel Carter, Controller of Management, Planning and Development; R. C. Fraser, Director, Public Relations; Charles Jennings, Controller of Broadcasting; Marcel Ouimet, Deputy Controller of Broadcasting; R. E. Keddy, Director of Organization; Barry MacDonald, Secretary, Board of Directors; and J. A. Halbert, Assistant Secretary, Board of Directors.

The Chairman observed the presence of quorum and communicated to the Committee the decision of the Sub-committee on Agenda and Procedure regarding the disposition of the motion made at the Committee's last meeting by Mr. Arthur Smith, Member for Calgary South.

It was agreed that Mr. Smith's motion be allowed to stand until the next meeting of the Committee to be held Tuesday, June 2.

Mr. Gilmore was called, and assisted by Mr. Henderson outlined methods of establishing administrative costs.

Mr. Henderson introduced details of the production costs of the programs "Peter Grimes" and "A Boy Grown Up".

Agreed,—That the above material be printed as appendices to this day's Proceedings. (See appendices A and B)

Mr. Carter was called and outlined to the Committee the administrative structure of a typical television program.

Messrs. Bushnell and Carter were questioned concerning areas of authority and control.

Mr. Tremblay requested corporation officers to produce for the next meeting of the Committee details of the production "La Plus Belle de Céans". Following discussion of Mr. Tremblay's request, it was agreed that the matter be referred to the Subcommittee on Agenda and Procedure.

At 10.55 a.m. the Committee adjourned to meet again at 3.30 p.m. this day.

AFTERNOON SITTING

The Special Committee on Broadcasting resumed sitting at 3.30 p.m. this day. The Vice-Chairman, Mr. Flynn, presided.

Members present: Miss Aitken, Mr. Campeau, Mrs. Casselman, Messrs. Chambers, Dorion, Fairfield, Flynn, Fortin, Kucherepa, McCleave, Pickersgill, Rouleau, Simpson, Smith (*Simcoe North*) and Tremblay. (15)

In attendance: The same officers of the Canadian Broadcasting Corporation as attended this morning, with the addition of Mr. A. H. M. Laidlaw, Counsel.

The Vice-Chairman observed the presence of quorum, and Messrs. Bushnell and Carter answered questions relating to a Radio Program entitled "Man to Man" and comparison of the Canadian Producer's role in the field of television with his American counterpart.

At 3.40 p.m. the Members were summoned to the Chamber and the Committee recessed.

At 4.10 p.m. the Committee resumed; Mr. Carter commenced a statement on the method of establishing staff requirements for television operations and tabled for printing in the record a chart entitled "A CBC Television Production Variety Type". (See appendix "C")

At 4.20 p.m. the Committee recessed, Members having once again been summoned to the Chamber.

At 5.05 p.m., the following members present,—Bell (*Carleton*), Chambers, Dorion, Flynn, Fortin, Kucherepa, McCleave, Pratt and Tremblay, the Committee adjourned for lack of quorum.

J. E. O'Connor,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

THURSDAY, May 28, 1959.
9.30 a.m.

The CHAIRMAN: We have a quorum, gentlemen. You will recall that we had a sub-committee meeting yesterday afternoon, and I shall read the decision of that body, which is a recommendation to the committee as a whole.

> A communication was received from the board of directors of the Canadian Broadcasting Corporation indicating that consultations were being held to review the policy of the C.B.C. with respect to disclosing information of the nature requested in Mr. Smith's motion. The steering committee is of the opinion that the directors of the C.B.C. should have full opportunity to submit to the committee any representations they desire.
>
> Accordingly, the steering committee recommend a postponement of the vote upon Mr. Smith's motion until next Tuesday, to clear up any possible misunderstanding. However, the steering committee wishes to make clear that the decision on what information shall be produced to a parliamentary committee is a matter for parliamentary decision alone.

Is that agreeable, gentlemen?

Mr. SMITH (*Calgary South*): I have no objection. I think it is reasonable that the board be committed to make their representations to the committee, provided there is a clear understanding, as the resolution states, that the vote will be considered and recorded at our next meeting. I think it is quite reasonable.

The CHAIRMAN: That is understood by the Chair and the steering committee, Mr. Smith.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I do not object to this decision of the advisory board, except I must say I am astonished that Mr. Bushnell did not think earlier of having this consultation with the directors of the C.B.C. It seems to me this causes a delay which, of course, can retard the work of the committee; so, even if I do not object to this decision of the advisory board, I publicly express, here and now, my astonishment at Mr. Bushnell's attitude in delaying this so long, making known this opinion which he now indicates, and I must say that, at the present moment, it seems to me the committee has not called upon the corporation to furnish us with much information, and if we have, each time, to refer to the board of governors, then we will not see the end of it.

I would like to say also, Mr. Chairman, that the replies we have so far received are, as a whole, of a somewhat vague type; everything is somewhat in the vague state. I looked, only yesterday, through the replies we have received and mostly they simply amount to saying, for instance, "I do not know" or "I think," and all the rest of it.

I think that those responsible for the C.B.C. should be able to give us—after all, they are quite experienced people—factual information such as we ask for.

Mr. ERNEST BUSHNELL (*Vice-President, Canadian Broadcasting Corporation*): Well, Mr. Chairman, just let me say this: I apologize to Mr. Tremblay and this committee if I had not the judgment and foresight to provide information which the committee felt was necessary. I am also sorry if Mr. Tremblay and this committee feel my answers have been vague.

Let me assure you of one thing: I am not trying to be vague; I am not trying to hide anything. I fully appreciate that this committee has, as have other committees in the past, the fullest right to a great deal of information. However, I do feel this,—and as I explained before, I am an employee of the C.B.C. We have a board of directors, and that board has only been in office since November 10. It has held several meetings and is, at the present stage, considering certain adaptations, if I might put it that way, of policy. There may be changes; there may not be changes; but I feel it is the responsibility of the board to indicate to management if such changes should take be made.

If I may again just say this: I have no wish, no desire, to try and hide anything from this committee which I think is in the interests of the committee, in the interests of the C.B.C., and in the interests of Canada.

The CHAIRMAN: Thank you very much, Mr. Bushnell.

Mr. FORTIN: Mr. Chairman, I agree entirely with what Mr. Tremblay has just said. I will have no objection to concurring with the recommendation that was made by the committee this morning, as long as we have the assurance that the vote will be taken on Mr. Smith's motion on Tuesday. We have been sitting here for I do not know how many days, and I believe we have not done much work so far. It is about time we got to work, because we have here a duty to perform, and we are going to do it, whether it pleases the C.B.C or not.

Mr. SMITH (*Calgary South*): This question of reference to the board raised, I think, an interesting and an important point. Of course, I do have some appreciation of the position Mr. Bushnell finds himself in, but I say this, that it seems to me we may come to other considerations in which Mr. Bushnell feels that he wants a right of reference to his board. Obviously, we are not going to be able to anticipate some of those, but it immediately comes to my mind that if the board, for example, are going to present suggestions or views, should the board not be here to have those views examined?

The CHAIRMAN: On Tuesday, at our next meeting, I have invited Mr. Robert Dunsmore, chairman of the Finance committee of the Board of Directors, to be present.

Mr. SMITH (*Calgary South*): That answers the first point.

The second point is that I suggest it is not an unusual practice that when we, or other committees of this nature, have what amounts to being a civil servant, and a minister, the civil servant, if he is not in a position, in the absence of the minister, to answer a question directly, states, that immediately, and we merely set it aside until such time a policy-making body—that is, the board of directors—could appear before us. We would then have a list of those questions, and we can put them in sequence later on to those people who are responsible for the policy.

Mr. PRATT: May I correct several errors in the minutes. The first is on page 155, line 5. The word "difference" should be "relation", so the last half of the sentence reads: "I see no relation between that and disclosing the costs of the program". Another error appears on page 166, in the eighth line from the bottom. There are three words wrong in this sentence. I think probably I should read the sentence as it should have been: "Yes, I think we

can sum up that, regardless of whether the sponsor is subsidized by the public or vice versa, nevertheless both the public and the sponsor are partners in this project".

The CHAIRMAN: Mr. Fisher, please?

Mr. FISHER: I would like some information from you. It seems to be becoming a pattern in this committee on the part of certain committee members that, instead of asking questions, they are making statements. I have some views I would not mind expressing in the form of statements, but it seems to me it militates against the proper functioning of the committee.

This morning we have had statements that reflect upon the efficiency and competency of Mr. Bushnell and the people from the C.B.C. who have been before us. I do not want to make any comments on that, but I feel that if a reflection is going to be made on the progress of this committee it has to come back on the members of the committee itself.

I would like to know what your views are on this question of loaded statements and extended statements, in respect of questions which get off a member's chest, what is a sort of shot-gun blast at various features of the C.B.C.

The CHAIRMAN: I do not like it any more than you like it, but we start off with these as questions, and before we realize it they become statements. I would urge the Committee Members to keep these to a minimum, by all means.

Mr. MCGRATH: I have a question or a suggestion, and I hope it is not a statement.

The CHAIRMAN: Has it to do with the postponement of the vote?

Mr. MCGRATH: Yes. Would it be possible to have, before the board of directors of the C.B.C. appear before the committee, the breakdown on the occupation or the business affiliations of each director, the number of directors, and the number of times the new board has met since its inception?

Mr. BUSHNELL: Yes.

The CHAIRMAN: Yes. we can get that.

Mr. BUSHNELL: As a matter of fact, a great deal of that is already public knowledge.

Mr. MCGRATH: I realize that, but I would like it for the record.

I also have another question, and that has to do with the financial statement of the C.B.C.; and I do not know if it is in order to bring it up at this time.

The CHAIRMAN: Not at this time, please Mr. McGrath.

I would like to get the committee's feeling regarding the recommendation of the Subcommittee as to whether we can delay this vote until next Tuesday.

Mr. SMITH (*Calgary South*): So moved.

Mr. BELL (*Carleton*): I second that.

The CHAIRMAN: Is that agreeable, gentleman?

Agreed.

Mr. PRATT: Mr. Chairman, in regard to Mr. Fisher's remarks, I would like to say this, that at no time has there been in my questioning any criticism of Mr. Bushnell personally, whom I have known very well for some time, and I admire greatly the work he has done; and as far as the C.B.C. is concerned, I think the committee know that they have swept the board in the United States with many radio awards. That is not the basis of our criticisms. I would like that understood.

Mr. BUSHNELL: Thank you, Mr. Pratt.

Mr. FISHER: You say "that is not the basis of 'our' criticism". You are identifying yourself with other criticism?

Mr. PRATT: I am speaking personally, for myself, and I want that clearly on the record.

The CHAIRMAN: Let us get down to business please.

For the rest of today I suggest we continue with sustaining Program Costs, samples of which were tabled and appear at page 176 of the sixth printed proceedings.

Then, after we have completed the questioning on that, I would suggest that we go along to the organization charts for which Mr. Chambers asked. Immediately the questioning is finished on the organization charts I would suggest that we then give our French-speaking Members a chance. They have a series of questions, and we can finish off this morning's period with as many French questions as possible—that is questions from the French-speaking members—and then, if necessary, we can continue this afternoon on questions relating to the French network. Is that agreeable, gentlemen?

Mr. FORTIN: At what time is that?

The CHAIRMAN: It will be 3.30 this afternoon. We will continue in the same way with translations, so every person will understand. Is that agreeable, gentlemen?

Agreed.

The CHAIRMAN: May we now have further questions on Sustaining Programs costs based on the table that you will find on page 176?

Mr. BUSHNELL: Mr. Chairman, may I ask Mr. Gilmore, our controller of operations, to deal with one aspect, and then Mr. Henderson, our comptroller, can elaborate on some of the questions you have asked.

The CHAIRMAN: By all means, Mr. Bushnell.

Mr. J. P. GILMORE (*Controller of Operations, Canadian Broadcasting Corporation*): Mr. Chairman, I would like to answer one particular question first. There was a question placed on the subject of "Point de Mire", and that concerned artists' fees. The artists' fees shown in the program in the table included a script plus three performers in the total amount.

All the programs listed are for one occasion only. They are all accurate costs from our records of actual programs, the dates for which we have.

The CHAIRMAN: They all relate to one program?

Mr. GILMORE: Yes, sir.

Mr. FORTIN: How many of these programs are there in a year—on "Point de Mire"?

Mr. GILMORE: One per week; and it would be 39 programs during the fall and winter before renewal of any contract for the summer season, which is 13 weeks.

Mr. FORTIN: You mentioned there are three performers on this particular show. I have noticed that sometimes there is only one on it. If there is only one, does he get the $700?

Mr. GILMORE: No, sir.

Mr. FORTIN: How much does he get?

Mr. GILMORE: I will have to defer to Mr. Bushnell on that. That is an artists' fee paid to a specific performer; and I am not sure whether we reveal the actual individual artists' fees.

The CHAIRMAN: You will recall that we all agreed at the beginning of the committees' sittings we were not going to get down to personalities. If you try to pin it down to one individual, then we are getting down to personalities, and I would recommend that you do not continue in that way.

Mr. GILMORE: Mr. Henderson has the comments that were asked for on Teletheatre and on the two Folio examples—A Boy Growing Up and Peter Grimes.

The CHAIRMAN: Mr. Henderson?

Mr. A. M. HENDERSON (*Comptroller, Canadian Broadcasting Corporation*): Mr. Chairman, I believe it was Mr. Pratt who asked for the detailed costs, was it, on Peter Grimes?

Mr. MCGRATH: No, I asked for that.

Mr. HENDERSON: And A Boy Growing Up.

The CHAIRMAN: They are the high and low points in Folio.

Mr. HENDERSON: That is the high and low in the Folio series.

I have here the full details of these, which runs to about 32 pages, the details of which I will bring forth. But before doing so I think it might be useful were we to clear up a reference which was made at the last meeting to the basis of determining and apportioning overheads in these figures. Some questions arose regarding the column headed "administration overhead" in the sustaining television programs schedule.

I regret to say that on re-checking these figures, we found—due to pressure of events surrounding their preparation—certain errors crept in; and, therefore, they stand to be corrected, but not to any great extent. Rather than troubling you with the re-filing of the fresh figures, I thought it might be satisfactory were I to outline exactly what we do, how we do it and why we do it; and then to give you the particulars of the two Folio productions which you requested.

The standard practice, the standard accounting practice, in all lines of business, when reporting on the costs of the commodities produced, is usually to record, first, the direct manufacturing costs—that is, materials and labour. Factory or manufacturing overhead is then added as a percentage, to arrive at a final production cost.

Generally speaking, the product is then marked up for selling by means of a mark-up calculated to recapture the remaining expenses of the business,—that is, the general and selling expenses—and to provide a profit margin for the enterprise. As you will appreciate, this procedure is relatively easy when dealing with a range of standard commodities.

In the television industry the commodity is the program broadcast, and in the case of the C.B.C. we must appreciate this represents some 200 different live productions mounted every week over our television networks. Each one of these is a custom tailored production. There is nothing standard about them, except, as you will appreciate, the basic overhead charges.

We record our costs very much like a manufacturing business, beginning with the direct costs—in our case that is the artists' fees, the direct technical services for the show, the design, staging and the other direct costs which can be and are related directly to the production in question.

These are gathered together in what we call our program cost ledger. In the case of Peter Grimes, I have the ledger sheets right here. They are gathered together in our program cost ledger under the heading of the particular show. At this point, as I have said, we have our total of the direct production costs. We must then give consideration to adding a figure calculated to recover our regional overhead at the regional production centre where the show originates. This consists of the going expenses of the office of the director of television and all of the regional administration and supervisory departments

we have operating at the production centre, for the purpose of servicing our broadcasting.

As I have explained, and you will appreciate, it is not possible to allocate any of these charges directly against any single one of the productions, because it would be administratively impractical and altogether too costly to attempt, for example, to break down every nickel of overhead cost in the region just to be able to say precisely what amount is attributable to the particular show in question.

Accordingly, we follow the standard accounting practice by determining over a period of time—our last fiscal year, for example—the ratio that this overhead expense bears to the total production cost expense; that is, your total direct expenses.

Our practice is then to apply this rate to the direct program costs for the purpose of determining the final production cost. We are doing this on the basis of our experience out of the last fiscal year. In this way, then, we arrive at the costs of our individual programs.

Most businesses would submit their costs on this production cost basis, leaving it, as I have said, for the selling mark-up to recapture the remaining overhead and provide for the profit.

However, in the case of the C.B.C., it has always been the corporation's practice to submit its costs, when requested to do so by committees and bodies such as this—to include its full and final management supervision. That is to say, the sole cost of operating its head office supervision, up to the top—in other words, an all-in cost.

Accordingly, we estimate this by determining the ratio our head office or management supervision bears to the total of our direct production costs, including the regional or production centre overhead I have mentioned. Our experience has been that this ratio runs to the order of seven per cent and, accordingly, we have applied this to the total production costs shown in the column headed "Administrative overhead" on our submission of individual production costs.

Now, sir, that is the basis that is followed. It is the standard accounting practice employed in cases of this kind, and if that explanation is clear, I might proceed with the Peter Grimes show staged over the network on January 13, from Toronto.

The CHAIRMAN: Does that satisfy you, Mr. McGrath?

Mr. MCGRATH: Yes.

Mr. PICKERSGILL: There is one question I would like to put. These overhead costs are obviously imputed costs. I notice they vary a great deal between programs. Is there some fixed ratio that is applied?

Mr. HENDERSON: Yes, the ratios that are applied, you take the direct costs as enunciated. We then add the regional recovery, and I described the overheads surrounding our production centre. That is 15 per cent. So we have the sum of the direct cost, plus 15 per cent, which gives us our total production cost.

To that we then apply seven per cent, to recover head office or management supervision. Then we have the final all-in cost. It is going further than is customary in presenting costs, but in an effort to try to spread the overhead of our shows and make it comprehensive we have adopted that method.

Mr. PICKERSGILL: I think I understand that now. However, perhaps I can ask one further question?

The CHAIRMAN: By all means, Mr. Pickersgill.

Mr. PICKERSGILL: That means the overhead that is going to be charged to the program will vary directly to the cost of the program: the higher the direct production costs of the program, the higher will be the share of the overhead?

Mr. HENDERSON: That is correct.

Mr. PICKERSGILL: In fact, the overhead really applied to a cheap show may be just as great as to a big one?

Mr. HENDERSON: You are applying the percentage?

Mr. PICKERSGILL: Applying the percentage is, perhaps, exaggerating the cost of the expensive shows and under-estimating the cost of the cheap show, because it may require just as much overhead as a big one.

The CHAIRMAN: I am wondering how else you could do it.

Mr. PICKERSGILL: I am not objecting to it, but some people are quite shocked by the cost of some of these shows, and I am suggesting that perhaps these imputed costs are really a little higher. If you divided the overhead of two half hour programs—another way of doing it, would be to take the overhead and divide it by two.

Mr. HENDERSON: There are various ways of doing that, but you will appreciate you are able to check the arithmetic at the end of the year and make it apply in other cases like this.

The CHAIRMAN: Will you continue with the other aspect?

Mr. HENDERSON: "Peter Grimes", as I say was staged January 13 in Toronto over the network.

You, Mr. Chairman and the members of the committee, might like to take a pencil, and I will try to make it as light as possible, but there is a great mass of material.

The CHAIRMAN: Could we have that printed as an appendix? Is it necessary for you to read it now?

Mr. HENDERSON: Exactly what you wish. I can give you a quick summary of it.

Mr. SMITH (*Calgary South*): We could have a summary, and attach the rest of it as an appendix.

Mr. MCGRATH: The members can study it later, if we attach it as an appendix.

The CHAIRMAN: I think it would save a great deal of time if we could put it in as an appendix. Then, if there are any questions on it, we can ask them next week. Is that agreeable?

Agreed.

Mr. HENDERSON: I would like to clean it up a bit; it has all been done in the last four hours.

The CHAIRMAN: Would you clean it up and present it next week then?

Mr. HENDERSON: Yes.

The CHAIRMAN: Thank you very much, Mr. Henderson.

Could we get along to the organizational charts? Have you any questions?

Mr. MCGRATH: Did I hear correctly, that you are suggesting this be presented as an appendix next week?

The CHAIRMAN: As soon as it is corrected. If we can get it corrected before next week, and get it in today, so much better.

Mr. MCGRATH: I thought you implied it would be held over until the next committee meeting.

The CHAIRMAN: No.

Mr. SMITH (*Calgary South*): Do I understand we have the right of examining on this subject at some later point?

The CHAIRMAN: By all means.

Mr. HENDERSON: I have 24 schedules and it is in pencil and ink notes, because I have been cross-checking them very closely after they came right off the books of the corporation.

The CHAIRMAN: Could you go over them with our Clerk, Mr. O'Connor, and I think, possibly, we can get them in today.

Mr. HENDERSON: I also have, Mr. Chairman, equivalent data in respect of the show of May 5 "A Boy Growing Up", in Folio.

The CHAIRMAN: Right.

Mr. HENDERSON: That is in a somewhat shorter form than for Peter Grimes, because Peter Grimes is one of our major productions.

The CHAIRMAN: If it is agreeable we will have both placed in the appendix.

Agreed.

Mr. SIMPSON: I am wondering—

The CHAIRMAN: On what point is your question, Mr. Simpson? Is it on the organizational charts?

Mr. SIMPSON: The sustaining programs.

The CHAIRMAN: All right, continue, please.

Mr. SIMPSON: In relation to Folio we have on here a high and low, and there is quite a significant difference in costs. So, I am wondering what relationship these other figures we have on programs bear to this. Is it a general, average figure for these programs each week, or would there be any of these programs in front of us here that might have high and low points?

The CHAIRMAN: For example, you cannot say with respect to Fighting Words, showing $440 for artists' fees, whether that is the average, or a low or a high. Is that what you want to know, Mr. Simpson?

Mr. SIMPSON: Not just on artists' fees.

The CHAIRMAN: On the grand total. Fighting Words happens be $1,713?

Mr. HENDERSON: Yes.

The CHAIRMAN: Do you want to know whether it is an average cost or the high or low?

Mr. SIMPSON: On any of them. We have no indication here.

Mr. GILMORE: Mr. Chairman, the situation on that is, we had the obvious choice of all of these of choosing either a high or low. As was pointed out in committee at the last meeting, the temptation of human nature might be to present a low figure. However, we did not do that and we took good averages, slightly above average for this particular program.

Mr. PRATT: Is the witness suggesting the C.B.C. is devoid of the temptations of human nature?

Mr. GILMORE: No, but that we try not to give in to the the temptations of human nature. These are slightly above the average. In the case of Folio, they are exactly what were asked for earlier; the lowest we had on record, and the highest.

The CHAIRMAN: I think that answers Mr. Simpson's question.

Mr. MCGRATH: In respect to these sustaining programs—of course, this question could also be asked in relation to commercial shows—is there an obligation on the producer in question: is he given a certain specific budget and is he given certain definite instructions to remain within that budget and, if possible, to produce a show below the original estimate of the budget?

For instance, say a producer has "X" number of dollars to produce his show; he produces it for less than the original estimate: what happens to the original estimate—is it put over on to another show? I do not know if I have made myself clear.

The CHAIRMAN: I think you have.

Mr. GILMORE: The answer is, that our estimates are prepared by quarter, by the actual program schedule, and the producer is held as closely as possible to the estimate of the average for his series.

The CHAIRMAN: Very much the same as on the commercial shows?

Mr. GILMORE: Yes, both on commercial and sustaining programs. He is equipped with administrative assistance in the form of a unit manager on his program, to control the business side of it. The business side of it is maintained in this way, and the unit manager helps him in this respect.

Mr. MCGRATH: Just as a hypothetical case: say a producer has four or five shows to produce at an estimated budget of $5,000 each, and he produces three or four shows for $3,000.

The CHAIRMAN: $3,000 each, totalling $9,000?

Mr. MCGRATH: Yes; $2,000 below the budget for each particular show. Can he then add to the fourth show what he saved on the three shows?

Mr. GILMORE: Not of his own volition, because there is a matter of planning involved here. We must plan three or four months ahead by program scope as well as just by period. It is quite possible that this is deliberate on his part, that he has been saving this particular amount of money because he knows that the fourth program—or the fifth—is a rather expensive production, which has been approved right up the line to Mr. Jennings, in the schedule for that quarter.

Mr. SMITH (*Calgary South*): Mr. Chairman, I am referring to the detailed breakdown of costs. It is pointed out that there are some errors in the administration overheads, and I am not going to deal with any amounts and I ask this only as a matter of quality. We see administration costs as applied to each of these programs. As an example, Peter Grimes, $8,000 odd.

Looking at the income and expenses, we see a figure for administration of $2,760,427, and for programs the figure is $42,491,864. My question is: where do you show the individual administrative expenses for these programs? Do you show it under "Programs" or under "General Administration"? I want to try to establish whether the $2,760,000 is actually a true figure of administrative costs.

Mr. HENDERSON: Not on the income and expense statement, no.

Mr. SMITH (*Calgary South*): I appreciate that; but with regard to the administration overheads shown for these programs, where do you apply it to your general statement?

Mr. HENDERSON: That is in various of the items shown in the income and expense statement. It is that portion of the expense on the statement applicable to head office or management supervision.

Mr. SMITH (*Calgary South*): It is not contained, then, under the general heading of "Administration"?

Mr. HENDERSON: There is a portion of it, I believe, in there. A portion of it would be in some of the other items.

Mr. LAMBERT: Mr. Chairman, following Mr. McGrath's questioning, let us take the reverse position of a man who is over-spending his budget. I believe at the last session there was a statement that he would be told to trim it off his next one.

The CHAIRMAN: That is right, on the commercial shows.

Mr. LAMBERT: Does the same thing happen on the sustaining programs?

Mr. GILMORE: Very definitely.

Mr. LAMBERT: Then how do you control the quality of your programs, because a man who has been inefficient, say, in his first program is given a second bite at the cherry in order to even out his budget?

Mr. GILMORE: That is strictly a matter of management and how you deal with the man concerned. We try to maintain the quality of the programs ahead of that time. If they are going over-budget, it is quite possible—if they were seriously over—that we might have to, firstly, curtail the scope of the last program, or ask for an additional allocation from a very small unallocated amount which we preserve for emergencies.

Mr. LAMBERT: This is a very interesting aspect, I think, where there is an opening for inefficiency to snowball from the beginning.

Mr. GILMORE: That is not permitted, in the form you have described.

Mr. LAMBERT: Is the producer given an opportunity to recoup himself by producing a lower budget show and, perhaps, a lower quality show?

Mr. GILMORE: Not necessarily a lower quality show, but one at a different budget. For example, the second Folio program shown in the table was quite a high quality type of production, but not the same type of production as Peter Grimes or as one of the large musicals we have done.

Mr. PRATT: In regard to the possibility of cutting costs, I wonder if Mr. Bushnell would inform the committee whether he foresees any eventual possibility of using the multi-camera technique with video tape, to avoid the time and expense of lengthy rehearsals and the "fluffs" and tension that occur on live programs?

Mr. BUSHNELL: We are exploring the possibilities of that right now and are providing ourselves with a number of video tapes. I think I said the other day that the minimum was 20, at $75,000 each. Nothing is inexpensive in this business.

Again, we still have—as I think I mentioned before—to resolve any differences that might arise with artists and with technicians who belong to unions, if I might put it that way.

The CHAIRMAN: Is it agreeable, gentlemen, that we go to the organization charts?

Mr. MCGRATH: I have another question on this, Mr. Chairman. What are the obstacles, Mr. Bushnell—with regard to the C.B.C.—with reference to putting on amateur theatrical groups?

Mr. BUSHNELL: The obstacles are these. We have done it, and we are still doing it, actually. Talent Caravan is a good illustration. We were doing it for many years in connection with Singing Stars of Tomorrow. But our arrangement with artists unions is this—and the same applies, as a matter of fact, in a little different sense, as far as agreements with musicians are concerned. Let me refer to the C.C.A.A. first. We are able to obtain from this union what is called a work permit for a limited number of appearances. The work permit is something that we pay for; the cost is not extraordinary at all, it is comparatively small. But if an amateur, let us say—or a non-professional—continues to participate in programs, then that person is obliged to join the artists union.

The CHAIRMAN: Other than that, do you have to have a stand-in?

Mr. BUSHNELL: No, in the case of the C.C.A.A. we are not permitted to have a stand-in. In the case of the musicians union, we are obliged to have a stand-in if we are using an amateur musician, and we are obliged to pay that money to the local in which the performance originates.

Mr. MCGRATH: That applies to sustaining programs?

Mr. BUSHNELL: It applies to all programs.

Mr. MCGRATH: The point I would like to draw from that questioning is: Would it not be better, where you have a budget of $147,376 for a production like Peter Grimes—one would think there would be little theater groups in

Canada who would certainly like to avail themselves of the opportunity to present a production like Peter Grimes, I am sure—.

Mr. CHAMBERS: Mr. Chairman, we are getting out of the line of questioning.

Mr. MCGRATH: The point I am getting at, Mr. Chairman, is that we hear so much from the C.B.C. about encouraging Canadian talent and Canadian culture, and we see so little on the network of the C.B.C. with regard to actual Canadian talent. We see the same faces week after week after week, and yet we have little theater groups all across Canada. As a matter of fact, I have a specific example in my own province. A few weeks ago—

Mr. FISHER: You have only one actor.

Mr. MCGRATH: No, we have more, and some of them are good actors. But the point I was drawing out was that there was a very successful experiment at a television drama festival. Surely there is a potential for this in Canada under the C.B.C. network, in place of a "turkey" like C.B.C. Folio?

Mr. BUSHNELL: Wait a minute; I am just not going to let you get away with that "turkey" business. I have before me here, as a matter of fact, a couple of press comments. Quite honestly, I did not enjoy Peter Grimes myself—it was a little over my head—and, as a matter of fact, I was a professional musician at one time. It was a little too rich for my blood. But I would just like to quote a very short paragraph that appeared in a Montreal paper with respect to Folio:

> Folio has kept one eye on the stars, one foot on the ground and all other necessary appurtenances busy maintaining a working liaison between the two. It has been wholly successful, proving in the most satisfactory way that television can be at once slightly esoteric in its approach and a darn good show.

The CHAIRMAN: May I suggest, gentlemen, that we are again doing something that we all agreed we would not do; we are getting personal likes and dislikes into programming. We all agreed at the first that we would not do that.

Mr. MCGRATH: With all due deference, Mr. Chairman, that was not the point I was making; it was not a point of personal likes or dislikes.

Mr. BUSHNELL: May I answer that, Mr. McGrath. Actually, I think the illustration you have used to make your point is just a little bit—well, you are stretching it a little bit, because Peter Grimes, as we all know, is something that requires the very highest degree of professionalism. I would doubt, with all due respect—while there may be a very high standard of production in amateur groups—if there is any amateur group in this country that would be qualified to present a program like Peter Grimes. I would doubt it very much.

Mr. PRATT: Mr. Chairman, I would like to say a word on that. I agree with Mr. McGrath, that we should give amateurs every possible opportunity; but unfortunately—judging by the recent dominion drama festival—Canadian amateur talent is now at its lowest ebb, with the exception of the French Canadians from Quebec, who have taken eight of the nine awards.

Mr. BUSHNELL: Hear, hear.

The CHAIRMAN: Mr. Simpson, is your question on amateur talent?

Mr. SIMPSON: It is on programming.

The CHAIRMAN: On the sustaining programs on this list?

Mr. SIMPSON: It is not in relation to the ones listed here.

The CHAIRMAN: We were working on sustaining programs right now. We will get back to that later.

Mr. SIMPSON: This is on the American produced programs.

The CHAIRMAN: Let us have your question.

Mr. SIMPSON: I am wondering if there is any financial loss to the corporation on any programs produced, or any films brought in from the United States and sold commercially?

Mr. BUSHNELL: I am very happy to say that there is no loss, and in many, many cases—indeed, in practically every case—there is a very substantial profit.

Mr. CHAMBERS: Mr. Chairman, I had a question on how a program is produced, based on this chart, that I think might be helpful to the committee. I think it would be helpful to us if we got some knowledge on this before we went on.

Mr. BELL (*Carleton*): I suggest, Mr. Chairman, we should give Mr. Chambers the right of way.

The CHAIRMAN: Continue.

Mr. CHAMBERS: I looked through the chart produced the other day, and there are a few other positions—as I understand it—in the production set-up. I would just like to ask what the functions of these people are—shall we say—and how they tie into the production of programs.

In the first place, we have a position on the chart, director of a television station. There is a title, I believe, in Montreal, director of television; is that the same thing?

Mr. MARCEL CARTER (*Controller of Management, Planning and Development, Canadian Broadcasting Corporation*): Yes. If I may make a point right at the beginning in connection with the chart; this is a basic chart, and in its application might vary slightly from location to location, depending on the local circumstances.

Mr. CHAMBERS: There is an assistant director of television?

Mr. CARTER: That is correct.

Mr. CHAMBERS: There is a program director and, as I understand it, an assistant program director of television, and two assistant program directors. I was wondering if those are departmentalized somehow, or if they all have different functions?

Mr. CARTER: If I recall correctly, there is an assistant program director, and he has two persons with him, one in charge of production and the other in charge of the group of script assistants, for assignments and following up the work of those people.

Mr. CHAMBERS: There are a number of people bearing the title of "coordinator". There is in Montreal, I believe, a director of coordination, a coordinator of theatres, a coordinator of continuity, a coordinator of quizzes, a coordinator of variety shows and a coordinator of musical shows. Are they equivalent to your program production people?

Mr. CARTER: You may be using a literal translation of the French word "coordonnateur". Those are the supervising producers to whom we are referring here: you have music, drama, children's broadcasts, and so foth.

Mr. CHAMBERS: We have some evidence before us—not much—that school education work was begun in Quebec, and there is, I believe, a director of education, a supervisor of education for television and five program organizers for education. I was wondering what their duties were.

Mr. CARTER: They are not solely education; they are in the area of talks and educational broadcasts. What is the French for that, Mr. Ouimet?

Mr. MARCEL OUIMET (*Deputy Controller of Broadcasting, Canadian Broadcasting Corporation*): Directeur des causeries et des émissions éducatives.

The INTERPRETER: That would be in English—translating it on the spot—director of talks and educational talks.

Mr. OUIMET (*interpretation*): We use the word "educational" in preference to "cultural": we make a distinction.

Mr. CHAMBERS: What you really mean, in English, is more cultural than educational?

Mr. CARTER: That is right. The director operates both in radio and in television. He is a regional man; he is connected with the two French networks, radio and television. There are program organizers under him who work either in television or radio. Some of them may specialize on labour problems, others business, and so forth.

Mr. CHAMBERS: For each of these programs you have a producer, presumably?

Mr. CARTER: For each program there is a producer.

Mr. CHAMBERS: And you have a unit supervising producer?

Mr. CARTER: In Montreal and Toronto we have unit supervising producers, because you may have about 50 producers in Toronto and 80 in Montreal. They are assigned in different areas under the immediate direction of a unit supervising producer, who is in turn responsible for the program production.

Mr. CHAMBERS: These program organizers and the unit supervising producers, and the producers themselves, give an appearance of a multiplicity of authority here.

Mr. CARTER: You have to distinguish that in programming there are three areas, policy, planning and actual production. The director of talks and educational broadcasts is concerned with the planning, and his program organizers work with him in the planning. Once they have planned a series of programs, it is turned over to the production group, under the director of television, including the unit supervising producer and the producer himself, to put the program on the air. They are concerned with the actual production.

Mr. FORTIN: What are the actual duties of the unit supervising producer?

Mr. CARTER: The unit supervising producer's duties are given here, at the bottom of page 1. He assists the local program director in planning and organizing programs within his field; drama, variety, public affairs, and so on. Once the detail has been approved, he assumes responsibility for the production, including supervision of production staff, program expenditure and other costs.

The CHAIRMAN: You will recall, gentlemen, that this is all available in printed form right now. The duties of each one of these people appear in the appendix.

Mr. CHAMBERS: As I understand it, there is quite a separation between the planning and the production.

Mr. CARTER: There is a separation, but they have to meet together at one point. There has to be a close liaison.

Mr. CHAMBERS: When you have something that goes wrong—such as with regard to La plus belle de Céans, that was produced in Montreal, at great offence to a great many citizens in the province of Quebec—where, in this administrative machinery, is it felt?

I do not want to get down to names at all; but can it be said that for any given program one man is responsible from beginning to end and apportions this responsibility to the parties responsible for that program, and can be held by the corporation responsible for the results from beginning to end?

Mr. BUSHNELL: I think I would like to answer that question, Mr. Chairman. In the final analysis, as a matter of fact, the president and vice president are responsible; it is a corporate responsibility. We could go on down the line, it is true; but not for one minute would I avoid, or try to avoid, or give the appearance of avoiding the acceptance of responsibility. That, as I say, is a corporate responsibility, and in the final analysis, rests with the president and vice president, the controller of broadcasting, and others.

Mr. CHAMBERS: Who will apportion, obviously, the share of the blame if anything goes wrong. But the point I am getting at here is that there seems to be—to have been, in two cases—a breakdown in control. I want to know whether—obviously the president and vice president do not produce these individual shows—there is one person, whether it be the unit supervising producer, or the producer, or the coordinator of these various shows, who is responsible to the corporation for that show?

Mr. BUSHNELL: Yes, we have, and I am going to be quite honest with you and tell you that in both cases one or two links in that chain of command simply broke down.

Mr. CHAMBERS: Which of these titles on the chart is the man who is responsible for the show?

Mr. FORTIN: Who authorized the production finally?

Mr. BUSHNELL: Ultimately, the director of television in the area in which the program originated has the final responsibility. Then beneath him, again, the supervising producer, the director of programs, and the particular producer himself.

Mr. SMITH (*Simcoe North*): Is there not one man who is responsible for the content of a show who is finally responsible for the final content of the show—and the form in which it goes on?

Mr. BUSHNELL: In some respects that is true.

Mr. SMITH (*Simcoe North*): Who is that man?

Mr. PICKERSGILL: I would like to raise a point of order.

The CHAIRMAN: Mr. Pickersgill, I have been holding off Mr. Tremblay.

Mr. PICKERSGILL: I am raising a point of order, and my point of order is this, it is well recognized in the house and I suggest it should be recognized in the committee, that the person responsible for an organization is the person answerable; and this business of trying to go behind the president and vice president who is here, and responsible, and trying to isolate responsibility in individuals is not a proper function of this committee at all. Our function is to assess the work of the corporation and not to engage in a witch hunt after individuals; and it would be an entirely improper and inappropriate way to proceed.

Mr. CHAMBERS: There is no witch hunt going on. There is no witch hunt watsoever involved in my line of questioning. We are here to examine the way the money of the C.B.C. is being spent. Part of that is the way the programs are administered. I am not after any individual. There have been complaints about certain programs; but I am not going after the individuals who produced them.

The CHAIRMAN: We all agreed we would not.

Mr. CHAMBERS: I have heard complaints from people who worked for the C.B.C. about the multiplicity of authority; they do not know who the boss is on the program level. What I am trying to get at is an understanding of the administrative machinery and the production machinery on an individual program. I do not have a particular program in mind and I do not know the names of individual program producers, concerning any particular program,

but this is an examination of the administrative set-up. I feel the C.B.C. have a very difficult job, having had an explosive growth on television, and I think they have done very well under the circumstances. On the other hand, there may well be some means which can be suggested by this committee.

The CHAIRMAN: Mr. Tremblay, you have been trying to get in for a long while.

Mr. TREMBLAY: (In French not translated):

The CHAIRMAN: Mr. Tremblay, this appears to be another statement. Is it a question or is it another statement you are making? May we have the translation ?

Mr. TREMBLAY (*Interpretation*): It is a proposal.

The CHAIRMAN: All right, continue then.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, to follow up Mr. Chambers' question which he has just put, I too find the internal set-up of the C.B.C. as regards the programming seems to me to be very complicated, and my colleague mentioned the program we have all heard a lot of recently "La Plus Belle de Céans"; and we all know it is very difficult to find out who is responsible in this case.

As Mr. Bushnell has just said, it seems that it is he and the president who finally have to be answerable for this matter. Now, Mr. Pickersgill can call it as he did, "witch hunting", but if he feels the C.B.C. people are involved that is his business. For my part, I want to say here that I would like to propose the following to the committee: Considering the difficulty which has been brought about by this program, I propose that Mr. Bushnell, in concert with his C.B.C. colleagues, should produce at the next meeting of the committee—that is to say, next Tuesday—a detailed report on this program "La Plus Belle de Ceans", and I would therefore propose that we would be particularly anxious to receive the following information: (1) who accepted the text; (2) who produced the program; (3) who accepted it as it was seen on the screen; and (4) who finally must reply to the questions which were put by the representatives of the people in the House of Commons and by the citizens, the people who have been disturbed by the program?

I propose, therefore, as I said, that a detailed report should be made on this subject, because I wish to emphasize that this is a matter of importance, and it is a matter which we, as representatives of the people,—and I insist on the point,—cannot remain silent about.

Mr. FORTIN: Mr. Chairman, this is on the same line, and I would like to ask a further question. I would like to know the breakdown of the cost of that particular production.

The CHAIRMAN: Certainly the costs can be produced. I think that the proposal of Mr. Tremblay should be submitted to the steering committee, at which time I think the steering committee should not only consider it, but ask the advice of the minister who is answerable to parliament for the C.B.C.

If that is agreeable, gentlemen, that is what I intend to do with Mr. Tremblay's proposal.

Agreed.

The CHAIRMAN: Continue, please, Mr. Chambers.

Mr. CHAMBERS: I want to go back from the particular to the general, again, and forget about the particular program. But could I ask this: as a result of these mistakes, has there been any thought given to correcting or revising this chain of responsibility, to strengthen the matter?

Mr. BUSHNELL: Yes, very definitely. And, then, let me make a confession: normally, we hold meetings on a closed circuit between Ottawa, Montreal and

Toronto, and these are held with great regularity, not less than every two weeks, and on many occasions—or, at least, many times—once a week; indeed, more often if any item comes up that our program people either in Montreal or Toronto feel should be referred to management. That is something that we began almost a year ago, and, again, I am the culprit.

During the rather strenuous time that we had between January 1 and well on into March I just could not find the time, and others involved did not seem to be able to find the time to continue those. Now then, we got back to trying very hard to get the wheels in motion again, to re-organize the Montreal situation, the Montreal organization; and that has taken a lot of time.

As well as that, some reference was made this morning—and I do not wish to harp on it, but we have in our books at the present time answers to 125 questions that we thought this committee might want answers to. That all had to be prepared.

Mr. McCLEAVE: What is our batting average, so far, Mr. Bushnell?

Mr. BUSHNELL: You fooled me once or twice—or, let me say, my crystal ball was not working in that particular field.

Mr. McCLEAVE: You are doing a "Harvey Haddix" on us?

Mr. BUSHNELL: No.

The CHAIRMAN: Continue, Mr. Bushnell.

Mr. BUSHNELL: Actually, you asked the question, if steps were being taken to see that those things that have happened will not happen again, and my answer to you is this: very definitely.

If I might at this time, Mr. Chambers, just say this, that we produce a great number of programs in all fields. We are not infallible; no one in the organization is infallible that I know of. We do not pretend to be; and we are bound to make mistakes. I am sorry, very sorry indeed that when we make one we really go all out.

Mr. CHAMBERS: Mr. Bushnell, I am very glad to hear that, and I realize that these mistakes will happen. However, I hope you are embarrassed by them less often in the future. Could you tell us this, in trying to avoid similar occurrences in the future, are you talking about changes of personnel in particular spots, or are you talking of the change in organizational structure at the local level?

Mr. BUSHNELL: Mr. Chambers, I think I can say we are doing more about organizational changes than any changes in personnel.

Mr. CHAMBERS: Would this lead to the point where one man, whatever his title would be, would have total responsibility for a show, or is that not possible in your business?

Mr. BUSHNELL: No, it is not possible; it is a group responsibility.

The CHAIRMAN: Miss Aitken?

Miss AITKEN: I would like to ask, Mr. Chairman, why there are 80 producers in Montreal and 50 producers in Toronto. Eighty producers seem to be a lot for one segment of the network. I wondered if you had any comparable figures from an American network, of how many producers they use?

Mr. BUSHNELL: I think I can answer that now, Miss Aitken. The output of the French network on live productions is considerably greater than that of Toronto.

The other point is this, that the method of producing programs in the United States, in many cases, is very different from that of the C.B.C., inasmuch as some of the American networks buy picked programs from outside organizations—the N.C.A., for example, is one; Jaffe organization is another.

Again, there is a difference in nomenclature, I guess you would say, and very often what we call a producer is, in the United States, called a director, or vice versa.

The CHAIRMAN: Mr. Smith of Simcoe North; it is along this line?

Mr. SMITH (*Simcoe North*): It is on the corporate responsibility point.

The CHAIRMAN: Right.

Mr. SMITH (*Simcoe North*): It is quite obvious the corporation has to be finally responsible for what goes out on the air, but is not there in these cases, or ought not there to be in these cases, one man who is finally responsible to the board of directors for the content of every program?

Mr. BUSHNELL: Let me put it to you this way, Mr. Smith: when you say "one man is directly responsible", ultimately he is, but I do not know of any-one man who could be personally responsible for the content of every program.

Mr. SMITH (*Simcoe North*): No, no: of each program.

Mr. BUSHNELL: Of each program?

Mr. SMITH (*Simcoe North*): Of each program.

Mr. BUSHNELL: I do not quite understand you—each program or each series?

Mr. SMITH (*Simcoe North*): No, each series. For instance, we will take a non-controversial one, Maman Fon Fon, which is a kindergarten program.

Mr. FORTIN: Is that the one you are listening to?

Mr. SMITH (*Simcoe North*): Is there not one man who is finally responsible for the content of that program to the board, or ought not there to be?

Mr. BUSHNELL: In that particular case I would say, again, the responsibility is somewhat divided. You would have to go back to the planning of the program, to the person who presented the idea. Then that idea is brought down to the supervisory level. It is then passed down to the producer.

The CHAIRMAN: Mr. Fisher, you had a question on this?

Mr. FISHER: Yes. Is it true the provincial authorities, or the provincial governments, have the authority, if they so want, to set up an agency to, in effect, censor television or telecasts, in the same way they do the distribution of film?

Mr. BUSHNELL: Mr. Fisher, that is a highly controversial question, and I am not competent to answer that.

The CHAIRMAN: Mr. Lambert next. Mr. Fisher, were you satisfied with the answer, or do you want to put a further question?

Mr. FISHER: I just wondered if that is not a fact. If that is the fact, perhaps the responsibility lies there, if the provinces want to exercise it.

Mr. BUSHNELL: That, again, is a matter of opinion, and legal opinion, actually. I will put it to you this way that—

The CHAIRMAN: Remember, you are not a lawyer.

Mr. BUSHNELL: No, I am not a lawyer.

Mr. FORTIN: Good for you. I am one.

Mr. BUSHNELL: I doubt very much if the provinces—and this is a personal opinion—have the right to exercise full and complete censorship over the program output of the C.B.C.

Mr. FLYNN: In fact, they do.

Mr. BUSHNELL: No, they do not, Mr. Flynn.

The CHAIRMAN: Mr. Lambert, on the same point?

Mr. LAMBERT: On the point raised by Mr. Smith; this follows straight up. Let us take program X. Is there anybody who has to stand up, any one particular person who has to stand up and reply to you, if you are going to give him hell for a blooper?

Mr. BUSHNELL: Yes.

Mr. LAMBERT: That is what we want to know: who is he?

Mr. CHAMBERS: And on what level is he?

Mr. BUSHNELL: He is the next level to me, Mr. Charles Jennings, and he has got hell on more than one occasion; and he is going to get it again.

Mr. PRATT: Mr. Chairman, this is aside from this, but further to Miss Aitken's question. Has the C.B.C. received any requests from advertising agencies to be permitted to use their own producers on shows?

Mr BUSHNELL: Yes.

Mr. PRATT: What is the attitude of the C.B.C. in that respect?

Mr. BUSHNELL: That has been a matter of policy from the very beginning, because as I explained to you, the C.B.C. regards all its programs as C.B.C. programs. One of the difficulties, Mr. Pratt, that would arise and that has arisen is this—the effect is this—that to bring in an outside producer he might well find it a little difficult to work with a crew which is a unit. Let me put it to you this way, that the agencies certainly are not excluded from attending rehearsals and from expressing opinions, and their opinions are very often accepted.

Mr. PRATT: Is it not a fact that in the United States it is the practice, that this practice is followed and outside agencies have their own producers, highly paid producers as a matter of fact; and does not the C.B.C. carry out this practice in radio?

Mr. BUSHNELL: Yes, we did.

Mr. PRATT: Do you still?

Mr. BUSHNELL: There is so very little commercial radio.

Mr. PRATT: I am sorry I brought it up.

The CHAIRMAN: Gentlemen, I know you want to welcome before you Mrs. Casselman, as a member of our committee, one of the three best looking girls in the house; and Mr. George Muir of Lisgar, one of the three ugliest men in the house.

Mr. MCCLEAVE: Mr. Chairman, do we follow on this afternoon on the subject of agencies or who has the say in the production of shows? Could we ask about that this afternoon?

The CHAIRMAN: If you ask it in French this afternoon, because it is going to be in French.

Mr. MCCLEAVE (In French—not translated).

The CHAIRMAN: Gentlemen, this afternoon at 3:30. I am sorry I will not be here, but Mr. Flynn will be in the chair. I suggested to Mr. Flynn you keep on programming this afternoon, either French commercial or French sustaining programs. Is that agreed, gentlemen?

Agreed.

The CHAIRMAN: Until this afternoon at 3:30 in this room.

THURSDAY, May 28, 1959.
3.30 p.m.

AFTERNOON SESSION

The VICE CHAIRMAN (*Mr. Flynn*): Ladies and gentlemen, I think we now have a quorum. Let us continue from where we left off this morning.

Mr. CHAMBERS: I have a few questions following from this morning. I wonder if Mr. Bushnell would tell us what action, if any, was taken in Toronto by the corporation as a result of this radio program Man to Man.

Mr. BUSHNELL: Yes, I would be very happy to tell you that the matter has been discussed very thoroughly and that those who were responsible for it have been reprimanded most seriously; and that if such a thing happens again, more serious action will be taken. Of that I can assure you.

Mr. CHAMBERS: Perhaps my next question should be addressed to Mr. Carter. I wonder if he could tell us about the position of a producer in the C.B.C. I gathered this morning that it was not the same—or, to put the question positively, is it the same, as I understand it, as that of a producer in the theatre or in television in the United States?

Mr. CARTER: The answer is no. A producer in the theatre or in television in the United States is responsible for making the business arrangements in connection with the show, hiring the people, and all management functions in connection with the show or program. The artistic aspects of the work are done by what they call the director.

However, in the C.B.C. the two functions are combined. This is a tradition which has remained from our radio operations and we have continued it in television, and we find that it has operated satisfactorily so far.

Mr. CHAMBERS: Is there any possibility of a conflict? You told us this morning that in certain areas the program organizers perform some of the functions of the producers. Who is the senior man, the program organizer, or the producer?

Mr. CARTER: First of all, we do not have program organizers in all areas. We have program organizers for talks, and for farm broadcasts, possibly. In those cases as far as planning the program is concerned, the program organizer will go forward and possibly do some of the work that a producer might normally do for another type of show.

The work of the producer in that case might be closely allied to that of a director, as I explained before in American television.

Mr. CHAMBERS: In that case the program organizer would be the senior man of the two? He could give directions and plan the show himself.

The VICE CHAIRMAN: There goes the division bell. We must adjourn now because of the vote in the house, but we shall return after the vote.

(On resumption of the committee)

Mr. FORTIN (*Interpretation*): Mr. Chairman, at this stage I think we would like to know about the administrative set up of the French network of the C.B.C. so I shall put a rather general question to Mr. Carter who undoubtedly is capable and qualified to answer it.

Could he tell us by means of this wonderful table we find before us, everything that happens from the time a program is first conceived right up to the moment it appears on the television screen.

The VICE CHAIRMAN: One moment. I do not think you mentioned the words "French network".

Mr. FORTIN: Yes, I mentioned both networks; I am interested in the same set-ups.

Mr. CARTER (*Interpretation*): Mr. Chairman, to reply to the question which had been put to me by Mr. Chambers, we had drawn up comments under the heading of method of establishing staff requirements for television operations. These notes have not yet been distributed, but they were given to the clerk of the committee. I do not know if he is in a position to distribute them now.

The VICE-CHAIRMAN: Is it agreed that we distribute them now?

Agreed.

Would it be agreeable to the committee if Mr. Carter gave us in French practically what is in these notes so that we could dispense with the translation? Is that agreeable to everybody?

Agreed.

Mr. CARTER: The number of staff required for live television productions is directly related to the program planning for each and every show. The sum total of staff required on any given television station or production centre is, consequently, the result of the load qualitatively and quantitatively at that location in terms of live production and also in terms of the maintenance of the various common services, such as accounting, personnel, publicity, etc., required for both radio and television production together with the maintenance of the station on-air operations.

These notes will confine themselves to an outline of the requirements for staff on a live television production and how these are built up.

The planning of a program starts with an idea from which an outline and, eventually, a script are produced. The program assignment is then made through the supervising producer of a given program area such as variety, drama, children's, etc., to a producer.

Mr. FORTIN (*Interpretation*): If the idea comes from outside, to whom is it first conveyed?

Mr. CARTER (*Interpretation*): Mr. Chairman, it depends on where it emanates from. If it is from a publicity agency, it might involve our commercial department. Furthermore, as I just said, talks, programs and rural services are in contact with various organizations.

The VICE-CHAIRMAN: Ladies and gentlemen, again we must adjourn for a vote in the house.

Mr. FORTIN: We could come back afterwards for an hour.

The VICE-CHAIRMAN: Do you wish to continue after the vote in the house.

Agreed.

(The committee did not reconvene, because of lack of a quorum.)

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

(Page 181)

M. TREMBLAY: Monsieur le président, je n'ai pas objection à cette décision du comité consultatif, sauf que l'on me permettra de m'étonner, peut-être, de ce que M. Bushnell n'ait pas songé plus tôt à faire cette consultation auprès du Bureau des gouverneurs. Il me semble que cette procédure apporte un délai qui est de nature, évidemment, à retarder les délibérations du comité.

Alors, même si je n'ai pas d'objection à cette décision du comité consultatif, je me permets d'exprimer ici publiquement mon étonnement devant l'attitude de M. Bushnell d'avoir retardé aussi longtemps à faire connaître cette opinion qu'il a maintenant et qui est d'ailleurs très récente. Et je dois vous dire qu'au rythme où vont les choses actuellement, il me paraît que le comité n'est pas appelé à nous fournir beaucoup d'informations puisqu'il nous faut, à chaque fois, référer au Bureau des gouverneurs, et il semble que l'on n'en sortira plus.

Monsieur le président, je désire aussi signaler que l'ensemble des réponses que nous avons eues jusqu'à présent est plutôt vague; tout demeure plutôt flou. J'ai fait hier une longue revision de ces réponses et, dans la plupart des cas, on se borne à dire: "Eh bien, on ne sait pas"; "je pense", etc. Il me semble que les responsables de la société Radio-Canada pourraient nous fournir, et assez vite,—puisqu'ils ont une expérience déjà vieille, déjà ancienne,—les renseignements factuels que nous demandons.

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(Page 195)

M. TREMBLAY: Monsieur le président, pour faire suite aux questions que vient de poser M. Chambers, je trouve, moi aussi, que l'organisation intérieure de Radio-Canada, en ce qui concerne les programmes, me paraît bien compliquée, et comme mon collègue faisait allusion à une émission que nous connaissons bien, "La plus belle de céans", nous remarquons qu'il est bien difficile de trouver, dans le cas présent, le responsable.

Comme vient de le dire M. Bushnell, il semble que ce soit lui et le président qui, en définitive, aient à répondre de cette émission. Mon ami, M. Pickersgill, peut fort bien appeler cela la chasse aux sorcières, et s'il appelle sorcières les responsables de Radio-Canada que nous essayons de découvrir, c'est bien son affaire.

Pour ma part, je propose ceci au comité: Étant donnée la difficulté que pose cette émission "La plus belle de céans", je propose que M. Bushnell, de concert avec ses collègues de la société Radio-Canada, produise d'ici la prochaine réunion du comité, soit mardi prochain, un rapport détaillé sur cette émission "La plus belle de céans". Voici les points qui m'intéressent particulièrement et qui, je crois, intéressent le public. Qui a accepté le texte? Qui a monté ce programme? Qui a accepté le programme tel qu'on l'a vu, tel qu'il a été réalisé, et qui, en définitive, doit répondre aux questions qui ont été posées par les représentants du peuple à la Chambre des communes et par les citoyens qui se sont inquiétés de ce programme?

Alors, monsieur le président, je propose donc qu'un rapport détaillé nous soit fait à ce sujet, parce que, je tiens à le souligner, l'importance de cet incident est telle que nous, représentants du peuple,—et j'insiste là-dessus,—ne pouvons garder le silence...

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(Page 198)

M. McCLEAVE: Je demanderai les renseignements en français.

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(Page 199)

M. FORTIN: Monsieur le président, à ce stade-ci, je crois qu'il serait intéressant pour les membres du comité de se familiariser un peu avec le rouage administratif des réseaux français et anglais de Radio-Canada. Je poserai par conséquent, une question d'ordre assez général à M. Carter qui, je crois, serait l'homme qui pourrait nous répondre. Je voudrais lui demander de nous expliquer, au moyen de ce magnifique tableau que nous avons sous les yeux, tout ce qui se passe à partir du moment où l'idée d'une émission est conçue jusqu'à la pleine réalisation de cette émission.

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(Page 200)

M. CARTER: Monsieur le président, en réponse à une question de M. Chambers, nous avions préparé des commentaires sous la rubrique "*Method of establishing staff requirements for television operations*". Ces notes-là n'ont pas encore été distribuées, mais on les a remises au secrétaire du comité. Je ne sais pas si vous voulez les distribuer immédiatement.

* * *

Monsieur le président, pour déterminer le personnel requis pour les émissions de télévision d'un poste, il nous faut établir les besoins pour chacun des programmes qui formeront l'horaire d'un poste. Le total du personnel dans un centre de production dépend du genre, de la qualité et du nombre des émissions en direct. Nous devons aussi tenir compte des besoins des services auxiliaires, tels que la comptabilité, le personnel, la publicité, les services techniques, etc.

Dans ces commentaires, je vais me limiter à indiquer quel personnel est requis pour une émission de télévision en direct et comment les besoins sont déterminés.

Si vous examinez la charte qui est là,—je ne sais pas si vous pouvez suivre très bien,—un programme de télévision commence d'abord par le développement d'une idée. Cette idée peut émaner d'un chef de service, du directeur des programmes, du directeur de télévision. Une agence de publicité peut soumettre une idée; elle est discutée et si elle est acceptée, un scénario peut être préparé. Alors, on demande à un auteur de préparer un texte.

M. FORTIN: Monsieur Carter, si l'idée provient de l'extérieur, a qui est-elle d'abord soumise?

M. CARTER: Cela dépend d'où elle vient. Si c'est un commanditaire représentant une agence de publicité, probablement que l'idée sera transmise à notre service commercial.

Par ailleurs, comme je l'ai mentionné tout à l'heure, vous avez le service des causeries, le service des émissions rurales, qui ont des contracts avec des associations. Alors, ces associations-là...

(APPENDIX A)

CANADIAN BROADCASTING CORPORATION

TELEVISION PROGRAM COST LEDGER SHEET

LIVE AND FILM PRODUCTIONS

FOR WEEK ENDING_____

TYPE: ☐ LIVE ☐ FILM ☐ COMMERCIAL MESSAGE

☐ NAT. NETWORK ☐ REG. NETWORK ☐ LOCAL
☐ SPONSORED ☐ SPONSORABLE ☐ NON-SPONSORABLE

PRODUCER: | TELECAST TIME: 9:30 - 11:30 | PROGRAM TITLE: PETER GRIMES

UNIT MANAGER: | DATE OF PERFORMANCE: | DATE OF TELECAST: January 13, 1959 | PROGRAM NO.: 50-704

PROGRAM PRODUCTION—INDIRECT

DATE	PRODUCERS	SCRIPT ASSISTANTS	PROD. ASSISTANTS	RESEARCH ASSISTANTS	OTHER	DETAILS

SUMMARY OF ESTIMATED FINAL COST

Total Direct Production Costs as below	$120,815
Add - Overhead application to recover administrative expenses	
(a) Regional Production center	17,433
	$138,248
(b) Management Supervision	9,128
	$147,376

TOTAL

	DEPARTMENT	RATES	BUDGET HRS.	BUDGET AMOUNT	ACTUAL HRS.	ACTUAL AMOUNT	VARIANCE HRS.	REFERENCE SCHEDULE
	TECHNICAL—DIRECT							
113	LINE CHARGES							
113	RENTAL OF EQUIPMENT							
114	TRAVELLING							
119	LINE CHARGES							
	OTHER							
	TOTAL TECH. DIR.							
	TECHNICAL—INDIRECT							
113	MOBILE UNIT							
114	TECHNICAL OPERATORS	2.70			2084	5,627		
115	MASTER CONTROL	5.50			37½	206		
116	TELECINE	18.50			15½	287		
111	FILM LAB.							
117	KINERECORDING							
118	REHEARSAL HALLS	12.00			250½	3,006		
105	STUDIOS—DRY	17.50			37½	656		
119	STUDIO FACILITIES	17.50			140	2,450		
	TOTAL TECH. INDIR.					12,232		I
122	PROGRAM PRODUCTION—DIRECT							
	ARTISTS' FEES					49,841		III
	MUSICIANS					17,251		IV
	SUNDRY PROD. FEES					1,396		V
	TRAVEL					450		V
	SCRIPTS							
	PERFORMING RIGHTS					750		V
	OTHER							
	TOTAL PROG. PROD.—DIR.					69,688		
122	FILM PRODUCTION COSTS					528		VI
122	PROGRAM PRODUCTION—INDIRECT							
	PRODUCERS	8.00			436½	3,492		
	SCRIPT ASSISTANTS	5.00			553 ¾	2,769		
	PROD. ASSISTANTS	5.00			436 ¾	2,184		
	RESEARCH ASSISTANTS							
	PROGRAM ANNOUNCERS							
	BOOTH ANNOUNCERS	5.00			2	10		
	OTHER							
	TOTAL PROG. PROD.—INDIR.					8,455		II
161 173	DESIGN & STAGING—TOTAL					29,912		VII
	TOTAL PRODUCTION COSTS					120,815		
112	TRANS.—TRANSMITTER							
115	TRANS.—MASTER CONTROL							
116	TRANS.—TELECINE							
	TOTAL ON AIR COSTS							
	COST OF PREVIOUS EPISODES							
	TOTAL COST OF SERIES CU. QT.							

ONT. 48 (3-59)

"PETER GRIMES" SCHEDULE I

TECHNICAL

Technical Operators 35 Operators assigned on January 12th and 13th.	Program planning 119 hrs. Audio set up 12 hrs. Lighting set up 123 hrs. Technical set up 152 hrs. Remote set up 12 hrs. Rehearsal& show 1504 hrs. Clean up 162 hrs.	2084 hrs. @ $2.70 -	$ 5,627.00
Master Control		37½ hrs. @ $5.50 -	206.00
Telecine		15½ hrs. @ 18.50 -	287.00
Rehearsal halls		250½ hrs. @ 12.00 -	3,006.00
Studios		37½ hrs. @ 17.50 -	656.00
Studio facilities		140 hrs. @ 17.50 -	2,450.00
			$ 12,232.00

This production used two rehearsal studios simultaneously at a total of 37½ hours full facilities spread over three camera days.

"PETER GRIMES" SCHEDULE II

PROGRAM PRODUCTION

Producers			
Franz Kraemer 346½ hrs. Eric Till 90 hrs.		436½ hrs. @ $8.00 -	$ 3,492
Script Assistants		553¾ hrs. @ 5.00 -	2,769
Production Assistants		436¾ hrs. @ 5.00 -	2,184
Booth Announcer			10
			$ 8,455

NOTES Franz Kraemer was the over-all producer controlling from Studio 7 with Eric Till controlling portions from Studio 1.

The total hours for the Production Assistant are mostly those of Alwyn Scott. About 70 hrs. of the total were incurred by John Coulson the Production Assistant with Eric Till in Studio 1.

The Script Assistant was Carol Armstrong and again the majority of hours were hers with the addition of Judith Strand who was part of the production unit in Studio 1.

Performers' fees

Principals (Schedule III a)	$ 14,630
Host, Chorus and supernumeraries (Schedule III b)	35,211
Total	$ 49,841

"PETER GRIMES" SCHEDULE III a

PRINCIPAL PERFORMERS

1.	Principal, negotiated fee	$ 2000.00
2.	Principal, negotiated fee	2000.00
3.	Principal, scale 148 hours rehearsal, plus 9 hours overtime	907.50
4.	Principal, scale, 125 hours rehearsal, plus 9 hours overtime	802.50
5.	Principal, scale, 129½ hours rehearsal, 9 hours overtime	817.50
6.	Principal, scale, 129½ hours rehearsal, 9 hours overtime	817.50
7.	Principal, scale 123 hours rehearsal, 9 hours overtime	782.50
8.	Principal, 105 hours rehearsal, 9 hours overtime	692.50
9.	Principal, scale, 140 hours, extra rehearsal, 9 hours overtime	870.00
10.	Principal, scale, 133½ hours, 9 hours overtime	835.00
11.	Principal, scale, 99 hours and 9 hours overtime	632.50
12.	Principal, scale, 101½ hours, 9 hours overtime	675.00
13.	Bit, scale, 49½ hours	$ 297.50
14.	Understudy, negotiated fee	1000.00
15.	Music consultant, negotiated fee	1500.00
	TOTAL	$14630.00

"PETER GRIMES" SCHEDULE III b

PERFORMERS FEES

Off Camera Chorus	32 singers for 36½ hours rehearsal plus show average $236.00 each.	$ 7,557.50
Conductor	Negotiated fee	600.00
		$ 8,157.50
Bits and Supers	11 bits for average of 33 hours each. Average $210.00 each.	$ 2,322.50
Host	Negotiated fee.	200.00
		$ 2,522.00
On camera Chorus	Group of 37 singers at scale for 107 hours rehearsal average plus 9 hours overtime. Average $663.00.	$ 24,531.75
TOTAL		$ 35,211.25

SCHEDULE 1V

"PETER GRIMES"

MUSICIANS

Rehearsal pianists	297½ hours at $10.00 an hour	$ 2,975.00
Conductor	Negotiated fee	1,000.00
Orchestra	59 men for 32 hours each, average $241.00 each	13,276.00
	TOTAL	$17,251.00

PROGRAM PRODUCTION

Travel and Living Allowance - principal singer (per diem of $15.00 for 30 days)		$ 450.00
Music rights		750.00
Sundry Production Expenses		
Editorial Services	$ 140.00	
Editorial Services (music pick-up)	125.00	
Transfer and Storage of Properties (from basement of Studio(7) to make room for orchestra and chorus)	689.00	
Rental of Music for Orchestra	162.00	
Equipment Rental (Fans to be used to create sound effect and rental of canopy between Studio 1 and Studio 7 for performers)	280.00	1,396.00
		$2,596.00

"PETER GRIMES" SCHEDULE V1

FILM PRODUCTION

Still photography	$145
Film production	183
Stock shots	200
TOTAL	$528

DESIGN DEPARTMENT
DAILY PROGRAM COST STATEMENT

SCHEDULE VII

PROGRAM NAME Folio - Peter Grimes

PRODUCER	SET DESIGNER	UNIT MANAGER W. Weston	TELECAST DATE / PROGRAM NO. Jan. 13/59

DEPARTMENT		ESTIMATED COSTS							ACTUAL COSTS							VARIANCE
NO.	NAME	Raw Materials	Stock Rentals	Purchase or Rentals	LABOUR Hours	LABOUR Amount	Overhead	TOTAL	Raw Materials	Stock Rentals	Purchase or Rentals	LABOUR Hours	LABOUR Amount	Overhead	TOTAL	
82	Set Designers											150	570	990	1560	
83	Make-Up										65 (c)	91	155	528	748	
84	Costumes								204(e)	624(m)	859 (l)	567	1038	1656	4381	
75	Services & Supply									256(n)	640 (d)	807¾		3635	4531	
85	Studio Stage Hands										545 (a)	807¾	1325	1099	2969	
86	Paint Shop								368(f)			410½	850	895	2113	
87	Carpentry Shop								2318(g)			1542¾	3008	3935	9261	
88	Graphics										12 (b)	61¾	161	212	385	
79	Special Effects										621(h)	239	442	1135	2198	
89	Properties									169(k)	406 (j)	258¾	466	725	1766	
	TOTAL								2890	1049	3148		8015	14810	29912	

PROGRAM SERIES

PREVIOUS TOTAL																
ABOVE TOTAL																
TOTAL TO DATE																

ONT. 92 (5-58)

Design and Staging

Studio Stagehands:

Purchase:	1 Blue Cyc 150' x 25'	485.00	
Rental :	150 Chairs for Orchestra	60.00	
		545.00	(a)

Graphics:

Purchase:	Photostats	12.00	(b)

Make-Up:

Purchase:	Hairdressing	65.00	(c)

Staging Services & Supply:

Purchase & Rental of Trees, boats, etc.	640.00	(d)

Costumes:

Represents the use of fabrics for the manufacture of 7 costumes	204.00	(e)

Paint and Carpentry:

Represents the value of lumber, hardware, paint, etc. used in the construction of a "fishing village" - required two studios to accommodate sets and flats.	368.00	(f)
	2,318.00	(g)
	$ 2,686.00	

"PETER GRIMES" SCHEDULE V11 (cont.)

S P E C I A L E F F E C T S

PURCHASES

1	Pump with Attachments	47.74
	Assorted Fixtures	13.35
12	Water Pans	108.00
1	Lamp Tubing	12.93
2	Schrimp Boats	7.50
1	Cover for Rain	87.78
	Water Connections, Door Hinges etc.	36.03
1	Large Tank	35.00
5	Spool Nylon	12.37
	Bolts	2.40
5	Sprayers	87.50
1300	lbs of Soil	40.00
1	Box Lychin	1.39
	Balsa Wood	1.55
	Rubber Hose & connections	4.15
	Boat parts, - Balsa wood	28.37
500	lbs of Soil	15.00
		$541.06

RENTAL

2	Fans	40.00
2	Fans	40.00
		$80.00

TOTAL $621.06 (h)

"PETER GRIMES" SCHEDULE V11 (cont.)

P R O P E R T I E S

PURCHASE

1	Drumstick and straps	12.00
3	Doz. Mugs	
2	Doz. Glasses	
1	Jug	15.95
16	Pipes	22.00
20	Bibles	28.30
	Sales Hatch Cover Canvas	
4	Pair Spruce Bars	
4	Galvanized Rings	
4	Clamps	
12	Balls String	67.53
4	10" Fids	
4	Seaming Palms	
6	Needles	11.70
1	Gray Spray	1.79
3	Cases Herrings	
1	Box Mackerel	
1	Case Lobsters, Barries Drums, Sea Shells	
	Sea Weed	108.50
12	Knives	6.60
25	Lbs. Net	
100	Hooks	
12	Needles 3/8 Manilla Rope	
1	lb/ Twine	
100	Floats	72.00
		$346.37

RENTAL

Various pewter, sea-chest, china, quills, ink well, candlesticks, brass canelabra, clock	60.00
	$ 60.00
TOTAL	$406.37 (j)

"PETER GRIMES" SCHEDULE VII (Cont.)

Stock Props

Description	Quantity Issued	Amount
Stools	6	6.00
Oct. Small Table	1	3.00
Kharki Mattress	1	2.00
Cupboard	1	7.50
Consul Table	1	5.00
Capt Chairs	4	10.00
Chairs	6	15.00
Benches	5	10.00
Arm Chair	1	5.00
Oct. Tables	2	6.00
Table	1	3.00
Leg Tables	2	10.00
Crates	6	3.00
Trunks	3	1.50
Army Mattress	1	2.00
S. Table	1	3.00
Benches	12	24.00
Desk	1	6.00
Console Table	1	5.00
S. Chairs	2	5.00
Capt Chairs	7	17.50
Old Wood A Chair	1	2.50
S. Chair	2	5.00
Bench	1	2.00
Set Dressings	1	10.00
		$ 169.00 (k)

Costumes

Purchase		Total
19 yds	of tweed	37.62
4	sweaters	30.80
15	skiens, 3 prs. needles	13.90
9	raincoats	80.50
9	sou wester hats	6.21
7	oilskin coats	13.65
4	sou wester hats	13.36
	wool	19.00
1	knitting book	.25
5 yds	buckrome	4.75
4	hoods	13.80
1	dye	.25
2	sweaters	19.90
2	pr. shoes	4.00
1	pr. stretched	.50
6½ yds	organza	11.38
10 yds	tuking	2.00

"PETER GRIMES" SCHEDULE VII (Cont.)

Costumes

Purchase		Total
10 yds.	straw	2.25
68	buttons	2.98
5 yds.	tunic	2.70
39	ribbon	7.63
2	straw	.70
5	lace	1.45
10	lace	3.85
1	sweater hand knit to order	30.00
14	shapes	10.90
3	pleated bands	1.80
5 yds	velvet	1.00
3	sweaters	26.85
	rubber soles	4.50
4 prs.	rubber soles ½ soles & heels	8.00
1	dance belt	5.36
1	rain set	5.95
4	skiens of wool	1.40
	wool and needles	1.09
6	hair nets	.60
	elastic	.14
2	suits	130.00
		$ 521.02

Rentals		
1	suit	10.00
1	jacket	5.00
1 pr.	pants	8.00
1	child's suit	15.00
4 pr.	pants	14.00
4	cloaks	12.00
12	packets	54.00
1	black suit	8.00
10	hats	10.00
14	dresses	140.00
5	blouses	12.50
4	capes	20.00
20	shawls	30.00
		$ 338.50
	TOTAL	$ 859.52 (1)

SCHEDULE VII (Cont'd)

"PETER GRIMES"

STOCK COSTUMES

Description	Quantity Issued	Amount
Period Pettycoat	9	$ 18.00
Stockings	15 prs.	7.50
Towels	3	1.50
Period Fronts	6	3.00
Topper	2	3.00
Rain Hats	8	12.00
Rubber Boots	11 prs.	22.00
Engineer Boots	4 prs.	8.00
Navy Caps	7	10.50
Men's Felt Boots	5 prs.	10.00
Ladies Shoes	2 prs.	4.00
Flat Heels Girls Shoes	5 prs.	10.00
Dresses	4	16.00
Dresses	1	4.00
Shawls	6	9.00
Cape	1	1.50
Long Crinolines	8	16.00
Rain Cloaks	4	16.00
Rain Cloaks	6	24.00
Peak Jacket	4	12.00
Period Jacket 1 Brown, 1 Green Tweed	7	21.00
Pants	16	32.00
Pullover	10	15.00

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STOCK COSTUMES (Cont'd)

Vests	6	$ 9.00
Vests	2	3.00
Children's Jacket	3	4.50
Children's Pants Long	5	5.00
Period Topper	2	3.00
Rubber Boots	4 prs.	8.00
Rain Cloaks	3	12.00
Windbreaker	1	1.50
Topper Black	1	1.50
Topper Period 1 Black, 1 Brown	2	3.00
Seaman's Caps	8	12.00
Togues	2	3.00
Boots leather	3 prs.	6.00
Belts	10	5.00
Scarves	16	8.00
Duffel Coat Grey	1	4.00
Braces	12	6.00
Hats	2	3.00
Neckerchiefs	10	5,00
Period Ballet Skirts	4	4.00
Clerical Collar	1	.50
Clerical Front	1	.50
Frock Coat dark green	1	4.00
Boys Sweater	2	3.00
Child. Shirts	2	2.00

. . .3

STOCK COSTUMES (Cont'd)

Girls Shoes Flat Heels	2 prs.	$ 4.00
Long Cotton Petticoats	8	16.00
Long Hat Pins	12	.60
Knee Socks Grey	6 prs.	3.00
Black & Coloured Socks	5	2.50
Ladies Boots	6	3.00
Black Stockings	7 prs.	3.50
Aprons	4	2.00
Steel Rimmed Spectacles	1	.50
Ballet Slippers	3 prs.	6.00
Dance Panties	5	2.50
Crinolines	2	4.00
Falsies	1 pr.	.50
Underwear	1	.50
Peasant Blouses	2	2.00
Ladies Period Shoes	1 pr.	2.00
Running Shoes	1 pr.	2.00
Rain Coat	8	32.00
Period Dress	3	12.00
Leather Vest	1	1.50
Trousers	13	26.00
Vests	6	3.00
Period Jackets	6	18.00
Duffle Coat	2	8.00
Bonnets	15	22.50

. . .4

STOCK COSTUMES (Cont'd)

Sweat Shirts	5	$ 5.00
T-Shirts	4	4.00
Business Shirts	3	3.00
Socks	5 prs.	2.50
Cravats	15	7.50
Sweaters	15	22.50
Work boots	1 pr.	2.00
Tuques	5	7.50
		$624.10 (m)

"PETER GRIMES" SCHEDULE V11

STOCK RENTALS

STAGING - SERVICE AND SUPPLY

Stock Flats used	5,129½ sq.ft.	or	$256.48 (n)

"PETER GRIMES" SCHEDULE V111

STAGING & DESIGNING

PERSONNEL REQUIRED

Set Designer		1	
Make-up		8	
Costume Designers, assistants.		9	
Studio Stagehand		30	
Paint Shop Personnel	up to	11)	varies per day of construction
Carpenter Shop Personnel	up to	25)	
Graphic Artists		2	
Special Effects		4	
Properties Personnel		5	
		95	

Also: A substantial number of warehouse personnel required to handle, truck, etc., the sets and flats from Sumach St. to Studio 1 and 7 as well as to clear sub-basement for use by the orchestra.

(APPENDIX B)

CANADIAN BROADCASTING CORPORATION

TELEVISION PROGRAM COST LEDGER SHEET

LIVE AND FILM PRODUCTIONS

FOR WEEK ENDING_____

TYPE: ☐ LIVE ☐ FILM ☐ COMMERCIAL MESSAGE

☐ NAT. NETWORK ☐ SPONSORED ☐ REG. NETWORK ☐ SPONSORABLE ☐ LOCAL ☐ NON-SPONSORABLE

PRODUCER | TELECAST TIME: 9:30 - 10:30 | PROGRAM TITLE: A BOY GROWING UP

UNIT MANAGER | DATE OF PERFORMANCE | DATE OF TELECAST: May 5, 1959 | PROGRAM NO.: 62-540

PROGRAM PRODUCTION—INDIRECT

DATE	PRODUCERS 1	SCRIPT ASSISTANTS 1	PROD. ASSISTANTS 1	RESEARCH ASSISTANTS	OTHER	DETAILS
W/E 26/4	45					
15/4		4				
16/4		5				
17/4		4 3/4				
20/4		6 1/2	4 3/4			
21/4		3	4 3/4			
23/4		7	5 3/4			
24/4			6 3/4			
29/4			6 3/4			
30/4			6 1/4			
W/E 3/5	45					
1/5			4 1/4			
3/5		4				
4/5		8 1/2	6 1/4			
5/5		12 3/4	13 1/4			
W/E 10/5	22½					
TOTAL	112½	55½	58 3/4			

SUMMARY OF ESTIMATED FINAL COST

Total Direct Production Cost as below	$ 9,896
Add - Overhead application to recover administrative expenses	
(a) Regional Production Center	1,484
	$11,380
(b) Management Supervision	695
	$12,075

	DEPARTMENT	RATES	BUDGET HRS.	BUDGET AMOUNT	ACTUAL HRS.	ACTUAL AMOUNT	VARIANCE HRS.	VARIANCE AMOUNT
	TECHNICAL—DIRECT							
113	LINE CHARGES							
113	RENTAL OF EQUIPMENT							
114	TRAVELLING							
119	LINE CHARGES							
	OTHER							
	TOTAL TECH. DIR.							
	TECHNICAL—INDIRECT							
113	MOBILE UNIT							
114	TECHNICAL OPERATORS (27 per 1 day)	2.70			379	1023		
115	MASTER CONTROL	5.50			9½	52		
116	TELECINE	18.50			1	18		
111	FILM LAB.							
117	KINERECORDING							
118	REHEARSAL HALLS	12.00			6½	78		
105	STUDIOS—DRY	17.50			10½	184		
119	STUDIO FACILITIES	17.50			42	735		
	TOTAL TECH. INDIR.					2090		
122	PROGRAM PRODUCTION—DIRECT							
	ARTISTS' FEES					2728		
	MUSICIANS							
	SUNDRY PROD. FEES					270		
	TRAVEL					177		
	SCRIPTS					750		
	PERFORMING RIGHTS							
	OTHER							
	TOTAL PROG. PROD.—DIR.					3925		
122	FILM PRODUCTION COSTS							
122	PROGRAM PRODUCTION—INDIRECT							
	PRODUCERS	8.00			112½	900		
	SCRIPT ASSISTANTS	5.00			55½	277		
	PROD. ASSISTANTS	5.00			58 3/4	294		
	RESEARCH ASSISTANTS							
	PROGRAM ANNOUNCERS							
	BOOTH ANNOUNCERS	5.00			1	5		
	OTHER							
	TOTAL PROG. PROD.—INDIR.					1476		
161 173	DESIGN & STAGING—TOTAL					2405		
	TOTAL PRODUCTION COSTS					9896		
112	TRANS.—TRANSMITTER							
115	TRANS.—MASTER CONTROL							
116	TRANS.—TELECINE							
	TOTAL ON AIR COSTS							
	COST OF PREVIOUS EPISODES							
	TOTAL COST OF SERIES CU. QT.							

ONT. 48 (3-59)

SUMMARY OF DIRECT COSTS

DATE	SOURCE OF INFORMATION	DETAILS	AMOUNT			MONTH REPORTED	PROGRAM PRODUCTION								TECHNICAL				
			ACTUAL	ESTIMATE	DELAYED		ARTISTS FEES	MUSICIANS	SUNDRY PROD.	TRAVEL	SCRIPTS	PERFORM. RIGHTS	FILM COSTS	OTHER	113 LINES	113 EQUIP.	114 TRAVEL	119 LINES	OTHER
22/4	Travel Advance	Sup. Producer		34.00						34									
17/4	" "	Producer		142.60						143									
13/5	CBC 47	Script	160.00						160										
13/5	" "	Script	110.00						110										
13/5	c/s	Artists	2728.00				2728												
26/5		Script		750.00							750								
TOTALS																			

DESIGN DEPARTMENT
DAILY PROGRAM COST STATEMENT

PROGRAM NAME Folio "A Boy [illegible] Up"

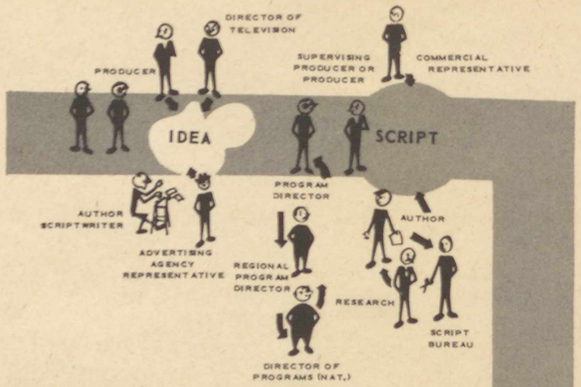
PRODUCER	SET DESIGNER	UNIT MANAGER	TELECAST DATE
		W. Weston	May 5
			PROGRAM NO.

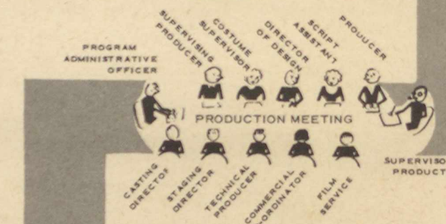
DEPARTMENT		ESTIMATED COSTS							ACTUAL COSTS							VARIANCE
NO.	NAME	Raw Materials	Stock Rentals	Purchase or Rentals	LABOUR Hours	LABOUR Amount	Overhead	TOTAL	Raw Materials	Stock Rentals	Purchase or Rentals	LABOUR Hours	LABOUR Amount	Overhead	TOTAL	
82	Set Designers											40	152.	264.	416.	
83	Make-Up											1	2.	6.	8.	
84	Costumes											2½	5. [illegible]	7.	12.	
75	Services & Supply									109.		60½		272.	381.	
85	Studio Stage Hands										25.	60½	99.	82.	206.	
86	Paint Shop								112.			88	182.	192.	486.	
87	Carpentry Shop								17[illegible].			96½	188.	246.	607.	
88	Graphics										3.	35[illegible]	93.	121.	217.	
79	Special Effects															
89	Properties									5.		14½	26.	41.	72.	
	TOTAL								285.	114.	28.		747.	1231.	2405.	

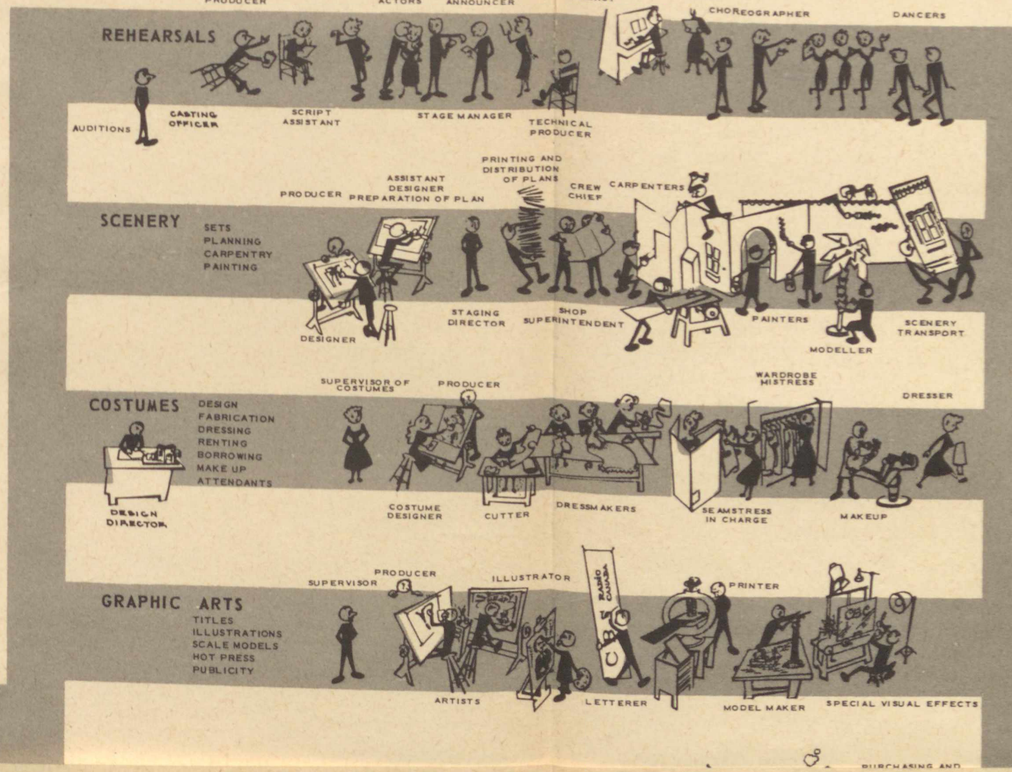
PROGRAM SERIES

PREVIOUS TOTAL																
ABOVE TOTAL																
TOTAL TO DATE																

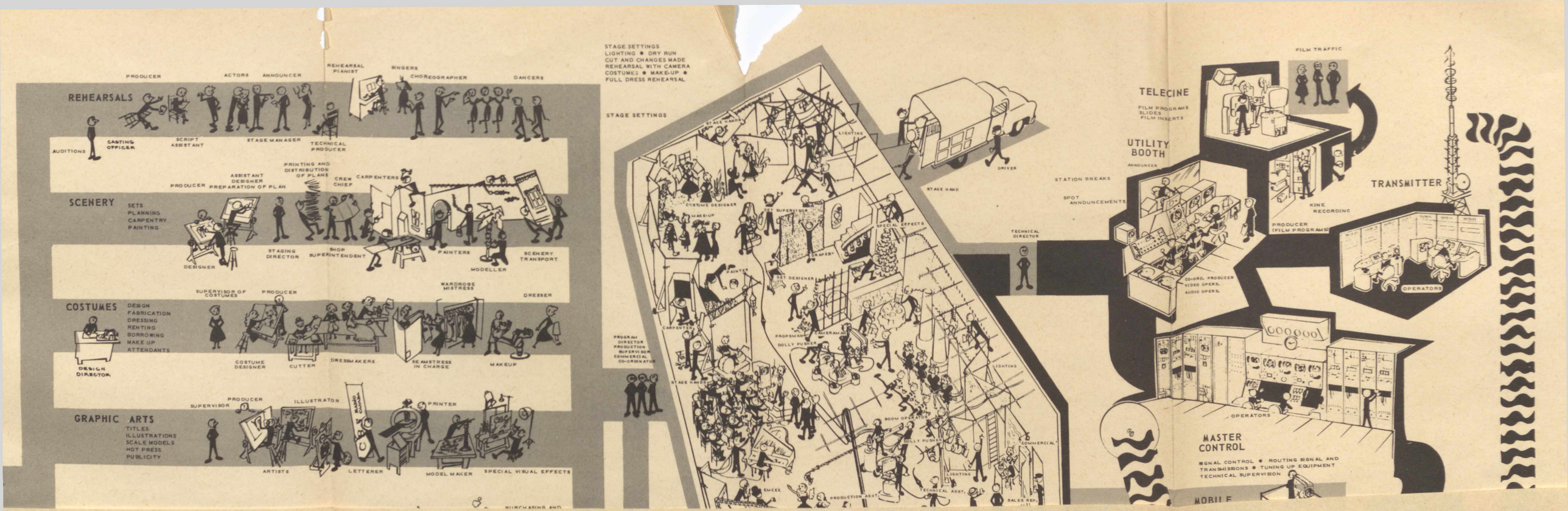
ONT. 92 (5-58)







STAGE SETTINGS
LIGHTING ● DRY RUN
CUT AND CHANGES MADE
REHEARSAL WITH CAMERA
COSTUMES ● MAKE-UP ●
FULL DRESS REHEARSAL


REHEARSALS
PRODUCER
ACTORS
ANNOUNCER
REHEARSAL PIANIST
SINGERS
CHOREOGRAPHER
DANCERS
AUDITIONS
CASTING OFFICER
SCRIPT ASSISTANT
STAGE MANAGER
TECHNICAL PRODUCER
SCENERY
SETS
PLANNING
CARPENTRY
PAINTING
PRODUCER
ASSISTANT DESIGNER
PREPARATION OF PLAN
PRINTING AND DISTRIBUTION OF PLANS
CREW CHIEF
CARPENTERS
DESIGNER
STAGING DIRECTOR
SHOP SUPERINTENDENT
PAINTERS
MODELLER
SCENERY TRANSPORT
COSTUMES
DESIGN
FABRICATION
DRESSING
RENTING
BORROWING
MAKE UP
ATTENDANTS
SUPERVISOR OF COSTUMES
PRODUCER
WARDROBE MISTRESS
DRESSER
DESIGN DIRECTOR
COSTUME DESIGNER
CUTTER
DRESSMAKERS
SEAMSTRESS IN CHARGE
MAKEUP
GRAPHIC ARTS
TITLES
ILLUSTRATIONS
SCALE MODELS
HOT PRESS
PUBLICITY
PRODUCER
SUPERVISOR
ILLUSTRATOR
PRINTER
ARTISTS
LETTERER
MODEL MAKER
SPECIAL VISUAL EFFECTS
STAGE SETTINGS
LIGHTING • DRY RUN
CUT AND CHANGES MADE
REHEARSAL WITH CAMERA
COSTUMES • MAKE-UP •
FULL DRESS REHEARSAL
STAGE SETTINGS
STAGE HANDS
LIGHTING
COSTUME DESIGNER
MAKE-UP
SET SUPERVISOR
SPECIAL EFFECTS
DRAPERY
PAINTER
SET DESIGNER
CARPENTER
PROPSMAN
CAMERAMAN
DOLLY PUSHER
STAGE HANDS
LIGHTING
BOOM OPERATOR
DOLLY PUSHER
COMMERCIAL
LIGHTING
EMCEE
PRODUCTION ASST.
TECHNICAL ASST.
SALES REP.
PROGRAM DIRECTOR
PRODUCTION SUPERVISOR
COMMERCIAL CO-ORDINATOR
DRIVER
STAGE HAND
TECHNICAL DIRECTOR
FILM TRAFFIC
TELECINE
FILM PROGRAMS
SLIDES
FILM INSERTS
UTILITY BOOTH
ANNOUNCER
STATION BREAKS
SPOT ANNOUNCEMENTS
KINE RECORDING
PRODUCER (FILM PROGRAMS)
TRANSMITTER
OPERATORS
CO-ORD. PRODUCER
VIDEO OPERS.
AUDIO OPERS.
OPERATORS
MASTER CONTROL
SIGNAL CONTROL • ROUTING SIGNAL AND TRANSMISSIONS • TUNING UP EQUIPMENT
TECHNICAL SUPERVISION
MOBILE

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament
1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 8

TUESDAY, JUNE 2, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

E. L. Bushnell, Acting President, Canadian Broadcasting Corporation; R. L. Dunsmore, Chairman, Finance Committee, Board of Directors; J. P. Gilmore, Controller of Operations; M. Carter, Controller of Management; M. Ouimet, Deputy Controller of Broadcasting; and J. J. Trainor, Assistant to the Director of Audience Research.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21312-4—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.,

Vice-Chairman: J. Flynn, Esq.,
and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
†Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
*Johnson,
Jung,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

*Replaced Mr. Campeau on Friday, May 29, 1959
†Replaced Mr. Rouleau on Friday, May 29, 1959

ORDERS OF REFERENCE

FRIDAY, May 29, 1959.

Ordered,—That the names of Messrs. Johnson and Eudes be substituted for those of Messrs. Campeau and Rouleau respectively on the Special Committee on Broadcasting.

Attest

LÉON J. RAYMOND,
Clerk of the House.

21312-4—1½

MINUTES OF PROCEEDINGS

TUESDAY, June 2, 1959.

The Special Committee on Broadcasting met at 11.00 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Messrs. Bell (*Carleton*), Brassard (*Lapointe*), Mrs. Casselman, Messrs. Chambers, Dorion, Eudes, Fairfield, Flynn, Forgie, Fortin, Halpenny, Jung, Kucherepa, Lambert, Macquarrie, Mitchell, Muir, McCleave, McGrath, Nowlan, Pickersgill, Pratt, Robichaud, Simpson, Smith (*Calgary South*), and Tremblay.

In attendance: Mr. E. L. Bushnell, Acting President of the Canadian Broadcasting Corporation, assisted by Messrs. R. L. Dunsmore, Chairman, Finance Committee, Board of Directors; J. P. Gilmore, Controller of Operations; Marcel Carter, Controller of Management, Planning and Development; A. M. Henderson, Comptroller; R. C. Fraser, Director, Public Relations; Marcel Ouimet, Deputy Controller of Broadcasting; R. E. Keddy, Director of Organization; Barry MacDonald, Secretary, Board of Directors; H. A. Halbert, Assistant Secretary, Board of Directors.

The Chairman observed the presence of quorum and reported to the Committee that the Subcommittee on Agenda and Procedure at its meeting held on Monday, June 1st, had reached the following decisions:

1. That the Committee visit facilities of the Canadian Broadcasting Corporation located in Toronto on Tuesday, June 23rd, preferably travelling by air;

2. That Mr. Tremblay's request for specific information relating to the television production "La plus belle de céans" be not entertained by the Committee on the grounds that this would be contrary to a principle accepted by the Committee at its first meeting, namely that information relating to responsibility for individual programs be not sought.

As agreed at the last meeting of the Committee, the motion by Mr. Smith (*Calgary South*), seconded by Mr. Pratt relating to the production of detailed costs of television programs was considered and Messrs. Dunsmore and Bushnell once again outlined the Corporation's position concerning the revelation of such costs and the impact of the adoption of the motion on the Corporation's relations with sponsors.

During the course of their presentation, a telegram from "Sponsor" Magazine and letters from the Canadian Association of Advertising Agencies, Association of Canadian Advertisers Incorporated and Maclaren Advertising Co. Limited were read into the record.

Mr. Nowlan, as the Minister through whom the Canadian Broadcasting Corporation reports to Parliament, was called upon to give his views on the motion.

Following further discussion concerning the advisability of proceeding with the motion, it was resolved,—

> That all costs of production of both commercial and sustaining television programs in both the French and English networks be presented, at the earliest possible date to the Committee, for the last complete month itemizing these costs and relating them to recoveries made from sponsors, and other sources,

on the following division: YEAS, 11; NAYS, 9.

At 12.45 p.m., the Committee adjourned to meet again at 8 p.m. this day.

EVENING SITTING

The Special Committee on Broadcasting met at 8.00 p.m. this day, the Chairman, Mr. Halpenny, presiding.

Members present: Miss Aitken; Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*); Mrs. Casselman; Messrs. Chambers, Dorion, Eudes, Fairfield, Flynn, Fortin, Halpenny, Kucherepa, Lambert, Mitchell, Muir, McCleave, McGrath, McQuillan, Pratt, Richard (*Ottawa East*), Simpson, Smith (*Calgary South*) and Tremblay.

In attendance: Same officers of the Canadian Broadcasting Corporation as shown in attendance this morning, with the addition of Mr. J. J. Trainor, Assistant to the Director of Audience Research; and the absence of Mr. R. L. Dunsmore.

The Chairman observed the presence of quorum and called on Mr. Bushnell and Mr. Gilmore, who presented a "Draft" of a form to be used in presenting television program costs and recoveries to the Committee.

Following discussion it was agreed that where "one person shows" are presented the amount shown under the heading "Talent" should be combined with that shown under the heading "Program Production". It was also agreed that with the exception of "one person shows", the total cost shown under the heading "Talent" should be followed by the number of performers involved in the production.

Agreed,—That officers of the Corporation be asked to proceed immediately with the compilation of cost figures for one week's television productions on the English and French networks, and that the question of whether the Committee should review statistics for an additional three weeks should be referred to the Subcommittee on Agenda and Procedure.

The following documents were filed with the Committee and copies distributed to members:

1. List of commentators on opinion and commentary programs—French and English networks—1958, including

Weekend Review
Midweek Review
Press Conference
This Week
Viewpoint
Preview Commentary
Capital Report
Citizen's Forum
Byline
Commentaires
Point de Mire
Rencontre
La Vie Economique
La Vie Ouvrière
Les Idées en Marche

2. Political and controversial broadcasting policies and rulings—as revised to May 27, 1953.

3. Copy of Television Broadcast Agreement Form.

Agreed,—That these documents be reviewed by the Sub-committee on Agenda and Procedure to determine the need for their inclusion in the Committee's printed proceedings.

Messrs. Bushnell, Ouimet and Trainor were questioned concerning the Corporation's activities in the field of Audience Research.

The following documents were filed with the Committee:

1. Audience Research Bulletin.

2. Organization and Function of Audience Research.

3. Television Program Cost Report re "La Plus Belle de Céans".

4. Production Costs and Associated Income for certain French network programs.

Agreed,—To print as appendices to today's proceedings those documents referred to above as Numbers 2, 3 and 4.

Agreed,—To stand further discussion on the subject of Audience Research until the Corporation presents an organization chart of the Audience Research Division.

Mr. Carter was called and continued with the presentation commenced on Thursday, May 28, 1959, relating to the method of establishing staff requirements for television programs.

At 9.50 p.m. the Committee adjourned to meet again at 9.30 a.m., Thursday, June 4, 1959.

J. E. O'Connor,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

TUESDAY, June 2, 1959.
11 a.m.

The CHAIRMAN: Gentlemen and ladies, we have a quorum.

You will recall that the steering committee was to meet yesterday afternoon. We did meet and came to two decisions, or one decision and one recommendation. The first suggestion is that this committee take a trip to Toronto.

Mr. MCCLEAVE: To run the C.B.C.?

The CHAIRMAN: Not exactly to run the C.B.C.

But to view the operations there; and it is Mr. Bushnell's suggestion that we go on Tuesday, June 23. Now, the reason Mr. Bushnell made this suggestion is that the new Board of Directors will be meeting in Toronto that day, and as they are going to take a personally conducted tour through the different C.B.C. buildings in Toronto, he felt that it might be a good time for us to go and that it would be advisable if we joined them. It was suggested also that we could possibly have a meeting with the new Board of Directors and see the operation at the same time as they do.

Mr. SMITH (*Calgary South*): What day of the week is that?

The CHAIRMAN: Tuesday, June 23.

Mr. FLYNN: Is the session going to be over at that time?

The CHAIRMAN: Not for at least a week after that.

Mr. MCGRATH: Do you think it is advisable for the committee to view the operations at the same time as the board of directors?

The CHAIRMAN: I do, personally. Have you any comments on it?

Mr. MCGRATH: My thought in connection with that is that it might be advisable to go and visit the C.B.C. on an ordinary routine day.

The CHAIRMAN: Well, Mr. McGrath, we considered that; but what is an ordinary routine day?

Mr. CHAMBERS: May we arrive without warning?

The CHAIRMAN: There are certain days in which there is not too much going on, and we could arrive on one of those days when they would not have too many productions. The steering committee felt that the suggestion I made earlier would be advisable and they make this recommendation to the committee.

Mr. SMITH (*Calgary South*): Mr. Chairman, I think we should see them at their best.

The CHAIRMAN: Thank you, Mr. Smith. Is it agreeable then, gentlemen? If we go, the thought is to fly up and fly back, so we will not lose more than the one day.

Mr. FORTIN: Is it on the twenty-third?

The CHAIRMAN: June 23, which is on a Tuesday.

Mr. FORTIN: That is the day the Queen will be in Quebec, and we would all like to see her as well.

The CHAIRMAN: I do not think we can get one date that is going to be suitable for every member.

Mr. FORTIN: But the Queen's visit is a special occasion.

The CHAIRMAN: But Her Majesty is going to be in some other parts of Canada from that time on, and it will be just as important for the member from that particular constituency to be with her as the Quebec members in Quebec.

Mr. MUIR (*Lisgar*): Does she not open the seaway on June 26?

Mr. PRATT: Make it the day the Queen is in Toronto; maybe she would like to see the C.B.C.

Hon. GEORGE C. NOWLAN (*Minister of National Revenue*): She is going to see the horses.

The CHAIRMAN: Is it agreed then, gentlemen?

Agreed.

The CHAIRMAN: Now, the second point the steering committee considered was Mr. Tremblay's request, which you will find on page 195. The steering committee decided as follows:

> While the committee is aware that much concern has been expressed by the viewing public about the program "La Plus Belle de Ceans", the committee at the inception of these hearings took the position that it would not go into the detailed responsibility for any individual program and it does not now see any compelling reasons for deviating from that decision in the case of the program "La Plus Belle de Ceans".

Have you any comments, gentlemen, or is it agreed?

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I wish to be very brief. I do not want to make a long statement as I was reproached the other day for doing so. I just want to know what are the reasons behind the decision of the advisory board.

The CHAIRMAN: The reason, Mr. Tremblay, is that at the beginning of these hearings it was agreed by this committee that we would not go into personalities or personal likes or dislikes, because we would be here ad infinitum if we considered each individual program all the way down, or if we as individuals gave our own likes and dislikes in connection with programs. That was the reason this committee as a whole decided that we would not do it. Have you any further comments?

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I do accept the general remark that we should not enter into details and go into the personalities and so on, but I do think that in the circumstances this is a sufficiently serious matter and that we should obtain a detailed report such as I spoke of the other day. We do not need to find out the names of those responsible, but as the C.B.C. administration seems to us to be a very complicated business, I personally, for my part at any rate, cannot be satisfied with Mr. Bushnell's remark of the other day when he suggested he or the vice-chairman are responsible and they take all the responsibility on their own shoulders. This is rather an easy excuse which does not take true account of the actual facts.

Mr. BUSHNELL: May I say, Mr. Chairman, that there will be a report on this program. I think what we are reluctant to do is to give out the actual

names, the individual names of those involved, but there is a report which we will be very happy to table.

The CHAIRMAN: And further more, Mr. Tremblay, I would suggest that if you wish more definite information than this report will give you, there is no reason in the world why you or any other member of this committee cannot go over to C.B.C. and get the information you need, as long as it is not published and as long as it is a personal thing between you and the C.B.C.

Mr. FORTIN (*Interpretation*): Mr. Chairman, first of all I would like to say here and now that I thoroughly endorse the opinions which have been just expressed in connection with this matter by Mr. Tremblay. Now, I believe that in following your suggestions you are taking us up the long path, so to speak. It is not the member from Roberval or the member from Montmagny-L'Islet who wants the information, it is the public. We are here as representatives of the public, and that is why if the C.B.C. is willing to give information to one individual, then it must give information to those who are paying; in other words, the whole public in general.

The CHAIRMAN: Mr. Bushnell has said there is going to be a statement read to this committee in connection with that program. May we leave any other comment until the statement is read, and at that time you will know whether you have the information you require.

Mr. FORTIN (*Interpretation*): When will the report be submitted? It was requested a month ago.

Mr. BUSHNELL: I think probably it can be submitted very shortly.

There was a question, Mr. Chairman, if I might remind you of it, that the members of this committee were, as a matter of fact, to meet to discuss French network matters exclusively. We did have a short meeting last Thursday and I do not know whether or not it is your intention to go on with this. This report on "La Plus Belle de Ceans" would be in the French language and it can be tabled almost any time that Mr. Fortin desires it.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I am willing to wait for that report to be presented before putting questions in that connection, but first I wish to make a proposal, inasmuch as I wish to ask the chairman and Mr. Bushnell, if it is possible, for Mr. Alphonse Quimet to be called before this committee.

Mr. BUSHNELL: Mr. Chairman, I regret that is impossible. At the present time Mr. Ouimet is waiting for a room in a hospital in Montreal where he will undergo gall bladder surgery. I would be very reluctant indeed to ask him to attend even one session. As a matter of fact, he asked me to express his grave concern and to extend to this committee his humble apologies that his health would not permit him to appear at this time.

Mr. FORTIN (*Interpretation*): Mr. Chairman, following the request of Mr. Tremblay at the last sitting I added a question in which I asked the C.B.C. to give us the details in connection with the production costs of the program "La Plus Belle des Ceans". I would like to know if we can obtain this information this morning.

Mr. BUSHNELL: That information is available.

The CHAIRMAN: It will be tabled later.

Mr. BRASSARD (*Lapointe*) (*Interpretation*): Mr. Chairman, I wish first of all to say that I am very sorry that Mr. Alphonse Ouimet cannot come to reply to our questions, be it today, tomorrow or in the near future, because I am sure if he came then, like Mr. Bushnell who himself has handled his job so capably, he would be able, with his long experience in radio and television matters, to give us a great deal of information which would dissipate a number of false impressions which some members of this committee have regarding the C.B.C.'s operation.

Mr. TREMBLAY (*Interpretation*): Can he be precise in connection with what he means?

Mr. BRASSARD (*Lapointe*) (*Interpretation*): I think all the members of the public as well believe that the C.B.C. can make errors and, in fact, they did commit some.

The CHAIRMAN: May we go on to the next order of business.

Mr. FLYNN: I have a question of privilege, Mr. Chairman. At the bottom of page 197 in the record I am reported to have said:

In fact they do.

It was a question and should have read:

In fact, do they?

Mr. DORION (*Interpretation*): Mr. Chairman, I do not know if I am quite in order, but before I begin with the questioning of Mr. Bushnell, I want to clarify a few points on which I would appreciate some information. First, I am informed that scripts were prepared a number of times for which the C.B.C. had paid and yet they were never used. I would appreciate some information in connection with this. I would appreciate it if we could be given the names of the authors, the amounts they were paid and why these texts were never used, because I think this would be a totally futile expenditure.

Mr. Chairman, the second point on which I wish information concerns the relationships of France Film with the C.B.C. I would like to know if it has not happened—and I have been trying to get this information for five years—that foreign artists appear on programs televised in Montreal and are paid by the C.B.C.—artists who were invited by France Film before and that France Film would have utilized after for its own services under conditions much more advantageous; and on this point I would suggest that Mr. Jean Paul Lepailleur be called before the committee and asked to testify.

Mr. FLYNN: There is one point in issue. Mr. Dorion did not say he had been trying to get this information for five years; he said he wanted the information for five years.

The CHAIRMAN: Before you proceed, we have an order of business, and that is in connection with the motion which is before the committee. I would suggest that after Mr. Bushnell answers Mr. Dorion's question that we get on with the order of business, which is Mr. Smith's motion.

Mr. MCGRATH: Before you proceed with that, would it be in order to ask questions arising out of the minutes of the last meeting?

The CHAIRMAN: Do you mean regarding the motion?

Mr. MCGRATH: No, regarding the proceedings of the last hearing.

The CHAIRMAN: The next order of business is the motion and then we will have plenty of time for questions on last week's evidence. It is going to be suggested to the committee that we meet again this evening at eight o'clock, so we will have plenty of opportunity to cover everything.

Mr. Bushnell, would you now answer Mr. Dorion's question.

Mr. PICKERSGILL: I do not wish to raise a point of order, Mr. Chairman, but it was understood that Mr. Smith's motion was to be the next order of business and it seems to me it should be. The reply to Mr. Dorion's question, the same as the replies to questions of other members, should be delayed until we dispose of this.

The CHAIRMAN: I agree with you, Mr. Pickersgill. I think I will reverse my decision, if it is agreeable to the committee.

I think we should go on with our next order of business, which is Mr. Smith's motion.

Mr. Dorion, would you mind if your answer is held up until the motion has been considered?

At this time I would ask that Mr. Dunsmore, the chairman of the finance committee of the board of directors of the C.B.C. be heard.

Mr. R. L. DUNSMORE (*Chairman, Finance Committee, Canadian Broadcasting Corporation*): Mr. Chairman, ladies and gentlemen of the committee, in the ordinary industrial or commercial company the shareholders who are the people who supply the money for the business, elect a board of directors whose primary purpose is to look after the interests of the shareholders by means of setting policies that will be in the interest of the corporation, to see that those policies are carried out and also to advise the shareholders, particularly in connection with things which they might feel should be done. It is also their responsibility to advise them of the effect of any particular action they might propose.

Now, drawing a reference parallel, you gentlemen are representing the shareholders of the C.B.C. and the board of directors of the C.B.C. are pretty much the same as the board of directors of an industrial firm.

This board of directors was sworn in six months ago today. At that time there was appointed a finance committee, consisting of three of the members who are businessmen and two of the permanent staff—permanent officers of the C.B.C. Of course, that finance committee was primarly charged with the looking after of the financial interest of you as shareholders in this corporation, so I am one of your representatives.

It has been our effort on the part of the board to ask very similar questions to those you have been asking here. It has been the effort on the part of the finance committee to ask those questions, particularly in the financing field, that will help us to look after your interests; and in doing so we have found we have received from the officers of the C.B.C. sound answers, conscientious answers and truthful answers. So it was with considerable concern that I found this difference of viewpoint cropping up at last Tuesday's meeting.

As a result I went back to the C.B.C. officers and was determined to find out the complete story on this question of costs, particularly as they are used in the United States and as used here in Canada.

With your permission I would like to try to put down here what I put down for myself, in order to make it clear in my lay mind as to what happened about costs.

The CHAIRMAN: By all means.

Mr. DUNSMORE: Between the flash of the idea for a show and the time it gets on the television screen, there are three main areas of activity and therefore of cost. First, you have the production. That is actually the performing of a play on a stage or in the studio. Then you have the televising of that in order to get that production on the air or wire in order that it can get across the country over the network. Then you have the broadcasting which brings it into the television screen.

I found in the United States this production function might be done by the network, it might be done by an advertising agency, or it might be done by what you call a packager, or simply one who processes, televises, and sells the whole thing as a package. In other words, it might be a commercial televising company. I found that in the televising it might be done by the network or by either one of these people. The broadcasting, of course, is done by the network.

In Canada, all three of these are done by the network, the C.B.C. I think we must be clear on that before we proceed any further.

Mr. MCCLEAVE: Did you not say that the commercial company could also take part in the televising in the United States or **just** the advertising agency.

Mr. DUNSMORE: Yes. I hope you will excuse my writing. What I tried to put down in a form I could understand is the data I obtained from these three magazines which were produced here the other day, *Sponsor, Broadcasting* and *Television.*

There are three areas of cost and of activity. Now, I said that might be done by the network, it might be done by the agency, or it might be done by a packager. I use that word because it is a simple one. From this magazine, *Television,* I took the information which was given in it on a top-grade television show in the United States produced at a prime hour of the evening. I took the same information from *Broadcasting* and the same information from *Sponsor.* Those are the three magazines. *Television* is a yearly magazine and the others are weekly magazines. They were all published at approximately the same time, some time in April.

From these magazines I found out that this particular program I was looking at was produced by the network and by the packager, together. The second function was produced by the agency and the packager and the third one by the network and the agency. That information was contained in *Television.* I found that the cost given in this magazine was $140,000.

Mr. PRATT: May we have the name of the show?

Mr. DUNSMORE: I will give it to you in just a moment. I have been picking up a little about the way to put things over effectively from my colleagues in the C.B.C.

Mr. PRATT: I suspected that.

Mr. DUNSMORE: This figure here by *Broadcasting* is $115,000. This one by *Sponsor* is $150,000. In each case they covered those two areas. The program was the Chevy show. I think the thing to note from this is that in the first place this is an estimate. It does not claim to be anything else.

I have here letters and wires from the various people in the United States who are involved in this, telling us exactly how they got it. The effect of it is these really are educated guesses picked up by rumours, by their own experience or by information they can obtain by speaking to somebody who works for the agency.

Mr. SMITH (*Calgary South*): Will these be filed with us so we may examine them?

Mr. DUNSMORE: Yes. The thing which I think you should note is that in no case is there any estimate made of what the network received, nor is there any indication of what the network cost was. So there are two figures there which are not given. They do not claim to give them. The network cost in neither case is given. Also I understand that very often in coming to a deal to have this show, from the time of the idea until the time it gets on the television set, they very often tie this network charge into the package. Therefore this is a very, very ephemeral sort of figure. You will notice it varies. I do not want you to be misled by this. This is a yearly magazine, and this is a weekly magazine. This may be an average program cost for the whole series, whereas these may be the individual shows. You will notice there is quite a difference.

I then asked our people in the corporation to give me the cost of a Canadian show. They took the sheet which was filed here the other day. They took a Canadian show which is comparable in type, not necessarily in quality, but comparable in type, to this Chevy show. This one shows a cost for these activities of $22,100. The difference between this figure and these figures is that this is a firm cost accounted figure which has been tabled. It gives you the exact cost of this type of show. It is a firm cost, cost accounted. The return from that is given on the same table as $5,600. The difference between these is considerable. It worries us in the board of directors and I know it is in your thoughts here.

In an attempt to reconcile and rationalize that in my mind I formed an illustration which I trust I may be permitted to give. May I use you, sir, in the illustration?

The CHAIRMAN: As long as it is a good caricature.

Mr. DUNSMORE: For the purpose of illustration let us assume you are a respectable citizen.

Mr. SMITH (*Calgary South*): This is purely hypothetical.

Mr. DUNSMORE: Being a respectable citizen, you have a home in London in keeping with your station in the community. You like billiards, so you add a billiard room to your house. Of course, that is another investment you have in your house. You have two teen-age youngsters who like to play tennis, so you add a tennis court to your establishment which, of course, is added cost. Then you are elected to parliament and come to Ottawa. You come to Ottawa and want to rent your house while you are away. So if I might use Mr. Pickersgill in this illustration, with his permission.

Mr. PICKERSGILL: On the understanding it is strictly respectable.

Mr. DUNSMORE: I was going to say that also for this purpose you are a respectable citizen. For some reason you want to rent a house in London. You go to Mr. Halpenny and say, "I would like to rent your house, if you are renting it". He says, "Yes, the rent is $600 which is based on what is in the house." You say, "That is ridiculous because I can rent a house which serves my purpose which has everything I need right across the road for $400." Mr. Halpenny says, "I have a tennis court and a billiard room." Mr. Pickersgill replies, "I am not interested in billiards and I do not have any children." This is for the purpose of illustration. He says, "I do not have any children and I am not interested in the tennis court. Four hundred dollars is the deal I am offered across the street." So you rent the house to him for $400. I feel quite sure neither you nor Mr. Pickersgill feels that you are subsidizing his living cost to the extent of $200 a month. That is the point I wanted to make.

You see, these advertisers have to work to a budget. They are not willing to pay for something they do not need. They do not especially need Canadian content; they do not need Canadian artists. They are only willing to pay what they feel their advertising budget will stand. They have a yardstick for this which they call the cost per commercial minute per one thousand sets. That is set for a prime hour in the evening for a first-class program.

Taking it from this magazine *Sponsor*, I believe the average cost for this American show was $3.51 per one thousand T.V. sets per minute of commercial.

I had the people at the C.B.C. work out what that same figure would be for this Canadian show.

The CHAIRMAN: At your cost?

Mr. DUNSMORE: That is right. It was $4.60. Therefore, you see the Canadian advertiser on that type of yardstick is paying considerably more. The Canadian man sponsoring this program is paying considerably more than they pay in the United States. I believe he is honestly doing that because he thinks it is good public relations. I think that is all I have to say on that point. It is what I found in looking it over.

I just have one more remark to make and then I will be finished. I was going to say that one time I took three Spanish lessons. I found that I could do all right when I was speaking to people who had taken three lessons, but if I got in with people who had four lessons I was stumped. I know these people here have had more lessons in broadcasting than I have and I may be stumped. However, I am prepared to answer any questions which I can answer.

Mr. PRATT: Using the same illustration of Mr. Halpenny and Mr. Pickersgill, in this case Mr. Pickersgill is familiar with his own financing and

so also is Mr. Halpenny. But what happens in the event that Mrs. Halpenny is paying the cost and the taxes? I think Mrs. Halpenny has a right to know what Mr. Halpenny is getting. I think that is the parallel.

The CHAIRMAN: You do not need to answer that.

Mr. DUNSMORE: If I might pass on, sir.

The CHAIRMAN: By all means, proceed.

Mr. DUNSMORE: One other thing which I might add is that in support of the contention that this is information which is not given out, I have a wire from the magazine *Sponsor*, a wire from C.B.S., and one from A.B.C. I have extracts from *Television* magazine and a letter from N.B.C.; also letters from the Association of Canadian Advertisers and one from the Canadian Association of Advertising Agencies and also from McLaren Advertising Company. I do not propose to read all those in. They are, however, available.

The CHAIRMAN: Could they be tabled?

Mr. DUNSMORE: Yes. I might read the one from the magazine *Sponsor*:

> Answering your question on TV program prices quoted in *Sponsor*. We obtain these from various trade sources. But in almost all cases our information comes from the buyers rather than sellers of programs. Few program packagers are willing to release such data. Some of our prices are based on educated trade guesses, rather than definite information.

Mr. SMITH (*Calgary South*): May we please have the date of that?

The CHAIRMAN: The date of the wire?

Mr. SMITH (*Calgary South*): Yes, and the reply.

Mr. PICKERSGILL: I think it would be interesting to have the Canadian ones read.

Mr. DUNSMORE: The date is May 29.

The CHAIRMAN: Would you also read the ones from the Canadian sources. You said you had two.

Mr. DUNSMORE: Actually, I have three here.

Mr. Gilmore tells me the actual date of that wire was the 28th. I read the date on the top of the telegram.

This is the Canadian Association of Canadian Advertisers. Do you wish me to read it in full?

The CHAIRMAN: Yes. You may do that while these are being distributed. These are copies of the three Canadian letters; the Association of Canadian Advertisers, the Canadian Association of Advertising Agencies and the MacLaren Advertising Company Limited.

Mr. DUNSMORE:

> During recent days I have been receiving an increasing number of calls from members of our association who have been following reports of the special committee on broadcasting.
>
> They have been expressing their concern at the possibility that television cost information, which they have always regarded as a matter confidential among themselves, their respective advertising agencies and C.B.C., would become public knowledge.
>
> You will appreciate it is one thing to publish estimates of costs, which I believe is the custom in the United States, and quite another matter to disclose exact factual details. This is the type of information that business firms do not wish competitors to have access to, no more than they would wish to disclose other costs such as manufacturing, selling, administration, et cetera; all of which have a very direct bearing on successfully carrying out business in a competitive economy.

This is of very grave concern to our members, a number of whom account for a major proportion of the advertising revenues received by C.B.C. Accordingly, I am hopeful the foregoing will receive understanding consideration as this matter is being examined.

Mr. SMITH (*Calgary South*): Of course, this letter was not solicited?

Mr. DUNSMORE: No. I suppose some of his member people wrote to him.

The CHAIRMAN: This is signed by whom?

Mr. DUNSMORE: Mr. B. E. Legate, general manager of the association.

The CHAIRMAN: Mr. Legate is here if you would like to have him comment on this later.

Mr. PICKERSGILL: I think we should have the other letters read.

Mr. DUNSMORE: This letter I am about to read is from Alan L. Bell, general manager of the Canadian Association of Advertising Agencies. It is dated May 27. He says:

> The Canadian Association of Advertising Agencies has been following with interest the proceedings of the special committee on broadcasting. One of the matters referred to in the press reports has been the question of the disclosure or otherwise of the expenditures by individual advertisers in the production of television programs. The advertising agencies regard information relating to the cost of producing programs for their clients as confidential and are careful to treat this information accordingly for competitive reasons.
>
> It occurred to us that this comment on the prevailing policy or custom in this matter might be of interest.

The next is from Mr. Horler of the MacLaren Advertising Company Limited. It is written to Mr. Bushnell. It says:

> It is obvious from newspaper reports that you are being pressed by the commons committee on broadcasting to disclose itemized costs of various sponsored programs carried by the C.B.C. television network. As representatives for some of your major T.V. clients, we are most concerned that information which we consider to be highly confidential could become common knowledge.
>
> As you know, advertising expenditures of all companies are jealously guarded. In fact, when we require the dollar breakdown of a competitor's advertising activity, we must utilize the services of an independent research organization, but at best the results are only poor estimates.
>
> We have always conducted business with the C.B.C. on the basis that television production costs are the private concern of the corporation and the sponsor. If this situation should change it could seriously affect the attitude of advertisers who are currently investing millions of dollars in Canadian produced programs.

The CHAIRMAN: Mr. Smith asked if these were unsolicited.

Mr. Bushnell, were these solicited?

Mr. BUSHNELL: Mr. Chairman, they were not solicited. I do not want to leave any wrong impression. I think it was asked in this committee if we had anything in writing from any of these sponsors. I did call Mr. Hugh Horler, who is vice-president of the MacLaren agency, and I asked him if he could recall any time that this had been put on the record. He said he could not recall it. We could not find anything. However, he indicated to me at that time that this was causing a great deal of concern to some of his

major clients. Therefore I would assume, and I can only assume this, that Mr. Horler spoke to members of the A.C.A. and the C.A.A.A. and that is what produced the letters which have been read.

The CHAIRMAN: Before there are questions asked, I believe Mr. Dunsmore has something further to add.

Mr. DUNSMORE: As I mentioned in my earlier remarks, I have always considered and still consider it is the function of the board, or any committee of the board, to advise the shareholders, in this case yourselves as representing the shareholders, of our assessment of the results of any action you may be asking the corporation to take. I am speaking as a member of the corporation —and that would be the function of a business corporation—and therefore I consider it my function as a member of the board to tell you what I think about this proposal.

I might say too that the other members of the board have been advised of this situation and we have had their replies. The effect of all this—and I have been told of this by the secretary of our board—was that what you propose would be detrimental to C.B.C. and to your interests.

Now, before I finish, Mr. Chairman, I would like to point out that none of this discussion says anything about whether this is a good figure or not. Do not misunderstand me; it may have been that that particular program could have been produced for less than that.

Mr. SMITH (*Calgary South*): For the record, would you state what that figure is.

Mr. HALPENNY: This illustration appears as item (J) at page 132.

Mr. DUNSMORE: $22,100, and you will find that in the list of tabled costs on page 132. I do not want you to interpret from anything that I have said that I am saying it is a proper cost; it may be that program could have been produced for $20,000. That is a question which we in the finance committee are continually asking ourselves. We are trying to get the information so we can determine that. However, that is a different question entirely from this one about which we are talking here. The question here is the cost of the production of this, and that is what we are interested in.

Mr. CHAMBERS: I find in going over these figures, which are the type of figures he has used—and I have just done the French network—I notice that the loss or subsidy varies from a high of 44 per cent, where one program is subsidized, down to an area where the C.B.C. made a profit of approximately 20 per cent. There is a great deal of variation in the amount for which these programs are being subsidized. I wonder if you have a comment on the equity of that.

Mr. DUNSMORE: What you are saying is there is a great deal of difference in what Mr. Pickersgill or any other gentleman who might want to rent Mr. Halpenny's house is willing to pay for it, and he happened to rent it to Mr. Pickersgill who was willing to pay $400.

This show was put on the market and the people who took it up were willing to pay $5,600, in competition with the other people who might be interested in taking that program. Now, different programs, the attitude of advertisers, the number of broadcasting stations over which that program goes, would all have an effect on the figure. The figures vary in relation to what they feel they could pay for that particular program.

Mr. CHAMBERS: Mr. Chairman, I would like to revert for a moment. Nowhere in the United States where you produce these other things does any such type of loss occur. I am not quarrelling with this. I am just saying that in Canada we have to subsidize, but we may in fact be subsidizing one soap company $5,000 a week and another one only $2,000 a week.

Mr. DUNSMORE: There is no question of subsidy; it is what you can sell it for. It is no more of a subsidy than renting that house. That is all he was willing to pay.

I think possibly the point that was overlooked, and maybe I did not stress it strongly enough, is that the U.S. network may lose money here. We have no way of determining because we do not know what it cost them or what they receive for that part of their activities. They may make it up here or make it up there, because very often these are all put in one package and they make the deal with the man who is sponsoring this.

Mr. HALPENNY: Do the N.B.C., C.B.S. and A.B.C. lose money on the whole?

Mr. DUNSMORE: To the extent of my three lessons, I have been told they do lose money on this but pick it up here.

Mr. SMITH (*Calgary South*): They show a net profit of $70 million.

Mr. MCGRATH: Arising out of the illustration by Mr. Dunsmore, there is one inescapable fact we must always bear in mind in presenting any analysis between the C.B.C. network and the American ones. They are as follows: (a) the C.B.C. is a publicly-owned network; (b) it has exclusive rights for the six largest markets in Canada and (c) it operates at a deficit.

Now, bearing that in mind I would ask Mr. Dunsmore a question in connection with the costs of commercial television shows, and perhaps it could be more specifically directed to Mr. Bushnell. Is the sponsor aware of the cost involved in C.B.C.'s productions on commercial shows, when the sale is made?

Mr. BUSHNELL: Generally speaking, he would have a pretty good idea.

Mr. MCGRATH: Is that knowledge made known to him by the C.B.C.?

Mr. BUSHNELL: Not specifically, no.

Mr. MCGRATH: He has no way of knowing the production costs of that particular show?

Mr. BUSHNELL: I would not go so far as that, Mr. McGrath. He has a reasonably good idea of the cost of artists and he has an idea of the costs of our facilities. We make standard charges for certain services. He can total them up and come pretty close to the exact cost. He may not know how much is added for overhead and I do not think we would disclose that.

Mr. MCGRATH: It has just been brought to my attention that on page 159 of the evidence Mr. Bushnell spoke with respect to commercial television shows and he said in part:

> That advertiser then says to us, "How much is this going to cost?" We tell him what the costs are going to be, and he says, "We cannot afford it."

And then it goes on to say:

> We say, "Thank you very much, we will go to your competitor and see if he can afford it."

From this it can be construed that the potential advertiser is told the cost of production.

Mr. BUSHNELL: He is told how much we charge him, the amount we probably would charge him. Obviously, that is the figure there—$5,600. That is the amount we charge him.

If I may answer Mr. Chambers' point, Mr. Chairman, the wide difference can be attributed in most cases to the fact that some sponsors buy their shows for 52 weeks and some for 26 weeks; there is a series of discounts allowed. Another thing is this. Some sponsors are using both the English and French networks and on the French network we are paying for live talent; we have to take that into account. It is the volume that pretty well sets the rate that we ask the sponsor to pay.

Mr. McGRATH: Why is it that the agents of the C.B.C. or the advertising agents are not told beforehand: look, this show cost the C.B.C. $22,000 to produce, we must realize $22,000 from the sale of this show.

Mr. BUSHNELL: Well, Mr. McGrath, we could tell them that, but I know what their answer will be. They will say: we will not buy it.

Mr. McGRATH: I would suggest that General Motors cannot afford to do without television advertising in Canada, and there is only the one network. The same thing applies to the three automobile dealers and large soap companies. They cannot afford to be without the facilities of national advertising.

The CHAIRMAN: Gentlemen, this is getting into a difference of opinion.

Mr. McGRATH: No, it is not, Mr. Chairman. With all due deference, I am trying to make a point here.

The CHAIRMAN: I think you have made it.

Mr. McGRATH: I have a question which perhaps could be termed as a compromise. If the C.B.C. and the board of directors feel that it is not in the interest of the corporation, say, if you like, not in the public interest, to make public the costs of commercial television shows and how much of the cost is being borne by the taxpayer, perhaps just as a suggestion, would it not be possible for the corporation to make known to the committee the C.B.C.'s cost involved in producing a show? In other words, if you sell a show, name a specific show. For example, if the show costs you $22,000 to produce and you realize $5,600 from that, why not give us the name of the show.

Mr. PRATT: This is exactly the question I asked several days ago and did not receive an answer.

Mr. SMITH (*Calgary South*): First of all, I will not accept any departure from the motion that has been moved. I would like to point out again, and I am quoting from the Association of Canadian Advertisers brief, which deals with the relationship of the sponsor to the C.B.C. where we have had it suggested or inferred that these costs are often given to the sponsor and, I think, this comment is important. It says:

> A handicap in the present system is the inability of the agencies on behalf of the advertisers to obtain any breakdown of costs of C.B.C. produced television programs.

Perhaps I might read one other quotation, which is Mr. Fowler's provocative point.

The CHAIRMAN: What is the date of the first one?

Mr. SMITH (*Calgary South*): It is dated April, 1956.

I am now reading from page 180 of Mr. Fowlers's report:

> How does the commercial division know that the particular sponsor who buys a show would not be willing to pay $6,000 or that some other sponsor in another company or another industry would not be willing to pay $7,000 for it.

The point I want to make, Mr. Chairman, is this. The only standard that we have to determine relevant costs is actually in radio, in so far as the C.B.C. is concerned.

I have here a list of the rate cards of the two Montreal English-speaking stations and one French-speaking station, which I am prepared to file now, and the C.B.C., which shows that at comparable times, taking any one of them for a one-minute spot, they are undercharging or their rates are considerably lower than any of the other competitive prices. This goes back to what the traffic will bear, which is the expression used by Mr. Bushnell. I suggest when we are talking about the sponsor—and we have made reference to what proportion he is prepared to pay—that this is purely a matter of opinion. It

is indicated by a comparison of the radio network and C.B.C. that we are considerably below the costs which comparable broadcasting systems ask of their clients, and they are not charging what the traffic is prepared to pay for it.

I would like to make one further point.

Mr. McCLEAVE: On a point of order, Mr. Chairman, surely we should be cutting out the opinioned statements of members. Could not the hon. member for Calgary South ask Mr. Bushnell or someone for a comment in connection with that?

Mr. SMITH (*Calgary South*): I propose to do so. I will be happy if he does it now.

Mr. PICKERSGILL: There are a good many members of the committee who would like to ask the present witness questions in connection with opinions he put to us and I think they should be given priority over those who have come here to make speeches.

The CHAIRMAN: Mr. Smith, what the Chair had in mind was that questions should be asked of Mr. Dunsmore in connection with his presentation.

Mr. SMITH (*Calgary South*): I will follow your advice. I was following the practice of Mr. Pickersgill, who invariably makes speeches.

The CHAIRMAN: And then I suggest to the committee that after that the minister, who answers to parliament for the C.B.C., would like to make a statement. After that, Mr. Smith, in view of the fact that you have made the motion, I would like you to sum up. Do we have any questions?

Mr. PICKERSGILL: Yes, I have several questions. My first question—and it seems to me that it is a basic question—is this. Can he tell us precisely how it is that the C.B.C. by keeping this information—secret—and Mr. Smith is asking to have it made public—is able to get a higher price for the program. It seems to me that is the essence of the question.

Mr. DUNSMORE: I am afraid that I cannot answer categorically to what Mr. Pickersgill has asked, but I would suggest that if I were an advertising agency and had a certain budget, I would apply this figure here to it and say: how much can I afford to pay per thousand sets per commercial minute. Regardless of what the C.B.C. tells me it costs, I would have to assess what I thought was the value of that program to me in terms of the thousand sets I could get into per commercial minutes—that is, the minutes of commercial story I can get over.

Mr. PICKERSGILL: I have a second question based on that answer. Perhaps I might say that I think we want to find out, so far as we can, what advantage there is to the C.B.C. and not to the advertisers in having this information kept from the public, and I am prepared to concede that there seems to be a good deal, but what I would like to know is this: what advantage does the C.B.C. get in selling this advertising because of the fact that neither the costs of the advertising nor the costs of the program are made known.

Mr. DUNSMORE: My answer to that—and it may not be a satisfactory one—would be this: I think we in the finance committee could take a program, with the costs involved and with the receipts involved, and not knowing what the name of the program was or who the name of the sponsor was, could just as efficiently work as if we did know these names. I do not think we need the names of the programs, nor do we need the name of the sponsor in order to investigate that along the lines I have suggested. Perhaps this is costing the C.B.C. more than it should be, and that is something on which we are working now.

The CHAIRMAN: Mr. Pickersgill, I have let you speak before two or three other people who wish to ask questions; would you mind holding back for a few minutes?

Mr. MUIR (*Lisgar*): Mr. Chairman, I have a supplementary question to Mr. McGrath's question. Does the C.B.C. shop around for sponsors for these productions, or call for tenders on them?

Mr. BUSHNELL: We do not call for tenders, but certainly we rap on doors of advertising agencies and clients, and everywhere else. We have a strong sales force and they are out and trying to sell. They try to get the most money they can.

Mr. MUIR (*Lisgar*): A supplementary question, Mr. Chairman. Why do you not call for tenders? Do you feel it is equitable to go to certain sponsors and ask them without giving other sponsors the opportunity of getting one of your better productions?

Mr. BUSHNELL: Well, I must say it would be something new in the advertising world. I have never heard of any advertising sold on that basis but, perhaps, it would be a good idea.

Mr. MUIR (*Lisgar*): It sounds a little like certain sponsors have a monopoly to me.

Mr. BUSHNELL: Actually, we call on more than one person. We go from one client to another. As I said before, if we are not successful with one client, we go to another.

Mr. LAMBERT: This reverts to a statement made by Mr. Dunsmore and I would like your comments. He stated that this committee was like shareholders of a company. Say, for instance, a company was producing these shows and they were in a loss position, do you not agree that the problem facing management and the shareholders is that if it is losing money, do we continue it or do we wrap it up? I would like your comments on this. Is not that our problem here?

Mr. DUNSMORE: May I answer that, Mr. Chairman?

The CHAIRMAN: By all means, Mr. Dunsmore.

Mr. DUNSMORE: At least, I will try to answer it. I think the point you make is a very fair one. That is what a company would do. They would say if this line that we are selling is not making a profit, why do we not drop it, and it would be up to management, through the board of directors, to tell the shareholders, if they asked why. It might be they wanted to carry it as a loss because it was a loss leader. However, in this case we are dealing with a different proposition and that is what I meant when I explained rather clumsily that we are trying to add to our business yardsticks; and one of them is that the Canadian people want to have Canadian programs with a Canadian content. We have to make up our mind. First, is this costing us too much; and suppose we were able to effect economies and so on to get this down to $18,000, there is still a big gap. Can we afford to pay that out in order to have that Canadian program, or are we going to review our whole operation and say we cannot afford to do that—that we can only produce programs that will bring in a return which will keep us in the black.

Mr. LAMBERT: I have a supplementary question.

The CHAIRMAN: Just a moment please. Could we have questions fairly closely connected to the motion? We are going quite far afield and I doubt if we are ever going to get to the motion.

Mr. LAMBERT: Is not a supplementary problem this: instead of attacking the costs, should we not be attacking the problem of how much we get back? I am referring to that $5,600 figure, and I think that is the figure we are trying to strive at here. Are we getting enough? The loss position is the result of subtracting your revenues from your costs, and we have two problems to tackle, not only actual costs, but what is our revenue.

The CHAIRMAN: I am sorry to disagree, Mr. Lambert, but I do not see what that has to do with the motion at the present time.

Mr. PICKERSGILL: I think that particular question of Mr. Lambert's has everything to do with it. It is one of the most fundamental questions there could be. Surely, if we are going to make a judgment on the question of whether or not the amount that these programs are sold for is going to be made public, we have to have the answer to his question.

The CHAIRMAN: But gentlemen, the motion reads as follows:

> That all costs of production of both commercial and sustaining television programs in both the French and English networks be presented, at the earliest possible date to the committee, for the last complete month itemizing these costs and relating them to recoveries made from sponsors, and other sources.

My only point, gentlemen, is that we should get to the motion some time within the next two weeks.

Mr. PRATT: It seems to me we are dealing with only one side of the picture. I should like to ask Mr. Bushnell if it is not a fact that the sponsors are not interested solely in the cost of the program but in the number of viewers; in other words, he is interested in the cost to the viewers. Even if Canadian programs may cost only one-half or one-third of what the American programs cost, nevertheless the cost per viewer is normally higher in Canada than it is in the United States.

Mr. BUSHNELL: Very definitely.

The CHAIRMAN: That has been pointed out here.

Mr. PRATT: I do not think the committee has taken particular cognizance of this question.

The CHAIRMAN: What is the question, Mr. Pratt?

Mr. PRATT: That was my first question: that the cost per viewer is much higher in Canada, and certainly these extravaganzas just do not pay a sponsor with a small Canadian population.

Mr. BUSHNELL: That is correct.

Mr. PRATT: Therefore the C.B.C. has to pay a certain portion of it, and this makes the C.B.C. or the public partners with the sponsor.

Even though this committee is willing to forego obtaining information as to the name of the sponsor and the amount paid, it seems to me that this has no relationship to divulging the cost of the program.

The CHAIRMAN: That is what I have been trying to say. I do not think that a lot of these points have to do with the motion.

Mr. TREMBLAY (*Interpretation*): I wish now to put a supplementary question to Mr. Dunsmore regarding publicity agencies.

The CHAIRMAN: Publicity agencies, advertising agencies, or sponsors?

Mr. TREMBLAY (*Interpretation*): I have not come to that yet. On May 26, 1959 I asked as follows: have the publicity or advertising agencies or sponsors made representations to the C.B.C. with a view to saying that the figures should not be divulged? Mr. Dorion asked whether, in the contracts which were drawn up between the C.B.C. and the sponsors, there was a clause to the effect that the figures presently asked for by the committee should not be divulged?

Mr. Dunsmore tabled two letters—I am sorry, three letters. Were there, in 1957 and 1958 or before May 26, 1959, representations made by the sponsors to the effect that the C.B.C. should not divulge the figures called for by the committee and now being called for by the committee?

Mr. FORTIN: Mr. Chairman—

The CHAIRMAN: Would you like to answer that first? All right, go on Mr. Fortin.

Mr. FORTIN (*Interpretation*): Mr. Chairman, I have a supplementary question on the same line and at the same time as that referred to by Mr. Tremblay. Did the C.B.C. for its part promise, guarantee, or represent it in any way to be understood that never would these figures be divulged?

Mr. BUSHNELL: Not to my knowledge. Now, speaking to Mr. Tremblay's question: I think it was asked before if we had anything in writing, and I recall saying that we did not. But it was something which has been understood between the C.B.C. and the advertisers for years and years and years. There is nothing in the contract and we have a copy of the contract here which binds us not to disclose the figures; but it has been clearly understood by the advertisers and the management of the C.B.C. that those figures would not be disclosed.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I have a question to put to Mr. Bushnell. Would you please tell me if these are actual verbal agreements, or if there are any actually written documents on which you can base yourself and say that it is really and precisely a definite understanding between the C.B.C. and the sponsors?

Mr. BUSHNELL: There are no written documents to my knowledge. I can speak from personal knowledge and experience. As I indicated to you the other day, I have had 25 years experience in broadcasting. It will be 26 years on November 1, since I have been with the national broadcasting system.

Prior to that I was manager of a private station. During my term of office with CRBC and the C.B.C. I have been program director, and I was also responsible for the sale of programs. I was head of the commercial department as well. So from actual personal experience I can tell you that we have been asked time after time not to disclose these prices. Actually I think—if I may go back—that we have in former radio broadcasting committees, never certainly been pressed, to this extent at least, for these figures. But I can assure you, Mr. Tremblay, that we have just considered it actually as unethical. There has never been anything in writing and we have never done it.

Mr. PICKERSGILL: My question is strictly on the motion. I want to explain that.

The CHAIRMAN: No statements please.

Mr. PICKERSGILL: My understanding is as follows—and Mr. Bushnell will correct me if I am wrong—I understand from the last answer that the argument which he is making for not disclosing—and I want to be fair and make sure that it is right—is that it would displease an advertiser.

I want to get from Mr. Bushnell the advantage to the C.B.C. of keeping this information private, and what advantage there is to the public. I am not in the least satisfied that we have an answer to that question yet.

Mr. BUSHNELL: In answer to Mr. Pickersgill let me put it this way: I think that if you displease a customer, you do not sell him a second time.

Mr. PICKERSGILL: Is that the only argument that the C.B.C. has to advance? If it is, a lot of the members of this committee will have to decide whether or not it would be in the public interest to get this information that is called private. I would not treat it as private, just to please a customer or an advertiser, but only if we can be seized that the C.B.C. is really going to get more advertising revenue.

Mr. PRATT: That sounds like a statement.

Mr. PICKERSGILL: Then we have equal rights in this committee.

The CHAIRMAN: Is your question on the motion, Mr. Dorion?

Mr. DORION (*Interpretation*): Mr. Chairman, I asked Mr. Bushnell the other day to produce a formula and a specimen contract with regard to the

type of contract entered into between the advertising agencies and the C.B.C. I am told that it was produced, but I do not personally have a copy.

The CHAIRMAN: It is being distributed now. It has either been distributed, or it is going to be distributed. Now, Mr. Simpson, is your question directly on the motion?

Mr. SIMPSON: I think it is.

The CHAIRMAN: Let us hear it.

Mr. SIMPSON: Anything pertaining to the cost would be on the motion.

The CHAIRMAN: No, I do not agree with that at all.

Mr. SIMPSON: This is a question I would like to have answered.

The CHAIRMAN: Let us have the question and we will rule whether it will be answered now.

Mr. SIMPSON: I would like to know whether the C.B.C. at any time whatsoever have received any complaints from advertisers that certain other advertisers might be getting—or invariably getting—the benefits of these better programs which are shown on the form as presented to us, as having greater variance between the cost of production and the cost to the sponsor?

The CHAIRMAN: What is your question; I do not get it.

Mr. CHAMBERS: Whether one advertiser thinks another is getting a better break.

The CHAIRMAN: That is, for example, if General Motors bought one, and they had a complaint from Ford that it was never offered to Ford?

Mr. SIMPSON: Or, getting into the smaller advertisers, who do not have as much money to spend, but who could take advantage of these programs which are going fairly cheap.

Mr. BUSHNELL: I have no personal knowledge of that. I think it is safe to say that an advertiser will probably kick about the deal his competitor is getting. But just one point: I think it was mentioned—I am not sure whom it was by—that we would suffer a loss in business. Well, one of the biggest deals that we had for one particular year—I think it was two years ago—we simply could not satisfy this very big advertiser. He stayed off the air that year and the C.B.C. felt obliged to include in its schedule the type of program that he had sponsored before.

Mr. SMITH (*Calgary South*): Would you mind giving us the name?

Mr. BUSHNELL: Yes, it was General Motors.

Mr. SMITH (*Calgary South*): And what was the program?

Mr. BUSHNELL: C.B.C. Theatre. Now it is called General Motors Presents. We lost that business for one entire year. They did not go anywhere. They put their money in publications.

The CHAIRMAN: That was some time ago.

Mr. BUSHNELL: Yes, that was two years ago.

Mr. SIMPSON: I am trying to get at this thing from the point of view of Mr. McGrath and Mr. Muir. I believe Mr. Bushnell said in relation to these figures on the board that that figure of $5,600 was more or less set by the C.B.C. and that they could sell that program at that price. I wonder who would get priority to make the first move to get the first bid on that show. Maybe the first sponsor who approached might not take it.

The CHAIRMAN: I cannot see how these questions have anything to do with the motion whatsoever. Would you mind asking that question at a later date. Now, Mr. Tremblay, is your question strictly on the motion?

Mr. TREMBLAY: Surely.

The CHAIRMAN: Let us try it for size.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, to follow up the example set by Mr. Pickersgill, I would also like to mention the question of public interest and to ask whether it is in the public interest to expect the taxpayers to contribute towards a program which served the purposes of publicity. Mr. Chairman, this is without giving the taxpayer information as to what the proportion is that he pays in taking part in that publicity.

Mr. BUSHNELL: I do not think it is my place to answer that question.

The CHAIRMAN: I am going to call on the minister. Possibly the minister would like to comment on it. The Hon. George Nowlan is a member of this committee.

Hon. George NOWLAN (*Minister of National Revenue*): Mr. Chairman and members of the committee: I am here as a member of the committee, but if there is a ruling against the making of statements, I do not want to be treated differently from any other member in that regard. In others words, if it is against the rules of the committee to make statements, I do not wish to transgress that regulation as applied to others. But I could express my views in this matter if you wish.

Mr. PICKERSGILL: I move that we hear the minister.

The CHAIRMAN: Do you want to put a limitation on the length of his statement?

Mr. PICKERSGILL: I certainly do not.

Mr. NOWLAN: I do not have any prepared statement to make. As I said, I am here as a member of the committee. I have not spoken to one member of this committee with respect to this matter, other than yourselves. Every member of the committee is free to vote as he sees fit. There is no pressure whatsoever.

If this motion were made in the house, then as minister standing in the house I would say, subject to the usual reservations, which would mean that confidential matters would not be disclosed. But I do not take that stand here.

You are inquiring into the cost and I want those costs to be thoroughly examined in every way shape and form. There can be no question about that whatsoever. The only question I have in mind is that I understand that perhaps the advertiser does not think that the names of the particular sponsor should be given. When you give the name "General Motors Presents" you usually have the name of the sponsor as well, because you know who it is.

We have had letters read this morning from advertising agencies in Canada and advertisers who said that they did not feel that way; they have not said it was prejudicial to them, but it indicated that it would cause them to review their position with respect to the C.B.C. As Mr. Bushnell pointed out, there is severe competition for the advertising dollar, and they themselves need this medium open to them.

If we disclose the identity of the corporation and thereby the name of the advertiser, the result would be that the advertiser might spend his advertising dollars somewhere else and that would be prejudicial to the corporation as well as to the public purse.

I think to some extent that may be the answer to the problem which is bothering the committee.

Mr. PICKERSGILL: As to how the advertiser is going to be protected?

Mr. NOWLAN: I am not the least bit concerned about protecting the advertiser any more than he is. I am concerned about the program of the C.B.C. because it will be my responsibility in a little while to pilot the estimates of the C.B.C. through the house, if God is good to me and I have the strength, and we hope to be doing the same thing next year.

I do not want to be in a position then of having the C.B.C. telling me that we need more money because we have lost advertising revenue because of the action you have taken here in compelling us to disclose the information.

There is no question in the world that if the committee moves by a majority that this information should be disclosed, it will be disclosed. There is no question about that; but my own opinion is that it is not advisable to disclose it. Frankly, I do not see any purpose in it, other than to satisfy the legitimate curiosity as to the identity of a particular firm which is paying out these particular dollars.

We must remember this, and I think I said this in the house, that I am not setting government policy, because the government has not made a decision on this point yet; but I think it is generally accepted that within a very short time I know—I know this, that the Board of Broadcast Governors have drafted regulations for television, and I think it is a fairly safe assumption that within a few months there will be private television stations applying for licences; and the monopoly to which Mr. McGrath referred and quite properly, will prove to be a protection.

Next year there will be private television stations in operation and I am quite sure—and Mr. Allard is sitting down there, he is the president and manager of C.A.B., and if he were asked next year to produce advertising figures in connection with the private stations which may be licensed, he would object most strenuously, and that the committee would not insist that he give them. So you by producing these figures now, if we decide to do so, I would suggest only that would we be driving advertisers away at the moment, or at least they would reconsider the situation, so that perhaps next year the C.B.C. would be placed in a very unfair position in competition with these private television stations which will be competing for the same advertising dollars, and who would know exactly what the advertiser was paying in the way of costs for a program this year.

Parliament is reluctant to vote moneys in the way of the huge sums required, and they are huge sums. Reports show that they will get larger. I do not think we should put the corporation in a position where, rightly or wrongly, we have added to those costs.

I say too, that we have a board of directors. You have heard one of them this morning. I think they are competent businessmen; and I told them when they were appointed that their job was to go into this matter of costs, and to examine it and if possible try to rectify it, if there has been extravagance. I want to see that cleared up.

I think this committee should investigate costs, quite perfectly and properly so. But I do not see where the divulging of names and of sponsors is adding in any way to the information which the committee will get in the most searching examination it can make in this field. Therefore my personal feeling is—and it is only my personal feeling, because I have not consulted my colleagues in the cabinet, and I have not discussed this matter with a single member of the committee—my personal feeling is that the committee should get the costs of all these programs, but that the information should be marked in such a way that it cannot be directly identified by way of any particular sponsor or firm.

The CHAIRMAN: Thank you, Mr. Minister. Might I remind you that the minister is not a witness and I suggest we allow Mr. Smith—because he made the motion—to make a statement.

Mr. SMITH (*Calgary South*): Mr. Chairman, first of all I think it should be clearly stated that the minister has emphasized, and as Mr. Dunsmore already indicated, that nobody consciously is going to do anything in this committee to harm the operations of the C.B.C. That should be cleared out of the way very quickly.

The question then arises whether or not the disclosure of this information is in any way going to produce this effect of cutting back on the revenues.

I suggest that a case has not been made out. When reference was made by Mr. Bushnell that it would, and when he suggested that one advertiser some time ago refused to take a particular program, I think it should be pointed out to the committee that he did come back on the air. I think that we have to recognize, and which is contained in the reference of this committee, is that we are responsible to the public as its nominee to investigate fully the operations of the C.B.C.

I also suggest we should know not only what the total cost will be but also the relationship of the proportion of the income received by the C.B.C. for production. As an example, there have been several cases which show the rather loose way in which this is negotiated with the sponsor. We should have the basis and what proportion he does pay. I suggest this is an important factor for the committee to consider. The argument has been put forward that the advertising agencies have objected to disclosure of this information. I suggest that is not natural. Certainly, an agency which has been able to negotiate a certain arrangement is not going to be in a position where he will lose the opportunity of continuing this. I suggest that in competitive practices we will not be endangering the C.B.C.'s business. We cannot accept less than this on behalf of the people who are subsidizing the C.B.C.

Mr. PICKERSGILL: I would like to make some observations particularly with reference to what was said by the Minister of National Revenue. The one argument the minister made which impressed me very much was his argument that within a year there is likely to be a competitive set-up in this field.

Mr. SMITH (*Calgary South*): Are we going to proceed with the motion or are we going to have further debate on it?

Mr. PICKERSGILL: It seems to me if we vote for this motion, if we are going to be consistent at all, when that situation arises, which the Minister of National Revenue envisages, we must also insist that private television operators disclose these costs also, because on the basis on which the C.N.R. and the C.P.R. have been treated ever since the C.P.R. has been brought into existence, we have always taken the view that the C.N.R. should not be asked to disclose anything which its competitor would not be asked to disclose. I think this would be an unfair way of interfering with private business. Despite what I am saying, I am not at all satisfied with the reasons which we have had for keeping these secret. However, I do not see how I could vote for the motion in the circumstances stated by the Minister of National Revenue.

The CHAIRMAN: Are you ready for the question?

Some hon. MEMBERS: Question.

Mr. PRATT: May I make one statement?

The CHAIRMAN: Yes.

Mr. PRATT: I fail absolutely to see why any sponsor would refuse to come back and purchase a show if the amount were made public. I do not see that.

The CHAIRMAN: Here is the motion:

Moved by Mr. Smith (Calgary South), seconded by Mr. Pratt that all costs of production of both commercial and sustaining television programs in both the French and English networks be presented, at the earliest possible date to the committee, for the last complete month itemizing these costs and relating them to recoveries made from sponsors, and other sources.

All those in favour of the motion say "aye".

In my estimation the "ayes" have it.

Would all in favour put up your hands, please.

Eleven.

Those against the motion please put up your hands.
Nine.
It is eleven to nine. I declare the motion carried.
Gentlemen, I think we have had enough for today.
May we continue this meeting tonight at eight o'clock. Is that agreeable?
Agreed.

EVENING SESSION

TUESDAY, June 2, 1959.
8.00 p.m.

The CHAIRMAN: Gentlemen, we have a quorum.

Mr. BUSHNELL: Mr. Chairman, may I make a request?

The CHAIRMAN: By all means, Mr. Bushnell.

Mr. BUSHNELL: This afternoon we have drafted—and I would like to emphasize the fact it is a draft only—for your consideration, a little sheet of paper which says, "Canadian Broadcasting Corporation television costs and recoveries, live Canadian productions." Now, with your permission, Mr. Chairman, it might be distributed to the members of the committee—

Mr. BELL (*Carleton*): I think I should like to see it.

Mr. BUSHNELL: —and see if that would be sufficient to answer your purposes.

The CHAIRMAN: Do we have enough draft copies?

Mr. BUSHNELL: Yes.

The CHAIRMAN: This is to follow up the results of the motion of today?

Mr. BUSHNELL: That is right, and actually the motion itself has brought one or two questions and problems to our minds and we do not want to appear again to be reluctant. We will do anything this committee wishes us to do. But, on the other hand, we do have to keep in mind that when this motion says "itemizing these costs," if you want that broken down in such very great detail I will have to tell you it will take at least six men a week, to get one week's information.

Mr. BELL (*Carleton*): Mr. Bushnell, with the memorandum which you have now produced, how long would it be before you could produce that information?

Mr. BUSHNELL: Well, again, Mr. Bell, that depends on whether you want it for a full month, as the motion suggests. May I remind you we are putting out 10,000 live Canadian television shows a year, and you can divide that by twelve and it means we would have to go through the books for well over 800; and that is a pretty monumental task.

The CHAIRMAN: May I suggest, Mr. Bushnell, that inasmuch as Mr. Smith, the mover of the motion, is not here, or Mr. Pratt, the seconder, that we postpone any further discussion on that. If you gentlemen would like—have you all copies?

Mr. MCGRATH: May I make a suggestion?

The CHAIRMAN: By all means, Mr. McGrath.

Mr. MCGRATH: By reason of the fact there has been a pretty minute breakdown of the program Peter Grimes, perhaps it would not be necessary to have such a minute breakdown for all other programs.

Mr. BUSHNELL: We are suggesting, actually, that this form might be adopted or used.

Mr. McGRATH: May I study this form?

The CHAIRMAN: Mr. Bushnell, will you explain it to us?

Mr. McCLEAVE: I think we should not postpone it. We had a majority vote in the committee and here we are.

The CHAIRMAN: Mr. McCleave, do you think in this form it will be sufficient?

Mr. McCLEAVE: I would like to ask Mr. Bushnell whether they would even prefer a simpler form than this? I do not think anyone contemplated that we would tie up all sorts of people in the Canadian Broadcasting Corporation for an endless time filling in forms.

The CHAIRMAN: I would suggest, Mr. McCleave, that Mr. Bushnell carries on with this form and let us discuss it. At the end of the submission he can tell us approximately how much time it would take to give us all the information that was requested in the motion. Would that be satisfactory to the members of this committee? Agreed?

Agreed.

The CHAIRMAN: Would you continue with the form, then, Mr. Bushnell.

Mr. BUSHNELL: Now?

The CHAIRMAN: Yes. I think they all have copies in front of them.

Mr. BUSHNELL: I thought it was suggested actually that you should leave the whole thing until Mr. Smith and Mr. Pratt were here.

Mr. McCLEAVE: Let us go on with it now; we are here and the others are not.

The CHAIRMAN: Is that agreeable to you, gentlemen? My thought was that we would discuss the form right now and see if that is sufficient for this committee. If we did not feel that we required a whole month's costs, that possibly Mr. Smith and Mr. Pratt, the mover and seconder, would somehow change their recommendations or suggestions.

Mr. BUSHNELL: Well, Mr. Chariman, could I have Mr. Gilmore explain this in greater detail?

The CHAIRMAN: Certainly.

Mr. J. P. GILMORE (*Controller of Operations, Canadian Broadcasting Corporation*): Mr. Chairman, the proposal here is to set forth in their main items the items of cost, starting at the top with the program title, the location at which the program was produced and the name of the sponsor.

The next line would be the date of telecast, the time, which will indicate whether it was a quarter, a half or a one-hour program, and then the program code number, which is based on our ledger accounts.

Then we go to the production cost, in which I think the breakdowns are self-explanatory and the talent, the program production, design, staging and the technical. That would give us the production cost sub-total. To this we would add, as we have shown on other itemized costs we have given you, the regional production centre overhead and then the management supervision, to come down to a total production cost. Would there be any questions on that?

Mr. BELL (*Carleton*): To what extent will that reveal individuals? For example, on talent, will that disclose the individual amounts which are paid to certain persons?

Mr. GILMORE: Not on the basis of this block breakdown, necessarily. It would be total talent paid on that program.

Mr. BELL (*Carleton*): On some programs it might?

Mr. GILMORE: If it is a one-man program it could.

Mr. BELL (*Carleton*): Well, that is the concern I have. I do not want to see, Mr. Chairman, a breakdown which discloses the amounts paid to a single individual.

The CHAIRMAN: That would be contrary to the decision made by this committee at the inception.

Mr. FLYNN: Could this be complemented by the number of actors involved?

The CHAIRMAN: The number of people with that talent, for example?

Mr. GILMORE: Yes, the number of performers.

Mr. FLYNN: Could I agree with Mr. Bell that maybe we could spare the programs involving only one talent.

Mr. GILMORE: Could I suggest, Mr. Chairman, that a logical combination to put these two items in would be simply program production and talent?

The CHAIRMAN: Well, if you put both those together then we would, I think, not possibly get the individual amounts for any individual artist. Is that agreeable?

Mr. MUIR (*Lisgar*): I would object to any talent quota program production.

The CHAIRMAN: Why?

Mr. MUIR (*Lisgar*): Because I think we do not need that breakdown. I do not want to get down to the individual, I am opposed to getting down to the individual; but I do not think there are too many shows that only have one person acting on them.

The CHAIRMAN: There are bound to be some shows.

Mr. GILMORE: May I suggest, then, that in programs using only one artist that we combine those?

The CHAIRMAN: Is that agreeable, with just one person hired as talent that we incorporate the talent and program production together under one heading?

Agreed.

Mr. MCGRATH: Arising out of this breakdown, could we perhaps have an explanation of what is meant by "management supervision"?

Mr. GILMORE: Yes, sir, I think the comptroller, Mr. Henderson, referred to this in one of his talks to you on the subject of overhead. This is the national departments which would, for the purposes of this discussion, be the production from Ottawa, the president's office, my own office and Mr. Henderson's office, distributed across the whole program output.

Mr. MCGRATH: That is the cost accounting?

Mr. GILMORE: Yes.

The CHAIRMAN: Would you continue, Mr. Gilmore?

Mr. GILMORE: Under recoveries we show two sections, one from sponsor; and here the recovery breaks down into three logical categories, program package, which we have talked so much about, is the sponsor's contribution to the production cost. Then the station time, which is the payment by the sponsor for the one-time rate on a given station to air that program; and then under the category "other" we propose to put the cost of network distribution.

The CHAIRMAN: And private affiliates?

Mr. GILMORE: Private affiliate payments would be deducted from the station time.

The CHAIRMAN: That would be included in the "other"?

Mr. GILMORE: No, sir, it would not be included; but it could be included as a journal entry. Or we could include another category showing the payment to private stations, if you wish.

The CHAIRMAN: I think it would be interesting if that was shown as a separate item, payment to private affiliates.

Mr. BELL (*Carleton*): What is the purpose of that?

The CHAIRMAN: Well, Mr. Bell, my thought on that is that part of the network of Canada today, I mean the whole of the network of Canada today is not only C.B.C.; they have several affiliated stations, and I thought it might be interesting to the committee if we are told how much these stations get for this half-hour, this fifteen minutes or this hour.

Mr. BELL (*Carleton*): Well, as usual, you are very convincing.

The CHAIRMAN: Thank you, Mr. Bell.

Mr. GILMORE: Can I point out we cannot enter this under "recoveries." It would have to be down under both.

Mr. BUSHNELL: You would have to show it in and out.

The CHAIRMAN: Mr. Simpson, do you have a question?

Mr. SIMPSON: Getting back to production cost, could we have an explanation of the second item, program production?

Mr. GILMORE: In the program production cost would be such things as the time of the producer, time of the script assistant, and the production assistant. Such direct program personnel charges would be included there.

The CHAIRMAN: Very much, Mr. Gilmore, as was shown on a couple of breakdowns we have had to date?

Mr. GILMORE: Exactly, sir.

Mr. MCGRATH: Mr. Chairman, where would the network line charges be included?

Mr. GILMORE: In the cost side of it, or in the recoveries? That would be under "other".

Mr. MCGRATH: Where would the cost be?

Mr. GILMORE: The cost would have to be included as a separate item under "technical".

Mr. MCGRATH: Well, your network line charges would be the same for every show carried on the network?

Mr. GILMORE: For every unit of time, yes. It may be a rather difficult calculation to make. I would think it would have to be a pretty arbitrary division to cost that unit of time, because these network contracts do run for five or ten years. It is based on adding certain stations as we go forward. So it is pretty hard to say that a distribution of 43 stations for a one-hour program would cost X hundreds of dollars, and the next quarter-hour the network changes to only 40 stations. Then the costs change.

Mr. MCGRATH: But your contract with the Bell Telephone Company, for example, and those other companies that have built the microwave network would be on a contract basis?

Mr. GILMORE: Yes, sir, and we could arbitrarily take that down to an average one-hour cost basis for each eight-hour day.

The CHAIRMAN: I think that would be satisfactory, Mr. Gilmore. Would that be satisfactory to you, Mr. McGrath?

Mr. MCGRATH: It would, yes.

Mr. MCCLEAVE: May I ask Mr. Gilmore for an explanation of (b) "from parliamentary vote" under "recoveries"? Is that just to bring that up to the total production cost?

Mr. GILMORE: Yes, I think that becomes a very significant factor, Mr. Chairman, if I may put it this way. For all sustaining programs, and do not let us forget this will include a lot of sustaining programs, the full amount will show in there, and on commercial it will be divided between the sponsor payment and the balance from public funds.

Mr. FORTIN (*Interpretation*): Where will we find the amount of money paid, or to be paid, to the author of a play which is to appear on the television screen?

Mr. GILMORE: Mr. Chairman, under "talent".

Mr. DORION: Even if he has no talent at all!

Mr. FORTIN (*Interpretation*): On condition that the author has talent.

Mr. GILMORE: Sir, this will be a very objective analysis.

The CHAIRMAN: We realize that.

Mr. MCGRATH: In connection with this breakdown of figures, Mr. Chairman, for cost of production and the amount to be recovered from the sale of television programs, is it possible to have an explanation on the procedure that is followed? For example, is there a department of the Canadian Broadcasting Corportion charged specifically with the sale of these programs; and, for example, are there personnel in that department who operate on a commission basis, the same as in a private radio station, for example, on the ordinary 15 per cent commission?

The CHAIRMAN: Are you finished, Mr. McGrath?

Mr. MCGRATH: Because if that was the case it would be included somewhere there.

Mr. GILMORE: Mr. Chairman, the method of handling these sort of transactions is that at our network head offices and at each of our production locations there is a small commercial department. They are concerned with the sales of programs. They are salaried personnel in the corporation. Their costs would be shown under the regional production centre distributed against all commercial programs.

The CHAIRMAN: Any other questions on this form, Mrs. Casselman or gentlemen? Then, is this form agreeable to every person sitting here tonight?

Agreed.

The CHAIRMAN: Thank you very much.

Mr. BELL (*Carleton*): When can the information be produced?

The CHAIRMAN: How long would it take, Mr. Bushnell, please, to get all the information requested?

Mr. BUSHNELL: I should think, Mr. Chairman, probably by a week from today we could give you one week and then work forward week by week.

The CHAIRMAN: And how many people would it take to make this information available—how many man-hours at least to get this information for a week?

Mr. BUSHNELL: It will take a maximum of—probably Mr. Henderson can answer that.

Mr. A. M. HENDERSON (*Comptroller, Canadian Broadcasting Corporation*): Mr. Chairman, I think it will take three senior men, three junior men and probably two girls, working for the best part of a week to produce a week.

The CHAIRMAN: At each point?

Mr. HENDERSON: The whole job.

The CHAIRMAN: Three senior men—

Mr. HENDERSON: Three senior men, three junior men and about two girls for the typing. We have got some 200 of these to pull out for the week.

Mr. FAIRFIELD: I do not think there is any use of this committee trying to study 850 approximately of these forms. We will not get anywhere with them. I do not want to back down on the motion, but when that number of forms is produced in front of me I am certainly going to be stalled just looking at them, let alone studying or going through them. Could we not get down to a more reasonable number of forms to study?

Mr. MCGRATH: That is a question which is very well taken. Would it not be possible to get a cross-section of a week's transmission, rather than your complete log, which would cover your different types of programs?

The CHAIRMAN: There is only one thing wrong with this, gentlemen, and that is we had a motion this morning. If it is agreeable with you I would suggest that the C.B.C. go on and give us one week's program, and then we will take this to the steering committee and invite Mr. Smith and Mr. Pratt, the mover and seconder of the motion, and see if they would be agreeable—

Mr. PRATT: Well, Mr. Chairman, I am entirely in favour of this idea. I think it is ridiculous to try to get that number—

Mr. BELL (*Carleton*): I do not think I agree with it, Mr. Chairman. This committee passed a motion this morning. I voted against it. If those who voted for it want to back down on something they have done, that is up to them.

Mr. PRATT: I object to that, because I am on the record as having seconded the idea. I would suggest the only problem before us is to find a method of choosing one dozen or two dozen typical shows, which would be satisfactory to the majority of the members of this committee. This could be done by the steering committee, or maybe this committee would agree to form a small committee of its own to do this; but I do not think it would be feasible for this committee to ask for this mass of information.

Mr. BELL (*Carleton*): Well, that is what the committee asked for this morning.

Mr. PRATT: But the committee this morning—

Mr. BELL (*Carleton*): Why was not the committee better advised this morning?

Mr. FLYNN: That is not the reason you voted against it, Mr. Bell.

Mr. PRATT: Mr. Chairman, I think I have the right to the floor.

The CHAIRMAN: All right, go ahead, Mr. Pratt.

Mr. PRATT: Thank you. We were dealing this morning with a matter of principle, and here we are dealing with a matter of common sense.

The CHAIRMAN: Mr. Chambers, you have a question?

Mr. CHAMBERS: Would it be true if we took a month, would there not be a lot of repetition—that is, shows that are on weekly or even daily—and we will be getting, in fact, the same information four times over, or even 20 times?

Mr. BELL (*Carleton*): Exactly.

The CHAIRMAN: May I suggest once again, even if the C.B.C. do give us the 800 different breakdowns, that this committee can still make its choice of any number of those 800 they may wish to analyze? I still revert to my original thought that this could be brought up at the meeting of the steering committee, at which time Mr. Smith and Mr. Pratt would be invited, to see if there is any change in their request.

Mr. MCCLEAVE: I would suggest we get a week's run and decide where we want to go from there.

Mr. FAIRFIELD: I just wonder, on this question, how many of these 10,000 are sponsored programs. After all, this is what we are looking for.

Mr. BUSHNELL: About 60 per cent.

Mr. FAIRFIELD: We are looking at 10,000 and not 6,000.

Mr. BUSHNELL: That is not the motion.

Mr. MCGRATH: The committee wants to be fair to the corporaotion, I think. What percentage of the shows would be network shows? What percentage of sponsored shows would be network and what percentage would be local?

Mr. GILMORE: I have no immediate breakdown on what is network and what is local, but the question called for all network shows. I think the wording of the motion asks for network programs.

Mr. MCGRATH: That is the answer to my question.

The CHAIRMAN: May I suggest it is going to take a week's work to get a week's programs; and some time during this week it could be brought before the committee. Is that agreed?

Agreed.

Mr. PRATT: If the committee wants a list of specific shows, I have a list I have drawn up myself, which I would be happy to put forward as my suggestions.

The CHAIRMAN: You may present them to the steering committee.

Mr. PRATT: All right.

The CHAIRMAN: During the last two or three sittings there was a number of questions asked. I know there are some short answers and some answers that should be tabled.

Mr. Bushnell, are you, or is one of your confreres ready to answer these short questions verbally?

Mr. BUSHNELL: There are some that may not be too short; at least, the material that is attached to them is rather voluminous.

This list of speakers for the calendar year 1958 on radio and television opinion and commentary programs, on the French and English networks is one. This material, I believe, has been filed with Mr. O'Connor, and is ready for distribution.

The CHAIRMAN: That has been distributed.

Mr. BUSHNELL: It has been distributed.

The CHAIRMAN: Do you wish this to be put in the appendix? As Mr. Bushnell has said, it is pretty heavy material. What is the wish of the committee?

Mr. BELL (*Carleton*): I do not think we should go to the extent of printing it as an appendix.

Mr. CHAMBERS: If the Clerk of the committee assures us that the members who are not present will get copies, then that will be all right.

Mr. BELL (*Carleton*): We all received copies this morning.

The CHAIRMAN: Would it be agreeable that the steering committee review each one of these very carefully; and if there is any point, page or part that should be printed in the appendix, do we have permission from this committee to do so? Is that agreed?

Agreed.

Mr. BUSHNELL: The second document I would like to file, Mr. Chairman, is in answer to a question that was put, I think, by Mr. Dorion on May 21 regarding copies of C.B.C. policies on political and controversial broadcasting in French and English.

The CHAIRMAN: They have been distributed, have they not, Mr. O'Connor?

Gentlemen, what is your wish? Is it that this distribution is sufficient, or do you wish them to go to the steering committee again? Any comments?

Mr. SIMPSON: Put them through the same as the others.

Agreed.

Mr. BUSHNELL: The third document I would like to file—and probably it has been distributed too—is the television broadcast agreement, which I think Mr. Dorion asked for. Again, Mr. Dorion, I must apologize. I only have this in the English language at the present time; and, at least, we will try to procure some copies in the French language, if you will permit me to do so, later.

Mr. DORION: May I have a copy of this?

The CHAIRMAN: This is in connection with what?

Mr. DORION: This is on political and controversial broadcasting—policies and rulings.

The CHAIRMAN: Would you continue, Mr. Bushnell?

Mr. BUSHNELL: I think there were some other questions asked, to which we have prepared the answers; and I was prepared, actually, to speak to a question asked by Mr. Pickersgill, but I do not see him here. Would you prefer that I leave that?

The CHAIRMAN: You can answer it; it will appear in the record.

Mr. BUSHNELL: Fine. This question, I believe, was a question asked by Mr. Pickersgill, who seemed to have some doubt about the wisdom of the C.B.C. adding to its news reporting staff in Ottawa. I asked for time to consider that, and I have here a prepared statement, which will take me only two or three minutes, or maybe five at the outside to read.

The CHAIRMAN: Very well, Mr. Bushnell.

Mr. BUSHNELL: In the developing techniques of broadcast news we feel the public should have the opportunity of hearing as well as seeing the news.

Our daily newscasts for radio and TV are still soundly based, as they always have been, on the dispatches of the great news agencies, Canadian Press, Associated Press, Reuters, United Press International, and Agence France Presse. However they do have some limitations for broadcasting. They can provide us with the written word that can be shaped into bulletins and given to the news readers. They do not provide us with the supplementary news material that we need.

We think that the public should have the chance to hear the voices of the people who make the news, to see them on television programs, and if possible to be taken right to the scene of the news by radio and TV as the news is happening.

We cannot get this kind of Canadian coverage anywhere so we have to provide it ourselves.

The new Broadcasting Act does not change the authority given us in this field. Since the early 40's we have been gathering and broadcasting news on our own initiative, on CBC News Round Up, and, we hope, steadily building a reputation for integrity and independence.

All networks and enterprising private stations have found that they, themselves, must go out after the news to provide voice and actuality reports and news on film. This means setting up a news gathering organization, recruiting reporters and cameramen and training staff.

It should be noted that for many years we have had the help of private radio stations in this task, getting reports from their newsmen and from working newsmen in all parts of Canada. In television we took the lead a few

years ago in forming a newsfilm co-operative. Today almost a dozen private stations pool their camera coverage of Canadian events, with CBC News acting as the distributing agent.

Extending back to war days, we have been building up a staff of foreign correspondents and their first hand reports by voice and film give authority and distinction to our news broadcasts. Only in such a way could we get the news in broadcast form as seen through Canadian eyes. To move out of this field of news gathering would set news broadcasting back many years, placing us behind the B.B.C and the American networks, all of whom have their experienced staff at home and in key capitals abroad.

In one respect we feel we are behind the times, in not covering our own capital as thoroughly as we should perhaps do. While the B.B.C., for example, does a very complete job of covering British parliamentary affairs with its own staff men, the C.B.C. is still largely dependent on free lance correspondents in Ottawa for our supplementary coverage. Indeed the B.B.C. has recently appointed an Ottawa correspondent who will shortly be establishing his office here.

Following on that statement, I would like to amplify some remarks I made at the meeting of the committee, I think it was, last Thursday. Some apprehension was expressed when I said I realized the dangers of our own personnel covering parliament. Let me make myself quite clear now, if I can. By that I did not mean that any of these so-called dangers lay in our staff not covering it properly. We have the highest regard for the ability and integrity of our news staff. Indeed many years ago when the C.B.C. news service first started, some people expressed fears about the corporation getting into the news business. The record over the years and the reputation, so we think, which the C.B.C. news has gained for itself has disproved those fears completely. I am aware that when we begin to do a much more thorough job of reporting parliament through our own staff we will be moving into a reasonably sensitive area. I can well imagine for instance a Member of parliament making a statement which he, himself, thinks is a very important one, not finding it covered in the C.B.C's report from parliament, and probably feeling that the news is not being properly reported. That is the sort of thing I mean. Those are the inherent dangers. Maybe it is not a particularly apt illustration, but it is the sort of thing I have in mind.

Now may I draw to your attention, Mr. Chairman, Mrs. Casselman and gentlemen, that that small staff which has been reporting the Ottawa scene so far has been doing a first-class job. Nevertheless I am quite confident that when we reach the stage of adding to our Ottawa staff with a parliamentary correspondent, the news will do just as able a job in this field as it has in others.

Mr. Chairman, that is my statement.

The CHAIRMAN: Are there any questions on the C.B.C. Ottawa news coverage?

Mr. MCCLEAVE: Is it your intention, Mr. Bushnell, to promote someone from your present news staff or to choose someone from outside the organization? I hope it is the former.

Mr. BUSHNELL: I think we would prefer it that way.

Mr. MCCLEAVE: You mean to choose someone from your own news staff?

Mr. BUSHNELL: Yes.

Mr. MCCLEAVE: Thank you.

Mr. MCGRATH: Is it your intention to have regional reporters or news reporters to report parliament on a regional basis to cover your networks?

Mr. BUSHNELL: Regional in the sense that they report only activities pertaining to that region?

Mr. McGRATH: Relating to that region, yes.

Mr. BUSHNELL: I imagine that they will be doing just that, yes.

Mr. BELL (*Carleton*): I think Mr. Bushnell could go further than that.

Mr. BUSHNELL: Within the limitations of a good reporter; that is, within the limitations in the physical sense we will do it if we can. If it means putting half a dozen men on, we will have to take it into serious consideration.

Mr. FORTIN: Is it your intention to appoint a French-speaking reporter as well?

Mr. BUSHNELL: Yes sir.

The CHAIRMAN: Are there any other questions on the C.B.C. Ottawa news coverage?

Mr. BELL (*Carleton*): Mr. Chairman, I presume there will be an occasion further on after having examined the very important statement which Mr. Bushnell has made, when we will be able to return to it. Certainly I want to read it. I have not completely recovered from the misgivings which I expressed the other day.

The CHAIRMAN: That is right, Mr. Bell. We shall have an opportunity to return to it.

Mr. BUSHNELL: Mr. Pickersgill asked one other question with respect to the quantity of Canadian and international news, and also something, I think, about violence.

From Sunday, April 26, to Saturday May 2,—I am speaking only of what we call the national or 11 p.m. television news—the seven bulletins included a total of 97 items. Fifty-three, or 54.6 per cent of the items were Canadian; the rest, international.

The Canadian items took up 67.6 per cent of the total time represented by the seven bulletins.

On four of the seven newscasts, the lead items were Canadian news stories.

Of the total 97 items during the week surveyed, six were in the violence category: the building of the Norwegian ship in Vancouver harbour; a non-commuted hanging in British Columbia at Oakalla prison; the murder of an American negro charged with rape; a railway accident in British Columbia; a fire in Ottawa, and a fire in Newfoundland.

The news department from time to time checks on usage of news items and every time they have tested the content of news bulletins over a period of time it has run at about 50 per cent Canadian material, another 20 to 25 per cent American, a large part of which has special reference to Canada, and 25 to 30 per cent straight international news relating to developments or countries outside Canada and the United States. This applies in general both to radio and television.

The CHAIRMAN: Are there any questions on the 11 p.m. national news? If not, thank you, Mr. Bushnell.

Mr. BUSHNELL: Now, Mr. Chairman, I would like to call on Mr. Marcel Ouimet. On May 26, Mr. Tremblay asked concerning the date of the Teletheatre production cited in the answer submitted on costs of sustaining programs and the number of artists involved. This was the production of December 11, 1958. It involved 15 performers.

Some of these questions relate to programming and I would like our deputy controller of broadcasting, Mr. Marcel Ouimet, to present the answers for the corporation.

Dr. Fairfield asked for the cost breakdown of audience research bureau and total amount of payments to outside research firms.

I think I have covered Mr. Pickersgill's question and I think Mr. McGrath asked for the figures on the size of total audience for Peter Grimes.

I have with me tonight Mr. Ouimet who will be glad to answer these questions for you.

The CHAIRMAN: Would you mind repeating the question first so we can carry on.

Mr. MARCEL OUIMET (*Deputy controller of broadcasting, Canadian Broadcasting Corporation*): Dr. Fairfield on May 19, asked for the cost breakdown of the audience research bureau and total amount of payments to outside research firms.

I have a report which indicates that for the fiscal year ending March 31, 1958, audience research expenditures were $273,000. Of this amount, $79,000 was paid to commercial research firms either for regular rating surveys or for field work for special studies. Regular services accounted for $45,000 while field work for special studies amounted to $34,000. Salaries for audience research staff accounted for $169,000 and travelling expenses $14,000. Miscellaneous items such as printing and stationery, photographic and art work, papers, periodicals and books for the library accounted for the remaining $11,000.

Mr. FAIRFIELD: What is the function of the audience research department?

Mr. OUIMET: Later on we can submit two documents which will give you a very good idea of the job which audience research is called upon to carry out. One of these describes the audience research bureau and it is available in the form of copies which can be distributed.

Mr. FAIRFIELD: Is this a typical bulletin of March, 1959, this audience research bulletin?

Mr. OUIMET: This is one of the bulletins which go out; but there are also some very much shorter studies than this.

Mr. FAIRFIELD: Is this a study? It gives no figures and no statistics. Who asked for it?

Mr. OUIMET: This is done generally when the need arises to find out about a certain program in particular, or other questions.

Mr. FAIRFIELD: There is no sense in doing anything which can be done just as well by other commercial firms.

Mr. OUIMET: The audience research bureau, if I may read to you concerning its organization and function, operates as follows:

> The bureau of audience research will be responsible for conducting scientific research about the size, composition and characteristics of listening and viewing audiences, both English and French, across Canada and for investigating the reaction and preferences of the Canadian public about radio and television programs. It will also be responsible for special opinion and market surveys about broadcasting in Canada.
>
> The bureau will act in an advisory and service capacity to management, the program division and other related divisions such as commercial, press and information, station relations and broadcast regulations—

To all intents and purposes this is what we call an analysis of the job to be carried on by the audience research bureau.

Mr. FAIRFIELD: According to this particular March bulletin there are some inferences which you got from the reports made by Elliott-Haynes, are there not? It says that it should come as no surprise to learn that most intensive use of audience research information in Canada is made in the Toronto area where television viewers may receive programs not only from the C.B.C. television network but from Canadian private stations as well.

Is this not merely a duplicate of what you can get from commercial firms at a cost of $79,000, which is considerably less than the cost of $273,000.

Mr. BELL (*Carleton*): Would Dr. Fairfield please identify the document to which he refers?

Mr. FAIRFIELD: I refer to the audience research bulletin put out in March 1959 by the audience research department of the C.B.C. at Ottawa. It is filled with platitudes—perhaps I should not say all platitudes; but from it one would get the suggestion that this material is covered by commercial firms.

Mr. OUIMET: I would not exactly say that. I would like to call on Mr. Trainor, either to confirm or to disagree. Mr. Trainor is here tonight. This was published as a sort of aid to the C.B.C. staff on how to make use of audience research.

The CHAIRMAN: Mr. Trainor would like to make some comments. I think he is in the audience research division.

Mr. FAIRFIELD: I have other questions to ask, Mr. Chairman. I would like to find out if there is any distribution of this to the sponsors of programs over the C.B.C.?

Mr. J. TRAINOR (*Assistant to Director of Audience Research Bureau, Canadian Broadcasting Corporation*): Sir, what do you mean by distribution to sponsors?

Mr. FAIRFIELD: I mean distribution of these audience research bulletins.

Mr. TRAINOR: This is for internal distribution only. The sponsors have to buy the same data that we buy. They may buy it, if they wish, from the advertising agencies.

Mr. FAIRFIELD: From whom would they buy it?

Mr. TRAINOR: From the same people we buy from. It might be Elliott Haynes, International Service Limited; the Bureau of Broadcast Measurement, or Nielsens.

Mr. FAIRFIELD: Well, you paid $79,000 to commercial firms, according to this breakdown.

Mr. TRAINOR: Yes.

Mr. FAIRFIELD: And yet your own audience research bureau costs you $73,000?

Mr. BUSHNELL: It is not only due to that. It interprets those for us and also does a multitude of other things. They do not just simply look at Elliott-Haynes, international surveys and Nielsen's. One of the reasons we set up this audience research was because we were getting conflicting reports from these organizations. We are trying to find out which is the better of the two. These figures which come from the survey companies vary widely. We have very exhaustive analyses made of them.

Mr. FAIRFIELD: Does the audience research bureau make any survey at all?

Mr. BUSHNELL: Occasionally; yes.

Mr. FAIRFIELD: How many on a vast scale?

The CHAIRMAN: You mean an audience program rating?

Mr. FAIRFIELD: Yes.

Mr. BUSHNELL: Let me give you a little illustration. I think a little over a year ago last winter there was a considerable difference of opinion over hockey right in this city as to which hockey game we should televise on occasion in Ottawa. Our audience survey department made quite an exhaustive study in Ottawa. It was only because of that that we came to the conclusion that the game from Montreal should be brought into Ottawa every other week. The game from Toronto, likewise. The audience research department is providing information for the engineering department. You will get a little bit of that

later when we come to a discussion of the distribution of programs and where they should go. They are doing a multitude of things besides just taking a look at these surveys. I might add that some program formats were changed because of certain findings which came from the research service.

The CHAIRMAN: Do the C.B.S., the National Broadcasting and the American take full advantage of A. C. Nielsen and the other rating services in the United States or do they have their own type of audience research bureau? Do they have something comparable to what we have in Canada?

Mr. BUSHNELL: Very much so; but they cannot agree which is the best. There are about four methods over there. Some of them use Nielsen and some of them use some of the other organizations. They all have their own research departments. As a matter of fact if you read *Variety*, which is a trade magazine, you will probably see about seventeen conflicting statements in every issue.

Mr. BELL (*Carleton*): May I raise a question in connection with the conduct of the committee. When Dr. Fairfield was examining I was sitting across the table from him and I saw he had a bulletin called audience research bulletin with a large question mark on it. I had not yet had this at that time and then I was handed, by the official messenger for the committee, a memorandum which said, organization and functions of audience research. Then immediately subsequent to that I was handed the document which Doctor Fairfield had. I think we should have some idea of the place from which these documents come. I appreciate the problem, perhaps more than most, because I have had possibly more experience than anybody in the committee with the efficiency of the C.B.C. However I would like to have these identified before they are presented to us. I do suggest that someone should take the responsibility for these documents before they are presented to this committee.

The CHAIRMAN: I was under the impression that this audience research bulletin had been distributed two meetings ago. I was entirely wrong on that.

Mr. BELL (*Carleton*): I think you must have been.

The CHAIRMAN: Mr. Bushnell, Mr. Trainor, or Mr. Ouimet, would you like to identify these?

Mr. BUSHNELL: I think Mr. Trainor can answer this.

Mr. BELL (*Carleton*): I just wanted all these documents identified.

Mr. TRAINOR: First, the audience research bulletin is something which the division issues once a month in French and English, summarizing the activities of things going on in research in the audience research division and in outside organizations in an attempt to keep the staff up-to-date on research matters. This particular issue was given you just to show you the various types of surveys which are available. If you read it closely, you will see why we measure audiences, then how they are measured and the various methods. Some are done by telephone coincidentals, some by recall method, some by diary panels and others by diary panels with electronic control. This particular bulletin is to instruct and explain further to all our people throughout the corporation the type of services we are buying.

The CHAIRMAN: Which cost you $79,000?

Mr. TRAINOR: The regular rating services cost us $45,000. In addition to that, on a specific occasion, we may have to measure a program which is not being measured in the normal measurement and this will cost anywhere from $1,000 to $3,000.

The other document is the organization and functions of audience research. It briefly outlines what the head office function is, the director's office, the three departments and the statistics department with which I think Mr. Bushnell indicated you will be dealing later. When you get to engineering, you will see

the various ways the engineering and commercial divisions use the statistics department. The analysis and reports department primarily is concerned with taking the data we receive on a monthly basis, comparing the various reports, developing trends, and issuing information throughout the corporation on this.

Mr. BELL (*Carleton*): Has the chairman had an opportunity of reviewing this memorandum.

The CHAIRMAN: You mean the organization and functions of audience research.

Mr. BELL (*Carleton*): Yes.

The CHAIRMAN: No.

Mr. BELL (*Carleton*): Do you recommend that this be included as an appendix?

The CHAIRMAN: I would suggest all these documents with the exception of this audience research bulletin be printed as an appendix, if it is agreeable.

Mr. BELL (*Carleton*): If it is recommended by the chairman.

The CHAIRMAN: Is that agreeable?

Agreed.

Mr. TRAINOR: The research projects department is pretty well outlined in the first sentence. This department is responsible for the planning and execution of special studies of various kinds in an attempt to learn more about the impact and effects of radio and television broadcasting and the nature and behaviour of audiences of different kinds.

I mentioned earlier that we occasionally get some field work done by the commercial research firms. As a rule, we do not go out and do our own field work. For one reason it is too costly on a nation-wide basis; secondly, if we do the field work the sponsor and the advertising agency may say you did the work yourselves and it is biased. Therefore, we hire outside firms and it is unbiased.

The CHAIRMAN: Do you still belong to the bureau of broadcast measurement?

Mr. TRAINOR: No.

The CHAIRMAN: Did you at one time?

Mr. BUSHNELL: We did, yes.

The CHAIRMAN: Why did you discontinue that?

Mr. BUSHNELL: We felt it was rather costly. We thought that the B.B.M. at that time were not quite what we thought they should be. May I say this, that I think the C.B.C. was largely instrumental in setting up the B.B.M. It certainly paid a very large proportion of the cost. However, when it came to the point where we were not receiving the information that we felt was necessary, obviously, and I think quite properly, we just said, "Please excuse us, gentlemen; we can get the information from other systems." We just called it quits.

Mr. PRATT: I would like to suggest, Mr. Chairman, that both radio and television are very lucky in so far as the nature and behaviour of audiences is concerned, when you compare it to the old live theatre where the nature and behaviour was very pregnant and very present in the flesh. I hope we will be able to devise some system by which we can get a more accurate count of what people are thinking.

Mr. BUSHNELL: We are interested in the quality of audience reaction and listener reaction.

Mr. PRATT: Did you ever use what is known as a "flush system"?

Mr. BUSHNELL: Did you say "flush system"?

Mr. PRATT: Yes.

Mr. BELL (*Carleton*): That is a dangerous system to pursue.

Mr. PRATT: Numbers were counted in the audience by pressure on the local city water supply during the commercials.

The CHAIRMAN: That was merely during the commercials.

Mr. MCGRATH: To add a footnote, they use this in Chicago, where they have sewage problems. Who was the head of the audience research bureau?

Mr. BUSHNELL: Mr. Neil Morrison, who has been seconded to the British West Indies Federation to help them establish a network service in that particular area. He has been loaned by the corporation at the request, I think, of people connected with the Colombo plan, to help them out.

Mr. MCGRATH: Is your audience research bureau situated in Ottawa?

Mr. BUSHNELL: Yes, with branch offices in Toronto and Montreal only.

Mr. MCGRATH: Well, the heads of your branch offices in Montreal and Toronto would be known as audience research supervisors?

Mr. BUSHNELL: Yes.

Mr. MCGRATH: I would like to get back to the cost of this audience research bureau's services to the sponsor. Did I understand correctly a few minutes ago that you made the point that this is charged to the sponsor because you felt your method was a more reliable one?

Mr. BUSHNELL: No, I do not think that was the case.

Mr. TRAINOR: The sponsor has to pay for the same ratings we provide, but he pays the research house.

Mr. MCGRATH: You do not realize anything back?

Mr. TRAINOR: We do not give our information to the sponsor at all.

Mr. MCGRATH: It is for your own administrative use?

Mr. TRAINOR: Yes.

Mr. BUSHNELL: Except administrative charges, and they are included.

Mr. MCGRATH: Do we have a breakdown in connection with the organization of the audience research bureau?

Mr. BUSHNELL: I think it can be provided.

The CHAIRMAN: I do not think we have that available yet.

Mr. BUSHNELL: Not in chart form at least.

The CHAIRMAN: Could we have that provided?

Mr. BUSHNELL: Yes.

Mr. FAIRFIELD: I wanted to ask this question, Mr. Chairman. When they are making these surveys, what method do they use, the diary method or telephone method? You certainly do not use electronics.

Mr. TRAINOR: It depends on the commercial research firm that is doing it. Elliott-Haynes Limited uses a telephone coincidental method. They call up people and ask if they are listening.

International Surveys use a fixed diary panel and they record a week's viewing and listening pattern. A. C. Nielsen uses a fixed diary panel and they have an electronic device attached to each set in the home and in that way they compute the time it is turned on.

Mr. FAIRFIELD: You say you are dissatisfied at times with the statistical research these commercial firms give to you.

Mr. TRAINOR: Often they do not come out alike.

Mr. FAIRFIELD: But in your March report you say that the results were reported to be identical between telephone and diary.

Mr. TRAINOR: Which page?

Mr. FAIRFIELD: It says the American research bureau, which uses the diary technique in the United States recently ran a checking experiment in eight cities and A.R.B. used the telephone coincidental technique to check on the diary results for the same period.

Mr. TRAINOR: What page are you on?

Mr. FAIRFIELD: Page 8 of the March report. The reports were reported to be practically identical.

Mr. TRAINOR: You should read the final sentence which says that ideally, of course, the check should have been carried out by a disinterested survey organization. A.R.B. was trying to prove something, and this is why you place a reservation on it.

Mr. FAIRFIELD: Are you a disinterested organization when you do it with an audience research bureau?

Mr. TRAINOR: No, this is not so.

Mr. FAIRFIELD: I know this is the American research bureau, but you printed that in your bulletin. You say that these results are practically identical; you say you are a disinterested corporation but cannot trust these commercial firms, and yet you do not distribute this pamphlet to sponsors or other people.

Mr. TRAINOR: This is not a report of our results; it is not our statement. This is their statement. We did not have the raw data to work with at all. We are giving out what has been reported to us so that people may weigh it for themselves.

Mr. FAIRFIELD: What then have your findings been?

Mr. TRAINOR: We have not looked at this; we have not done this sort of check.

Mr. FAIRFIELD: You do not carry on statistical surveys?

Mr. TRAINOR: Not as such, no.

Mr. FAIRFIELD: In other words, if you have to trust the commercial firms to a great extent; is that correct?

Mr. TRAINOR: I think if you go to the second last paragraph of the last page you will note this:

> No single technique now being used provides all the measurement data that broadcasters, researchers, sponsors, advertising agencies and others would desire. As seen, each has its advantages and disadvantages. Competitive situations tend to create a demand for quick returns, thus placing emphasis on the telephone-coincidental technique. In the U.S.A. this demand for immediate results has led to the development of "instantaneous" rating techniques. Both A. C. Nielsen Co. and American Research Bureau have in operation elaborate electronic devices which provide audience-size data for limited areas delivered the morning after the program being rated.
>
> To eliminate all biases, apparatus would be required which would record on film the number of persons listening or viewing a set and the degree of their attentiveness as shown by their activities, facial expressions and exclamations. This technique would not only be impractical on the grounds of expense but would be repugnant to most people as an unwarranted invasion of the privacy of their homes.

This covers the whole thing. Each one has its advantages but it has counteracting diadvantages. If we want quick returns, we use the Elliot-Haynes method because it is cheaper today than the fixed panel, but if we want more exact data we feel we can get it from the panel method.

Mr. FAIRFIELD: What is the function of the audience research bureau then? If they find out something and this information is given only to the C.B.C., what is its function?

Mr. TRAINOR: It is a service to the corporation.

Mr. FAIRFIELD: Why?

The CHAIRMAN: For unsponsored shows?

Mr. TRAINOR: For both, but it goes to the production people as well; it is not just for head office.

Mr. KUCHEREPA: I would like to pursue this further. The witness says this provides a service. We have heard from the beginning of the hearings that there are programs which are designed not for the majority of listeners or the large audiences, and there were variations in the programs. We certainly find ourselves going into great detail in how to obtain ratings, but when we get them we turn around and take programs which we sell out to advertisers at a charge which is less than the cost to produce them. What is the main purpose of going to all these extremes when we have a commercial house which can produce this information for use? Why should we spend all this money when we have a policy which was laid down at the beginning of the session whereby we are not concerned necessarily in having large audiences as much as we are concerned with carrying out certain fundamental recommendations in connection with the question of giving vast coverage to a vast number of differing individuals and groups.

Mr. BUSHNELL: Let me put it to you this way. We are concerned with the size of any audience for any broadcast, any television or radio broadcast. May I just give you a good illustration? The program Folio has been spoken of on more than one occasion in this committee. At one time it was thought that Folio had a very small audience, comparatively, and probably we should discontinue it, in spite of the fact we felt we were serving a specialized group of listeners—let us put it that way; I hate to refer to a "minority audience", because any audience of half a million is not a minority, in my opinion.

In 1957, on November 7, on Folio we had, persons viewing, 580,000. On December 5 of 1957, we had an audience of 510,000, approximately, in round figures. In 1958, on January 16, we had for the opera Tosca, 488,000. On February 6, for a drama called The Concert, we had an audience of 779,000. The average for 1957-58 was 589,000. That is a pretty big audience.

What happened this year? We changed the pattern a little bit, and on November 25 we had 1,586,000 viewers. On January 6 we had 1,310,000; on February 3 we had 1,230,000, or an average for 1958-59 so far of 1,293,000.

Mr. BELL (*Carleton*): What do you mean, you "changed the pattern a little bit"? I am afraid you mystify me on that.

Mr. BUSHNELL: Probably, Mr. Bell, we were not putting on quite such—some people have described them as esoteric programs. We made them just a little more earthy. One we put on was Honey and Hoppers; the other was The Peace and Plenty, and Tosca is a pretty well known opera. Another thing I would like to comment on also. These matters were discussed—as Mr. Jennings mentioned—with the program committee of our television affiliates, and they registered some protest about the hifalutin tone that was being given to Folio and said, "For goodness sake, change it." I remember one gentleman out in Regina said, "Look; if you do not change that, I am going to stop carrying it, because these plough jockeys out here cannot understand it". Those were his words.

The CHAIRMAN: Did you get this information on Folio from any commercial firm, such as Elliott-Haynes?

Mr. BUSHNELL: Definitely.

Mr. KUCHEREPA: Where would you get the extra viewers outside of, perhaps, fringe areas in the United States? Where would they come from? Would they just put on their sets for the first time to see these programs?

Mr. BUSHNELL: Not necessarily. So we could assume, I think—or anyone could assume—that the programs themselves had become more interesting and, instead of shutting the darn thing off, they looked at it.

There is one little illustration. I was looking through some of these ratings the other day—and I hope no one will misunderstand me if I use the city of Sudbury as an illustration—and to my very great surprise, Folio in that particular week had a bigger audience than N.H.L. hockey, boxing, wrestling and half a dozen of the most important United States imported programs.

Mr. PRATT: Do you recall the subject?

Mr. BUSHNELL: No, I do not. I can find out for you, though.

Mr. CHAMBERS: These statistics quoted were gathered for you by the commercial firms; is that correct?

Mr. BUSHNELL: That is right.

Mr. CHAMBERS: You stated, I believe, that the cost of this was about $79,000 a year?

Mr. BUSHNELL: That is right.

Mr. CHAMBERS: This, it would seem to me, justifies that expenditure; but I have not yet got through my mind the reason for the $200,000 that is spent for the internal research bureau—what it does. What do you get for that?

Mr. BUSHNELL: Probably it would be better if we actually just sat down and gave you a very short statement on it—what one might call almost a job spec, and show you the chart.

Mr. CHAMBERS: I have not had time to read it yet.

Mr. OUIMET: I think you get a better idea in this statement here, Organization and Functions of Audience Research.

The CHAIRMAN: I think we did agree that you are going to supply an organizational chart of your group.

Mr. FAIRFIELD: As I see it, with an analysis in the research department, its major function is to analyze audience size and ratings supplied by audience measurement firms. This seems to be a rather big department, to analyze whether a program is very good or very bad, does it not?

Mr. BUSHNELL: It may seem that way; but actually statistics are difficult things with which to deal, and it requires specialists to do that. And it has all got to be typed, probably.

Mr. TRAINOR: These reports we get from the commercial research firms, we do not get a sufficient number of copies to disseminate to everybody in the corporation that requires them, and most of them are drawn up in such a way that most of us, who do not understand statistics, could not understand them anyway. They have to be analyzed and interpreted. You say, " a big department"—there are four or five people in it.

Mr. MCGRATH: I understand that at the next meeting there will be a chart presented of the audience research bureau and there will be explained at that time the function and organization of this particular department?

Mr. BUSHNELL: Yes.

Mr. MCGRATH: There is one question, that may or may not be related; but I should like to clear this up. What is the relationship of the audience research bureau with information surveys?

Mr. BUSHNELL: There is no direct relationship, other than this, that if the department of information wishes to have some information on the work that it is doing—I will give you an illustration; probably a simple one: last year the information department turned out a very, very small—a miniature —annual report, and we wanted to find out how that was received.

We went to audience research. We got our people busy on that, and we found out it had been extremely well received. So this year we are modifying in form our annual statement and using more of the small brochures that go to, I am told, 200,000 people.

Mr. MCGRATH: May we perhaps carry that question to a logical conclusion by having an explanation of just exactly what are the functions of the information services?

Mr. BUSHNELL: Yes; I think it can be summed up rather briefly. The function of information services is to provide information to various publications, to publicize the work of the corporation and to publicize programs and artists.

Mr. MCGRATH: Promote programs?

Mr. BUSHNELL: Yes, very definitely; that is their big job. You might be, as I say, indeed pleasantly surprised to find how much space we have actually received for our artists. We are promoting Canadian artists all the time. We send out photographs. Furthermore, we promote them on our own facilities and that work is all done by the department of information.

Mr. MCCLEAVE: I have a question here that has been suggested by a member outside the committee. Has any thought ever been given by the Canadian Broadcasting Corporation to using the facilities of the dominion bureau of statistics on audience research?

Mr. BUSHNELL: We call on D.B.S. very frequently for information.

Mr. MCCLEAVE: For what type of information do you call upon them?

Mr. BUSHNELL: Probably Mr. Trainor can give us that.

Mr. TRAINOR: We call on D.B.S. for a lot of economic data, for all data we wan to use and analyse. For instance, I think in terms of advertising customers, T.V. home use, sales of sets, growth of T.V. home use and this sort of things.

Mr. MCCLEAVE: You do not call upon them for anything in the line of program surveys?

Mr. TRAINOR: Actually take the surveys for us?

Mr. MCCLEAVE: Yes; that is right.

Mr. TRAINOR: No.

Mr. MCCLEAVE: A particular program, for example?

Mr. TRAINOR: No; I do not think they are organized for it and I doubt very much if they would.

The CHAIRMAN: The point is you do not ask them?

Mr. TRAINOR: No.

Mr. MCCLEAVE: That is exactly the answer I would expect. I think I would like some elaboration on it.

The CHAIRMAN: All right; would you continue on that point as to the position of the bureau?

Mr. MCCLEAVE: And as to why they would not expect D.B.S. to do that?

The CHAIRMAN: Have you any thoughts on that Mr. Bushnell, or Mr. Trainor.

Mr. BUSHNELL: Well, we will pursue the matter further. Perhaps we have been a little remiss in not doing it before.

The CHAIRMAN: Would it be agreeable, Mr. McCleave—

Mr. BUSHNELL: I doubt if they have the facilities to do that.

The CHAIRMAN: Would it be agreeable if some time before the next meeting the C.B.C. got in touch with the bureau and see if there is any way they could be assisted?

Mr. FAIRFIELD: I wonder, Mr. Chairman, if in view of the fact that we have just got this organization and function of audience research pamphlet, whether we could not adjourn this discussion and come back to it later?

The CHAIRMAN: I think that is a very sensible suggestion, Dr. Fairfield. Mr. Tremblay you had a question. You did not quite finish your question this morning.

Mr. DORION (*Interpretation*): Mr. Chairman, I would like to know to what extent this research bureau extends its activities. Does it concern only the commercial or sponsored programs or does it include all programs.

Mr. BUSHNELL: It includes all programs sir.

Mr. DORION (*Interpretation*): Mr. Chairman, I saw in the list of your sponsors, names which constantly crop up and I do not need to quote these names because we have them before us. I would like to know if the choice of these commentators is the result of the inquiries made by the research bureau?

Mr. OUIMET: Mr. Chairman, I believe he said sponsors first and then commentators.

Mr. DORION (*Interpretation*): Well, in the original interpretation and in the second, I said commentators.

Mr. OUIMET: Could he have the answer?

The INTERPRETER: Would you like me to read the whole thing?

Mr. BUSHNELL: Yes.

The INTERPRETER:

> I would like to know to what extent this research bureau extends its activities. Does it concern only commercial or sponsored programs or does it include all programs?

And the second question, following my first interpretation:

> I saw in the list of your sponsors names which constantly keep cropping up. I do not need to quote them because we have them before us. I would like to know if the choice of these commentators is the result of inquiries made by that bureau.

Mr. BUSHNELL: Not necessarily so.

Mr. DORION (*Interpretation*): Well, Mr. Chairman, to follow up your answer, Mr. Bushnell, I would like to know who has the responsibility to choose these commentators who are always the same people with the same ideas and with only a slight variation in the presentation?

Mr. BUSHNELL: Well, Mr. Dorion, I am afraid I cannot quite accept the second part of that. I do not think they are always the same people with the same ideas.

Let me answer the first part of it for you if I can and say that the selection of speakers is made by our various officials, from the program director down, from the director of programs down to the program director in any area, down to the talks and public affairs department.

A great many people are consulted about the commentators that are used.

Mr. DORION (*Interpretation*): Well, Mr. Chairman, I am sorry Mr. Bushnell, but in looking through the list that you gave me, which merely is for January 1958 I see the people are all of the same school of thought, roughly

speaking, with only rare exceptions. Therefore, there is someone responsible for the choice. There is a very marked tendency which denotes that all opinions are not able to be voiced. Who is responsible? I want to know the names of those people responsible at any rate for the French language section and I want to know the function or tasks of those people also at least for the French network section anyway.

Mr. BUSHNELL: Would you be satisfied if I—

Mr. FAIRFIELD: I think on a point of order, did we not decide that we were not going to bring in names of personalities, because after all the primary responsibility rests with Mr. Bushnell?

The CHAIRMAN: Are you speaking on a point of order, Mr. Tremblay?

Mr. TREMBLAY: Yes.

(*Interpretation*): Well, Mr. Chairman, I cannot at all agree that we must necessarily ignore the names of certain personalities involved. The C.B.C. is not a firm or organization, which merely administers the material aspects; it is also of a moral and intellectual character. So the chairman or vice-chairman or president or vice-president cannot accept all the responsibility in regard to the intellectual and moral aspects; so we must have the names of the people who absorb a very big part of public opinion as far as the C.B.C. is concerned.

The CHAIRMAN: Mr. Dorion, are you on a point of order?

Mr. DORION (*Interpretation*): Mr. Chairman, yes, this is on a point of order. To follow up what my very fine friend from Roberval said, we are in the presence of obvious discrimination. There is no need to analyze in detail the list which was shown to us to see we are faced with an organization which has continually and permanently resorted to the same school of thought. It is becoming a scandal, to say that the senior officials of the C.B.C. are to be held totally and wholly responsible. There are names of what we might say are "back room boys", if you like, who have authority, who are responsible, even though they are back room boys, to use my expression, and we should know who they are, in order to make the necessary recommendations.

The CHAIRMAN: On the point of order, gentlemen, I revert, once again, to our original thinking, that of the entire committee, that we would not get down to the personnel in the lower echelon of the C.B.C., to ask for names, personalities, personal likes and dislikes; but I would suggest this to Mr. Tremblay and Mr. Dorion, that when the report to parliament is made of this committee, if they wish to make recommendations to parliament—who, in turn, will make recommendations to the C.B.C.—I do not see any reason why such a recommendation could not be made. However, I still feel that the committee will go along with me on the original decision, that we will not get down to individuals and personalities.

Mr. CHAMBERS: On this point, Mr. Chairman, we have established that the division of research is responsible for research. There are some areas in the C.B.C. where we have divided administrative functions. I am certainly not interested in names, but it seems to me we have a right to ask what division, what office is responsible—

The CHAIRMAN: Yes, we have that right.

Mr. CHAMBERS: —what office is responsible, in this case, for the choice of commentators. I do not think it is quite enough to say it is the entire C.B.C. There must be someone from day to day who does the planning in the talks department in French. I do not want to know his name, but if we can be given what position in the C.B.C. has this responsibility, we would be satisfied.

The CHAIRMAN: Mr. Bushnell, is someone responsible for that particular aspect?

Mr. BUSHNELL: Someone would be mainly responsible; but I think you will agree with me that it would be very wrong indeed to give anyone the full responsibility, to allow him to run loose, making whatever choices he likes, without having to report to somebody else. Therefore, I do not think you can suggest that there are one, two or three persons in this particular department, who are the only responsible persons.

The CHAIRMAN: Mr. McCleave, and then Mr. McGrath.

Mr. MCCLEAVE: We have heard several times now, since our meeting started from our cohorts from the province of Quebec that they suspect there is a certain school of thought which is having its viewpoint presented on commentaries in the province of Quebec, and there are others that are not. I do not know what these schools of thought are in Quebec—whether economic or political, or heaven knows what. I think we should not cavalierly brush aside the complaints of these gentlemen, or leave it as a statement that it is one officer or one office who is choosing these commentaries.

I think, for their part, they should present to us a breakdown of the programs which displease them, whether they think it is 50 per cent or 60 per cent of opinon, one way or the other; and then let Mr. Bushnell deal with it concretely. But I think we should go through it further than we are doing tonight.

Mr. MCGRATH: Mr. Chairman, I have what may be an answer to it. Surely, as we go along in our examination of the various departments of the C.B.C., it will become clearer, as we proceed, who is responsible for what particular function of the operation. In other words, I think we are jumping ahead of the gun. For example, we were on audience research. To my mind, the discussion now is not exactly related.

Perhaps if we could dispense with audience research, as was suggested, until next week when the organizational chart is presented, this department could be more clearly defined and explained to us. Now we might proceed with another department of the C.B.C. which is related in a way, and that is, the department of public relations. As we go to the various other departments, these queries and questions will make themselves known.

Mr. BUSHNELL: If my memory serves me correctly I think we had asked Mr. Marcel Carter to give you, in response to Mr. Chambers' request—

Mr. CHAMBERS: It was my request I believe.

Mr. BUSHNELL: Yes, your request and Mr. Fortin's request; and I think he had only got nicely started when something intervened.

I think, if you permit, that this explanation of the organization and how it operates should be taken up again because it might remove some of the areas of doubt which seem to exist at the moment.

The CHAIRMAN: Could you run down particularly the French network on the organizational chart? I think that would get us closer to what we want. Please proceed, Mr. Fortin.

Mr. FORTIN (*Interpretation*): Mr. Chairman, to refer a little to what Mr. McCleave said, what we want to know is of course who chooses the sponsors appearing on television.

The CHAIRMAN: Just a minute, please. Quiet, gentlemen. We cannot hear up here.

Mr. FORTIN (*Interpretation*): We want to know who chooses the commentators appearing on television whose names appear on the list we have before us. I think the committee is entitled to hear this individual. So I ask

Mr. Bushnell or Mr. Carter to agree that the person involved who choses those commentators or sponsors to make it known to him that he should come and testify before us.

Mr. BUSHNELL: Which program do you have in mind?

Mr. FORTIN (*Interpretation*): The one responsible for selecting the commentators whose names appear on this list that we have in hand. I mean the French network commentators, on the French network 1958, from Monday through Friday.

The CHAIRMAN: You wish to have what?

Mr. FORTIN (*Interpretation*): I wish to have appear before the committee as a witness the man who was responsible for selecting the commentators whose names appear on the list.

The CHAIRMAN: If I understand it, Mr. Bushnell just replied that there is no one man. Would you go along with that, Mr. Bushnell?

Mr. BUSHNELL: Well, I am not dodging the issue at all, or I am trying not to. It is a plain matter of record, a matter of fact, that no one individual either in the English language or the French language selects these commentators.

Let me give you an illustration. Right here in Ottawa, for example, we have a representative of the talks and public affairs department. Toronto wishes to have a member of the parliamentary press gallery speak on some subject. They refer the matter to their representative in Ottawa who sends back to Toronto a suggested name. The suggestion of the man on the spot would obviously carry weight. So there again you have that sort of divided responsibility.

Mr. FORTIN (*Interpretation*): Yes, that may be. But I believe this is a little different, though. These programs have been prepared long in advance. I imagine that the producer has been asked to prepare these programs, and he has also been given authority to invite commentators to appear on the program.

Mr. OUIMET: These programs are not prepared long in advance. This particular series referred to was one not carried on television but actually carried on radio. It follows the news at 10.10 every night. If you noted it by subjects you would see that we are trying in this series as much as possible to get as close as possible to factual news, the factual analysis of the news.

Mr. TREMBLAY (*Interpretation*): Well, Mr. Chairman, I am quite in agreement with my colleague, Mr. Fortin. I want to know who chooses these individuals because, as I said, we feel we are involved in a kind of ghost race. It is passing the buck. And then, coming back to Mr. Bushnell, he makes excuses for so and so. What we want to know is who is the real responsible person, or persons, in the C.B.C. upon whom the responsibility must truly be held to lie.

Take the example of the commentary on radio services. Who chooses these people? Just now they spoke of a research bureau. Who is it, for example, who decides over the years who will maintain a continuity of a certain type in French which is not in the public interest or in the public taste as, for instance, in the case of the Plouffe family programs?

Mr. BUSHNELL: About five minutes ago I suggested we allow Mr. Carter to continue with his statement which he merely began the other day. With the chart I think we can clear up a lot of these questions in your mind. Is it agreeable to allow Mr. Carter to go along and then if you wish you may question him on any point?

Mr. FORTIN: I believe it was said this morning by Mr. Bushnell that he had obtained an answer to the question I put on May 28 concerning the breakdown of the cost of a certain production. You told me this morning you had the figures available.

Mr. BUSHNELL: All right.

The CHAIRMAN: After these are distributed, then Mr. Carter will continue with his statement.

Mr. MCCLEAVE: Mr. Chairman, have you seen this copy?

The CHAIRMAN: I have seen it right now. It is being distributed.

Mr. MCCLEAVE: Some day they will put in a script of a new program and it will become part of the record before we know it.

The CHAIRMAN: The cost is $84,453. That will identify it.

Mr. MARCEL CARTER (*Controller of Management Planning & Development, Canadian Broadcasting Corporation*): Mr. Chairman, the other afternoon I had started to speak on the method of establishing staff requirements for television operation. I had indicated that the number of staff required for a live television production is directly related to the program planning for each and every show, and that the total staff required for a show depended on the results of the load of production at that location, in terms of live production naturally. In addition to the production staff required, there are auxiliary services which are needed at each location, such as accounting, personnel, publicity, and so on.

Here I would like to explain how we go about determining the staff required on a live television production and how that is built up. The planning of a program starts with an idea. Once the idea is approved, a scenario, and eventually a script, is produced. Mr. Fortin asked a question in relation to that. I think that was the point we were at when the bell rang the other day. Mr. Fortin asked where the program would originate. I indicated it could originate from one of the specialized departments such as talks, children's broadcasts, farm broadcasts and so forth. Also, it may come from a text that is submitted from outside the corporation. We do not accept ideas solely from within the corporation.

Mr. FORTIN: My question was if the idea comes from outside, to whom is it first conveyed? That is my question.

Mr. CARTER: It all depends on its nature, sir. If an idea comes within a specialized area of broadcasting, it will probably be directed to the specialized department concerned with that particular area. I also indicated to you that if it comes from an advertising agency or a sponsor it is quite likely it would come in through our commercial department. Does that answer your question?

Mr. FORTIN: Yes.

Mr. TREMBLAY (*Interpretation*): I have a question for Mr. Carter. You spoke of a script bureau. Is there a body which is supposed to discuss and approve scripts?

Mr. CARTER: There is a script bureau which in French we call service des textes. The responsibility of this department is to deal with authors and also to secure the help and assistance of play readers who are hired from outside. These play readers are selected from among established authors and script writers. They will review a script for the corporation and give an opinion. It is the responsibility of the script bureau to assess that report and possibly to review the text themselves.

One of their important functions is to try to develop authors. We have a shortage of texts, both in English and in French. As you must have noticed, very often we adapt plays and stories that are already existing. We do not have an overwhelming quantity of material which is prepared especially for television. The script bureau has that function; also, it will negotiate terms with authors once we have decided to accept the play.

Mr. TREMBLAY: How many members are on the script bureau?

Mr. CARTER: Offhand, I could not give you the number of employees, but I can get that information for you.

The CHAIRMAN: Would you find that out for Mr. Tremblay?

Mr. CARTER: Yes, I will.

The CHAIRMAN: Gentlemen, inasmuch as our translator had to report back to the house, may I suggest that this meeting be adjourned until 9.30 on Thursday morning. We will continue with the same witness as we are now questioning. Is that agreeable?

Agreed.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

Comité de la radiodiffusion, 2 juin 1959.

(Page 234)

M. TREMBLAY: Monsieur le président, je serai très bref, je n'ai pas l'intention de faire de déclarations comme on me l'a reproché l'autre jour.

Je voudrais savoir quelles sont les raisons qui motivent la décision du comité consultatif.

* * * *

M. TREMBLAY: Oui, monsieur le président, j'accepte la remarque générale qu'il n'est pas question d'entrer dans le détail et de faire la cause de certaines personnes, etc., mais je pense que, dans les circonstances, la question est assez grave pour que nous obtenions le rapport détaillé que j'ai demandé l'autre jour. Il ne s'agit pas de désigner des coupables, mais, comme l'administration de Radio-Canada nous paraît être une chose extrêmement compliquée, pour ma part en tout cas, je ne me contente pas de l'aveu que nous a fait l'autre jour M. Bushnell que c'est lui, le président ou le vice-président, qui en sont responsables et qui en prennent toute la responsabilité. Cela, c'est une excuse assez facile et qui ne rend pas compte des faits.

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(Page 235)

M. FORTIN: Monsieur le président, tout d'abord je dois vous dire immédiatement que je partage l'avis de mon collègue M. Tremblay à ce sujet-là. Maintenant, je crois, en suivant la suggestion que vous faites, que nous faisons fausse route. Ce n'est pas le député de Roberval (M. Tremblay), ou le député de Montmagny-L'Islet ou un autre qui veut avoir l'information, c'est le public. Nous sommes ici tout simplement son interprète, et c'est pourquoi, si Radio-Canada est disposé à donner l'information à un individu, elle doit la donner à celui qui paye, soit le peuple en général.

* * * *

M. FORTIN: Quand le rapport sera-t-il soumis? Il y a déjà au delà d'un mois qu'il a été demandé?

* * * *

M. TREMBLAY: Monsieur le président, je consens bien à différer jusqu'à la présentation de ce rapport les questions que j'avais l'intention de poser à ce sujet-là, mais, avant de passer à autre chose, je voudrais faire une proposition. Je voudrais demander à monsieur le président, et à M. Bushnell, s'il est possible que M. Alphonse Ouimet soit appelé devant le comité?

* * * *

M. FORTIN: Monsieur le président, à la suite de la demande qui a été faite par M. Tremblay à la dernière séance, j'ai ajouté une question, et je demandais à Radio-Canada de nous donner un détail du coût de production de l'émission "La plus belle de céans". Je me demande si le vice-président est prêt à nous donner ce détail ce matin?

* * * *

M. BRASSARD (*Lapointe*): Monsieur le président, je veux, au tout début, dire que je regrette énormément, moi aussi, que M. Alphonse Ouimet ne puisse venir répondre à nos questions, soit aujourd'hui, soit dans un avenir plus ou moins rapproché, parce que je suis certain que si M. Ouimet,—même si M. Bushnell d'ailleurs, l'a remplacé avec beaucoup de compétence, si M. Ouimet était venu ici devant nous, sa longue expérience dans le domaine de la radio et de la télévision aurait servi à dissiper plusieurs fausses impressions que plusieurs députés ont en marge de Radio-Canada.

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(Page 236)

M. TREMBLAY: M. Brassard pourrait-il s'expliquer davantage?

Mr. BRASSARD (*Lapointe*): Excusez-moi, j'ai la parole. Comme deuxième point, je crois que tous les députés ainsi que le public, sont d'avis que Radio-Canada peut commettre des fautes, qu'elle a été faible et qu'elle en a commis, mais il faut se souvenir . . .

Est-ce que je pourrais continuer?

* * * *

M. DORION: Monsieur le président, je ne sais pas si je suis tout à fait dans l'ordre, mais avant que nous commencions le témoignage de M. Bushnell, je voudrais présenter certains points sur lesquels, quant à moi, je voudrais obtenir des renseignements.

Premièrement, je suis informé que des textes auraient été préparés à plusieurs reprises depuis un certain nombre d'années, textes pour lesquels Radio-Canada aurait payé, et qui n'auraient jamais été utilisés. Alors, je voudrais que l'on me fournisse des précisions sur ce qui s'est passé dans ce domaine,—si mes renseignements sont exacts,—depuis cinq an, soit le nom des auteurs de ces textes, les montants qu'ils ont reçus, et pourquoi ces textes-là n'ont jamais été utilisés, ce qui serait, à mon avis, une dépense absolument inutile.

* * * *

M. DORION: Le deuxième point, monsieur le président, sur lequel je voudrais avoir des informations, aurait trait aux relations de France-Film avec Radio-Canada.

Je voudrais savoir s'il n'est pas arrivé, disons depuis cinq ans, et je voudrais avoir des précisions à ce sujet-là, que des artistes étrangers aient apparu à des programmes de télévision à Montréal, payés par Radio-Canada, artistes qui auraient été invités ensuite, ou avant plutôt, par France-Film, et que France-Film aurait ensuite utilisés pour ses propres services à des conditions beaucoup plus avantageuses? Et, sur ce point, je suggérerais que M. Jean-Paul Lepailleur soit invité à comparaître et à témoigner.

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(Page 247)

M. TREMBLAY: Monsieur le président, je voudrais poser une question supplémentaire à M. Dunsmore au sujet des agences de publicité.

J'ai demandé, le 26 mai 1959, la question suivante:

Est-ce que les agences de publicité, ou les commanditaires, ont fait des représentations à Radio-Canada dans le but de demander que les chiffres que le comité demande ne soient pas révélés?

Et mon collègue, M. Dorion, a demandé la question suivante:

Est-ce qu'il y a dans les contrats conclus entre la Société Radio-Canada et les commanditaires, une clause à l'effet que les chiffres que le comité demande ne soient pas divulgués?

J'ai posé cette question le 26 mai 1959.

M. Dunsmore a déposé tout à l'heure certaines lettres en date du 27 mai 1959. Est-ce que,—et je répète ma question,—il y a eu, soit en 1957 ou en 1958, ou avant le 26 mai 1959, des représentations faites par les commanditaires à l'effet que Radio-Canada ne divulgue pas les chiffres que réclame actuellement le comité?

* * * *

(Page 248)

M. FORTIN: Une question supplémentaire.

A supplementary question. Mr. Chairman.

Est-ce que, dans le même ordre d'idées que mentionnait...

M. FORTIN: Est-ce que, dans le même ordre d'idées mentionné par M. Tremblay, Radio-Canada de son côté aurait promis, garanti ou laissé entendre, d'une façon quelconque, que jamais ces chiffres seraient dévoilés?

* * * *

M. TREMBLAY: Monsieur Bushnell, pourriez-vous nous dire si c'est là simplement le fait d'une entente verbale ou si réellement il y a des textes sur lesquels vous pouvez vous appuyer pour déclarer que c'est réellement le fait d'une entente définie entre la Société Radio-Canada et les commanditaires?

* * * *

M. DORION: J'ai demandé à M. Bushnell, l'autre jour, de produire une formule des contrats qui sont passés avec les agences de publicité.

M. FLYNN: Il l'a.

M. DORION: On me dit qu'elle a été produite, mais je n'en possède pas une copie.

* * * *

(Page 250)

M. TREMBLAY: Monsieur le président, pour suivre l'exemple de M. Pickersgill, je voudrais faire allusion au domaine de l'intérêt public.

Est-ce qu'il est dans l'intérêt public de demander aux contribuables de participer à des programmes qui servent à la publicité de certaines compagnies...

M. TREMBLAY: Et cela sans fournir aux contribuables des explications sur la part qu'ils prennent dans cette publicité?

* * * *

(Page 257)

M. FORTIN: Où trouverons-nous le prix qui a été payé ou qui sera payé à l'auteur d'une pièce qui est jouée?

* * * *

M. FORTIN: A condition que l'auteur ait du talent.

* * * *

(Page 272)

M. DORION: Monsieur le président, je voudrais savoir jusqu'à quel point ce bureau de recherches étend son activité? Est-ce que cela concerne simplement les programmes d'ordre commercial ou les programmes où il y a des commenditaires, ou cela comprend-il tous les programmes?

* * * *

M. DORION: Alors, j'ai vu dans la liste de vos commentateurs des noms qui reviennent constamment. Je n'ai pas besoin de les citer, ils sont là. Je voudrais savoir si ces noms, si le choix de ces commentateurs est le résultat des enquêtes qui ont été faites par ce bureau.

* * * *

M. DORION: Alors, pour faire suite à votre réponse, monsieur Bushnell, je voudrais savoir qui a la responsabilité du choix de ces commentateurs qui sont toujours les mêmes figures, avec les mêmes idées, et à peu près avec des versions qui varient peu à peu du jour au lendemain?

* * * *

M. DORION: Je regrette, monsieur Bushnell, mais en jetant un coup d'œil sur la liste que vous nous avez remise, et qui est simplement pour le mois de janvier 1958, on aperçoit les noms de personnes qui appartiennent toutes, ou à peu près, à la même école de pensée, sauf quelques rares exceptions. Alors, il y a sûrement quelqu'un qui est responsable de ce choix. Il y a là une tendance très marquée qui dénote, n'est-ce pas, que l'on ne donne pas à toutes les opinions la chance de se faire entendre. Alors, je voudrais connaître les noms des personnes qui sont responsables de cela, du moins pour le réseau français.

* * * *

(Page 273)

M. TREMBLAY: Monsieur le président, je ne suis pas tout à fait d'accord sur le fait que l'on doive nécessairement taire le nom de certaines personnalités. La société Radio-Canada n'est pas une société qui administre simplement des biens matériels; c'est une société qui a une responsabilité dans l'ordre moral et intellectuel. Par conséquent, il n'est pas possible au président ou au vice-président d'assumer toute la responsabilité dans l'ordre moral et intellectuel. Conséquemment, il est nécessaire d'avoir les noms de certaines personnalités qui assument une portion, une partie très importante de l'opinion pulique à la société Radio-Canada.

* * * *

M. DORION: Oui, monsieur le président.

Pour ajouter à ce que vient de dire mon excellent ami de Roberval, nous sommes en présence d'une discrimination évidente. Il n'est pas besoin d'analyser longuement la liste qui nous a été produite pour conclure que nous sommes en présence d'une organisation qui, à jet continu, de façon permanente, n'a recours pour exprimer des idées, pour faire l'éducation du public, qu'à une seule et unique école de pensée, et c'est devenu scandaleux. En conséquence, je ne tiens pas responsables M. Bushnell ou les autres, mais je crois que, dans un cas comme celui-ci, il serait souverainement injuste de tenir la haute direc-

tion de Radio-Canada *in toto* responsable de cela. Il y a des noms derrière; il y a certaines personnes qui exercent une parcelle d'autorité, qui sont responsables, et ces gens-là, on doit les connaître pour faire ensuite les recommandations qui s'imposent.

* * * *

(Page 274)

M. FORTIN: Pour revenir un peu sur ce que M. McCleave disait, ce que nous voulons savoir, évidemment, c'est quel est l'individu qui a choisi les commentateurs qui ont paru à la télévision et dont les noms apparaissent sur la liste que nous avons actuellement en main? Je crois que le comité aurait maintenant le droit d'entendre cet individu. Conséquemment, je demande à M. Bushnell ou à M. Carter de s'entendre avec la personne qui a choisi ces commentateurs-là et de lui faire savoir que le comité désire l'entendre comme témoin dans les jours qui suivront.

* * * *

(Page 275)

M. FORTIN: Les commentateurs du réseau français 1958, du lundi au vendredi.

* * * *

M. OUIMET: Serrer l'actualité d'aussi près que possible.

* * * *

M. TREMBLAY: Monsieur le président, je suis tout à fait d'accord avec mon collègue, M. Fortin. Je serais bien intéressé à savoir qui choisit ces gens-là, parce que, comme je l'ai fait remarquer au début de la réunion du comité, on a l'impression d'assister à une course au fantôme. Chacun se passe la responsabilité, et finalement, on est obligé de revenir à M. Bushnell qui, lui, en est quitte ou en sera quitte pour faire des excuses au nom de celui-ci ou celui-là; mais où est la responsabilité à Radio-Canada? Qui, en pratique, assume la responsabilité? Je prends l'exemple des commentaires qui sont faits en français à la radio. Qui, en pratique, choisit ces gens-là? On a parlé tout à l'heure d'agences de recherches. Qui décide, par exemple, que pendant des années on va maintenir une continuité qui n'est pas nécessairement dans le goût du public; le cas des Plouffe, par exemple?

* * * *

(Page 276)

M. FORTIN: A qui est-elle transmise d'abord?

M. CARTER: Désirez-vous que je vous réponde en français?

* * * *

M. TREMBLAY: Monsieur le président, on a parlé de *script*, tout à l'heure. Y a-t-il un comité qui constitue une agence, enfin un organisme qui est censé discuter, acheter, approuver des textes?

M. CARTER: Nous avons un service des textes, monsieur le président.

APPENDIX "A"

Organization and Functions of Audience Research

When the Audience Research Division was first conceived, Management issued the following statement of objectives.

> The Bureau of Audience Research will be responsible for conducting scientific research about the size, composition and characteristics of listening and viewing audiences, both English and French, across Canada and for investigating the reaction and preferences of the Canadian public about radio and television programs. It will also be responsible for special opinion and market surveys about broadcasting in Canada.
>
> The Bureau will act in an advisory and service capacity to Management, the Program Division and other related Divisions such as Commercial, Press and Information, Station Relations and Broadcast Regulations. . . .

In attempting to achieve this objective, Audience Research works with and provides services to all Divisions of the Corporation. The kinds of requests that have been received were of a much wider and more varied nature than was originally anticipated. Once the Division was in operation, officials tended more and more to turn to it for assistance in solving their problems—problems of audiences or otherwise. At present there seems to be a widespread awareness of the need for objective data in planning, operating and evaluating the work in practically all phases of the Corporation's activities. In fact, these diversified requests to the Division suggest that possibly the name should be changed from Audience Research to Research and Statistics or some comparable broader designation. While this multiplicity of demands has put a heavy load on the staff, it served to bring the Division into close contact with all facets of broadcasting. For this reason, and because of the nature of research work, the organization of the Division has been kept relatively flexible. At the moment, the Division is operating in three locations—Ottawa, Montreal and Toronto.

Ottawa

The Ottawa location is head office of the Division's interests and embraces the Director's office, Statistics Department, Analysis and Reports Department and Research Projects Department.

(a) *Director's Office*—The Director's office is responsible for research policy and planning, overall supervision and co-ordination of the work of the specialized Departments in Ottawa as well as the regional offices in Toronto and Montreal. The Director takes the ultimate responsibility for all research activities and in turn reports to Management through the Controller of Broadcasting. As a member of the Management Committee, he is in touch with all current developments and problem areas and is in a position to direct activities in such a way as to meet the most important needs of Management, the various Divisions and Regions.

(b) *Statistics Department*—This Department is responsible for providing a number of statistical services including current and projected figures on sales and distribution of sets, coverage statistics concerning the number of Canadian radio and TV households within station and network reception areas, and also for tracing the growth of Canadian radio and TV. In this area, the Statistics Department works closely with the Commercial and Engineering Divisions and the Operations group as well as the Treasurer's Division. It also maintains close working liaison with the Dominion Bureau of Statistics and other sources of current statistical information.

Another important function of this Department is to design and select samples for special research projects. One of the continuing responsibilities of the Chief Statistician, who is also Supervisor of the Department, is to evaluate the quality of statistical material purchased from commercial research organizations and to suggest ways and means by which the standards of such statistical market research data may be improved.

From time to time, this Department is called upon to do intensive research into various methods of setting rates and to assist and advise the Assistant Controller of Broadcasting (Commercial) in setting up rate structures for all networks. It is also called upon to provide periodic forecasts of all total advertising expenditures and television expenditures.

(c) *Analysis and Reports Department*—The major function of this Department is to analyze audience size or rating information supplied by commercial audience measurement firms. Ratings when properly analyzed and used within their limitations, can be helpful in discovering patterns of listening and viewing and can be particularly useful to Programming Officials, Commercial Representatives, Station Managers, Information Services staff, as well as Management. As well as preparing special studies in trend analyses, this Department handles a wide variety of requests for information either verbally or in memo form.

In addition, Analysis and Reports has been assigned the function of editing, processing and distributing Audience Research bulletins and reports. The monthly Audience Research Bulletin, containing a variety of current research information, is widely distributed throughout the Corporation.

Analysis and Reports has also responsibility for publishing semi-annually a program statistical analysis report. This contains analysis of the different CBC program balances on radio and TV networks and on TV stations on the basis of program content.

(d) *Research Projects Department*—This Department is responsible for the planning and execution of special studies of various kinds in an attempt to learn more about the impact and effects of radio and television broadcasting and the nature and behaviour of audiences of different kinds. Audience opinion and reaction information is collected, interpreted and related to the particular characteristics of the audiences.

Research Projects is responsible for definition of the problem, design of the study, analysis and interpretation of the data gathered and presentation of the results. In many cases, the field work is carried out by commercial research agencies in accordance with Audience Research specifications. On a number of occasions, however, the Research Projects staff have conducted or directed their own field work activity.

(e) *Research Reference Library*—In addition to the Director's office and the three main departments, head office also contains a research reference library. This library serves all sections in the Audience Research Division and acts as a reference library for other CBC offices and Divisions located in Ottawa. This includes the ordering of all books and periodicals. The primary aim of the library has been to acquire as complete a collection as possible of important books and research projects dealing with mass media and related social science areas. Already this library contains as much information on research methods and findings in the communication research field as any in the country.

Montreal:

The Montreal office has been operating for the past year, and now services most of the needs of the French networks. It assists program planners and producers to define their problems, and designs and conducts studies to meet their specific needs. The Supervisor maintains close liaison with senior CBC officials and advises Regional Management on all matters concerning research.

Toronto:

The Toronto office is just now being staffed to the point where, in a few months, it will be able to service the English network in much the same way that the Montreal office now serves the French networks. In due course, it is hoped that this office will also be able to embark on an efficient job of program testing and evaluation. In addition, as the bulk of market research agencies, advertising agencies, and advertisers are located in Toronto, this office will be expected to keep in touch with various officials in these fields.

APPENDIX "B"

CANADIAN BROADCASTING CORPORATION

TELEVISION PROGRAM COST REPORT

Title: "La plus belle de ceans"
Telecast time: 10–11:48
Live: Network: Sustaining: 1 Episode

Program Number: 8303–2
Telecast date: 3/5/59
Number of Performers: 79

	Actual Production Cost
Talent	$ 27,109
Program Production	6,602
Film Production	4
Design—Direct and Indirect	18,023
Staging—Direct and Indirect	10,807
Technical	6,679
Total Production Cost	$ 69,224
Add: Overhead application to recover administrative expense:	
(*a*) Regional Production Center	$ 10,384
	$ 79,608
(*b*) Management Supervision	4,845
	$ 84,453

APPENDIX "C"

CANADIAN BROADCASTING CORPORATION TELEVISION SERVICE

PRODUCTION COSTS AND ASSOCIATED INCOME

French Network

Program	Production Costs	Administrative Overhead	Total Costs	Receipts		
				Program Contribution	Station* Time	Total
	$	$	$	$	$	$
A	4,932	345	5,277	3,600	819	4,419
B	16,298	1,141	17,349	10,200	1,492	11,692
C	7,605	532	8,137	4,500	756	5,256
D	3,803	266	4,069	2,050	1,202	3,252
E	2,134	149	2,283	1,700	699	2,399
F	7,940	556	8,496	3,900	939	4,839
G	4,841	339	5,180	4,100	789	4,889
H	7,208	505	7,713	3,900	996	4,896
I	8,951	627	9,578	5,025	736	5,761
J	1,955	137	2,092	1,800	717	2,517

* Net of payments to private affiliates.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament
1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 9

THURSDAY, JUNE 4, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

E. L. Bushnell, Acting President, Canadian Broadcasting Corporation; J. P. Gilmore, Controller of Operations; M. Carter, Controller of Management Planning and Development; M. Ouimet, Deputy Controller of Broadcasting; and J. J. Trainor, Assistant to Director of Audience Research.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21366-0—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.,

Vive-Chairman: J. Flynn, Esq.,

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
Johnson,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
Muir (*Lisgar*)
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
†Paul,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
*Taylor,
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

*Replaced Mr. Jung Wednesday, June 3, 1959
†Replaced Mr. Pratt Thursday, June 4, 1959

ORDERS OF REFERENCE

WEDNESDAY, June 3, 1959.

Ordered,—That the name of Mr. Taylor be substituted for that of Mr. Jung on the Special Committee on Broadcasting.

THURSDAY, June 4, 1959.

Ordered,—That the name of Mr. Paul be substituted for that of Mr. Pratt on the Special Committee on Broadcasting.

ATTEST

LÉON J. RAYMOND
Clerk of the House.

21366-0—1½

MINUTES OF PROCEEDINGS

THURSDAY, June 4, 1959.

The Special Committee on Broadcasting met at 9.30 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*); Mrs. Casselman; Messrs. Chambers, Dorion, Fairfield, Halpenny, Kucherepa, Lambert, Macquarrie, McCleave, McGrath, McIntosh, Pickersgill, Robichaud, Simpson, Taylor and Tremblay—(18).

In attendance: Mr. E. L. Bushnell, Acting President of the Canadian Broadcasting Corporation, assisted by Messrs. Marcel Carter, Controller of Management Planning and Development; Marcel Ouimet, Deputy Controller of Broadcasting; J. P. Gilmore, Controller of Operations; R. C. Fraser, Director, Public Relations; A. M. Henderson, Comptroller; W. G. Richardson, Director of Engineering; R. E. Keddy, Director of Organization; Barry MacDonald, Secretary, Board of Directors; and J. A. Halbert, Assistant Secretary, Board of Directors.

The Chairman observed the presence of quorum, and called Mr. Carter to continue with his presentation concerning the method of establishing staff requirements for television operations.

Messrs. Carter and Bushnell answered questions asked at previous meetings.

Copies of a television program cost report relating to the program "Téléthéâtre" were distributed to members of the Committee and it was agreed that it be printed as an appendix to today's record. (*See Appendix "A"*)

Mr. Ouimet was called and read a statement relating to the production of the television program "La Plus Belle de Céans".

Messrs. Bushnell, Ouimet and Carter were questioned concerning this program, and ways of preventing similar productions in the future.

Mr. Gilmore was questioned concerning the possible overstaffiing of some of the Corporation's facilities.

At 10.50 a.m. the Committee adjourned to meet again at 8.00 p.m. this day.

The Special Committee on Broadcasting met at 8.05 p.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Chambers, Eudes, Fairfield, Halpenny, Johnson, Kucherepa, Lambert, McCleave, McGrath, McIntosh, McQuillan, Richard (*Ottawa East*), Simpson, Smith (*Calgary South*) and Trembay—(18).

In attendance: The same officers of the Canadian Broadcasting Corporation as attended this morning with the addition of Mr. J. J. Trainor, Assistant to Director of Audience Research.

The Chairman observed the presence of quorum and suggested to members that the Committee's work coud be expedited by submitting to him in advance a list of questions or areas of enquiry to be dealt with at future meetings.

Messrs. Bushnell and Trainor were called and Mr. Trainor outlined the functions and organization of the Audience Research Division of the Corporation.

During his presentation, Mr. Trainor tabled an organization chart, copies of which were distributed to members of the Committee, and ordered printed in the record of today's Proceedings. He dealt specifically with the work of the division on audience analysis and trends.

Messrs. Bushnell, Trainor and Ouimet were questioned concerning the possible utilization of the sampling and processing facilities available from the Dominion Bureau of Statistics, and the staffing of the Audience Research Division.

At 9.45 p.m. the Committee adjourned to meet again at 11.00 a.m. Tuesday, June 9, 1959.

J. E. O'Connor,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

THURSDAY, June 4, 1959.
9.30 a.m.

The CHAIRMAN: Mrs. Casselman and gentlemen, we have a quorum. Before Mr. Carter proceeds with his statement in connection with method of establishment and staff requirements, Mr. Tremblay has one short question for Mr. Bushnell.

Mr. TREMBLAY: Mr. Bushnell, would you tell me whether or not it is true that an additional two weeks' holidays have been granted to those members of the Canadian Broadcasting Corporation who did not participate in the strike during last winter?

Mr. ERNEST BUSHNELL (*Acting Chairman, Board of Governors, Canadian Broadcasting Corporation*): Yes, it is true.

The CHAIRMAN: Would you now proceed, Mr. Carter.

Mr. MARCEL CARTER (*Controller of Management Planning and Development, Canadian Broadcasting Corporation*): With your permission, I would like to reply to a question asked by Mr. Tremblay on Tuesday evening regarding the number of employees for the script department in Montreal. There are thirteen employees in the department and the bureau processes or reviews 300 to 400 scripts a month, which amount to approximately 5,000 scripts a year. It services not only the French television network, but also the French radio network, the local operations of station CBM in radio, also CBF and the English originations from Montreal in connection with television, together with the requirements of the international service, which is also located in Montreal. Does that answer your question, Mr. Tremblay?

Mr. TREMBLAY: Has Mr. Robert Charbonneau the first responsibility for this bureau?

Mr. CARTER: Do we deal with individuals, Mr. Chairman?

The CHAIRMAN: The question was merely to the effect that he wanted to know where Mr. Charbonneau appears in the organizational chart.

Mr. TREMBLAY: I would like to know if he is a member of the bureau.

Mr. CARTER: He heads it.

Mr. TREMBLAY: Are Miss Angele Dupuis and Mr. Robert Beaugrand-Champagne members of the bureau?

The CHAIRMAN: I think it is all right, Mr. Carter, if you merely tell Mr. Carter whether or not they are in the establishment. Are they in the establishment?

Mr. CARTER: Yes.

The CHAIRMAN: Would you continue, Mr. Carter.

Mr. CARTER: Now, if I may come back to the question of the method of establishing staff, I will do so. I believe this is my fourth attempt to deal with this subject. I do not know whether or not there will be another bell this morning.

Mr. CARTER: I have already discussed with the committee the way a program idea was discussed and finally approved.

When the program idea has been approved, the program director will determine with the supervising producer, if there is one in the area involved, who should produce the program. The program director then relies on the supervising producer to follow the progress of the rehearsals, and so forth.

Once a program has been assigned to a producer the first thing he does is assemble a team which basically constitutes a script assistant, a production assistant, a technical producer and a designer. This team sits with the supervising producer and they deal with all problems connected with the production of the program. In the course of these meetings people from costume, make-up and graphic arts may be called in to discuss particular aspects which are of concern to them, but basically the team of script assistant, technical producer, producer and designer are the people who participate in these discussions from beginning to end and, in fact, carry on until the program has been aired.

Now these program meetings, as you can envisage, do not last one day only, but they may carry on for one week, two weeks, a month and perhaps longer, depending on the importance of the show to be presented.

Once they have finished with their production planning, the conclusions they have reached are put down into a production requisition or a production book. In this document are detailed the requirements from the various services; in other words, what they will have to do for this particular program. This is directed to costumes, make-up, graphic arts, design, paints, carpenter shop, accessories or props, films and the technical services.

Now, concurrently with this activity of planning the production, the producer with the assistance of the casting department will select the performers who will play a role in the production. Once they have been chosen, arrangements are made with the individuals concerned, and they come to terms. After the cast has been assembled, a meeting is held with those producers to determine a rehearsal schedule, so everyone will know the date, time and place when the rehearsals are to take place.

The rehearsals take place in two stages. There are dry rehearsals which take place in the halls that we have for that purpose in order to save our studio facilities. We could not hope to carry on rehearsals, continuously in studios because this would require an abnormally large amount of facilities. In these halls the producer is able to simulate the conditions that will be made in the studio by means of tapes which are placed on the floor to outline the sets and to indicate where properties will be located in order that the performers actually can work out the play. Now, in connection with the rehearsals, all but two days of rehearsal are conducted in those halls, and the last two days of the actual production does take place in the studio.

At the studio rehearsal all elements of staff and planning are brought together. Throughout the dry rehearsal period the artists alone have worked with the producer, but when they get into the studio all the service departments that will make a contribution to the program come into it, as is indicated on the chart by the large number of people in the studio.

It should be indicated here that the number of technical and staging staff used in the studios are determined by the work load. This work load very often is determined in line with terms and conditions of employment and jurisdiction areas spelled out in various agreements with unions. For example, you cannot have a technician perform, deal with props or accessories or assist in the staging.

It is important to know that the time required for production and planning varies according to the type of show involved. It may be one week, two weeks, three weeks or even a month or two in the case of large productions. In extreme cases, such as the visit of Her Majesty, a period of six months of planning has been required to arrange for the pick-up points, the assignment of staff and so forth. Planning for facilities to take care of this has been going on for almost a year.

In connection with the time required for a rehearsal, it might be of interest to the committee to know that for a one-hour drama three weeks of dry rehearsal normally takes place, in addition to the planning sessions that have occurred before; and for a variety show a week is usually required. Twenty-five hundred hours of work are provided by C.B.C. staff for a drama and this involves approximately 100 employees. For the one-half hour variety show, an average of 1,450 hours is required and this involves the services of approximately 60 people. Now it is the sum total of the requirements of individual programs, such as these two examples which I have given, that add up to the general staff requirements for a complete operation. When we note that during the fall and winter program season, which is the big production time in the broadcasting industry, our English network in Toronto produced 37 hours a week of live programming while 57 hours a week are produced from Montreal through the French network, it must be apparent that staff requirements involved in such a large output are of necessity correspondingly large.

The question was raised about the number of producers we have employed in Toronto and Montreal. If we take those figures of 37 hours a week in Toronto and 57 hours a week in Montreal and keep in mind the number of producers employed at these two locations, we come to an average of about 38 hours of programming a year per producer. I am tying that up with a statement I made previously; for a dramatic show a producer will be tied up for a period of five or six weeks; on other shows it is more. That man, by working very hard, will produce eight hours of program by the end of the year because he works 48 weeks a year. In other shows, such as the variety type a man will produce approximately 12 hours of program. Therefore, these two examples would seem to justify the number of producers we have employed at those two locations.

The CHAIRMAN: Are most of these producers you have full-time employees of the C.B.C. or do you get the odd freelance producer?

Mr. CARTER: I believe they are all full-time employees in Montreal; but in Toronto actually we have hired a producer for a specific number of occasions.

Mr. SMITH (*Calgary South*): In addition to those you have mentioned, are there any others who are not producers but are carrying out the functions of a producer who are carried currently on your staff and hold the title and are paid as producers?

Mr. CARTER: There are other locations. I limited myself to Montreal and Toronto. Mr. Smith, you mean in an advisory capacity?

Mr. SMITH (*Calgary South*): Yes, or for some other reason known to the corporation. They may be doing other work.

Mr. CARTER: Not that I know of.

Mr. PICKERSGILL: Have you corresponding figures for Vancouver, Winnipeg, Halifax and Ottawa?

Mr. CARTER: I have no detailed figures for the hours of production and so forth. However, I can say that in Vancouver we have fifteen producers. In Winnipeg we have ten and in Halifax we have seven.

Mr. PICKERSGILL: How many are there in Ottawa?

Mr. CARTER: Six.

Mr. PICKERSGILL: It would be interesting to have on a subsequent occasion the corresponding figures for the production in those places to the ones which were given for Toronto and Montreal.

Mr. CARTER: All right, I will endeavour to get that information for you.

Mr. SMITH (*Calgary South*): The question I asked in connection with Toronto and Montreal applies to the other cities as well. I would like to know if there are any extra staff being carried as producers and not performing that function.

The CHAIRMAN: We will get that information for you.

Mr. MCINTOSH: Have you calculated the cost of production per hour for each studio?

Mr. CARTER: In working out our costs we have fixed rates established for the use of a studio with two cameras; if three are used that would necessitate additional staff and facilities and the rates would be different. However, we have rates set up that apply to any of the facilities which are used. The same applies for mobile units and so forth.

The CHAIRMAN: Do you wish to proceed, Mr. Carter?

Mr. CARTER: That is all I have to say on that particular point, sir.

The CHAIRMAN: Are there any questions for Mr. Carter in connection with this chart? If not, we shall continue. Mr. Bushnell, you have some answers to questions you would like tabled.

Mr. BUSHNELL: Yes. I think it was Mr. McGrath who asked for the audience for Peter Grimes and I indicated that was part of the Folio series. I think I quoted the figures for the average audience during the month and then someone asked, when I mentioned Sudbury, what the name of the Folio production was. Well I guess there must be a lot of good Irishmen in Sudbury because it was called the Iron Harp. It was on March 17.

Mr. MCGRATH: It was a good play.

Mr. BUSHNELL: Yes.

Then I think Mr. Tremblay asked for a cost breakdown for Teletheatre. I think that has been distributed.

The CHAIRMAN: No; it will be distributed now. Gentlemen, I think we should print this in the appendix.

Agreed.

Mr. BUSHNELL: I believe Mr. Tremblay indicated he might wish to ask some questions.

Mr. TREMBLAY: No, thank you.

Mr. BUSHNELL: The next statement we wish to make—

The CHAIRMAN: Before we leave this program, is this a one-time show which was held on December 11?

Mr. BUSHNELL: Yes; it was a one hour show.

I believe Mr. Tremblay asked for a statement on "La Plus Belle de Céans." I would ask Mr. Marcel Ouimet to make the statement on that now.

Mr. MARCEL OUIMET (*Deputy Controller of Broadcasting*): Mr. Chairman, if I may, I will read the statement paragraph by paragraph in French in order that the translator may follow up with the translation paragraph by paragraph. I imagine it will take me about five minutes or thereabouts.

(*Interpretation*): As you all know the failure of "La Plus Belle de Céans" was so complete that the C.B.C. management had to offer excuses to the Mother Superior of the Grey Nuns, make these excuses public, and carry

out investigation in respect of the circumstances surrounding this program. The inquiry is now closed. It was very complete. It clearly establishes that normal control of programs failed in these circumstances.

Mr. BUSHNELL: Mr. Interpreter, I would like to add this. Your interpretation may be correct. However, I would like to say that it is not excuses; it is, that we have offered our abject apologies. There were no excuses.

Mr. OUIMET (*Interpretation*): In fact there were sins of imprudence, a lack of foresight, absence of system supervisors, the absence of the director of production, the excessive work entailed by the re-establishment of the proper schedule after the strike, the late preparation of the summer schedule and the preparation of the fall schedule. All are factors which have contributed to the disorganization of the system.

(*Interpretation*): As a result the C.B.C., wished, if it was possible, to mark this beatification of Mother d'Youville, and acted with too great haste in order to make this program coincide with the ceremonies in Rome. It was attempted to mount a program with great speed. Account was not sufficiently taken of the fact that the proper organization was still lacking, so that use was made of a script which was already in the hands of the C.B.C. and a sufficient attempt was not made to determine whether or not this script was suited to the circumstances of the day.

(*Reference in English to translation*): The translator said the proper organization was still lacking. I would say that a more proper translation—and I am sure he will agree with me—would be that the mechanics were still rusty from the fact that the strike had just taken place a few weeks before.

(*Interpretation*): A heavy responsibility obviously lies on those who were entrusted with the task of supervising production. The supervision should have been very close indeed on every aspect of such a delicate matter as a program of this type because of the inspiration of the program and the great event with which it coincided and also because of the costs involved. One of the responsible parties, however, did wait until the very last minute to react even though he did himself entertain very serious doubts as to the advisability of carrying out the program.

(*Interpretation*): If we look at the actual finished product, it will be admitted that no success at all was obtained in giving to this program the direction, the atmosphere and the climate which would have been appropriate to that program. Certain scenes of a religious character which had to do with the charitable life of Mother d'Youville could, to a certain extent, have balanced those other scenes which were purely inspired by the lay and mundane life of Mother d'Youville and the people among whom she lived. The fact remains, however, that the success of the play was already jeopardized to a very marked degree by certain scenes which were somewhat off colour and definitely out of place.

(*Interpretation*): Of course, it must be admitted that the situation was difficult. We would have needed more time to prepare production, see to editing, have a good long second thought on the script itself to be studied with the writer with due consideration being given to May 3 and the circumstances peculiar to that day. However, because of the necessity of putting on this production urgently sufficient account was not taken of all the elements of the case by those responsible. There were only two days of rehearsal with cameras. There was hardly time for what is called in broadcasting jargon, blocking. It was even impossible for complete proper dress rehearsals.

(*Interpretation*): As you see, we have gone back, stage by stage, over all of the stages of that program. We have looked at and weighed the errors of judgment and the mistakes in taste which have led to this failure and as

well the degree of guilt of those who are responsible, but we have had no wish to forget the excellent work performed by each and every one in the past. It is never easy, in artistic circles, to accept such a complete and utter failure. In this particular case, the reaction of public opinion and the condemnation vested upon us by public opinion constitutes a supplementary punishment.

(*Interpretation*): Finally, as has already been indicated by us, this responsibility is a social responsibility, a corporate responsibility, a responsibility of the C.B.C. itself in the same way as it was also a corporate responsibility to take, within the C.B.C. itself, those steps which are indispensable in preventing a repetition of such an incident.

The CHAIRMAN: Would you please repeat that final paragraph? The one about the steps to be taken?

The INTERPRETER: Finally, as has already been indicated by us, this responsibility is a corporate responsibility, a responsibility of the C.B.C. itself, as it is also a corporate responsibility incumbent upon us to take within the C.B.C. itself those steps which are indispensable in preventing a repetition of such an incident.

The CHAIRMAN: I would now ask Mr. Bushnell what steps have been taken so that this type of thing cannot happen again.

Mr. BUSHNELL: I think I would put first the fact that there has been, quite properly, so much criticism voiced from almost every quarter that I should think it has been brought more forcibly to the attention of our program directors or supervising producers or producers themselves that this is something which should not have happened and must not happen. I think they realize—everyone in the corporation realizes—that we made a very bad mistake. It was a mistake of judgment. In the circumstances, I think the impression upon our people, perhaps more than anything else we might do, is that this sort of program simply cannot be allowed in the C.B.C. Secondly, we have had very serious discussions with our people in Montreal. We have told them in the plainest possible terms that it must not happen again. We have reprimanded them severely for what they did on this occasion. Certainly, I can say this, in all fairness, that under normal circumstances it would not have happened.

We are now, I should think, almost back to normal. I firmly believe that the people who are in charge in Montreal now will make absolutely and positively sure that anything of this nature will not happen again. If it does, they know what the consequences are going to be.

The CHAIRMAN: Have there been any consequences up to this time? I mean, will you accept one, two, three or four resignations because of it?

Mr. BUSHNELL: I should like to say this, that the supervising producer, who to a very large extent indeed was responsible for seeing that this production was properly presented—or, indeed, seeing that it should not have been presented in the way it was—had already tendered his regisnation to the corporation prior to the program, and we ourselves, because of the shortage of staff that Mr. Carter has mentioned, asked him to remain with us. Immediately this happened, he quit.

Now we cannot do anything about that. I, Mr. Chairman, am reluctant to go beyond that, because it concerns one individual.

The CHAIRMAN: That is all right. I am not "witch hunting", but the reason I asked that question was, I was wondering if another look should be taken at your organizational chart. Maybe your organizational chart is not right, and maybe you should take another look at that, so that there is a definite line of responsibility right to, say, an editor in chief, or something like that, who must consider and O.K. all scripts, even before they are thought of.

Mr. SMITH (*Calgary South*): This is the point. I thought that Mr. Bushnell, if I may say so—and this is a well meaning criticism—was perhaps a little vague in trying to assess where the responsibility could directly lie. I have been reading through your organizational chart. You recall, Mr. Bushnell, that under further examination you said that this is a shared responsibility, and we never really did come to a conclusion—without, again, mentioning names—as to where, even taking this as an example, the final responsibility must rest.

This struck me, for a large organization the size of yours, a little unusual, in that you came to the conclusion that the final responsibility rests with the president and the vice president. Surely that is a bit academic, and surely there must be some individual assessment in each of these particular shows as to who is responsible to you?

Mr. BUSHNELL: Yes, Mr. Smith, that is so. But it is the line of responsibility that I am speaking of. Actually, the person who is next responsible to me would be the controller of broadcasting and the deputy controller of broadcasting, Mr. Marcel Ouimet. The regional director is responsible and, there again, down the line you go.

I am sorry if I disagree with you, Mr. Smith. I am not trying to duck anything: that is just my opinion. If you think otherwise, will you please tell me.

Mr. SMITH (*Calgary South*): I do think otherwise. I feel very strongly that if you run an army, a business, or a government, there has to be somebody at some point who has regional responsibilities in these organizations. I think you are being very gallant to assume the entire responsibility, but I do not think it is practical.

Mr. BUSHNELL: I agree that there are regional people who have responsibilities; but, as I tried to point out the other day, probably we should use the word "authority". May I ask Mr. Smith a question, Mr. Chairman? Would you put final authority in the hands of one individual at a certain level?

Mr. SMITH (*Calgary South*): Yes.

Mr. BUSHNELL: A man who can say "yes" or "no" definitely, without reference to anybody else—I think that is dangerous.

Mr. SMITH (*Calgary South*): You are now adding something which, of course, would not be the case. "Without reference" is no part of my argument; he must have reference, but he still must be responsible.

Mr. BUSHNELL: Indeed he is, and those people are there, and they are responsible: we hold them responsible.

Mr. OUIMET: If I may say so, Mr. Smith, in this particular instance we went into battle very completely under-manned, the very same way as, in the last war, in the case of a battalion commander, he would take the responsibility of going into battle with too small a force. If he won the battle, he got the V.C. or the D.S.O.; if he lost it, he had a very good chance of being sacked.

Mr. BUSHNELL: Or he got killed.

The CHAIRMAN: Nobody was killed in the C.B.C. because of this program?

Mr. BUSHNELL: No.

Mr. TREMBLAY: Are you saying you have responsibility for that show, Mr. Bushnell?

Mr. BUSHNELL: In a measure, yes. I cannot avoid my responsibility. I was given this position—rightly or wrongly—and if a mistake was made by one of my employees, then I was wrong. In this particular case I might remind you that some of these people have been there for a long time. I was not entirely responsible for their appointment, but if I knew there was someone in the organization who was irresponsible, then I am responsible for that, and I accept that responsibility.

Mr. SMITH (*Calgary South*): You do not feel you have too many generals and not enough captains?

Mr. OUIMET: We did lack five captains in this particular instance.

Mr. TREMBLAY: Mr. Chairman, may I ask a question? Mr. Bushnell, you said you are responsible for that show. Would you tell me why Mr. Dumas has been suspended for one month?

The CHAIRMAN: We are again entering into the field of personalities.

Mr. TREMBLAY: It is not personalities; it is a fact.

The CHAIRMAN: It may be a fact, but it still involves personalities.

Mr. TREMBLAY: I would like to point out that Mr. Bushnell said he is responsible for the show, and Mr. Dumas has been suspended.

The CHAIRMAN: Yes.

Mr. TREMBLAY: And I should like to know why.

The CHAIRMAN: You do not need to answer that, if you do not wish, Mr. Bushnell.

Mr. PICKERSGILL: That bears very directly on a question I wish to ask as a supplementary question, which is this: Mr. Smith said that surely in the army you have someone who is responsible for each definite thing. But does Mr. Bushnell not agree that those officers are responsible to their superiors, and it would be absolutely impossible to run the C.B.C. if parliament, or a supplementary committee, took over from the management of the C.B.C. the internal discipline of the corporation?

Mr. MCGRATH: Hear, hear.

An hon. MEMBER: That is a rhetorical question.

Mr. OUIMET: I may say, Mr. Chairman, that whatever action was taken, it was taken after a very thorough assessment of the responsibilities. As I said in the statement, there was a very thorough assessment within the C.B.C., and I do not think you can do any better than that.

Mr. CHAMBERS: On this question of responsibility: I notice that on Mr. Carter's chart there is a circle here, "Program budget. Approved", and then a signature. May we be told at what level—who signs this? Who, in other words, approves the budget in the corporation? I do not want a name. Is it the supervising producer?

The CHAIRMAN: Where is the signature on the chart?

Mr. CARTER: This is what Mr. Chambers refers to. Before answering the question directly, may I mention that Mr. Chambers talked about budgets. Each operating point makes operating plans in advance and makes recommendations to management, and with the operating plans a budget is recommended. This is examined by the officers responsible in Ottawa; it goes through the comptroller, and also through the office of the comptroller of operations. That budget is allocated to the director of television at the location to finance his operations. As indicated previously, the operating plans are put through program by program. There is an overall budget under the direction of the director of television, and once this production meeting has gone on, a report is submitted to the program director at the location. He recommends to the director of television that moneys be allocated to that program, and the director of television authorizes the budget for that program.

Mr. CHAMBERS: This is the point: a decision is made to produce a program, and it is the director of television who authorizes that?

Mr. CARTER: Everything is brought together at that point.

Mr. CHAMBERS: He says it is a good idea to go along with that program?

Mr. CARTER: Yes, that is right; and he has his program director, program administrative officer, and so on.

Mr. SMITH (*Calgary South*): You have a deputy controller and then, I believe, an assistant deputy controller; is that correct—or have I too many people involved in it now?

Mr. OUIMET: We have more than one assistant controller. Do you mean, in broadcasting?

Mr. BUSHNELL: Would you clarify that for me? A controller, did you say?

Mr. SMITH (*Calgary South*): The word "controller", I understood was just used in reference to the chart, was it not?

Mr. BUSHNELL: No. Again, we have to go back to head office. We have a controller of operations; we have a controller—

Mr. SMITH (*Calgary South*): You are familiar with all these people, I am sure, Mr. Bushnell.

Mr. BUSHNELL: Yes.

Mr. CARTER: Mr. Smith, you asked if there was a controller, a deputy controller and an assistant controller?

Mr. SMITH (*Calgary South*): That is correct.

Mr. CARTER: I presume you are talking about the broadcasting area?

Mr. SMITH (*Calgary South*): That is right.

Mr. CARTER: There is a controller of broadcasting in Ottawa, and a deputy controller. Mr. Jennings is the controller, and Mr. Marcel Ouimet is the deputy controller. They are responsible for programming policy, sales, relations with affiliated stations, and so forth.

Accordingly, there is an assistant controller for sales, assistant controller for station relations, and so forth. Instead of using the term "director", we are limited—

Mr. SMITH (*Calgary South*): This does not apply to this chart at all.

Mr. BUSHNELL: No.

Mr. TREMBLAY: Mr. Chairman, I would like to ask a question of Mr. Ouimet. If you will permit me, I will put my question in French.

Mr. CHAIRMAN: By all means.

Mr. TREMBLAY (*Interpretation*): You have said in your statement that the script which was used for the program, La Plus Belle de Céans, was already in the possession of the C.B.C. Had it been approved previously?

Mr. OUIMET (*Interpretation*): It had been submitted for another program series called, Quatuor. If you remember well, this was a program divided into four episodes. It was never used, for the good reason that the series was never completed. It had, therefore, been accepted in principle, but under certain reservations.

Mr. TREMBLAY (*Interpretation*): Will you answer another question? If this script was bad and unsuited to the broadcast on May 3, could it be suitable for broadcast on other occasions?

Mr. OUIMET (*Interpretation*): That is what I indicated when I said we had sinned by a lack of prudence and by a lack of foresight.

Mr. TREMBLAY (*Interpretation*): Now I will put a last question. I require no answer in this respect, but I do think I should put it anyhow. Did the original script not bear the note "Will shock holy souls, but can possibly be broadcast?"

Mr. OUIMET (*Interpretation*): I only saw one report in regard to this particular script, and I cannot remember seeing those words on it.

Mr. TREMBLAY (*Interpretation*): A supplementary question. You say you have only seen one report: do you think there could have been others?

Mr. OUIMET (*Interpretation*): There could well have been a report in respect of the Quatuor series, and there could also well have been a cautionary note in respect of the broadcast of May 3.

Mr. TREMBLAY (*Interpretation*): A last one, Mr. Ouimet. Is it a fact that Mr. Beaugrand-Champagne, who was a member of the script bureau, was suspended temporarily?

The CHAIRMAN: Do not answer that, please, Mr. Ouimet.

Mr. TREMBLAY: Why not, Mr. Chairman?

The CHAIRMAN: We are getting, again, into personalities. I am sorry.

Mr. TREMBLAY: It is a question of fact.

The CHAIRMAN: I do not care whether it is a question of fact, or not; these are personalities. We all agreed we would not do it. If you feel we must go into personalities, so move, and we will again determine whether this committee wants to get into personalities. There is no reason why you should be treated any differently than any other members here.

Mr. TREMBLAY: On a point of order, Mr. Chairman: you said before that Mr. Bushnell will produce a statement.

The CHAIRMAN: Which he did.

Mr. TREMBLAY: And you told me, especially you told me—that if I was not satisfied, I would have the opportunity to put questions.

The CHAIRMAN: I said you would have the opportunity to go over to C.B.C., and you can sit in Mr. Bushnell's office or in Mr. Ouimet's office, and ask them any question you wish, and they will give you the names—as long as it is not made public; as long as it is a personal thing between you and the C.B.C.

Mr. SMITH (*Calgary South*): Mr. Bushnell, recognizing that this is a question asked by a layman, I realize the difficulty in probably having an assessment of what it takes to run a particular studio or to develop a production. Looking at this chart, we see a great number of people involved to produce the finished product. We also see a reference made to the number of producers, and we have all seen the C.B.C. descend on a particular location with large numbers of staff. Also, most of us have seen television stations where a relatively small number of people produce smaller shows. I hope I can get a specific answer from you.

The charge is generally laid that you are over-staffed and you have too many in the hierarchy. You also here it said that—for instance in Vancouver I believe you have 15 producers—and, as one of my colleagues comments to me, that seems an awful lot of bearded gentlemen in one location to produce what comes out of Vancouver. The question, specifically, is: have you made any attempts, through any other sources and purely corporation sources, to assess whether you can streamline your operation, use less personnel, and thus cut your costs? What have you done to see whether you could make an assessment to reduce these over-all costs, having regard to the corporation and number of people in the corporation?

Mr. BUSHNELL: I think the important point you are trying to make is whether or not we have brought in outside consultants or experts. I think it would be prudent to say we have not specifically; but certainly during the Fowler commission, during the year when we had this firm of consultants looking over our whole operation, it was never suggested by them that I am aware of that we were overstaffed.

Mr. SMITH (*Calgary South*): I am not going to ask you directly if you think you are overstaffed, because you will obviously say no.

Mr. BUSHNELL: May I go on, please, Mr. Smith. I will tell you what we are doing, and this will be Mr. Carter's job, as well as Mr. Keddy's and other management personnel. They are going right into this whole matter of seeing whether or not we are overstaffed in any part of the corporation.

Mr. SMITH (*Calgary South*): Whose job did you say it was?

Mr. BUSHNELL: Mr. Carter's and Mr. R. E. Keddy's.

Mr. SMITH (*Calgary South*): They are about to make an assessment of this?

Mr. BUSHNELL: They have been working on it and if it had not been for this unfortunate circumstance in Montreal much more of that work would have been done already.

Mr. SMITH (*Calgary South*): And when will the report be complete?

Mr. BUSHNELL: It would take several weeks, Mr. Smith.

Mr. SMITH (*Calgary South*): Could I ask you specifically if you do not think fifteen producers in Vancouver are not more than the city requires, considering the work that is done in that particular studio?

Mr. BUSHNELL: I will give you a very definite answer; the answer is no.

Mr. MCGRATH: If Mr. Bushnell can tell us, I would like to find out the total staff of the main production areas, not necessarily involved in production, but your total staff in Vancouver, Toronto, Montreal and Halifax.

The CHAIRMAN: You want the total establishment?

Mr. MCGRATH: Yes.

The CHAIRMAN: Without a breakdown as to responsibility?

Mr. MCGRATH: Yes, but your total staff.

The CHAIRMAN: That can be produced.

Mr. BUSHNELL: I can produce that.

Mr. PICKERSGILL: Has a specific comparison ever been made by the C.B.C. of the number of technical personnel required in their production, say, in Vancouver as compared with a roughly comparable station in Seattle, or in Toronto with something roughly comparable in Buffalo, to see whether, as some people do allege, there are more people employed by the C.B.C. than by these people who have to meet a different kind of balance sheet. These questions are raised. I am not making any assertion in connection with that matter, but they are raised.

Mr. BUSHNELL: There is no question about it; they have been raised many, many times. Probably Mr. Gilmore could provide you with more information that would be useful. He is the controller of operations and this comes under his area of responsibility.

Mr. PICKERSGILL: I think we would be interested in having his comments on it.

Mr. J. P. GILMORE (*Controller of Operations, Canadian Broadcasting Corporation*): Mr. Chairman, this is not a new question to the corporation. It has been asked in connection with radio broadcasting over the years, before the advent of television. It has been asked both internally and externally since television took over the broadcasting medium, so to speak. It must be remembered in making these comparisons that the C.B.C. is the only network broadcasting organization in Canada. This is an important distinction because it is like comparing the general store in Williams Lake, British Columbia with Eaton's College street in Toronto. They are not the same problems. However, I think a comparison with Eaton's possibly would be one of the large departmental stores in New York, and this is the comparison we make. Firstly, in respect to comparing our operations with those

of a private station I must say that we are dealing with six or eight union organizations, with written terms of work and conditions of work, which we must observe to the letter. We are confronted with a deluge of grievances if any article of these agreements is breached by having a person perform multiple functions which are not in his job specification; then we are into a lot of administrative machinery. Getting back to this problem of efficiency, yes, we have taken a look at our operations compared with C.B.S. and compared with N.B.C. This was prior to the Fowler commission. However, during the Fowler commission the consultants, as well as the commissioners themselves, did this; and I can recall, if I may paraphrase one bit of testimony during the Fowler commission hearings, the chairman of the commission, Mr. Fowler himself, said he had gone across Canada and after looking at the C.B.C. and private station operations he felt there were a lot of people involved in our network broadcasting until he had gone to New York; then he realized there was more involved in the American network productions. I would like, with your permission, to read one extract which appears at page 255 of the Fowler commission report. It has to do with financing:

> Is the C.B.C. efficient? Does it waste public money? The answers, in the financial circumstances that have existed, cannot be a simple yes or no. Our studies show that the C.B.C. has accomplished much in a short time. In general, it has produced programs of comparable quality at substantially lower costs than similar programs in the United States. We found no examples of careless waste and certainly nothing that even remotely resembled fraud, neglect or mishandling in the administration of C.B.C. finances. On the other hand, we cannot say that everything is right with the present financial situation of the C.B.C.

Then he goes on to make certain recommendations in connection with financial arrangements, which subsequently have been made by our comptroller. We did have a very big study of our operations by the financial consultants to the Fowler commission.

Mr. PICKERSGILL: I have a question which is related to the answer which was just given. Mr. Gilmore said the C.B.C. was to a great extent governed by collective agreements with their employees, and we recognize that, but would not the collective agreements in operation with the American networks be exactly of the same character?

Mr. GILMORE: Yes, networks.

The CHAIRMAN: May I ask a question. Have we a unit in the C.B.C. which does not do any production other than that for local talent, in Halifax, for example?

Mr. GILMORE: Yes. At each station, both in radio and television, we do produce a fairly large amount of local programming and that is why we need the producers numbered by Mr. Carter.

The CHAIRMAN: Would you need any more in one of those stations, for example, Halifax or CFPL-TV in London?

Mr. GILMORE: For local production we would need only slightly more because of the restrictions I have told you about. But, in addition to programming locally the corporation tries to reflect the different regions of Canada to one another in its programs so that your local activity is complicated by a network programming responsibility as well.

The CHAIRMAN: Does not a private station such as CFPL-TV generally feed your network the odd item?

Mr. GILMORE: Other than some film, I cannot recall anything.

The CHAIRMAN: Is there not a two-way microwave?

Mr. BUSHNELL: They did feed a program to the network on one occasion.

The CHAIRMAN: I think we would like to compare something definite. We do not need to take Eaton's and Macy's, but we would like to compare one of your units that has a gross of one million dollars a year with a private station in Canada that has a similar gross.

Mr. BUSHNELL: We do not know that about a private station.

The CHAIRMAN: We will find it out if you can give us say a station that has a gross of somewhere between one million and one-and-a-half million dollars a year.

Mr. GILMORE: There is an answer pending concerning the staff of one or two of our stations.

The CHAIRMAN: Could you include a station of approximately that size with some of your own?

Mr. BUSHNELL: Yes.

Mr. PICKERSGILL: I have a similar question. Are there not some stations on the west coast of the United States that would be strictly comparable with Vancouver in our network. It seems to me that is the kind of comparison that might be useful.

Mr. GILMORE: It depends on the production output of the given station. I am thinking of one in San Francisco, a radio station. They had a fairly big operation and a larger number of studios than Vancouver; they were better equipped, but there was only one hour of programming a week going out of there to the N.B.C. network.

Mr. MCINTOSH: I would like to get back to Mr. Tremblay's question in connection with pinpointing the responsibilities for those programs to which he has referred. Comparison has been made between a large store and a small country store. I would like to suggest that in a large store the responsibility can be pinpointed much easier than in a small establishment. The same thing applies to an army and this reference to the Victoria Cross and a reprimand does not hold good, because the individual at the bottom of the line receives his orders, and if he contravenes them it is his responsibility.

The CHAIRMAN: Would you get to your question, Mr. McIntosh?

Mr. MCINTOSH: How many hours would this show take, other than the two hours before the camera, and how long would it take the results of that production to get to the vice-chairman?

The CHAIRMAN: I think that was answered earlier in today's meeting. Mr. Carter covered that point.

Mr. MCINTOSH: He made reference to five weeks and two weeks, but said this show is only two hours before the camera.

Mr. OUIMET: The answer is two days.

Mr. MCINTOSH: How many days for rehearsal?

Mr. OUIMET: That all depends on what you call rehearsals.

Mr. MCINTOSH: What do you call it?

Mr. OUIMET: You have dry rehearsals and rehearsals before the camera.

Mr. MCINTOSH: What did you mean when you said three or five weeks' rehearsal?

Mr. OUIMET: We do know the time elapsed was not sufficient.

Mr. MCINTOSH: That is obvious. How long did it take to rehearse this show?

Mr. OUIMET: It took two days before the cameras and I would say probably a week in dry rehearsal.

Mr. MCINTOSH: And you have no report in that week on the show?

Mr. OUIMET: I have just been informed it was four weeks in dry rehearsal.

The CHAIRMAN: That is practically the normal period of time.

Mr. SMITH (*Calgary South*): I wonder, Mr. Chairman, if I might ask a further question of the witness concerning the staff.

The CHAIRMAN: Proceed, Mr. Smith.

Mr. SMITH (*Calgary South*): The witness read a very interesting excerpt which is, of course, an opinion of the chairman of the royal commission and is dated March, 1957. That means it is over two years old. Is it not true that your greatest increase in staff has taken place since then? I am concerned that perhaps had Mr. Fowler an opportunity to take a look at your operations today, he might not have been quite as enthusiastic in his praise when mentioning there was no suggestion of overstaffing—I do not know. Is it not true that you are today at your peak and that you have added considerably more in the past two years and which may even be out of proportion to the extent you have expanded your facilities?

Mr. GILMORE: I would prefer it if Mr. Carter could get the staff figures year by year. I venture to say when we look at those figures we will find since the summer of 1956 the curve has flattened off. I believe that is true. I could not take an oath on it, but I could furnish those figures.

The CHAIRMAN: Will you check them?

Mr. BUSHNELL: Actually they are here. The total staff as of March 31, 1957 was 5,939 and as of March 31, 1959—two years later—the total staff was 7,051, an approximate increase of 1,000 persons.

Mr. SMITH (*Calgary South*): It is fairly substantial.

Mr. MCGRATH: Mr. Chairman, I have two or three questions which I would like perhaps to have answered at the next hearing; it is relevant to this discussion. Could we have the amount of property owned by the Canadian Broadcasting Corporation in the cities of Vancouver and Halifax, the amount of property rented by the Canadian Broadcasting Corporation in Vancouver and Halifax; what this property is used for in both these cities and what proportion of the network programming originates from these two centres. I am referring especially to television.

Mr. BUSHNELL: I think we will have to include radio.

Mr. MCGRATH: I could confine my question to television.

Mr. BUSHNELL: It would be easier, if I may say so, to give you an overall figure, because in certain parts of our operation the two mesh and it would be difficult to say.

The CHAIRMAN: That will be produced.

Mr. MCCLEAVE: I would like that question amended to cover the broadcasting facilities for those areas. I know in Halifax they have property outside of the city.

Mr. PICKERSGILL: I would suggest we have it for Winnipeg as well.

Mr. SIMPSON: Reference has been made to the large number of unions with which their employees have contracts. I wonder if we could have a breakdown on the union set-up and the categories under which these people work. I am also wondering if it is the policy of the C.B.C. to outline the duties of these different classifications or if they are outlined by the various unions.

Mr. BUSHNELL: Well, Mr. Simpson, at page 20 of my initial statement I outlined the various unions with which we have agreements and the number of people involved in each area.

Mr. SIMPSON: I am sorry; are these answers on the record?

Mr. BUSHNELL: Yes, at page 20 of the minutes of proceedings and evidence.

Mr. SIMPSON: How about the relative duties or work which come under these classifications.

The CHAIRMAN: That is prety well outlined as well at page 20. Have you a question, Mr. Chambers?

Mr. CHAMBERS: I understand that the C.B.C. recently bought the rights to broadcast the Big Four this year.

Mr. BUSHNELL: That is correct.

Mr. CHAMBERS: I do not know if you have given a figure. There has been a figure of $312,000 mentioned in the paper. Have you given out that figure?

Mr. BUSHNELL: Let me say no. No one in the C.B.C. gave it and none of the executives of the Big Four admit having given it. But we had an agreement that neither one of us would give out that figure for the time being, and it came out the next day and I cannot find who was responsible.

The CHAIRMAN: I might suggest, it is like a caucus meeting, Mr. Chambers.

Mr. CHAMBERS: It has also been said, I believe, that the rights for the Western conference have been purchased for $125,000.

Mr. BUSHNELL: $117,000.

Mr. CHAMBERS: And you are negotiating for the Grey Cup rights at $125,000?

Mr. BUSHNELL: We have the Grey Cup rights at $125,000.

Mr. CHAMBERS: Which is a total of about $500,000, or a little more. Could you tell me what would have to be added for line charges, production and other costs to get a total cost for telecasting football in Canada this fall?

Mr. BUSHNELL: I can get that for you; I have not got it here at the moment. It would depend; and I would ask you to take this into account: it has not been definitely decided how many of the regular games will be televised; but I should like to make it clear that we have purchased the rights to televise all of the games. There are 28. How many we can do has not yet been decided; but we are aiming at 21.

Mr. CHAMBERS: Roughly speaking—from looking at the previous figures we have been given—if you have obtained rights, and so on, to televise, the rest of it—the broadcasting, televising, and so on—is about equal?

Mr. BUSHNELL: Yes.

Mr. CHAMBERS: So, in other words, we can assume a figure of about $1 million for football?

Mr. BUSHNELL: Yes.

Mr. CHAMBERS: In previous years the Big Four and the Grey Cup—I am not too familiar with the western teams—those rights have been bid on by the sponsors, and they then went on and paid your charges for production, line charges, and so on.

I was wondering why you bought them this year. If you had left them in the market, could they not possibly have been bought by a sponsor for a lesser figure than the $312,000 that has been voted and, therefore, perhaps some money could have been saved in this matter? In other words, were you not competing with your own customers when you bought the Big Four?

Mr. BUSHNELL: No, Mr. Chambers, because the Big Four actually put out tenders and they got very few offers. The offers they did receive were not in any sense satisfactory to the executive of the Big Four, and they simply said, "If that is all we can get from a sponsor, there will be no football".

Mr. CHAMBERS: They asked, I believe, for $350,000, and they now have $312,000. I suggest that a month or so from now they would have been, possibly, very happy to take $220,000, or something of that nature.

Mr. BUSHNELL: Again, Mr. Chambers, maybe you are right.

The CHAIRMAN: That is an opinion, I imagine. I think we will have you close off with the next question.

Mr. MCGRATH: Perhaps it is significant that we will, because the question I wanted to raise was: at the last meeting we went into the audience research bureau, and if my memory serves me correctly, the department of information services. I thought that we were to follow any degree of continuity, we would perhaps get into the Department of Public Relations, which I understand has a fairly substantial budget.

The CHAIRMAN: It is my suggestion to the committee that we meet again here tonight, in this room at 8 p.m. I know that Dr. Fairfield has several more questions on the research department, and then we can go right on with organization.

Mr. SMITH (*Calgary South*): May I make a suggestion, Mr. Chairman?

The CHAIRMAN: Is it agreeable that we meet here tonight at 8 o'clock?

Agreed.

Mr. PICKERSGILL: It is very difficult, particularly with the kind of questions—

The CHAIRMAN: I realize it is difficult, but we have so much before us, and the House is likely to prorogue some time before September.

Mr. SMITH (*Calgary South*): Mr. Chairman, I would like to make a suggestion, which may be helpful in procedure and, again, in the interests of continuity and to know where we are going in our meetings. My suggestion is this: there are a number of areas in which each of the members will want to carry on some examination. The thought occurred to me that we might independently express them to you, and you could in turn, hand these on to Mr. Bushnell. He could then relate them to the people concerned, with a notation of the area of examination we wish to follow. This would assist our continuity, and save time, because they would perhaps be prepared to answer many of the questions.

For example, I would like to go back to the examination of costs, sales, methods, organization, relationship with private stations, and so on.

The CHAIRMAN: I think that is a very good idea; I think it would save time, and certainly work for the C.B.C. We will adopt that plan. If there are any questions, will you submit them to me.

Mr. BELL (*Carleton*): In fact, prepare an agenda?

The CHAIRMAN: Yes.

Mr. LAMBERT: Can we indicate those to you privately?

The CHAIRMAN: By all means, send them to me.

Mr. CHAMBERS: Mr. Bushnell said he would try and get an estimate of the cost of production of football. I wonder if it would be possible to have an estimate of what the C.B.C. hopes to recover from sponsors in reselling this?

Mr. BUSHNELL: Mr. Chambers, you have led with your chin. I could make a very cryptic answer but I am not going to do so.

Mr. MCCLEAVE: Mr. Chairman, I want to withdraw a question I asked at page 119, if I may, about Close-Up. I think the answer would involve personalities.

The CHAIRMAN: That is withdrawn; thank you very much. This meeting is adjourned until 8 o'clock tonight in this room.

EVENING SESSION

THURSDAY, June 4, 1959.
8.00 p.m.

The CHAIRMAN: Gentlemen, we have a quorum. I think you are going to be warm tonight, and if you would like to take off your coats, please do.

Mr. MCCLEAVE: We are under way, are we?

The CHAIRMAN: Yes.

Mr. MCCLEAVE: I just want to continue clearing up a point I made at adjournment.

The CHAIRMAN: All right, continue, Mr. McCleave.

Mr. MCCLEAVE: Mr. Chairman, when we adjourned I was asking that a question be removed so that there would not be any inference by the fact that the question is in the record. I am informed that the show itself is telecast from Toronto and not New York.

The CHAIRMAN: Right. This morning I felt that Mr. Smith made a very astute observation when he suggested that each of the members of the committee clear through me the questions that you wish to be answered and then—

Mr. FAIRFIELD: Areas of questions.

The CHAIRMAN: Questions particularly, and we could categorize them in areas. If you can suggest an area so much the better. When these questions are cleared we will get together with Mr. Bushnell and his confreres and attempt to work out an agenda. That way we might get through these meetings some time before September.

Therefore, gentlemen, I must have your co-operation in having these questions or questions and areas sent in to me. When they are received an agenda will be prepared. Then I will give notice that the Chair is going to be very strict in keeping to the agenda.

Mr. MCGRATH: Will the agenda be distributed to the committee?

The CHAIRMAN: Yes. We have not had an opportunity yet to review the evidence taken so far. Therefore I feel we should have at least one or two meetings later to do that.

Tonight we propose that we will continue on programming, particularly on the research aspect that Dr. Fairfield introduced some two weeks ago. If we can complete the question of programming tonight, even in a half hour, we will adjourn the meeting and then get on to possible extensions of C.B.C. service or discontinuing of C.B.C. services at the next meeting.

I should also suggest, Mr. Bushnell, that any statement from you or your confreres from here in, we should have sufficient copies to distribute to the entire committee before the statement is made. I think we will save time if we do that. By way of concluding my statement I think we have plowed around enough now. We have gone here, there and all over the field, and I think we are about ready for the harvest. That is why I asked for your co-operation. I will appreciate it if I may have your questions and the areas of questioning submitted to me as soon as possible.

Thank you very much.

Mr. MCGRATH: At the last hearing, Mr. Chairman, we were promised an organizational chart of the audience research bureau.

Mr. BUSHNELL: It is here, Mr. Chairman, ready for distribution.

The CHAIRMAN: Incidentally, tonight a letter was received by Mr. O'Connor, the Clerk of the Committee, from the C.B.C., stating that there are charts,

answers and explanations relating to several questions asked at previous meetings; but I would like, if it is agreeable to the committee, to continue on audience research.

Mr. CHAMBERS: Mr. Chairman, I had a couple of questions on a subject that was raised this morning.

The CHAIRMAN: Supplementary to this morning?

Mr. CHAMBERS: If you would like me to postpone them, I think they will be brief; it was on the question of the football broadcast.

Mr. SMITH (*Calgary South*): Well—

The CHAIRMAN: Continue for just a moment.

Mr. BELL (*Saint John-Albert*): I have another from this morning.

Mr. SMITH (*Calgary South*): This is the point under consideration. I have no disagreement at all with my good friend Mr. Chambers, but in the interests of continuity I do suggest if we are going to have to go back to the supplementary questions we will spend the whole portion of this time discussing a variety of subjects.

The CHAIRMAN: Possibly that is why I have a very clean mind: I change it on occasions. Very well, we will go along with Mr. Fairfield.

Mr. CHAMBERS: On a point of order, Mr. Chairman, may I be told when these questions can be put? I find it difficult to keep the sequence. A subject was opened up this morning. I would have liked to have completed it. I am willing to go along with the committee, but when will this subject continue?

The CHAIRMAN: We can open it up as soon as we are through with the audience research.

Mr. BELL (*Saint John-Albert*): Well, why cannot we settle the questions that were asked previously?

The CHAIRMAN: Let us get down to business, please. Dr. Fairfield?

Mr. FAIRFIELD: I wonder, Mr. Chairman, if they have in their breakdown of budget for 1959 and 1960 any project expenditures for the audience research bureau for 1959 and 1960. Why I ask this is because they are just opening a Toronto office, it is just in the process of opening and is going to be enlarged, I imagine. They have a Montreal office, an Ottawa office, a headquarters, and the Toronto office is now in the process of build-up. Is the projected expenditure greater for 1959 and 1960?

Mr. BUSHNELL: Again I may appear to be avoiding the question, but actually our 1959 and 1960 estimates have not been tabled in the house and I think it would be improper of me. I can assure you that any enlargement of audience research in Toronto will be of a very, very minor nature, very limited indeed.

The CHAIRMAN: Supplementary question, Dr. Fairfield?

Mr. FAIRFIELD: Yes. In what way does audience research, since it does not distribute these pamphlets or make known information on its research sponsor—in what way does it help in the sales of programs to sponsors?

Mr. MCGRATH: May I interject here, before the witness answers Dr. Fairfield's question, in view of the fact that I have these charts, if we can perhaps have a breakdown of the organizational functions, and in that way we could perhaps follow the line of questioning.

The CHAIRMAN: Quite agreeable to you, Dr. Fairfield?

Mr. FAIRFIELD: Yes.

The CHAIRMAN: We are now on the basic organizational chart. Mr. Trainor?

Mr. TRAINOR: Mr. Chairman, I believe on Tuesday night we distributed to you the general picture on organization and functions of audience research

which I think you did have, and we left half of that for a chart to go along with it. This is a breakdown of our head office audience research.

I think probably before we go into this it might be advisable to clear up a misunderstanding that has apparently been in existence principally, I suppose, because I am not very coherent. However the commitee seems to feel that audience research consists of getting rating surveys from commercial research firms. This is not so. Commercial research firms only give us quantitative data as to how programs are going on a month to month basis.

We are more concerned—I should not say more concerned—we are concerned as well with the impact of our programs on various types of audiences. We want to know what an individual thinks about, his likes and dislikes, not just in terms of whether he is watching or not, but what his reaction to the program is; and so a lot of our research is geared toward that, not on a sort of national survey basis, but on a per occasion basis.

As problems arise we try to develop special studies to try to answer those problems and at the same time gather data as to how our programs are being received.

In the organizational chart first of all there is a director's office and he is responsible to management for all research activities—that is, the audience research activities of the corporation. To help him in the administrative end of it is the assistant to the director. That is myself. I look after the administration of the head office, the coordinating of its administration with the Montreal sub-office and the Toronto sub-office and coordinating the activities of the three departments within the head office, and also our research library.

Then, under the three main divisions or departments of head office we have analysis and reports, research projects and statistics.

The function of the analysis and reports department we outlined to some extent the other night. They do a comparison analysis of rating information supplied by commercial research firms. This is done on a month to month basis. We buy research from, at the moment, three different research firms. When I say we buy research, we buy ratings on an actual basis and they show audience likes and dislikes. We compare these, analyze them and develop trends from month to month of various programs—as a matter of fact, all our programs.

This assists the production people to see from month to month how their various programs are being received by the public in terms of actual viewers delivered and it helps in publicity, information for promotional purposes. This department is also responsible for arranging with the same commercial research firms or other commercial research firms to do special studies. These special studies may be things that we have designed ourselves in terms of personal interviews or it may be just an audience count of some particular program that we want the size of audience for, that normally does not fall within the measured week of the regular service.

This sometimes comes at the request of the sponsor if he is unhappy with the program. It may come from our own sales people. It may be a non-sponsored program and they may want to find out what this program is delivering over a period so they can go to a prospective sponsor and say: "Here is the audience this particular program is getting in the various regions of the country".

I think I mentioned the preparation of printed analyses. This department also puts out a publication called "Program content analysis". This involves a study of the balance maintained by C.B.C. programming. By this I mean the Canadian content of our schedule, the Canadian originated programs as opposed to the programs originating in the U.S. or other countries, such as the United Kingdom. It also is concerned with the amount of schedule time devoted to various interests, various types of programming, drama, variety,

information and opinion programming, and so on. Also, the type of program directed toward specialized audiences, such as males, females, adults in general or children.

The CHAIRMAN: To whom is that distributed?

Mr. TRAINOR: It is distributed within the corporation. It is for management. This is done twice a year, once during the winter season or the heavy winter schedule. We take one week of the month and tabulate and analyze all programs of that week. The same thing is done for the summer.

I think I mentioned earlier, or a member of the Committee did, this audience research bulletin. The one you got the other night was a poor example in that it was not representative. It was devoted exclusively to one topic. It was designed solely to bring to the attention of all the people within the corporation the various types of commercial rating services that are available and the various types of commercial services that are required.

Mr. MCGRATH: Could I interrupt at this point? We are primarily concerned now with the organization of the audience research bureau?

Mr. TRAINOR: That is right.

Mr. MCGRATH: I just have one or two questions at this point. In this chart we have is just the nucleus of the organization of the audience research bureau.

Mr. TRAINOR: These are the departments within audience research.

Mr. MCGRATH: For example, I do not see any reference here to audience research supervisors.

Mr. TRAINOR: The head of each department here, analysis and reports, research projects and statistics, they have different titles, but they are all supervisors. The head of analysis and reports is called a supervisor, the senior research officer is head of the research projects. They would classify as audience research supervisors.

Mr. BUSHNELL: May I make a point here, Mr. Chairman? I think actually what is creating some confusion in your minds is this, that the term "audience research" is a bit of a misnomer. I think we should change it. It is not just audience research—it is research of all kinds and I should like to say now that this department, big though it may appear to be, is a consolidation of the work that was done in other departments and not done by people who were expert in research. The engineering people used to do some of their own research.

Mr. MCGRATH: Do you do engineering research in audience research?

Mr. BUSHNELL: We do some work for them, not pure engineering research, no. We do certain work for them as will come out when Mr. Richardson makes his presentation on coverage.

This research department has to find out, for example, the number of people who are at any location, the number of radio homes, a multitude of things of that nature for the engineering department. The news department comes along and says to audience research: "How are we doing on our news broadcasts? Will you find out for us?" That is handled by the research department. As I say—

The CHAIRMAN: How would they find that out, Mr. Bushnell?

Mr. BUSHNELL: They might find it out in a wide variety of ways. They would take the commercial ratings to start with, probably take a look at them and then if there seemed to be any question about it would probably contract with some outside organization to find out the kind of specific information that was wanted.

Mr. SMITH (*Calgary South*): You have not oversimplified it, have you, Mr. Bushnell? It is all related to audience reaction no matter how you look at it.

Mr. BUSHNELL: I suppose in the final analysis it is all related to people somehow or other.

Mr. FAIRFIELD: Mr. Chairman, I just want to interject here, this audience research bulletin of which I have two copies—I am one ahead of the rest of the committee—actually they are both repetitive—but in this last one which I have here on the last page, on page 9, it says:

> No single technique now being used . . .

I suppose this is again in audience research—

> . . . provides all the measurement data that broadcasters, researchers, sponsors, advertising agencies and others would desire.

Then that leads me to believe,—I do not know about this department of the C.B.C.,—but it leads me to believe that this audience research is a compilation of figures that they get from commercial firms.

Mr. BUSHNELL: That is just exactly what we are trying to explain to you, and perhaps doing it badly. It is only one very, very small part of the work that this research department does and we feel we have an obligation to the Canadian people to know what they are thinking and by that means to respond to their wishes as far as it is possible to do so.

Mr. CHAMBERS: Mr. Chairman, I wonder if you would let Mr. Trainor finish?

The CHAIRMAN: I am getting quite a few suggestions. May I suggest Mr. Trainor continues his statement.

Mr. MCGRATH: I have just one more question.

The CHAIRMAN: May I still suggest that Mr. Trainor continues his statement. There is no reason why you cannot come back later.

Mr. MCGRATH: Well, the reason I asked the question was that the statement we are having is rather difficult to follow in relation to this chart.

The CHAIRMAN: Well, just mark it down and Mr. Trainor will be finished shortly and then you can ask it.

Mr. TRAINOR: Mr. McGrath, what we have been seeing so far, since I made reference to the chart, are the functions of the analysis and reports department and various items under that department; and the same with research projects and statistics. This all so far has been directed towards those in the lower left-hand corner, analysis and reports. This is not a breakdown of the organization, it is the functions they carry out.

The CHAIRMAN: Continue, please, Mr. Trainor.

Mr. TRAINOR: I said that the audience research bulletin which Dr. Fairfield received the other night was unrepresentative in that it only dealt with one topic. Ordinarily, these monthly bulletins contain summarized or boiled down information on numerous reports that are prepared to various people in the corporation; and that is just to give them a greater distribution in a popular form, so the average people within the corporation will understand all the results of the various operations we do, plus also the results of other surveys that are done, in the United States particularly. I am thinking in terms of university research and communications. There is nothing being done in the communications field in Canada. Any research we can get our hands on, that has any relation to broadcasting, is analyzed and described briefly in the audience research bulletins so as to keep our people informed. It is merely an internal informational bulletin.

In addition to that, this same department of analysis and reports is responsible for the editing, publishing and distribution of all the reports done by C.B.C. Audience Research. Here again I am talking about our special studies. They have to look after the distribution of these throughout the corporation.

Now, I will move to the right on the chart research projects. This section has the responsibility of carrying out special studies. These studies are intended to try and find out something about the impact and effect of programs on people generally, and on various types of people for various types of programs.

We do not have 100 per cent audiences for every program, and we do not get 100 per cent the same reaction for every program. So we want to find out what types of people prefer what types of programs, and what their reactions are to all other types of programs. So we design studies.

First of all, we may get a problem from the production people concerning a certain type of program. It is not being well received, and they want to know why. We will talk it over with them and design a study. It may be a simple telephone interview which does not take very long. If it is a complicated thing it may involve a one-hour interview with each respondent, and to do this you would have to design quite a lengthy questionnaire. Then the questionnaire would be farmed out to a commercial research firm who would do the actual questioning. It is too expensive to use our own field people. When we get the answers back, we tabulate them, we design a code for them, analyze them, and write a report. This report is distributed by the analysis and reports section.

I will list a few of the reports we have done just to give you an idea of the kind of special studies we have conducted. In conjunction with the school broadcast people, we conducted a North York school study and this was designed to try and ascertain to what extent certain children's programs, one of them particularly was Junior Magazine, affected school children's reading habits. It was quite a lengthy thing and I do not intend to try and give you the results of this study here.

Another type we did was a quick, short study on the local CBO early morning program preview. We changed the morning program format here about a year and a half ago, and there was an adverse audience reaction. We designed a study to do a telephone interview of what we considered our core CBO audience to see what their reactions were to this new format. The result was of great value to the production people in some of the changes they made.

Another study which was a rather extensive one which this particular department carried out was the Farm Forum Wingham study. This was to ascertain the suitability of television as a medium for farm forum discussions. Up until then farm forums had been operating on the Farm Forum radio programs and the Federation of Agriculture and other people felt that probably television would be a good medium for the holding of farm forum discussions. However they did not want to go into this without finding out something about it first. So, a survey was carried out in Wingham which was a fairly well populated area so far as farm forums were concerned. Also it is relatively close to the Agricultural College whose help we solicited in carrying out the study. We did a series of experimental telecasts to evaluate the effectiveness of television in farm forum discussions. This helped both our own people and interested agricultural bodies to determine whether the farm forum technique could be effectively adopted to television.

I think Mr. Bushnell mentioned the other night or not so long ago about some research that was done on national hockey league hockey. This was two winters ago, I believe. At that time, in Ottawa, CBOFT was carrying the Montreal Canadiens every Saturday night and CBOT the Maple Leafs. Imperial Oil had representations made to them by some people in the area and decided we should alternate between the Maple Leafs and Canadiens on CBOT each Saturday night. This was done and there was quite a hullabaloo amongst the Ottawa viewers, at least, among the voluble ones. People who do not like things always make it known. The people who like it, do not say so much. So, do we go back to the old form or stick with what we have? We had a quick survey done and found out the majority of the people wanted

the alternating method. This sort of thing which cost us something like $50 or $75 saved the corporation $5,000 alone in line charges for the remainder of the season.

We had a similar situation again in Ottawa this past winter. There were a lot of complaints about too much sport on Saturday night. We had hockey followed by wrestling. The program people thought we might possibly put on something else after hockey rather than wrestling. Their idea was to put on a movie. We did not know what the reaction would be. We polled a sample of the Ottawa population by telephone and it came back very strongly in favour of shifting from wrestling to other types of "drama". Those are just a few examples, to give you some idea of the things done by our research projects department.

The third department is the statistical department, and if any department is not strictly audience research, this is that department. They have several functions. One of the main ones is to gather statistics for stations on the network and so on.

This requires getting extensive information about the coverage of stations and networks for both radio and television. This basic data is very important in deciding upon network coverage, station line-ups, network line-ups, and establishing rates for radio and television. It includes at times estimating the coverage by number of households in connection with radio homes and television homes, the breakdown of distribution for AM networks, for FM networks, for AM stations, for FM stations, and also for television stations and networks.

It also includes market data such as the net effective buying income and the total retail sales pertaining to the service in various station areas.

Another function of this department is that of preparing elaborate analyses of basic data for the establishment of radio and television network rates. It is always a bone of contention between the affiliates and the corporation as to how to establish rates.

As a result you have to do special detailed tables for practically all television stations in Canada in order to help our people who are in discussions concerning rate settings.

In addition, this department conducts quite a few economic studies. For example, there may be studies undertaken of advertising expenditures, for which they get basic data from the Dominion Bureau of Statistics. It includes the assembly of factual data, the assembly of information obtained from the United States and Canada, and also a table of gross advertising expenses as compared to television advertising expenses.

In this same field this department undertakes from time to time to prepare program cost studies for the comptroller and controller of operations. This involves the preparation of estimated potential audience and the estimated actual audience delivered in television homes for all C.B.C. programs on the English and French networks.

This provides management with the necessary basic data required for a study of the production costs of regularly scheduled programs.

The object here is to examine the relationship of these costs to estimated potential audiences, and to estimated average actual audience to get some idea of the cost differential between the various program efforts.

Data in connection with actual audiences is prepared in the second and fourth quarters of each fiscal year. That, gentlemen, is, in brief, an outline of the functions of these three departments.

The CHAIRMAN: Before we come to the questioning I would like to ask Dr. Fairfield to start off. But before that I believe Mr. Bushnell has a few supplementary remarks to make about this.

Mr. BUSHNELL: Yes. I think it was asked if any of this information was available to sponsors. Probably I gave the wrong impression in my answer. I can give you an illustration of one program which started last autumn. I shall not name it. But for the first three shows we found that our format—at least we were told by the viewers that the format was wrong and that they did not like it. So we got our audience research department to make a study to find out why.

It did not take them long to find out, and we changed it accordingly. Since then the audience for that program has gone up in an almost straight curve.

I think I could sum it up by saying that part of the difficulty has been, as I said, because this department was called audience research while in fact it was far more than that.

There is one other thing which Mr.—

Mr. BELL (*Carleton*): Mr. Trainor.

Mr. BUSHNELL: —yes, Mr. Trainor. We have so many employees I cannot remember all their names.

Mr. SMITH (*Calgary South*): We have noticed that too.

Mr. BUSHNELL: It is just a sign of old age, Mr. Smith.

But one other thing we have done and which we shall continue to do is some pre-testing of programs. We have brought in outside organizations, let us say, to test audience reaction. We will assemble, it may be, four or five hundred people in an audience to make as good a cross-section of the community as we can, and we will reproduce a program, probably by kinescope, in order to get their reaction to it. If their reaction is not reasonably good, then obviously we won't spend money on it. That is another thing.

I think I could sum it up this way, and I am very glad to have had an opportunity to say this. I think this probably dispels to some extent, a certain feeling that the C.B.C. is unresponsive to the wishes of its audience. Let me assure you that that certainly is not the case. We are not omnipotent. We are not infallible. We do make mistakes, and when we find it out, we have people to help us correct them. We see to it that the information gets right down to where it should go, and that is to the supervisor, to the producer's level, and to the program director's level, and we see to it that something is done about it.

Mr. FAIRFIELD: Mr. Trainor said something about program analyses. Does this mean a preview of a program which may be put on?

Mr. TRAINOR: I was talking about program content analysis. This is an analysis of the content of all the programs to be put on in a given season. We do a one-week's cross-section. We do not do the whole season because it would be too big a job.

Mr. FAIRFIELD: You have nothing to do with previewing the program?

Mr. TRAINOR: Before they go on the air, you mean?

Mr. FAIRFIELD: Yes.

Mr. TRAINOR: Oh no, no.

Mr. BUSHNELL: I do not want to let this go by without saying that we have done pre-testing, if you like, or you could call it previewing, if you prefer.

Mr. BELL (*Carleton*): To learn what the reaction would be to a particular type of program?

Mr. BUSHNELL: Not only to learn what the reaction would be, but to ascertain what the reaction of the performers in the program would be to the type of performance. We have sifted things right down to find out, in pre-testing. For example, a very charming young lady might have sung a certain type of song and the audience reaction was not good; it was negative, because it was not her type of song at all.

The CHAIRMAN: How do you do a kinescope test? Do you have test cities or what?

Mr. BUSHNELL: Yes, actually we have done that, just to find out whether Torontonians were a little different from Winnipegers. We actually engaged an outside firm to conduct some tests in both cities, with respect to two or three specific programs of various types. We found that there was not too much difference. The tests were pretty much the same in both places, and that the reaction of the various observers actually to the songs that were sung, and their facial expressions—a dozen different things came into it—were pretty much the same.

The CHAIRMAN: You mean that Canadians are Canadians no matter where they live?

Mr. MCGRATH: What is the strength of your audience research bureau in terms of personnel?

Mr. TRAINOR: Thirty-nine people.

Mr. MCGRATH: Are they all at Ottawa?

Mr. TRAINOR: That figure covers the head office at Ottawa. Then, there are seven in Toronto, and eight in Montreal, as of this date.

This head office serves the whole corporation apart from a few people doing a small amount for production centres in Montreal and Toronto.

Mr. MCCLEAVE: I have two questions. Have you not, in the past, carried out special diary type surveys in certain cities? I think one was carried out in Halifax.

Mr. TRAINOR: Yes.

Mr. MCCLEAVE: Is that done on a regular basis?

Mr. BUSHNELL: No, that was a very special case, and I will tell you why it was done. We carried out a survey before the establishment of a TV station in Halifax. We wanted to know what people's reactions were, if you like, to radio; and then we wanted to know what difference television had made in their listening habits. That was the purpose of that; and we found out.

Mr. MCCLEAVE: Do you plan to use that technique again?

Mr. BUSHNELL: As far as the C.B.C. is concerned, we do not expect to have to have many new stations, in the future, and we will not have to do it. It will be up to the private stations to do that.

Mr. MCCLEAVE: The other day I made some suggestion, or asked some questions about a possible hook-up with the dominion bureau of statistics, and I think that was going to be looked into. I suppose there has not been enough time to do that?

Mr. TRAINOR: I hope I can give a satisfactory answer, but perhaps it is not complete. We have not been in touch with D.B.S. I am not too sure what you were asking for. I will give you a brief run-down on the sort of relationship we have with D.B.S. First of all, the D.B.S. is not set up to give the sort of rating surveys we buy on a month to month basis. We do not know why they do not do this, but I would suspect if they did they would have to give it to everybody, as a public service.

So far as special surveys are concerned, one of the chief reasons is that D.B.S. surveys are much larger surveys; they are mammoth things compared to what we do. They use a sample of 35,000; and if we want the field work done for a survey we cannot pop in today and say, "We want a survey done next week". If we did that it would disrupt their whole organization.

You probably know more about their surveys than I do; but their surveys are confined to the collection of basic data. We make some use of that. We do not re-compute their data, but we apply it to our various needs.

The CHAIRMAN: I think that answers your question.

Mr. MCCLEAVE: I just wanted to establish there would be no point in the C.B.C. having the D.B.S. to do it, because they do not deal in the particular matters of taste.

Mr. SMITH (*Calgary South*): I would like to ask Mr. Trainor a question—and I am sure you will tell me if this has been asked at a previous meeting. I would like to ask Mr. Trainor if he can give me the over-all cost of this operation.

Mr. TRAINOR: That is audience research. I think the total figures were tabled a week ago.

The CHAIRMAN: They were.

Mr. TRAINOR: Do you wish me to give them again?

Mr. SMITH (*Calgary South*): No, I can look them up.

I would like to ask you, or, Mr. Bushnell, if he can give us, very briefly, the history on which the corporation decided it was necessary to depart from using other facilities that were available to them, perhaps, on a more limited basis. You must have come to a rather major policy decision in deciding you could do this job through an arm of your department better than someone else. The question of cost was all I was interested in, because this question of duplication, I think, is an important one. Can you give us briefly that history?

Mr. BUSHNELL: Yes, it was decided for two reasons. I think, if you look at page 140 of the Fowler commission report, "Research in Broadcasting", that will give you part of the answer. I do not wish to read it now.

The second is that for the type of research we wanted, in all its ramifications—as I have tried to explain—we did not know of any organization qualified to do that, or which was prepared to take it on at any lesser cost than we could do it ourselves.

I would like to re-state that this was a consolidation. There has not been any really tremendous expansion, or any great extra cost, because these things were being done by other people in other departments, and they were transferred to this research department, and the additions have been, actually, the so-called top people and experts we have brought in to give direction to the other people who were doing the work.

Mr. SMITH (*Calgary South*): Has there been any consideration given, through the chair, by either the new board of directors or the former group, or any of your financial advisers to making a re-assessment of this entire picture, to determine that for the $273,000 you were getting exactly what you wished to receive, and that you were not creating a creature which might become out of proportion, in its cost, to its usefulness to you?

Mr. BUSHNELL: Mr. Chairman, yes, this was looked at very carefully by our previous board of governors; and any expansion that has taken place has certainly been done with their approval.

I think I must be perfectly fair to our new board of directors. Probably they have not had time to look at all the various departments that we have, spending departments. But I think I could promise you that if they look at this particular department with the same keen eye that they have at others, probably the next time we meet in a parliamentary session I will be able to give you an answer to it.

The CHAIRMAN: Any further questions?

Mr. SMITH (*Calgary South*): "Empire building" is a nasty phrase, and I do not wish to use it irresponsibly, but you are quite certain that you have not built something which produces a reaction—and, unquestionably, you have to have it,—but you are certain in your own mind this could not be done by other comparable bodies for a portion of this total cost?

Mr. BUSHNELL: Mr. Smith, again—and, on reading the testimony I find probably some of my rather lighter remarks do not look as well in print as they might sound—

Mr. SMITH (*Calgary South*): We all suffer from that.

Mr. BUSHNELL: I was going to say, I am certain of nothing but death and taxes.

Mr. SMITH (*Calgary South*): That is your answer?

The CHAIRMAN: That is a fair observation. Dr. Fairfield?

Mr. FAIRFIELD: I am rather interested in the statement that Mr. Trainor made, that they have to find out the impact of programs in order to carry on these researches that they do. They get those surveys from commercial companies, though, mainly.

Mr. TRAINOR: I think there is still some confusion about this. The thing we buy on a normal basis, a month to month basis, from commercial research firms, does not give audience reaction, but only the total number of people watching various programs. For our special studies, we design a questionnaire and ask for audience likes or dislikes, the ones they like a lot, the ones they like a little, or the ones they do not like. We ask this sort of thing to find out what sort of people like what sort of program.

Mr. FAIRFIELD: Could we have a sample of, say, the last three questionnaires that were sent out? We do not need to ask for the names of the programs.

Mr. TRAINOR: We can provide samples of the type of thing we do, yes. The special studies are a qualitative type of study rather than quantitative. This is why we have to use the questionnaire rather than just "are you listening" or, "are you watching"?

Mr. BUSHNELL: I do not know whether Mr. Smith had an opportunity of looking up the Fowler report, at page 140, and it would only take a minute to read it:

> Parallel to public relations is the field of research. If broadcasting is to thrive and give the nation the full measure of its potential of good, it needs the assistance of research as much as do science or industry. By research in broadcasting, we do not mean the kind that leads to technological advance and which is well handled by the electronics industry. Neither do we mean research in program popularity—the so-called audience rating polls—whose standards of value, resting on quantitative soundings, are directed mainly at the sale of services or products in the largest possible market. By research, we mean deep delving into the influence of broadcasting on human society, the measurement of the psychological impact of various types of spectacles on adult minds, on children, on the literate and the illiterate, indeed on the great variety of individuals of differing degrees of emotional and intellectual development that compose a nation. This type of study and investigation has recently been started by the C.B.C. through its bureau of audience research. Some interesting results have already been obtained but those in charge of the undertaking would be the first to admit that neither has there been adequate proof of the validity of the methods adopted nor has the research yet been extended over a sufficiently wide area. It is, at the moment, no more than a promising beginning.

The CHAIRMAN: Thank you, Mr. Bushnell.

Mr. CHAMBERS: I may have misunderstood something. It seemed to me, however, that between the analysis and reports division and the research projects division there was a considerable—I do not know that overlapping is the word—integration. I notice that the analysis division buys, interprets

and distributes reports. These would be quantitative reports. The research projects division designs special studies, analyses them and these studies are distributed by the analysis and reports division.

Mr. TRAINOR: The analysis and reports department is responsible for distribution of all things emanating from the audience research. That is the clearing house.

Mr. CHAMBERS: The special studies are analysed?

Mr. TRAINOR: They are analysed and studied by the research projects department and handed to the analysis and reports for study, tidying up, duplication and distribution.

Mr. CHAMBERS: These two bodies then are quite integrated?

Mr. TRAINOR: Yes.

The CHAIRMAN: Gentlemen, are there any further questions on audience research?

Mr. FAIRFIELD: Yes. I was very interested in one of the remarks in this bulletin here where it states that from time to time the department—that is the statistics department—is called upon to do intensive research in various methods of setting rates and to assist and advise the assistant controller of broadcasting in setting up the rate structure. On what information do they base that?

Mr. TRAINOR: They give the controller an analysis of the figures, some of which have been given by commercial firms. Again I am endeavouring to be very brief. There is a problem. Let us take, for instance, western Ontario where there is duplicate coverage between, let us say, London, Kitchener, Hamilton and Toronto. Now then, it is the job of our research department to try to determine through the statistics we receive from other organizations what proportion of the available audience is viewing any one of those stations, because rates in advertising are set on circulation. Newspaper rates also are set on circulation. I should say advertising rates generally are set on circulation. This is just one method. It may not be the best one—and some of our affiliates do not agree with us entirely—for trying to determine the proportion, if you like, of an audience in any given area.

Now again, in an island—in an island market—we take the figures of these research organizations. We assemble them. Then let us take a station anywhere in the prairies which comes along and says, "Look, Mr. C.B.C., I have 350,000 or 400,000 viewers." We say, "Wait a minute now; that is not what our research indicates. Actually, there might be in your area 350,000 or 400,000, but you are computing that on the basis of your C contour and fringe areas." We have to know these things in order to say to our affiliated stations, "Look here, you just cannot put these rates too high or we will price ourselves out of the market."

Mr. FAIRFIELD: Mr. Chairman, this is what I want to get. In a captive audience like Winnipeg naturally the commercial report is 100 per cent; but your group does not carry on active surveys, and how then are you going to find out the impact of programs in a captive audience if you do not carry on surveys yourself independent of the commercial surveys?

Mr. TRAINOR: We are fully aware of this. However, to do this type of survey and cover the whole Dominion of Canada is just too darned expensive. We share the cost of all those regular surveys such as Elliott-Haynes, International Surveys and Nielsen's. We are not the only buyers; there are also the advertising agencies and so on. This is an expensive proportion. It is just too big an undertaking.

Mr. FAIRFIELD: But, Mr. Chairman, what is the use of the research department in western Canada where you have a captive audience in Regina, Winnipeg, Saskatoon and so on. The figures you get from commercial firms there are of no research value to you in setting a rate structure in those areas.

Mr. TRAINOR: We do not set the rate structure on the basis of the audience ratings we get. Rates are set on coverage figures which are an entirely different thing. It is based on the number of T.V. homes in the reception area of the station. This is laid down by the engineering people as reception area A, reception area B and reception area C. Then you take the demographic data which you get from D.B.S. as to the number of sets and sales in that area and appy that to it. I am not, quite frankly, qualified to tell you how we set rates. However, I do have a general idea. It is not based on ratings; not at all.

The CHAIRMAN: Are there any other questions, Dr. Fairfield. If not, Mr. Johnson is next, followed by Mr. Smith.

Mr. JOHNSON: Does your department conduct surveys of ratings on a particular program? What I mean to say is this. I want to know, in certain cases of so-called cultural programs and panel discussions, do you conduct surveys on the ratings of these programs?

Mr. TRAINOR: We do not. We may order it and buy it.

Mr. JOHNSON: Do you hire commercial companies?

Mr. TRAINOR: That is right.

Mr. JOHNSON: To make these surveys?

Mr. TRAINOR: Yes.

Mr. JOHNSON: Do they report on cultural programs or do they do it only in respect of programs which have a sponsor?

Mr. TRAINOR: These commercial firms measure all the programs in one week of every month, both commercial and sustaining programs, everything on the air, including not only our shows but those of our competitors as well.

Mr. JOHNSON: Do they report on the ratings of those?

Mr. TRAINOR: Yes, they furnish a complete report for all stations.

Mr. JOHNSON: They report to the audience research department.

Mr. TRAINOR: They submit a report to us and to the other people who may subscribe to the report as well.

Mr. SMITH (*Calgary South*): At an earlier meeting which I have been able to locate in the evidence, we carried on an interesting exchange which, from my standpoint, was unsatisfactory. We had objectives placed before the committee as to what the corporation was endeavouring to achieve. Mr. Jennings read these to us. Perhaps you will recall I asked you whether or not you felt that your surveys, whether quantitative or qualitative, were in any way indicating that you were achieving these objectives. Then I suggested to you that perhaps the only way you could determine this was by taking an area where there was a competitive aspect, whether in television or in radio, to determine whether or not your programs were reaching listening audiences, and I asked if there were any comparative figures. I realize that this research bureau carries on research within its organization of its own programs. I think your answer was no, that in those areas such as Toronto you had not made any comparative checks between the television station operated by the corporation and a private broadcaster. First of all, am I correct in that assumption.

Mr. TRAINOR: If I gave you this type of answer, Mr. Smith, probably I was misleading you through my own ignorance.

Mr. SMITH (*Calgary South*): Would you clarify it now then.

Mr. TRAINOR: So far as doing research to ascertain whether we are obtaining our objectives, I understand you to mean: are we doing qualitative research on a national basis. We do not do it on a national basis. So far as reaching objectives on individual programs is concerned, we are doing research as time goes on. We do not take one program or one week and do it for the whole country.

Mr. SMITH (*Calgary South*): Let me be completely specific. In Toronto you are competing with private broadcasting and also with American network stations. You are spending, of course, as we would expect, a great deal of money in order to encourage Canadian audiences to listen or view your particular programs. Have you anything in the way of research to give assessment as to whether or not, comparatively speaking, you are improving your rating, whether or not these objectives which Mr. Jennings read into the evidence are being accomplished or whether or not you are losing or gaining ground. Is there any way in which you can give any comparison to show what direction you are going?

Mr. BUSHNELL: May I answer that question, Mr. Chairman.

The CHAIRMAN: Proceed.

Mr. BUSHNELL: I can answer your question properly by taking an illustration. Let me take Vancouver, where there is no question about competition. We know when we are putting on let us say Citizens Forum or indeed maybe Press Conference, that there are a great many viewers who switch to Seattle or Bellingham. The same thing happens in Toronto. In Toronto we are faced with an equally difficult problem because there is very keen competition coming from the Buffalo stations, as well as from Hamilton and from Barrie in some areas.

Now, we take the figures we get from a research organization such as Elliott-Haynes and take a look at them. We find at a certain time, probably during some of the cultural programs, or programs we think have a proper place in our schedule, that the Buffalo station is putting on a western. Now, where do you think the audience goes?

Nevertheless, Mr. Smith, we will never be satisfied until we get 100 per cent of the audience; but that will never be possible for any broadcasting organization as long as there is competition.

Mr. SMITH (*Calgary South*): I appreciate that, and you are presupposing that I am being critical.

Mr. BUSHNELL: No, on the contrary I think you are realistic.

Mr. SMITH (*Calgary South*): First of all, you say surveys have been made.

Mr. BUSHNELL: Yes.

Mr. SMITH (*Calgary South*): Would you tell me what they disclose in a given area, say Toronto?

Mr. BUSHNELL: I do not think it would be very difficult to find that out. I think we could take a week or a month of any one of the ratings and we would find out very quickly.

Mr. SMITH (*Calgary South*): Would that not be interesting to have?

Mr. BELL (*Carleton*): Could we have that on the record?

The CHAIRMAN: Dr. Fairfield, you have with you an Elliott-Haynes report for which week?

Mr. FAIRFIELD: April, 1959.

Mr. SMITH (*Calgary South*): With all due deference, Mr. Chairman—

The CHAIRMAN: I was going to suggest he hand it to the head table and Mr. Bushnell can put it on the record.

Mr. SMITH (*Calgary South*): If he would, I would like Mr. Bushnell to submit any other surveys he may make.

The CHAIRMAN: That is agreeable to the chair.

Mr. BUSHNELL: Again, I am caught by the fact that these survey organizations simply say to us, "This is confidential information". If that—

Mr. SMITH (*Calgary South*): We have their report here.

Mr. BUSHNELL: I know. According to our agreement with these people, we are not allowed to do that. I will go back and ask them if they have any objection.

The CHAIRMAN: Would you like to read that into the evidence, Mr. Smith?

Mr. SMITH (*Calgary South*): I would like to ask, Mr. Chairman, if it is possible to obtain this, if Mr. Bushnell would inquire.

The CHAIRMAN: The C.B.C. would have to obtain permission from the audience research group from whom they purchase this. Is there any particular time that you wish?

Mr. SMITH (*Calgary South*): It matters not. I would say, for a current week.

Mr. BUSHNELL: One week is as good as another.

The CHAIRMAN: Do you want it for Toronto only or the eight major markets of Canada?

Mr. SMITH (*Calgary South*): For the eight major markets of Canada, if it is possible—in particular, Vancouver and Toronto.

Mr. CHAMBERS: Mr. Chairman, Mr. Smith was asking if any trend appeared in these cultural programs.

Mr. BUSHNELL: Very definitely. I gave you an indication with Folio last night, where the audience had increased by 100 per cent.

Mr. MCGRATH: Do the United States networks provide comparable surveys for their own respective organizations, with regard to audience research?

Mr. BUSHNELL: Yes; I think—Mr. Trainor can correct me—there are about five different research organizations, commercial firms, doing it in the States. Some of their methods are different. But I see the point of your question. Are you asking, does the C.B.S. retain its own?

Mr. MCGRATH: Exactly.

Mr. BUSHNELL: Yes, they certainly do—and a much larger one than ours. Actually, we have gone to C.B.S. and N.B.C., who are the experts in the field, and sought their advice. We have also gone, as a matter of fact, to the research departments of advertising agencies. I am not going to name it, but there is one very large one that has more people in its research department, certainly, than we have: and that is on just one agency.

Mr. SIMPSON: Mr. Chairman, Mr. Bushnell mentioned that rates were based on coverage, and earlier he mentioned that prior to the advent of television in the maritimes, the audience research department had conducted a survey.

Mr. BUSHNELL: I am sorry; I cannot hear you.

Mr. SIMPSON: Prior to the advent of television in the maritimes, the audience research department had conducted a survey into the likes and dislikes of the people in the maritimes.

Mr. BUSHNELL: In Halifax.

Mr. SIMPSON: In Halifax. I would be very interested to know if enough progress has been made in the plans of the corporation at this time that they might be considering having the same type of survey from the audience research department, in northern Manitoba.

The CHAIRMAN: We are getting into extensions.

Mr. BUSHNELL: I am sure you would.

Mr. SIMPSON: Very interested.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I wish to put a question to Mr. Trainor. He said just now that one bases oneself on the inquiries made by the research committee for commercial, sponsored and sustaining programs. Is it on this inquiry bureau that one bases oneself to keep programs on the network which, for instance, have been going on for 12, 15 or 20 years? I will give you a precise example, Un homme et son péché.

Mr. BUSHNELL: If I may answer that in a little different way, Mr. Tremblay. I do not know that it is because of the research that has been done on it, but I think if we had not kept it on so long—if we had dropped it, let us say, five years ago—a lot of us would not be in our present jobs. It was one of the most popular programs that we had.

We knew it had a very large rating, a very large listening body—family listening. A great many people enjoyed it—not everybody, I dare say; but if they enjoyed it, why should we take it off, if it ran for 50 years?

Mr. TREMBLAY: If I may ask a supplementary one.

The CHAIRMAN: We are getting into individual programs again, Mr. Tremblay.

Mr. KUCHEREPA: Dr. Fairfield has made inquiries regarding the value of audience research for setting commercial rates. I would like to ask a question, and I would like to know if my assumption is correct. In view of the results of the audience research work in studying the details and correlating all these factors which come from outside agencies, in the final determination is the result of all these studies such that we find our so-called western programs, and programs such as *Have gun, will travel,* are now more popular and are taking their place, as a result of these studies on our stations?

Mr. BUSHNELL: Not necessarily so, Doctor.

Mr. JOHNSON: Coming back to rating, Mr. Trainor, Mr. Bushnell, I would like to have, if possible, the names of the commercial companies and the amounts paid to them since 1954; these companies who have conducted rating services for C.B.C. I want, particularly, this information on programms originating from CBMT, Montreal, and, most particularly, the programs originating from CBFT, Montreal.

The CHAIRMAN: Could you give that?

Mr. JOHNSON: The name of the company and the number of programs surveyed.

The CHAIRMAN: Will the total number of dollars be sufficient? We are trying to keep away from names and individuals on programs.

Mr. JOHNSON: I would like to have the names of the companies.

The CHAIRMAN: Again, I must rule against you. We have been avoiding that.

Mr. TREMBLAY: On a point of order, Mr. Chairman—

Mr. JOHNSON: On a point of order—

The CHAIRMAN: On a point of order, Mr. Tremblay.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I think that we are becoming somewhat over-scrupulous on this question of personalities. When we have an example such as the one I just gave, by choosing a very popular program, on the contrary, you do have a certain popular feeling running through the public. We can take this type of example to illustrate what we mean, and I think we are going too far on this question of personalities.

When we take an example, we are not making a trial out of it; it is just an allusion to a fact. Let us distinguish between facts and personalities. I asked just now, what are the criteria on which we are to base ourselves, to arrive at what we know as ratings?

The CHAIRMAN: Mr. Johnson, you want to speak to a point of order.

Mr. JOHNSON: Still speaking on this point of order, I just learned from my colleagues here that the names of the companies for last year are already on record, so I wondered why the chairman would rule out this year's.

The CHAIRMAN: I will tell you why, and I will speak on the point of order too.

We are going to try and get through this committee's work some time before the house prorogues. I should like to put in a report from this committee this Session. I asked for the cooperation of each member of the committee to keep out personalities, names, individuals, programs. I feel that Mr. Tremblay—and he is intelligent enough to do this—

Mr. TREMBLAY: Thank you.

The CHAIRMAN: —without any doubt. I feel he could get the same information if he changed his question just a wee bit—un petit peu—and I will still rule as I ruled at first, to help this committee complete the tabling of evidence. We are going to keep out personalities; we are going to keep out, names of individual programs; we are going to keep out, from here in, anything that is of a personal nature: it is the only chance we have of concluding our works. That is the ruling of the Chair, and that is the way it is going to be. Is that satisfactory?

Mr. SMITH (*Calgary South*): Mr. Bushnell, you were kind enough to say that you would inquire whether you could obtain the surveys that have been made in relation to C.B.C.'s competitive position with the private broadcaster and, where possible, in relation to the American station, when it is a competing fact. But may I ask you if you have initiated some of these surveys yourself: have you asked for them otherwise? Were they done purely by Elliott-Haynes and these others, or have you asked for them?

Mr. BUSHNELL: I think the answer, Mr. Smith, is this, that we ourselves have not done that in the past, but have relied on the ratings that have been supplied by Elliott-Haynes and others. But at the moment we are contemplating, and certainly we expect to get this rolling—if I may put it that way. I am informed, indeed, that it is under way. We ourselves will take a look at that, in a highly competitive situation.

Mr. SMITH (*Calgary South*): This is the point that is concerning me, and I relate it to costs and I will not become out of order in mentioning costs, Mr. Chairman. Surely in these past years you must have been concerned as to what your competitive position has been? You say you have relied on Elliott-Haynes; yet, on the other hand, you have developed a fairly large research organization to take over part of the responsibility that this one body could provide. Is it not—and I offer this as a fair question—perhaps a little late to be thinking now about what your competitive position is with private organizations and United States stations?

Mr. BUSHNELL: I could not go along with you there. I think we are always striving to improve what we have done in the past, and we feel that this is one way of doing it. Maybe we are right; maybe we are wrong.

Mr. SMITH (*Calgary South*): But in the past, you have not?

Mr. BUSHNELL: No.

Mr. BRASSARD (*Lapointe*) (*Interpretation*): Well, Mr. Chairman, I heard Mr. Tremblay but I do not know if I fully understand or grasp what he has to say. But I want to put this following general question: The C.B.C. puts

on the television and radio some programs which are of doubtful taste for French taste. Quite often I wonder if there are similar programs on the English network, and I wonder if the C.B.C., instead of taking account of the very large number of viewers, should not try rather to educate the public in this field.

Mr. BUSHNELL: Well, if I may answer that, sir, my answer to the first part of the question is that I could not deny it. Some people would think that some of the programs we have put on the air are not entirely educational or informative, and some have even thought—and actually they have been quite right—that they were not in the best of taste. But may I venture to say this: That really you cannot force anyone to be educated; and if we tried to put on all programs with an educational message, I doubt actually if we would have too big an audience. May I suggest this again: I do not know that every gentleman in this room would like to sit, let us say three or four hours every night to look at programs of an educational nature. I know that I would not, myself.

Mr. OUIMET: May I supplement Mr. Bushnell's answer by saying this to Mr. Brassard: that it is not our prime purpose to educate. But statistics have shown us that such programs as Folio and L'Heure de Concert have tripled their audience over the last three or four years, and that is enough encouragement for us to feel that Canadian people are intelligent enough to appreciate good music, good drama, and generally good fare.

Mr. BRASSARD (*Lapointe*): One of my questions has not been answered in regard to the English programs. I wonder if there are similar programs on the English channels to what we have on the French channels?

Mr. FAIRFIELD: Mr. Trainor said once that the expense of carrying on audience research services themselves would be far above the budget of this department. I know he said before that these commercial outfits like Elliott-Haynes have their set-ups, but surely they pay the same amounts to their researchers; and they are not losing money on what they charge this department. Yet the information so far as impacts in western Canada are concerned, where you have a captive audience and you depend entirely, you say, or a great deal on these commercial reports particularly from western Canada—how then can you say that this has any effect on your research department insofar as setting the rate structure and the type of program which you would put on for western Canada consumption? How much more would it cost you to run your own service?

The CHAIRMAN: Have you any idea about that?

Mr. BUSHNELL: Before Mr. Trainor answers, may I infer, Dr. Fairfield, that you are suggesting that instead of using these organizations, we should set up a nationwide survey research organization of our own?

Mr. FAIRFIELD: I wondered how much more it would cost.

Mr. BUSHNELL: Oh, I would not know.

Mr. TRAINOR: I could answer that in part, probably in a back-handed way. About a year and a half or two years ago the Canadian advertising research foundation set up a committee to study the measurement of services that were being provided at that time for the broadcast media. I would say that there was a lot of discord as to which was the best service and which was the adequate service.

This committee was charged with the responsibility of finding an answer, and after surveying the people who used this service, and the advertising agencies and the broadcasters and trying to decide on some one service which would meet the need of all three groups, they worked on this—and remember this was a committee made up of broadcasters, advertisers, and advertising agencies—they came up with a quite extensive report which they turned in to the Canadian advertising research foundation, and the research foundation recommended that this is the sort of thing which would give us the service that these people want. But nobody has adopted it and the C.A.R.F. has just dropped it. It was too expensive. Something like $25 million—I am not sure—would be required to do this, to give people what they think they need.

Mr. FAIRFIELD: Would it be just a numerical type of survey?

Mr. TRAINOR: No, not necessarily; it would mean getting into all the facets, not just the counting of noses. All these people operating now just count noses of the people who have their sets on. The advertising agencies want to know just as badly as we do what the effect is.

Mr. FAIRFIELD: How do you measure the impact of programs in western Canada where they have no other programs to watch, if you are depending entirely on these reports which would say that the listening audience is 100 per cent?

Mr. BUSHNELL: Well, there is one criterion and it is this: you can take those figures and relate them, program by program. You cannot determine whether it is because a certain number, or a greater number, of people go out on Friday nights than on Tuesday nights. That may be one of the criteria. But it may also be that your audience has dropped. Let us take Sudbury as an illustration.

The average audience there for programs—and this is in a very isolated position—the average number of homes viewing is in the vicinity of 18,000. But on some programs you will find there are only 14,000. On one particular show which is particularly popular and which is over a weekend, you will find however that there are 20,000. We use material that way. We would certainly like to know—you mentioned the word impact—and we would certainly like to know what impact our programs have. Would you agree that what you really mean is appreciation?

Mr. FAIRFIELD: Yes.

Mr. BUSHNELL: Appreciation; well, I can tell you another way that we know of, and we do not need a research organization at all to tell us. If we do something badly, we get criticized in the press and we get thousands of letters.

Mr. MCCLEAVE: And there are questions asked in parliament.

Mr. BUSHNELL: Yes, questions are asked in parliament too.

Mr. CHAMBERS: I believe it was mentioned the other day that this information obtained by the audience research bureau is not made available to the sponsors.

Mr. BUSHNELL: Possibly I caused that by saying: let me take an illustration of one particular program that I gave earlier. Certainly that information was made available to sponsors.

Mr. TRAINOR: May I clear up something with Mr Chambers?

The CHAIRMAN: Yes.

Mr. TRAINOR: The type of research that we normally do, the special studies and all that we do in our division must have some bearing on the sponsors. It is not just handed to them automatically. This information that we get from the commercial houses on a commercial basis—the sponsors buy this as well; and when our commercial sales drop, we go in to see the sponsor and he has got the books there too.

Mr. CHAMBERS: Do your contracts with these audience research groups prevent you from passing on this information to your sponsors?

Mr. TRAINOR: Only to our clients; not passing it on to them, but using the information in discussions with our clients. Invariably, he is a client as well.

Mr. BUSHNELL: I suppose it could be construed, inasmuch as the parliament of Canada is voting a very large sum of money to keep us in business, that parliament is a client, and we pass that information along.

The CHAIRMAN: You are going to find that out.

Mr. TREMBLAY: Mr. Chairman, if I may, I would like to put a question to this quite abstract thing, the C.B.C.

On what criteria does the C.B.C. base its ratings of the research audience bureau?

The CHAIRMAN: I think that has been explained. They buy their audience ratings from any one of four different commercial sources.

Mr. TREMBLAY: No, that is not the meaning of my question, Mr. Chairman, I am very sorry. I directed my question to Mr. Bushnell.

Mr. TREMBLAY (*Interpretation*): I wish to put the question to Mr. Bushnell or Mr. Trainor. Can you tell us what are the criteria which enable you to evaluate the popularity status of certain programs? Do you base yourself exclusively on public taste, or on certain lines of policy in C.B.C. programming?

Mr. BUSHNELL: Both.

The CHAIRMAN: Do you wish to supplement that, Mr. Tremblay?

Mr. TREMBLAY (*Interpretation*): In what proportion?

The CHAIRMAN: That is a very hard one to answer.

Mr. BUSHNELL: I will try to answer it. We are just human beings, and we try to use our best judgment. We think we are people of experience. We know—we think we know, within a reasonable degree of accuracy, what public taste is. And what other criteria you could use, other than that, I am afraid I do not know.

The CHAIRMAN: Mr. McIntosh, followed by Mr. McGrath.

Mr. MCINTOSH: I just wondered what is the actual value of these surveys. There seems to be a difference of opinion in the answers that we have received. In your reply to Dr. Fairfield, when he asked you about western programs, if you use the statistics you had given in relation to the number of western programs, it would show you said no.

Mr. BUSHNELL: Let me clear that up. Let us take any one of these western programs. There are three or four of them, so-called "westerns", and I am not talking about programs which originate in western Canada, but about ones which are imported on film. I do not want to offend anybody. It is quite astonishing as to the varying degree of appreciation of these programs in certain areas, and in relation to other programs.

I think I gave a very good illustration the other night, where "Folio" had actually a larger audience in the city of Sudbury than—I was going to say "any one of the westerns", but I think, two out of three. Now, you know of—

Mr. McGRATH: The total or per capita audience?

Mr. BUSHNELL: What do you mean by "per capita audience", Mr. McGrath?

Mr. McGRATH: You said the city of Sudbury had the largest audience for a particular "Folio" show of any other western city.

Mr. BUSHNELL: No, no—western program.

Mr. McGRATH: I beg your pardon.

Mr. BUSHNELL: You know, Gunsmoke, Have Gun Will Travel.

Mr. McGRATH: I am sorry; I completely misunderstood you.

The CHAIRMAN: It is getting a little late.

Mr. McGRATH: It is.

Mr. McINTOSH: I have a supplementary question to ask, Mr. Chairman, if you have finished answering, Mr. Bushnell.

Mr. BUSHNELL: It varies from place to place. Again, it depends in some cases on the competition situation. It may well be, let us say, that in the city of Toronto we are playing, let us say Gunsmoke, and the Buffalo station, or any one of the three Buffalo stations, might be carrying or transmitting a very good comedy program.

It does not happen every time, but some people like comedy more than they like westerns, and they will switch to the Buffalo station. Those ratings that we get indicate that kind of a trend.

Here is another thing that happens: a year ago we found that we were in a highly competitive position with the Buffalo station in the time-slot in which we were putting on, we thought, a very good program of an entertaining calibre. The sponsor required us to change the time so that he could get out of that competitive position. That was indicated clearly by the switch of the audience from CBLT in Toronto, say, from 9:30 to 10:00, at 10:00 to WGR in Buffalo. That is how these things are very useful.

The CHAIRMAN: Mr. McIntosh?

Mr. McINTOSH: I wonder if Mr. Bushnell could tell us how long they allow these programs to continue, when they find from surveys their audience reception is falling off; or how far does it have to continue to drop before you will discontinue a program?

Mr. BUSHNELL: That, again, is a difficult question to answer. Supposing we have made a wrong guess, and we have sold a program to a sponsor, let us say, or, indeed, one of our own programs for which we have made a contract with performers. Then we find the thing is slipping. We cannot suddenly terminate it. We cannot just cut it off like that. Instead, we make every effort to improve it, to restore it to its former position. But if the thing is just a washout, obviously we have learned that we should not do it again.

Mr. McINTOSH: How long a term of contract would you make?

Mr. BUSHNELL: What is that?

Mr. McINTOSH: How long a term of contract would you make with artists?

Mr. BUSHNELL: Except in some instances, it is usually in terms of 13 weeks.

Mr. OUIMET: In answer to Mr. McIntosh, I think it should be recalled and pointed out that all programs are not mass-appeal, that a lot of programs are designed for certain minorities which we consider have a right to hear certain programs, which they particularly like.

Mr. MCINTOSH: I might say, it would appear sometimes that you would think they were mass-appeal, by the way they are left on.

The CHAIRMAN: What is you question there, Mr. McIntosh?

Mr. MCINTOSH: It is not a question.

The CHAIRMAN: I think we are going to have to close for tonight. Do you wish to meet tomorrow morning?

Some hon. MEMBERS: No.

The CHAIRMAN: The next meeting will be at eleven o'clock next Tuesday. That will give you a lot of time to study the evidence submitted so far; and I think we can finish off audience research in about ten minutes,—I hope.

Also, we will have replies to several questions.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

(*Page No. 296*)

M. Marcel OUIMET: Comme vous le savez tous, l'échec de "La plus belle de céans" a été si complet que la direction s'est empressée de s'excuser auprès de la mère générale des Sœurs Grises, de rendre ses excuses publiques et d'enquêter sur les circonstances qui ont entouré la mise en ondes de l'émission. L'enquête est terminée. Elle a été très poussée et elle établit nettement que le contrôle normal des émissions a fait défaut en cette circonstance.

* * * *

(*Page No. 297*)

En vérité, on a péché par imprudence et par imprévoyance. L'absence de cinq superviseurs, le déplacement du directeur de la production, le surcroît de travail exigé par le rétablissement de l'horaire d'avant la grève, la préparation tardive de l'horaire d'été et l'élaboration de l'horaire d'automne sont autant de facteurs qui ont contribué à la désorganisation des services.

Il en est résulté que Radio-Canada, désireuse comme elle se le devait de souligner la béatification de mère d'Youville, a agi avec trop de précipitation. Confrontés par l'approche des cérémonies de Rome, on a voulu parer au plus pressé sans se rendre compte que les rouages manquaient encore de souplesse et on a eu recours à un texte que détenait déjà Radio-Canada, sans s'arrêter malheureusement à se demander à quel point ce texte pouvait convenir à la circonstance.

Une responsabilité très lourde retombe assurément sur ceux qui avaient mission de surveiller la production. Cette surveillance aurait dû être très serrée sur toutes les phases d'une émission aussi délicate, du fait de son inspiration et du grand événement avec lequel elle coïncidait, du fait aussi de son coût prévu. L'un des responsables a pourtant attendu à la toute dernière minute pour réagir bien qu'il ait eu lui-même des doutes sérieux quant à l'opportunité de donner suite à la production.

Si l'on s'arrête au "produit fini", il faut convenir qu'on n'a aucunement réussi à donner à l'émission l'orientation, l'atmosphère et le climat appropriés. Certaines scènes d'un caractère religieux et relevant de la vie de charité de mère d'Youville auraient pu, dans une certaine mesure, faire contrepoids aux scènes purement inspirées de la vie laïque et profane de la bienheureuse et de son milieu, mais il reste que le succès de la pièce était fortement compromis par certains tableaux disgracieux et déplacés.

La situation, il ne faut pas se le cacher, était difficile. Il aurait fallu plus de temps pour assurer la mise en scène, prévoir le découpage, repenser le texte avec l'auteur en fonction de la journée du 3 mai. Pris dans l'engrenage d'une production urgente, la vue d'ensemble a échappé à ces artisans. On n'a pu répéter que deux jours avec caméras, on a eu à peine le temps de faire ce que l'on appelle dans le métier le "blocking" et on fût même incapable de terminer la répétition générale.

Comme vous le voyez, nous avons retracé, étape par étape, la marche de l'émission. Nous avons pesé les erreurs de jugement et les fautes de goût qui ont conduit à cet échec, de même que le degré de culpabilité qui en sont responsables. Mais nous n'avons pas voulu oublier l'excellent travail accompli par tous et chacun dans le passé. Il n'est jamais facile, dans les milieux artistiques, d'accepter un échec retentissant. Dans le cas qui nous occupe, la sanction justifiée de l'opinion publique constitue une épreuve supplémentaire.

(*Page No. 298*)

Enfin, nous l'avons déjà indiqué, la responsabilité est une responsabilité sociale, une responsabilité de la société Radio-Canada, comme c'est aussi une responsabilité sociale que de prendre à l'intérieur de la maison les mesures indispensables pour éviter la répétition d'un tel incident.

* * *

(*Page No. 301*)

M. TREMBLAY: Monsieur Ouimet, vous avez dit, dans votre déclaration, que le texte qui a servi à l'émission "La plus belle de céans" était déjà en possession de Radio-Canada, qu'il avait été approuvé à ce moment-là?

M. OUIMET: Il avait été soumis pour une autre série qui s'appelait "Quatuor". Il s'agissait d'un programme divisé en quatre épisodes d'une demi-heure, si je me souviens bien. Il n'avait jamais été utilisé, pour la bonne raison que la série s'est terminée. On l'avait donc accepté, en principe, mais avec certaine réserve.

M. TREMBLAY: Maintenant, si vous me permettez une autre question, monsieur Ouimet, si le texte était mauvais pour l'émission du 3 mai, pouvait-il être bon pour les émissions dans d'autres circonstances?

M. OUIMET: C'est ce que j'ai indiqué quand j'ai dit qu'on avait péché par imprudence et imprévoyance.

M. TREMBLAY: Une dernière question, je n'exigerais pas que vous y répondiez directement. Je la pose parce que je crois qu'elle est importante. Est-ce qu'il n'avait pas déjà été indiqué sur ce texte la remarque suivante: "choquera les âmes pieuses, mais peut quand même être passé".

M. OUIMET: Je n'ai vu qu'un rapport au sujet de ce texte et je ne me souviens pas avoir vu cette expression.

M. TREMBLAY: Une question supplémentaire. Vous me dites n'avoir vu qu'un rapport. Pensez-vous qu'il pourrait y en avoir d'autres?

(*Page No. 302*)

M. OUIMET: Il peut y avoir eu un rapport sur le texte tel qu'il était présenté pour "Quatuor", et une mise en garde au sujet du texte, tel qu'il a été repris pour l'émission du 3 mai.

M. TREMBLAY: Une dernière question, monsieur Ouimet. Est-il vrai que M. Beaugrand Champagne, qui fait partie du "Script Bureau", aurait été momentanément suspendu?

(*Page No. 324*)

SÉANCE DU SOIR

M. TREMBLAY: Monsieur le président, je voudrais poser une question à M. Trainor. Comme il a dit tout à l'heure, étant donné qu'on se base sur les enquêtes de ce comité de recherches pour des programmes commerciaux, des programmes commandités et des programmes non commandités, est-ce que c'est sur ce bureau d'enquête que l'on se base pour maintenir au réseau des programmes qui durent, par exemple, depuis 12, 15 et près de 20 ans. Je vais vous donner un exemple précis, "Un Homme et Son Péché".

* * *

Monsieur le président, je trouve que l'on est un peu scrupuleux dans les questions de personnalités. Lorsqu'on donne un exemple, comme je l'ai fait tout à l'heure, j'ai fait tout à l'heure, j'ai choisi un programme très populaire, pour prendre un exemple qui, en soi, rencontre l'assentiment général, je pense qu'on peut donner des exemples et même prendre des exemples de cette sorte pour illustrer les remarques que l'on veut faire, et je crois que c'est aller un peu trop loin dans le scrupule, dans les cas de personnalités, que de refuser toute allusion à des faits précis.

Lorsqu'on prend un exemple, on ne fait pas un procès, on fait seulement une allusion à un fait. Il faut distinguer entre les faits et les personnalités, et la question que je voulais poser tout à l'heure était la suivante: Quels sont les critères et sur quels critères se base-t-on pour apprécier ce que vous appelez en anglais les "ratings"?

* * * *

(*Page No. 325*)

M. BRASSARD (*Lapointe*): Monsieur le président, je voudrais essayer,—j'ai entendu M. Tremblay, je ne sais pas si je puis rendre son idée,—je voudrais poser une question d'ordre général. La société Radio-Canada met sur les ondes, à la télévision et à la radio, des programmes qui sont assez souvent d'un goût douteux, au point de vue français.

Je me demande, d'abord, s'il y a des programmes semblables sur le réseau anglais et je me demande aussi si la société Radio-Canada, au lieu de tenir compte du goût d'un très grand nombre d'auditeurs et de téléspectateurs, ne devrait pas essayer de faire l'éducation du public dans ce domaine.

* * * *

(*Page No. 328*)

M. TREMBLAY: Est-ce que vous ou M. Trainor pourriez me dire quels sont les critères qui vous servent à apprécier les cotes de popularité de certains programmes? Vous basez-vous uniquement sur le goût du public, sur cette ligne d'orientation, sur cette politique dans l'organisation des programmes à Radio-Canada?

* * * *

M. TREMBLAY: Dans quelle proportion?

APPENDIX "A"

CANADIAN BROADCASTING CORPORATION

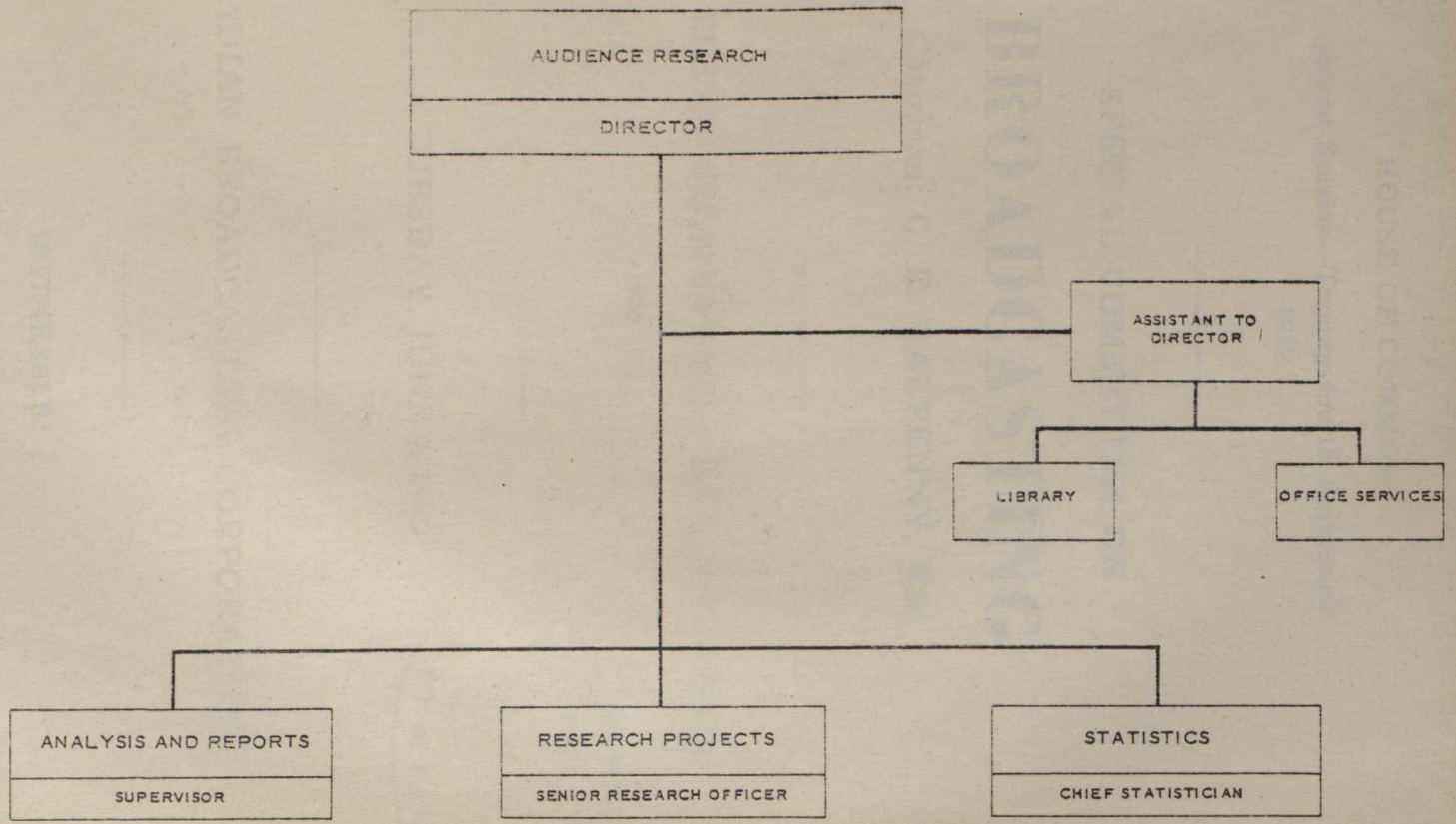
TELEVISION PROGRAM COST REPORT

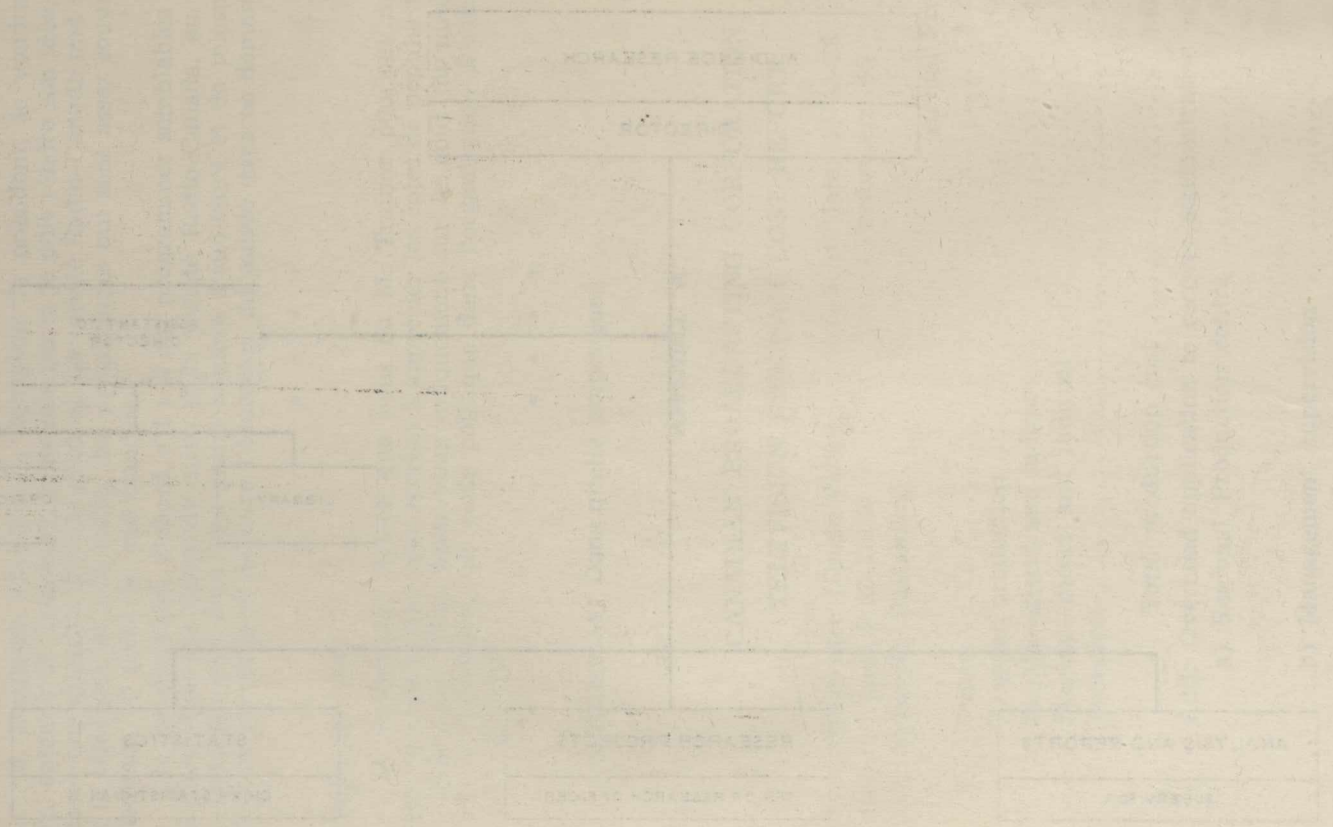
Title: Teletheatre (Oncle Vania) Telecast date: 11-12-58
Telecast Time: 9:30-10:30 No. of Performers: 15
Live: Network: Sustaining

	Actual Production Cost
Talent	$ 6,554
Program production	4,256
Design—direct and indirect	5,969
Staging—direct and indirect	9,601
Technical	6,204
Total production cost	$32,584
Add: Overhead application to recover administrative expense	
a) Regional Production centre	4,236
	$36,820
b) Management supervision	1,629
	$38,449

CANADIAN BROADCASTING CORPORATION (Appendix "B")

BASIC ORGANIZATION - AUDIENCE RESEARCH





HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament
1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 10

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TUESDAY, JUNE 9, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

E. L. Bushnell, Acting President, Canadian Broadcasting Corporation; J. P. Gilmore, Controller of Operations; M. Ouimet, Deputy Controller of Broadcasting; and Charles Jennings, Controller of Broadcasting.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21409-8—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.

Vice-Chairman: J. Flynn, Esq.

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
Johnson,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Paul,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Taylor,
Tremblay.

J. E. O'Connor,
Clerk of the Committee

REPORT TO THE HOUSE

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

FIRST REPORT

Your Committee recommends that it be empowered to meet in Toronto, Ontario, on Tuesday, June 23, 1959.

Respectfully submitted,

G. E. HALPENNY,
Chairman.

21409-8—1½

ORDER OF REFERENCE

TUESDAY, June 9, 1959.

Ordered,—That the Special Committee on Broadcasting be empowered to meet in Toronto, Ontario, on Tuesday, June 23, 1959.

Attest

LÉON-J. RAYMOND
Clerk of the House.

MINUTES OF PROCEEDINGS

TUESDAY, June 9, 1959.

The Special Committee on Broadcasting met at 11.00 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Mr. Bell (*Carleton*), Mrs. Casselman, Messrs. Chambers, Dorion, Eudes, Fairfield, Flynn, Fortin, Halpenny, Johnson, Kucherepa, Macquarrie, Morris, McCleave, McGrath, McIntosh, Pickersgill, Paul, Richard (*Ottawa East*), Simpson, Smith (*Calgary South*), Smith (*Simcoe North*), Taylor and Tremblay—(25).

In attendance: Mr. E. L. Bushnell, Acting President of the Canadian Broadcasting Corporation, assisted by Messrs. R. L. Dunsmore, Chairman, Finance Committee, Board of Directors; M. Henderson, Comptroller; J. P. Gilmore, Controller of Operations; Marcel Carter, Controller of Management Planning and Development; Charles Jennings, Controller of Broadcasting; R. C. Fraser, Director of Public Relations; R. E. Keddy, Director of Organization; J. J. Trainor, Assistant to Director of Audience Research; Barry MacDonald, Secretary, Board of Directors; J. A. Halbert, Assistant Secretary, Board of Directors; and Marcel Ouimet, Deputy Controller of Broadcasting.

On the motion of Mr. McGrath, seconded by Mr. Fairfield,

Resolved,—That the Committee travel by air to and from Toronto, Ontario, on Tuesday, June 23, 1959.

Copies of a "draft" Agenda were distributed to Members and following discussion and amendment, was adopted.

Mr. Jennings read a statement answering allegations of excessive repetitive appearances of performers on both radio and television, and Messrs. Ouimet, Bushnell and Jennings were questioned concerning the matter.

Copies of a document concerning trend analysis of quantitative ratings in competitive television markets were tabled in answer to a question asked by Mr. Smith (*Calgary South*) at a previous meeting and a sample questionnaire used by the Audience Research Division, tabled at the request of Mr. Fairfield, were distributed to Members of the Committee.

At 12.45 p.m. the Committee adjourned to meet again at 3.45 p.m. this day.

AFTERNOON SITTING

The Committee met at 3.50 p.m., the Chairman, Mr. Helpenny, presiding.

Members present: Miss Aitken, and Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Chambers, Eudes, Fairfield, Flynn, Fortin, Halpenny, Johnson, Kucherepa, Macquarrie, McCleave, McGrath, McIntosh, Paul, Simpson, Smith (*Calgary South*), Smith (*Simcoe North*), Taylor and Tremblay—(21).

In attendance: The same officers from the Canadian Broadcasting Corporation as attended the morning sitting.

The Chairman observed the presence of quorum and suggested that further questions on the subject of "repetitive appearances of performers" be directed to Mr. Ouimet.

It was decided that the topic "International Service" appearing as Item A/5 on the Agenda, be allowed to stand until later this week.

Messrs. Bushnell, Jennings, Gilmore and Ouimet answered questions relating to the production, purchase and distribution of films.

Mr. Gilmore was questioned concerning the purchasing of material, props, sets, costumes, etc., their use, disposition and storage.

Messrs. Jennings and Ouimet outlined the Corporation's policy with respect to the recruitment of new talent.

Agreed,—That a statistical table entitled "Canadian Broadcasting Corporation Payments for Copyright Material 1953-1958" be printed as an appendix to the record to today's proceedings. (*See Appendix "A"*)

At 5.25 p.m. the Committee adjourned to meet again at 9.30 a.m., Thursday, June 11, 1959.

J. E. O'Connor,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

TUESDAY, June 9, 1959.
11 a.m.

The CHAIRMAN: Gentlemen, we have a quorum.

Mr. MCGRATH: Mr. Chairman, respecting our proposed trip to the C.B.C.'s operations in Toronto on June 23, I move, seconded by Dr. Fairfield: that this committee travel by air to and from Toronto, Ontario, on Tuesday, June 23, 1959.

The CHAIRMAN: Is that agreed, gentlemen?

Agreed.

The CHAIRMAN: We are going to discuss the proposed agenda, of which we will all have copies. But before we do so, I feel it only fair for Mr. MacDonald, the secretary of the board of directors, to put on record a letter he wrote to Mr. O'Connor, our clerk.

Mr. BARRY MACDONALD (*Secretary, Board of Directors, Canadian Broadcasting Corporation*): The letter is dated today, June 9:

Dear Mr. O'Connor:

Following is a progress report on the questions raised in committee to which the C.B.C. is supplying answers:

(1) Answers to the following questions have been prepared in writing and delivered to you in 75 copies:
   (a) Information in connection with television coverage, requested by Mr. Simpson and Mr. Fisher May 15.
   (b) Total C.B.C. staff by location, requested by Mr. McGrath June 4.
   (c) Trend analysis of quantitative ratings in competitive television markets, requested by Mr. A. R. Smith June 4.
   (d) Sample questionnaires used by audience research requested by Dr. Fairfield June 4.

(2) The corporation is ready to provide verbal answers at any time to the following questions:
   (a) The functions of C.B.C. information services, requested by Mr. McGrath June 2.
   (b) Number of producers at Vancouver, Winnipeg, Halifax and Ottawa in relation to volume of production, requested by Mr. Pickersgill, June 4.

(3) Biographical information on the C.B.C. board of directors can be supplied in quantity at any time prior to the committee's Toronto visit June 23.

Answers to other questions are still being prepared.

Mr. ERNEST BUSHNELL (*Vice President, Canadian Broadcasting Corporation*): May I speak to that, Mr. Chairman?

The CHAIRMAN: Yes.

Mr. BUSHNELL: The answers still in course of preparation are as follows: operating costs of one or two C.B.C. stations, including number of staff. That was asked, I think, by Mr. A. R. Smith on May 14. Then, the amount of property owned and rented at Vancouver, Halifax and Winnipeg. That was asked by Mr. McGrath and Mr. Pickersgill on June 4. Next, cost breakdown of programs in one month's television schedule to be submitted one week at a time. That is the committee vote of June 2.

The CHAIRMAN: Those are still in process?

Mr. BUSHNELL: Yes.

Mr. MCGRATH: Arising out of that, I presume my question of June 4 is being answered, respecting the staffs at key production centres of Vancouver, Toronto, Montreal and Halifax, I think, and Winnipeg. I also added to that question the total—the network productions originating from these centres.

Mr. BUSHNELL: That will be ready by Thursday.

The CHAIRMAN: Our intention is to distribute this information as we reach it on the agenda. There is no use distributing it all at one time. We will do that, gentlemen, if that is agreeable.

Mr. SMITH (*Calgary South*): Mr. Chairman, I have a comment which I will put in the form of an inquiry, in relation to the from of the agenda—or would you prefer that I hold it until we consider the agenda?

The CHAIRMAN: Yes, I would prefer that.

Mr. SIMPSON: In relation to the question asked by myself about extensions, will that procedure be carried out as planned, with charts and so on?

Mr. BUSHNELL: The answer, as far as we are concerned, Mr. Simpson, is, yes. But, of course, at what time that will be done depends upon the wishes of this committee.

The CHAIRMAN: That is in the agenda here, Mr. Simpson; you will notice it when we discuss the suggested agenda.

I think we might as well start right at the top. You will notice the programming is under three headings, A, B, C. The first heading is Programming—General; the second, Programming Newscasting; and, the third, Programming—Controversial and Political Broadcasting. Perhaps we can discuss the nine items under General Programming and see if it is agreeable to the group.

Mr. SMITH (*Calgary South*): The point I wish to raise concerns my interest in the costs of operation of the corporation, which deals with various aspects of its function, those involved in program costs, those which are related to capital costs, those relating to salaries of employees, and so on.

Do I assume from the chair that each of these will, therefore, be taken individually under its subheading, rather than as a subject of expenditure generally?

The CHAIRMAN: That is right—under the subheading of Finance.

Mr. SMITH (*Calgary South*): Assuming that to be the case, and we conclude the present examination on research today, the next item shown is the analysis of costs required by the committee. This item will be deferred until such time as material is presented to us?

The CHAIRMAN: That is right.

Mr. BELL (*Carleton*): That is what it says—"Hold over".

The CHAIRMAN: If we may go along with this programming in general. Incidentally, this draft has been made up from suggestions received from the members of this committee. If there are points in general areas that you wish to discuss, please let us have them and we will add them to this proposed agenda.

The first item is, conclude present examination on research. Is that satisfactory?

Agreed.

The CHAIRMAN: The second item is, analysis of costs required by committee. That was Mr. Smith's motion. That is held over until we get the information. The third item is, analysis of principles governing balance between forms of programming; that is, drama, music, ballet, et cetera.

The fourth item is, examination of allegations of repetitive performers, drama, et cetera. No. 5, is International service; six, Films—French and English.

Next is No. 7, Purchasing of material—costumes, et cetera. Then No. 8 is Recruitment of new talent, and No. 9 is Relationship with performers rights society.

Have we any additions to this under any additional areas that should be included under this general programming?

Mr. DORION: Mr. Chairman, I would like to know, concerning the relationship with performing right societies, whether we have the privilege of examining certain agreements made between the society and artists, et cetera?

The CHAIRMAN: Either there or under, Personnel further on. There will be a spot in Personnel for that.

Mr. SMITH (*Simcoe North*): On the question of films, it says, French and English films. I think there might be some questions concerning Canadian films that are used.

The CHAIRMAN: We meant, French and English language.

Mr. BUSHNELL: Mr. Chairman, may I ask for clarification on that point. Films is a pretty broad subject. Just what information do you require about films—the number of films used?

The CHAIRMAN: We do not know as yet, until we get to that point.

Mr. BUSHNELL: It would be helpful. If you do not know, I cannot give you an answer until you do.

The CHAIRMAN: I realize that you cannot. Are there any other areas? Is A, Programming—General, agreeable?

Mr. MCINTOSH: Under No. 7, Purchasing of materials—costumes, et cetera: does that take in stage property?

The CHAIRMAN: That is right—general purchasing.

Mr. TAYLOR: On that matter of research, will it be possible to call a witness from the Dominion Bureau of Statistics?

The CHAIRMAN: We pretty well concluded the evidence on research.

Mr. MCGRATH: That point was covered.

Mr. TAYLOR: But my point is, could a witness be called from the Dominion Bureau of Statistics so that they could help?

The CHAIRMAN: Or wait until we get back to Research. I am trying to get this proposed agenda agreed all the way through. You will have a chance to ask questions on research as soon as we get agreement on the agenda.

"B", Programming—Newscasting; (1) Comparison by location of news service showing the number of staff, annual cost for radio and television for the last three fiscal years. Then (2) Review of directive and style guide, page 135; (3) Review of proposal to employ new staff to cover pages 260 to 262; (4) Integration of supervisory and editorial staff of radio and television services. Is there any other area, or is this agreeable?

Agreed.

The CHAIRMAN: (c) Programming—Controversial and Political Broadcasting. (1) Review of governing rules; (2) Repetitive appearances of commentators; (3) Achievement of Balance of opinon, (a) English networks and (b) French networks. Then (4) Political broadcasting, (a) The Nation's Business, (b) Provincial Affairs, and (c) Other. Is that agreeable?

Mr. PICKERSGILL: May we leave that point, Mr. Chairman? It will be recalled that the Minister of National Revenue gave an undertaking at the last session of parliament that this whole question of political broadcasting would be referred specifically to the committee on privileges and elections. I wondered, in view of the undertaking of the government and in view of the enormously long time this committee is taking, whether it is a subject that we ought not to leave to the committee that the government said was going to consider it.

The CHAIRMAN: I throw that to the committee because this was a recommendation made by a committee member and the steering committee included in this draft every proposal we have had. Does anybody wish to speak to Mr. Pickersgill's suggestion?

Mr. PICKERSGILL: I am just raising that as a question.

Mr. BELL (*Carleton*): I would agree with Mr. Pickersgill that it is not a matter which this committee should take time on; but I think—at least for the purpose of our record—we should have a statement on, perhaps, the types of rules governing this practice.

The CHAIRMAN: We can consider that at the time.

Mr. BUSHNELL: I think you should also take into consideration the fact that No. 1 of "C", Review of governing rules, is a matter which also concerns the board of broadcast governors, because the white paper which we use, and have used for these many years, has been adopted practically in the same form, with the same meaning, and is now the responsibility of the board of broadcast governors.

The CHAIRMAN: I realize that; but with regard to item (1) of part "C", I think if you would just—

Mr. BUSHNELL: We would be very happy to do that.

The CHAIRMAN: Is "C" agreeable, ladies and gentlemen?

Agreed.

The CHAIRMAN: Part "D"—Finance. Item No. 1 is, further study of reports of P. S. Ross & Sons, to C.B.C. and to the Fowler Commission, and analysis of action taken to implement these reports. Then (2), Analysis of financial statements of the corporation; (3) Comparison with British, U.S. and Canadian stations and British and U.S. networks; (4) Capital program; (5) Forecasts of deficits in future. Are there any additions, ladies and gentlemen?

Mr. PICKERSGILL: I should think we ought to have the principles on which annual budgets are prepared.

The CHAIRMAN: Is that agreed, gentlemen?

Agreed.

Mr. PICKERSGILL: I think it ought to be the first item. I am indifferent as to where it comes.

The CHAIRMAN: I do not think it matters, particularly, as long as it is in there.

Mr. SMITH (*Calgary South*): Mr. Chairman, I would like to ask Mr. Bushnell whether he would consider an examination on the rate structure, which directly affects finance?

Mr. BUSHNELL: I am sorry.

Mr. SMITH (*Calgary South*): On rate structure?

Mr. BUSHNELL: In relation to what?

Mr. SMITH (*Calgary South*): The published rates of the corporation, in relation to radio and television, advertising media, sales message—where would they go; which portion? Perhaps you might place it somewhere and we will let it go at that.

Mr. BUSHNELL: Yes, I would prefer not to—

Mr. SMITH (*Calgary South*): Right.

The CHAIRMAN: Is part "D" Finance agreeable?

Mr. TAYLOR: Mr. Chairman, with respect to item 3 under Finance, could we not also have the B.B.C. included?

The CHAIRMAN: The B.B.C.?

Mr. TAYLOR: The comparison with U.S. and Canadian.

The CHAIRMAN: If that evidence is available. Is it, Mr. Bushnell?

Mr. BUSHNELL: Yes, the annual statements of the B.B.C. are available; they are published. The annual statements of the Australian broadcasting commission are published and available.

The CHAIRMAN: Do you think that information would be worth while?

Mr. TAYLOR: Yes. I am referring to a newspaper article, which indicates certain trends.

The CHAIRMAN: Is it agreeable that we put in the British Broadcasting Corporation also?

Mr. PICKERSGILL: I think, if we do that, we ought to put in the other.

The CHAIRMAN: You mean, the Australian?

Mr. PICKERSGILL: No, the independent television in the United Kingdom. It would be much more interesting, I am sure, for both networks.

The CHAIRMAN: All right; we will just put in U.S. and British.

Mr. BUSHNELL: I may say, Mr. Chairman, I may not be able to supply them in the vast quantities that are required.

The CHAIRMAN: I realize that. Is Finance agreeable?

Agreed.

The CHAIRMAN: The next is part "E" under Organization; the organization generally—that is, an analysis of organization charts and examination as to whether responsibilities of respective departments and divisions are fully defined. I think that covers organization pretty well.

Then, under Personnel, which is section 2 of "E" (a) Personnel statistics for five years; (b) Recruiting policy—that is, public competition or not; (c) Promotional policy within the organization; (d) Possible limitation of personnel growth; (e) Safeguards against recruitment exclusively of certain types of employees; (f) Review of trade union contracts and possibility of "featherbedding".

Mr. DORION: On this question, Mr. Chairman, I would like to ask Mr. Bushnell a question on the contracts or agreements they have with the union organizations. I have something in my hand and I believe it will be very interesting to the members of the committee to have that.

The CHAIRMAN: You mean, under the industrial relations type of contract?

Mr. DORION: Under Review of trade union contracts.

Mr. BUSHNELL: I do not think there is any objection to that Mr. Carter, have we any agreement that you may know of with the various unions which would preclude us from so doing?

Mr. MARCEL CARTER (*Controller of Management Planning and Development*): As far as the unions are concerned, these contracts are published and

distributed to staff generally, and I do not see any reason why we should not provide that.

Mr. JOHNSON: Do I understand this includes every side of industrial relations—this item Personnel?

The CHAIRMAN: I would think so, unless you can think up any other heading. I think we have covered it; it is all-embracing, I think.

Mr. JOHNSON: With regard to trade union contracts, if there is any possibility that some employees are covered by individual contracts, would that be included?

Mr. McGRATH: We are getting into personalities.

Mr. JOHNSON: Under the scope of Personnel items here?

The CHAIRMAN: You realize, Mr. Johnson, that at the beginning of this committee, the committee agreed we would not get into personalities. Therefore, I do not see how we could review a personal contract with one individual.

Mr. JOHNSON: If you will permit—there might be a large group of persons who have individual contracts with the C.B.C.

The CHAIRMAN: We have the contract form. We could show you that for the individuals.

Mr. JOHNSON: A contract form does not show what "A" and "B's" particular salary is, and all that stuff.

The CHAIRMAN: As long as we do not get down to individual cases—if you want to know the number of people covered on this.

Mr. JOHNSON: We would like to have the contract forms.

The CHAIRMAN: If this committee agrees, we are going to get into personalities. I do not see how we can get down to an individual contract with an individual, because that would be bringing in personalities—unless you call them "A", "B", "C", "D" and "E".

Mr. BELL (*Carleton*): Is it that Mr. Johnson simply wants the standard form of contract of employment of an individual? If that were the case, there certainly could be no objection; but if he is asking for the contract that the individual himself completed, I think there would be an objection, under the principles we first outlined.

Mr. JOHNSON: It would be a contract, and if there are any exceptions for certain individuals, there should be an explanation for it.

The CHAIRMAN: There can be, as long as we do not name the individual.

Mr. JOHNSON: No.

The CHAIRMAN: By all means.

Mr. CHAMBERS: Mr. Chairman, I had a question left over from the first sitting of the committee that might be included in here—that was the method of establishing staff requirements. It might come under the present heading.

The CHAIRMAN: You asked that question originally, did you?

Mr. CHAMBERS: Yes, at a previous session. I do not think we have time to have a discussion on it.

The CHAIRMAN: We could put it in as a review of establishment.

Mr. BELL (*Carleton*): It really comes under (d) of "E" too.

The CHAIRMAN: Possible limitation of personnel growth—it could come under that. I think it would come under that, Mr. Chambers, without any trouble.

Mr. McINTOSH: How about the degree of responsibility under Personnel?

The CHAIRMAN: Well, I think you will find that under recruiting, and also under promotional policy.

Mr. JOHNSON: Organization.

The CHAIRMAN: And under the general organization.

Mr. MCINTOSH: Could we ask this by departments, under General organization—I mean, individually?

The CHAIRMAN: I did not hear you.

Mr. MCINTOSH: Under organization generally—that is the responsibilities of the department: I wanted to ask about individuals?

The CHAIRMAN: Again, we are getting down to personalities.

Mr. MCINTOSH: No names mentioned—appointments.

The CHAIRMAN: We could do that with the organizational charts.

Mr. MACQUARRIE: I was interested in the movement of personnel from C.B.C. stations in the geographic periphery of the country into the great heart—into Toronto. I see it is not here, so it must come under Promotional.

The CHAIRMAN: Send that question in and we will have it included somewhere. You mean, how to get out of the bush league into the major league? That will come under Promotional policy; you can bring it up at that point.

Now, Commercial organization section 3 of part "E" (a) number and location of sales personnel; (b) qualification and experience of sales personnel; (c) record of performance of commercial organization of past three years. Are there any other questions you want on sales, gentlemen?

Mr. BUSHNELL: Mr. Chairman, would you care to elaborate on (c) just a little bit—the record of performance?

The CHAIRMAN: Yes.

Mr. BUSHNELL: Do you mean, are they good boys, or bad boys?

The CHAIRMAN: I judge the thinking of the committee is, how much your sales are increasing in each district where you have sales personnel, and totalling your sales effort.

Mr. BUSHNELL: I would be delighted.

Mr. MCGRATH: This would also include a census of sales personnel.

The CHAIRMAN: That will be discussed at that time.

Mr. SMITH (*Calgary South*): I think it would be interesting to know something of the procedure which the sales force has.

The CHAIRMAN: You mean, the "pitch"?

Mr. SMITH (*Calgary South*): Not just what it says; but what is the organizational responsibility of the force?

Mr. BUSHNELL: Would you have the time, do you think, on this committee for one of our high pressure men to really give you a demonstration of our selling tactics?

The CHAIRMAN: I cannot tell you right now whether or not we have the time, but if we have, we will have him sell Mr. Smith.

Mr. BUSHNELL: It would take up a full session, I assure you.

Mr. PICKERSGILL: It might have been a very good thing to have done that at the very beginning of our session.

Mr. BUSHNELL: I agree with you, Mr. Pickersgill.

The CHAIRMAN: That is hindsight. Section 4 of part "E", Public relations and information services, (a) Comparison by location of information service showing: (i) number of staff, (ii) annual cost, for past five years, and (iii) the general functions.

Mr. BELL (*Carleton*): The past five years is intended to be implied in (i) and (ii) there, I think.

Mr. BUSHNELL: May I just beg of you to try to limit that to less than five years. Some of our documents five years ago would be down in the vault somewhere, and we have to go back and dig them out.

Mr. MCGRATH: Two comparative years would be sufficient.

The CHAIRMAN: Is it agreeable, ladies and gentlemen, for the past two years?

Agreed.

The CHAIRMAN: Then under Public relations, subheading (b) Publications, general purposes and costs.

Mr. SMITH (*Calgary South*): I wonder if I might ask this question, Mr. Chairman? Mr. Bushnell, does it present the same problem, to obtain a little longer period for the information to be obtained on public relations and information services? Is this not readily available, again?

Mr. BUSHNELL: Yes. I think, in general terms, Mr. Smith, we could give you a statement on that—let us say for three years. But if we are going to have to go back into our financial records and dig out these costs, that is quite a chore.

Mr. SMITH (*Calgary South*): You would find it difficult, therefore, to give us the five year period as an example for the cost of public relations and information services? Mr. Henderson could probably give us how much work is involved.

The CHAIRMAN: That should be available, I would think, Mr. Henderson, would it not?

Mr. A. M. HENDERSON (*Comptroller, Canadian Broadcasting Corporation*): I do not think we would have too much difficulty taking this back five years.

Mr. BUSHNELL: All right; that is fine.

Mr. TAYLOR: Could a further item (c), be added—an item reading, "Public relations policy with respect to supporting a community project"? That is a great item with private radio stations; but I cannot remember the C.B.C. radio stations doing any great job in that field.

The CHAIRMAN: Would you like to know approximately how much free time they have given on the networks for public, local community, and national projects?

Mr. TAYLOR: I am more interested in the local.

Mr. BUSHNELL: We would be delighted to do just that, Mr. Chairman. I am very happy you have asked that question, but I would ask your permission to include as well the amount of work we have done for philanthropic organizations and others on a national basis, to indicate to you, indeed, the amount of money we have spent in that connection.

Mr. TAYLOR: That will be welcome.

The CHAIRMAN: Shall we include that as (c), the value of the free time on philanthropic organizations?

Agreed.

The CHAIRMAN: Last year would be sufficient for you, Mr. Taylor—one year?

Mr. TAYLOR: Yes, one year.

The CHAIRMAN: Under part "F" Engineering and Property, (1) Functions of engineering division; (2) Comparison by location of (a) number of staff, (b) annual cost, for last 5 fiscal years.

Is that too difficult, Mr. Bushnell, for five fiscal years for the engineering?

Mr. BUSHNELL: It is all fairly difficult, to give it for five years. The only point I am trying to make is that for every year it will probably take another few hours, or probably a day, to dig out, and I do not want to hold up this

committee. I would rather give you, as a matter of fact, three years and have that sooner, than five years and have it later?

The CHAIRMAN: Is that agreeable?

Agreed.

The CHAIRMAN: Three years; thank you. (3) under engineering and property—construction undertaken during the last five years with costs, original estimated cost of each building to be shown and amounts of extras and final costs.

Mr. BUSHNELL: Oh, brother.

The CHAIRMAN: This is not the printing bureau, gentlemen.

Mr. BUSHNELL: I would like to think about that one for a minute, Mr. Chairman.

The CHAIRMAN: Shall we come back to No. 3 after Mr. Bushnell thinks it over for a minute? No. 4, the costs of microwave and conditions of rental contracts.

Mr. SMITH (*Calgary South*): May I ask if Mr. Bushnell will be providing us with the new contracts assuming there are individual contracts with Bell Telephone or the agents of anyone using the microwaves? Could you provide us with a pretty general review of these costs—again, without having to send you down to the vaults?

Mr. MCGRATH: That is spelled out in item 4, costs of microwave contracts.

Mr. SMITH (*Calgary South*): That is right; we are dealing with that, Mr. McGrath.

Mr. BUSHNELL: There again you have me, Mr. Smith. There is competition between the various communication companies and to reveal those costs is probably a bit embarrassing to them. I do not want to argue the point too strongly—we are in the hands of this committee.

Mr. SMITH (*Calgary South*): I will take that one under consideration.

The CHAIRMAN: I suggest we leave that one at the present time and we consider the amount of information we need in the three weeks when we reach this.

Mr. MCGRATH: I think that information was given in the House of Commons at one time and there is reference to it in *Hansard,* Mr. Bushnell.

Mr. BUSHNELL: I beg your pardon?

Mr. MCGRATH: That information was given in parliament at one time, with respect to the costs, the size of the contracts entered into with the telephone companies respecting the microwave network.

Mr. BUSHNELL: You have both the telephone companies and the Canadian Pacific and Canadian National telegraphs.

Mr. MCGRATH: I was including those.

Mr. BUSHNELL: It is competitive. Actually, when we asked for an extension of the microwave service we asked for tenders from both those companies.

Mr. SMITH (*Calgary South*): I will be happy to look up *Hansard,* and then determine which information is required.

The CHAIRMAN: Now we go on to item 5: "New construction planned".

Mr. TAYLOR: On that item could we add, since it is related, "Policy with respect to working with local government"?

The CHAIRMAN: In this area?

Mr. TAYLOR: In item 5, if we could add the words, "Policy with respect to working with local government".

What I have in mind is the *Vancouver Sun* editorial, and here is one sentence:

> The federal cabinet minister and MP's from Vancouver should demand an inquiry into C.B.C. plans before it is too late for C.B.C. to co-operate with city planning.

The CHAIRMAN: We can discuss it under the heading of "New construction planned" at that time. Mr. McGrath?

Mr. MCGRATH: Mr. Chairman, there is a question which Mr. Bushnell has respecting the amount of property owned and rented in Vancouver and so on, by the C.B.C. This could come up when that question is answered.

Mr. PICKERSGILL: It seems to me it is an unnecessary duplication on what we already have under finance and the capital program.

The CHAIRMAN: How do you feel that comes under that item?

Mr. PICKERSGILL: What item is the "capital program" if it is not new construction? It may be more than new construction.

The CHAIRMAN: There are a lot of other things in addition to new construction.

Mr. PICKERSGILL: But do we have to go over that twice?

Mr. BELL (*Carleton*): If it proves to be duplication we should drop it here.

Mr. PICKERSGILL: I suggest we drop it.

The CHAIRMAN: "Policy re calling public tenders". That is item 6. Agreed.

The CHAIRMAN: Item 7 "Architectural staff maintained"; that is subdivided into (a) number; (b) duties; and (c) costs.

That completes the areas under "Engineering and property".

Mr. FORTIN: I would like to know also the cost of the rental of studios and rehearsal halls in each city and, possibly, the names of the halls themselves. We are not interested in the contract itself.

The CHAIRMAN: Do you mean rental contracts?

Mr. FORTIN: How much it costs to rent a rehearsal hall and studios, in the cities where the C.B.C. has no property.

The CHAIRMAN: We will introduce a new heading, "Rentals", that is under item 8. That is in relation to studios and halls.

Now we are back to item 3.

Mr. BUSHNELL: I would really crave your indulgence. That is a terrific job. Could I ask that this might be limited to the last year, which I think would give you a pretty fair indication as to how we estimate what the cost of a building would be—what the final costs are, whether up or down?

Mr. TREMBLAY: No, Mr. Chairman.

The CHAIRMAN: Two years, Mr. Tremblay?

Mr. TREMBLAY: No, I would like five years, the last five years.

The CHAIRMAN: Any other comments, gentlemen, ladies?

Mr. BUSHNELL: Again, Mr. Chairman, I suggest that I would like to report back on Thursday how long that might take, to provide that information.

Agreed.

The CHAIRMAN: Part "G" "Network relations".

Mr. PICKERSGILL: Mr. Chairman, it seems to me that with the exception of item 3 all the rest of this should be considered under the B.B.G. and not the C.B.C. at all.

The CHAIRMAN: This is "Network relations".

May we read them first? The first under "Network relations" is, "Relations with private radio and private TV. (a) rules; (b) financial arrangements; and (c) problems".

I would suggest, Mr. Pickersgill, that would not come under the B.B.G.

Mr. CHAMBERS: Under that area, there is a direct relationship between one private television station and the C.B.C., but is it not rather, C.B.C. programs?

Mr. PICKERSGILL: That is part of the organiaztion.

Mr. CHAMBERS: It does not come under the B.B.G. though.

Mr. SMITH (*Calgary South*): I think it has struck many committee members that this would be a good heading, and we hope it might be informative. It may be something about which the corporation might long to give some explanation. In addition to that, it has struck me that there has been, from time to time, some differences of opinion on the various ararngements that have been made, and I hope to be able to have Mr. Bushnell express his views on the subject.

Mr. BUSHNELL: May I put it this way: we have not any objection, but I would suggest to you, actually the situation has changed. We recognize the fact the B.B.G. now has the authority and, probably, the responsibility of determining some of these things. But we have no hesitation in attempting to assist. As a matter of fact, we consider it a privilege to be able to obtain this for you.

Mr. SMITH (*Calgary South*): I thought, perhaps the—

The CHAIRMAN: I suggest we leave it as is, and if there is a point that should be answered by the B.B.G., we will leave it over until their witnesses are called.

Under the general heading, "Network relations" is item 2, "Analysis of possible regional networks".

Item 3, "Cost and justification of Dom. network"—that is radio. Is that agreed to, ladies and gentlemen?

Agreed.

The CHAIRMAN: Under part "H" "New developments", item 1 "extension of hours of telecasting; 2, extension of coverage to remote areas"—which will make Mr. Churchill very happy—

Mr. SIMPSON: I must say at this point, Mr. Chairman—

Mr. PICKERSGILL: Does the chairman consider Winnipeg a remote area?

Mr. SIMPSON: I do not like to hear the terminology in here one bit. You mention "remote areas".

The CHAIRMAN: What would you like to call it?

Mr. SIMPSON: "Unserviced areas". I am sure there is not one of these politicians around here who would like to say that the maritimes are remote areas, or western cities are remote.

The CHAIRMAN: I think you are perfectly correct, Mr. Simpson.

Item 3, "Colour TV"; item 4, "Policy re potential competition of private stations in C.B.C. areas".

Mr. BUSHNELL: Mr. Chairman, may I suggest this, that you might put the words, "policy of C.B.C. with respect to potential competition of private stations".

The CHAIRMAN: You want it to read, "Potential competition"?

Agreed.

The CHAIRMAN: Are there any other headings?

Mr. SMITH (*Calgary South*): May I ask a general question?

The CHAIRMAN: I was going to say, Mr. Smith, that unless there are any other headings this will be our bible from here in, so far as we are concerned. We will have to stick to it if we ever hope to conclude these hearings.

Mr. SMITH (*Calgary South*): The point I would like to make is—I think you have done a very excellent job in preparing this agenda, and I am not protesting—but it is possibly going to take a great deal of time, unless we meet a little more often than we have been doing. I wonder if you could give a general outline of how you intend to proceed? You realize we wish to hear from two other agencies.

The CHAIRMAN: The C.B.C. have asked to be excused during the week of June 21, inasmuch as they will all be in Toronto.

Mr. BUSHNELL: Not all.

The CHAIRMAN: Some of them will be in Toronto. At that time it will be entirely up to the committee, or the subcommittee, as to whether during that week we should call B.B.G. or the C.A.B.

Mr. SMITH (*Calgary South*): I will be specific. Are we not going to have to meet at least four times a week in order to cover this?

The CHAIRMAN: It seems to me we are going to have to.

Mr. PICKERSGILL: What about these advertising agencies that have made requests?

The CHAIRMAN: We have received requests from two or three, and the same type of letter has gone out to each one, that if there is time we will consider their request, along with all other requests at that time.

Mr. PICKERSGILL: Were those requests referred to the steering committee?

The CHAIRMAN: No, they were not. I merely dictated a letter myself that they would be considered, at which time I felt the steering committee could consider them. Is that satisfactory?

Mr. PICKERSGILL: No, I think it is not satisfactory, and I think the steering committee should have been consulted.

The CHAIRMAN: When were you last at a steering committee meeting?

Mr. PICKERSGILL: I have gone to every steering committee meeting possible for me to go to, commensurate with my duties in the house, and I know of no meeting that has ever been called except when the house was sitting.

Mr. TREMBLAY: Mr. Chairman, as we did not get this draft agenda before this morning, I propose we defer the adoption of the agenda until next Thursday, although, we can start now.

The CHAIRMAN: If you will recall, Mr. Tremblay, your steering committee did send out a suggestion and we had plenty of warning of this. I am not trying to railroad this through, by any means, but I cannot see how we are going to have time to cover very many more aspects than we have in this present agenda.

Mr. TREMBLAY: No, Mr. Chairman. I do not wish that we study this complete agenda, but it is just to put some questions that are not in this draft agenda.

The CHAIRMAN: I think you will find, possibly, a place in this agenda where you can place almost any question.

Mr. JOHNSON: That is what I meant, Mr. Chairman, I wanted to make sure we would have a chance to ask any questions under these headings.

The CHAIRMAN: I think you will be able to find, certainly, in this agenda some place where you can ask those questions. Is it agreed these will be the general headings, that we will go on from here, and that we will take them as they are shown—first, under "Programming, General"—agreed?

Agreed.

The CHAIRMAN: All right, now may we conclude No. 1?

Mr. PICKERSGILL: Before we do that, I would like to make a motion, and my motion is that this committee terminate its hearings on July 1, whether it has completed its inquiries or not.

Mr. SMITH (*Calgary South*): If I may speak to that motion, Mr. Chairman, that suggests whether or not we have completed the business of this committee we should terminate. It is conceivable the house will still be in session on that date, but it is suggested we should fold up this committee. I see no sense in that motion at all.

Mr. PICKERSGILL: My motion was that the hearings should terminate on July 1, 1962.

Mr. SMITH (*Calgary South*): Pardon me.

The CHAIRMAN: Do you have a seconder, Mr. Pickersgill?

Mr. MCCLEAVE: You will be back in Manitoba then, Jack.

The CHAIRMAN: Mr. Fairfield, did you have any further questions on research?

Mr. FAIRFIELD: No.

The CHAIRMAN: Does any person on this committee have any further questions on research? We have conluded research, then.

Mr. FORTIN: May I make a correction? The correction is in the Minutes of Proceedings, No. 8, page 274, at the bottom of the page. In the question that I asked the word "sponsors" should be substituted for "commentators".

The CHAIRMAN: We will have to hold over No. 2, under "Programming—General".

We are now on No. 3 under "programming—General". This is "Analysis of principles governing balance between forms of programming—drama, music, ballet, sports", and so on.

Mr. Bushnell?

Mr. BUSHNELL: May I request that we be given time to consider that? It is quite involved, and we will have an answer for you by Thursday. I think there are other items on this agenda, in this particular section which we can deal with now.

The CHAIRMAN: Is that agreed?

Agreed.

Mr. MCGRATH: Is this the first time the witness, Mr. Bushnell, has seen the agenda?

Mr. BUSHNELL: Yes.

The CHAIRMAN: That is right. We merely worked on it last night, and Mr. O'Connor the Clerk of the Committee had it duplicated last night and was working until two o'clock this morning.

Mr. BUSHNELL: This is going to make the work of the corporation very much easier, but I think we will have to be prepared to work for 24 hours a day, seven days a week, for I do not know how many weeks. It is a prodigious task; but we are very happy to do everything we can to provide you with the information you have requested.

Mr. TAYLOR: I presume that item 3 will include educational programs?

The CHAIRMAN: We can hold that over until Thursday.

Item No. 4, "Examination of allegations of repetitive performers, drama, and so on".

Mr. BUSHNELL: In the first place, may I ask, Mr. Chairman, what are these allegations?

Mr. BELL (*Carleton*): The suggestion has been made a number of times in this committee that there is a type of family compact. Can you tell us those who are engaged in this? I think the corporation should answer this particular allegation made in the committee.

Mr. BUSHNELL: Would you be prepared to accept a very short answer?

Mr. BELL (*Carleton*): Yes.

Mr. BUSHNELL: There is no family compact in the C.B.C. If you care to go on from there, I have no objection.

Mr. BELL (*Carleton*): I think, perhaps in fairness to yourself, you should go further than that.

Mr. BUSHNELL: All right.

Mr. BELL (*Carleton*): Mr. Bushnell, you are quite well aware of what the nature of these allegations is, to which I personally do not subscribe; but I think the corporation ought to have an opportunity to answer it.

Mr. BUSHNELL: I think the answer is a very simple one. I think you are probably referring to the number of appearances of certain personalities on the air, and it may well be the opinion of yourself and others that they are appearing too frequently.

As a matter of fact, I think Mr. Jennings—if memory serves me well—mentioned what one of the reasons was, at least, and that is that these professional artists must obtain a decent living, or we are going to lose them.

Would you care to have Mr. Jennings make a statement? This is one of the 125 answers we have ready for you.

Mr. JENNINGS: The C.B.C. is occasionally accused of using the same performers and writers so often that newer and fresher talent never gets an opportunity to break into the broadcasting field.

This accusation is true only to the extent that there is in Canada a number of performers and writers who have become so proficient that the C.B.C. tries to take maximum advantage of their abilities. As Toronto and Montreal are the network centres, the most active of these performers and writers eventually, and not unnaturally live in or near these cities. Their work takes them into C.B.C. buildings on an almost daily basis. They seem to be part of the C.B.C. Their names appear frequently in newspaper columns. They become identified as "the clique".

This accusation of a C.B.C.-fostered clique is false if the word "clique" is understood to mean a set of people with little talent and no training who manage to get assignments through their friendships with producers. Statistics alone will kill this accusation, but such statistics never satisfy the aspiring performer or writer who is looking for someone to blame because his talents are not used at all, or as frequently as he feels they should be.

Performers and writers in Canada, as compared with their confreres in the United Kingdom and the United States, have a very limited market in which to sell their wares. A competitive film industry is just beginning; there is little professional stage theatre; private stations appear to use as little Canadian talent as possible, with one or two noted exceptions.

Therefore, the C.B.C. must accept the responsibility of keeping an adequate number of skilled artists earning competitive salaries so that good talent is available for its programs at all times.

Nevertheless, the C.B.C. is aware that it must constantly seek to unearth a steady flow of fresh talent. Thousands of aspiring performers are auditioned each year. In fact, no one is refused an audition. Two hundred scripts are submitted each month, and are read by at least two script readers. But everyone who wants a show-business career just cannot be accommodated.

The C.B.C. does not have enough money to pay a large pool of latent talent living wages while in training. If the corporation were to aim at new faces simply for variety's sake, the financial awards to the artists, performers and writers, would be spread so thin that there would be no incentive for them to achieve competence or stay in Canada.

Also, if an artist earns too little as an artist to support himself, then he must develop another means of earning a living. This means that his C.B.C. work can be done only on a part-time basis and becomes dependent upon his being freed from his other work at a time suitable to our program needs. It can readily be understood that we could not maintain our program quality with spare-time performers and writers.

Recently one of our Winnipeg producers complained that his attempt to produce a drama series there was frustrated because he could not locate enough of the right type of actors who could leave their main jobs at the same time to rehearse together.

The alternative to the present C.B.C. policy would be to employ more beginners and lower the incomes of the more proficient. This de-grading process would not only add further insecurity to an already insecure profession, but would undoubtedly break down the highly professional standards that we have been years in building.

Mr. McCLEAVE: Mr. Chairman—

The CHAIRMAN: Mr. Fortin had a question first.

Mr. FORTIN: Mr. Chairman, I would like to put my questions in French, if you do not mind.

The CHAIRMAN: By all means.

Mr. FORTIN (*Interpretation*): Mr. Chairman, my first question is as follows: it is difficult for us to insist too much on this matter of the repetitive appearances of actors on television because we are not allowed to mention names, but the first thing we must say is that when there is the Teletheatre on the French network of the C.B.C. we see the same artists coming back practically all the time. That is my first point.

The CHAIRMAN: Just a moment. Would you like to answer that, Mr. Jennings?

Mr. JENNINGS: I would like to ask Mr. Ouimet to come in on that. I know that he follows Teletheatre.

Mr. MARCEL OUIMET (*Deputy Controller of Broadcasting, Canadian Broadcasting Corporation*): (*French—not interpreted*)

Mr. FORTIN: You may answer in English, if you like.

Mr. OUIMET (*French—not interpreted*)

Mr. PAUL: Pourquoi?

Mr. FORTIN (*French—not interpreted*)

The CHAIRMAN: Let us have the translation first.

Mr. OUIMET (*Interpretation*): It will be easier for me in French than in English. If the word does not come to my mind, then I will go back to English or vice-versa. As for these allegations that the same people always show up on Teletheatre, you must not overlook the fact we have only a very restricted number of people to call upon.

The INTERPRETER: At this point I think Mr. Dorion interjected "why"?

The CHAIRMAN: It was Mr. Paul.

Mr. FORTIN (*Interpretation*): I wanted to ask, is this not due to the lack of C.B.C. cooperation in allowing young artists to flourish their talents?

The INTERPRETER: The answer of Mr. Ouimet began, "On the contrary"—and was then interrupted.

Mr. OUIMET: In order to speed the proceedings I would say on the contrary, Mr. Fortin. If we gave you a list of new talent which has been discovered in the last six or seven years by the C.B.C.—particularly in the drama field, and young people at that—you would be completely astonished. I am ready to stand by this statement.

Mr. TREMBLAY (*Interpretation*): Do you proceed by means of a competition to obtain the services of these new artists to which you are referring?

Mr. OUIMET: Yes, we proceed through the services of the audition bureau.

Mr. JOHNSON: Is this the same as the casting bureau?

Mr. OUIMET: The casting bureau has the responsibility to organize the auditions. But the casting bureau, as such, is not responsible for the decisions taken. The auditions are conducted, as a rule, by two or three outsiders, with the cooperation of one C.B.C. representative.

Mr. TREMBLAY (*In French—not interpreted*)

The CHAIRMAN: Gentlemen—

Mr. TREMBLAY (*Interpretation*): This is a supplementary question. Does the bureau which examines the candidates, does it consist of C.B.C. technicians, administrative personnel, artists or, is it equally represented by various people from the C.B.C.?

Mr. OUIMET (*In French—not interpreted*)

Mr. TREMBLAY: Mr. Chairman—

The CHAIRMAN: Mr. Tremblay, we have only half of Mr. Fortin's answer.

Mr. TREMBLAY: This is a supplementary.

The CHAIRMAN: Is it on this point?

Mr. TREMBLAY: Yes.

Mr. TREMBLAY (*Interpretation*): Do these experts include dramatic or musical people?

Mr. OUIMET (*Interpretation*): They do include—this is the first part of the answer; they do include drama and music experts. They are recognized as experts. I do not wish to give their names now, but if you had these names you would agree they are people who have the general respect of the public.

Mr. TREMBLAY (*Interpretation*): Is there a number of these people? How many are there? In the case of the experts, are they numerous? Do they include comedians or music critics? Are they sufficiently numerous? How many are there: one, two or three experts, for example?

Mr. OUIMET: The audition bureau are never made up of less than three people.

Mr. TREMBLAY: You say that this audition bureau never has less than three people. Let us take a specific case, where you have, in fact, three people. Do you have artists, comedians, or other people working in the particular field involved?

Mr. OUIMET: If the audition is concerned with candidates for announcing, necessarily, in this case, the audition bureau will be made up of people who know something about announcing. If the audition is conducted with regard to musical talent then we hire people who know something about music. If the audition is concerned with drama, we hire people who know something about drama.

Mr. TREMBLAY: How many?

Mr. OUIMET: As a rule, I would say two outsiders.

Mr. TREMBLAY: And one person from the C.B.C.

The CHAIRMAN: May we get back to part of Mr. Fortin's question that was not translated?

The INTERPRETER: This is the remainder of Mr. Fortin's remarks made in French. My second point is regarding the repetition dramas. I do not know if what I am going to say enters into the field of the agenda, but I wish to point out that in Quebec the dramas are habitually immoral in this sense, that 50 per cent of the time we see family dramas involving split-up homes. We do not see happy families who are living in a decent, proper manner.

My third point is, when there is a drama of public interest—and I would give as an example the recent program Deux Tours d'Horloge, it is quite immoral, and I say in the public interest that serious doubts are posed as to the efficiency of the police force in Canada. I would appreciate it if Mr. Bushnell would reply to this.

Mr. BUSHNELL: I shall be very happy to reply, Mr. Fortin. You must, I think, recognize that I am one of these unfortunate persons who does not speak the French language as fluently as he should. I watch with great interest some of the very fine productions that are carried on the French network over CBOFT in Ottawa, and I have heard these statements made before. May I suggest to you, Mr. Fortin, that immorality is a matter of opinion.

Mr. TREMBLAY: No.

Mr. FORTIN: I am sorry; I do not agree.

Mr. BUSHNELL: All right; I mean, the degree of morality may be a matter of opinion. Thank you for correcting me.

But I would suggest that if this were actually the case, there would be a great public outcry.

Mr. FORTIN: There is, Mr. Bushnell.

Mr. BUSHNELL: Well, Mr. Fortin, if that is the case, I am indebted to you for bringing it to our attention. But I must say that to the best of my knowledge there has been no strong—certainly there has not been any written protest, and I should think that some of these family dramas that I assume you are referring to are certainly well received; they have a very big audience, and if they were as immoral as I think you are suggesting—

Mr. FORTIN: Well, Mr. Bushnell—

Mr. BUSHNELL: —I believe we would hear about it.

Mr. FORTIN: I am sorry to interrupt you, Mr. Bushnell; but if you give a piece of chocolate to a child, he will take it, and he will be glad to take it; but that does not mean it is good for him.

Mr. BUSHNELL: Is there anything wrong in that, Mr. Fortin?

Mr. FORTIN: That does not mean it is good for him. Ask Dr. Fairfield.

Mr. OUIMET: Mr. Chairman, may I make a supplementary comment on this. I do not know where Mr. Fortin secured statistics to the effect that 50 per cent of the dramas generally produced on the French network are immoral. This seems to me to be a fairly sweeping statement. At the same time, if the C.B.C. French network has been under fire at various times—and more particularly so for the last few weeks, because of a certain regrettable incident—may I point out that we should be proud of one thing, that the C.B.C. French network is considered throughout the world as the No. 1 French network. The hon. member for Halifax had occasion to be with me in Paris during the month of November, and he knows this. This was while I was a member of the delegation to UNESCO, and I also looked after radio business, when I had some free time. It is thus that I had the pleasure of seeing and hearing the director general of the French television get up to his feet and propose a toast to the No. 1 French network of the world. This, coming from a country with 48 million people, is a pretty nice homage, and I should think that we should be very proud of what has been accomplished over the last

five or six years by and for 5½ million of our French speaking compatriots, irrespective of the fact that there may have been errors at times.

Mr. FORTIN: If you have given the C.B.C. opinion, I hope the newspapermen will publish that.

Mr. BUSHNELL: I hope so too.

Mr. MCCLEAVE: Mr. Chairman, I would first like to bear out the remarks of Mr. Ouimet, my colleague on that particular delegation. I would like to ask Mr. Jennings or Mr. Ouimet if, to their knowledge, there have been any cases where husband and wife teams work together on programs, the husband as a producer and the wife as one of the stars of the show?

Mr. JENNINGS: Where the husband is a producer and the wife is performing, or vice versa?

Mr. MCCLEAVE: That is right.

Mr. JENNINGS: Let me think for a second. There could have been such cases—I do not know—but I can find out.

Mr. MCCLEAVE: Further to that, it is a point, I think, of very important appearances—is the producer the person who hires or recommends for hiring the performers?

Mr. JENNINGS: He is the man who casts the show.

Mr. MCCLEAVE: He chooses the star?

Mr. JENNINGS: He chooses the star and he chooses the cast.

Mr. MCCLEAVE: Is there not a danger—if such a thing does happen and I have been told it does; though I do not personnally know—that to outsiders who are aware the husband is the producer and his wife is the star of the show, do you not think that it puts you in a position where you are vulnerable to public criticism?

Mr. JENNINGS: I do not know of a case where the husband is a producer and the wife is the star of a series. As I say, I will try and get that for you.

The CHAIRMAN: We will get that information for you later. Are there any other supplementary questions on this one point of Mr. McCleave's?

Mr. JOHNSON: I think I heard Mr. Jennings say that the producer casts the show.

Mr. JENNINGS: That is right.

Mr. JOHNSON: Does that imply he reads the text over and decides on who is going to provide a certain text?

Mr. JENNINGS: Yes.

Mr. JOHNSON: Is there not any duplication with the text bureau—I do not know what is the name: in Montreal they call it bureau.

Mr. JENNINGS: The casting bureau.

Mr. JOHNSON: Yes; is there not some overlapping between the job of the producer and the casting bureau and the script bureau?

Mr. JENNINGS: The casting bureau, in the first place, is a service department designed to organize the availability of a pool of talent, to list in a general way the abilities the artists have for certain kinds of roles in television, what their looks are like, and so on.

The producer, in taking the script he is going to produce, must read it carefully, must realize in his mind how he is going to achieve the purpose of the script—to realize the script. He must be conceiving these characters in his own mind. Then, with the assistance of the casting bureau, with its files and photographs and descriptions of artists' capabilities and so on, he searches for the best people for the roles he visualizes in his mind.

Mr. JOHNSON: Does that imply that the script bureau has already read this script?

Mr. JENNINGS: Yes.

Mr. JOHNSON: And approved of it?

Mr. JENNINGS: Yes.

Mr. JOHNSON: Before it gets to the producer?

Mr. JENNINGS: Yes.

Mr. JOHNSON: Can the producer refuse a text?

Mr. JENNINGS: Oh, yes. It would be a most unfortunate position if the producer who was completely out of sympathy with the text was "flogged" into producing it.

Mr. JOHNSON: Does he refer to the casting bureau for the necessary people to act in his play?

Mr. JENNINGS: Yes.

Mr. SMITH (*Simcoe North*): Mr. Jennings, as a matter of fact, you spoke about the necessity of giving performers enough work to keep them busy in Canada; but how does the C.B.C. feel about some of your very busy performers whom we see quite often suddenly reappearing half an hour later on a commercial?

Mr. JENNINGS: How do we feel about it?

Mr. SMITH (*Simcoe North*): Do you feel that is—

Mr. JENNINGS: Purely as a commercial spot, do you mean?

Mr. SMITH (*Simcoe North*): Yes: does that sustain the artistic integrity we strive for?

Mr. JENNINGS: Quite frankly, at times we have not been too happy about specific incidents. It is something that is very difficult for us to control. I think the impression would vary a great deal, for instance where a man or woman has finished a very serious performance, or is about to put on television a very serious performance, to suddenly see them plugging some product.

Mr. SMITH (*Simcoe North*): It seems to me to be getting more and more common.

Mr. JENNINGS: This is because performers are becoming more and more popular with the public; they are becoming bigger stars, in a sense, and therefore the advertisers are very aware of their selling value in spots.

The CHAIRMAN: They are all free-lance, are they not?

Mr. JENNINGS: Oh, yes.

Mr. DORION: I would like to ask Mr. Jennings about the question of repetitive performers; I have some questions to put to you. I saw an agreement between the Canadian broadcasting corporation and the Canadian council of authors and artists, in which there was a very astonishing clause. I have never seen such a clause in any contract between employers and employees, and I would like to know why this clause should be. I read the article—No. 37—for performers in television broadcasting:

> The corporation agrees that any person having authority to engage or direct the services of performers, who demands or accepts any fee, gift or other remuneration in consideration of the engagement of performers shall be disciplined. The C.C.A.P.A. agrees that any performer guilty of offering improper gifts or soliciting engagements by offering gifts or payments shall be disciplined.

First of all, I suppose that you had complaints about that, that certain producers asked for gifts to engage some performers? Is it true, or not?

Mr. BUSHNELL: May I answer that, Mr. Chairman?

The CHAIRMAN: I do not see exactly where this fits in with repetitive performers. Can you tell me where that fits in?

Mr. DORION: It is an aspect, because we see always the same persons, and this is an examination which was brought before the committee. I believe one of the reasons is that certain producers do receive money or gifts, from performers. This is information I have received—very serious information.

The CHAIRMAN: Your question is: why was that?

Mr. DORION: Why is there this clause? Have you had any complaints about that—about that procedure?

The CHAIRMAN: May I ask first: is that current at the present?

Mr. JENNINGS: I presume that Mr. Dorion is reading from a current contract.

Mr. DORION: Yes, from March, 1957 to October, 1958.

Mr. BUSHNELL: May I answer that, Mr. Dorion? That accusation has been made in the entertainment business as long as we have had the entertainment business. It will never stop. To the best of my knowledge, it has never been proven, and if it can be proven, that clause means precisely what it says; that if anyone—you or anyone else—can bring us facts and figures that any of the producers received any emolument of any kind, gifts or otherwise if he demanded it from any artist, I do not care who he is, he will be dismissed.

Mr. DORION: I acted many times in these sort of agreements. I never saw such a clause. I suppose that clause was enacted, was passed—accepted—because there were complaints from somebody. Did you receive complaints?

Mr. BUSHNELL: Complaints, no.

Mr. JENNINGS: There are always rumours floating around in this kind of business, and I presume because of those rumours that clause was put in. But, as Mr. Bushnell said, we have not received any complaints; but if we do receive any complaints that are backed up factually, we will do what Mr. Bushnell has said we will do.

Mr. BUSHNELL: We will fire them.

Mr. DORION: It was the result of discussion, I suppose, that that clause was accepted?

Mr. JENNINGS: I would have no idea whether that clause was put forward by the C.C.A.A. or the C.B.C.

Mr. DORION: Did you have anything to do with the discussion about that clause?

Mr. JENNINGS: Not personally, no.

Mr. DORION: Then you do not know why that clause is there?

The CHAIRMAN: He answered—a preventive measure as a result of rumours.

Mr. DORION: There was a reason. I have never seen that in any agreement.

The CHAIRMAN: What is your question?

Mr. BUSHNELL: Do you not think it is a good preventive measure?

Mr. DORION: Is it true that the directors of radio Canada wrote letters to every producer who had loans from certain performers to producers? Did you ever write a letter to the producers asking them to reimburse these loans?

Mr. JENNINGS: This is the first I have heard of that.

Mr. DORION: Maybe you are not aware of it, but the information I have is very serious.

Mr. BUSHNELL: All right; it may be very serious and we regard them as very serious. But will you please—or someone please—prove them. Will someone please bring the facts to us, and when they are proven, those people will be fired. It is the policy of the corporation not to permit trafficking of any kind.

Mr. DORION: I am not here to prove anything; I am here to investigate, and when I see a clause like that in a contract, I cannot understand it. It is the result of discussions, and during those discussions surely certain complaints were brought.

Mr. BUSHNELL: May I say this: I was director general of programs for the corporation for 15 years. My colleague and associate at that particular time was Mr. Marcel Ouimet. I can never recall a time—from the very beginning when I started on November 1, 1933, in national radio—when such charges were not made.

Mr. DORION: Not just that. I do not accuse anyone. I am sure you had nothing to do with that, and I am sure that Mr. Ouimet has nothing to do with that. I speak about the agreements between producers and performers only.

Mr. BUSHNELL: Again—

Mr. PICKERSGILL: I would like to raise a point of order, Mr. Chairman, before this discussion proceeds. Mr. Dorion has mentioned a letter, or an alleged letter that was supposed to have been written.

Mr. DORION: No, I did not allege any letter—it was information I received, verbal information—and serious.

Mr. PICKERSGILL: The point of order is precisely this: has Mr. Dorion any personal knowledge of any such letter, or is he merely repeating gossip?

The CHAIRMAN: Do you wish to speak to that, Mr. Dorion—to the point of order?

Mr. BELL (*Carleton*): It is surely not a point of order.

Mr. DORION: I did not mention any letter; I mentioned that I received serious information from someone who is in a position to give me this information. I have in my hand the agreement, and that clause was astonishing, because I have never seen such a clause in any contract—and I have acted very often on arbitration boards, for example, and I had to prepare agreements. I have never seen a clause such as that.

The CHAIRMAN: Mr. Dorion, you suggest that clause should be reviewed by C.B.C., do you?

Mr. DORION: No; I suggest that Mr. Bushnell or Mr. Ouimet may know why this clause is there. If it was as the result of a discussion or complaints brought to the attention of someone—

Mr. OUIMET: As Mr. Bushnell has pointed out, these rumours have circulated over a number of years. We are in touch at the moment with the Association of producers, and they are dead against what has been alleged to be a practice—what has been alleged to have been a practice—and we hope to come one day to an understanding with the association of producers, between C.B.C. and the producers, for joint action. There may be some black sheep among the flock; the whole flock does not want to be blackened because of one or two who we just cannot catch, perhaps.

Mr. DORION: Did you take any disciplinary action against anybody?

Mr. OUIMET: How can you take disciplinary action unless you have evidence. You cannot produce evidence.

Mr. DORION: Have you taken any disciplinary action in dealing with this clause?

Mr. JENNINGS: No.

The CHAIRMAN: May I suggest that Mr. Jennings is going to look that up, and he can tell us next time.

Mr. DORION: I would like to know from Mr. Ouimet—

The CHAIRMAN: It is definitely in this area?

Mr. DORION: Yes, exactly. I should like to know from Mr. Ouimet if he believe himself that morality is a question of opinion.

The CHAIRMAN: What has that to do with repetitive performers?

Mr. PICKERSGILL: That question was asked some time ago, and disallowed.

Mr. DORION (*Interpretation*): Mr. Chairman, I wish first to say that I do not want the impression to be created that the C.B.C. as a whole is not doing a fine job. I must say that in my opinion the C.B.C. is an essential and necessary institution. It is one which is very much to our honour to a great extent. Of course, we are here to inquire into any errors or defects they may have, and I do not want to create the impression that the C.B.C. is such a bête noire—far from it.

The CHAIRMAN: That is a statement, and that is what we have been trying to keep to a minimum.

Mr. PICKERSGILL: Mr. Chairman, I have been trying for a long time to ask a supplementary question on the question raised by the hon. member from Montmagny-L'Islet. My question to Mr. Ouimet is this: has the C.B.C. received from the religious authorities—from the episcopal authorities—any considerable number of protests over any length of time about the morality of their work?

Mr. TREMBLAY: Yes.

Mr. DORION: Yes.

The CHAIRMAN: These are the witnesses, here.

Mr. OUIMET: We have had protests on occasion for certain plays. They have been mostly individual protests. I would say that the action taken by the Assembly of Bishop a couple of weeks ago was quite unprecedented. The individual Bishops may write us; some associations may write us. But as a rule our programs—I would say the acceptancy of the French programs on the French networks of the C.B.C. is about the highest you can find anywhere in the world.

Mr. PICKERSGILL: Then I would like to ask the witness if the political moralists we have here this morning are not rather exceptional?

The CHAIRMAN: May I ask, what has that to do with performers?

Mr. FORTIN: It is an opinion he is asking.

Mr. SMITH (*Calgary South*): Mr. Chairman, some time ago Mr. Jennings read a statement, and one of the disadvantages of not having a copy is that I cannot quote his wording. But he made a reference, as I recall, to the fact that the C.B.C. has to assume a large responsibility for using Canadian talent, because few other people—and I assume he meant broadcasters—did not. Was that the crux of your statement?

Mr. JENNINGS: It was; and I would rather I had worded it in a different way.

Mr. SMITH (*Calgary South*): Would you, perhaps, do this for us? Would you tell us what is the basis of fact for your argument? Are you quoting from Mr. Fowler, or have you made a survey? Just for our information I would like to know what is the basis of fact for this statement Mr. Bushnell. I caught that phrase in Mr. Jennings' statement, and I asked his permission, as a matter of fact, to qualify it. I think it was the reference to the fact that artists were not encouraged to any great extent.

Mr. JENNINGS: That is it.

Mr. BUSHNELL: Certainly no aspersion was intended. There have been, and there are, as a matter of fact today, and particularly in the television field, privately owned stations that are encouraging a very great number of artists, and we are happy to see that. This may well lead to a migration to a central point, and this does go on but we are very happy today that the private stations are doing that. We have a bigger stage for these people to play on, and we welcome them.

Mr. SMITH (*Calgary South*): The point is it was not a factually correct statement.

Mr. BUSHNELL: No.

Mr. SMITH (*Calgary South*): The second question is dealing with this. You also made a reference in the last part of your statement about the low-paid business of being an actor or a performer. That is interesting, because we have all seen an example of that recently—without naming a name—and you are losing that individual who is going to an American network.

Generally speaking, I think of a total of some $42 million; $19 million last year was paid for talent, and so on.

Mr. Chairman, you may rule this should come later: what are you doing to try to maintain a better balance? Or would you prefer to deal with that under "recruitment"?

The CHAIRMAN: Yes. Mr. McIntosh, you had a question to ask, and then Mr. McGrath followed by Mr. Tremblay.

Mr. MCINTOSH: Mine is a supplementary question to what Mr. Smith has just asked, and it relates back to the statement Mr. Jennings made, when he referred to competitive salaries. What did you mean by that? Did you want to compare that with other artists in Canada, or other fields—like the Prime Minister who gets $37,000 a year, and some of these artists get more than that? What number get more than, say, $2,000 a month? What are you comparing it to? Are you comparing it to the United States artists?

Mr. JENNINGS: Excuse me, until I find the section, because I may have misread it.

The CHAIRMAN: While Mr. Jennings is looking it up, Mr. McGrath, another question?

Mr. MCGRATH: My question was supplementary to Mr. Pickersgill's, and has to do with this: would recent events not dictate to the C.B.C., Mr. Bushnell, the necessity or the advisability of establishing—particularly bearing in mind the goal or the aim of the C.B.C. in providing basically Canadian programs—

The CHAIRMAN: Mr. McGrath, Mr. Pickersgill's question was not on this. This deals with repetitive performers, and I doubt if yours is going to.

Mr. MCGRATH: May I finish, because it does cover drama. It is under this item here.

The CHAIRMAN: Repetitive performers?

Mr. MCGRATH: Repetitive performers, drama, and so on.

The CHAIRMAN: All right, continue.

Mr. MCGRATH: The advisability of establishing some sort of program advisory board, where you could call on outside representatives of large groups in various areas of Canada to give advice to the production centre of the C.B.C. as to just exactly what would be in good taste and what would not.

Mr. BUSHNELL: I would like to—

Mr. MCGRATH: This is not the censorship.

Mr. BUSHNELL: No, I understand that. As a matter of fact that was tried in the very early days of the C.B.C., when Mr. Gladstone Murray was the general manager. It was an experiment that was conducted in western Canada. Quite frankly, we found out that with one exception, and that was in the three prairie provinces, there was only one advisory committee which was worth its salt.

What happened was, as soon as the appointments were made to these various advisory committees all the local artists got after each member in the various fields—these members of the advisory committee came from various sections of each province, and they got after them for a job. There was nothing particularly wrong with that. They brought them to our attention, but, for the most part, they were not any good. The advisory committees just did not work out as we anticipated.

Mr. MCGRATH: Might I suggest, Mr. Bushnell, in the case of a sponsored program, for example, there would not be any problem, because it would be the sponsor's responsibility?

Mr. BUSHNELL: No.

Mr. MCGRATH: First, let me finish. Would you be a foolish sponsor if you did not take responsibility upon yourself of making sure the sponsored program did not displease your audience?

In the case of sustaining programs, would it not be adviseable, in these cases, to draw on somebody outside, to fill that gap which would be created by lack of a sponsor?

Mr. BUSHNELL: Yes, it might be.

Mr. MCGRATH: Surely you would preclude any controversy that way?

Mr. BUSHNELL: Yes.

Mr. TREMBLAY: Mr. Chairman, I would like to put some questions to Mr. Ouimet.

The CHAIRMAN: This is on these repetitive performers?

Mr. MCINTOSH: Could I have an answer to my question first?

The CHAIRMAN: What was that?

Mr. MCINTOSH: Mr. Jennings was looking it up.

Mr. JENNINGS: This was on "Competitive salaries". The meaning of that is that we try to offer enough to performers to keep them interested in working as radio and TV performers, and not to have to seek outside jobs. That is the point I made about the Winnipeg show; the producer could not get the people together for rehearsal at the time they were wanted because they were working at outside jobs.

Mr. MCINTOSH: My question was with relation to the word "competitive"—competitive with whom?

Mr. JENNINGS: Other forms of making a living, particularly outside the entertainment field.

Mr. MCINTOSH: The second part of my question was this: how many of your performers are getting more than the Prime Minister?

Mr. JENNINGS: I could not answer that off the bat.

The CHAIRMAN: That, I would suggest, has nothing to do with it. That would come under "Personnel" though.

Mr. MCINTOSH: It is certainly competitive.

The CHAIRMAN: Would you like that question answered under "Personnel"?

Mr. MCINTOSH: This is referring to the allegations, is it not?

The CHAIRMAN: This is "repetitive" and not "competitive". We will get that under "Personnel".

Mr. TREMBLAY (*Interpretation*): Mr. Ouimet, would you please tell us if there do not exist in the C.B.C. people who are at one and the same time performers and authors writing scripts and playing in those scripts?

Mr. OUIMET: This happens in precisely the same way as it happens in other countries of the world.

Mr. TREMBLAY (*Interpretation*): I have a supplementary question for Mr. Ouimet. Could you please tell me also, if you consider it normal that authors should be engaged for 10, 15 or 20 years by the C.B.C. instead of flourishing young talent which could be recruited?

Mr. OUIMET: I would say, on the French network we are not doing too badly. We have developed new authors over the last 20 years. Of course, there may be some who are still on the air who were also on the air at the time of radio. Through some circumstances and because their "product" was a well established product, we were able to transfer it to television and were able, again, to make a very great success of it. Who are we to stand against the popularity of these particular shows?

Mr. FORTIN: The one you are thinking of is my favourite program.

Mr. OUIMET: You know the one I mean?

Mr. FORTIN: Yes, I like it.

Mr. TREMBLAY (*In French—not translated*):

The CHAIRMAN: This may be out of order. May I have the translation?

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, reports were tabled on the employment of some commentators for different sections, or different programs for the year 1958.

The CHAIRMAN: That will come under "C", under "Repetitive appearances of commentators".

Mr. TREMBLAY: I would like to ask for information for the purpose of tabling some documents.

The CHAIRMAN: For that time?

Mr. TREMBLAY: Yes, for that time.

The CHAIRMAN: Yes, all right.

Mr. TREMBLAY (*Interpretation*): I would like it if we could be provided with a report on the employment of these commentators for the years 1956 and 1957—and 1955 as well.

Mr. OUIMET: Would you be satisfied—Mr. Chairman, may I ask Mr. Tremblay if he would be satisfied with the figures we have? I believe that when we were expecting the committee to sit last spring we had lists prepared which date back to September 1, 1956. Would this be agreeable to you? It will cover the last four months of 1956 and the whole of 1957. We can go back further, but it will mean, again, a delay of a couple of weeks before we can put them together, if we have to go back to January 1, 1956.

Mr. TREMBLAY: I would like you to go back to 1955, 1956 and 1957.

Mr. TAYLOR: Dealing specifically with item 4, is it not true many repetitive performers are dropped at the height of their popularity?

I want to refer to three statements in the press, and I do not pass any comment on any particular stars, but will just make general statements.

The *Vancouver Sun* says:

> In this past season the Barris Beat was introduced. It featured personality Alex Barris, placed its accent on comedy and won three national awards as well as a large following.

The article goes on to say:

> But nowhere is the Barris Beat to be found in the C.B.C.'s 1957-58 line-up.

The other article deals with this subject, and this is from the *Vancouver Sun* and says:

> Despite the official party line that Cool Pepper is expiring as per schedule, I hear it is being entombed because the C.B.U.T. brass does not like jazz.

Then it deals with the popularity of the program.

The CHAIRMAN: What has that to do with repetitive performers?

Mr. TAYLOR: My two questions are these: when they are dropped, why does the C.B.C. not tell the viewers why they are dropped? It has often been alleged they do not always kow-tow to the C.B.C. brass, and they are dropped. Why do you not tell the audience they are dropped—because of sickness, no sponsor, or because their ratings are down?

The CHAIRMAN: I still do not know what it has to do with repetitive performers.

Mr. JENNINGS: I do not know that there is any mystery surrounding this, and it might be for one of half a dozen reasons that it comes to an end. I am very certain we do not drop performers for the sake of dropping them, at the height of their popularity, and it would be extremely silly to do so.

Mr. TAYLOR: I have referred to it, and there is another comment. The writer goes on to say:

> It is quite a mystery.

And he could not get the reason from them.

The CHAIRMAN: Would you tell me what this has to do with repetitive performers?

Mr. TAYLOR: If they are top stars, why do they not keep them, even if they do not agree with the C.B.C. brass?

Mr. JENNINGS: I do not know of any case, or see any common sense in the C.B.C. dropping a top performer who was appealing to the viewing or listening audience. These opinions can be expressed but—

Mr. CARTER: I have referred to three specific shows.

The CHAIRMAN: We are going to have to close this meeting off.

What is your wish? Shall we meet this afternoon in this room at 3:45?

Agreed.

The CHAIRMAN: And then again on Thursday at 9:35?

Agreed.

Mr. FORTIN: Is it agreed for the afternoon?

The CHAIRMAN: We will meet this afternoon.

Mr. DORION: For the next meeting I would like to have a copy of the agreement between the Canadian Broadcasting Corporation and the Canadian Authors and Artists for writers in television broadcasting.

The CHAIRMAN: That will come under "Personnel".

Mr. JENNINGS: Is this not what you are quoting?

Mr. DORION: It is May, 1955, but I believe it was renewed.

Mr. TREMBLAY: On the question of repetitive performers, I would like to ask for those regulations—

The CHAIRMAN: We will carry on with this this afternoon.

AFTERNOON SESSION

TUESDAY, June 9, 1959.
3.45 p.m.

The CHAIRMAN: We have a quorum, ladies and gentlemen. We are continuing this afternoon where we left off this morning, with item No. 4 of part "A", the examination relating to repetitive performers.

Mr. TREMBLAY (*Interpretation*): Mr. Ouimet, could you please tell me if the artists from France or Europe in general have to submit themselves to an audition conducted by the audition service of the C.B.C.?

Mr. OUIMET: It all depends, Mr. Chairman, on whether they are established artists or whether they are newcomers. If they are newcomers, they are submitted to auditions, like anyone else. Moreover, if they want to establish themselves in Canada, they have to qualify with the Union des Artistes.

The CHAIRMAN: Mr. Tremblay, once again, please—

The INTERPRETER: There is a supplementary question.

The CHAIRMAN: I realize that. But, once again, please, we are talking about repetitive performers. New artists from France, or some person coming in, has nothing to do with repetitive performers, in the opinion of the chair.

Mr. TREMBLAY: On a point of order, Mr. Chairman; I would like to point out the fact that we are talking about repetitive performers. Mr. Ouimet stated this morning that there is a choice and these performers are given an audition, and I would like to know if—

The CHAIRMAN: Very well, carry on.

Mr. OUIMET: In the case of new performers, definitely.

Mr. TREMBLAY: I would like to know from Mr. Ouimet what he means by "newcomers" in that field?

Mr. OUIMET: Mr. Tremblay, I do not believe you would ask such people as Edith Piaf, Charles Trenet—and I could go on for hours—to go through an audition before we use them. We have a way of auditioning these people, and that is through the records which they put out quite regularly.

Mr. TREMBLAY (*Interpretation*): Thank you, Mr. Ouimet, for the answer; but I think we are slipping a little away from the ambit of what I am getting at. All I am asking you is this: regarding newcomers, as far as French performers are concerned—I am not, of course, talking of the big artists or performers of international repute—but what is involved is a matter of degree. I would like exact information on this.

Mr. OUIMET (*Interpretation*): It is difficult to reply to this question because, after all, we would have to define what is meant by an established performer and a non-established performer. In the final analysis it all depends on the judgment of the program directors. If you dealt with someone who is fresh out of the Conservatoire de Paris, he would go through an audition like any other performer. If you deal with an artist who already has five, six, or seven years of experience, we would still, probably, ask him to submit himself to an audition. It would not, perhaps—and I want you to note this —be carried out, so to speak, on a closed circuit, but we would try him out once or twice on the air to judge whether he was apt to be given the work involved.

Mr. OUIMET: If I may clarify this further, Mr. Chairman; before we can use such a performer he would have to secure a work permit from the Union des Artistes, and he can secure so many work permits—I believe it is six—before he is definitely asked to join the ranks of the union.

Mr. JENNINGS: Mr. Tremblay, the purpose of the audition is merely to find out what a person's work is like; that is the basis of it.

Mr. TREMBLAY (*speaking in French*)—

The CHAIRMAN: Are you sure this would not fit better under No. 8, the programming recruitment of new talent?

The INTERPRETER: Excuse me; the interpretation of that was, "one final question". That is for the record.

The CHAIRMAN: You are talking about the recruitment of new talent now, are you?

Mr. TREMBLAY: Not exactly; I am talking about repetitive performers and I am inquiring about the way—

The CHAIRMAN: The way they may be new talent?

Mr. TREMBLAY: You choose the performers, and Mr. Ouimet stated this morning that there is an audition bureau to make the choice of those performers. I think it is quite relevant to this question.

The CHAIRMAN: All right; you have one more question, Mr. Tremblay, have you? Continue.

Mr. TREMBLAY (*Interpretation*): Mr. Ouimet, may I please ask you if there exist written regulations regarding the criteria which can in the final analysis be applied by those people working in the auditions bureau, or auditions service?

Mr. OUIMET: The people who sit on these audition boards work with a form which takes into account—let us say that you are dealing with a vocalist—the personality of the vocalist: if the audition is for television, her appearance definitely counts. It also takes into account the quality of the voice, the quality of the diction, the quality of enunciation, the poise of the individual concerned. In fact, I would imagine there are about—if my memory serves me right—eight or nine chapters under which the individual concerned happens to be judged.

If I may be allowed to add one thing at this point, Mr. Chairman, I think this would help to clear the matter further. Perhaps it would help some of the members of the committee in their further line of questioning if I could read into the minutes some statistics which I secured at noon concerning the employment of talent in Montreal. I rapidly jotted down the figures for April. Necessarily, we have no figures for March, February and January because at that point the French network, as you know, was on strike, or immediately recovering from the strike. I have the figures for December, 1958, November, 1958, October, 1958, and September, 1958.

The CHAIRMAN: Once again, Mr. Ouimet, this is on the number of times—

Mr. OUIMET: This deals with the repetition of talent.

The CHAIRMAN: Then may we have your statement?

Mr. OUIMET: In September, 1958, there were 923 artists used on the television network of the C.B.C.—French. 839 were talent used previously, 84 were new talent. In October, 1958, 1,243 artists were used; 1,071 were used previously and 172 were new talent. In November, 1958, 1,326 were used; 1,164 were used previously and 162 were new talent. In December, 1958, 1,198; 1,046 used previously and 152 new talent. In April 1959—which is just two months ago—we used 1,351 artists; 1,123 had been used previously and 228 were new talent.

Of course, it must be pointed out that in Montreal live production range from 50 to 56 hours a week, as compared with about 36 hours in Toronto, or as compared, again, with the over-all service of the R.T.F. (the French Broadcasting System). This is why I made the statement this morning that the

French network was the No. 1 French Network in the world. And we do this with a pool of performers that runs to hundreds, not to thousands like they can do in Paris.

We have performers on the French network who began as child actors; we still have them. We do not exactly hire them in their cradle but practically. They come to us from excellent drama teachers and they also have come to us in the last few years from the Conservatoire d'art Dramatique de la province de Québec, who at last founded a class on drama, which they did not have for a number of years.

Mr. TREMBLAY: A supplementary question, Mr. Chairman, on the statement made by Mr. Ouimet. How many artists from France or other countries were at that time employed by C.B.C.?

Mr. OUIMET: There, again, you would have to qualify your question. If you mean artists who are regular residents of France—

Mr. FORTIN: Or other countries.

M. OUIMET: —or other countries, I believe—I could check this, if you would give me about five minutes, because I have the figures somewhere among my papers here.

The CHAIRMAN: By all means.

Mr. OUIMET: I believe it is less than 100; but I will give you an accurate figure if you will let me go through my papers.

The CHAIRMAN: Are there any other questions on A-4?

Mr. FORTIN: I do not know whether or not my question will come under that heading. If not, it will be up to you to tell me.

The CHAIRMAN: I shall rule.

Mr. FORTIN: Are the foreign performers and artists invited by the C.B.C. paid on the same basis as the Canadian artists?

Mr. JENNINGS: Usually, with any artist it may be a question of negotiating. The scale of fees for artists is laid out in the artists agreements. You have standard minimum scales. A Canadian artist, or an English or French artist might negotiate for a higher fee. A Canadian artist might well get a higher fee than an imported artist.

Mr. FORTIN: Do you, in excess of their fees, pay their travelling expenses and boarding expenses?

Mr. JENNINGS: It might vary. Usually the fee is set on the basis of the performance, and in setting the fee the travelling costs would be taken into consideration. You can have a case where an artist might be appearing in a night club, say in Toronto. He would be booked for a program, and that would not come into the picture at all. But, also, an artist might come from New York to appear, and that expense of the artist's appearance would figure in the fee.

Mr. OUIMET: I am now in a position to give you the figures. From September 1, 1958, to December 29, 1958, there was one artist—one drama artist; what we call in French a "comédien"—who was engaged by the C.B.C. on three occasions. In the field of classical music there were nine artists who had nine engagements. In the field of variety there were 79 who secured 107 engagements. For another period—which is the period from March 9, 1959 to April 25, 1959—six classical artists got six engagements; 28 variety artists got 40 engagements.

Mr. JOHNSON: Mr. Chairman, may I ask a question?

The CHAIRMAN: Is it on repetitive performers, Mr. Johnson?

Mr. JOHNSON: Yes, No. 4.

The CHAIRMAN: In the interest of saving time, I should appreciate it if you would speak in English.

Mr. JOHNSON: I have translated the notes here.

The CHAIRMAN: All right, give it in French.

Mr. JOHNSON (*Speaking in French*):—

The CHAIRMAN: Could I have an interpretation of this; this is beginning to sound like a statement.

Mr. JOHNSON: No, I am asking a question. (*Interpretation*): Because of the nature of the question—and I am putting this to Mr. Ouimet; I am sorry to come back to this question put this morning—but considering the seriousness of what was put forward, or involved, in what Mr. Dorion said, I would like clarification, if only to enable producers to prevent any insinuation which may be made towards them. Could you indicate whether, in fact, there was a case before the income tax appeal board, under the chairmanship of the late Mr. Fabio Monet in 1955, or thereabouts, in which a performer—a radio performer—

The CHAIRMAN: Carry on, Mr. Johnson.

Mr. JOHNSON (*Interpretation*): This would have involved a radio performer who asked that the appeals board consider as deductible certain sums of money given as gifts to people in authority who were entitled, or authorized, to give them work as performers.

Mr. OUIMET: On this one, I am afraid we are not in any better position than anyone else to have a transcript of the proceedings of the Income Tax Appeal Board. As you know, we sometimes see in the newspapers that a certain industrialist or a certain individual has been brought before the Income Tax Appeal Board, but I have yet to see a newspaper report mentioning a name.

Should the artist in question make such a statement? There again, of what assistance would it be to us unless this particular individual would go before the Income Tax Appeal Board and definitely swear, under oath, that he had given such sums to such individuals within the C.B.C.?

Mr. JOHNSON: Supplementary, Mr. Chairman. Then is there any organization in the C.B.C. which could deal with this matter and inquire? This was the case of Rolland D'Amour. There were many witnesses called, notably Mr. Rolland Chenail, Miss Lucille Dumont, and for the artists union there was Mr. Gerard Delage and Bernard Hogue, under whose artist's name is Clement Latour.

Mr. OUIMET: This is the first notice I have had of this case, and again I repeat that unless statements were made under oath as to the persons who may or may not have received gifts, or otherwise, I am afraid that we are not in a position, within the C.B.C., to condemn people with lack of evidence.

The CHAIRMAN: I do not think you should, either. I do not think any other person in the committee feels you should, unless it is absolutely sworn evidence. Are there any other questions on repetitive performers? If not, we will go on to No. 5, international service.

Mr. KUCHEREPA: On No. 5 I have a few questions, Mr. Chairman.

Mr. BUSHNELL: Mr. Chairman, probably I am jumping in a little too soon, but actually I would like to have here the director of the international service, and I should think he would be available on Thursday. We could clear that all up at one time.

The CHAIRMAN: You mean, hold over international service until Thursday?

Mr. BUSHNELL: Yes.

The CHAIRMAN: Is that agreeable, gentlemen?

Agreed.

Mr. TAYLOR: On No. 4—

The CHAIRMAN: We are through with No. 4; I am sorry. What is your question?

Mr. TAYLOR: I was just wondering if audience research showed a repetitive performer as being highly desirable, whether the C.B.C. would drop that performer merely to introduce a new format?

Mr. JENNINGS: If our research showed a program was going successfully —I think I said something like this this morning—we would not drop it for the sake of a new format.

Mr. TAYLOR: In other words, that star would not get on for a good length of time?

Mr. JENNINGS: I think we try to get the most mileage possible out of the people who have the most appeal.

Mr. BELL (*Carleton*): I would object if you dropped Percy Saltzman.

The CHAIRMAN: No. 6, Films—French and English.

Mr. SMITH (*Calgary South*): Mr. Bushnell, may I recall something that we discussed during the examination on the question of Canadian content—the number of American films that were being imported? I have reference, of course, to the Fowler Commission on this. I believe you stated that the number was being continually reduced.

Would you be able, at this point, to give us any indication as to what that percentage is? I would be interested to know just how much it has been reduced, and to what extent?

Mr. BUSHNELL: I think, Mr. Chairman, that we can provide those figures.

Mr. SMITH (*Calgary South*): Without too much difficulty?

Mr. BUSHNELL: Without too much difficulty.

Mr. SMITH (*Calgary South*): Mr. Bushnell, the problem of having films which you never use, or for which you have little use, is not unlike any other business, where you may have a merchandise or a product which is not too easily merchandized. The committee might be interested to know as to whether this presents a substantial problem.

We hear from time to time—those who are interested in radio and television—that you occasionally carry out a series of programs—having made these purchases—which have been generally unacceptable. We have the instance where you paid a substantial sum of money to an English distributor for the Mantovani film which has not been used. Is this a serious problem, when you purchase a film that has not been used? What is the extent of that in the corporation?

Mr. BUSHNELL: I think the extent is very small. May I just outline briefly the method by which we acquire quite a lot of our film? In buying film, we usually buy in quantity. We have been offered—as you, I am sure, are aware—libraries of M.G.M. and other organizations that happen to be rather elderly films on the market, in packages of 750. We have been asked to buy 750, plus approximately 1,500 shorts.

I am not going to name the packager, but in one case, of those 750 films there were approximately 40 that had won Hollywood awards at one time or another or had been regarded as pictures of great merit.

Then let me go into percentages. I should think that out of the 750 there is probably 40 per cent that are a little above average; there is another 40 per cent that are fair, and there is about 20 per cent that are not very much good, and we would be rather ashamed to show them. Instead of buying such a large library—

Mr. SMITH (*Calgary South*): What percentage was that?

Mr. BUSHNELL: About 20 per cent. But instead of buying such a large library we have operated on the basis of making a selection of this library, buying probably 40, 50, or maybe 60 films at a time. I am not prepared to tell you for one minute that out of the 60 every one is a good one. But we are offered the package of 60; you take the 60, and among them there are probably going to be two or three that you would be rather ashamed to show, and they are shipped back to the distributor and not used.

Mr. SMITH (*Calgary South*): In this one instance I mentioned, Mr. Jennings—and perhaps you can deny this very quickly—the price paid for the Mantovani film was $150,000, and that film has not been used. Does that bring anything to your mind, Mr. Jennings?

Mr. JENNINGS: I am not familiar with this at all. I can ask Mr. Gilmore.

Mr. SMITH (*Calgary South*): I am concerned with the cost aspect of this, as to what percentage it is of the total of your productions?

Mr. JENNINGS: The price you mentioned is not correct. The Mantovani series is planned to be used in the coming year.

Mr. OUIMET: It has been used on the French network already.

The CHAIRMAN: Mr. McGrath?

Mr. MCGRATH: Mr. Chairman, is it permissible to discuss films produced by the C.B.C., commercial films, under this item?

The CHAIRMAN: Commercial films?

Mr. MCGRATH: I am thinking of two experiments—I suppose they had better be classed as experiments—in producing canned half-hour shows.

The CHAIRMAN: It could be discussed under this, so we had better take it now.

Mr. MCGRATH: I am thinking of the series Pierre Radisson and the Last of the Mohicans.

With respect to both these films, could we perhaps have some indication as to the cost of production; if the films were sold abroad, in the United States; and how much was realized from the sale? Were both these films contracted for by the United States networks before the beginning of production? Why was the series Pierre Radisson dropped from the C.B.C. TV network before it had completed its run? Could we have answers to these questions for the next meeting?

Mr. BUSHNELL: Yes, sir.

The CHAIRMAN: Mr. Chambers first, and then Mr. Tremblay.

Mr. CHAMBERS: Mr. Chairman, in relation to a series of films that is bought in the United States, either currently made or old ones that have appeared—for instance, the Sergeant Bilko series, which is now on—are these purchased by the C.B.C. and sold to the sponsor, or are they purchased by the sponsor and then an arrangement is made with the C.B.C.?

Mr. BUSHNELL: I think, as a matter of fact, Mr. Chambers, that as far as I know, as far as I can recall, unless there has been some recent change, the most we have ever purchased—and this was in the initial stages of our development—is four. We regard them as C.B.C. properties, but we do not make a practice of buying films for sponsors for re-sale. In other words, let me put it much more simply: the sponsors buy them themselves.

The CHAIRMAN: Do you have a supplementary question, Mr. Chambers?

Mr. CHAMBERS: The sponsors buy them, and do you have a right of refusal? Can you say, "We do not like this kind of thing"?

Mr. BUSHNELL: Yes, very definitely.

Mr. TREMBLAY: Mr. Chairman, I have some questions and I would like to put these questions on films in French.

The CHAIRMAN: By all means.

Mr. TREMBLAY: I will read them slowly.

Mr. TREMBLAY (*Interpretation*): These questions are addressed to Mr. Ouimet. I would appreciate it if the answers could be given at the next meeting, if possible.

The first question is: since the inauguration of television how many film programs on the French network have there been—by this I mean, which are filmed and produced either in Canada or abroad?

Mr. OUIMET (*Interpretation*): Mr. Chairman, a distinction must be made between feature films and films which are solely made for television purposes, and even then you run into the hundreds.

The CHAIRMAN: Mr. Tremblay, I would suggest—and I would suggest to each member of this committee—that we are asking the C.B.C. for a mountain of evidence. I know they are going to get everything we ask them for, but a number of people will be required to get a lot of this information. Therefore, I would suggest that we temper to a degree, as much as possible, and ask for the least amount instead of the greatest amount of information. Regarding your question now, there would be a million films, possibly.

Mr. TREMBLAY: Mr. Chairman,—

The CHAIRMAN: In French, if you please, Mr. Tremblay.

Mr. TREMBLAY: My intention is to know what use of films the C.B.C. is making. I realize that I am asking for a large number of films and information. But I said I would like to have that information for the next meeting of this committee, if possible.

If Mr. Ouimet has a—

Mr. OUIMET: We can—

Mr. TREMBLAY: If Mr. Ouimet has a little sense of humour, I think that he is able to realize that I do not wish to have this information for the next sitting of the committee, no. But, Mr. Chairman, if you would permit me, I would like to put some questions.

The CHAIRMAN: Just before we leave this, can we temper your question a little, Mr. Tremblay?

Mr. OUIMET: We can easily give something akin to what we know already about the English network, that is a breakdown of our live production and of our film production.

I mentioned 56 hours of live production a moment ago. These 56 hours are out of a total of 70 hours a week during the winter months. You can figure out that 14 hours are film. They may be filmed in France, in Canada, or filmed by the National Film Board, or dubbed-in Italian films; they may be dubbed-in South American films.

The CHAIRMAN: Would that satisfy you, the amount of time instead of the number of films, Mr. Tremblay?

Mr. TREMBLAY: Mr. Chairman, I know very well the amount of time these questions require, but if Mr. Ouimet would allow me to continue, I have here some precision about my wish.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, if you will allow me, I will merely put a few questions which will be a summary of the wider questions I have in my mind.

Mr. Ouimet may rest assured that I have no intention of submitting him to intensive research with his C.B.C. colleagues.

I would like to know how many films have been put on television during the year 1958. By this I mean films produced either in Canada or abroad.

I am talking of documentaries, films used in an episode manner and films also which are put on for cinema purposes, long films.

Mr. OUIMET: Mr. Chairman, I can attempt it. Thank God we have a few electronic brains which probably are more precise in this case than our own brains.

Mr. CHAMBERS: It seems to me we are submitting the C.B.C. staff to a tremendous amount of work. We have already asked very detailed questions. I wonder if the committee might know the reason why this information is wanted? We have some responsibility with regard to the costs of the C.B.C., and we are here adding to their costs. Perhaps Mr. Tremblay could let us know why he wants this information.

The CHAIRMAN: Mr. Tremblay, can you give us any idea why this information is wanted? We are getting to the point now where I feel you cannot wring another drop of water out of this stone.

Mr. TREMBLAY: Mr. Chairman, it is very easy to answer the question. It is because I wish to know how many films have been used by the C.B.C. in those fields which I said a few moments ago. That is the only reason.

Mr. BUSHNELL: Mr. Chairman, may I make an observation here which, I think, is appropriate?

The CHAIRMAN: Yes, Mr. Bushnell?

Mr. BUSHNELL: Some of you wonder why the C.B.C. has such enormous costs. I think it must be evident from the questions that are being asked that we have to retain a very large statistical department, with reams and reams of reports coming in weekly and daily, just so we will have this information when we appear before you gentlemen. That is part of the cost.

Mr. JOHNSON: Thank you, Mr. Bushnell.

Mr. MCCLEAVE: Perhaps they would say why they do not have the information ready for us and explain why.

Mr. BUSHNELL: I do not think we have done too badly yet, Mr. McCleave. I do not think you can say that we have been unable to provide you with any information you want.

The CHAIRMAN: There is no suggestion from the C.B.C., Miss Aitken and gentlemen, that we should not ask them for more information. But I am a business man, and I realize that all this costs money to prepare. Just to satisfy an individual's curiosity I do not think the taxpayers of Canada should have to pay, possibly, $2,000.

Mr. TREMBLAY: On a point of order, Mr. Chairman, I do not think you are entitled to say it is just satisfying personal curiosity.

The CHAIRMAN: You said that, did you not?

Mr. TREMBLAY: When I sit on the committee I sit as a member of the House of Commons.

The CHAIRMAN: I realize that.

Mr. TREMBLAY: And I sit as a representative of the people, and that is the reason why I put my question to Mr. Ouimet. The only reason I have is to know, and to know as a member of parliament. It seems to me—

Mr. SMITH (*Simcoe North*): On the point of order, I think we should consider carefully asking for statistics that are not kept in the normal course of the C.B.C. operations. If we go beyond that and ask for statistics beyond that, there ought to be a good reason for doing so. We have been given, I think, a fairly accurate idea of the number of filmed programs that are used each week. I think the C.B.C., no doubt, has also some breakdown as between domestic and foreign films.

The CHAIRMAN: Does anybody else wish to speak on it?

Mr. MCINTOSH: Just to keep the record straight: did I understand Mr. Bushnell to say that their statistical staff is just there to give us information?

Mr. BUSHNELL: No, not just to give you information. Mr. McIntosh, I am not trying to pin it down to you, or to this committee; but I think you recognize the fact questions are asked in parliament. Questions are asked by a wide variety of people. We have to have this statistical information. It is not just for you, and I'm sorry if I created that impression; but I did say this, we have to keep a lot of people doing a lot of work to provide statistics generally.

Mr. MCINTOSH: Any more than, say, any other crown corporation?

Mr. BUSHNELL: I cannot answer that because I have never been present at an inquiry of another crown corporation. I do not know what questions you ask, or what information they have to provide.

Mr. MCINTOSH: Your system of bookkeeping is the normal system of bookkeeping?

Mr. BUSHNELL: This has nothing to do with bookkeeping.

Mr. CHAMBERS: On the point of order, obviously a member of parliament, as such, representing his constituents has a right to obtain that information.

The CHAIRMAN: I realize that.

Mr. CHAMBERS: However, there must be some limitation on this. Some member might want to know how many pencils there are in the store room of the C.B.C. I do think to answer that question it is obviously going to require a lot of work, and I think the committee might have some explanation as to why this information is required before the committee passes on the request.

I wonder if Mr. Tremblay would not be willing to let us know in what way this information will help us in forming our report?

Mr. BELL (*Carleton*): On a point of order, may I suggest there is one single objective we have, to prepare a report, a report to be made to parliament which, we hope, will be helpful to parliamentary control of the C.B.C. and the C.B.C. itself. I think any information we receive from the C.B.C. should be only information which is for the purpose of enabling us to prepare a satisfactory report. Therefore, I think on all questions, it must be decided what purpose they would have in the preparation of the report.

If Mr. Tremblay can assure us that he proposes that, subsequently, some part of the report will deal with this matter, and it is directed to that end, then I will go along with that. But if it is on any other basis I think the committee should turn down the request.

Mr. JOHNSON: I think we should speed up this discussion, and I propose that Mr. Tremblay gives his questions to Mr. Ouimet, and that the answers be provided later on.

The CHAIRMAN: That is what we are talking about.

Mr. JOHNSON: Let us stop discussing it.

The CHAIRMAN: The point of order is whether this is required or not.

Mr. MCCLEAVE: Just to clear up a possible misinference that was drawn, I think the C.B.C. has been overly cooperative with us.

The CHAIRMAN: Mr. Tremblay, again, feeling the pulse of the committee here, would you like to try again?

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I want to be quite properly understood. That is why I am speaking in French because, like Mr. Ouimet, I can do so better than in English.

I want it to be understood that my intention is not to put the C.B.C. on trial, but I believe that the use of films by the C.B.C. represents an important aspect of the commercial side of that organization.

The use of films also has a direct repercussion upon the encouragement given to private enterprise in this particular field, that of films. So, in putting these questions, I am doing so in order to get statistical information of a useful type, which will enable us to evaluate the policy of the C.B.C. in this respect.

And yet, be it well understood, that there is no question of putting in doubt the sincerity or the like, of any particular individual in the C.B.C.

It is a question which is at one and the same time commercial and economic, and it is a matter of private enterprise.

That is the frame-work in which I put the question, and I would add that I believe that if my question had not been so easily misunderstood, so quickly misunderstood, then I would have been allowed to proceed with the other questions, which could have put into more proper light, or clarification, the wider question I had already put to Mr. Ouimet.

The CHAIRMAN: Again, Mr. Tremblay, I suggest that the broad aspect of the information which you asked for originally was such that it represents—I will not say an enormous amount of work. That is all I am thinking of, and if you could change your question, it might be helpful. Can you bring it down to a shorter time? Would that satisfy you, Mr. Ouimet, a shorter period?

Mr. OUIMET: I would like to say, first of all, we always try to tap all the sources of film that we can find, in order to encourage private enterprise.

Although the work that Mr. Tremblay has requested is of very great magnitude it is a fact, I believe, that the French network of the C.B.C. uses less film proportionately than most of the large networks in the world. I mentioned a period of time of 14 hours a week at the peak months of the year; and that is because the same source do not exist, for all intents and purposes; the availabilities of film are not as wide and abundant as they are for our English speaking compatriots.

We must remember one thing; we have to program 70 hours a week in order to compare as favourably as possible with what goes on on the English network. We do not like our French speaking compatriots to come along and say that there is a disparity in the number of hours broadcast by the C.B.C. on the French networks and the English networks. We try to tap all available sources of film material throughout the world.

The CHAIRMAN: Mr. McGrath, is it on Mr. Tremblay's question?

Mr. MCGRATH: I would just like to make a suggestion. In view of the volume of information that has been presented at the request of the committee by the C.B.C., we all agree and appreciate the fact they would be most willing and cooperative. I suggest, sir, in view of the tremendous agenda we still have ahead of us and the limited time left to this committee, with all due respect, we should be very careful in future of requests for information which will require statistical research on the part of the C.B.C.

The CHAIRMAN: The chair intends to do that.

Mr. FLYNN: I want to suggest we might let Mr. Tremblay read all his questions, and after that we can get the substance of the information he wants, without requiring too extensive research. We might get a whole batch of questions together.

The CHAIRMAN: That is agreeable to the chair, if you would like to go ahead and ask your questions, Mr. Tremblay, and then we could come back to your original questions.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I wish to put the following question to Mr. Ouimet: in the case of the films put on as cinema productions, who were the distributors for the films for the years 1957 and 1958?

Next question: who produced the international news reporting put on the French network by the C.B.C. in the years 1958 and 1959?

The CHAIRMAN: Would you stop there, please. Let us get back to the first question. I think if we could answer them as we go along, it would simplify the matter. Would you repeat the first question?

The INTERPRETER: "My first question to Mr. Ouimet: In the case of the films put on as cinema productions, who were the distributors of the films for the years 1957 and 1958?"

Mr. OUIMET: That information can be secured, if it is desired by the committee.

The CHAIRMAN: Now, question No. 2.

The INTERPRETER: "Second question: who produced the international news facilities put on the French network by the C.B.C. in the years 1958 and 1959?"

The CHAIRMAN: That, again, you will have to get, Mr. Ouimet.

Mr. OUIMET: I would like to qualify that. What does Mr. Tremblay mean exactly by "international news report"?

The INTERPRETER: "International news reporting".

Mr. OUIMET: You mean, inserts within the news bulletins?

Mr. TREMBLAY: Yes.

Mr. OUIMET: I would say most of the inserts in the news bulletins, were produced by our news camera team attached to the C.B.C. news bureau. The news inserts are produced—

Mr. TREMBLAY (*Interpretation*): I would like to know who does this.

The CHAIRMAN: You are getting on to personalities again, on teams, Mr. Tremblay, are you not; you are asking for the names of the people on the team?

Mr. TREMBLAY: Firms.

The CHAIRMAN: Do you want to know how many, or the names of the people?

Mr. TREMBLAY: The names of the firms, if they are firms. I do not wish to know the names of those C.B.C. employees.

The CHAIRMAN: Would you give your answer again?

Mr. OUIMET: We have a camera team—what we call a camera team, in the business, consists of a sound man and a cameraman, which may be supplemented at times by an extra sound man or an extra cameraman, according to the volume of work that we have to take care of. We also use United Press International footage, and various other agencies—the British Commonwealth Newsfilm Agency. I am talking here, of course, of the news broadcasts. This is where we secure our international news coverage.

The CHAIRMAN: Your third question, please?

The INTERPRETER: The third question was: "which agencies, bodies, or organizations transact, on behalf of the C.B.C., with film distribution agencies?"

Mr. OUIMET: I would say the C.B.C. transacts with film distribution agencies as a normal practice of trade.

Mr. TREMBLAY: By which means—or way: through a bureau?

Mr. OUIMET: Through our normal departments.

Mr. TREMBLAY: Who is responsible?

Mr. OUIMET: The responsibility in this case for any transaction is located mostly in the Film department.

Mr. TREMBLAY: How many members are in this Film department?

Mr. OUIMET: There, again, offhand I am not able to tell you; but I know that there are quite a number, because the Film department responsibility is not only that of purchasing film.

The INTERPRETER: "Next question".

The CHAIRMAN: Next question, please.

The INTERPRETER: The next question was as follows: "For the years 1957, 1958 and 1959, which were the companies producing news reports made in Canada, the film programs that served for continuity; and which companies made these films for the C.B.C.?"

Mr. OUIMET: The news reports made in Canada were produced by our own cameramen attached to staff. Also, of course, some stringers. Mr. Jennings explained earlier on that there is a news cooperative, and of course we do, on the French network and on the English network, take advantage of this news cooperative to receive reports from various parts of the country.

As far as film inserts are concerned, this would have to be checked, because I am quite sure there are a number of companies that have engaged in these particular film inserts within drama productions which is I believe what you mean.

The CHAIRMAN: I think so, because it should not be even on news. We will get that on newscasting.

Mr. OUIMET: Film inserts within drama—this would have to be checked because a number of companies have engaged in this within the last two, three or four years.

The INTERPRETER: "Next question".

The CHAIRMAN: Next question, please.

The INTERPRETER: The next question was as follows: "There is a program on which I require information. I am talking of "Pour Elle". And this is not personality; this is a fact. But at the time it was produced, what was the cost, who produces it now, and at what cost?"

The CHAIRMAN: Do you want the name of the producer?

Mr. TREMBLAY: I want the name of the firm.

Mr. OUIMET: This, I am afraid, I would not be able to answer readily. I would have to check.

The CHAIRMAN: Are there any further questions there?

The INTERPRETER: The next question was as follows: "I have a final question: Which body or organization, on behalf of the C.B.C., during the recent French network strike of the C.B.C. acted on behalf of the C.B.C. regarding films which were put on in replacement of normal programs?"

Mr. OUIMET: In this particular case, in the "abnormal" course of his duties—because we happened to be faced with a strike—the Film supervisor and his staff were responsible for this particular job.

The INTERPRETER: I should have said: "who bought the films". I do not know if I said "bought"; I should have said "bought".

Mr. OUIMET: Mr. Tremblay, I have just been informed that the film procurement section of the film department is made up of seven people.

Mr. SMITH (*Calgary South*): I wonder, Mr. Bushnell, if I could return for a moment to the 20 per cent of films which you find are unsatisfactory and, again, I think I could relate this to cost. Do I understand that this group of films which are considered unsatisfactory are returned and, therefore, do not represent a cost to the corporation—or is it just discarded as loss?

Mr. BUSHNELL: No. Let me put it to you this way, Mr. Smith. We are recognizing that in this package of a certain number of films there may be

20 per cent that are not too good. We take that into account and when we buy from the distributor we make it very clear to him that we know very well that 20 per cent of them may never be used. Therefore, we beat him down in price. So whether it is a loss or not, I do not know.

Mr. SMITH (*Calgary South*): I realize the problem you have. Nevertheless, you do not recover, of course, and you cannot recover the cost of errors which are a matter of choice. May I ask Mr. Jennings, perhaps, this question: in the case of the one I mentioned, the Mantovani series that has not been brought on the air, that was purchased some time ago, representing around $150,000, but has not been used?

Mr. BUSHNELL: Let me answer that please. The Mantovani series is something that I would think would be used eventually; I think every one of them will be used eventually. It is the feature film packages I am talking about, of which 20 per cent are "turkeys".

Mr. JOHNSON: Do I understand that Mr. Ouimet will provide us with certain names of companies or firms who have sold films to the C.B.C.? I think that one of the questions asked by Mr. Tremblay dealt with this. I would like the number of films in each year since 1956. I would not dare ask percentages since I believe that it is more easy to get the number than the percentage.

The CHAIRMAN: You want the number of films purchased?

Mr. JOHNSON: From different companies and firms, for C.B.C.

The VICE CHAIRMAN (*Mr. Flynn*): May I suggest that this question is about the same question as the one put by Mr. Tremblay and which we discussed earlier. I was wondering if both Messrs. Tremblay and Johnson would be satisfied with the films used and the amounts paid by C.B.C. to producers of films, Canadian and foreign.

Mr. JOHNSON: Purchasers—not peddlers; but those who sell films.

The VICE CHAIRMAN: I think that would be easier.

Mr. JOHNSON: Yes.

The CHAIRMAN: Whichever is easier for you to get.

The VICE CHAIRMAN: Just the amount.

Mr. OUIMET: The gross amount?

The VICE CHAIRMAN: The gross amount paid to producers, dividing it into foreign and Canadian producers.

Mr. JOHNSON: I want different companies.

The VICE CHAIRMAN: You want the names of the companies?

Mr. JOHNSON: I understood your point of order—

The VICE CHAIRMAN: I did not put a point of order.

Mr. JOHNSON: Your suggestion was to save time of the C.B.C., instead of the number of films; and would you give the gross amount paid to each company, foreign or Canadian?

The CHAIRMAN: You want the names of the distributors that they purchased from and the amount of money they spent with each distributor?

Mr. JOHNSON: Yes, the distributor.

The CHAIRMAN: And you want it for 1956, 1957, 1958 and 1959?

Mr. JOHNSON: Up to date.

The CHAIRMAN: You could not be satisfied with getting it for two years, for example, could you?

Mr. JOHNSON: No.

The CHAIRMAN: Three years, possibly? There is a lot of evidence that these people are going to have to give us.

Mr. JOHNSON: Let us say, 1957, 1958 and 1959.

Mr. BELL (*Carleton*): What possible use is this going to be to us when we get it, Mr. Chairman?

The VICE CHAIRMAN: That is why I suggested that you have the amount paid to foreign producers and Canadian producers—that would be enough. You would know thereby how much the local Canadian industries have helped. That would be sufficient.

Mr. JOHNSON: I put the question, and it was accepted by Mr. Ouimet, so I believe we could call it quits.

The CHAIRMAN: Are there any other questions on French or English-speaking films?

Mr. BUSHNELL: I think I should add to the comment I made a moment ago. Mr. Gilmore has the exact details of the Mantovani deal.

Mr. SMITH (*Calgary South*): It might be worth while to clear it up now.

Mr. GILMORE: This is a film deal which is not unusual in the normal course of networks dealing with the distributor. We contract for a syndicated film series. This particular series is in French and English and it is for a series of half hour programs, featuring the well known musical conductor and his orchestra, Mantovani. There was not any place in our program schedule this last fall on the English network for it; there was on the French network. We have placed it on the French network. We are placing it in the coming fall on the English network, and the contract has been extended accordingly.

Mr. SMITH (*Calgary South*): That is a very satisfactory answer.

The CHAIRMAN: Are there any other questions on French or English-speaking films? We will go, then, to No. 7, Purchasing of Material. Would you like to make a statement on purchasing, Mr. Bushnell?

Mr. BUSHNELL: I would like Mr. Gilmore to deal with that statement, please.

Mr. GILMORE: I would prefer to answer some questions on it.

Mr. PAUL (*Interpretation*): What is the value of costumes or scenery stolen or mislaid in the C.B.C. from January 1, 1958, to April 30, 1959?

Mr. BUSHNELL: Mr. Chairman, may I reply to that? I did not know there was any stolen, but if you have actual proof of the fact that such has happened, would you inform me, and who stole them.

Mr. KUCHEREPA: Undoubtedly in the production of a great many shows there are materials which are purchased and which cannot be re-used. Is there any sale of these assets and have you any realization from those materials?

Mr. GILMORE: In the category of goods you are mentioning there are the materials for staging and for property. There is almost no item that you can purchase in this world that is not usable at some time in television, and I invite the committee, when they visit Toronto, to take a look at our "small" prop shop. We have even been asked to locate a Venus statue with arms; that is a ludicrous example, but this is the kind of things which we do not just throw away and we do not offer for sale. Everything which is bought for a given program is put in storage and categorized, and a very careful check is kept of these. This does not only apply, by the way, to properties, it applies to costumes, stock settings and this sort of thing.

There is one exception, and that is where you come to construction settings, where the storage of this material over a period of about two years is becoming too expensive to keep it. Then it becomes more economical to break it down and reuse the parts in other construction.

Mr. CHAMBERS: Is the policy in regard to furniture for dramatic presentations to buy or to rent?

Mr. GILMORE: It is a divided policy. We do both; we keep a basic stock of a pretty wide selection of furniture. Where there are special items we try and rent from about four or five furniture houses in Toronto and Montreal, and also at outside locations.

The CHAIRMAN: Do you ever borrow it—or on a credit line?

Mr. GILMORE: Yes, we do that in certain circumstances.

Mr. TAYLOR: Do you ever loan your properties out to other amateur groups, to assist them?

Mr. GILMORE: We have had a very strict policy of never doing that because of the load it would place upon the whole scenery and props department.

The CHAIRMAN: Are there any other questions on purchasing?

Mr. TAYLOR: That might greatly assist these amateur groups to bring forward stars and artists. Would that not be a great saving for you, if they did that?

The CHAIRMAN: You might ruin your properties too.

Mr. GILMORE: It is a pretty fine policy throughout broadcasting in both American and Canadian networks.

Mr. TAYLOR: The answer is, you do not assist any amateur groups?

Mr. GILMORE: We assist them by using their artists when they are developed —not with props.

Miss AITKEN: In the continuing shows, do you supply the dresses, the costumes, for the women; and what happens to them—are they falling apart and re-built too?

Mr. GILMORE: There are two categories there. In our agreement for the engagement of performers in television and radio it is stated that the performer must have one dress suit, or one formal suit as part of his normal costume. Where we require special costuming, we provide this. We do it in two ways, by rental, or by fabrication. In the case of fabrication, it is put in storage and altered for succeeding programs and reused. For example, a $200 formal costume in a period piece may be used as much as 50 or 60 times over two years, and each time it is charged out at 10 per cent of its original cost, plus the alterations.

The CHAIRMAN: Have you any other questions, Miss Aitken?

Miss AITKEN: I was thinking more of the continuing shows, the panel discussions and things like that. Does the C.B.C. supply those dresses?

Mr. GILMORE: No, I do not think so.

Mr. BUSHNELL: I think they turn up with their own costumes, and quite frequently you will see a credit line; maybe a costumier has offered the dress for display purposes.

Mr. CHAMBERS: You must have a great number of properties. How do you store them, and do you keep them insured?

Mr. GILMORE: I would invite you to go over this very carefully in Toronto and look at the whole situation, Mr. Chairman.

Mr. CHAMBERS: Do you insure them?

Mr. GILMORE: Yes, we do.

Mr. TAYLOR: Are properties stored on Georgia Street—on this expensive property in Vancouver—on the premises there.

Mr. GILMORE: I should know this; I am from Vancouver. I cannot recall whether storage is right on the spot, or not. I believe it is, but could not swear whether it is, specifically, or not. There is no stock storage of sets there;

I know that. But whether costumes are, I am not positive. I could get that answer.

Mr. McGRATH: On costumes, in the case of the breakdown we have here for Peter Grimes—it is a very, very detailed breakdown—what becomes of all this stuff after the production of Peter Grimes? Is this kept in storage with an eye to future usage—or is a lot of it discarded?

Mr. GILMORE: Are there any specific items you would like to question, because I made a check of that and almost everything except the spoilable material has been put in storage?

Mr. BELL (*Carleton*): I have been wondering about the 20 bibles.

Mr. BUSHNELL: I have an answer to that. We are keeping them in storage so that when the committee comes to Toronto it will know how to conduct itself properly.

Mr. McGRATH: Just a final question, Mr. Gilmore, and it revolves around my last question. Why would it necessitate having to buy all these things for a production like Peter Grimes? For instance, what would happen to the costumes? Could they not be utilized for future productions?

Mr. GILMORE: Mr. Chairman, some of them were. This is divided here, as you will see, into one section, which is purchase, and manufacture is in another section. The technique of a props man or a costumier on a program is to first go through the stock reports of the storage department which takes care of costumes and props. He makes the first choice there. The second course is to fill out the requirements from outside. On this particular piece we did not have sufficient on hand to do this complex a production, particularly of the material needed for this locale.

Mr. JOHNSON: Could you explain the policy of the C.B.C. in cases where you hand out contracts for costume, scenery and props to companies or firms outside the C.B.C.? Are there any public tenders called for, or are many firms asked to submit tenders?

Mr. GILMORE: Mr. Chairman, at the start of television we tried, when we went on the air with about 3 to 6 hours of production a week in 1952, to have all our costuming done outside. We contracted particularly—not "contracted", because there were not enough companies doing this sort of work to contract with—but we used the services of all available costumiers in Montreal and Toronto. We continued to do that to the maximum of our ability to get the requirement there. However, early in the game we found exactly what the Crest Theatre, the Stratford Festival and the American networks found, that the volume we required and the detail and the quality required the development of a highly skilled crafts staff of our own, and we proceeded to do this.

The CHAIRMAN: Can we leave the purchase of material now?

Mr. JOHNSON: Does it happen that in certain instances you may have for example a wig maker who is employed by the C.B.C. and who leaves and starts a company of his own, and then sells his wigs back to the C.B.C.?

Mr. GILMORE: At one time we had a member on the staff who was a wig maker, but he left to form his own company.

Mr. JOHNSON: Is he still with the personnel of the C.B.C.?

Mr. GILMORE: I would have to check it and refer back to you later.

The CHAIRMAN: Do you wish to buy a wig, Mr. Johnson?

Mr. JOHNSON: Not yet. I am waiting to buy one.

Mr. SMITH (*Calgary South*): This morning Mr. Jennings made a reference in his statement to the low income of many artists, and we were shown a figure of $19 million which is part of the $42 million paid for artists. We know,

too, that the corporation has had some difficulty in retaining its talent because of competitive features. I suggest that recruitment of new talent must be on your minds to a very substantial degree today.

I would like to have Mr. Jennings' view as to what action, if any, other than increasing the salaries, is taken in an effort to retain a greater percentage of the people who are there being trained and who by and large become a pretty substantial export to other markets abroad, a regrettable export.

Mr. JENNINGS: I would say as to the last part of your question that it is not so much a question of it becoming an export, it is becoming more of a two-way flow, where Canadian performers go and take engagements in the United States and return, or go to England and take engagements for the summer or for the season, and then return.

We have noticed in the last four or five years it is not so much an export as people going back and forth. And as to recruitment of new talent, I think next Thursday we will be able to give you a set of figures through which we keep showing the number of artists used every month, and those artists who are new faces every month.

Mr. SMITH (*Calgary South*): That would be very useful. I viewed not long ago one of your own programs, an interview with a number of Canadians now performing in Britain. Some expressed the attitude that the public of Canada —that it is not sufficient to obtain Canadian talent in Canada, and that was what promoted my question. Are you that far behind?

Mr. JENNINGS: I think I said in connection with new talent this morning that we do have to be prepared to give a certain body of experienced talent enough work to justify their staying in Canada and to make a living at it. At the same time we are faced with the problem of bringing in new talent.

Mr. Smith, I do not know what program you saw, where people were complaining that they could not make a living in Canadian radio, but I think that New York, London, Montreal or Toronto—in all the big entertainment centres—you will find there is a fringe of performers who do not find it possible to make a living at their profession. It is quite surprising. I cannot recall the figures offhand now, but about 8 or 9 months ago I saw the average earnings of members of the artists association in New York, and it was quite shockingly low.

The middle people earned a reasonable living, and the top people earned a very good living; but the bottom people just scratched the gravel.

Mr. SMITH (*Calgary South*): Perhaps we are doing too much. But that is not the point. You would then say that we cannot recruit; that the C.B.C. purely by providing apprenticeship for actors or actresses may find that we lose them to America in quite large volume?

The CHAIRMAN: That is right. Are there any other questions?

Mr. KUCHEREPA: If there are people who feel it is difficult to get into television or radio, what method of encouragement does the C.B.C. give to new talent in the way of amateur shows and things of that kind?

Mr. JENNINGS: We just had a series called Talent Caravan, where a C.B.C. production team toured the country from coast to coast, putting on weekly half hour programs. They visited Ottawa and they put on a half hour television show.

Mr. KUCHEREPA: Was it in the form of an amateur show?

Mr. JENNINGS: Yes, it was.

Mr. KUCHEREPA: Is there any other method employed to encourage new talent?

Mr. JENNINGS: We always give auditions to new talent. We have an opportunity for talent auditions, and if the talent has capacity, we are continually looking for methods by which to present them. Singers in a chorus do not always become star soloists over night.

Mr. BUSHNELL: Perhaps I might add a word, briefly. Over the years, we had a type of program called Singing Stars of Tomorrow. It was an idea that came to us, it was a combination of ideas and it came from an agency to our producers, and we put it together. I think that of the number of people who were winners in that contest, a very large percentage of them have gone on to achieve international fame. That sort of thing has been going on the English and French networks, and we have always have some form or some kind of program for the introduction of new talent. I do not know that you would necessarily call it amateur talent. They might be people who had performed in a high school auditorium or at garden parties, and that sort of thing, and who had a certain amount of experience. They would come along to us and be auditioned, and if we found them to be suitable, at the first opportunity we would use them.

Our job is to find new talent, and one of the things is that we just do not have enough talent scouts out looking for new talent. But we know this country is full of it.

Mr. JOHNSON: Still on the subject of new talent, I shall address this question to Mr. Ouimet. After auditioning new talent or prospective new talent, does every candidate get an answer either from the casting bureau or from the organizations we are referring to?

Mr. OUIMET: They normally do. Of those who appear before the audition boards, some can be automatically rejected. I think it is part of our responsibility to tell them they are wasting their time. Others will show promise and are encouraged. Those who are definitely talented we try to fit in on our programs as soon as we can.

Mr. JOHNSON: Do they get an answer very soon, or does it depend on each case? I mean, is there a fixed date?

Mr. OUIMET: Normally, I would say it would be within a matter of weeks.

Mr. JOHNSON: Do you have any complaints against the casting bureau at Montreal on this particular item?

Mr. OUIMET: I personally do not know of any complaints.

Mr. CHAMBERS: Does the CCAA and the Societe des Artistes have any closed shop?

Mr. JENNINGS: No, they do not.

Mr. KUCHEREPA: Are there any other agencies with which the C.B.C. cooperates to obtain new talent?

Mr. JENNINGS: We are continually working in cooperation with all sorts of musical organizations, choirs, small orchestras. From all these sources talent appears, and there is a continual relationship, as part of our people are engaged with performers and with musicians. The question of a national opera at Toronto is a very good example where the C.B.C. opera company works in collaboration with the opera school of the Royal Conservatory in providing an opportunity to young performers who are studying there to do a series of operas each year, which gives them a great deal of employment. This was a major factor in the development of a semi permanent opera company in Toronto.

Mr. TREMBLAY (*Interpretation*): Mr. Ouimet, could you tell me please if the C.B.C. has applications from various candidates or does it deal with conservatories established schools and the like in order to procure new talent?

Mr. OUIMET: We deal constantly with music teachers, drama coaches, and with dance coaches. In fact, in Montreal I think one of the great developments that has followed television has been Les Grands Ballets Canadiens which started as a very small company headed by Mrs. Ludmilla Chiriaeff and has finally become such a recognized company that the Canada council has decided to encourage them by means of grants.

Drama coaches, music coaches, and so forth are in constant contact with us, every day, and they tell us about new talent and we rely on their judgment to a certain extent. They do not tell us should they feel that their students are not yet ready. There are some music coaches who are definitely more—how would you say—severe with their students than with others.

I remember when we had the equivalent, on the French network, of Singing Stars of Tomorrow. There was a Toronto music teacher who would not let his singing pupils come to these contests unless he felt they could actually make a good showing. Some of them would have to wait as long as 3 years before he would allow them to come. But we do keep up these contacts all the time.

Mr. BUSHNELL: May I add briefly that we have talent scouts at practically every graduation ceremony of most of the conservatories in Canada.

The CHAIRMAN: Thank you, ladies and gentlemen.

Mr. MCCLEAVE: I have some information to be tabled. It outlines the payments for copyright material in the 5 years 1953 to 1958. (*See Appendix A*)

The CHAIRMAN: We shall meet again on Thursday morning at 9:30 in this room. I shall be in London, Ontario to vote, so Mr. Flynn will be your chairman.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DE LA RADIODIFFUSION

9 juin 1959 (11 heures)

(Page No. 353)

M. FORTIN: Je voudrais demander... Ma première question est la suivante: Il est difficile pour nous d'insister beaucoup sur la répétition dans les apparitions des acteurs à la télévision, parce que nous ne sommes pas autorisés à mentionner de noms. Simplement, la première remarque que nous avons à faire, c'est que, lorsqu'un téléthéâtre est présenté sur le réseau français de Radio-Canada, les même artistes reviennent à peu près toujours.

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(Page No. 355)

L'INTERPRÈTE: Le deuxième point a trait à la répétition des drames. Je ne sais pas si la remarque que je vais faire entre dans le cadre de l'agenda, mais nous avons remarqué, et c'est une constatation générale dans la province de Québec, que les drames sont habituellement des drames à caractère immoral, en ce sens que l'on présente 50 p. 100 des drames de famille où le ménage ne marche pas, où les enfants ne sont pas élevés, où il y a du désordre dans la famille; on ne nous présente jamais un drame où une famille unie fait son chemin.

Troisièmement, lorsqu'on présente un drame où l'intérêt public est concerné, comme récemment, "Deux tours d'horlorge", c'est un drame qui, à mon sens, était foncièrement immoral; on jette dans l'esprit des gens un doute sérieux sur la conscience et la compétence du service policier. Je demanderais à M. Bushnell de faire quelques commentaires sur ce point-là.

* * * *

(Page No. 353)

M. OUIMET: Je n'ai pas d'objection à m'exprimer en anglais, mais tout de même je m'exprime avec plus de facilité en français. Si, à un moment donné, il me fallait employer un terme anglais, pour mieux préciser ma pensée, je le ferai dans la langue anglaise.

Si je prends votre allégué à l'effet que les figures sont toujours les mêmes au téléthéâtre, il faut se souvenir, monsieur Fortin, que nous n'avons au Canada français qu'un nombre restreint d'artistes.

* * * *

M. PAUL: Pourquoi?

* * * *

M. FORTIN: Je voulais savoir si vous n'attribuez pas cela au peu de coopération que Radio-Canada accorde aux jeunes artistes de talent qui veulent aussi faire leur chemin?

M. OUIMET: Au contraire!

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(Page No. 354)

M. TREMBLAY: Est-ce que vous procédez par voie de concours pour engager de nouveaux artistes?

* * * *

Une question supplémentaire. Ce bureau qui préside à l'examen des candidats est-il composé de techniciens de Radio-Canada, de gens dont l'éducation est artistique ou est-il composé, à parts égales, de représentants de la Société?

* * * *

M. OUIMET: Le bureau est composé d'experts de l'extérieur, entre autres de critiques dramatiques, lorsqu'il s'agit de drames, ou dans le cas d'auditions musicales, de critiques musicaux.

Je ne peux pas vous donner leurs noms, parce que, si je vous donnais leurs noms... vous devriez reconnaître vous-même que ces gens-là ont tout de même l'appui général de la population.

M. TREMBLAY: Dans le cas de ces experts, si vous avez à juger, par exemple, un chanteur ou un comédien, est-ce que ces experts sont nombreux? Est-ce qu'il y a, parmi ces experts, des comédiens ou des critiques dramatiques en nombre suffisant, qu'il s'agisse de deux, d'un ou de trois experts?

* * * *

M. TREMBLAY: Vous dites que ce bureau d'audition n'est jamais composé de moins que de trois personnes, n'est-ce pas? Est-ce que, dans un cas précis, lorsqu'il y a trois personnes, je suppose qu'il y a une personne de Radio-Canada, un comédien, un artiste ou quelqu'un qui est affecté au domaine sur lequel vous devez faire passer une audition?

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(Page No. 360)

M. DORION: Je tiens d'abord à dire, je ne voudrais pas que l'on donne l'impression que Radio-Canada, dans son ensemble, ne fait pas une très belle besogne. Je dois dire qu'à mon avis Radio-Canada est une institution essentielle, nécessaire et qui nous fait honneur en très grande partie.

Évidemment, nous sommes ici pour enquêter sur les erreurs ou les défauts que cela peut comporter et je ne voudrais pas que cela laisse l'impression que nous sommes complètement ennuyés par Radio-Canada, loin de là.

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(Page No. 363)

M. TREMBLAY: Monsieur Ouimet, pouvez-vous me dire s'il n'existe pas à Radio-Canada des gens qui sont parfois artistes et auteurs de programmes, qui jouent dans des programmes et qui sont en même temps les auteurs des textes à Radio-Canada?

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M. TREMBLAY: Pourriez-vous me dire si vous considérez normal que les auteurs soient engagés pendant 10, 15, 20 ans par la société Radio-Canada, quand il y a tant de jeunes auteurs qui pourraient bien faire valoir leur talent?

* * * *

M. TREMBLAY: On a déposé des rapports sur l'emploi de certains commentateurs, dans différentes sections ou pour différents programmes en 1958.

* * * *

M. TREMBLAY: Je voudrais qu'on nous présente un rapport sur l'emploi de ces commentateurs pour les années 1956, 1957 et même 1955.

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SÉANCE DU SOIR
COMITÉ DE LA RADIODIFFUSION
9 juin 1959

(Page No. 365)

M. TREMBLAY: Monsieur Ouimet, pouvez-vous me dire si les artistes français, c'est-à-dire les artistes étrangers, de France ou d'Europe en général, sont soumis à des auditions de la part de Radio-Canada?

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M. TREMBLAY: Je vous remercie pour cette réponse, mais je me demande ce que vous entendez par des nouveaux venus, en ce qui concerne les artistes français? Évidemment, je ne mets pas en cause les cas des très grands artistes dont la réputation est internationale, mais là il y a des degrés que je voudrais bien vous voir préciser.

M. OUIMET: Encore une fois il est difficile de répondre à cette question, parce qu'il s'agit de définir ce qu'est un artiste bien établi et ce qu'est un artiste non établi. Alors, à ce moment-là, tout dépend en définitive du jugement des directeurs de programmes. S'il s'agit d'artistes frais émoulus du conservatoire de Paris, je puis vous assurer qu'ils seront soumis à une audition comme n'importe quel autre artiste. S'il s'agit d'un artiste qui a déjà 5, 6 ou 7 ans d'expérience, nous le soumettrons probablement à une audition qui ne sera peut-être pas,—remarquez-le bien,—en circuit fermé, mais nous l'essayerons une fois ou deux et nous jugerons immédiatement s'il a les qualités requises pour jouer d'autres rôles.

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(Page No. 366)

M. TREMBLAY: Monsieur Ouimet, pourriez-vous me dire s'il existe des règlements écrits au sujet des critères que peuvent utiliser les gens qui composent ce bureau d'auditions.

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(Page No. 368)

M. JOHNSON: Monsieur le président, à cause de la gravité de la question que je vais poser à M. Ouimet,—et je m'excuse d'y revenir,—c'est une question qui a été posée ce matin, mais à cause de la gravité de cette question, de ce qu'impliquait la question de Me Dorion, je voudrais une précision, ne serait-ce que pour permettre aux réalisateurs d'empêcher ici toute insinuation à leur sujet.

Pouvez-vous vérifier si c'est bien vrai qu'il y a eu une cause devant le tribunal d'appel d'impôt sur le revenu, sous la présidence de feu le juge Fabio Monet, en 1955 ou aux environs de cette date, une cause dans laquelle un artiste de la radio...

...un artiste de la radio aurait demandé que le tribunal d'appel considère comme dépenses déductibles de son revenu d'artiste certaines sommes d'argent données en cadeau à des personnes en autorité, capables de lui confier des rôles, des personnes en autorité qui auraient le droit ou l'autorité de lui donner des emplois comme artiste, de lui confier des rôles, en somme?

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(Page No. 371)

M. TREMBLAY: Les questions que je vais poser s'adressent à M. Ouimet. J'aimerais avoir une réponse à la prochaine séance ou le plus tôt possible à ces questions.

Premièrement, depuis l'avènement de la télévision, combien y a-t-il eu, au réseau français, d'émissions filmées, c'est-à-dire des émissions sur films produits au Canada ou à l'étranger?

M. OUIMET: Monsieur le président, il faudrait faire une distinction, je crois, entre les longs métrages et les films d'utilisation pour la télévision seulement, et même là, cela se chiffre par centaines.

* * * *

M. TREMBLAY: Monsieur le président, si vous me le permettez, je vais seulement poser quelques questions qui seront le résumé des questions vastes que j'ai dans l'esprit. Que M. Ouimet soit bien assuré que je ne veux pas le soumettre à des recherches intensives avec ses collègues de Radio-Canada.

Je voudrais savoir combien de films ont été passés à la télévision en 1958; j'entends par là les films réalisés ou produits au Canada, ceux réalisés ou produits à l'étranger.

Il s'agit ici de films documentaires, de films servant à des programmes, certaines continuités qui exigent des scènes extérieures et ensuite des films pour des émissions de cinéma.

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(Page No. 373)

M. TREMBLAY: Monsieur le président, je voudrais bien qu'on m'entende correctement. C'est pour cela que je parlerai en français, et comme M. Ouimet, je peux le faire mieux qu'en anglais.

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(Page No. 374)

Je voudrais bien que l'on comprenne: mon intention n'est pas de faire le procès de la société Radio-Canada, mais j'estime que l'utilisation de films par la Société constitue un aspect important du caractère commercial, du côté commercial de la société Radio-Canada, et l'utilisation des films a aussi une conséquence directe sur l'encouragement donné à l'entreprise privée dans ce domaine particulier du film du cinéma.

Si je pose ces questions, c'est qu'elles devraient nous fournir des renseignements statistiques utiles pour l'appréciation de la politique de Radio-Canada dans ce domaine, sans aucune intention,—que l'on me comprenne bien,—de mettre en doute le bien-fondé de l'attitude de celui-ci ou de celui-là à Radio-Canada.

Il s'agit d'une question d'ordre à la fois commerciale et économique, une question d'entreprise privée en général. C'est dans ce dessein que je pose ma question.

Je crois que si l'on n'avait pas été aussi actif à suspecter ma première question, si l'on m'avait laissé poser mes autres questions, je crois que ceci aurait servi à éclairer ma première question.

* * * *

Monsieur le président, M. Ouimet, quels ont été, dans le cas des films présentés à l'émission du cinéma, les distributeurs des films pour les années 1957 et 1958?

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(Page No. 375)

Qui, monsieur Ouimet, a réalisé et produit les reportages internationaux présentés à la télévision française par Radio-Canada au cours de 1958-1959?

* * * *

Quel agence ou bureau ou organisme transige au nom de la société Radio-Canada avec les compagnies ou agences ou organismes de distribution de films?

(Page No. 376)

L'INTERPRÈTE: Pour les années 1957, 1958, 1959, quelles ont été les compagnies qui ont produit des émissions de reportages faits au Canada et des émissions filmées qui servent aux continuités, etc.? Quelles compagnies ont fait ces films que la société Radio-Canada utilise?

* * * *

L'INTERPRÈTE: Maintenant, il s'agit de l'émission "Pour elle". Ce n'est pas de la personnalité que je fais ici, il s'agit d'un fait. Qui, monsieur Ouimet, au moment où l'on a commencé à présenter l'émission "Pour elle" produisait cette émission? A quel prix? Qui la produit maintenant et à quel prix?

* * * *

L'INTERPRÈTE: Une dernière question. Qui, au nom de la société Radio-Canada, agence ou bureau a, pendant la récente grève du réseau français de télévision, acheté au nom de la société Radio-Canada les films que l'on a présentés pour remplacer les émissions?

* * * *

L'INTERPRÈTE: Je veux dire les reportages internationaux?

* * * *

L'INTERPRÈTE: Je voudrais avoir ces informations sur ces gens-là, sur ceux qui ont réalisé les reportages.

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(Page No. 378)

M. PAUL: Quelle valeur représentent les costumes ou décors qui auraient été volés ou écartés à Radio-Canada durant la période s'écoulant entre le 1er janvier 1958 et le 30 avril 1959?

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(Page No. 382)

M. TREMBLAY: Monsieur Ouimet, pourriez-vous me dire si la société Radio-Canada attend d'avoir les "applications" de différents candidats ou si elle s'abouche avec les conservatoires ou les écoles d'art ou de danse pour recruter des artistes ou des talents?

APPENDIX "A"

CANADIAN BROADCASTING CORPORATION

PAYMENTS FOR COPYRIGHT MATERIAL—1953–1958
(In thousands of dollars)

ITEM	1953–54	1954–55	1955–56	1956–57	1957–58
Broadcast Music Incorporated	27	27	30	39	40
Composers, Authors and Publishers' Association	162	175	205	229	273
Other copyright holders: Music	61	79	96	110	194
Manuscripts and Plays	409	602	859	1,070	1,246
Films	485	1,382	2,360	3,408	4,917
Special events (hockey, football, sports)	155	330	431	221	189
TOTAL	1,299	2,595	3,981	5,077	6,859

June 3rd, 1959.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

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SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 11

THURSDAY, JUNE 11, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

E. L. Bushnell, Acting President, Canadian Broadcasting Corporation; C. Jennings, Controller of Broadcasting and M. Ouimet, Deputy Controller of Broadcasting.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21453-6—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.,

Vice-Chairman: J. Flynn, Esq.,

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
Johnson,
Jung,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, June 11, 1959.

The Special Committee on Broadcasting met at 9.40 a.m. this day. The Vice-Chairman, Mr. Flynn, presided.

Members present: Miss Aitken, Messrs. Bell (*Saint John-Albert*), Fairfield, Fisher, Flynn, Johnson, Macquarrie, Morris, McCleave, McGrath, Paul, Smith (*Calgary South*), Smith (*Simcoe North*) and Tremblay—(14).

In attendance: Mr. E. L. Bushnell, Acting President of the Canadian Broadcasting Corporation, assisted by Messrs. R. L. Dunsmore, Chairman, Finance Committee, Board of Directors; J. P. Gilmore, Controller of Operations; Marcel Carter, Controller of Management Planning and Development; Charles Jennings, Controller of Broadcasting; Marcel Ouimet, Deputy Controller of Broadcasting; R. C. Fraser, Director of Public Relations; R. E. Keddy, Director of Organization; J. J. Trainor, Assistant to Director of Audience Research; Barry MacDonald, Secretary, Board of Directors; and J. A. Halbert, Assistant Secretary, Board of Directors.

The Vice-Chairman observed the presence of quorum and read to the Committee answers to questions asked at a previous meeting.

Agreed,—That item "2" of part "A" of the Agenda "Analysis of Costs" be transferred to part "D", the heading relating to "Finance".

Messrs. Jennings and Ouimet answered questions concerning the recruitment of new talent.

Agreed,—That item 9 of part "A" of the Agenda, "Relationship with performers Rights Society," stand until printed copies of the Minutes of Proceedings and Evidence of Tuesday, June 9, are received.

Mr. Jennings, dealing with item A-3 outlined the principles upon which a balance of programming is achieved. Messrs. Jennings, Ouimet and Bushnell were questioned concerning the percentages of westerns, dramas, educational programs, etc. appearing on television and broadcast by radio.

At 11.00 a.m. the Committee adjourned to the call of the Chair.

J. E. O'Connor,
Clerk of the Committee.

21453-6—1½

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*
REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

THURSDAY, June 11, 1959.
9:30 a.m.

The VICE-CHAIRMAN (*Mr. Flynn*): Miss Aitken and gentlemen, we have a quorum.

Before we proceed with the agenda, I would like to read a letter from Mr. MacDonald, secretary of the board of directors of the C.B.C., giving some answers to some of the questions raised in committee at the last meeting. It reads:

OTTAWA, June 11, 1959.

Mr. J. E. O'CONNOR,
Clerk,
Special Committee on Broadcasting,
Room 174, West Block,
Ottawa.

Dear Mr. O'Connor:

Herewith are answers to some of the questions raised in Committee at the June 9 session.

Mr. McCleave asked whether husband and wife were ever on the same program when one was producer and the other an artist. The answer is that this has happened from time to time, though the incidence would be low in relation to our total broadcasting.

Mr. McIntosh asked how many performers were making more money than the Prime Minister. The answer is none.

Mr. Taylor asked if costumes for television were stored at the Georgia Street premises of the corporation in Vancouver. The answer is yes because of the proximity to performers and production staff.

Mr. Johnson enquired whether the wig maker in Montreal who sold his productions to the corporation was still a member of staff. The answer is no.

Mr. Tremblay asked concerning the program "Pour Elle". This weekly program on film is obtained and supplied by the sponsor's advertising agency. Consequently the CBC is not in a position to answer the questions raised concerning details and costs of production.

Yours sincerely,

BARRY MacDONALD,
Secretary—Board of Directors

Mr. TREMBLAY: That is very easy.

Mr. SMITH (*Calgary South*): Mr. Chairman, I wonder if I could suggest, as I did to you personally a minute ago, that we make a small change in our order of procedure. I understand that the analyses of costs under the heading of programming, item 2, are not yet ready.

The VICE-CHAIRMAN: I was going to suggest that it might be more useful to transfer this item to that under the heading D, "Finance", as it deals with income and we can deal with all general expenditures and costs at that time.

Again, it occurs to me we are localizing costs under expenditures, and the information is not ready yet, in any event, as I understand.

The VICE-CHAIRMAN: If this suggestion is agreeable to the committee, I have no objection myself, because the information is not yet available.

It all depends on whether it is going to be available when we reach the item "Finance".

Mr. MCCLEAVE: Agreed.

Agreed.

The VICE-CHAIRMAN: Mr. Tremblay?

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, let me say, here and now, that I am not surprised that I have not received these details which I asked for regarding the program Pour Elle, but I nonetheless consider it would have been desirable to have those details.

The VICE-CHAIRMAN: If the C.B.C. has not this information, we might try to obtain it elsewhere.

Mr. MCCLEAVE: Mr. Chairman, in regard to the information that was given me, could it be found out whether this applies to any of these regular programs, ones on a week to week basis—I am not think of one performance only, but a regular series of programs. Could that be done?

Mr. ERNEST BUSHNELL (*Vice-President of the Canadian Broadcasting Corporation*): Yes, I only just add the thought, Mr. McCleave, that occasionally it happens that a performer falls in love with a producer, and a producer with a performer, and they get married. They are both under contract; and there is not much we can do about that.

Mr. MCCLEAVE: I recognize there are always dangers like that, whenever men and women are drawn together. I was going to ask the information be confined to cases where the marriage had taken place before the production?

Mr. BUSHNELL: Thank you. I do not think we can answer your question now, Mr. McCleave. I do not know of any such cases, where production has taken place before marriage.

The VICE-CHAIRMAN: On the same subject Mr. McGrath?

Mr. MCGRATH: Mr. Chairman, under item No. 4, I asked a series of questions at the last hearing with regard to two specific programs that had been produced by the corporation—the programs Radisson and the Last of the Mohicans. I understand both these programs were sold in the United States and were contracted for by U.S. networks. I also understand that one of them was discontinued on the C.B.C. network.

Mr. CHARLES JENNINGS (*Controller of Broadcasting, Canadian Broadcasting Corporation*): You are referring to Radisson?

Mr. MCGRATH: Yes.

Mr. JENNINGS: The Last of the Mohicans ran through its whole course on the Canadian network.

Mr. McGRATH: I did not mean to suggest Mohicans did not have its complete run, but that Radisson came. What I am mostly interested in is, how much did it cost to produce these two programs and how much was realized on the sale in the United States?

Mr. JENNINGS: First of all, Radisson, as a series, was extended beyond its original planning schedule. I forget what the original number was, though, but it was extended beyond that range, and it will run on the French network again this summer.

Mr. J. P. GILMORE (*Controller of Operations, Canadian Broadcasting Corporation*): Mr. Chairman, if I may just speak to this point, covering first the Last of the Mohicans. The Last of the Mohicans is what is known as a syndicated film production which was produced in Canada. The Canadian Broadcasting Corporation did not produce this program. However, we did rent the 52 episodes of the series for showing on our English language network. The program has been sold in the United States through distribution on a similar basis to individual stations, but we did not produce the program.

Mr. McGRATH: The Mohicans?

Mr. GILMORE: Yes. May I turn now to the Radisson series? The Radisson series was produced over a period involving spring programming, and fall programming. There was a summer hiatus, where none of the episodes was shown.

The first eight or nine—I have forgotten the exact number—were shown at the tail-end of the spring schedule. Then, starting in the fall schedule, around October or November, the balance of the series to complete the 26 was shown.

At the same time, a version of the program was made for American syndication. This was sold to two or three organizations in the United States, and was shown on U.S. television, in New York and elsewhere.

There is also a deal being completed for showing in the United Kingdom. As of 8:30 this morning I could not verify the exact, final position of that deal, but I hope I will be able to report on it to you later.

As to the cost of the Radisson series, on a per episode basis it came to just over $20,000 per episode. You must recall we produced in two languages and we produced 52 individual episodes.

The recoveries to date, if the United Kingdom deal goes through, will be approximately $150,000.

Mr. SMITH (*Calgary South*): What if this United Kingdom deal does not go through?

Mr. GILMORE: $146,000.

Mr. FAIRFIELD: The costs were over half a million dollars?

Mr. GILMORE: There are 52 involved in the two languages, and the cost was slightly over $1 million total.

Mr. McGRATH: Thus far you have only realized $150,000?

Mr. GILMORE: That is correct.

Mr. BUSHNELL: However, I think it should be noted as well, we have had the use of that program on both the French and the English networks.

Mr. GILMORE: We are repeating it in this summer's French network also.

Mr. McGRATH: Mr. Gilmore, could you tell me the Canadian talent content, if I could put it that way? Were there any American performers in this program, that came up from the United States?

Mr. GILMORE: The answer is a flat "no". As far as I can recall it was a completely Canadian production,—artists, technicians, and everything.

Mr. McGRATH: Was this program produced entirely with C.B.C. facilities, or did you call on outside film companies?

Mr. GILMORE: We called on outside film companies, and used our own production personnel and facilities also.

Mr. McGRATH: What company did you use?

Mr. GILMORE: Omega Films, in Montreal, I believe.

Mr. SMITH (*Calgary South*): I wonder if Mr. Bushnell has yet been able to provide us with the U.S. imports of films? Is that available?

Mr. BUSHNELL: Not yet. It will be available shortly.

The VICE-CHAIRMAN: Are we ready to return to the agenda? Do I understand we are through with item 8, "Recruitment of new talent"?

Mr. TREMBLAY: No, I have a question for Mr. Ouimet.

Mr. TREMBLAY (*Interpretation*): I have a question for Mr. Ouimet. Would you please explain to me how the C.B.C. proceeds with the scripts when you want to encourage new author talent, for example. Is that done by competition or by sending out invitations?

Mr. MARCEL OUIMET (*Deputy Controller of Broadcasting, Canadian Broadcasting Corporation*): No, it is not done by competition. Actually, we are always trying to find new authors. In order to find them we have had contests with the idea of using the better scripts. You may have heard that we had on the French network some years ago a Concours Dramatique, where we had, I suppose, oh, if I remember well, something like a couple of hundred entries. Out of these 200-odd entries I believe we were able to use 20 on the air. We did discover one or two excellent writers through this contest, one of them being Guy Dufresne, who wrote for a number of years Cap Aux Sorciers, and is still contributing regularly to the French network schedule.

The scripts are generally submitted to the C.B.C. by people who have a particular talent to write drama or other scripts. We are constantly looking for them, because television is a very voracious medium and we never actually have enough to take care of our needs.

Mr. JENNINGS: We also try to make known as widely as possible what our requirements are, what series are required and the kind of scripts, so that aspiring writers will know what sort of market is offered by the corporation.

Mr. OUIMET: Over the years, I would say we have done pretty well in developing newcomers.

Mr. TREMBLAY (*Interpretation*): Mr. Ouimet—if I may come back to my old obsession—the fact of keeping the same old programs on television is a kind of "smoke screen" against the young authors who could provide scripts to the C.B.C. as well?

Mr. OUIMET: No, I do not actually think so; I do not believe that in television you will have the same thing that has happened in radio: I do not believe the life of a serial drama, for instance, on television will be as considerable as it is on radio. There have been some that have been running for a number of years; I believe there is one that has run for about six years. Others run for two or three years, and are cancelled either at the author's request or at the request of the C.B.C.

We are encouraging new artists all the time. It may be, Mr. Tremblay, that you have not enough time to look at television at all hours of the day; but you would know—if you looked at television in the earlier part of the day—that a number of young script writers are actually submitting, with success, scripts for serial dramas which are made for the teenage population, or teenage listeners. Eventually—I am convinced—these same authors will graduate to more important periods in the day.

There is not a wealth of authors in this country and I think, again—with the number of people we can draw from in French speaking Canada—that we are doing exceptionally well. Comparatively speaking, I think French speaking Canada has as many, if not more—I would say more—radio and television writers than our English speaking compatriots have supplied to the English network.

Mr. TREMBLAY (*Interpretation*): One final question, Mr. Ouimet. You underline the fact that a great deal of encouragement has been given to authors on television in drama, novelties and the like. Do you not think that in radio programs we have always seen the same old people over the past years, the same names, the same programs, all the various series of programs, and so on?

Mr. OUIMET: It did happen; but we must not forget that a number of these authors maintained their popularity and the programs maintained their popularity, also, because of the fact that these people developed into excellent craftsmen writing for radio and for television—they have developed that craftsmanship.

You may have one of the best authors in the world and he may not be able to adapt himself to this particular medium. In fact, if you looked at a script for television, it might look like Greek to you, with all the different positions they have to put in for cameras, and so forth.

But this is a practice that is not peculiar to Canada. If you study the schedules of the last 20 years on the American networks, you will find that such programs as Road of Life and Ma Perkins run and run and run for years and years and years, again because the people making them, or writing them, were craftsmen—they could hardly be touched or competed with in this particular field. It is a tough business; there is competition but in order to break in, you have to be as good as the other fellow who is already writing.

Mr. TREMBLAY (*Interpretation*): Mr. Ouimet, does the C.B.C. take a close look at an author's work when he seems to be producing something of perhaps not the best quality? Does the C.B.C. invite the author to correct himself; does it help him in rectifying any shortcomings?

Mr. OUIMET: I can tell you that we certainly do.

The VICE-CHAIRMAN: Are there any other questions on item No. 8? Shall we go on with item No. 9, Relationship with Performers Rights Society?

Mr. MCCLEAVE: Mr. Chairman, there is some information being printed and it will be available when our Tuesday minutes are ready. That information is showing the exact sums paid under a variety of categories. This is a very important area. It is possible there may be savings in it—I do not know. I have a series of questions, but I wonder if they could be put over until we have the minutes of Tuesday before us?

The VICE-CHAIRMAN: Shall this item stand?

Agreed.

Mr. FISHER: Mr. Chairman, I have been away for some time and I just wondered if any statement was made under this heading on the plans of the C.B.C.—under the general heading, whether any statement has been made on the plans for the dominion network?

The VICE-CHAIRMAN: The plans?

Mr. MCCLEAVE: I think that will be G-3.

Mr. FISHER: It is in connection with the programming part of the dominion network that I wanted to ask a question. What I wanted to know was: why is it we cannot have more dominion network programming on these low-powered transmitters, and less trans-Canada?

The VICE-CHAIRMAN: I think that would come under G, Network relations, page 3.

Mr. BUSHNELL: Mr. Chairman, if you do not mind—I am not trying to suggest it is not a proper question at the moment—there are technical considerations, and Mr. Richardson is not here. Would you mind if we left it until he is present?

The VICE-CHAIRMAN: I feel, in any event, that it should come under Network relations.

Mr. BUSHNELL: He will be here for that, that is for sure.

The VICE-CHAIRMAN: Is it agreeable to the committee that item 9 stands?

Agreed.

The VICE-CHAIRMAN: My understanding is that we had decided to keep item No. 3 for today, Analysis of principles governing balance between forms of programming—drama, music, ballet, sports, talks, public affairs, religious, et cetera. Are we ready to proceed under this item?

Mr. SMITH (*Calgary South*): If the witnesses are ready, Mr. Chairman.

Mr. JENNINGS: Mr. Chairman, if I may make a very brief statement first, to indicate the principles which govern our planning: the first principle, of course, is that both radio and television are mass communication mediums and, therefore, programs which appeal only to the very few do not find a place in them.

In both radio and television any audience is really a very large audience, and so—as I say—programs which appeal only to a very few people just naturally do not find a way into our output. That is the first principle that governs our planning.

The second principle which governs our planning is the corporation's concept of its responsibility to supply a comprehensive program service of entertainment and information. Out of these two fields flow a great many other things. In the entertainment field our range of entertainment programs runs all the way from, you might say—in music—Bach to boogie; not very much of the little-known works of obscure composers who were mentioned at one of the earlier sittings of the committee.

In the information field it runs all the way from specialist programs, such as the farm broadcasts, the series of programs developed through the meeting at Couchiching in the summer, and Sainte Adele, special broadcasts such as Citizens Forum, Women's programs, commentaries, school broadcasts, general talks programs, information on international affairs, and so on.

So out of that second group, as I say, with our conception of our responsibility to put out a wholly comprehensive information and entertainment service in television and radio, there has developed this wide range of programming over the years in radio—and developing now in television—and patterned in such a way, we hope, that at appropriate times, through regional programming, we are serving various sections of the community in various parts of the country.

In carrying this out, we make a pretty continuing assessment. Every six months we do a statistical analysis of the make-up of the schedules, and every three months—well beforehand—we fasten down the program service as closely as we can in the kind of business we are in. We fasten down the output for a quarter, and we try to fasten down that output for a quarter not later than a couple of months before the beginning of that quarter.

This is no only one way of assessing the output in detail for that period but, of course, it is also brought about by the necessity of careful close budgeting considerations.

Mr. Chairman, I think I have given a general sort of statement there of the principles that govern us. I do not know whether you would like me to touch on any statistics, any breakdowns. Mr. Trainor, I think, has some information which he could supply, and I have also.

Mr. SMITH (*Calgary South*): Mr. Chairman, perhaps we might come to the statistics as another question which has direct reference to a particular area. I wonder if I could ask this question? I realize that we have dealt with this subject at a previous meeting, but I wonder if I could obtain from Mr. Jennings exactly what individual—if any individual—or what team of individuals is responsible for maintaining this delicate balance? I am thinking, too, of the balance with respect to Canadian content. Where is this decision, basically, made; is it made by an individual, or by a group?

Mr. JENNINGS: It is actually made by a planning group, in Montreal for the French network; and at the operating centre, for the English networks, in Toronto.

Mr. SMITH (*Calgary South*): I do not wish to have names; but would you give me an idea of what this group—for example, at Toronto—consists of.

Mr. JENNINGS: The group at Toronto consists of what we call national supervisors, who carry out specialist planning and breaking down over a fairly wide range—music, talks, public affairs, news, school broadcasts, farm and fisheries, incidental broadcasts, variety, features, religious broadcasts. I may have missed a couple. The same pattern is followed in the French network. Their work is brought together by the director of the television network or of the radio network.

Mr. SMITH (*Calgary South*): Does the director invariably have the right of veto to determine whether or not a particular program, in his opinion, should be aired?

Mr. JENNINGS: I do not think it is as arbitrary as the right to veto. It all comes out, really, in a sort of discussion—because you will realize that, with any particular radio program, ten people will have ten views about it.

It really emerges as a decision under the chairmanship of the network director, who obviously must make a decision. It may be referred to me, and I may refer to Mr. Bushnell.

Mr. SMITH (*Calgary South*): This group, I understand, would probably have some tools to work with in order to make their assessment of that? I mean, they would, conceivably, use the research bureau to determine whether or not they were retaining the correct balance; is that a fair statement?

Mr. JENNINGS: I think this is correct; but I would say that all of these specialist people are maintaining the closest liaison with organizations and individuals throughout the country who are interested in the particular field for which they are responsible.

The farm and fisheries department maintains very close connection with the Canadian Federation of Agriculture, and with all the provincial departments. That extends through all the specialist departments, that kind of outside liaison, consulation, which is going on all the time.

Mr. SMITH (*Calgary South*): Finally, we know, of course, that private radio stations, individually, in locales will carry out a particular type of programming, for whilch they are answerable to the B.B.G. to determine whether they are living up to the terms of their licence. Does the C.B.C. concern itself—in order to determine the national balance—with what the private broadcaster is doing, to determine whether the balance is always in correct proportion? Otherwise, is there any relationship in any of the surveys you make as to what the private broadcaster is doing, in relation to your own service, or your own programming?

Mr. JENNINGS: We have that information, of course; but it would be practically an impossible thing to do. We try to plan our service as a comprehensive service, and across the country it would be impossible to—

Mr. SMITH (*Calgary South*): I certainly agree with that. It was not quite what I meant. You will see—as an example—C.B.C. in a particular area may—if I may take the western division, perhaps—be providing a concentration of a particular type of program; and I have found that there is—even between private broadcasters in east and west—rather an extraordinary variation in their programming. I am just wondering if there is any inter-relationship at all between the C.B.C. and the private broadcaster in their programming habits, and so on.

Mr. JENNINGS: No, I cannot say that there is, in that sense, a continual planning, with the idea of C.B.C. supplying something opposite private stations. But on television for the last three years we have developed—stemming out of our affiliates meetings, which we attend twice a year, covering all the television station affiliates—a programming advisory committee, which is made up of the C.B.C. and private stations, where we discuss the whole program picture. We have found that very useful, and I believe the private affiliates have also found it very useful.

Mr. SMITH (*Calgary South*): I do not think it is a responsibility of the C.B.C., and I am not suggesting it is; but I think an inter-relationship has to be established somehow, and you do have a man specifically concerned with the relationship with private broadcasters?

Mr. JENNINGS: That is correct.

Mr. FAIRFIELD: Mr. Chairman, may Mr. Jennings give us a rough breakdown on a percentage basis, statistically, of how much drama there is, how much sport per week, and so on?

Mr. JENNINGS: I could. I could give you a general one first. I think our annual report has that breakdown in the centre section. There was this exhibit that we put in, Dr. Fairfield. First of all, perhaps I could give you a general breakdown of a sample week in the winter of 1957-58.

Mr. FISHER: Radio or television?

Mr. JENNINGS: This is television. This is a percentage of network hours. In the area that we call predominantly entertainment, under that we have what we call general entertainment, creative arts and sports. The percentage of the network—on the English network—was 64 per cent. It was 74 per cent on the French network. That is an average of 70 per cent for the two.

In the area that we call predominantly information—news and weather, 6 per cent; farm and fisheries, one per cent—I am giving you the English—household and its activities, 2 per cent; science and nature, 2 per cent; foreign information, 3 per cent.

Then, predominantly idea or opinion—another general area; Canadian activities and heritage, 2 per cent; religious, 2 per cent; school and other youth education, 2 per cent; political and other controversial public affairs, 4 per cent; social and human relations, one per cent.

I will go on to give you program examples. In the general entertainment area, during that particular week we would identify such programs as Cross-Canada Hit Parade, Front Page Challenge, G.M. Television Theatre, Hidden Pages, Hobby Corner, children's programs, Juliette, Maggie Muggins—children's program—On Camera, Open House, Plouffe Family, and so on.

Under the area of creative arts we identify such programs as Open House, C.B.C. Folios and Concert Hour. In sports, the hockey, wrestling, King Whyte Show, bowling, sports view and things like that.

Mr. BUSHNELL: I think on page 18 of the annual report for 1957-58 you get a breakdown percentage-wise for television, English; and radio, French—and the classification of the various programs.

Mr. FISHER: Is it the assumption—since television has become sort of a major interest in your programming—that your radio programming has moved to what you might call a heavier line and it actually has more body to it, in terms of, say, cultural programs?

Mr. JENNINGS: The two major trends, I would think, are increased concentration on daytime programming. The audience at night—we have not a great deal of television throughout the day yet—swings pretty heavily to television viewing. So we have some of our largest audiences for radio during the day time. This has meant a rather interesting new kind of operation, what we call "double exposure".

We have now made arrangements with artists and musicians to do a repeat in the daytime of a program heard at night. We take two cracks at it, and sometimes the program, which may be live on the daytime show and repeated at night, has a much larger audience—or, nearly always, has a much larger audience at night. We have attempted to introduce a certain amount of more serious programming on the radio. We have found there is an appetite for this and a demand for it.

Mr. FISHER: It is not fair to comment on that. On the educational side of it, we have the constitutional principle in so far as education is concerned, but I continue to hear great disappointment expressed by teachers over the fact that you have not moved as quickly as many of them would like, in both radio and television, in extending educational programs. Is that because of lack of cooperation with the departments of education, or do you have to wait for them to take the initiative?

Mr. JENNINGS: We have to wait for them to take the initiative, but by and large—you are speaking of school broadcasting?

Mr. FISHER: Yes.

Mr. JENNINGS: With regard to school broadcasting we have the National Advisory Council on School broadcasting—which has been in existence for 15 or 16 years, at least, I would think—which guides and advises the Corporation in its activities in School broadcasting.

Quite frankly, so far as television is concerned, we have done a couple of experimental series so far, and we have not yet settled down to any regular series. We have done two experimental network series, and there have been two local series, one in Halifax and one in Winnipeg.

I should say, the National Advisory Council on school broadcasting asked all the provinces—it is made up of provincial representatives—not to engage single-handed in experiments in school broadcasting without consulting and clearing them with the national council first, so there would be as much cohesion and general knowledge and experience put into each experiment as possible. We intend to do again an experiment in the near future.

Mr. FISHER: Do you have any way of checking on experiments in Texas, Cincinnati and places like that, where it is pushed to quite a degree?

Mr. JENNINGS: Yes, we are quite well aware of what is going on in educational programming in the United States and Britain.

Mr. FISHER: Have you any conception of the cost picture, and whether it is a field into which you could move, or is it something in which the provincial authorities are going to have to put up quite a bit of money and talent?

Mr. JENNINGS: In television as compared with radio it is a horse of a different colour. In radio we provide facilities for provincial authorities to do the programs themselves. We supply the facilities, production, and so on.

When you get into television school broadcasting the supply of the facilities is a much more expensive and a much more complicated thing than the rather simple thing it is on radio. We have not yet settled on any formula of what we could supply. We have not settled firmly on any formula.

Mr. FISHER: I do not want to be unkind, but does this not suggest lack of initiative, in light of the fact that in other countries things have been pushed further, and there is more extensive experimental work completed?

Mr. JENNINGS: I would say, Mr. Fisher, that we have got a good deal to learn yet about just how effective television broadcasting is for schools. There are all sorts of theories about school broadcasting and television. There is the so-called master teacher theory, in which you have a person teaching a lesson and the schools are all linked by television reception. I have heard this theory attacked very vigorously. You have these theories. As in radio, a television program is something which really enriches. It is just a matter of the means of enriching what the teacher himself or herself can do in the classroom. We are not clear nor are educational authorities clear, as to which way we should go yet.

I do not think we are holding back. There is the consideration in this country, because of the constitutional position, that the lead must, in many cases be given to us.

Mr. FISHER: Have you any indication, say, from Ontario west, that you could get the kind of cooperation that would lead to a network that would be able to provide television programming in the daytime or in the morning hours?

Mr. JENNINGS: I could not say precisely. I believe there are different levels of enthusiasm as between different provinces, as to the value of going into school broadcasting on television.

The VICE CHAIRMAN: Mr. Smith?

Mr. SMITH (*Calgary South*): Mr. Jennings, is this problem of maintaining this balance—which, I see, is one of your most difficult objective problems—something you are continually concerned with?

Mr. JENNINGS: Yes, it is a continuing problem and a difficult problem, but it is not the sort of problem you can solve with any sort of precise formula. We cannot at any time be sure that the percentage of ballet programs being put on television is the right amount of ballet you want. It is a fairly pragmatic process which goes on all the time, by an assessment of outside opinion. As far as ballet is concerned I would say that in this country there has been an increased interest in the last five or six years, with the Winnipeg Ballet, the National Ballet of Toronto and the Grands Ballets Canadiens in Montreal.

This all helps to guide our thinking.

Mr. SMITH (*Calgary South*): It would be fair to say, though, that naturally you are reasonably satisfied the balance is correct, that it is a proper balance you have? That would be a fair question?

Mr. JENNINGS: Yes, I suppose you could say we are reasonably satisfied. We are always at it.

Mr. SMITH (*Calgary South*): I wonder if there is any consistency in this. Perhaps this is the flexible aspect. Mr. Pratt, when discussing this matter with Mr. Bushnell, I think drew from Mr. Bushnell the concession we are

over-weighted right now in the field of westerns. Is that a localized situation, or a temporary situation? Are you still happy with the balance in respect of this one instance?

Mr. BUSHNELL: As, I suppose, I started that, I would like to say that when I took a look at the schedule afterwards I was reminded by my colleagues we did not have as many as I thought we probably had.

Mr. SMITH (*Calgary South*): How many did you think we had?

Mr. BUSHNELL: When I made that answer I was thinking in terms not only of the syndicated films—Gunsmoke and Have Gun Will Travel—but a number of the feature films we show. But as far as syndicated film is concerned, I think we have three or four in the week.

I notice too—and here is where you get caught out—we have Disneyland. We have that Disney show approximately 39 to 52 weeks. The first thing you know is they run a series of westerns slap bang in the middle of it.

Mr. SMITH (*Calgary South*): We are going off into the content area. I wish to raise that later. I suggest that you run many of these shows that have appeal to youngsters when many of them are in bed, and consequently they see another type which is not suitable for them.

But may we come back to this question of Canadian content? Perhaps we could clear up one point. You are not unhappy about the fact we have too many westerns? You think it is a pretty good balance?

Mr. BUSHNELL: Yes, I think so.

Mr. JENNINGS: I think so too.

Mr. SMITH (*Calgary South*): I suggest to you the possibility this question of Canadian content is also part of this problem of maintaining a balance, is it not? It is the same board that maintains this Canadian content, they determine the balance? Again, there is no fixed formula?

Mr. JENNINGS: We start off with a balance of about 50 per cent on our stations and on the network. On the network we have divided it now 60-40, I think I am correct in saying this. The intention all the time in the planning, and with the funds at our disposal, is to try to increase the Canadian content.

Mr. SMITH (*Calgary South*): Would I be correct in assuming the $19 million you pay out in talent fees, that proportion would be roughly the same; in other words, 60 per cent of that would be for Canadians? It would be higher too, would it not?

Mr. BUSHNELL: I think it would be higher than that, because the American product, if you like, the imported product, costs less than the cost of almost any decent sized Canadian product. For example, you can buy all the syndicated film in the world. There are hundreds and hundreds and hundreds of products that can be bought in the United States for as little as $1,500 per half hour episode. In Canada some of them run to $4,500 or $4,800; but you cannot put on a Canadian show of any size for that amount of money, particularly if you are using quite a large number of Canadian performers.

Mr. SMITH (*Calgary South*): What do we really mean when we are talking about Canadian content? We are talking purely about Canadian performers, Canadian production and Canadian cast?

Mr. JENNINGS: Yes, and those talent fees you mentioned, practically 100 per cent of those would be to Canadian performers.

Mr. SMITH (*Calgary South*): Roughly the $19 million then?

Mr. JENNINGS: Yes.

Mr. SMITH (*Calgary South*): This Canadian content, regarding Cross Canada Hit Parade, that is Canadian talent or American talent?

Mr. JENNINGS: Canadian talent, with the occasional American guest. We cannot buck the hits.

Mr. SMITH (*Calgary South*): You do not have any concern that, perhaps, the problem of maintaining this 60-40 balance, which you state you wish to see go even higher—as a principle that is a very excellent one—but you are not concerned, in an attempt to maintain this, that quality does not perhaps suffer a little bit, and if you are going to increase Canadian content the quality of your total product is not in jeopardy?

Mr. JENNINGS: I think you will remember we discussed that briefly at an earlier meeting.

Mr. SMITH (*Calgary South*): I had an emphatic "no" then.

Mr. JENNINGS: I think we have to say this: say, in comedy and variety shows, I do not think, as yet, we have the sort of polish and slick techniques, knowledge or ability of some of the Americans. But it is a field in which there is a great deal of American talent, and I think our experience, by getting into these things, is invaluable. For instance, I think our variety shows over the last four years have improved very much indeed.

I would say this Cross Canada Hit Parade we have put on has a great deal more ingenuity and polish than the American shows.

Mr. BUSHNELL: So much so they stole our producer.

Mr. JENNINGS: That is a matter of development through survey.

Mr. SMITH (*Calgary South*): They show some signs of indicating greater popular appeal than they did a year ago?

Mr. JENNINGS: Yes.

Mr. SMITH (*Calgary South*): These are the ones that are basically Canadian in content?

Mr. JENNINGS: Yes. For example, Front Page Challenge, it started rather slowly, but has gone up very rapidly, and has a very very large audience now. But audiences generally are increasing.

Mr. SMITH (*Calgary South*): General Motors Presents, is that true of it as well?

Mr. JENNINGS: Yes, I would think so quite definitely, without checking the figures.

Mr. OUIMET: Mr. Chairman, I think, if we have confidence in ourselves, and since it can be done on the French network, where the quality of the programs is just as good as on the English network, we should also be able to maintain the excellent quality of Canadian produced programs in the English language. It is done on the French network; why cannot it be done on the English network as well?

Mr. JENNINGS: We also have a pretty good record—and this is an immodest statement—of achievement over the years in the development of the radio service. We found talent, resources and people who were able to plan and bring that to the programs here. I think we have sufficient confidence that we can do the same thing in television.

Mr. SMITH (*Calgary South*): Frankly, my Canadian ego is such that I would like to see complete canadian content, but I am often concerned, as a viewer, that this attempt to maintain the Canadian identity means that we are inclined to sacrifice quality, and this is the purpose of my asking you these questions.

Mr. JENNINGS: I do not think so.

The VICE CHAIRMAN: Mr. Tremblay, and then Mr. Fisher.

Mr. TREMBLAY (*Interpretation*): Mr. Ouimet, you gave us, the other day, some data of what are known as educational programs. Have there yet been on the French radio any strictly educational programs, in the sense we understand them in Quebec; that is to say, not just programs for adults?

Mr. OUIMET: We have never had on the French networks what is called in English a school broadcast. What we have on the French networks are programs designed according to the definition which you can find, I believe, on page 6 of the Massey report, programs which make a difference between—I would like here to speak French—l'Éducation académique et l'Éducation extra-scolaire.

Mr. TREMBLAY (*In French not interpreted*).

The INTERPRETER: Mr. Ouimet, continuing in French, said: at this point I prefer to continue in French. The difference involved is that between academic and extra-scholastic or post-scholastic education.

Mr. Tremblay then said: Mr. Ouimet, to what philosophical category, as you just indicated, belonged the program Radio-Collège?

Mr. OUIMET: Radio-Collège, for a number of years, was of a cultural nature, as a general rule. In fact, we have used on Radio-Collège some of the classical plays and some of the most advanced modern plays which would not have been scheduled on our normal sponsored drama productions, because they were of such a level that they would appeal, as a general rule, to the cultured individual most and less to the mass.

So, I would say that Radio-Collège would fit rather in the category of what you would call éducation extra-scolaire.

Mr. TREMBLAY (*Interpretation*): Well, Mr. Ouimet, was not this program aimed rather at college students, students who are still in what you call the academic stage?

Mr. OUIMET: If you understand "college students" to mean University students, to a certain extent. But don't you, Mr. Tremblay, consider the arts course of the province of Quebec as the equivalent of a university course in some of our English-speaking universities in Canada? I would say it was designed not only for advanced students, but also for general distribution to the adults who happened to be at home at the particular time when the broadcasts were being carried.

Some of the colleges in those days had recording machines. They would not listen generally to them in class; but a proportion had recording machines and they would record some of the productions and then play them to the students at later hours.

It was also one of the recommendations of the Massey Commission that because of the level of these broadcasts, which you may call educational, they should be scheduled at a better time. Then around 1951 or 1952, just before the advent of television, we did move a number of Radio-Collège broadcasts to a night spot in the schedule and dropped the title Radio-Collège from that day on. We did this because these programs were to be carried at 8.00 o'clock, and it was felt, because of their quality that in order to reach a larger audience, they should be scheduled at a better time.

Mr. TREMBLAY (*Interpretation*): Mr. Ouimet, was it not proposed also to put this program, Radio-Collège, on television under that name, or under another name?

Mr. OUIMET: No, I do not believe we would bring it back as such, under the name Radio-Collège. What we do on television is this: we have a lot of things on television that are equivalent to what used to be done on Radio-Collège (radio), but we considered, as we have an over-all—and I mentioned this the other day—service—actually, it is the Service des émissions éducatives et des affaires publiques, which is responsible for talks, public affairs broadcasts and also cultural programs; actually we considered doing on television some of the broadcasts which we do on radio. For instance, I would say that a program like "L'heure du Concert", in radio days would have fitted the Radio-Collège schedule. We dropped the title Radio-Collège because we wanted to get a larger audience. I remember when we used to go on the air with "Radio-Collège présents" . . . there was a certain reluctance on a certain part of the audience. They would feel that there was going to be some kind of teaching taking place or something like that, and would turn off the set. We dropped the title and we found out immediately—and I was responsible for it being dropped—that the audience increased; and educational broadcasts in the province of Quebec today have an extraordinary acceptance, especially if we take into account the survey conducted in the last few months by L'Institut Canadien d'éducation des adultes, the results of which have been published in newspapers during the last few days.

Mr. TREMBLAY (*Interpretation*): Well, Mr. Ouimet, what you are referring to, namely this inquiry of the Canadian Institute of Adults, deals really with culture in general, and what I am particularly interested in knowing is the policy of the C.B.C. in regard to strictly academic education, that is, covering the three levels, primary, secondary and upper; so I would like to know if, during the past two or three years, there have been exchanges between the council of public instruction or public education, the Federation of Classical Colleges and the universities of Quebec whereby they have asked that arrangements be entered into with a view to putting on the air strictly educational programs in the sense in which we understand them in the province of Quebec, and that is the same sense as that implied in the spirit of the British North America Act.

Mr. OUIMET: There have been a number of informal contacts made over the years. The situation concerning school broadcasts in Quebec was defined quite clearly in a statement which the former general manager of the C.B.C., Dr. Frigon, gave to the press in 1949. The situation has not changed very radically since. If you are interested I can give you the gist of this statement later on. The latest contact made with the authorities of the province of Quebec in the field of education dates back to September, 1955, at which time the Director of the French networks, Mr. Lamarche, saw the Superintendent of education, Mr. Désaulniers, of the government of the province of Quebec.

I have here a report which I would like to read into the minutes:

(Translation):

> The interview was held in a cordial spirit. The superintendent in no way committed himself and left no possibility of a solution in sight. He left it to be understood that he could see several objections which could be received from the constitutional point of view of the provinces. The interview had no concrete result, and there was no follow-up.

This is a report which followed a letter which was sent to the superintendent on September 23, 1955, confirming the interview which had taken place.

As the former general manager of the C.B.C. said in 1949, the C.B.C. has always been open to cooperation with the educational authorities of the province of Quebec in order to enter into such broadcasts as school broadcasts on the same basis as we are doing with the provincial authorities of other provinces.

Mr. TREMBLAY (*Interpretation*): Mr. Ouimet, I have one final question. Would the C.B.C. expect that the provincial educational bodies should prepare these educational programs? As I said a moment ago, this would be subject to technical considerations such as scheduling, and I am speaking of C.B.C. programs for both television and radio.

Mr. OUIMET (*Interpretation*): Mr. Chairman, as I just said, the position of the C.B.C. in this respect was defined very clearly by the former general manager of the C.B.C. and I think I should read the statement that he made in 1951, which is a practical summary of the situation existing then, and which still applies in 1959. The following is the statement.

(*Sight translation*): We do not believe that it is up to the C.B.C. to decide upon educational matters on the radio and what they should teach. Such a decision is one for the regional or local school authorities. All we do is to contribute by our technical and financial facilities in making radio education as effective as possible where the competent authorities desire to establish this.

In all the provinces, with the exception of the French speaking schools in the province of Quebec, they have radio educational programs and, with this in mind, 6,754 schools received free in the period 1949 to 1950 licences for the use of receiving apparatus. It is estimated that during this same year 430,000 pupils benefited from radio education. Naturally, this does not take account of an even greater number of adults who listened at home.

The provincial authorities prepare the course and pay for the scripts and those who take part in the programs. The C.B.C. undertakes production of the programs and their broadcasting over the various network stations. Thus, as regards the type of teaching, only the local or regional scholastic educational authorities are responsible. This type of program is broadcast by the regional networks.

The C.B.C. also puts out educational programs of general interest, but the subjects dealt with and the very nature of the program are under the absolute control of a council committee—or perhaps that means advisory board—on which all the provinces are represented. These programs are broadcast by the trans-Canada network which serves all the provinces. The C.B.C. has always declared it is ready to assist the competent authorities which call upon it for assistance in introducing educational broadcasts for their classes.

Furthermore, the educational programs on the radio existed in a number of provinces before the creation or the setting up of the C.B.C. and this is a clear indication that the C.B.C. did not, so to speak, impose conditions in the field of teaching. Quite to the contrary, all they did was to follow up those who believe that the radio is a modern and effective educational device.

This is signed by Mr. Augustin Frigon, director general of the C.B.C. and is dated at Montreal on March 27, 1951.

Mr. OUIMET: Mr. Chairman, I should say, for the benefit of the committee, that the general manager of the C.B.C., when he made that statement, had been for a number of years president of the corporation of L'École Polytechnique of Montreal, and as such was sitting on the Conseil de l'Instruction Publique of the province of Quebec.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, as you know, there was a judgment of the privy council as regards federal intervention in this field and, considering the cultural aspects of the C.B.C., should this not be considered as the reason for the hesitation of some provinces as regards C.B.C.'s educational initiatives?

Mr. TREMBLAY: Excuse me. (*Interpretation*): Mr. Chairman, that was not exactly what I said. What I said was as follows: There was a judgment of the privy council, allowing the federal government to occupy the field of broadcasting for educational purposes; but, as step by step the C.B.C. occupied at one and the same time the field of information and of culture and of education, do we not see, in this initiative of the C.B.C., the reason for the hesitation of some provinces, as regards the initiative of the C.B.C., in educational matters?

The VICE CHAIRMAN: I do not think the witness should be called upon to answer this. I do not know the view of the committee; but this is a matter of opinion—it is not a matter of fact.

Mr. TREMBLAY: No—I think, Mr. Chairman, that it is a matter of fact. We have to know the policy of C.B.C. about programming, in the broad sense.

The VICE CHAIRMAN: The witness is not obliged to answer. He may answer, if he wishes.

Mr. SMITH (*Simcoe North*): Mr. Chairman, I do not think the witness could possibly know why some provinces have, or have not, participated in these broadcasts. It is a matter that should be directed to the provincial departments, if some provincial educational departments were called.

The VICE CHAIRMAN: That is my view.

Mr. OUIMET: This may be, Mr. Chairman; but the only thing I know is that I have this letter of September 23, 1955, written—as I said earlier—to the superintendent of the Department of Education in Quebec, which states very clearly that we are ready to cooperate fully. We never received an answer to that letter. Why the decision was taken negatively, I do not know. But we are, and—I repeat—we shall always be ready to cooperate fully in this particular field.

Mr. SMITH (*Calgary South*): Mr. Chairman, I should like to ask two very short questions.

The VICE CHAIRMAN: One moment. If it is on the same subject, all right; but if it is not on the same subject, would you mind delaying it.

Mr. SMITH (*Calgary South*): No, it is not.

The VICE CHAIRMAN: Very well. Mr. Fisher has a question.

Mr. FISHER: Originally, Mr. Bushnell, when the Canadian government got into broadcasting, was it not a fact that all the provinces had to agree to the situation before you went ahead?

Mr. BUSHNELL: Yes.

Mr. FISHER: So that at that time there was a decision taken by all the provinces that the federal government should go into this field, in the programming sense; is that true?

Mr. TREMBLAY: No.

Mr. JENNING: Actually, they came to us individually, in the beginning, and I think, before the organization of the C.R.B.C. or the C.B.C. there was school broadcasting being done provincially in British Columbia and, I think, in Nova Scotia.

Mr. JOHNSON: Mr. Chairman, I wish to speak on this point of order which was brought upon the question of Mr. Tremblay. I would like to point out that it is for the chairman to make a decision on questions by any member here: he does not need the help of any self-appointed president or chairman. Let the chairman decide whether or not the question is pertinent.

The VICE CHAIRMAN: I gave my views.

Mr. JOHNSON: It is not for the committee to decide. We are entitled to ask questions in this committee, and we do not intend to suffer because other members bring up points of order to delay the proceedings.

Mr. TREMBLAY: On this point of order, Mr. Chairman (*Interpretation*): Mr. Chairman, I think there is no reason for us to make "a storm in a teacup" of such a simple question. I put the question, which perhaps required an opinion. Mr. Ouimet gave a satisfactory answer. He said, "perhaps", and I am satisfied and do not wish to pursue the matter any further.

Mr. FISHER: Mr. Chairman, may I carry along the line that I was on? Has there been any discussion within the C.B.C. of any certain regions turning back to certain provincial authorities the broadcasting rights?

Mr. BUSHNELL: Not that I am aware of, Mr. Fisher.

Mr. FISHER: Has there been any consideration given—this is a point I brought up many meetings ago—to the problem, if a province decides to introduce censorship of television?

Mr. BUSHNELL: I do not quite follow you there: I am a little dense this morning.

Mr. FISHER: Supposing a province decides it is going to introduce censorship of television programs—it seems to have the constitutional right: there has even been some discussion on it in one province—what does that raise for the C.B.C.?

Mr. BUSHNELL: I do not know what it would raise for the C.B.C. It is rather, I should think, an academic question that I do not think has arisen.

Mr. FISHER: The point I want to get clear is:—the whole tenor of the questions today confirms that you have no constitutional authority in the programming and broadcasting field, if a provincial authority decides to step in and take an active role; is that not true?

Mr. BUSHNELL: I do not think I am competent to answer that question now; I would like to get some legal advice on that point.

SMITH (*Calgary South*): Surely it is a question for the B.B.G.?

Mr. MCCLEAVE (*Interpretation*): Mr. Chairman, I have another question in the French language, and this regards the French networks. Have you, on those networks, any programs for teaching English, such as on the English networks here have programs for teaching French?

Mr. OUIMET: On the stations situated in the province of Quebec, I would say "No". But, in cooperation with the government of New Brunswick, we

do put on French school broadcasts, and this is one of the subjects which is being regularly taught on the school broadcasts of the province of New Brunswick. French is being taught for the benefit of the English speaking population, and English is being taught for the benefit of the French speaking population.

The VICE CHAIRMAN: Gentlemen, the only time we could meet again today would be tonight.

Mr. JOHNSON: I do not think we should meet tonight.

Mr. SMITH (*Simcoe North*): Not tonight.

Mr. JOHNSON: Would we get a quorum for a meeting tonight?

The VICE CHAIRMAN: That might be the source of the difficulty, I understand some people will be watching television and listening to radio tonight.

Mr. JOHNSON: We all know the results already; we do not need to watch it.

The VICE CHAIRMAN: What is the wish of the committee—next Tuesday?

Agreed.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

(*Page No. 394*)

M. TREMBLAY: Monsieur le président, je voudrais faire remarquer que je ne suis pas surpris qu'on ne nous donne pas les détails que j'ai demandés au sujet du programme "Pour elle", mais je ne considère pas moins qu'il aurait été bien important d'avoir ces détails.

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(*Page No. 396*)

M. TREMBLAY: Monsieur Ouimet, pouvez-vous m'expliquer comment la société Radio-Canada procède dans le choix des textes, lorsqu'il s'agit de nouveaux auteurs de textes? Est-ce que vous procédez par voie de concours, est-ce que vous faites des invitations?

* * *

M. TREMBLAY: Monsieur Ouimet, ne pensez-vous pas, revenant à ma vieille obsession, que le fait de maintenir pendant longtemps les mêmes programmes à la télévision est une espèce d'écran de fumée qui peut nuire à ces jeunes auteurs qui pourraient fournir des textes à Radio-Canada?

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(*Page No. 397*)

M. TREMBLAY:

Une dernière question. Vous avez souligné le fait qu'on avait donné beaucoup d'encouragement aux jeunes auteurs à la télévision, à l'occasion de nouveautés dramatiques, etc. Ne pensez-vous pas qu'à Radio-Canada ce sont toujours les mêmes gens qui ont les continuités? Depuis plusieurs années, ce sont les mêmes séries de programmes savon, etc.

* * *

M. TREMBLAY:

Maintenant, M. Ouimet, est-ce que la société Radio-Canada, lorsqu'un auteur lui paraît échoir un tant soit peu, est-ce que la société Radio-Canada le semonce et l'invite à se corriger?

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(*Page No. 405*)

M. TREMBLAY:

Monsieur Ouimet, vous avez donné, l'autre jour, quelques renseignements au sujet de ce que l'on appelle les programmes éducationnels. Pourriez-vous me dire s'il y a déjà eu, au réseau français de Radio-Canada, des programmes strictement éducationnels, dans le sens que nous l'entendons dans le Québec, c'est-à-dire pas simplement des programmes qui s'adressent aux adultes?

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(*Page No. 405*)

M. TREMBLAY:

A quelle catégorie appartenait le programme "Radio-Collège"?

* * *

M. TREMBLAY:

Mais, monsieur Ouimet, est-ce que ce programme ne s'adressait pas davantage aux étudiants des collèges, aux étudiants qui en sont encore au stade de ce que vous appelez, vous, l'éducation académique?

* * *

M. TREMBLAY:

Monsieur Ouimet, ce programme "Radio-Collège", est-ce qu'on ne s'était pas proposé de le réaliser à la télévision également, sous ce nom ou sous un autre?

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(*Page No. 406*)

M. TREMBLAY:

Monsieur Ouimet, ce à quoi vous faites allusion, c'est cette enquête sur l'éducation des adultes. Je réfère plutôt à des programmes d'ordre culturel, en général.

Ce qui m'intéresse, c'est de savoir exactement quelle est la politique de Radio-Canada à l'endroit des programmes d'éducation strictement académique, c'est-à-dire couvrant les trois niveaux du primaire, du secondaire et du supérieur.

Je voudrais savoir . . . je vais vous demander ceci: Est-ce que, depuis deux ou trois ans, il y a eu des échanges entre le Conseil de l'instruction publique et la Fédération des collèges classiques et les universités du Québec demandant des programmes, c'est-à-dire pour conclure les arrangements dans le but de mettre au programme des émissions strictement éducatives, au sens où nous l'entendons dans le Québec, c'est-à-dire le sens de l'Acte de l'Amérique du nord britannique?

* * *

M. OUIMET: Le surintendant ne s'est aucunement prononcé, il n'a laissé entrevoir aucune possibilité de solution; il a plutôt laissé entendre qu'il entrevoyait plusieurs objections du point de vue de la constitution provinciale et qu'il consulterait qui de droit. L'entrevue n'a donné aucun résultat concret et n'a pas eu de suite.

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(*Page No. 407*)

M. TREMBLAY: Une dernière question. Est-ce que Radio-Canada, à l'exception des arrangements strictement techniques, est-ce que Radio-Canada consentirait à ce que des organismes provinciaux d'éducation élaborent des programmes éducatifs et, comme je le disais tout à l'heure, à l'exception des arrangements techniques et des questions d'horaires, est-ce que Radio-Canada consentirait à ce que des organismes provinciaux préparent ces programmes pour leur mise en ondes sur les ondes de Radio-Canada, à la télévision ou à la radio?

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M. OUIMET: Monsieur le président, la position de Radio-Canada, dans ce domaine, comme je l'ai indiqué tout à l'heure, a été définie très clairement par l'ancien directeur général de la société Radio-Canada, M. Augustin Frigon.

Je crois qu'à ce point je devrais lire la déclaration qu'il avait faite en 1949 et qui résume, à toute fin pratique, la position de Radio-Canada en 1949 et, dix ans plus tard, en 1959. Voici:

> Nous ne croyons pas qu'il soit du ressort de la société Radio-Canada de décider où doit être organisée la radio-scolaire et ce qu'elle doit enseigner; une telle décision appartient aux autorités scolaires locales ou régionales. Nous ne faisons que contribuer par nos moyens techniques et financiers à rendre la radio-scolaire le plus efficace possible là où les autorités compétentes désirent l'établir.
>
> Toutes les provinces, à l'exception des écoles de langue française de Québec, ont leur radio-scolaire. Dans ce but, 6,764 écoles reçurent gratuitement, en 1949-50, des permis pour l'usage d'appareils de réception. On estime qu'au cours de cette même année 430,000 élèves ont bénéficié de la radio-scolaire. Naturellement, ceci ne tient pas compte d'un nombre encore plus grand d'adultes qui écoutent à la maison.
>
> Les autorités provinciales préparent les cours et paient les manuscrits et ceux qui participent aux programmes. La société Radio-Canada se charge de la production des programmes et de leur radiodiffusion sur les postes des réseaux. Donc, pour ce qui est de la nature de l'enseignement, seules les autorités scolaires locales sont responsables; cette catégorie de programmes est diffusée par des réseaux régionaux. Radio-Canada émet aussi des programmes scolaires d'intérêt national, mais les sujets traités et la nature même des programmes sont sous le contrôle absolu d'un comité-conseil sur lequel toutes les provinces sont représentées; ces programmes sont diffusés par le réseau Trans-Canada qui dessert toutes les provinces.

Ici, je veux passer une partie de la déclaration qui a trait à certains points qui concernent plus strictement les écoles, pour terminer avec la déclaration de M. Frigon à ce moment-là. Et je continue:

> La Société s'est toujours déclarée prête à aider les autorités compétentes qui sollicitent son appui pour l'introduction de la radio-scolaire dans leurs classes. D'ailleurs, la radio-scolaire existait dans certaines provinces avant que ne fut fondée la société Radio-Canada, ce qui indique bien que cette Société ne s'est pas imposée dans le domaine de l'enseignement; bien au contraire, elle n'a fait que seconder ceux qui croient voir dans la radio une méthode pédagogique moderne efficace.

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(*Page No. 408*)

M. TREMBLAY: Vous savez qu'il y a eu un jugement du conseil privé, permettant aux autorités fédérales d'occuper dans le domaine des ondes pour des fins d'information. Étant donné que la société Radio-Canada a, en même temps que le domaine de l'information, occupé progressivement celui de la culture et de l'éducation, est-ce qu'on ne pourrait pas voir là la raison de cette réticence que certaines provinces opposent aux initiatives de Radio-Canada en matière d'éducation?

* * *

M. TREMBLAY: Non, ce n'est pas exactement cela que j'ai dit. J'ai dit qu'il y a eu un jugement du conseil privé permettant aux autorités d'occuper dans le domaine des ondes pour des fins d'information, et j'ai ajouté que, étant donné que la société Radio-Canada a, en même temps, que le domaine de l'information, occupé progressivement celui de la culture et de l'éducation, est-ce qu'on ne pourrait pas voir là la raison de cette réticence qu'ont certaines provinces en regard des initiatives de Radio-Canada en matière d'éducation?

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(*Page No. 409*)

M. TREMBLAY: Je pense qu'il n'y a pas de raison de faire du drame sur un sujet aussi simple. J'ai posé une question qui peut-être demandait une opinion. M. Ouimet m'a donné une réponse satisfaisante. Il m'a dit: Peut-être. Je suis satisfait, je n'en exige pas davantage.

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(*Page No. 409*)

M. MCCLEAVE: Monsieur le président, une autre question en français. Sur le réseau français, avez-vous des programmes où l'on enseigne l'anglais, comme sur les réseaux anglais nous en avons où l'on enseigne le français?

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 12

TUESDAY, JUNE 16, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

E. L. Bushnell, Acting President, Canadian Broadcasting Corporation; C. Jennings, Controller of Broadcasting; M. Ouimet, Deputy Controller of Broadcasting; J. P. Gilmore, Controller of Operations; and C. R. Delafield, Director, International Service.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21483-3—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.

Vice-Chairman: J. Flynn, Esq.
and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
Johnson,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Paul,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Taylor,
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

TUESDAY, June 16, 1959.

The Special Committee on Broadcasting met at 11.00 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*) and Bell (*Saint John-Albert*), Mrs. Casselman, Messrs. Chambers, Dorion, Fairfield, Fisher, Flynn, Halpenny, Lambert, Mitchell, Morris, Muir (*Lisgar*), McCleave, McGrath, McIntosh, McQuillan, Pickersgill, Paul, Smith (*Calgary South*), Smith (*Simcoe North*) and Tremblay—(23).

In attendance: Mr. E. L. Bushnell, Acting President of the Canadian Broadcasting Corporation, assisted by Messrs. J. P. Gilmore, Controller of Operations, Marcel Carter, Controller of Management, Planning and Development; Charles Jennings, Controller of Broadcasting; R. C. Fraser, Director of Public Relations; R. E. Keddy, Director of Organization; J. J. Trainor, Assistant to Director of Audience Research; Barry MacDonald, Secretary, Board of Directors; J. A. Halbert, Assistant Secretary, Board of Directors; and C. R. Delafield, Director, International Service.

The Chairman read into the record answers to certain questions asked by Mr. McCleave on June 11th and by Mr. Pickersgill at a previous meeting.

Copies of a document entitled "Press Conference (Television)—corrected June 15, 1959," were distributed to members of the Committee.

Consideration of Item 3 of Part "A" of the Agenda—"Analysis of principles governing balance between forms of programming, etc." was discussed and questions answered by Messrs. Bushnell, Jennings, Ouimet and Gilmore.

Item 5 of Part "A" of the Agenda was called and Mr. Delafield, Director of the Canadian Broadcasting Corporation International Service outlined the history, function, organization and operation of the service. Messrs. Delafield and Bushnell were questioned.

On Item 9 of Part "A"—"Relationship with Performers Rights Society", Messrs. Bushnell, Ouimet and Jennings answered questions.

The Chairman announced that members of the Committee would depart from Ottawa at 10.00 a.m., Tuesday, June 23rd to travel by air to Toronto, and that present plans call for a return to Ottawa from Malton at 10.00 p.m. on the same day.

At 12.45 p.m. the Committee adjourned to meet again at 9.30 a.m. on Thursday, June 18, 1959.

J. E. O'Connor,
Clerk of the Committee.

21483-3—1½

NOTE: *Text of the Proceedings recorded in the French language appears immediately following the day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

TUESDAY, June 16, 1959.
11:00 a.m.

The CHAIRMAN: Gentlemen, we have a quorum.

Although Mr. Flynn is not here at present I would like to thank him for looking after the Committee's meeting last Thursday.

There are two parts to a letter dated June 15 received by Mr. O'Connor, the Clerk, from the Canadian Broadcasting Corporation which I think we should read into the record. The first part is in answer to a question asked by Mr. McCleave. It reads as follows:

> Further to his earlier question, Mr. McCleave asked on June 11 whether any married couples were associated in the production of a series of C.B.C. programs. He limited the question to apply to couples who had been married before the series began. We have looked into this matter and found that in 1957 a variety series on the English TV network had a combination of husband being producer and wife being an artist for part of the season. Also, on a current English radio network variety show, the wife of the producer, an outstanding vocal artist, appears alternating with four other soloists every fifth week. Again, in 1957, on one of the summer replacement regional network series in television, a husband produced a show on which his wife was the vocalist. For this particular series, the artists on the show had been engaged and the format decided upon prior to the husband's assignment to the production of the program.

Then there was a reply to a question asked by Mr. Pickersgill. Mr. Pickersgill asked about the number of producers at Vancouver, Winnipeg, Halifax and Ottawa in relation to the volume of production at each point. The situation is as follows:

Vancouver—15 producers—599 hours of live production per annum
Winnipeg—9 producers—466 hours of live production per annum
Halifax—7 producers—605 hours of live production per annum
Ottawa—4 producers—242 hours of live production per annum

Mr. PICKERSGILL: Is that in both English and French in Ottawa?

The CHAIRMAN: I would think so.

Mr. ERNEST BUSHNELL (*Acting President, Board of Directors, Canadian Broadcasting Corporation*): Yes; that is correct.

The CHAIRMAN: I understand we were on item No. 3.

Mr. SMITH (*Calgary South*): Might I ask if the costs which we asked for some weeks ago are yet available?

The CHAIRMAN: No.

Mr. BUSHNELL: Actually the work involved is somewhat greater than we anticipated. It cannot be ready for Thursday. Unfortunately I believe this committee has other matters to deal with next week.

The CHAIRMAN: The week of the 22nd, we anticipate the Board of Broadcast Governors will be here, as the C.B.C. wish to be excused during that week. We discussed this about a month ago.

Mr. SMITH (*Calgary South*): I realize that. I do not wish to rush the corporation unduly, but it seems to me even if the corporation witnesses will not be with us next week surely they will agree there is nothing to prevent their sending in the information to the secretary so that it might be printed in the evidence and we would have an opportunity to examine it.

The CHAIRMAN: Yes. If it is finished we will get it and table it at that time, even though C.B.C. offices will not be here.

Mr. SMITH (*Calgary South*): May I assume we are still getting a week-by-week indication of these costs? You are working on the first week?

The CHAIRMAN: Yes.

Mr. SMITH (*Calgary South*): That is not yet available?

The CHAIRMAN: That is right.

Mr. PICKERSGILL: I would like to make a motion, if I can find a seconder, that the Premier of Ontario be invited to come before this Committee to air his grievances and give his views on broadcasting.

Mr. SMITH (*Calgary South*): May I speak to this?

The CHAIRMAN: I am waiting for a seconder.

Mr. PICKERSGILL: Is there a reluctance to give the Premier of Ontario a quorum?

The CHAIRMAN: First, is there a reluctance to have a seconder? I am sorry, there is no seconder.

Mr. PICKERSGILL: Thank you.

The CHAIRMAN: Shall we get back to programming in general?

Mr. MCGRATH: Is there any indication that we will have an answer to the question I asked several meetings back regarding the number of staff and the amount of property at the main production centres.

The CHAIRMAN: I think we have that information. It will be tabled at a later sitting under the heading Personnel.

Are there any further questions on analysis of principles governing balance between forms of programming? I understand Mr. Tremblay has a question.

Mr. TREMBLAY (*Interpretation*): Mr. Ouimet, in respect of this question of balance between the various programs, I have the following questions. First, do you follow a cultural aim in general; that is, popular culture. What in your opinion are the basic criteria which can be used to establish these popular educational or popular cultural programs?

Mr. MARCEL OUIMET (*Deputy Controller of Broadcasting*) (*Interpretation*): Mr. Chairman, there are very many of them.

Mr. TREMBLAY (*Interpretation*): What are the criteria?

Mr. MARCEL OUIMET (*Interpretation*): We have already said that the aim of the C.B.C. is to inform and educate—not to educate in an academic sense, but in a truly cultural sense; and also at the same time to entertain. These two fields inevitably being linked with what constitutes information. I think any journalist who has had some experience can judge what constitutes information. Other criteria apply to educational programs. What is involved is not showing programs which are difficult to absorb or grasp as

far as the viewers or listeners are concerned, but gradually to develop a public taste as regards popular education and culture. As for entertainment, constantly we try to adhere to a healthy type of entertainment and to make of all programs satisfactory vehicles of entertainment.

Mr. TREMBLAY: Just a moment; I have a supplementary question.

The CHAIRMAN: I would suggest in giving your supplementary question that you keep your question as short as possible and also that the answers of the witness be kept as short as possible.

Mr. TREMBLAY: That is exactly what I did.

(*Interpretation*): Well, Mr. Ouimet, I am sure that you must realize I cannot accept such a vague answer as you have just given. Let me put the following precise question. Is this education for a specific purpose? We know that what is involved here is the French Canadian public. In other words, what are the basic criteria on which you base yourselves in drawing up these programs? In your opinion, what are the fundamental values for which you strive in these programs, because you do have a specific view of the listening public?

Mr. OUIMET (*Interpretation*): Well, Mr. Chairman, I would say that where we have social matters involved we try to present the social justice aspect, and so on. We try to adhere to what is involved. Furthermore, if you read the long report which was introduced, or tabled, during the first or second sitting of the parliamentary committee, with respect to C.B.C. programming, I think you will find in that quite a complete enumeration of the aims and criteria in our programming.

The CHAIRMAN: I think that is far enough.

Mr. CHAMBERS: Under this item we have a list showing drama, music, ballet, public affairs, religious programs, and so on. I am wondering whether or not there is any definite method, and if so what it is, for apportioning time to the various subjects? I do not necessarily limit it to this. For instance, you may come to a decision to devote 35 per cent of this to classical music or something of that nature. How do you arrive at that?

Mr. CHARLES JENNINGS (*Controller of Broadcasting, Canadian Broadcasting Corporation*): Through the process of growth of radio or television. I thought I explained at the last meeting the principles on which we base it. There is the principle that we are mass media. We do not present programs which appeal only to a very few. There are other things such as the corporation's responsibility to perform and entertain. Flowing out of that are a lot of other things which run all the way from classical music and Bach down to boogie-woogie. We think ballet is a legitimate part of entertainment. We do not have any written-up formula. Indeed I think it would be impossible. We do, however, from time to time find from our surveys how these particular programs are reaching their target.

Mr. CHAMBERS: Is this the responsibility of the department?

Mr. JENNINGS: Yes.

Mr. DORION (*Interpretation*): As I am more concerned with the French network I will address this question to Mr. Ouimet. Do you have any person or organization within the network to deal with criticisms, good or bad, which may emanate from the public, organizations, firms or from the press in general?

Mr. OUIMET (*Interpretation*): We do have a service which coordinates all that information. We have the press service which supplies regularly, indeed almost daily, reports on letters received or telephone calls received,

indeed on all the criticisms which are published throughout the country in both the French and English languages in the newspapers. These reports are very complete and, in some cases, I must even say it is quite difficult to read everything that is written.

(*In English*): May I point out that the service referred to is the press and information service.

Mr. DORION: Do you take all this information into account when you have to prepare the next programs?

Mr. OUIMET: Inevitably this is one of the factors we certainly do take into account. We have always wanted to be as close as we possibly can be to the public.

Mr. DORION (*Interpretation*): Mr. Ouimet, do you not think it would be a good policy for the C.B.C. to have an advisory board on programming?

(*In English*): Mr. Bushnell, perhaps you would prefer to answer this question?

(*Interpretation*): Do you not think it would be a good policy for the C.B.C. to have an advisory board made up of persons from outside who would have nothing to do with C.B.C. organizational matters?

Mr. BUSHNELL: Mr. Dorion, I was asked a question the other day about advisory committees. I indicated that our experience in the past, a number of years ago, had not been a happy one. May I say however that we have been giving very active consideration to the appointment of a committee, particularly in the province of Quebec, such as you suggest. As a matter of fact, I will be perfectly frank with you and tell you if it had not been for the absence of the president that this matter probably would have been proceded with before now. As you can see, I am somewhat reluctant to take a major step of that kind without his full agreement or at least without his knowledge. The matter has been held in abeyance. I would like to say, however, as far as I am concerned, and as far as some of the members of the board of directors are concerned, we think the idea is an excellent one.

The CHAIRMAN: Everybody seems to be in agreement.

Mr. PICKERSGILL: I do not agree. I have a supplementary question. I would like to ask Mr. Bushnell how he thinks such an advisory committee could be set up without clashing in the first instance with the board of directors and in the second instance with the Board of Broadcast Governors who, it seems, were set up by parliament for precisely this purpose.

Mr. BUSHNELL: I do not think there should necessarily be any clash because this committee would be working in conjunction and in collaboration with our own program people. You would have a wide variety of views coming from the outside. I am quite sure it might well prove to be very helpful. I do not see any possibility of a clash between our board of directors or even the Board of Broadcast Governors, because certainly I do not think any advisory committee would advise us to do anything contrary to the policies of the B.B.G. or indeed contrary to the policies of the board of directors. I think we can work in complete harmony.

Mr. CHAMBERS: Did not the Massey and the Fowler commissions recommend such a committee?

Mr. BUSHNELL: Yes; they did.

Mr. MORRIS: As one member of this committee, I would like to broaden the line of inquiry. The line of questioning carried on at our last sitting by the hon. member for Calgary South seemed to be a more useful line of questioning because it involved what I think is the fundamental purpose of the committee. Mr. Jennings was asked at that time what he felt might be a

useful definition of Canadian content. While I well understand that this is difficult to answer, it seems to me that, from a re-reading, he confined himself to describing it in terms of the personnel involved in the program, the performers, the writers, and so on.

You will recall that the Massey Commission used such words as Canadian identity of culture. May I presume to say that you cannot define this any more than can I; but do you not agree with me that you know what it means, that you have a feeling about it?

Mr. JENNINGS: Yes. When you speak of Canadian identity, apart altogether from Canadian content, I think you are reflecting things which go on in Canada, as represented in very broad terms, that is, Canadian life. I think it is interpreted or expressed through television and radio programs in which I suppose primarily the writer is a man who puts forward ideas which are expressed by means of Canadian actors, performers, singers, and so on. That is what I would consider to be Canadian content.

Mr. MORRIS: Will Mr. Jennings agree that Canadian content represents something more than the physical presence of those engaged in the program? It is not, in other words, a matter exclusively of amount.

Mr. JENNINGS: I think it is very much broader than that.

Mr. MORRIS: In achieving a balance—this is my question—in the last fiscal year for which we have full financial records, which is what I think ought to interest members of parliament most, the federal authority—is it correct to say that the federal authority made a grant of about $6.2 million to radio, about $18 million to television?

The CHAIRMAN: May I suggest that you will find that we shall cover that under Finance, under part D on the second page of the Agenda. I cannot see how this has anything to do with program analysis right now. Have you another question outside of Finance?

Mr. MORRIS: Yes. My question is this: earlier in the sittings Mr. Bushnell will recall that I asked a question about the program "Hawaii Calls." At that time we engaged in some whimsey in the reply, but my question was intended at that time to lead to a question I shall now ask.

In the last fiscal year the federal authority made moneys available to the C.B.C. amounting to $45 million. My question to Mr. Bushnell is this: why should I, as a member of parliament, in your view, vote for the appropriation of that amount of money if you can defend a foreign program in favour of a Canadian program simply because you think it is popular?

Mr. BUSHNELL: Well!

The CHAIRMAN: Do you want to get your lawyer?

Mr. BUSHNELL: No. I got into it and I will get out of it.

I do not think I was really defending a foreign program. I do admit there was probably a bit of whimsey indulged in. I think that what you are asking, Mr. Morris, or suggesting is that that program should be replaced, if you like, by one of Canadian content.

Mr. MORRIS: Content; that is correct. Yes.

Mr. BUSHNELL: I would not disagree with you too much on that, other than to say that we have always had the feeling that a lot of people liked to hear Hawaiian music, so we gave it to them.

Mr. MORRIS: If I wanted "Hawaii Calls", or the type of program it symbolizes, why should I appropriate public tax moneys to do that.

Mr. BUSHNELL: You would be appropriating more if we dispensed with it, because we would need to pay for a Canadian replacement.

Mr. MORRIS: That remains to be proven by this committee.

Mr. BUSHNELL: I agree with you that we are right in the hands of the committee. Please do not misunderstand me. I am simply saying that money would have to be provided, or we would have to get along with the money we have, or with whatever parliament votes to us and make the best job we can of it. But there you are. If you push off an imported program and put on a Canadian program, well, it has to be paid for, and that is all there is to it.

Mr. JENNINGS: May I add that in the balancing of output we do look to other countries for program material because we think, shall I say, it enriches the output, it adds interest. So there is a good deal of exchange between the C.B.C. and broadcasting organizations in other parts of the world, where they take programs from us and we in turn take programs from them. We feel very strongly about it. We believe it adds colour and variety to the schedule. I would not say that was the case particularly with Hawaii Calls however.

Mr. MORRIS: Thank you.

Mr. SMITH (*Calgary South*): May I ask if Mr. Bushnell is yet able to provide us with the American content of films we asked for some time ago, that is, the percentage?

Mr. BUSHNELL: No, I have not got it yet.

Mr. SMITH (*Calgary South*): At the last meeting I expressed some concern over the question of the quality of Canadian productions. Mr. Ouimet volunteered that the French network, as I understood it, had been able to establish a very high degree of quality, especially with respect to drama production. I rather got the feeling—and I have heard it before—that the French network with its drama productions has been able to establish somewhat more success than have the English networks. May I ask you if you would agree with that, and if so, why?

Mr. BUSHNELL: My answer to that again is a matter of personal opinion, I suppose. I think it is so to a degree. But I am not for a moment suggesting that the C.B.C.'s English dramas are bad, or that all English or French dramas are good.

Mr. SMITH (*Calgary South*): But generally speaking, what would you say?

Mr. BUSHNELL: Generally speaking I would agree; but the difference could be very slight.

Mr. SMITH (*Calgary South*): Please tell me why?

Mr. BUSHNELL: Well, I will tell you why. The biggest difficulty in the television business in the field of drama today is to get good writing. We have developed some very good writers in this country, so much so that they have now been able to sell their products in a larger market and for more money. And we are constantly trying to find new and better writers. That, as I say, is the biggest difficulty we face in terms of television broadcasting today.

Mr. SMITH (*Calgary South*): You may recall that I asked Mr. Bushnell if he was not concerned—or Mr. Jennings—about the loss of Canadian writers to other market areas. And I believe he expressed the view that he was not concerned about it. Is that not inconsistent with what Mr. Bushnell has just said?

Mr. JENNINGS: I think we were talking at that time about the flow of performers back and forth, and not specifically about writers.

Mr. SMITH (*Calgary South*): I made reference to a gentleman in Toronto that you had lost. Are you then concerned in the fact that you might have lost a percentage of writers, shall we say, to other countries?

Mr. BUSHNELL: We have not lost completely too many. But because the quality of their work has improved so much, they are now able to sell their

products to other television organizations. Therefore they represent a loss for us. I cannot recall any who have refused to write for us, or have gone away. Oh yes, there have been one or two. That is correct.

Mr. SMITH (*Calgary South*): A brief answer would be that the writers are better on the French network than the writers on the English network. Is that right?

Mr. BUSHNELL: Yes. I think there have been more of them developed over the years, and for the very simple reason that they have been obliged to do it. They cannot find it elsewhere. And then again, there is a great deal of French literature by some very fine writers of years gone by, and their writings seem to lend themselves to adaptation.

Mr. MUIR (*Lisgar*): My question is supplementary to Mr. Morris' question, and you have probably answered it already. But what is the percentage costwise as between Canadian and foreign programs that you are using? And my next question is: what is the percentage in terms of time as between Canadian and foreign programs?

The CHAIRMAN: I think that would be pretty hard to answer, especially the question about the percentage of cost.

Mr. BUSHNELL: I do not quite understand just what you want. But if it concerns the cost of Canadian programs, you have it before you. The cost of a similar program in the United States runs anywhere from three, four, and sometimes to five times as much.

Mr. MUIR (*Lisgar*): I asked you in the programs you are using what would be the total of your Canadian content and the total of foreign content?

Mr. BUSHNELL: We can provide that for you. I think it has already been provided. Perhaps Mr. Gilmore may have it right here.

Mr. J. P. GILMORE (*Controller of Operations*): On the question of cost of bringing a program in from the United States on the English language television network, it does not cost the corporation anything. We make no payment for it.

On the contrary, if it is a sustaining program, it is usually supplied to us by the network concerned. And if it is a commercial program, we recover our station time. We are paid for the occupation of the station time on the air for that program as a commercial vehicle.

In the case of English language program we must meet that program productionwise, and therefore there is a production cost.

Referring again to the first part, I do not think we pay too much attention to the relationship of the cost of a top variety of programs coming in from the United States to Canada, but we understand that it would be about five times.

The CHAIRMAN: I think this subject has already been pretty well covered in our past evidence. Once again I ask that our committee do its homework, please.

Mr. DORION: I have just two or three questions to put to Mr. Ouimet.

(*Interpretation*): Well, Mr. Ouimet, you know of the Ecole des Adultes. Is that a body which financially aids the C.B.C.?

Mr. OUIMET: I do not know about the school for adults. I do know about the Societe Canadienne d'education des adultes, or the Canadian institute for adult education. I do not know of any other organization. I know of the Ecole des parents, and I know of the Union des familles. But I have never heard of the School for adults. There are a few organizations with which we cooperate constantly and one of them is the Canadian Institute.

Mr. DORION: Do you cooperate with this school or with this organization?

Mr. OUIMET: We cooperate with some of these organizations, yes. We do help them financially because they do some work for us in the way of surveys, publicity and so on. For instance, the Canadian Institute of Education organizes liaison groups and so on. They used to do that for radio, and they do it for television as well now. So therefore they incur certain expenses. They have members. We contribute towards the cost of the work they do to organize these listening groups in connection with some of our programs.

Mr. DORION (*Interpretation*): Well, Mr. Ouimet, as you know, in the province of Quebec you have literary artistic, medical and historical organizations. Do you sometimes call upon these organizations when you have to prepare a program which is of a historical, artistic or literary nature?

Mr. OUIMET (*Interpretation*): Well, I think that the multiplicity of relationships which we have with these organizations should be better well known. We are in touch with newspapers. We are in touch with magazines. We are in touch with the universities and the learned societies, and with the business and commercial world, as well as with a huge variety of other bodies. It would indeed take a lot of the time of the committee, but I have a list, if you want it, of at least 120 bodies with which I think we are regularly in contact.

We have, for instance, the Canadian Society for Adult Education which embraces approximately 40 organizations and the following are translated from the official French version. I refer to the Family Unions, Canadian Institute of Public Affairs, the Council on French Life; the Canadian and Catholic Confederation of Labour; the Labour Congress; the Richelieu Organization as well as many other service clubs etc. I could give you the names of 110 or 112 of these organizations with which we are constantly in touch, and we often ask them for information when preparing a program.

Let us take for instance the program Les idées en marche; we are in constant communication in this connection with one of these organizations which I think is the Canadian Institute of Adult Education. The programs are in fact prepared in collaboration with them and not by the C.B.C. alone unaided.

Mr. DORION: We certainly know of the latter.

(*Interpretation*): Mr. Ouimet, you certainly know of the ACFAS. Do you have contact with them?

Mr. Ouimet in giving his answer said that you evidently mean the French-Canadian Society—but that is not the official translation; or the French Canadian Society for the advancement of science. We have contacts with the ACFAS which in fact paid a great tribute to the C.B.C. only last November when it presented its annual medal to Mr. Ouimet.

The CHAIRMAN: That is good.

Mr. BELL (*Saint John-Albert*): I would like to ask Mr. Ouimet if he is familiar with a recent submission of the Canadian Broadcasting league to the board of broadcast governors? It was sent to each member the other day.

There is a statement in it on page 4 which I feel deserves specific comment at this time. Perhaps I might read it. They quote Mr. Edward R. Murrow, when he made an address to the radio and television director's association as follows:

> I am seized with an abiding fear regarding what these two instruments (radio and television) are doing to our society, our culture, and our heritage.

And they also mention the statement of Mr. Mills a professor of sociology at Columbia University, who said this:

> As they now generally prevail, the mass media, especially television . . . not only fail as an education force, but are a malign force. . . .

In reference to the Canadian Broadcasting League's submission, and with reference to this statement, the brief goes on to say:

> So far, no evidence has been adduced before the Royal Commission or elsewhere to suggest that there is any other means than adequate regulation which offers hope of reversing the serious progress of these "malign forces" in broadcasting.

I feel it is important, and perhaps you would want to say something about it now. It is applicable in Canada as well as in the States according to their thoughts. I wonder, quite apart from the responsibilities of the Board of Broadcast Governors, what you might say to them, and if you feel that these malign forces are serious, and if you have any proposal rather than that of strict regulation regarding them?

Mr. BUSHNELL: Again, this is a matter of personal opinion. Probably I would not differ too widely with that statement, although I have not seen it. I have seen other statements put out by this organization, but I missed that one.

In my judgment, as I think I said in my opening statement, and having reviewed many reports of parliamentary committees on broadcasting, I found in the report for 1943 this pertinent sentence:

> A wide diversity of tastes and interests are encountered and to meet the listening public on a variety of levels and endeavour to strike a happy balance will remain a challenge to the ingenuity of those people directing the affairs of the Canadian Broadcasting Corporation.

If that challenge existed in 1943, I can assure you it is a greater challenge today, largely because of television. It is something that has to be watched closely. We recognize the fact that both television and radio have a terrific impact and we recognize we have a terrific responsibility. We also recognize the fact that we are just human beings.

Mr. BELL (*Saint John-Albert*): I have a supplementary question, Mr. Chairman.

The CHAIRMAN: Proceed, Mr. Bell.

Mr. BELL (*Saint John-Albert*): Mr. Murrow makes this further comment:

> I invite your attention to the television schedules of all networks between the hours of eight and eleven p.m. eastern time. There are, it is true, occasional information programs presented Sunday afternoon. But during the daily peak viewing periods television in the main insulates us from the realities of the world in which we live.

Do you feel that is true?

The CHAIRMAN: He is talking about the United States networks.

Mr. BELL (*Saint John-Albert*): I appreciate that that is true, but the Canadian broadcasting league suggested and has attempted to prove that the same applies here.

Mr. BUSHNELL: I would like to have a look at it because unless it has not unintentionally been lifted out of context, I do not agree with it. I think the C.B.C. is giving a much better balanced service to Canadian viewers between eight and eleven o'clock than any network on this continent; and that is why we include, if you like, programs like Folio, Explorations and L'Heure du Concert in peak listening hours. Therefore, there is a much better balance than there is on any network in the United States. I think the reason for that is plain. Actually, they are out to make the almighty dollar stretch as far as it can go.

Mr. SMITH (*Calgary South*): It is rather like administering a dose of medicine; while you may not like the taste of it, it is good for you.

Mr. BELL (*Saint John-Albert*): Who is the doctor?

Mr. SMITH (*Simcoe North*): Is it not true that Canadian writers in the English language have a better opportunity to sell their better works in a higher-priced market?

Mr. BUSHNELL: That is true.

Mr. SMITH (*Calgary South*): I wonder if you could tell me why it is that such a small percentage of our television originates in areas other than Montreal and Toronto; is it basically a lack of talent and cost, or are there any other factors?

Mr. BUSHNELL: There are a number of factors. To some extent, it is a matter of costs because if and when we originate from, let us say Winnipeg, Vancouver or Halifax, or indeed from Ottawa, we have to reverse the microwave and that costs money.

There is the other factor that I believe Mr. Jennings mentioned a moment ago, and this particularly applies to Winnipeg where there is a very good pool of talent but probably not enough to produce the larger shows and at the same time retain their daytime jobs. Television requires a lot of rehearsals.

Mr. SMITH (*Calgary South*): Recognizing the desire to establish Canadian content and the criticism of some committee members concerning the repetition of appearances of certain personnel, and also recognizing that perhaps you have not done as much surveying of talent as you would have liked to have done, would you not agree that a greater effort could be made to utilize more talent across Canada rather than in just those two centres?

Mr. BUSHNELL: Yes, I would agree with you and actually we are working toward that end.

Again, in some of the less populated centres we have only one studio and do not have the facilities to put on as many programs. However, let me say this. In the days of radio Vancouver was one of the greatest training grounds in Canada and, as you very well know, there was a great migration from the west coast to the east, and some have passed on not only to Toronto but also to New York and London and are playing on an international stage.

Mr. SMITH (*Calgary South*): You mentioned Vancouver. During the summer it establishes a very high degree of talent in its outdoor summer theatre and on its local stages. Would you not agree that there is a source of talent there which the C.B.C. has barely touched?

Mr. BUSHNELL: We certainly have not done enough of it. We intend to use it more and more as time goes on.

Mr. PAUL (*Interpretation*): Well, as we are on this matter of the quality of programs, could Mr. Ouimet show to the committee the letter sent by the episcopate of Canada to the C.B.C. following the putting on of the program La Plus Belle des Céans?

Mr. OUIMET: I believe the letter from the Bishops of the province of Quebec can be produced and it can go on the record. However, the letter, together with the answer from the C.B.C., has been published in all newspapers.

The CHAIRMAN: I suggest that we have pretty well milked that program. There was a statement of apology made not only to the press but to the clergy and also to this committee. I think we already have had a pretty exhaustive discussion in connection with that particular program.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, on a point of order, I think that Mr. Paul's question is quite to the point and I will even be prepared to submit a motion for the two documents to be tabled, namely the letter and the reply from the C.B.C.

Mr. BELL (*Carleton*): Let us have it produced and save the time of this committee.

Mr. BUSHNELL: We will gladly do so.

The CHAIRMAN: We will have them produced, but if we go on discussing this subject we will never complete our work. If you want them, they will be produced; but please let us get on with this work; otherwise we are never going to get out of here. Have you any other questions, Mr. Paul?

Mr. PAUL: We have been discussing matters along this line—

The CHAIRMAN: If you had been in the committee at the time you would know that we have already spent two days in connection with this program. If we are going to go back to this type of thing we will never complete our evidence. We have three pages of Agenda yet to cover and we would like to try and get through it. C.B.C. are going to produce the letters, so let us carry on.

Mr. SMITH (*Simcoe North*): Again, following Mr. Smith's question, is there not a general tendency among young people with talent in both writing and acting to go to the larger centres where there are ancillary facilities such as schools for talent and so on?

Mr. JENNINGS: This is so all over the world.

The CHAIRMAN: Gentlemen, we have Mr. Delafield from Montreal with us. He is Director of the International Service. As we have pretty well completed this subject, I would like to proceed to the International Service. Mr. Delafield, I believe you have a short statement to make.

Mr. TREMBLAY (*Interpretation*): Well, Mr. Chairman, I think that this study of programming balance has not been dealt with too satisfactorily. If the committee agrees that we should drop this item and go on to the next, I will not oppose it. However, I do want to say that I am not at all satisfied with the replies we have received, especially in connection with the basic criteria for programming. But I repeat, I will not oppose the committee proceeding to the next item; but I am not satisfied.

The CHAIRMAN: In connection with the International Service, Mr. Delafield has a statement to make. Ladies and gentlemen, this is Mr. Delafield from Montreal, the Director of the International service.

Mr. C. R. DELAFIELD (*Director, International Service*): Mr. Chairman, I prepared a one-and-a-half page brief on the International Service which will give you a brief outline of what it is and what it does. I am in your hands as to whether you want me to read this brief or whether you would want to proceed to questions.

Mr. KUCHEREPA: I think we should have it read.

Mr. SMITH (*Calgary South*): Are there copies available?

Mr. DELAFIELD: No.

1. Origin

As a result of the recommendations of parliamentary committees on radio, 1938 and 1939, an order in council establishing the C.B.C.-I.S. was approved September 18, 1942. The service was inaugurated officially February 25, 1945.

It is operated by C.B.C. as an agent for the government and receives an annual appropriation from parliament for this work.

It began broadcasting by shortwave as the war was ending. Its primary purpose then was to provide Canadian network programs to Canadian forces at their overseas areas, and also to broadcast to Germany and to occupied France. With the concusion of the war, it began a transmitted service to overseas areas of greatest Canadian interest.

2. History

The transmitting facilities located at Sackville, N.B., were designed to serve western Europe, Latin America and the commonwealth. The service then began in the languages of these areas at the conclusion of the war.

With the change in the international climate, beginning with the communist assumption of control in Czechoslovakia in 1948, attention was given to what became the iron curtain. As a result, a daily service in Russian to the Soviet Union began in 1951. Other iron curtain languages followed in succeeding years.

3. Present Situation

The I.S. currently operates in eighteen languages, as follows:

(*a*) *Daily transmissions*
To western Europe in English, French and German.
To iron curtain in Russian, Ukrainian, Czech, Slovak, Polish and Hungarian.
To Latin America in Spanish and Portuguese.
To the Caribbean in English and French.
To America and Australia in English.

(*b*) *Monday through Friday Transmissions*
To Scandinavia, Holland and Italy.

(c) By recording and shipment for release over stations in Greece and Austria.

(*d*) Transcription programs of music and spoken word for local use by overseas stations, programs being prepared in the three main languages of English, French and Spanish.

(e) Relay service by shortwave transmissions, cable or shipment, covering outstanding topical events taking place in Canada, such as international conferences. Material designed primarily for overseas relay.

The transmitting plant is located at Sackville, N.B., the headquarters and program centre in Montreal.

The broadcasts and transcriptions in English and French are also used by Canadian army and air forces overseas.

4. Purpose

The purpose of I.S. is to make Canada better known in other countries. In general, therefore, the broadcasts reflect the activities, the concerns and the beliefs of the Canadian people. In broadcasting to the iron curtain area, the I.S. maintains close liaison with the Department of External Affairs.

Transmitted programs have, as a core, a factual news bulletin reflecting particularly Canadian and North American news, along with major items of international interest. From this stems Canadian comments on international issues, including a summary of opinion as reflected in parliament and the editorial columns of Canadian papers, together with news reporting on specific Canadian items. Interviews, special events, and actualities help to provide a lively, personal and authentic view of Canada.

Transcription programs are of two kinds: music and spoken word. Music transcriptions provide programs by Canadian performers and Canadian compositions of all types from serious to popular. These programs are provided with explanatory script in English and French so they can be presented locally by overseas networks and stations. Spoken word transcriptions are made in English, French and Spanish because these provide the largest world market for distribution. These transcriptions cover a wide variety of topics including documentary talks on the Canadian scene, drama material and descriptions of Canadian life. These are widely used and reach many areas not directly served by transmitted services.

Mr. KUCHEREPA: I have several questions, Mr. Chairman, and I am going to restrict them particularly to questions behind the iron curtain and in eastern Europe. How much direction do you have from the Department of External Affairs relative to what you broadcast in this area?

Mr. DELAFIELD: As I said, our liaison with External Affairs is quite close and that is, of course, primarily in our broadcasting to the iron curtain area. Liaison consists of day by day contact by telephone from Montreal to Ottawa. It consists of a fair amount of guidance papers and a fair amount of explanations concerning government policy, which we go through in order to make up a political comment when broadcasting to the iron curtain area.

Mr. KUCHEREPA: What is the basic policy laid down from which you operate? I would consider these others as ancillary. What is the basic policy upon which you operate?

Mr. DELAFIELD: The basic policy is to present as fully and as forcibly as possible Canadian opinion on international issues, Canadian views on communist propaganda, Canadian explanations of policy, whether it is Canadian policy or whether it is the Canadian view in general western policy. We try to make it as Canadian as we can.

Mr. KUCHEREPA: Have you any way of assessing the audience reaction to your programs behind the iron curtain?

Mr. DELAFIELD: It is very difficult. Of course, there are two main sources of negative understanding of the reaction. First of all, our broadcasts behind the iron curtain are jammed unfortunately as heavily as those emanating from the B.B.C. and the voice of America. This, therefore, signifies that presumably our broadcasts are as straightforward and as positive as those of our two major partners in these shortwave broadcasting operations.

Mr. KUCHEREPA: Have you any idea how much of your programming is getting through to behind the iron curtain?

Mr. DELAFIELD: As our service is relatively small, we cannot maintain any extensive assessment over research in this field, but we do benefit quite materially from the information that the B.B.C. and the voice of America collect, both in terms of their own operations in this area and in terms of interviews with people escaping from behind the iron curtain. It would appear that we get in the capital areas a pretty heavy jamming which makes it very difficult in the capital cities behind the iron curtain to get effective listening. But in the other areas the jamming is not as effective. Of course, it is particularly effective in areas of concentrated population.

Mr. KUCHEREPA: Have you received any complaints or representations from Canadian individuals or organizations relative to your programming in this field?

Mr. DELAFIELD: We receive a certain amount of comment in connection with programs because, of course, these programs can be heard in Canada as well. Although they are directed to Europe, let us say, you can listen to broadcast programs. We are always ready to make the script material available that we use because once we broadcast it it becomes public property. It is true that we do receive a certain amount of comment and suggestions as to the type of thing we should do.

Mr. KUCHEREPA: Do you follow any of these suggestions?

Mr. DELAFIELD: We assess them and, depending on the guidance and advice we receive, we adjust ourselves accordingly.

Mr. KUCHEREPA: I presume you are referring to guidance and advice which you receive from the Department of External Affairs?

Mr. DELAFIELD: Yes, particularly in terms of Canada's policy.

Mr. KUCHEREPA: Do you receive any representations from people or organizations outside of Canada relative to your broadcasts in this field?

Mr. DELAFIELD: I cannot recall specifically anything in particular.

Mr. KUCHEREPA: May I put it more bluntly? Do you receive any representations from any of the official sources, such as embassies of countries from behind the iron curtain, relative to the material and manner in which you broadcast?

Mr. DELAFIELD: Canadian embassies?

Mr. KUCHEREPA: No, Russian embassies, in Canada, or any other place.

Mr. DELAFIELD: I do not recall receiving any. In the first place, these requests would be transmitted to the Department of External Affairs. However, I do not recall receiving anything of that sort.

Mr. KUCHEREPA: Have you in recent years been requested by anyone to change your policy relative to the degree, shall we say, of your psychological warfare, which you may be carrying on in your political broadcasting to this area?

Mr. DELAFIELD: As you know, there is a variety of Canadian opinion on this subject, as to the type of material to be broadcast and so on.

The CHAIRMAN: I have a supplementary to Dr. Kucherepa's second last question. If the Department of External Affairs did receive suggestions, complaints or recommendations from the different Consulates would they automatically pass them on to you?

Mr. DELAFIELD: Yes, that is the normal procedure.

The CHAIRMAN: Mr. Chambers, you are next.

Mr. CHAMBERS: I do not know whether or not Mr. Delafield is prepared to answer financial questions pertaining to the international service.

Mr. DELAFIELD: Yes.

Mr. CHAMBERS: Do you maintain a breakdown of your costs by language, generally speaking?

Mr. DELAFIELD: Yes, we do. This has been done, particularly of late years, in terms of our annual appropriation going through treasury board, because it is an obvious question to ask how much do individual language services cost.

Mr. CHAMBERS: Do you happen to have a recent one?

Mr. DELAFIELD: I do not have the information with me today.

The CHAIRMAN: We can take that matter up under Finance heading.

Mr. DELAFIELD: May I ask first of all what the specific financial information is that Mr. Chambers wishes.

Mr. CHAMBERS: On that particular question I would like to get a comparison for instance on what we are spending in connection with the Portuguese, Spanish, Russian, Hungarian and so on, if that is available.

Mr. DELAFIELD: Yes. Staff-wise and in terms of any free-lance moneys that are spent in terms of programming.

The CHAIRMAN: Would the total in dollars be sufficient?

Mr. DELAFIELD: Yes, that is the usual way of breaking it up.

Mr. CHAMBERS: Following up on Doctor Kucherepa's question on ratings behind the iron curtain, I imagine they are difficult to get. However, how about listener response in non-iron-curtain countries such as Scandinavia, western Europe, and so on. Have you collected information of that kind?

Mr. DELAFIELD: Yes. The first and most obvious way is mail received. We receive about 30,000 letters per year from various parts of the world. We have not received any mail from behind the iron curtain except in the case of Poland last year when we began to get a few letters before the coup. Our Czechoslovakian service used to get about 5,000 letters a month from Czechoslovakia. At that time there was quite a good listening audience to our service in that particular country. However, mail only tells you how many persons are writing to you. It does not tell you much more than that. You do get a certain amount of comment on programs, but it is so limited and simple that it is difficult to analyse it. Most of the mail tends to say, "We have a great interest in Canada. We have been listening to the program and would you please give us more of it", or they ask questions which they would like answered in future programs.

In terms of surveys of short wave listening audiences in various countries, we do not have sufficient funds to do surveys of our own because that can be an expensive process. If we hired a public opinion organization to do a survey for us, even then the sampling would be relatively small. However, with the co-operation of the B.B.C., who maintain a fairly extensive organization particularly in western European countries, we have been able to obtain some information about the volume of listening to our own service. In western Europe it holds up pretty well with the B.B.C. service. Unfortunately, in some areas, the B.B.C. are not operating and therefore it is a little more difficult to obtain the information we would like.

Mr. CHAMBERS: You have mentioned that you take advice and so on from the Department of External Affairs, particularly in respect of your broadcasts behind the iron curtain, and the phrase "psychological warfare" was used. What is the background in the preparation of your broadcasts behind the iron curtain?

Mr. DELAFIELD: The primary distinction between the iron curtain countries and the free world is this: the basic thing, of course, behind the iron curtain is that we make the news as extensive as possible and give more coverage to international news behind the iron curtain than in the free world, for obvious reasons. We want to make sure the people understand all the issues.

Then behind the iron curtain we also go into political comment on international issues; but naturally to the free world we tend to concentrate our comment on Canadian topics.

Mr. CHAMBERS: I can understand why we are broadcasting behind the iron curtain. We are endeavouring to help the political climate. Why, for instance, are we broadcasting to Scandinavia? Is it general publicity, or what?

Mr. DELAFIELD: Short wave broadcasting, and even radio programs, from Canada over local stations and networks in other countries cannot really sell Canadian products. What it can do, I think—and I believe this is generally recognized—is to provide a more favourable climate of opinion about Canada. In that way to western Europe and Latin America we certainly stress the way of life in Canada, information about Canada, a fair amount of trade matters—as much as we can—and, with the advice of the Department of Citizenship and Immigration, a certain amount of immigration matters, such as stories of immigrants in Canada, how to get along, and so on, without trying to play up success stories alone. We provide this basic information. People in other countries are always writing to us and saying, "Could you tell us if we were to immigrate to Canada what things are like in this particular area?"

The CHAIRMAN: It is a public relations job behind the iron curtain?

Mr. DELAFIELD: Yes.

Mr. CHAMBERS: I notice there is a doubling in the cost of printing publications. Advertising and publicity has doubled. Is this something new which you have taken on?

The CHAIRMAN: I suggest we hold this over until we reach the Finance item.

Mr. CHAMBERS: This is only in respect of the international service. I would be glad to hold it over.

Mr. DELAFIELD: Probably I can answer it now.

The CHAIRMAN: Go ahead.

Mr. DELAFIELD: Are you looking at page 31?

Mr. CHAMBERS: Yes.

Mr. DELAFIELD: I am sorry; I do not know the explanation of the figure.

The CHAIRMAN: We will leave that for Finance.

Mr. FAIRFIELD: Do you make use of national ethnic groups or national organizations in your broadcasts behind the iron curtain?

Mr. DELAFIELD: I am sorry; I did not hear your question.

Mr. FAIRFIELD: Do you make use of national ethnic organizations which exist in Canada in any of your broadcasts behind the iron curtain?

Mr. DELAFIELD: We are anxious to get as much material as possible on Canada in the languages in which we broadcast. Therefore, ethnic groups, but more particularly since it is radio, individuals telling their own story in their own language certainly are a very necessary part of our operation.

It is not possible for us to cover the country in terms of program trips by individual members of language sections, as such, as much as we would like. However, we do send out our people in various languages to visit various communities to cover individual events in the life of ethnic groups in this country as often as our budget provides the opportunity. This gives us an opportunity to have interviews with individuals telling their own stories about their life, their work and that sort of thing.

The personal interview technique, of course, is extremely valuable in portraying Canada.

Mr. FAIRFIELD: How many of the ethnic organizations have made representations to the C.B.C. asking for the opportunity of presenting their views, as an organization rather than as an individual?

Mr. DELAFIELD: We do not do very much of that.

Mr. FAIRFIELD: Have any made representations?

The CHAIRMAN: Official ethnic groups?

Mr. DELAFIELD: No. We cover their national congresses fairly regularly and we use their leading persons on occasion. For instance, religious figures in the individual communities will be used in terms of special events in connection with that particular group's religious life and their observances in Canada which will be valuable for us to put behind the iron curtain.

Mr. FAIRFIELD: In the future, have you any intention of beaming programs to Africa?

Mr. DELAFIELD: We have a fairly wide use of our English language transcriptions in several parts of the commonwealth and the general area of Africa. For instance, our transcription service is used quite extensively in Ghana, Nigeria, Kenya, entirely apart from supplying program services to South Africa. We do supply a fair amount of transcriptions in French to French Africa. We make a few transcriptions in Portuguese for Brazil, which are also supplied to some of the Portuguese areas in Africa.

Mr. MCINTOSH: All my questions are based on expenditures.

The CHAIRMAN: I wish you would hold them over until we reach the item on Finance.

Mr. MCGRATH: What is the relationship of the C.B.C. international service to Voice of America, particularly with a view to perhaps avoiding duplication of effort?

Mr. DELAFIELD: You are not suggesting a coordination of programming?

Mr. MCGRATH: Not necessarily. Perhaps on some networks there could well be. However, is there any established liaison between Voice of America and C.B.C. International? I would suggest there would be occasions when there definitely would be a duplication of service.

The CHAIRMAN: Would you include the B.B.C. in there?

Mr. MCGRATH: Not necessarily.

Mr. DELAFIELD: We maintain a close liaison both with the B.B.C. and the Voice of America. Naturally, we are operating as a small team in a very big league when you speak of the Voice of America and the B.B.C., both of which have a very extensive overseas service. We keep in close contact in the general field of broadcasting and in the specific field on technical matters, because these two organizations are useful to us in giving us reports on reception in various areas where we have no observers of our own, and that sort of thing. Periodically, we have visited Washington and have discussed problems. From the standpoint of program content, I think we are all operating within our own respective countries, so to speak. We present Canadian views which may not, upon occasion, necessarily be the same as the United States views.

Mr. MCGRATH: Do you have any plans for expansion of the C.B.C. international service, perhaps in the area of the Orient?

Mr. DELAFIELD: We are at the mercy of parliament in this connection.

The CHAIRMAN: Mr. Smith, have you a question?

Mr. SMITH (*Simcoe North*): No, Mr. Chairman; Mr. Delafield answered my question in reply to one from Mr. Chambers.

Mr. SMITH (*Calgary South*): This is not intended to be facetious, but the witness has mentioned that he takes advice from various bodies, and I am not speaking of the political nature of any of the transmissions. But I presume you gentlemen consult the Canadian government travel bureau in reference to travel in Canada; if you do, I hope you do not paint the image that Canada is a vast wilderness.

Mr. DELAFIELD: I sit on a monthly meeting of people who are in the information field of various government departments. We naturally discuss at those meetings the various activities of government departments in terms of publicity and its value to us, because it keeps us up to date with what is going on and it gives us an opportunity of publicizing in radio certain things that may be happening. In that connection we maintain a close relationship with the travel bureau. They, among others, sit on the committee. Occasionally, we can make a wider distribution of their pamphlets concerning travel in Canada. We get a certain amount of information which we use in script form, particularly lately in the case of Latin America, concerning travel in Canada.

The CHAIRMAN: Do you mention the Chinook winds of Calgary; I think that is what he is after?

Mr. SMITH (*Calgary South*): Now you are being facetious. I hope you picture Canada as a fully developed and mature country.

Mr. DELAFIELD: Yes.

Mr. KUCHEREPA: May I assume that most of your broadcasts behind the iron curtain are designed to counteract communist propaganda which is being disseminated in that area?

Mr. DELAFIELD: Yes, but we do it not by giving wider publicity to that propaganda than is necessary in replying; also, we tend to take a positive approach in this field, that is by taking the propaganda material and answering it not point by point but by using largely the ideas and presenting a Canadian view of Canada's position, the western position and the virtues of the western stand on a particular issue.

Mr. KUCHEREPA: Would you repeat again the languages which are used for these broadcasts behind the iron curtain.

Mr. DELAFIELD: Yes. I think these are in the order in which they were established. Of course, the Czech and Slovak were in our transmitting service before the communist coup in 1948. Then in 1951 Russia followed and then I think it was the Ukraine in 1952; Polish in 1953, and following the Hungarian revolt a service in Hungarian began at that time.

Mr. KUCHEREPA: Could you for my sake and perhaps other members of the committee give us any scripts of the programs which were sent out yesterday or the day before yesterday?

The CHAIRMAN: Would you like to obtain this information privately?

Mr. KUCHEREPA: Yes, in the original language.

The CHAIRMAN: Do you wish this tabled or is it for your own information?

Mr. KUCHEREPA: It is for my own information.

The CHAIRMAN: Mr. Morris would also like this particular information.

Mr. KUCHEREPA: In the original languages. My last question is this. Generally speaking, in your opinion, are you satisfied that our efforts are bearing fruit in this field of broadcasting?

Mr. DELAFIELD: We ourselves are satisfied. We also have the opinion of the voice of America and the B.B.C. that it is useful for Canada to be engaged in this service behind the iron curtain because it assists them in terms of jamming. Even though we are on the air with only two transmittors, there are two additional ones that have to be jammed.

Mr. KUCHEREPA: Referring back to these scripts, perhaps there could be copies made available in English for members of the committee; but I would like to have the originals.

Mr. MCCLEAVE: I do not think the answer by Mr. Delafield to Mr. McGrath's question about possible plans for expansion in the Orient was an extensive answer, and I would ask him to repeat it.

Mr. DELAFIELD: The areas to which we broadcast are a matter of discussion, particularly between the Department of External Affairs and ourselves. As I have made clear, we have no moneys for expansion of areas to which we transmit. We cannot decide today that in six months' time we are going to be broadcasting in Chinese let us say to the Far East. Moneys have to be provided if this new service is to be established. At this moment we ourselves have no plans for broadcasting to other areas.

Mr. BUSHNELL: May I put it another way; we would like to do it but have not received very much encouragement so far.

The CHAIRMAN: Before you ask your question, Miss Aitken, might I suggest that if we do not complete the questions with Mr. Delafield this morning, we will meet this afternoon and continue. Miss Aitken continue and then Mr. Bell.

Miss AITKEN: When you do a T.V. show, such as the rather unfortunate one on Ghana recently, do you return such broadcasts by radio to the country of origin?

Mr. DELAFIELD: You are talking about a television show. We have no service to Ghana except in terms of transcriptions, which are mostly transcriptions of Canadian life.

Miss AITKEN: You do not return a show such as that?

Mr. DELAFIELD: No.

Mr. BELL (*Saint John-Albert*): I would like to follow up on Mr. McCleave's question and ask if you have enough power to compete?

Mr. DELAFIELD: No.

Mr. BELL (*Saint John-Albert*): That is your basic problem; for example, Ghana has 100,000 watts and you have only 50,000 watts.

Mr. DELAFIELD: I think Ghana has four 100 kilowatt transmittors planned; in fact, they have started them. We started out with 50 kilowatt transmittors in 1945 and they are still in existence.

Mr. BELL (*Saint John-Albert*): Would it be a big proposition to increase them?

Mr. DELAFIELD: It would cost a certain amount of money.

Mr. MCGRATH: But the cost would be warranted?

Mr. DELAFIELD: Yes, we think so.

The CHAIRMAN: Might I suggest that we have completed the questioning on International Services? And if that is the case, we now have a brief heading, on the relationship with performers rights society.

Before you leave, Mr. Delafield, thank you very much for your help.

Mr. DELAFIELD: Thank you.

The CHAIRMAN: Very well, Mr. McCleave.

Mr. MCCLEAVE: I refer to some information to be found at page 390. I think, before asking my question, would it be possible for Mr. Bushnell to explain why the payments for copyright material have advanced from $1.3 million in 1953-54 to $6.8 million in 1957-58?

Mr. BUSHNELL: In the first place, I think what you are asked for was the amount of money paid to performing rights societies.

Mr. MCCLEAVE: That is right.

Mr. BUSHNELL: Well, you have too much information. It should never have been put in there.

Mr. MCCLEAVE: Call me lucky.

Mr. BUSHNELL: If we deal with that part of it only, these rates are set by the copyright appeal board as far as the CAPAC people are concerned, that is the Canadian Authors and Publishers Association. And the amount we have paid to Broadcast Music Incorporated is done by agreement. As you can see, they have increased quite substantially.

But inasmuch as private stations already subscribing to B.M.I. have contributed more, we felt we should do the same thing.

Mr. MCCLEAVE: Does the C.B.C. pay for what are known as grand rights?

Mr. BUSHNELL: Grand rights? Yes, we do that. Grand rights are outside the purview, actually in some cases, of either the B.M.I. or CAPAC.

Mr. MCCLEAVE: Is it not a fact that the private broadcasting industry in Canada has resisted the payment of grand rights, and it has a case still pending before the Exchequer Court?

Mr. BUSHNELL: That is correct.

Mr. PICKERSGILL: Mr. Chairman, might we have a translation? There are some of us who are not lawyers or show men, and who do not know what grand rights are.

Mr. SMITH (*Calgary South*): Mr. Pickersgill comes within one of those two categories.

Mr. BELL (*Carleton*): He belongs in one as much as he does in the other.

Mr. OUIMET: I am not a lawyer either but I have been concerned with the question of performing rights at the C.B.C. for a number of years. Grand rights are not recognized under Canadian law, but to all intents and purposes there do exist certain conventions with performing rights societies overseas which deal strictly with performing rights, particularly in the drama field. These conventions exist with the Société des auteurs et compositeurs dramatiques of France and with the Société des gens de lettre also of France. The first society is concerned with play rights, and the theatrical field generally, while the other organization is concerned more with novelist, poets and authors of novelettes.

Mr. MCCLEAVE: Could Mr. Bushnell explain why the C.B.C. and the private broadcasting industry have apparently taken opposite tacks with regard to the question of grand rights.

Mr. OUIMET: On this question I do not believe you can use the work of any author in the world without compensating him for it. The case you are dealing with is one which has come about because of a recorded performance, a disc of a certain work which, if I remember well, is Ravel's L'Enfant et Les Sortileges and it has been before the Exchequer Court for a number of years.

But mind you, in so far as paying for the rights to the performing societies, we abide by the Berne convention. The copyright law is there, and the C.B.C. does not feel it is in a position to disregard it.

Mr. MCCLEAVE: On the question of the Broadcast Music Incorporated contract I am informed by advisers who even know more about grand rights than I do, which is a great deal, that the C.B.C. has made what is regarded as a very good contract there, but there are some questions about these copyright payments which confuse one. For example, in the field of music, is this where the grand rights payments are being made? There is a threefold increase here.

Mr. OUIMET: Grand rights would be paid in the field of music strictly for what we call dramatico-musical work. These dramatico-musical works are operas. Therefore, it could be that there has been an increase because of the fact that quite a number of operas have been performed on television as well as on radio in the last few years.

Mr. MCCLEAVE: In the next item, manuscript, does this include only copyright?

Mr. OUIMET: I would say performing rights; that is, so much per minute per manuscript.

Mr. MCCLEAVE: Would it include commissions?

Mr. OUIMET: I think they might be put in the same budget, although normally they would come under a different budget, namely scripts.

Mr. BUSHNELL: I think the answer to that is that upon the advent of television the cost of performing rights went up.

Mr. MCCLEAVE: In the next item, under films, does this include only copyright for the music in the film?

Mr. BUSHNELL: No, it has nothing to do with that. It should not have been put in that way in the first place.

Mr. OUIMET: Performing rights on films are still being debated by the European Broadcasting Union, a large group of broadcast organizations in Europe, and a few in North America.

Mr. MCCLEAVE: And in the final category, special events, hockey, football, and sports, can you explain what copyright is involved there?

Mr. BUSHNELL: It is not copyright at all. It is performing rights. I do not know where you got this statement. I did not see it, because if I had, it would not have gone in that way. These are payments that are made for they are broadcasting rights. They are not copyright. There is no copyright in a football game.

Mr. MCCLEAVE: These are for actualities?

Mr. JENNINGS: These are broadcasting rights.

Mr. MCCLEAVE: This is different entirely from the amount you would have to pay to the big four for the right to broadcast football games.

Mr. BUSHNELL: Goodness, no.

Mr. MCCLEAVE: I see the figure is only $189,000, so it could not have been to the big four.

Mr. BUSHNELL: No, it certainly could not be for this year. We passed it up last year, incidentally.

Mr. CHAMBERS: But you did buy part of it back?

Mr. BUSHNELL: Yes, for one-third of the cost.

Mr. CHAMBERS: And also for one-third of the order.

Mr. JENNINGS: No, the whole rights.

Mr. BUSHNELL: We bought it back for less than one-third of the cost, and we gave the original holder of the rights the right to broadcast one-half of the big four games in the province of Quebec.

Mr. CHAMBERS: You said $100,000?

Mr. BUSHNELL: Yes.

Mr. CHAMBERS: Did you recover that from the advertisers?

Mr. BUSHNELL: Yes.

The CHAIRMAN: I suggest we are through with item number 9 under part "A" of the Agenda. Is that agreeable?

Agreed.

There is only one thing before we leave. The plane for Toronto on Tuesday, June 23rd will leave at 10 a.m. We will have a bus at the front entrance here at 9 a.m. I understand we shall leave Malton airport at 10 p.m. so that we may be home by 11 p.m. if at all possible.

Mr. PICKERSGILL: Mr. Chairman, before we adjourn, I would like to say that I have a seconder for my motion; Mr. Mitchell.

The CHAIRMAN: Could I suggest to you, Mr. Pickersgill, that your subject is not in this first heading; and I would suggest that you hold it until we get down to—

Mr. SMITH (*Calgary South*): Under item "C".

The CHAIRMAN: "Controversial and political broadcasting".

Mr. PICKERSGILL: I suggest, in view of the second statement made by the Premier of Ontario, that it is relevant anyway, because he wants to abolish the C.B.C.

The CHAIRMAN: I suggest you are asking the question for a political motive, and it should come under another heading.

Mr. PICKERSGILL: On a question of privilege, Mr. Chairman, I would suggest the Chair is reflecting on the motives of one of the members.

The CHAIRMAN: I am suggesting that I am not.

Mr. SMITH (*Calgary South*): I am suggesting that if you are not, you should be.

The CHAIRMAN: The next meeting will be on Thursday.

Mr. PICKERSGILL: You win; pick up the marbles.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DE LA RADIODIFFUSION

16 juin 1959

(*Page No. 416*)

M. TREMBLAY: Monsieur Ouimet, pourriez-vous me dire, dans le cas de cet équilibre... au sujet de cet équilibre entre les différents programmes, j'aurais trois ou quatre questions à vous poser. Vous poursuivez d'une façon générale un but de culture, en général de culture populaire. Et quels sont, à votre avis, les critères de base qui servent à établir les programmes d'éducation populaire, de culture populaire? Quelles sont les fins que vous poursuivez?

M. OUIMET: Monsieur le président, je répondrai qu'elles sont très nombreuses.

M. TREMBLAY: Quels sont-ils ces critères?

M. OUIMET: Nous avons déjà déclaré que les buts de Radio-Canada étaient d'informer, d'éduquer, non d'une façon académique mais bien d'une façon culturelle, et également de distraire.

Les critères qui s'appliquent à ces trois domaines peuvent être reliés inévitablement à ce qui constitue de l'information, et je crois, monsieur le président, que tout journaliste peut avec un certain montant d'expérience expliquer ce qui constitue l'information.

Les mêmes critères, non pas les mêmes critères, mais d'autres critères s'appliquent aux émissions d'éducation. Il ne s'agit pas de monter des programmes qui sont difficiles d'absorption ou de compréhension de la part des auditeurs, mais graduellement de développer le goût du public en matière d'éducation populaire, en matière de culture.

Pour ce qui est du domaine du divertissement, nous tentons constamment de nous en tenir au divertissement sain, à la bonne humeur, enfin toutes ces choses qui constituent pour le peuple le moyen de se distraire.

* * *

(*Page No. 419*)

M. TREMBLAY: Monsieur Ouimet, vous ne pensez certainement pas que je me contenterai de cette réponse plutôt vague, de cette esquisse indécise. Je vais vous poser des questions précises.

Vous adressez vos programmes éducationnels à un public déterminé, à un public, en ce qui concerne le réseau français, à un public canadien-français. Quelles sont les lignes de force, quels sont les critères de base sur lesquels vous vous appuyez pour ces programmes? Quelles sont, à votre avis, ces valeurs fondamentales que vous vous devez de respecter dans l'élaboration de ces programmes pour un public spécifique?

M. OUIMET: Je répondrai qu'en matière d'éducation populaire, nous essayons d'appliquer les critères les plus sains qui existent. S'agit-il de discuter les choses sociales, nous nous efforçons de faire comprendre ce qu'est la justice sociale. La même chose dans les autres domaines.

Et d'ailleurs, monsieur le président, si on a lu le rapport qui a été présenté au cours de la première séance, de la première ou de la deuxième séance du comité parlementaire, analysant les programmes de Radio-Canada, je crois qu'on peut trouver là une élaboration assez complète des buts, des besoins, enfin des critères que nous suivons dans l'élaboration de nos programmes.

* * *

M. DORION: Comme je dois m'occuper plutôt du réseau français, c'est particulièrement à M. Ouimet que je m'adresse. Je voudrais savoir, monsieur Ouimet, si vous avez un organisme quelconque, à l'intérieur du réseau, qui a pour mission de s'occuper des critiques, bonnes ou mauvaises, venant du public, des journaux ou d'autres organismes, des critiques venant des sociétés ou de la presse en général?

M. OUIMET: Monsieur le président, je peux répondre à M. Dorion, à ce sujet, qu'effectivement nous avons un organisme, enfin nous avons un service qui coordonne toutes ces informations, et ces services de presse et d'information, c'est ce service qui nous fait tenir d'une façon régulière, je dirais même presque quotidienne, des rapports au sujet des lettres reçues, au sujet des appels téléphoniques reçus, au sujet de toutes les critiques qui sont publiées à travers le pays, soit en langue française soit en langue anglaise, dans les journaux. C'est tout à fait complet, et même dans certains cas, je vous avoue que c'est très difficile de passer à travers tout.

(*Page No. 420*)

M. DORION: Ne croyez-vous pas, monsieur Ouimet, qu'il serait de bonne politique pour Radio-Canada d'avoir un comité consultatif des programmes qui serait formé de personnes de l'extérieur n'ayant rien à voir avec l'organisation proprement dite de Radio-Canada?

* * *

Monsieur Ouimet, vous connaissez l'école des adultes. Est-ce que l'école des adultes est un organisme qu'aide financièrement Radio-Canada?

(*Page No. 424*)

M. DORION: Non, l'école des adultes.

Maintenant, monsieur Ouimet, vous savez que dans la province de Québec vous avez plusieurs organisations, plusieurs sociétés littéraires, artistiques, médicales, historiques. Est-ce que vous avez affaire à ces sociétés, lorsque vous avez à préparer un programme d'ordre historique, artistique, littéraire ou autre?

M. OUIMET: Monsieur le président, je crois que la multiplicité des rapports que nous avons avec certains de ces organismes ou de ces organisations n'est pas assez connue. Nous sommes en rapport avec des journaux, avec des périodiques, avec les universités. Nous sommes en rapport avec des sociétés de savants, avec le monde commercial, avec les organisations ouvrières, avec une foule d'institutions canadiennes, des plus vastes ou moins grandes, et cela prendrait trop du temps du comité que de faire une mention de tous ces organismes.

J'ai une liste d'au moins cent comités avec lesquels nous collaborons, dont la société canadienne d'éducation des adultes, qui en groupe une quarantaine; l'union des familles, qui était autrefois l'école des parents; l'institut canadien des affaires publiques, la société du conseil de la vie française, l'action politique canadienne, les groupes sociaux comme le Richelieu, les Francs, le Kiwanis . . .

Je pourrais énumérer environ 110 ou 112 organisations avec lesquelles nous faisons affaires constamment et dont nous recherchons très souvent les conseils et les idées dans l'organisation de nos programmes.

C'est ainsi que le programme "Les Idées en marche" est préparé tout à fait en collaboration avec l'Institut canadien, que les dirigeants de l'émission sont choisis en collaboration avec ces instituts et non pas par Radio-Canada seulement.

* * *

M. DORION: Vous connaissez sûrement en particulier l'ACFAS, société scientifique?

M. OUIMET: Parfaitement.

M. DORION: Qui est très bien cotée.

Est-ce qu'il vous arrive d'avoir des contacts avec cette société?

M. OUIMET: Vous voulez parler, monsieur Dorion, de l'association canadienne française pour l'avancement des sciences?

M. DORION: Parfaitement.

M. OUIMET: Nous avons des contacts avec l'ACFAS et l'ACFAS a rendu hommage à Radio-Canada, en novembre dernier, lorsqu'elle a remis à M. Alphonse Ouimet sa médaille annuelle.

* * *

(*Page No. 426*)

M. PAUL: Comme nous sommes à discuter de la qualité des programmes, est-ce que M. Ouimet pourrait produire devant le comité la lettre adressée par l'épiscopat canadien à la société Radio-Canada à la suite de la représentation de la pièce: "La plus belle de céans"?

M. TREMBLAY: Monsieur le président, je pense que la question de M. Paul est tout à fait pertinente et je désirerais, moi aussi, je ferais même la motion que ces deux documents soient déposés, la lettre de l'épiscopat canadien et la réponse de Radio-Canada.

* * *

(*Page No. 427*)

Je crois, monsieur le président, que cette étude de l'équilibre des programmes n'est pas tellement satisfaisante. Si le comité consent à ce que nous passions à d'autres item, je ne m'y opposerai pas, mais je dois signaler que je ne suis pas tout à fait satisfait des réponses que nous avons eues ici, particulièrement en ce qui concerne les critères à propos de la qualité des programmes; mais je répète que je ne m'opposerai pas à ce que nous passions à un autre item.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

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SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 13

TUESDAY, JUNE 18, 1959

CANADIAN BROADCASTING CORPORATION

WITNESS:

Charles Jennings, Controller of Broadcasting, Canadian Broadcasting Corporation.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21485-8—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.

Vice-Chairman: J. Flynn, Esq.

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
Johnson,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Paul,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Taylor,
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, June 18, 1959.

The Special Committee on Broadcasting met at 9.30 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Mr. Bell (*Carleton*), Mrs. Casselman, and Messrs. Chambers, Dorion, Fairfield, Fisher, Flynn, Forgie, Halpenny, Johnson, Kucherepa, Macquarrie, Muir (*Lisgar*), McCleave, Pickersgill, Paul, Robichaud, Simpson, Smith (*Calgary South*), Smith (*Simcoe North*) and Tremblay. (22).

In attendance: From the Canadian Broadcasting Corporation: Messrs. R. L. Dunsmore, Chairman, Finance Committee, Board of Directors; M. Henderson, Comptroller; Marcel Carter, Controller of Management Planning and Development; Charles Jennings, Controller of Broadcasting; Marcel Ouimet, Deputy Controller of Broadcasting; R. C. Fraser, Director of Public Relations; R. E. Keddy, Director of Organization; J. J. Trainor, Assistant to Director of Audience Research; Barry MacDonald, Secretary, Board of Directors; and J. A. Halbert, Assistant Secretary, Board of Directors.

The Chairman observed the presence of quorum and read into the record a translation of a telegram signed by the following:

Mr. Jean-Louis Roux, President, *Société des auteurs dramatiques;*

Mr. Jean Duceppe, President, *Union des artistes;*

Mr. Fernand Quirion, President, *Association des réalisateurs.*

Agreed,—That in future all communications addressed to the Committee will be considered by the Subcommittee on Agenda and Procedure.

Agreed,—That the Subcommittee on Agenda and Procedure consider the desirability of giving a certain priority to Part "H" of the Agenda, that part relating to "New Developments".

Part "B" of the Agenda was called and Item 1—Comparison by Location of News Service—was allowed to stand.

Items 2, 3 and 4 relating to,

(a) a review of Directive and Style Guide;

(b) a review of the proposal to employ new staff to cover Parliamentary Proceedings; and

(c) integration of supervisory and editorial staff of radio and television services,

were considered and questions were answered by Mr. Jennings.

The Chairman called for consideration, Part "C" of the Agenda—Controversial and Political Broadcasting—whereupon Mr. Forgie moved, seconded by Mr. Pickersgill; That the Premier of Ontario be invited to attend this Committee, and set forth his views and grievances against the C.B.C.

21485-8—1½

Moved by Mr. Johnson, seconded by Mr. Tremblay, that the motion be amended to read "That all provincial premiers and other prominent persons be invited to appear at the completion of the Committee's hearings". The amendment was negatived, NAYS: 9; YEAS: 7.

Moved by Mr. Flynn, seconded by Mr. Smith (*Calgary South*), that the motion be amended by the addition of the following words, "and that this be deferred until completion of the Agenda".

The motion, as amended, was resolved in the affirmative, YEAS: 12; NAYS: 5.

At 11.00 a.m. the Committee adjourned to meet again at 9.30 a.m., Monday, June 22, 1959.

J. E. O'Connor,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following the day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

WEDNESDAY, June 17, 1959.
9:30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum. Mr. Bushnell is ill this morning and will not be here. Therefore, Mr. Jennings will sit beside me.

I received a letter from three groups in Montreal. I think it should be read into the record. Is that agreed?

Agreed.

The CHAIRMAN:

At a joint meeting of the Society of Dramatic Authors, the Artists' Union and the Producers' Association which was held on Monday, June 15, 1959, the following resolution was unanimously passed:

1. Whereas the parliamentary committee on radio and television broadcasting now sitting at Ottawa was set up to examine the structure and operation of the Canadian Broadcasting Corporation for the purpose of improving, if possible, the services which the taxpayers are entitled to expect from that important body;

2. Whereas it has been proved that the French network, despite its imperfections, still ranks among the most efficient in the world;

3. Whereas certain members of parliament sitting on that committee are taking advantage of their parliamentary immunity to utter half-truths, make gratuitous statements and hurl charges at random, for the obvious purpose of making political capital, using methods worthy of all the scandal sheets;

4. Whereas this policy of the said members of parliament is contrary to the rudimentary principles of law, which never permit one or more persons to be tried in their absence, when they cannot defend themselves against the charges made in obvious bad faith;

5. Whereas there is nothing constructive about such an attitude which serves, rather, to bring discredit on the authors, artists, and producers who are the chief architects of the quality and prestige of the French network;

For all these reasons, la Société des auteurs, l'Union des artistes, and l'Association des réalisateurs de Montréal wish to protest vigorously to the Prime Minister of Canada, asking him to put an immediate stop to the anti-democratic methods now being used in the parliamentary

committee on radio and television broadcasting. Such methods in the long run lower the prestige of the people's representatives, whose duty is to work for the greatness of the nation and not to belittle and disparage their fellow-countrymen.

Jean-Louis Roux,
President,
Société des auteurs dramatiques.

Jean Duceppe,
President,
Union des artistes.

Fernand Quirion,
President,
Association des réalisateurs.

Mr. PICKERSGILL: I take it that is a translation?

The CHAIRMAN: Yes. I think we will table it in French and in English so that we will make sure we have the correct translation.

Also, I see in this morning's *Gazette* an item, the final paragraph of which says:

> It was also learned the three groups are preparing a brief to be presented to the parliamentary committee.

Are there any comments?

Mr. PICKERSGILL: I am wondering about the propriety. How did this reach the committee?

The CHAIRMAN: It was addressed to M. Halpenny, Président, Comité Parlementaire de la Radio et de la Télévision.

Mr. TREMBLAY (*Interpretation*): For the record, the following is a sight translation of Mr. Tremblay's statement:

1. Whereas the parliamentary committee on broadcasting and television was set up in order to study the mechanism, nature and operations of the C.B.C. with a view to improving, if possible, the services which the taxpayers are entitled to expect from this important body.

2. Whereas the reports and comments of the newspapers and press agencies on the proceedings of the said committee have very often been presented in an incomplete and tendentious manner.

3. Whereas authors, artists and performers came, during the strike of the French network on the television, into my office in parliament to complain of the bad treatment of which they had been victims from the C.B.C., from the poor administration of that firm, and from the scandals which they believe existed in that administration.

4. Whereas I received, again very recently, mainly during the last few weeks and the last few days, letters, telephone calls and visits from performers, authors and producers of the C.B.C. and that these persons communicated with me, congratulating me on the work accomplished in the committee and asking me to continue in the same way.

5. Whereas the members of the said committee have been unable to obtain the names of those responsible for the various administrative services of the C.B.C. and therefore have been unable to say who are the persons responsible as witnesses with a view to examining the administration of the services of the C.B.C.

6. Whereas the committee accepted avoiding direct references to personalities and even to radio and television programs, it has therefore been impossible to obtain the appropriate information.

7. Whereas the members of the committee were obliged to proceed by means of indirect questioning.

8. Whereas the Vice-President of the C.B.C. stated that he was responsible for the acts of the C.B.C. to the members of the committee.

9. Whereas until we have heard from him in respect of the protests found in the telegram which the chairman of the committee has just read.

10. Whereas because of the principles of the government responsible and parliamentary privileges, members of the said committee are entitled to make inquiry on the use of public funds and as a result on the operations of the body which is largely paid for by the taxpayers.

I therefore state that I wish to deny personally the allegations of the submission sent to the Rt. Hon. the Prime Minister of Canada, and to the chairman of the parliamentary committee on broadcasting and television, and that I intend to carry on the work undertaken in the committee in complete good faith without regard to persons or personalities, with the sole object of improving this public service of state radio and television in order that the money paid by the taxpayers shall be profitable to the nation and to the taxpayers themselves, and shall be put to good use by the nation and by the taxpayers themselves.

This being so, I have the conviction of simply carrying out the mandate which the taxpayers have asked me to fulfill. Signed John Tremblay, member of parliament for Roberval, and dated June 18, 1959.

Mr. PICKERSGILL: Mr. Chairman referring to a point of order, this communication read this morning was only one of many communications addressed to the committee. It seems to me that we have a fixed agenda for the deliberations of this committee, and that we agreed to it; therefore we should not have our proceedings disturbed. I take no exception to Mr. Tremblay's statement because it probably is a proper question of privilege. But I do take exception to this communication being put into our record at all unless all the other communications which have been addressed to the committee are going to be similarly treated. I think we ought to make a decision about it.

The CHAIRMAN: Are there any comments, gentlemen.

Mr. FISHER: Does Mr. Pickersgill care to make a motion?

Mr. PICKERSGILL: It does not seem to me that there is any motion called for.

The CHAIRMAN: Mr. Pickersgill, I think that this is the first critical communication that we have received. Any other communications that have been received were requests from individuals to appear before the committee, but this is the first communication of this type, and I thought that in fairness to the committee it should be read into the record.

Mr. BELL (*Carleton*): Mr. Chairman, may I suggest that every such communication be placed before the steering committee and that they should report to this committee what if anything should be produced.

Mr. CHAIRMAN: I think that is a good idea. Is that agreeable?

Mr. PICKERSGILL: Yes. And in the meantime this should not be made part of the record.

The CHAIRMAN: We are under programming and newscasting.

Mr. FISHER: There are several of us on the committee who are very much interested in this question of the extension of coverage in the hinterland areas. I refer to Mr. Simpson and several others. There is certainly an urgency in this, in that a number of small communities are making plans to spend money for their own particular situations. What I would like to ask is: would it be possible for us to name a day within the next two weeks when we might treat with that particular aspect of the matter? I gathered from Mr. Bushnell that Mr. Richardson is ready and willing to go ahead with it, and that he has all the information.

The CHAIRMAN: If it is agreeable to the committee Part H New Developments can be placed ahead on the agenda. There is no reason why it should not be done.

Mr. FISHER: Does it need a motion, or could we do it a week from to-day?

Mr. SMITH (*Calgary South*): Mr. Chairman, I agree that this is important to the group, including Mr. Fisher and Mr. Simpson. My only concern is that we have some other important matters which I hope we will be able to deal with before the adjournment of the house; and if this is delayed, it will mean conceivably that important business—and I refer to the financial structure of the corporation—will then have to be put back to a time when conceivably the committee might not be able to give it its full attention. I suggest that item D is one of the more important items for consideration and I hope it will not be further deferred.

Mr. PICKERSGILL: I think Mr. Fisher has made a very reasonable request; and it just so happens that with the exception of Mr. Simpson, the members who are particularly interested in this matter are nearly all opposition members, and that they have up to now taken very little part in the deliberations of this committee.

I myself happen to be particularly interested in this question of the the extension of services. It does seem to me that the suggestion of naming a specific day for that purpose is a very good one and that it ought to be entertained.

Mr. SMITH (*Calgary South*): I have no objection.

Mr. FISHER: There is one community in my constituency, Nipigon, where the municipality and hundreds of workers are considering whether they should go ahead and make commitments costing the people who go for it about $400 each, and they want to know whether or not they should go ahead with it. They are being pressed on all sides because there is a time factor. I do not think anything will come out of this committee which is going to help them, but they have to wait to get some indication of what the future plans are.

The CHAIRMAN: The matter will be referred to the steering committee, and I will call a meeting of that committee for this afternoon. Now, we are on Part B, of the Agenda—"Comparison by location of news service showing (a) number of staff, (b) annual cost for (i) radio, and (ii) television." Are there any questions?

Mr. SMITH (*Calgary South*): Do we have those comparisons?

Mr. Charles JENNINGS (*Controller of Broadcasting*): They are not ready yet. They are in course of preparation. Probably they will be available in ten days.

Mr. SMITH (*Calgary South*): May I have a brief reply? Mr. Jennings was trying to reply to my question.

Mr. JENNINGS: They are not ready yet.

The CHAIRMAN: I suggest that we hold over questions about it until it is ready.

Mr. PICKERSGILL: I refer to a question I asked six weeks ago.

The CHAIRMAN: Is it upon this point?

Mr. PICKERSGILL: Yes, it is on this subject.

The CHAIRMAN: Would you mind deferring it until our next meeting? They will have the information by then.

Mr. PICKERSGILL: I would like to know whether or not my question is in the minds of the C.B.C.

The CHAIRMAN: What was your question?

Mr. PICKERSGILL: If I could be permitted to speak for a moment without interruption I would repeat it. My question has to do with the advisability of the C.B.C. engaging its own news-gathering staff here for parliament.

Mr. BELL (*Carleton*): That is item (3). I understood that only item (1) was to be held over.

The CHAIRMAN: That is right. We will hold over item (1).

Mr. JENNINGS: The annual cost of 1(b) should be ready by June 30, I am informed.

The CHAIRMAN: Very well. Item (2), "Review of directive and style guide," which we have on page 135 of our proceedings. Are there any questions concerning page 135?

Mr. BELL (*Carleton*): Do you receive many complaints about there being non-adherence to the style guide?

Mr. JENNINGS: No, I do not think that we do.

Mr. BELL (*Carleton*): Do you receive any?

Mr. JENNINGS: From external sources, do you mean?

Mr. BELL (*Carleton*): Yes, or from within your own organization?

Mr. JENNINGS: The news service is composed of a lot of normal human beings, and they do have to be straightened out from time to time by the aid of this style guide. It is something which is continually being brought to the attention of the news staff, especially when any news development indicates that they should be alerted to pay particular attention to an area covered by the style guide.

Mr. SMITH (*Calgary South*): Perhaps here we might ask Mr. Jennings about the organizational authority for determining the balance—again I use that word—in assessing what will be carried, after an assessment of the news of the day has been made, as a determining factor. Who is the gentleman who makes the decision as to how much of it will be carried.

Mr. JENNINGS: Mr. Smith, that would work all the way up the line, from the editor on duty writing the bulletin, getting his material from the source, selecting it, having the bulletin reviewed by his senior editor on duty and, if necessary, referring it on up to the radio or television editor in charge of the whole system and on up, if necessary, to the chief news editor himself.

Mr. SMITH (*Calgary South*): Could you cite an example, please, as to whether the authority might purely rest with the news editor as compared with having it sent up to a more senior official; or do you differentiate?

Mr. JENNINGS: I would say this. The editor on duty in charge of writing the bulletin is there to select and to put in the order of priority in which they appear in the bulletin the various stories that come from the sources. He is the main one doing the Canadian Press and the U.P. international. If, in his judgment he feels he should refer the treatment of a particular story, or its inclusion, in the normal course of events he would refer it. I think this is a day-to-day normal working procedure.

Mr. FISHER: In relation to 18.7 and 18.8, in connection with election results and so on, has anyone anything further than a statement that was released to the press a few days ago to the effect that you were going to stand by the explanation made by Mr. Duffy, so far as the Ontario provincial election coverage was concerned?

Mr. JENNINGS: Yes, so far as we are concerned, we have made a very careful examination of the coverage that was given to the Ontario election on television. I myself would say that there were a couple of weaknesses in it. One weakness was where a bulletin came in which gave an incorrect standing. This was picked up and it was some time—I do not know how long; perhaps half an hour— before it was corrected. It was caught finally by the editor on duty. But in the meantime it had gone up on television tabulation, through the normal flow. It was picked up by one of the announcers in Toronto, and it was also picked up here, where the information was also available.

Mr. FISHER: I knew it was a mistake immediately. I follow provincial election results closely and I must say it led to some temporarily broken hearts in our particular party. I was wondering why you did not catch that mistake sooner.

Mr. JENNINGS: I do not know. They are working under a good deal of pressure; the stuff is flowing in at a great rate and they use it as fast as they can get it. I think it was a source of puzzlement.

Mr. BELL (*Carleton*): Was it a C.B.C. mistake or a source mistake?

Mr. JENNINGS: A source mistake. Apart from the C.B.C., that service was going to all private radio stations as well as to all private television stations. It was being used by them in their coverage of the election. How it threw them, I do not know.

Mr. FISHER: They used the "boob" too. What would it have cost to have put the Premier of Ontario on television, live, from Lindsay?

Mr. JENNINGS: I am sorry; I cannot answer that question at the moment.

Mr. FISHER: Was the cost the factor?

Mr. JENNINGS: There were two reasons, Mr. Fisher. The first one was a technical consideration. As I understand it, not being a technical person, in order to put Premier Frost on television, I was told it would have meant an interruption of service of up to two days flowing from the east to the west, service from Ottawa, Montreal and so on. It would have meant an interruption to that extent in order to put him on from Peterboro. In so far as Lindsay is concerned, I understand there would have been some difficult construction encountered.

Mr. PICKERSGILL: Would it have been difficult to put him on from Peterboro?

The CHAIRMAN: Do you have a further question, Mr. Fisher?

Mr. FISHER: During the federal elections, did you experience any difficulty in getting the party leaders to come to the television outlets?

Mr. JENNINGS: In the first election we did not. In the first election we did not get Mr. Coldwell. Mr. Diefenbaker in one case flew down to Regina and in another case to Saskatoon.

Mr. FISHER: Mr. Diefenbaker was prepared to make a move in order to appear before the television cameras.

Mr. SMITH (*Calgary South*): What happened to Mr. Coldwell?

Mr. JENNINGS: I think it was impossible for him to reach a television outlet.

Mr. MACQUARRIE: I have a question in connection with 18.9.

Mr. PICKERSGILL: Mr. Chairman, I had a further question in connection with the Ontario election broadcast.

The CHAIRMAN: We will come back to you in a moment, Mr. Pickersgill; will you proceed, Mr. MacQuarrie?

Mr. MACQUARRIE: I am just wondering if your news gatherers and disseminators take any responsibility for covering a region in a particular area. I recall during the Nova Scotian election campaign the Halifax news room released information on all Nova Scotia provincial nominations, but in various places in the maritimes during that time there were dominion nominations which did not seem to be covered.

Mr. JENNINGS: It is purely a matter of space and time. You cannot do them all. We have to report them. Since we cannot do that, we try to pick out what the directive calls "newsworthy nominations",—not the routine naming of candidates, because it is impossible to carry all of them.

Mr. MACQUARRIE: I wonder if propinquity were the fact, that you covered the Nova Scotian one but not anything beyond that province.

Mr. PICKERSGILL: I wanted to ask a question in connection with the broadcast on television from Ottawa of the Ontario election. I wanted to ask Mr. Jennings if there had been any complaints. Practically throughout the whole evening, once the election had been conceded, it was impossible to get any results through C.B.C. television of any significance at all, other than the Ottawa valley. Their broadcast seemed to be of a frightfully local character. Even in the Ottawa valley a lot of people were interested in the results in Toronto, Windsor, Fort William, Niagara Falls and other parts of the province; but we got a most tedious repetition over and over again of half a dozen or a dozen constituencies in this area of the over-all result and nothing else.

Mr. CHAMBERS: I found those results very interesting.

Mr. PICKERSGILL: I did too; but having heard them a dozen times, I would have liked to hear some of the results from the rest of the province. I was wondering whether there had been any general compaints about the rather parochial character of that.

Mr. JENNINGS: There has been none that reached my ears.

Mr. PICKERSGILL: My main purpose in asking the question was so one would.

Mr. CHAMBERS: In 18.9 there is a statement which reads:

> In the same way, routine campaign speeches can be ignored. A sensible procedure is to cover only the party leaders, apart from any particularly newsworthy announcements or unusual breaks.

It seems to me that the policy of the C.B.C., on television particularly, is tremendously important because a newspaper memo like this is probably the greatest former of opinion today. I can see that a policy like that might make sense in Great Britain, but in Canada we have a great diversity of problems in various parts of the nation. The party leaders deal with the national issues; but there are important local issues and there is a tendency in Canada for the individual candidate, the individual member of parliament, to reduce in importance in the minds of the public, partly because of a policy like this.

The CHAIRMAN: And your question is, Mr. Chambers?

Mr. CHAMBERS: My question is, whether this has been recently reviewed with a view, perhaps, to changing the emphasis somewhat, allowing more coverage of local candidates, particularly on local or area questions that are being commentated upon by the candidates in that area.

Mr. JENNINGS: I would think, if you had watched the local Ottawa television station during the campaign, that in the five minutes of local news that is covered. First of all, things of national interest go into the national bulletins, and, where possible, into regional or local television. In television we have

not the regional news bulletins we have in radio. In radio those regional news bulletins cover subjects of regional interest, and in some cases where we have local bulletins—and this is radio. Actually, in television in Montreal and Toronto we are now equipped sufficiently to put on what we call a metro bulletin. News of local interest, or of interest within the range of the station, would be covered.

Mr. CHAMBERS: This has changed since the time of the last federal election, because in the last federal election I noticed the C.B.C. did a good job and covered the national picture. But, whereas local radio stations and newspapers commented on local issues and the local campaign, the C.B.C. was very sparse in its coverage in the Montreal area of the local campaigns and issues.

Mr. JENNINGS: As you know, in Montreal a metro edition has been started since then. It is purely a matter of development and of being able to do a good job of reporting in the area which you serve. By and large, so far in television we broadcast to the national audience with our national television news. It is really a matter of what we are able to do and of the facilities we have at our disposal.

Mr. CHAMBERS: You would expect in the future there would be more possibility of covering local activities during an election?

Mr. JENNINGS: I would think quite definitely, yes.

Mr. FISHER: This is in connection with 18.10, where it deals with the popular vote, and the whole theme of this section is that you should play down anything that has emotional or colour significance. I have no particular quarrel, in so far as the C.B.C. people themselves are concerned, with that; but would it not be possible on television coverage to bring in some local colour, in the way of people who are biased, and some reaction, so we get something which is a little more lively than we have now?

Mr. JENNINGS: It may make for dullness, and we recognize this; but in the long run it makes for balanced and factual reporting, which we think is important.

Mr. FISHER: Are you sure it is not for safety?

Mr. BELL (*Carleton*): I object to the expression of the feeling that the Ottawa broadcasting was dull. I think it was far from dull.

Mr. JENNINGS: I think Mr. Fisher was not talking about the coverage of the election, but about our general coverage.

The CHAIRMAN: Mr. McCleave?

Mr. MCCLEAVE: Two points, Mr. Chairman. The first is with reference to 18.9, nominations, routine campaign speeches. I might say, during the last election campaign at least 10 or 15 minutes of the newscasts in Halifax were devoted to a joint meeting of the candidates there. There was a very newsworthy meeting there, because we had almost a riot at that particular time; but they recognized the newsworthiness of this particular meeting and gave it 10 minutes' coverage.

The CHAIRMAN: What is your question, Mr. McCleave? Could we keep statements down to a minimum We are running into statements. Do you have a question to ask on that?

Mr. MCCLEAVE: Yes. As a person who at one time did read news for the C.B.C., I am very disappointed in the corporation's policy of hiring outside people—say, from the press gallery in Ottawa, from the newspapers and other sources—during election campaigns, and reducing the role of the C.B.C. news writers to that of glorified clerks. They simply take news reports off

the machines and write them in radio style. I wonder if Mr. Bushnell or Mr. Jennings could make some comment on whether there is a possibility of giving more recognition and the use of microphones to people who are in the C.B.C. news service, who are quite familiar with the rules and regulations and with what the C.B.C. news service does strive to perform?

Mr. JENNINGS: I feel the coverage of the Ontario election was a pretty good example of the sort of thing you are speaking about, where, for the first time—not for the first time going out to make pick-ups from private stations, but for the first time we were taking private stations' own people, people nominated by them, to act as the broadcaster when we switched to those places during the election.

I hope I am not getting away from your question, but this is something we have discussed with our affiliates many times; that is, the use of their own people rather than newspaper men. They feel they are equipped with their own staffs and facilities to do the pick-ups that we call on them for during this kind of broadcasting.

In the last Ontario election I think we had pick-ups from Windsor, Hamilton, Kitchener, Sudbury, London and Ottawa—our own station. But in the case of the private stations our news people met them beforehand on the planning of the coverage of the election, and they suggested and nominated people who would appear from private stations. We discussed it with them; and it was the first time, in this last election, we used their people.

Mr. MCCLEAVE: My question was concerned with more use of C.B.C. people themselves in the news rooms, before the microphones and the cameras. My question was not concerned with the arrangements made with the outside stations.

Mr. JENNINGS: We do not do it too widely, but again—and it is freshest in my mind—in the Ontario election you saw the use of Norman DePoe, who played quite a large role in the broadcasting; and he is not a member of our news staff, but is a special C.B.C. reporter.

The CHAIRMAN: Is it agreed that we are through with B.2, and we shall go on with B.3: review of proposal to employ new staff to cover parliament? Mr. Pickersgill, you had a question on that?

Mr. PICKERSGILL: I would like, first of all—

The CHAIRMAN: Excuse me, Mr. Pickersgill, this is on page 260, 261 and 262.

Mr. PICKERSGILL: I would like, first of all, to speak very briefly on a question of privilege, following the precedent of Mr. Tremblay. I received a telegram after I raised this question. I am not going to attempt to introduce it into the record. I think you also received that telegram, or a similar telegram, Mr. Chairman, from the union in Toronto. In my reply to it I indicated I was not intending, by raising this question, to criticize in any way the competence of the people who were employed or who might be employed here.

My question was an entirely different question. It was one as to whether the corporation, as a corporation, should be a news-gathering service. I would not want it to be thought I discriminate in any way between those people who are employed by the C.B.C. and those who are employed by newspapers. I think that in the main they are good, conscientious and hard working people, just as much in one case as in the other. Some of them I would not agree with entirely, but that is another matter. My point was one of principle: that was that the C.B.C., the corporation itself, was going to be entering into a new field—or what would seem to me to be a new field—and taking the responsibility for news-gathering in parliament itself. In view of the peculiar relation

between the corporation and parliament, I had some doubt about the wisdom of that. I raised it as a question, not as a firm conviction on my part. I would still be very much interested in hearing the argument for doing it. It may be very compelling.

The CHAIRMAN: Just to keep the record straight, I did not receive the wire you referred to, Mr. Pickersgill.

Mr. JENNINGS: Mr. Pickersgill, this is nothing new: the C.B.C. has had a news staff here, in Ottawa, for several years.

Mr. PICKERSGILL: In the gallery?

Mr. JENNINGS: Not in the gallery, but we have been given two seats in, I think it is called, the official gallery. We have had those seats, and we have had certain privileges which Mr. Speaker gave to us—I think, but I am not sure of this—about eighteen months ago. Since that time—as you may recall—the C.B.C. made representations to the Speakers of both houses, asking for a parliamentary broadcasters' gallery, and since that time the press gallery itself has made, I understand, a revision of its rules to permit broadcasters to be full members. It is not new, Mr. Pickersgill.

Mr. PICKERSGILL: That does not really answer my question. I wanted to hear the argument, whether it is new, or whether it is not. Eighteen months, in my book, is still fairly new.

Mr. JENNINGS: It is 18 months since we have had facilities to report parliament.

Mr. PICKERSGILL: It is 18 months since you have had facilities to report parliament. My question did not relate to the reporting of other events; but, in view of the peculiar relationship between the corporation and parliament—I know what the views were years ago about this; I discussed it on a good many occasions with Mr. Dunton—I am still wondering whether it is desirable for the corporation to have the responsibility of news gathering in parliament; whether it would not be very much better for this particular function to be left to the news services. As I say, when I ask that question, I am not expressing an opinion about it. I want to know why the corporation feels it is necessary to do this, and in the public interest.

Mr. JENNINGS: Because we think the news services have limitations so far as radio and television techniques are concerned. The news services are excellent for preparation of written word bulletins. When we do voice reporting on radio or visual reporting on television, we come into another field entirely. We feel there that by the employment of our own people—and especially in the field of covering parliament—if we are able to, as is our intention now, appoint a man here in Ottawa in addition to the staff which is already reporting, we will have a man who can concentrate on factual reporting of parliament in voice reports and in visual reports on television. There is no intention of filing reports—we will still get those from the news agencies—we feel this is part and parcel of the whole developing technique of news reporting on radio, and this has been accelerated, of course, by the need to provide adequate television techniques.

Mr. FISHER: We have touched on this problem already; it is sort of the other side of the plane from Mr. Pickersgill's approach. Do you not think it may be a problem that your use of, let us say, private people as interpreters of the Ottawa scene may subvert their own integrity, in that a considerable part of their income may come from the C.B.C., and so may lead to the very kind of restriction upon their freedom—in a mental sense—that Mr. Pickersgill is worrying about the C.B.C. people being in.

Mr. JENNINGS: I do not know whether I should labour the use of the word "interpretation"; but there are two factors to this: the first is, that in this

kind of daily reporting you have to have—in my view—a man who is part of the whole machinery of your set-up, who works through the chain of responsibility to the central news room, and who does it as a day to day part of his working life.

The other side of this is the difficulty of getting people to report. You have always got to get out and scurry for somebody to do it. In addition to that is the fact that we try to keep a frightfully clearcut line between our opinion broadcasts and our news reporting—and this is always a difficulty. Every fellow you meet is not a good broadcaster for radio; he is not a good broadcaster for television. Therefore, the available pool is inclined to be used both in opinion broadcasting and in news broadcasting.

We think this, again, is the advantage of having our own parliamentary correspondents, who will be here, to report factually to our two news services about the proceedings in parliament.

Mr. FISHER: That will ease, to a certain extent, the kind of interpretive work done by people you hire?

Mr. JENNINGS: Not of interpretive work. We do not intend to put on the staff a person who will give opinion broadcasting; we intend to put on the staff, for both the English and the French network, a correspondent—I do not know how you would describe him, but a man who would da foctual reporting.

He will not report his opinion; he will report the opinions of others. I do not know how you would compare him—whether it would be with the New York Times correspondent or the London Times correspondent. But that is the kind of reporting we want to have done; it is straight news reporting.

Mr. FISHER: Have you been approached within the last year by the press gallery as an organization with any views or opinions on this particular matter?

The CHAIRMAN: Can you answer that, Mr. Jennings?

Mr. JENNINGS: I cannot answer that. As far as I know, no. On the use of their members, do you mean?

Mr. FISHER: Yes; and some sort of spreading out of the use, so that more people had the opportunity to get in on the cash register?

Mr. JENNINGS: No, we have not.

Mr. SMITH *(Calgary South)*: Mr. Jennings, you have stated the fact that you have a very real need for your own reporting staff, and I think that is understandable. There seems to me to be occasions when you prefer to use a report from a straight news service. I cite as an example the reporting on the activity of this committee, when there are invariably—I have been told—wire service reports. When do you think it is better to use interpretive reporting or to merely take the reporting of the news service as such? And is there any particular reason for this? Is it just human nature—you do not wish to enter into the field of what may be of a controversial nature?

Mr. JENNINGS: When you say "interpretive reporting", what do you mean?

Mr. SMITH *(Calgary South)*: Perhaps I may say, you obviously use your own staff because they are familiar with the detail of, perhaps, the atmosphere of the circumstance or the event, and they will add something—as you have said yourself—which the news service may not have included in its particular bulletin. To begin with, it will be somewhat more extensive reporting of the wire news service.

Are there not times when you are inclined to take the shorter course and use purely the news service, rather than have your own person making his report?

Mr. JENNINGS: Let me make it clear that it was not in a case where the news services did not supply material. I tried to make it clear that it is a question of

technique. The news services supply a budget of news, which is very suitable for written bulletins. In radio and television we think of voice reporting and visual reporting as being part of the very nature of the mediums. For that matter, on television I suppose we could have a news reader who is sitting there reading a written bulletin; but we found, in the beginning of television, that this just was not sufficient, that we had to develop the techniques and make the proceedings interesting.

Mr. SMITH *(Calgary South)*: I understand that. But my point, specifically, is this: you have two choices; your own reporter can produce a story, it can be edited and can be read over the television news of the C.B.C., or he can take purely the course of reading a Canadian Press dispatch, which will be so named. There are occasions when you prefer to take the latter course, rather than a member of your own news staff develop the story himself.
report form a reporter in Ottawa or whether it should be covered off the wire

Mr. JENNINGS: I would not give a sort of prefessional answer as to what happens at the news editor's desk when he decides whether it should be a news report from a reporter in Ottawa or whether it should be covered off the wire services.

I think that is a matter of the story itself, and I certainly would not think there would be that sort of inhibition in his mind. I think his job would be to try to keep that reporting as effective and factual as possible.

But we come back to this one thing. You mentioned a Canadian Press dispatch being read and identified. We would not use a special reporter to read a Canadian Press dispatch off the wire; this would go into the bulletin.

The CHAIRMAN: This could go on for a week, Mr. Smith. Have you one further question?

Mr. CHAMBERS: Mr. Chairman, I think Mr. Smith was under a delusion. Your reporters do not file stories on teletype to be read in Toronto or Montreal, do they?

Mr. JENNINGS: They do voice reporting.

Mr. CHAMBERS: They put it on tape, in other words?

Mr. JENNINGS: Yes.

Mr. CHAMBERS: This type of material is not available from any other source, is it?

Mr. JENNINGS: This kind of voice reporting or camera reporting is not available any place else. As far as Canadian coverage is concerned, as we may have explained earlier, there is no source in Canada other than the C.B.C. or private stations for getting news film coverage for television. Indeed, in an attempt to improve that situation, in so far as national coverage is concerned, the C.B.C. three years ago or more took the initiative in forming a news cooperative service of which it is a member and of which, I think, now eight stations are members. This supplies news which is sent out across Canada.

Mr. FISHER: I still find a paradox in the statement made by Mr. Bushnell on page 261 where he says:

> Extending back to war days, we have been building up a staff of foreign correspondents and their first hand reports by voice and film give authority and distinction to our news broadcasts. Only in such a way could we get the news in broadcast form as seen through Canadian eyes.

Then he goes on:

> In one respect we feel we are behind the times, in not covering our own capital as thoroughly as we should perhaps do.

You have, let us say, persons like Mr. Keatley and Mr. Minifie who do work for you. I insist the majority of their broadcasts are interpretive. The persons you will have in Ottawa will not be interpreters but will be factual reporters. Is there not a bit of a cross-purpose?

Mr. JENNINGS: I do not think there is a cross-purpose. I think there is a slight degree of distinction in that Mr. Minifie could probably stray into the interpretive field on certain subject areas, whereas we would not consider we were able to do it on national or purely Canadian topics. I think there is a slight flexibility.

The CHAIRMAN: We are bringing personalities into this again and I do not think we should do so.

Mr. PICKERSGILL: I have a question. I must say I would like to preface this by saying I am very much reassured by what has been said about these being purely factual broadcasts. It seems to me, as much as one can distinguish between fact and interpretation, there is much less objection to this. Does the C.B.C. feel it would be quite improper for the corporation to have on its staff persons who undertake to interpret news and interpret proceedings of parliament?

Mr. JENNINGS: Yes; I think it would be.

Mr. PICKERSGILL: So do I.

Mr. MCCLEAVE: Does this really not boil down to the fact that you should make more use of the man whom you now have here from the C.B.C.—I will not mention his name; everybody will know him—on these broadcasts, which should result in some savings, instead of using members of the press gallery as much as you now do.

Mr. FISHER: Hear, hear.

Mr. JENNINGS: I know, in respect of the pure work load, our consideration is that in this factual reporting job—and again I emphasize for voice and television reporting—we feel we must have another man here. I cannot tell you how the work load will be distributed, but I imagine the person here at the moment is probably a pretty busy fellow.

Mr. MCCLEAVE: Is it not a statement of fact that frequently when you do use members of the press gallery they are used more in reporting than in interpretive roles?

Mr. JENNINGS: Yes.

Mr. CHAMBERS: On this question of the balance between interpretive and factual reporting, and the striving for factual reporting, how much do you try to control it in an area outside of Ottawa? One of your reporters recently has announced his own foreign policy in a speech which, as far as I know, is not—

Mr. PICKERSGILL: On a point of order; how does Mr. Chambers relate this to item B3? It does not deal with proposals to employ new staff in Ottawa.

Mr. CHAMBERS: I think I can relate it. The C.B.C. proposes to employ new staff in Ottawa and they have newsgathering staffs in other parts of the world. There seems to be a difficulty, which Mr. Pickersgill has raised, of maintaining factual reporting and unbiased reporting. How do you propose to keep it factual?

Mr. JENNINGS: In this case of which you speak, of one of our reporters, as you say, pronouncing his own foreign policy, unless it has slipped by, they are taking steps to rap him over the knuckles.

Mr. FISHER: I do not believe he did that in a C.B.C. broadcast.

Mr. JENNINGS: I do not know to what Mr. Chambers is referring.

The CHAIRMAN: We must not get into personalities.

Mr. BELL (*Carleton*): When this new proposal comes into effect, I am not clear as to whether or not in the actual newscasts the C.B.C. will cease to use members of the press gallery entirely.

Mr. JENNINGS: I would say, certainly not. Incidentally, it is not a new policy; it is a growth of the service, if you want to put it that way. There may well be times when one person alone will not be able to fill the need for factual reporting about any particular topic.

Mr. BELL (*Carleton*): Members of the press gallery will be used only for fill-in.

Mr. JENNINGS: I would not say only for fill-in. It is purely a day by day working problem. If a man cannot do it, is too busy and we must do something, I think we add to it.

Mr. BELL (*Carleton*): Directly associated with this, what is your plan for coverage of the legislatures? Is there any special plan to have C.B.C. men in Quebec city and in Toronto?

Mr. JENNINGS: We already do this. We already, Mr. Bell, do this within limitations of staff, finance, and so on. We do cover the legislatures. Just how thoroughly, I do not know. I do not know if at any point we have a man whose job is merely to cover the legislature.

Mr. BELL (*Carleton*): You do not set up in each provincial capital a complete staff for the purpose of covering the legislature?

Mr. JENNINGS: This would be very difficult.

Mr. MCCLEAVE: Could we have the amounts paid to members, say, of the press gallery in Ottawa for their contributions to the national news bulletins? I am not thinking of Press Conference or other broadcasts; I am thinking entirely in terms of the news broadcasts. Would it be possible to have this for a month, a six-month period, or some other period?

Mr. JENNINGS: Yes.

The CHAIRMAN: May I ask approximately how many man-hours it would take to get this information? Ladies and gentlemen, we have decided that any further requests for information will go to the steering committee before they are accepted.

Mr. A. M. HENDERSON (*Comptroller, Canadian Broadcasting Corporation*): If we are to obtain that information for a month, I do not think it would take very long.

The CHAIRMAN: Is it agreeable we ask for that information?

Mr. FISHER: Do you want the names?

Mr. MCCLEAVE: No; the amount and the number of contributions.

Mr. CHAMBERS: Have you any rules regarding staff, I mean persons who work for you in the news area, working for other publications and drawing income?

The CHAIRMAN: Do you mean here in Ottawa? We are reviewing this question of employing new staff to cover parliament here.

Mr. CHAMBERS: Yes.

Mr. JENNINGS: We have a general rule for our staff about outside work where permission for doing anything outside is reviewed and approval or otherwise is given to the specific request. I am told this is so except where provided under labour agreements.

Mr. CHAMBERS: If you had a newsman here and he was also employed as a stringer or occasional contributor to some publication which might have a political bias one way or the other, you might be running into a situation there of difficulty.

Mr. JENNINGS: We would be, and this is something we watch very carefully. For example, we would not only so far as newsmen are concerned, but so far as straight news readers are concerned, watch this very carefully, so that no one, even a news reader, would get a reputation which might in a sense lead people to believe he was coloured in the way he read the news. We are very strict about this.

Mr. CHAMBERS: Some of your people do work for other publications?

Mr. JENNINGS: Yes, and in those cases specific permission has been given and it is watched very carefully to see that in no way this work reflects on the news service.

The CHAIRMAN: I think we are getting away from the field.

Mr. FISHER: Does not the same problem exist, Mr. Jennings, in so far as the free lancers are concerned that you hire here in Ottawa?

Mr. JENNINGS: Yes.

The CHAIRMAN: Are there any further questions under part B, item 3?

Mr. JOHNSON: Mr. Chairman, I would like to know how the C.B.C. intends to hire these Ottawa representatives. I am looking at Mr. Bushnell's statement and I do not see any indication. Will they have to be hired through the Montreal office, or the Toronto office, or through the Ottawa office, if and when you employ new staff?

Mr. JENNINGS: I cannot tell you what the machinery would be, or whether they would be hired from Toronto or Montreal. But I do know that at the moment we have been looking at kine-recordings of the people who are likely to be considered for the job, and when we are agreed that this or that person is the one for the job, then formal hiring machinery will soon get into action, with a complete job description and everything else, and headquarters at Ottawa would approve it.

Mr. JOHNSON: What department is in closest relation to this matter?

Mr. JENNINGS: The news department.

Mr. JOHNSON: At Ottawa?

Mr. JENNINGS: The national headquarters in Toronto, and the French headquarters at Montreal; but it would still have to be approved here.

Mr. JOHNSON: By Ottawa?

Mr. JENNINGS: Yes.

Mr. PICKERSGILL: Is it not likely to be made through promotion within the C.B.C.?

Mr. JENNINGS: That I cannot tell you. But it is our policy to make such promotions.

The CHAIRMAN: I think we can move forward to item (4) now:

"Integration of supervisory and editorial staff of radio and television services."

Mr. BELL (*Carleton*): Are there separate supervisory and editorial staffs for each service?

Mr. JENNINGS: The whole service is headed by the chief news editor. He has three people reporting to him, the supervisor of news, French; the general news editor; and the general supervisor of television news. They report to the chief news editor and it is an integrated function in the sense that these people have an overall responsibility.

There is a general supervisor of television news, and a general news editor. These people work very closely together in Toronto, and they have a particular responsibility with respect to radio and television. They do overlap in consultation to a certain extent. These are really the only integrated positions. Other positions are at points outside of Montreal and Toronto, with a senior news official in charge. They are physically separate in every other place except at Winnipeg.

Mr. BELL (*Carleton*): Would it not be advisable to develop some degree of integration with a consequent saving?

Mr. JENNINGS: I would think that the matter of space is involved. In the assignment of stories I think that integration would probably be a good thing, but I do not think it would be a good thing in the preparation of stories, because the techniques are completely different.

Mr. MUIR (*Lisgar*): Are they integrated?

Mr. JENNINGS: They are not integrated as staffs. They are not integrated, in this sense, that at several places they have separate sources of information; in other words they have their own batteries of printers, and so on. In Winnipeg, because of purely physical and local conditions, they work in the same area. But there are separate staffs which write and prepare television and radio bulletins.

The CHAIRMAN: Are there any further questions on this item?

Mr. FISHER: Are supervisory personnel allowed to be members of a union?

Mr. JENNINGS: No.

The CHAIRMAN: Part "C".

Mr. FORGIE: Mr. Chairman, I move, seconded by Mr. Pickersgill, that the premier of the province of Ontario be invited to come before this committee to set forth his views and grievances against the C.B.C.

Mr. PICKERSGILL: You said this would be the appropriate place to make the motion.

Mr. SMITH (*Calgary South*): Mr. Chairman, we have a great deal of work ahead of us, and we have other agencies in addition to the corporation to be heard. I suggest it would be inappropriate at this time for us to hear individual representations from people—regardless of how distinguished a person the premier of Ontario is; and if we were to hear all these complaints against the corporation, we would certainly never finish our work. I suggest we might even have to call Mr. Pickersgill himself under those circumstances.

I therefore suggest that it be deferred until at least we complete the initial business we set out to hear.

Mr. BELL (*Carleton*): I agree that it should be deferred, but I would be interested to hear the views of the premier of Ontario. However I do not think we should interrupt our program at this stage.

Mr. PICKERSGILL: Mr. Chairman, the motion does not suggest—and I do not think my friend suggests—that we should interrupt our consideration of this agenda. But obviously Mr. Frost is a very busy man, with very many preoccupations. It might be very difficult for him to tear himself away from

Lindsay on a specific day. I suggest therefore that he ought to be given a lot of notice. And it seems to me that we ought to decide on the principle now, and to invite Mr. Frost, and we should as far as possible suit ourselves to his convenience.

I would not go so far as to suggest that the committee should adjourn to Lindsay to hear Mr. Frost. But in view of the fact that he is premier of one of the largest and most populous provinces, and has made a public statement in which he said that public broadcasting should be abolished in this country for reasons which he seemed to consider sufficient, it does seem to me we should hear him. Mr. Frost is not exactly a nobody—as the recent election proved; and it does seem to me that since he is a conservative, it would be interesting to know how many other conservatives agree with that policy which was certainly enunciated as the policy of the federal conservative party—and in view of his prominence and his importance in this matter, I think it would be very desirable to give him an opportunity to come here at some stage without interrupting this program, in order to hear his grievances, and to hear him explain why he thinks that public broadcasting should be done away with in Canada.

Mr. ROBICHAUD: Mr. Chairman, as this house will likely be sitting for another six to eight weeks, I do not think it would interfere with the proceedings of this committee if the motion were approved and accepted by the committee. Mr. Frost would have plenty of warning, and it would not interfere with our regular proceedings.

Mr. FISHER: I would like to speak in support of the motion. It seems to me that this has been the most harsh criticism of the C.B.C. to be expressed by a prominent political figure in my memory. It went far beyond the election night coverage. The very principle upon which the C.B.C. is based is involved. I think for that reason it is most important for us to have this gentleman appear before the committee.

Mr. CHAMBERS: Mr. Chairman, this type of motion has come up before in these committees, to call various people whose views might be of interest to the committee. And as Mr. Smith said, there are a number of other Canadians who would like to make known their views of the C.B.C., some of them critical and some otherwise. Many of these people are also very prominent. It would be impossible to hear them all. Therefore I suggest that the motion be referred to the steering committee for recommendation.

Mr. MUIR (*Lisgar*): I think to invite individuals to testify before this committee would be setting a precedent that would probably involve a lot of trouble for us. There are other very prominent men who have decided views on this matter and I think we would have to hear them as well, if they wished to come. We would never get through with our work.

Mr. FORGIE: We have had no others express a view such as that expressed by the Premier of Ontario. He said virtually, "I am out to kill the C.B.C.", and we want to hear what he has to say about that.

Mr. JOHNSON: He did not say that.

Mr. FORGIE: He did.

Mr. JOHNSON: What do you mean by "virtually"?

The CHAIRMAN: Gentlemen, we are getting out of hand. Mr. McCleave?

Mr. MCCLEAVE: According to our terms of reference on Wednesday, April 29, 1959, we are not empowered to present any recommendations to the House of Commons and parliament that the C.B.C. be scrapped and I think the motion on that ground alone is out of order.

The CHAIRMAN: Mr. Flynn, you are next.

Mr. FLYNN: The agenda does not refer to the principles and the extent of the C.B.C., so no one in the committee should ask to discuss this matter.

The CHAIRMAN: Have you anything else to say?

Mr. FLYNN: No.

Mr. FORGIE: The interpretation put on this by the member for Halifax is an impossible one.

Mr. FISHER: Is CARTB coming before this committee?

The CHAIRMAN: Yes.

Mr. FISHER: I think the views of the Premier of Ontario are as important for us to hear as CARTB.

The CHAIRMAN: Gentlemen, you will recall that following the original meeting of the steering committee, our suggestion at that time. It was agreed that the three groups would be called, that is the C.B.C., the C.A.B. and the B.B.G., and then if we had time to call any individuals we could—if there is any time left.

Does anyone else wish to speak to the motion?

Mr. JOHNSON: Mr. Chairman, I would like to move an amendment to the motion—that all provincial premiers and all prominent people who have complaints against the C.B.C. be asked to come and speak before this committee.

Mr. TREMBLAY (*Interpretation*): I second the motion.

Mr. ROBICHAUD: The Premier of Quebec will never come here to appear before the C.B.C.

Mr. TREMBLAY (*Interpretation*): What do you know about the Premier of the province of Quebec?

The CHAIRMAN: Just a moment, gentlemen; this is no place to fight.

Mr. SMITH (*Calgary South*): There is a motion, Mr. Chairman, to refer it to the steering committee.

Mr. PICKERSGILL: An amendment has been proposed. Has it been seconded?

The CHAIRMAN: Yes, it was seconded by Mr. Tremblay.

Mr. JOHNSON: I said not only the premiers but all prominent people, and this to take place at the end of the agenda.

Mr. ROBICHAUD: This is irrelevant because no other premier of any other province has objected, officially at least, in regard to the C.B.C.

Mr. SMITH (*Calgary South*): What do you mean by "objected officially"?

Mr. FISHER: Mr. Chairman, I would be willing to vote for this motion if the man who moved it would inform me as to the scope of his phrase "prominent people".

Mr. JOHNSON: Well, for example, those who are in private television and private radio.

Mr. PICKERSGILL: We have agreed already to hear them.

Mr. FISHER: We are hearing them.

Mr. SMITH (*Calgary South*): I suggest, Mr. Chairman, the amendment was introduced to show how difficult it would be under the circumstances. As yet we have not completed one-third of the business that we have before us. My suggestion is that this be deferred until we at least determine how long we are going to be with the outline which you have given us and then at that time consideration could be given to having further witnesses appear before this committee.

Mr. PICKERSGILL: Mr. Chairman, I am prepared to support the amendment without any equivocation. I think it is redundant and unnecessary, but it would at least accomplish the same purpose as the original motion. It is obviously moved for one purpose only and that is to get the Tory party out of an acute embarrassment.

Some Hon. MEMBERS: No, no.

Mr. PICKERSGILL: I suggest, rather than going on with this discussion, we divide the committee, on the amendment and the motion, and get it over with.

Mr. BELL (*Carleton*): Mr. Pickersgill has made it quite evident this is a pure political manœuvre, that he is totally disinterested in this, but is only interested, as he always is, in playing politics.

Some Hon. MEMBERS: Hear, hear.

Mr. PICKERSGILL: As a matter of fact, I have a question of privilege, but I am not even going to waste my breath on Mr. Bell.

The CHAIRMAN: Gentlemen, please! Mr. Muir?

Mr. MUIR (*Lisgar*): I do not think the committee should waste time listening to these long-winded statements, and suggest that members confine their remarks to questions.

The CHAIRMAN: I noticed this morning, Mr. Muir, we spent over half the time on statements. I realize that, and we will certainly govern ourselves accordingly in the next meeting.

Mr. PICKERSGILL: Is this a free parliament? Are we to be subjected to closure?

The CHAIRMAN: Mr. Pickersgill, may I remind you that the purpose of this committee is to ask questions and not to make statements. That is all I have to say.

Mr. PICKERSGILL: May I ask the chairman who defined that purpose?

The CHAIRMAN: The steering committee did; and you were there.

Mr. PICKERSGILL: Not to my recollection. There was no suggestion of this sort made by the steering committee; certainly none I know of.

Mr. CHAMBERS: I move this motion be sent to the steering committee, and I am prepared to include the amendment with it. I think that is the proper place to deal with that matter.

Mr. KUCHEREPA: I will second that.

The CHAIRMAN: There is a motion before this committee, and it must be dealt with. There is also an amendment to the motion.

The amendment, moved by Mr. Johnson and seconded by Mr. Tremblay, is that, "All provincial premiers and other prominent persons be invited to appear at the end of the committee's hearings." That is the amendment. All in favour of the amendment?

Mr. CHAMBERS: Mr. Chairman, if I am out of order the other way, I will move a sub-amendment.

Mr. PICKERSGILL: The motion has been put and, on a point of order, there cannot be any further amendment.

The CHAIRMAN: The motion has been put and Mr. Pickersgill is quite right, Mr. Chambers; I am sorry.

Mr. ROBICHAUD: On a point of order, should not the motion read, "Premiers who have complaints"?

The CHAIRMAN: The motion reads that "All provincial premiers and other prominent persons be invited to appear at the completion of the committee's hearings." That is the amendment. Are you ready for the question, gentlemen? Those in favour; those opposed?

I declare the amendment lost, nine to seven.

Are we ready for the question on the motion?

Mr. CHAMBERS: No, Mr. Chairman, may I now move my amendment, to add to the motion these words, "This matter to be referred to the steering committee"?

The CHAIRMAN: Do you have a seconder?

Mr. SMITH (*Calgary South*): I wonder if I might ask for an explanation of that. I assume the new amendment suggests that consideration will be given to calling any other witnesses including, of course, the premier, if and when we have time. Is that the purport of your amendment?

Mr. CHAMBERS: No, the amendment is tacked on to Mr. Pickersgill's motion, which is that—

Mr. PICKERSGILL: That is not my motion, but Mr. Forgie's.

Mr. CHAMBERS: Mr. Forgie's motion is that—

The CHAIRMAN: I will read Mr. Forgie's motion, "that the premier of Ontario be invited to attend this committee and set forth his views and grievances against the C.B.C." That is the motion.

Mr. CHAMBERS: My amendment is to add to that the words, "if recommended by the steering committee."

The CHAIRMAN: Your amendment was seconded by Dr. Kucherepa. Any discussion on the amendment, gentlemen? Ready for the question? The amendment reads: that the premier of Ontario be invited to attend this committee and set forth his views and grievances against the C.B.C.—if recommended by the steering committee.

Mr. KUCHEREPA: Mr. Chairman, that was not the amendment; the amendment was to send this back to the steering committee.

The CHAIRMAN: I wish the mover and the seconder of the amendment would get together. What is the amendment?

Mr. CHAMBERS: . . ."if recommended by the steering committee"—which, in effect, sends the motion to the steering committee.

The CHAIRMAN: That is what I said: you are adding that on to Mr. Forgie's motion.

Mr. CHAMBERS: That is right.

Mr. KUCHEREPA: I withdraw.

The CHAIRMAN: Do you have another seconder, Mr. Chambers? Are we ready for the motion?

The VICE CHAIRMAN (*Mr. Flynn*): No, Mr. Chairman; I would move that consideration of this motion be adjourned until we have completed the agenda.

Mr. SMITH (*Calgary South*): I would second that, if it has not been seconded.

The CHAIRMAN: Moved by Mr. Flynn, seconded by Mr. Smith: that this be deferred until all our agenda is completed.

Mr. PICKERSGILL: Mr. Flynn made a motion; I do not know that it needs any amendment by Mr. Smith.

Mr. SMITH (*Calgary South*): You have been assisting every other person who has moved an amendment in here today.

Mr. PICKERSGILL: Are you using me as a model?

Mr. SMITH (*Calgary South*): Heaven forbid; I would be wrong, if I did.

The CHAIRMAN: The motion, then, gentlemen, is—moved by Mr. Flynn, seconded by Mr. Smith of Calgary: that this be deferred until the committee

has considered the entire agenda. Are we ready for the question? All in favour of Mr. Flynn's and Mr. Smith's motion? Contrary, if any? Twelve to five in favour of the motion. Thank you, gentlemen.

Next week we will meet on Monday morning at the same time. The B.B.G. will be with us.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

(*Page 446*)

M. TREMBLAY: Monsieur le président, je voudrais, à ce propos, faire une déclaration.

Premièrement, attendu que le comité parlementaire de la radio et de la télévision a été constitué pour étudier le mécanisme et le fonctionnement de la société Radio-Canada, dans le but d'améliorer, si possible, les services que les contribuables sont en droit d'attendre de cet important organisme;

Deuxièmement, attendu que les rapports et les commentaires des journaux et des agences de presse sur les délibérations dudit comité ont été très souvent présentés de façon incomplète, inexacte et tendancieuse;

Troisièmement, attendu que des auteurs, des artistes et des réalisateurs sont venus, lors de la grève du réseau français de télévision, dans mon bureau du Parlement, se plaindre des mauvais traitements dont ils étaient les victimes de la part de la société Radio-Canada, de la mauvaise administration de ladite société et des scandales qu'ils croyaient voir dans cette administration;

Quatrièmement, attendu que j'ai reçu tout récemment encore, soit au cours des dernières semaines et des derniers jours, des lettres, des appels téléphoniques et des visites d'artistes, d'auteurs et de réalisateurs de Radio-Canada et que ces personnes qui ont communiqué avec moi me félicitaient pour le travail accompli au comité et me demandaient de continuer dans cette voie;

Cinquièmement, attendu que les membres dudit comité n'ont pu obtenir les noms des responsables des divers services administratifs de Radio-Canada et n'ont pu, de ce fait, citer ces responsables comme témoins afin d'examiner l'administration des services mis en cause;

Sixièmement, attendu que le comité a accepté d'éviter les références directes aux personnes et même aux programmes de radio et de télévision, et que partant il a été impossible d'obtenir les renseignements utiles;

Septièmement, attendu que les membres du comité ont été obligés de procéder par voie de questions indirectes;

Huitièmement, attendu que le vice-président de la société Radio-Canada a déclaré se rendre responsable des actes de ladite société devant les membres du comité;

Neuvièmement, attendu qu'il n'a, jusqu'à présent, fait entendre aucune protestation du genre de celles qu'on trouve dans le télégramme que vient de lire le président du comité;

Dixièmement, attendu qu'en vertu des principes du gouvernement responsable et des privilèges parlementaires, les membres dudit comité ont le droit de faire enquête sur l'utilisation des deniers publics et par conséquent sur le fonctionnement d'un organisme dont les contribuables soldent en grande partie les frais;

Je déclare que je récuse, en ce qui me concerne, les allégués du télégramme adressé au très honorable premier ministre du Canada et au président du comité parlementaire de la radio et télévision; que j'entends poursuivre le travail entrepris au comité en toute bonne foi, sans égard aux personnes, dans le seul but d'améliorer ces services que sont la radio et télévision d'État, et cela pour que l'argent des payeurs de taxes soit profitable à la nation et aux contribuables eux-mêmes. Ce faisant, j'ai la conviction de remplir simplement le mandat que les contribuables m'ont demandé de remplir.

* * * *

(*Page 462*)

M. TREMBLAY: Qu'est-ce qu'il sait de lui?

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament
1959

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SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 14

MONDAY, JUNE 22, 1959

BOARD OF BROADCAST GOVERNORS

WITNESSES:

Dr. Andrew Stewart, Chairman, Board of Broadcast Governors; and Mr. Carlyle Allison, Member.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21503-8—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.

Vice-Chairman: J. Flynn, Esq.

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
Johnson,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Paul,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Taylor,
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

MONDAY, June 22, 1959

The Special Committee on Broadcasting met at 9.30 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken; Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*); Mrs. Casselman; Messrs. Chambers, Dorion, Fairfield, Flynn, Forgie, Halpenny, Kucherepa, Lambert, Macquarrie, Muir (*Lisgar*), McCleave, McGrath, McIntosh, Pickersgill, Paul, Robichaud, Smith (*Calgary South*) and Smith (*Simcoe North*).—22.

In attendance: Dr. Andrew Stewart, Chairman, Board of Broadcast Governors; and Mr.Roger Duhamel, Vice-Chairman; Mr. Carlyle Allison, Member; Dr. Eugene A. Forsey, Member; and Mr. W. D. Mills, Secretary.

The Chairman observed the presence of quorum and tabled for inclusion as appendices to today's record answers to certain questions asked by Messrs. Tremblay and Paul on June 9th and June 16th respectively.

Dr. Stewart and his colleagues were introduced to members of the Committee, and Dr. Stewart reading from a prepared text copies of which were distributed to members, outlined the organization, function and responsibilities of the Board of Broadcast Governors.

At 11.00 a.m. the questioning of Dr. Stewart and Mr. Allison continuing, the Committee adjourned to meet again at 9.00 a.m., Tuesday, June 23, 1959.

J. E. O'Connor,
Clerk of the Committee.

21503-8—1½

EVIDENCE

MONDAY, June 22, 1959
9.30 a.m.

The CHAIRMAN: Gentlemen, we now have a quorum. Thank you for arriving so early on a Monday morning. I know it is difficult.

The C.B.C. have submitted two answers to recent questions. I think we can table them.

On June 9, Mr. Tremblay asked what was the gross amount paid in 1957-1958 for films on the French network, broken down between Canadian and foreign.

At the same time the corporation was asked to supply a list of distributors from whom these films had been obtained. The answers to these questions are attached.

Then on June 16 Mr. Paul requested that the letter sent by the episcopate of Canada to the C.B.C. following the production of the program La Plus Belle de Ceans, and the C.B.C.'s reply to that letter be tabled. A copy of each is attached. Is it agreed that these answers form part of our record to-day? Agreed.

(See appendices A, B and C)

This morning as witnesses we have the three permanent members of the Board of Broadcast Governors. On my immediate right is Dr. Andrew Stewart, the Chairman, Mr. Roger Duhamel, the Vice-Chairman, and Mr. Carlyle Allison.

I think Dr. Stewart has a statement.

ANDREW STEWART (*B.S.A., M.S.,LL.D., D.Sc., Chairman of the Board of Broadcast Governors*): I wish to say on behalf of my colleagues that we welcome this opportunity to meet with you and to be of any assistance we can to you in answering your questions I feel rather like another Stuart, Charles the first, who, when he was mounting the scaffold—it is recorded—said "If I make any mistakes, please excuse me; I have not done this before".

We are in much the same position to-day and I am sure you will realize that with the new board there are probably many aspects of the broadcasting industry which have not yet come up for the attention of the board. Therefore it may be difficult for us to express the view which is that of the board as a whole. But we shall endeavour to do the best we can.

May I now proceed with the brief statement that we have?

The CHAIRMAN: By all means.

Dr. STEWART:

1. The Broadcasting Act, assented to September 6, 1958, provided (section 3(1)) "There shall be a board, to be called the board of broadcast governors, consisting of three full-time members and twelve part-time members to be appointed by the governor in council". The order in council (P.C. 1958-1539) appointing the members of the board of broadcast governors was passed on November 10, 1958. The following full-time and part-time members were appointed:

Full-time: Andrew Stewart (Chairman); Roger Duhamel (Vice-Chairman); Carlyle Allison.

Part-time: Joseph F. Brown, Vancouver; Mrs. Mabel G. Connell, Prince Albert; Emlyn Davies, Toronto; Eugene A. Forsey, Ottawa; Edward Dunlop, Toronto; Guy Hudon, Quebec; Ivan Sabourin, Iberville; Mrs. R. G. Gilbride, Montreal West; Colin B. Mackay, Fredericton; Roy D. Duchemin, Sydney; J. David Stewart, Charlottetown; Robert S. Furlong, St. John's.

Mr. R. S. Furlong resigned from the Board on May 14, 1959.

2. The objects, purposes, and powers of the board of broadcast governors are set out in the Broadcasting Act, and in certain of the general regulations under the Radio Act.

The general objects and purposes of the board are found in section 10 of the Broadcasting Act which reads as follows:

> The board shall, for the purpose of ensuring the continued existence and efficient operation of a national broadcasting system and the provision of a varied and comprehensive broadcasting service of a high standard that is basically Canadian in content and character, regulate the establishment and operation of networks of broadcasting stations, the activities of public and private broadcasting stations in Canada and the relationship between them and provide for the final determination of all matters and questions in relation thereto.

Power to make regulations governing the operation of stations, programming, advertising, networks, and the provision of information to the board, is given under section 11. Section 12 deals with referral to the board by the Department of Transport of applications for licences, increases in power, etc., the holding of public hearings on these applications, recommendations by the board to the minister, and the final disposition of the applications by order in council. Section 13 has reference to networks. The board may approve temporary network affiliations without public hearings; and may, after hearings, approve permanent affiliations for network purposes. The section recognizes the responsibilities of the Canadian Broadcasting Corporation, as set out in part II of the act, and defines the relations of the board and the corporation in the matter of network affiliations. Section 14 sets certain limits to the participation of non-Canadian interests in networks of broadcasting stations. The remaining sections deal with suspension of licences, prohibitions and penalties (although no penalties other than suspension are stipulated), and political programmes.

Section 103 of the general radio regulations part II under the Radio Act, which is entitled "Special regulations applicable to private commercial broadcasting stations" contains a number of references to the board of broadcast governors. The recommendation of the board to the minister is required in the case of transfer of ownership, transfer of shares, multiple ownership, and operation of stations by persons other than the licensee or his bona fide employees.

3. The powers and duties of the board bring it into contact with the Department of Transport and the Canadian Broadcasting Corporation.

Licences, with the conditions attaching to them, are issued by the Department of Transport. Applications for licences or for changes in the conditions attaching to them, are made to the department. If an application is technically acceptable, i.e. meets the technical requirements prescribed by the Radio Act and the general regulations thereunder; the application is passed to the board for recommendation. Through arrangement with the department, the board participates in the technical review; and technical information in the department is made available to the board. We welcome this opportunity to express our appreciation of the understanding help given to the new board by all the officers of the Department of Transport.

The regulations of the board apply to the stations of the corporation as they do to private stations, and for a time the board was applying regulations promulgated by the previous board of governors of the Canadian Broadcasting Corporation. This situation has changed with the issuance of the board's radio regulations which took effect on June 1, 1959. However, the new board has found it necessary, on many questions of interpretation of regulations to draw upon the experience of the officers of the corporation. Assistance in these and related problems of transition has been given most generously to the board.

The powers and responsibilities of the board and the corporation come together in procedures affecting affiliation of private stations with the network of the corporation; and occasionally in regard to applications for licences. Procedures with respect to affiliations are prescribed in section 13 of the act. The board is fully conscious of the powers and responsibilities of the corporation as set out in part II section 29(1) of the broadcasting act "to operate a national broadcasting service", to "maintain and operate broadcasting stations and networks of broadcasting stations", and to "establish, subject to approval of the governor in council, such broadcasting stations as the corporation considers necessary or desirable". As problems arise, mutually satisfactory procedures for dealing with them, are worked out between the corporation and the board.

4. The Broadcasting Act (section 9) provides for an executive of the board consisting of the three full-time members and four part-time members. By action of the board, Ivan Sabourin, J. David Stewart, Eugene Forsey, and Emlyn Davies (with Edward Dunlop as an alternate) were appointed to the executive.

The full board and the executive committee have met on the following occasions and have had public hearings of the board on the days noted:

Meetings of Full Board	Public Hearings by Full Board	Meetings of Executive
Nov. 20-21, 1958	Jan. 28, 29, 30	Jan. 12 and 13
Jan. 27, 1959	Mar. 16, 17, 18	Mar. 3 and 4
Mar. 18, 1959	May 12, 13, 14	Apr. 16 and 17
May 12 and 15		June 12

As a result of the public hearings the following recommendations have been forwarded to the minister:

Type	Number	Approval	Deferment	Denial
Changes in Power and/or Frequency..	23	18	3	2
New A.M.	29	15	2	12
New T.V.	8	6		2
New F.M.	2	2		
New A.M. Satellite	1	1		
New T.V. Satellite	3	2	1	

The board has generally approved applications for increases in power. Interference builds up over the years, and increases in power result in better service to listeners. Deferment of increases has been based on programming problems; denial has been recommended only in the case of conflicting applications involving both power and frequency. In the case of applications for new AM licences denial has been recommended mainly because of conflict with other applications recommended for approval, or because of lack of demonstrated need in the area.

The board has received one application for a permanent network. This application from stations in the maritime provinces was approved subject to review in six months to permit time to complete contractural and programme arrangements.

By action of the board the executive committee is empowered to deal with transfers of shares. The executive has dealt with 91 applications. Of these 85 were approved; 6 were not approved.

5. Licences to operate stations have been granted by the Department of Transport for a period of five years. The earlier section (section 8(3)) of the general regulations under the Radio Act reads:

> Subject to these Regulations, licences for Private Commercial Broadcasting Stations shall continue in force for a period of five years commencing on the date of issue thereof and ending on the 31st day of March, but in the case of a licence issued after the 1st day of April in any year the licence shall terminate on the 31st day of March following the expiration of the five-year period, except that for such stations a licence may be continued in force for further periods *of five years* subject to the approval of the Minister.

After consultation with the Department of Transport, the Board in connection with its public hearings on March 26, announced a revision of this section to read:

> Subject to these Regulations, licences for Private Commercial Broadcasting Stations shall continue in force for a period not exceeding five years but in the case of a new station where the licence is issued after the first day of April in any year, the licence shall terminate on the 31st day of March following the expiration of the period; except that such a licence may be continued in force for further periods *not exceeding five years* subject to the approval of the Minister.

You will notice I have underlined the phrases which are different in the two sections, the old one and the amended one.

The board found that at March 31, 1959, 171 licences were due for renewal. Section 21 of the general regulations (Radio Act) reads: "The assignment 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 of continued tenure in respect of such frequency or frequencies". The board felt that renewal of licences should not be considered to be automatic; and that before recommending renewal of licences the board should review the operations conducted by the licensees. It was clearly impossible for the new board to review the operations of all of the 171 stations whose licences were due for renewal on March 31, 1959. The purpose of the amendment to section 8 was to permit the board to grant renewals for varying periods in order to have a limited number of renewals coming up each year, and thereby to facilitate review of station operations. The amendment was also deemed desirable as a means of bringing to the attention of licensees the intention of the board to conduct such a review before recommending renewal. The board decided that it would, each year, invite to appear before it a number of the stations whose licences were due to expire, so that the board might receive a report from the station and might have an opportunity to discuss with the licensee any aspect of the operation of his station. The board believes that this new procedure has already proved useful to the purposes of the board, as set out in the act; and it is the intention of the board to continue the practice in subsequent years.

6. Section 37 of the Broadcasting Act reads as follows:

> "The regulations made under the Canadian Broadcasting Act were in force at the coming into force of this Act shall be deemed to have been made under Part I and shall continue in force until repealed or altered by the Board of Broadcast Governors under the authority of Part I".

In connection with its public hearings on May 14, the board announced its regulations to replace the regulations of the board of governors of the C.B.C. on June 1, 1959. Representations were heard, some amendments made, and the new regulations of the board of broadcast governors were distributed to licensees and others in advance of June 1.

The new regulations, although we believe them to represent an improvement in certain respects, do not embody any substantial changes from the earlier regulations. The changes included those required to make the regulations consistent with the transfer of regulatory powers from the corporation to the board of broadcast governors; and certain other changes necessary to make the regulations consistent with the new Broadcasting Act. We would call attention to the new regulation requiring the manager or some senior officer of the station to endorse the program log sent forward to the board. The log is the record of the operations of the station which must conform to the regulations. While the program log has certain defects as a record of performance, it is in the board's view in the nature of a report submitted by the licensee to the board, and should preferably be submitted by the licensee himself, or the chief executive of a licensed company.

7. The board has approved certain changes in the white paper on political and controversial broadcasting as prepared by the former board of governors of the Canadian Broadcasting Corporation; and it is now distributed as a document of the board of broadcast governors.

The broad principles have been left unchanged. The amendments were mainly those required by the new legislation, and by the establishment of the board as the responsible body.

The board has received a number of representations on the subject of the prohibition of political broadcasting on the two days preceding an election. Section 17(1)(b) of the Broadcasting Act reads:

> (No licensee shall) broadcast a program, advertisement or announcement of a partisan political character on any day that an election is held for the election of a member of the House of Commons, the legislature of a province or the council of a municipal corporation, or on the two days immediately preceding any such day.

The board is bound by the provisions of the act.

At its public hearing in March, it was brought to the attention of the board that at least one radio station was following the policy, not infrequently adopted by newspapers, of using station time and facilities to present and support a slate of candidates in municipal elections. After careful consideration the board wrote to the minister advising him that in view of the important implications of this policy, the members of the board felt that the position of stations in this regard should be dealt with in the legislation rather than by regulation of the board.

The board has also had some representations on the subject of solicitation of donations in support of political parties. The prohibition of this activity, implicit in section 5(g) of the regulations has been enforced. The section

reads "(No station shall broadcast) any appeal for donations or subscriptions in money or in kind on behalf of any person or organization other than:

(i) churches or religious bodies permanently established in Canada and serving the area covered by the station,
(ii) recognized charitable institutions or organizations,
(iii) universities,
(iv) musical or artistic organizations whose principal aim or object is other than that of monetary gain".

8. Three provincial elections have been announced within the period of the board's operations. The Board has revised the guiding principles and policies for information of broadcasters, speakers and agencies, and on the announcement of the date of the election copies have been sent to all radio stations and to political parties active in the election.

As set out in the white paper, the corporation has met with the representatives of the parties, and free time has been allocated by agreement. The agreed times have been reported to the board.

Private stations have reported to the board the times purchased by parties for political broadcasts, and where these have met the regulations they have been approved.

9. The full-time members of the board have endeavoured to establish effective liaison with the Canadian association of broadcasters, the broadcasting stations, and the public.

Meetings with the executive of the Canadian association of broadcasters have been held from time to time, sometimes at the request of the CAB and at other times at the request of the board. The chairman of the board addressed the annual convention of the CAB in March 1959; and during the convention, the vice-chairman spoke to the French-language broadcasters. Mr. Allison addressed the annual meeting of the western association of broadcasters. At a public meeting of broadcasters arranged by the all-Canada radio and television, members of the board took part in a panel discussion. Efforts have been made to visit stations in various parts of the country as the opportunity occurred. Many individual stations write to the board concerning their problems, program policies, and the interpretation of the regulations. The part-time members are constantly in touch with broadcasters in their regions. All these contacts have greatly assisted the board in making itself familiar with the problems of the industry, and it is a pleasure to record the friendly and cooperative assistance the board has had from the private segment of the broadcasting system.

The board receives and deals with a steady flow of correspondence from listeners across Canada expressing views, favourable and otherwise and frequently conflicting, on the service being rendered by public and private stations. The board seeks to encourage this flow of opinion; and, when appropriate, passes on the comments of listeners to the station involved. Members of the board have, when requested, endeavoured to interpret the legislation, to explain the functions of the board, and to express the views of the board at public meetings.

The CHAIRMAN: Thank you very much, Dr. Stewart.

Miss Aitken and gentlemen, I would suggest, if it is agreeable to all, that we study the submission by Dr. Stewart and ask questions on each section as we go along.

Section 1 merely outlines the full-time and part-time members of the board. I presume there are no questions on that?

Mr. BELL (*Carleton*): I would like to ask a question on that, Mr. Chairman. Has there been any division of duties agreed upon among the three full-time members of the board?

Dr. STEWART: To a limited extent at the present time that has been done. We have not yet been able to compile our permanent staff, and some administrative problems have probably been held up as a result of that; but there are some divisions. In a general way we have divided up the country in terms of correspondence and matters which come to our attention; so that, primarily, I take care of some of the western areas, Mr. Duhamel is responsible for the central provinces and New Brunswick, and Mr. Allison is responsible for the maritimes. But this is a rough division. Matters immediately go to the attention of the individual concerned, and they may be raised with the other members of the board.

Mr. BELL (*Carleton*): Is it a geographical rather than a functional division?

Dr. STEWART: Yes, it is geographic rather than functional, for the moment.

Mr. BELL (*Carleton*): Is it eventually intended there will be a functional division?

Dr. STEWART: We have made no permanent decision on that, but we will have to divide our responsibilities in some way.

Mr. PICKERSGILL: I have a question to ask on that. I must confess that I have forgotten precisely what the provisions are in the act about the recruitment of staff, but could Dr. Stewart tell us what staff the board has recruited and how they have recruited it?

Dr. STEWART: The act requires, in section 7:

> The officers and employees necessary for the proper conduct of the business of the Board shall be appointed under the provisions of the Civil Service Act.

Mr. PICKERSGILL: That is what I thought.

Dr. STEWART: Three competitions have been held. There has been a competition for an executive secretary; and that position has been filled only today by Mr. Mills, who is present here along with Mr. Fred Whitehouse, who has been pro tem secretary up to this time.

We have had a competition for the appointment of counsel to the board. That competition has been completed, and I understand that Mr. MacGillivray has accepted that position. As soon as he can be relieved from his present position he will come to the board. We have also advertised a competition for an engineer. but that has not been completed at this date.

Mr. PICKERSGILL: I recall from the debate there was some discussion that there may be some staff taken over from the regulatory side of the C.B.C.?

Dr. STEWART: Yes.

Mr. PICKERSGILL: Has anything of that sort been done?

Dr. STEWART: Not yet. As a matter of fact, the basic problem here is accommodation. I understand that in the last day or two approval has been given to permanent accommodation being provided for the board in the transportation building. At the moment we are occupying space on two floors of 63 Sparks street, which is limited.

Through the courtesy of the C.B.C., the staff who are scrutinizing the program logs are still occupying space there, but as soon as we have space we shall then acquire the necessary staff to handle the regulatory aspects of the board's work.

Mr. PICKERSGILL: Is it contemplated that some of the experienced staff that was with the C.B.C. will be transferred?

Dr. STEWART: No, it is not contemplated.

Mr. PICKERSGILL: Why is that? Are these people needed for other functions of the C.B.C., or does the board not think it desirable?

Dr. STEWART: In the main, I do not think it is necessary for us to raid the C.B.C. We have discussed the matter of the regulatory staff with them, and our understanding, in fact, is that many of the people there will probably not wish to come to the board. But we have not yet really grappled with the problem of who is going to handle the regulatory matters. It is possible in this case that somebody in the C.B.C. may be brought here, but I would like to say that as a matter of policy we would not wish to take skilled experts from the C.B.C.

The CHAIRMAN: Have you an establishment set up yet?

Dr. STEWART: No, not completely. We have been giving consideration to the operation of our regulatory responsibility and possible changes which we might make, that would affect the number of staff we would require to perform this operation. I may say that the object is to try and keep staff down to the minimum number. At the moment that has not been an urgent problem, because we have had no place to put people anyway.

The CHAIRMAN: What would you anticipate your complete establishment will be?

Dr. STEWART: I understand the C.B.C. had, perhaps, some eight to ten persons involved in the scrutiny of logs, the regulatory enforcement. We hope we might be able to manage with less; but this would require, I think, certain changes in procedure.

The CHAIRMAN: Miss Aitken and gentlemen, I notice that Dr. Eugene Forsey is present. He is one of the part-time members. Any further questions on section 1 gentlemen?

Section 2, the objects, purposes and powers of the board, as set out by the Canadian Broadcasting Act, particularly under section 10. Any questions on section 10 of the act?

Mr. PICKERSGILL: Yes, Mr. Chairman, I have several questions I would like to put on this section. This is, after all, the crucial section. It seems to me, in the first place, that section 10 is capable of being read without about half the lines in it. If you stopped after the words, "basically Canadian in content and character" and then went on and read, "and provide for the final determination of all matters and questions in relation thereto" it would seem to indicate that the board of broadcast governors has a definite and overriding responsibility over both the C.B.C. and private stations, particularly in the field of expansion.

The first question I would like to put to Dr. Stewart is this: does the board consider that it has the primary responsibility for deciding where services should be extended—I am thinking primarily geographically, but not entirely—and, if so, whether it is appropriate that services be extended in these areas by the private sector of broadcasting or the public sector? Does the board consider, in other words, it has over-riding authority or, does it simply wait for the C.B.C. on the one hand and private stations on the other to take the initiative?

Dr. STEWART: Mr. Chairman, the board has no powers to require applications. This is, I think, the basic limiting factor. I may say, the board has on a number of occasions discussed amongst its members its general responsibilities and we feel that the board has a general responsibility to assist in the provision of broadcasting services to the people of Canada. On the other hand, it is true we cannot initiate applications; we can only receive applications which come forward.

In an area that is not being served, if there is an application—let us suppose it is from a private applicant—the C.B.C. may, in this case, appear and, again, I presume we could require the C.B.C. to appear if we wished, to represent its interests in terms of its responsibilities in part 2 of the act, in providing service. I do not think we have a sufficient body of experience yet in dealing with these situations to have formulated our common law with respect to them; but I would suppose that if a private application came forward and there was no C.B.C. representation, if the situation seemed satisfactory to the board, they would recommend it.

Alternatively, of course, we may have an application from the C.B.C. for extension of service into a particular area, and let us assume that in this case, again, there is no private application. In this case we would look at it in exactly the same way, and if the board felt the application was satisfactory in all respects, and service was desirable, we would recommend it. If there were a conflict of applications, I would say in this event the board would have to give consideration to the responsibilities of the corporation, under the act, to provide a national service, and that this consideration might very well be the dominant one in such a situation.

Mr. PICKERSGILL: The next question I would like to put is this: Dr. Stewart, of course, is familiar with the requirement in the act that the Canadian Broadcasting Corporation should submit a five-year capital budget. Obviously, no capital budget can be drawn up intelligently without some knowledge as to where the C.B.C. is going to operate during that five years in places where it is not operating now—I am thinking, again, of this question of expansion—and yet the board has this overriding authority set out in section 10.

Has this problem come before the board; has the board given any consideration to this problem? I am sure they have not reached conclusions; but what tentative views have they reached about it?

Dr. STEWART: We have been aware of this problem. We have discussed it with the corporation; we have met with the executive of the board of directors of the corporation and have discussed it with them. My understanding is that the corporation may have certain funds set aside for expansion, but that these are not originally set aside in relation to particular situations—it is an amount for expansion. Within that amount the corporation has a system of priorities which are determined by the cost of extending service. We are advised that the corporation has a standard, or a maximum cost per potential viewer or listener, beyond which they will not go.

In a situation of this kind we will not receive an application from the corporation where this ruling applies. Therefore, it will not come before the board. We have had, however, certain circumstances in which there has been a private application for extension into a new area in which the corporation is also interested and has advised us that, if it is possible to get the costs below their maximum, they would then be prepared to proceed. This is the way in which these situations come before us.

Mr. PICKERSGILL: In that case, it would appear that the board feels it is limited, with regard to acting, where the initiative has been taken either by a private station or by the C.B.C.—that it has, itself, no planning function in this field?

Dr. STEWART: I think I would not go quite so far as to say that we have no planning function, because certainly when applications come forward to us, the board's decisions with respect to them do, in fact, reflect its ideas with respect to expansion. But it is correct that we cannot deal with situations unless there is an application before us.

Mr. PICKERSGILL: There is just one other question I would like to ask on this section, Mr. Chairman, and it is this: the board has already received a certain number of applications and has disposed of them, as far as the board is concerned. Has the board found any reluctance whatsoever on the part of the Department of Transport, or the governor in council, to accept its recommendations, to deal with them promptly?

Dr. STEWART: We understand that some of the recommendations which the board has passed forward to the minister have not been authorized by order in council. This is a fact of which we are aware.

Mr. PICKERSGILL: Could the chairman tell us what these are and when the recommendations were sent forward by the board?

Dr. STEWART: I believe—although there is a matter of communication here—we do not receive, nor is there anything in the legislation that requires we receive a report on what happens to our recommendations, when we pass them forward.

Mr. PICKERSGILL: I think that perhaps I did not make my question clear. After all, I presume someone on the board can read the list of orders in council as well as the rest of us, and until the order in council is passed, the recommendation has not been accepted. Therefore, the board may not know officially, but it obviously does know whether recommendations have been acted upon. What I am anxious to get are the names and the dates on which recommendations were sent forward and on which orders in council have not yet been passed.

Dr. STEWART: I understand that there are two, and possibly three. One was an application by Maisonneuve Broadcasting Company—I think was the name—for an A.M. English-speaking licence in Montreal. My understanding is that this one has not yet been approved by order in council. The second one is the case of the St. Boniface application of the C.B.C. for television service, French language, in St. Boniface.

These were prior to the last meeting. I am sorry, offhand I cannot remember which of the hearings, but they were prior to the last hearing. I have not yet heard whether any of the applications at the last hearing have been held up. I would not claim that they have been held up.

Mr. PICKERSGILL: That was quite recent, anyway; I do not want to press it, then.

Mr. ROBICHAUD: Mr. Chairman, I would like to know what is the policy followed by the board when two or more applications are made by, or received from private corporations to provide television service for an area. What is the policy: is preference given, say, to one of the applicants who has the support of the residents of the area?

Dr. STEWART: I would say that there are a great many factors which are weighed by the board in the application. The form which the applicants fill out requires a considerable body of information with respect to their programming policies, their budget for the operation of the station, the extent to which they propose to use live talent and to encourage Canadian participation in their stations.

In addition to this, of course, they provide—in many cases—large numbers of letters from residents within the community. The board's problem, essentially, is to check all this information in the case of both or all of the applicants, and weigh this. This is where the judgment of the board necessarily comes in. I do not think there is any overriding consideration in deciding as between two applicants; it is a question of balancing the merits of the one against the other in toto as the board sees it.

Mr. ROBICHAUD: I understand there are many factors involved; but if the board received two applications to cover a certain area within a province,

and one applicant is from outside that province and the other applicant is residing in the province, would not preference be given to the applicant residing in that province?

Dr. STEWART: The board has shown such a preference, although it may not have operated in this way on every occasion. But the board certainly has a preference for the person with local knowledge and experience.

Mr. MCCLEAVE: I have two or three questions. Will Dr. Stewart refer to section 10 of the Broadcasting Act and say whether he, the other members of the board and their legal advisers construe the phrase "national broadcasting system" to include the operations of private broadcasting stations in Canada?

Dr. STEWART: The board has interpreted the term "national broadcasting system" to include all the private and public stations as part of a national system.

Mr. MCCLEAVE: The second question, through the chairman to you, Dr. Stewart, concerns the so-called rock and roll stations with which you had some dealings earlier. Have you found they are co-operating in the provision of a varied and comprehensive broadcasting of a high standard which is basically Canadian in character and content?

Dr. STEWART: The concern of the board in respect of so-called rock and roll stations, although we have not attempted to define anything of this kind, is a problem of the varied and comprehensive service. This is the way the board approaches it. In many cases the board would like to see—and believes in fact that section 10 requires—a greater variety than is being offered. We would like to make two points here. We have been encouraged by some indication in the case of some stations of a considered policy of greater variation, since the board brought this matter to the attention of the public. I think we are getting some co-operation.

The other point is the one which the representatives of certain stations when they appeared before us made very strongly, that is, that this section has in mind the listeners, and that therefore in a multi-station area, a metropolitan area, where by turning the dial a listener can get a varied and comprehensive broadcasting service of a high standard of Canadian content and character, no particular station need be required to give this variety. This is a point of view which the board has found interesting and to which we are giving our consideration. We do admit that the position in a large metropolitan area with a number of stations is different from the situation where there is one station; and certainly in that case our view is we are required by the act to urge on them a greater variety.

Mr. MCCLEAVE: If I understand you correctly, where there are several stations in one area and one of them does specialize in rock and roll, you are still withholding the decision of the board as to whether or not you are going to require that station to vary its program operations more. In effect, as a result of the argument which has been presented by the rock and roll stations, you have made no decision.

Dr. STEWART: The last statement I made in this respect in Toronto is that we still held to our original view that there is a responsibility on the individual station to provide variety; but it seems to be the view of the board that in a multi-station situation this is not urgent.

Mr. MCGRATH: Does the board make its recommendations known to the general public in a general release prior to a decision being made? That is, are your findings made public, and if so, is this a departure from the procedure of the previous board.

Dr. STEWART: The answer is that we announce and release to the press the announcement which we send forward to the minister of the board's recommendation. This is the procedure which we understand was followed prior to the establishment of the board.

Mr. SMITH (*Calgary South*): Dr. Stewart, Mr. McCleave has anticipated most of my questions. There is, however, another facet. This does not have to do with a situation where there is a multiplicity of stations. There is a view held by some private broadcasters that the corporation should be expected to cater to the minority groups only and of course to the general commercial aspect as well, and that the private broadcaster should be permitted therefore to have a somewhat wider scope in his approach to broadcasting and programming. I gather this is something which is viewed otherwise by the board, and that the board feels they should be expected to perform their responsibility in respect of Canadian content and other things.

Dr. STEWART: It is our view that each station, public or private, comes under this requirement.

Mr. SMITH (*Calgary South*): The same thing applies to both.

Dr. STEWART: Yes.

Mr. SMITH (*Calgary South*): What are your criteria in connection with a station demonstrating need when you are determining whether or not you will grant a licence, dealing first with radio?

Dr. STEWART: Well, we look at the numbers of people in the area to be served; we obtain from the Department of Transport the contour maps and an estimate of the population within the area. In the second place, we look at the existing service in that area in terms of stations within the area and also stations which may be heard from outside the area; that is, the available service to listeners at the present time. We look at the growth of the community and the growth potential of the community, having in mind that a station will operate over a long period of years.

Where the situation is expanding, then obviously there is a better opportunity for another station to enter, to make its way and to program at the kind of level that the board wishes. One can only say the board has to look at all these things and exercise its judgment as to whether or not another station should be established, can meet its operating costs and can program with the kind of programs the board would like to see.

Mr. SMITH (*Calgary South*): Would you tell me what are the criteria in respect of television? I am speaking now of a second television station; I am not speaking of the single channel policy. Are the number of stations operating in the market and the financial position of the company factors?

Dr. STEWART: All the applications which the board has had are for areas not now served by Canadian stations under the present policy. Therefore, the criterion of numbers of sets in use is not very helpful in that situation.

The CHAIRMAN: You have not had as yet application for television licences from any of the densely populated areas in Canada that is for duplication.

Dr. STEWART: No, sir.

Mr. PICKERSGILL: Is it the view of the board that they could not entertain such applications until such time as the government formulates a new policy?

Dr. STEWART: Our position is that the applications go to the Department of Transport and if they never reach the Department of Transport they cannot come to us. This is the procedure under the act.

Mr. SMITH (*Calgary South*): I believe you are waiting for a new set of television regulations, and those are not yet completed?

Dr. STEWART: No. The board has been working on specific television regulations.

Mr. LAMBERT: May we refer back to Mr. McCleave's and Mr. Smith's original questions in connection with a Canadian content of the varied and comprehensive service of the stations. Are you looking to establish a rule for general application throughout the country particularly with respect to multi-station cities, bearing in mind the fact that there may be a difference in the border cities where certain groups of listeners at stated hours have complete access to American stations which cater to their listening requirements?

Dr. STEWART: I can think of a situation in the Toronto metropolitan area in terms of an application for a new AM radio licence.

Mr. LAMBERT: I am not concerned with that, but I am concerned in connection with stations which are now in existence. You watch the quality of their programs, and in areas like Montreal, Toronto, and Windsor as compared to stations like as in Winnipeg or Calgary which do not have competition from American stations, or from large American stations, and where, for example, the teen-age group from four to six—where if you do not play rock and roll, they just turn off the set?

The CHAIRMAN: What is your question, Mr. Lambert?

Mr. LAMBERT: Were you not listening?

The CHAIRMAN: Yes, I was.

Mr. LAMBERT: Has there been a general rule, or are you looking to formulate a general rule in respect to that particular problem?

Dr. STEWART: There is no rule. We are conscious of the fact in areas where American stations can be heard, that this is a factor in the operation of Canadian stations. But we have no rule.

Mr. MUIR (*Lisgar*): I was going to ask Dr. Stewart if in setting up satellite stations, which does he consider the more necessary: the need for more revenue by that particular station, or the needs of the area that is going to be served; or does he consider both?

Dr. STEWART: The basic interest and concern of the board is in service to the listeners. That is what we are primarily concerned with. The service cannot be continuous and satisfactory unless the station can get sufficient revenue. But this is a secondary consideration, as a means towards an end. Primarily the board is looking at the service to listeners.

Mr. MCGRATH: How would that rule apply to cases where the Canadian Broadcasting Corporation competed with private interests for a licence in an area that is financially or commercially sound for commercial radio, and the board ruled in favour of the corporation?

The CHAIRMAN: If you mention Corner Brook, you would not get personalities into it, would you.

Mr. MCGRATH: I have not mentioned any.

Dr. STEWART: The board has to face these situations: in the first place, I would say we recognize that the corporation has a national responsibility to provide a national network and therefore, if the corporation applies for admission to a particular situation on this ground, and there is an application from a private station, I would think that in such cases the board would approve the application of the corporation because of its national responsibilities.

If the corporation indicated that in terms of the number of people to be served it was unable to provide service at the present time, then obviously the board would be willing to recommend the application from the private applicant under these conditions.

Mr. PICKERSGILL: The question I want to put is this, and it is supplementary to the one asked earlier by Mr. Smith: does the board feel that it is not expected to take any initiative in recommending a policy for multiple stations or dual stations—I am talking about television here—in metropolitan areas, or is the board simply waiting until the government changes the policy which the previous government laid down several years ago?

Dr. STEWART: The members of the board have met with the minister on this matter on a number of occasions; and such views as the board may have, have been indicated to the minister. Basically we recognize this as a matter of government policy. However we are available to advise the minister to the extent that he wishes.

Mr. BELL (*Carleton*): I wonder if Dr. Stewart would indicate whether any preliminary standards may have been established by the board to determine what, in the language of the act, is basically Canadian in content and character? Is special weight given to Canadian authorship, or Canadian performers and so on? What rule if any has been laid down?

Dr. STEWART: We have not set up a formula for determining this. We are aware that in the report of the royal commission certain measurements of this were provided. But this of course requires very extensive study of program content to come up with any measurements, and we have not prescribed a formula. I think I can express the view of the board in this way that there are a great many factors in determining whether a particular program is a Canadian program, or what its Canadian content is. I think authorship, direction, participation by players—all these factors have to be taken into account. But at the moment we have no quantitative way of weighing these things and saying this is the content.

Mr. BELL (*Carleton*): Is it expected that the board will work out a formula for it?

Dr. STEWART: Yes.

Mr. BELL (*Carleton*): At what stage do you expect the board will be able to do it?

Dr. STEWART: I would say within the next few months, Mr. Bell.

Mr. BELL (*Carleton*): May I draw your attention to section 14, which, as you mentioned, at the bottom of page 2 sets certain limits to the participation of non-Canadian interests in networks. Has there yet been any problem arise in connection with section 14?

Dr. STEWART: Only in connection with the transfer of shares, and I am not sure that there has been any problem there. But this is the way in which these matters have come to the consideration of the board, in relation to the transfer of ownership, the transfer of shares, and so on.

Mr. BELL (*Carleton*): Section 14 has already been operative to prevent such transfers.

Dr. STEWART: Oh yes indeed.

Mr. BELL (*Carleton*): On how many occasions?

Dr. STEWART: I do not believe there has been any occasion when we have had to deal with an application when this condition was not met; but this is the test that we apply. However, I do not believe there has been any occasion.

Our submission shows that we have turned down one application for share transfer, but this was not the factor involved. The factor involved there was that the people who were to get the shares were not the people who, it was said, would get the shares at the time the licence was approved, and this we will not go for. But I do not think actually we have had any case where we had to turn down an application because of any contravention of this section.

Mr. BELL (*Carleton*): Are we to understand that since the broadcasting act came in there has been no application for participation by non-Canadian interests?

Dr. STEWART: No.

The CHAIRMAN: Would you like to review that, Dr. Stewart.

Dr. STEWART: Yes, I would. My immediate answer would be not in excess of the amount specified in the act in any event.

Mr. BELL (*Carleton*): And at the same time perhaps you would indicate as well the position in respect to multiple ownership, and whether it has been a problem as yet in applications before the board?

Dr. STEWART: Again I would say it has not been a problem in a particular case. It is a point with which the board is obviously interested and concerned, but I would not say there has been any particular problem.

Mr. BELL (*Carleton*): It would be interesting to know how many applications have been turned down, and how many applications for transfer of shares have been turned down on the ground of its being multiple ownership.

The CHAIRMAN: Possibly we could get that for you on Wednesday.

Dr. STEWART: We will check that and have it available on Wednesday.

Mr. ROBICHAUD: Mr. Chairman, at page 3 of his brief Dr. Stewart mentioned that the recommendation of the board to the minister is required in the case of transfer of ownership, transfer of shares, multiple ownership and so on. Part of the question I have in mind already has been answered by a question put by Mr. Bell. I would like to ask Dr. Stewart if it is the policy of the board to release the names of the owners of shares in a private station?

Dr. STEWART: No.

Mr. ROBICHAUD: What control does the board have in connection with multiple ownership? Can an individual control the shares in a number of private stations?

Dr. STEWART: It is possible.

Mr. ROBICHAUD: What is the policy of the board in regard to this?

Dr. STEWART: The new board has not in fact spelled out any formula. Our understanding was that the old board of broadcast governors to the C.B.C. limited it to the equivalent of 100 per cent of one station, but the new board has not specified yet any formula of that kind.

Mr. ROBICHAUD: I have another question and I do not know whether or not you have to answer it. Is it not true, Dr. Stewart, that certain individuals have control of a number of stations, say five or six stations in certain areas or within a province?

Dr. STEWART: Yes, I think that is correct.

Mr. ROBICHAUD: Is there no definite policy of the board in regard to this?

Dr. STEWART: Not yet. The preference of the board is for a competitive independent private section of the industry and we have stated so; but again you have to weigh the experience and record of performance of good applicants

who come up when there is no other application before you. I think these preferences have to be tempered with judgment in particular cases.

Mr. ROBICHAUD: Is it not true that the same thing that has happened with our Canadian newspapers could happen in radio and television—one individual could control practically all the stations?

Dr. STEWART: Not if we can help it.

The CHAIRMAN: Mr. Lambert is next, and then Mr. McIntosh.

Mr. LAMBERT: Arising out of the question asked by Mr. Bell, what are the criteria to determine Canadian interests in networks of broadcasting stations? I am referring particularly to incorporated companies and, perhaps, ownership behind that?

Dr. STEWART: We are getting this information from the Department of Transport along with the application for the licence. The form which the department distributes requires, because of section 103 of their regulations, information on the ownership of stock in the applicant's company and if any shares are held by other companies, then the ownership of the stock in these companies must be declared.

Mr. LAMBERT: And do you apply the same mathematical proportion in the holding company's shareholdings?

Dr. STEWART: The only answer I can give you is that we have not had sufficient experience with this to be able to give you a definite answer.

The CHAIRMAN: Mr. McIntosh, will you proceed now?

Mr. MCINTOSH: I am interested in the six applications you have refused and your reasons for refusal; have you any general basis for refusal?

Dr. STEWART: These are share applications.

Mr. MCINTOSH: Yes.

Dr. STEWART: Yes; it is a little misleading. All but one of these have been approved later when fuller information was available to the board. They were not refused because of contravention of provisions of the act or the regulations; they were not approved because the information was inadequate. For example, a company was a part owner; we had no knowledge of their composition and so we said that we would wish to see the distribution of shares in the participating company before we approved. But really it is only in cases of that kind where we have not approved, and I think all but one of these six have been approved subsequently after sufficient information was brought forward.

Mr. MCINTOSH: In the case of two or more applications for a station, and the applicants are desirable characters, would you be influenced by the financial backing of one or the other as to which one you would grant a licence?

Dr. STEWART: We are influenced certainly by evidence of financial capacity to carry forward a good operation; but perhaps your questions had the other point in mind, the nature of the ownership of the station.

Mr. MCINTOSH: What would be your decision in connection with an area that was to be served which, in your opinion, was not financially sound; would you deny an application on those grounds?

Dr. STEWART: We have denied just such an application and, specifically, it was on that ground.

Mr. MCINTOSH: Because of sets in the area, or what?

Dr. STEWART: Homes in the area, the general commercial situation, the general prosperity of the community and the capacity to provide the financing for such a station.

Mr. McINTOSH: Well, in the cases you have had to deal with so far, has the yardstick you use for commercial advertising, say within an area, proved sound?

Dr. STEWART: I would think so.

Mr. SMITH (*Simcoe North*): Having regard to multiple ownership, does your board concern itself with the situation where a station is owned by a group and then turned over for management and operation to other interests who may own stations in other areas?

Dr. STEWART: Yes, where we know about this we take an interest in it.

Mr. SMITH (*Simcoe North*): Is there any regulation prohibiting it?

Dr. STEWART: We have no regulation that prevents this.

The CHAIRMAN: Mr. McGrath is next, and then Mr. Chambers.

Mr. McGRATH: Dr. Stewart, does the board plan to exercise regulatory powers over competitive rates within the industry with a view to ensuring good sound business ethics? I am thinking particularly of multi-channel situations in large metropolitan areas where the competition for the advertising dollar will be keen and where only the publicly-owned Canadian Broadcasting Corporation will be in a somewhat favoured position.

Dr. STEWART: I would say in due course, when the board is able to tackle this, we will be interested in this phase of the operation. So far we have not had an opportunity of looking at it. Beyond that, the matter of rates seems to come under the Department of Transport. I think under the act the reporting of rates to the department is required. Quite obviously I think the matter of rates is related to the capacity of stations to operate and, therefore, this board should, when it is possible to do so, take a look at this problem.

Mr. CHAMBERS: I have two questions. Dr. Stewart, in assessing whether or not an area or a location will support a station, are you dependent on data supplied to you by the C.B.C., or what are your criteria?

Dr. STEWART: There are two courses. The Department of Transport provides us with information which they require the applicant to give to them. In addition to that, there is the information from the applicant himself. of course, the onus is on the applicant to prove that the situation will stand another station. Usually there is no paucity of information provided by the candidates in this connection with respect to the general commercial conditions in the area, the rates of expansion, and so on. But there are the two sources, both of which I think come originally from the people who are making the application.

Mr. CHAMBERS: Do you have a rule of thumb in connection with the number of sets?

Dr. STEWART: We have no definite rule of thumb. We certainly look at this factor. I would not care to say. In fact, I know we have not applied any definite criteria.

Mr. CHAMBERS: My next question is this. Have you a backlog of applications?

Dr. STEWART: I think we are operating just about currently now. When we started there was a substantial backlog. As I understand it from the department, we are perhaps about on a current basis for our next hearing; but there is, of course, a lag between the time applications can be processed for a hearing and a hearing itself.

Mr. CHAMBERS: In the case of a successful application, one that will be granted, about how long does the process take from the time you are presented with a brief to the time you give your decision?

Dr. STEWART: I think it is about ten weeks between the time the application goes to the department and the hearing. Somewhere of that order is required.

Mr. CHAMBERS: After the hearing how long is it before the licence is granted, if it is going to be granted?

Dr. STEWART: We just pass the recommendation on to the Minister of Transport; and beyond that it is out of our hands.

Mr. PICKERSGILL: I would like to ask a supplementary question to those asked by Mr. Bell and Mr. Robichaud. It relates to the procedure with regard to shares. Does the board make any real effort to make sure that a person to whom shares are to be transferred is later to be the beneficial owner? In other words, does the board attempt to make sure that these shares are not being transferred to trustees for some other unnamed person?

Dr. STEWART: I think it is fair to say the board would watch for this. Whether in every case we could catch it or not, I do not know.

Mr. PICKERSGILL: No, no, of course.

Dr. STEWART: But we are certainly aware of the problem, and are watching for it.

Mr. PICKERSGILL: In a case where shares are transferred to a corporate owner, does the board inquire into the nature of that corporation before approving the transfer?

Dr. STEWART: Yes, sir.

The CHAIRMAN: Dr. Stewart, I realize the board is still in its infancy, but I was wondering if any thought had been given to the recommendation of the department as to the discontinuance of duplication of services? As far as radio is concerned, I have in mind two particular C.B.C. stations in metropolitan Toronto. Have you given any thought to the possibility of a recommendation that one of these be discontinued?

Dr. STEWART: No, I am afraid we have not.

The CHAIRMAN: Is that within your power, to suggest the discontinuance of service?

Dr. STEWART: We can, under the act, suspend or recommend the suspension or cancellation of licences, but only for cause, as presumably that is implied within the legislation. Provided the service is satisfactory we would probably have no good ground, under the act, for recommending that a station be withdrawn.

The CHAIRMAN: Then it would have to be on a voluntary basis from the C.B.C. or by the direction of the Department of Transport—or do you know?

Dr. STEWART: I am afraid I do not know the answer to that.

Mr. LAMBERT: Since the board itself cannot initiate a request for additional broadcasting facilities in certain areas, surely would it not imply the board cannot initiate a request for a curtailment of broadcasting?

The CHAIRMAN: Possibly you are right, Mr. Lambert.

Any further questioning on this aspect, or shall we move on to No. 3?

Mr. KUCHEREPA: Mr. Chairman, I have one question concerning the last sentence of paragraph 2.

The CHAIRMAN: That is on page 3, gentlemen.

Mr. KUCHEREPA: Could we have an answer to what is meant by "bona fide employees"? That is the last line of paragraph 2.

Dr. STEWART: This is a good question. I suppose that somebody who is on contract to assist in the programming of a station is a bona fide employee if he is properly employed for that purpose. We have not encountered any case where we were in any doubt as to whether there was any contravention of this requirement.

The CHAIRMAN: We shall go on to paragraph 3 now. This is more or less related to the workings of the Department of Transport with the board of broadcast governors. Any questions on that?

Mr. LAMBERT: Right at the start, Mr. Chairman, I would like to ask if there has been any indication yet whether it might be advisable that the board of broadcast governors take over the whole of the technical determination of radio and television from the Department of Transport?

Dr. STEWART: No.

The CHAIRMAN: Mr. Robichaud?

Mr. ROBICHAUD: Dr. Stewart, is there a definite date—I do not know whether this question has to do with the Department of Transport, but it may—is there a definite date set by the Department of Transport by which an application may be received or presented to the board? What is the policy on that date, if there is any?

Dr. STEWART: There is such a date. It is arrived at in relation to the timing of the next hearings and the necessary steps which have to be taken by the department in scrutinizing the technical aspects of the application, and the time which is set out in the act which the board has to meet in announcing its public hearings.

Our public hearings have to be announced in the *Canada Gazette* at least two weeks, I think it is, before the public hearings. Actually, they have to get into the *Canada Gazette* about three weeks before, as a minimum. At the other end, there is the work which the department has to do to satisfy itself on the technical requirements. This involves both the board and the Department of Transport, and in the discussions which we have we set a time for the next hearings. Then the department announces the cut-off date. It advises all people who it knows are working on briefs that this is a cut-off date, and if they do not get in by that date they will not be heard by the board.

Mr. ROBICHAUD: How far in advance is this cut-off date announced? If an applicant wants to apply for a licence how long ahead does he know that date is going to be on such and such a date? For example, if I were an applicant and I wanted to apply at the next meeting of the board, how do I know what is the limit date for me to apply?

Mr. CHAMBERS: Ask the Department of Transport.

Dr. STEWART: The department will know that. I suspect it is a matter of a week or two at that point. The point is, the board is holding meetings more or less continuously, as often as it is possible to do so, and anybody who is interested knows that this is so. If they are interested they should be working on their briefs.

Mr. ROBICHAUD: What date has been set for the next meeting of the board? I think there is to be one early in Jully, but what is the position about the next one?

Dr. STEWART: No definite date has been set yet, but it will probably be about the latter part of September.

The CHAIRMAN: Any further questions on paragraph 3? If not, we will go on to paragraph 4. I would assume and presume—both—that we have covered this pretty well. This has to do with the executive committee; and that completes pages 5 and 6. Are there any questions up to the end of section 4?

Mr. LAMBERT: Yes, Mr. Chairman. This was asked a little earlier, but I would like a little elaboration on it. This has to do with the matter of demonstrated need and the criteria for that. Is it considered at all that a profitable operation could be built up even though the Department of Transport may report there are already four or five stations in an area and that one of those stations should actually be out of business and could not compete if it was up against aggresive and efficient management? Is that factor considered at all in looking at demonstrated need?

Dr. STEWART: In a statement that the chairman made recently in Toronto, we said that we believe in the spur of competition, and that in a situation which had remained static for some period of time—and I mean static in the sense of the service provided—the board might very well consider that a new station might help the service generally in the area.

I would say that there is another factor involved here. Under the act, the board has access to the financial returns, financial statements, of the operators, and this is a factor which the board also takes into account.

The CHAIRMAN: Shall we go on to No. 5, gentlemen?

Mr. PICKERSGILL: Before we go on to No. 5, I have one question, and that is about this permanent network in—it says here—the maritime provinces. I do not know whether it means the maritime provinces or the Atlantic provinces.

Dr. STEWART: Maritime.

Mr. PICKERSGILL: I would be interested to hear what the nature of the network is, and perhaps the chairman would comment briefly on this.

Dr. STEWART: Could I ask Mr. Allison to reply to this?

Mr. CARLYLE ALLISON (*Member, Board of Broadcast Governors*): Mr. Pickersgill, this was a continuation of a service established by Mount Allison University. There were a number of stations, largely in Halifax and Nova Scotia—I think, one on Prince Edward Island—who tied in for the past four or five years to do educational broadcasts. Recently, these same people of these same stations asked this board whether we would permit them to carry on with this similar experiment. We replied that we could, on a temporary basis—under the act—for one month.

They had already advertised, so this was one way of meeting their advertising and not disappointing their public. But for a permanent set-up they would have to be present at a public hearing, where opposition might be heard. We went through that routine of having a public hearing, and gave this permission. It is only two hours, one night a week. In addition to educational broadcasts, they are planning some quiz programs between different cities in the maritimes. The cities, by the way—I have them here now—no, that is not the list; I am sorry.

Mr. MCCLEAVE: It could not be, with those stations.

Mr. ALLISON: It is still on an experimental basis. We will review this after it has been in operation for one year, I think it is.

Mr. PICKERSGILL: I do not suppose I should ask Mr. Allison: has the name of the sponsor had any influence on the board?

Mr. ALLISON: None at all.

Mr. MCCLEAVE: These public hearings you hold, are they to be held only in Ottawa, or will they be held in different parts of Canada?

Dr. STEWART: So far they have been held only in Ottawa. The board might, under certain conditions, feel that it was the proper thing to do to go to the city in which the applications were to be considered. But so far it has only been in Ottawa.

The CHAIRMAN: Shall we move on to No. 5?

Mr. LAMBERT: No, Mr. Chairman. The third paragraph on page 6, dealing with the approval, or non-approval of transfers of shares: what are the criteria, other than the Canadian ownership requirements under section 14 of the act?

Dr. STEWART: This is really all. Section 14 of the act is the only reference in the act to this. But under section 103 of the general regulations under the Radio Act, it is required that the Minister of Transport cannot act except on recommendation of the board of broadcast governors, and these conditions are specified in section 103 of the Radio Act. So that we keep all these points in mind when we are dealing with transfers of shares. But they are all specified in section 103 or section 14.

The CHAIRMAN: I think we will have to rise. I will read you the names of the persons going to Toronto tomorrow: Mr. R. A. Bell, Mr. Tom Bell, Mrs. Casselman, Mr. Chambers, Mr. Eudes, Mr. Fairfield, Mr. Fisher, Mr. Forgie, myself, Mr. Johnson, Mr. Kucherepa, Mr. Lambert, Mr. McCleave, Mr. Muir (*Lisgar*), Mr. McIntosh, Mr. Paul, Mr. Richard, Mr. Robichaud, Mr. Smith (*Calgary South*), Mr. Smith (*Simcoe North*), Mr. Taylor and Mr. Tremblay. We leave here at 9.00 o'clock tomorrow morning, by bus.

Mr. SMITH (*Calgary South*): Mr. Chairman, I wonder if you would be kind enough to ask the corporation if we could have the costs that we asked for some weeks ago?

The CHAIRMAN: We shall ask them again this afternoon and see if we cannot have them for Thursday morning.

Mr. CHAMBERS: What time do we get back?

The CHAIRMAN: We leave Toronto at 10.00 o'clock and will be back here in the building at approximately 11.30.

Mr. CHAMBERS: At night?

The CHAIRMAN: At night.

Mr. CHAMBERS: We miss the vote.

The CHAIRMAN: What time is the vote.

An hon. MEMBER: At 8.15.

The CHAIRMAN: We can talk about it going up on the plane. Bring your own refreshments, gentlemen; there are none on board.

Mr. MCCLEAVE: Could we have the new regulations of the board that take effect on June 1?

The CHAIRMAN: We will have copies.

APPENDIX "A"

NOTES RE FILM QUESTIONS (JUNE 9-59)

1. a. Total # Films on French TV

	Fiscal Year 1957-58	Fiscal Year 1958-59
Long Features	254	405
Short Subjects Canadian	69	36
Short Subjects Foreign	745	1,748
Series—Canadian	329	388
Series—Foreign	919	1,260
	2,316	3,837

1. b. Balance Live/Film Average for Year:

1957-58 ..... 74%/26%
1958-59 (first 9 months) 70%/30%

2. a. Payments to Distributors for Film Rentals

1957-58

Canadian $2,584,000
Foreign (approx. 7%) 175,000

1958-59

Canadian $3,350,000
Foreign (approx. 7%) 250,000

2. b. List Attached

June, 1959.

APPENDIX "B"

List of Film Distributors with whom the C.B.C. has contracted for film rental or purchase for the French TV Network during the years 1957-58 and 1958-59. (♯ Foreign)

ABC
A & F
Art Films
Atlas Film
Real Benoit
♯Black, Charles
Caldwell, S. W. Ltd.
Canadian Video Ltd.
Cine World
Citel
Faculte d'Agriculture
Filmex
Fremantle of Canada
France Film
France Europe Film
Imperial Films
♯Information & Publicite (France)
International Film Dist.
Inter TV
Motion Picture for TV
National Film Board
Niagara Film
Normandie Film
N.T.A. Telefilm of Canada
♯Pathe Films
Premier Film of Canada
♯S.I.P. France
Quebec TV Booking
Radio-City
Radio-Video
Rank Films, J. A.
Rex Films
Riopel Prod.
Screen Gems
♯S.I.P.T. (France)
Sterling Films
Studio 7
Telefilm of Canada
Tele International
♯Tele Monte Carlo
Transatlantic Films
United Artist
United Telefilm

Total — 43

Canadian — 37

Foreign — 6

June, 1959

APPENDIX "C"

(TRANSLATION)

Letter from the Bishops' Conference
of the civil province of Quebec

MAY 19, 1959.

Mr. Gérard Lamarche,
Director of the French Network,
CBC Montreal.

Dear Sir:

The Episcopate of the province of Quebec, in regular meeting assembled at Quebec, feels in duty bound to point out to you its very great concern at the many programs on the French network which disparage, seemingly on purpose, the highest values of Christian faith and morals.

We have not failed to greet with satisfaction those programs which, on more than one occasion, have seemed in our opinion to contribute to raising the moral sense of the population, promoting civic-mindedness, and adding to its culture and information.

But there are other broadcasts—and the program televised on May 3rd last, which aroused such deep indignation, is only the most flagrant example—which seem calculated to undermine the spiritual and religious traditions which hold so a high a place in the heritage of our nation. It is our bounden duty as bishops to uphold and safeguard those traditions. It is therefore as shepherds of souls and as guardians of faith and morals that we raise this protest.

We are confident, sir, that the senior officials of the CBC will be able to effect the important corrective measures that are needed. We venture to hope that all persons responsible for radio and television programs—directors, writers, producers, and participants—will show greater respect in future for the Christian principles and religious convictions of which our nation is so justly proud and which it rightly considers essential to society and inseparable from our civilization and culture.

We are sure that you will give these protests, submitted with all respect, your sympathetic consideration.

Yours in the Lord,

On behalf of the Bishops' Conference of
the civil province of Quebec
(signed) Charles-Omer Garant,
Auxiliary Bishop at Quebec,
Secretary of the Bishops' Conference
of the province.

APPENDIX "C"

(TRANSLATED)

Reply of the CBC

The Most Reverend Charles-Omer Garant,
Auxiliary Bishop at Quebec,
Secretary of the Bishops' Conference of the province,
Quebec.

Your Excellency:

We have given very serious consideration to the communication which you sent us on behalf of the Bishops' Conference of the civil province of Quebec. If on the one hand we are grieved that you censure us so severely as a result of the unfortunate error of May 3rd, we humbly accept your reproach as we have already accepted the sanction of public opinion and of almost of all the French-language press in Canada.

On the other hand, in the midst of the recent chorus of protests, your voice was raised to recall the fact that you have not failed in the past "to greet with satisfaction those programs which, on more than one occasion, appeared to you to contribute to raising the moral sense of the population, promoting civic-mindedness, and adding to its culture and information". In that respect, your communication is reassuring and we regret that more voices were not raised to call attention to a past and present record of which the Corporation, generally speaking, has reason to be proud. This would place the discussion in a true perspective.

It is inevitable that we should from time to time be called to task for our mistakes. For more than twenty years, however, the Corporation has distinguished itself most often by its successes and by the enlightened exercise of its responsibilities. The work of the CBC as a whole, and the sincerity of our intentions therefore do not seem to us to deserve the twofold reproach, so serious behind the attenuating remarks which accompanied it, of disparaging "seemingly on purpose, the highest values of Christian faith and morals" and of seeming to be "calculated to undermine the spiritual and religious traditions which hold so high a place in the heritage of our nation".

We wish, Your Excellency, to accept your protest with all the respect we bear you and to draw from it for our guidance the lessons that will help us in the difficult task we are performing. Conscious of our duties and obligations, we shall continue to take the necessary steps to prevent the repetition of incidents as regrettable as that of May 3rd.

The CBC has publicly expressed its dismay at the matter. It has always wished in the past to respect the Christian principles, the religious convictions, and the traditions which are at the base of French-Canadian civilization. It still wishes to do so. We are only human and we sometimes make mistakes, but—believe me—never intentionally.

Please present to your conference our expression of respect and the assurance of our filial homage.

(signed) Gérard Lamarche,
Director of the Quebec Division and
the French Network.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 15

WEDNESDAY, JUNE 24, 1959

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BOARD OF BROADCAST GOVERNORS

WITNESSES:

Dr. Andrew Stewart, Chairman, Board of Broadcast Governors; and Mr. Carlyle Allison, Member.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21523-6—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.

Vice-Chairman: J. Flynn, Esq.

and Messrs.:

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
Johnson,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Paul,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Taylor,
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

WEDNESDAY, June 24, 1959.

The Special Committee on Broadcasting met at 9.35 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken; Messrs. Bell (*Carleton*), Chambers, Fairfield, Fisher, Forgie, Halpenny, Johnson, Kucherepa, Lambert, Morris, McCleave, McIntosh, Paul, Pickersgill, Robichaud, Smith (*Calgary South*), Smith (*Simcoe North*) and Taylor. (19)

In attendance: Dr. Andrew Stewart, Chairman, Board of Broadcast Governors; Mr. Carlyle Allison, Member; and Mr. W. D. Mills, Secretary.

On motion of Mr. Pickersgill, seconded by Mr. Forgie,

Resolved,—"That Mr. F. W. Peers, Mr. D. H. Gillis, Mr. B. Trotter and any former members of the Canadian Broadcasting Corporation staff who resigned recently, be invited by the Steering Committee to appear before the Committee at the earliest possible time to give evidence concerning the charges 'that clandestine political influence has been brought to bear on the C.B.C. management' ".

The Committee continued consideration of the statement presented by Dr. Stewart on Monday, June 22nd, and Dr. Stewart and Mr. Allison were further questioned.

Copies of the Board of Broadcast Governors Regulations for Radio Broadcasting Stations (effective June 1, 1959) were distributed to members of the Committee.

At 10.40 a.m. quorum being lost, the Committee adjourned to the call of the Chair.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

WEDNESDAY, June 24, 1959.
9:30 a.m.

The CHAIRMAN: We have a quorum, gentlemen.

Mr. PICKERSGILL: Mr. Chairman, I should like to make a motion, seconded by Mr. Forgie, that Mr. F. W. Peers, Mr. D. H. Gillis and Mr. B. Trotter be invited to appear at the next meeting of the committee to substantiate their charge—and I quote—"that clandestine political influence has been brought to bear on C.B.C. management".

That is the end of the quotation and the end of the motion.

Yesterday, in the House of Commons, an attempt was made by the leader of the opposition to move the adjournment of the house to discuss this matter. Mr. Speaker declined to do this. The principal ground upon which Mr. Speaker declined to allow the ordinary business of the house to be disturbed was made by the Minister of National Revenue, and was to the effect that this committee was sitting and that this committee would provide an opportunity for the hearing of this very important matter.

I recognize the committee is the master of its own procedure, but it seemed to me—particularly in the light of that indication given by the Minister of National Revenue and accepted by the Speaker—that the committee would be bound to be very greatly influenced by that, and we would all feel, in view of this very serious situation that has developed in the Canadian Broadcasting Corporation, that notwithstanding the fact we have an agenda which provides for somewhat different things, an emergency has arisen and it is our duty—not today, of course, because that is obviously impossible, and I am not, in my motion, suggesting we disturb the proceedings for today—at the beginning of the next meeting to consider this matter. That meeting should be held just as soon as it can possibly be arranged, and this matter should be taken up and dealt with until it has been concluded by the committee.

Mr. SMITH (*Calgary South*): Mr. Chairman, I wonder if Mr. Pickersgill would agree—

The CHAIRMAN: You are speaking to the motion?

Mr. SMITH (*Calgary South*): Yes, Mr. Chairman, I am speaking to the motion. I wonder if we would agree to a reference to the steering committee, with the clear understanding that persons are to be called, but the decision as to who are to be called should be left to the sub-committee, of which he is a member?

I cannot help but feel it is basically an administrative problem but, nevertheless, I agree these charges are of a serious nature and some reply should be expected of the individuals concerned. But I would suggest the steering committee is the proper body to decide the time when they are to be called and who should actually be called.

Mr. MCINTOSH: Mr. Chairman, it seems to me, if we did call these people we could be tagged with political interference—maybe not by this group, but by the management group. I think it would be bad taste on our part even to call them here before this matter is settled among management themselves.

Mr. ROBICHAUD: Why would it be suggested by the minister?

Mr. MCINTOSH: I do not care what was suggested by the minister.

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The CHAIRMAN: Mr. Fisher wishes to hear the motion again. It was moved by Mr. Pickersgill and seconded by Mr. Forgie that Mr. F. W. Peers, Mr. D. H. Gillis and Mr. B. Trotter be invited to appear at the next meeting of the committee to substantiate their charges that clandestine political influence has been brought to bear on C.B.C. management.

Mr. PICKERSGILL: In reply to Mr. Smith's suggestion, Mr. Chairman, I do not think it would be appropriate in these circumstances. It does seem to me this is a matter of such urgency, of such clarity and of such simplicity that there is nothing for the steering committee to consider which could not properly be considered by the whole committee.

I feel the public will expect us to deal with this matter, and deal with it promptly.

With respect to Mr. McIntosh's suggestion that it is none of the business of this committee, surely when 30 people have given up their employment in the corporation, have made a charge of the character that has been made here, and stake their livelihood upon it, the suggestion that it is merely a matter for the management of the corporation is one that we could not possibly entertain. It does seem to me that either these gentlemen—and I am not seeking to prejudice the matter in any way whatever—but either these gentlemen have some grounds for saying this or they have not—and it is hard to believe that they would not have such grounds, because people, even in these times, do not lightly jeopardize their livelihood. It seems to me that this committee should make a decision one way or the other on this motion this morning.

Mr. MCCLEAVE: I think, since the charges are so serious, not only should we invite them to appear, but I would also suggest it should be drawn to their attention that if there is any reluctance on their part to come forward we have the power to subpoena them and to require them to appear.

Mr. SMITH (*Calgary South*): I wonder if I might have, again, the names of the persons concerned? My only concern is whether you are calling enough of them.

The CHAIRMAN: Mr. Peers, Mr. Gillis and Mr. Trotter.

Mr. FISHER: Could we have Mr. Steinhouse?

Mr. SMITH (*Calgary South*): That is the reason I suggest the motion might be amended.

Mr. PICKERSGILL: The reason I included only these three names is that they are the three gentlemen who signed a statement—or, at least, are said to have signed it, and this statement was read and uncontradicted. I do not think there is any question about its authenticity.

Mr. FISHER: I have to support the motion, but I do not like the idea of bringing people here to substantiate their charges. It seems to give an indication we are a court of proof of some kind or another. But I do feel—and I will say this, in fairness to this committee—it would be an excellent idea to have them here, because I think this committee is going to be pilloried in certain elements of the community in a way it does not quite deserve—I mean, in so far as its being a factor in any witch hunt or any political hunt within the C.B.C. is concerned. I certainly have to support the motion.

Mr. SMITH (*Calgary South*): May I ask if we can assume that Mr. Bushnell will—as I think he should—make an opening statement to the committee on the position taken by the corporation?

The CHAIRMAN: Certainly you can assume that, because I think if these people are called, management should be called at the same time. I just want to read this motion once again; I notice two additional people have come in. The motion is: that Mr. Peers, Mr. Gillis and Mr. Trotter be invited to appear

at the next meeting of the committee to substantiate their charge that clandestine political influence has been brought to bear on C.B.C. management.

Mr. CHAMBERS: Mr. Chairman, I would support the motion that they should come before the committee. Whether it is possible for them to do it at the next meeting, I do not know; but the steering committee could contact them and find out how soon they would be able to appear. But in the principle of the motion, I would support it.

Mr. TAYLOR: Mr. Chairman, I was wondering if you, as chairman, could encourage others who have resigned to come forward and make a statement in connection with this matter. I notice there is a western girl, Miss Fielder, of Vancouver, who might like to give evidence.

Mr. MCINTOSH: Mr. Chairman, I would just like to remind the committee that when this charge was made at the last session, the government was very concerned about certain charges made by the opposition that there could be political interference set up, as we have now.

This motion, to my mind, is going contrary to what Mr. Pickersgill talked about last year, and I think we are out of place to interfere in this before the board of management has had a chance to deal with it themselves. If the request comes from them to have a hearing, that would be a different thing; or if the request comes from the management to have a hearing, that would be a different thing. But we are stepping in over the heads of both of them, and I do not think it is our place to do so. I do not think it is the wish of the government, or the wish of the opposition—if you read the minutes of last year.

Mr. FISHER: Mr. Chairman, speaking to the point Mr. McIntosh has raised: I would agree with him right up to the time I read the evidence presented here by the Board of Broadcast Governors on Monday. But when you have from the Board of Broadcast Governors what seems to be a sort of suggestion that they are a passive instrument, my whole conception of what was involved in the broadcasting legislation is beginning to go out the window anyway. Therefore, I am not suffering under the inhibition about that legislation that Mr. McIntosh is.

Mr. MCCLEAVE: Mr. Chairman, on Mr. McIntosh's point, surely the basis is that this little group has charged political interference? As such, they are reflecting on the dignity of members of parliament—and that, to me, is the important consideration. Undoubtedly they are going to have a fight with their own management of the C.B.C.; but I think the important point is that they have brought charges against people here in Ottawa on Parliament Hill.

Mr. MCINTOSH: Whereabouts? They did not say anything about that.

Mr. MCCLEAVE: They talked about clandestine political interference.

The CHAIRMAN: But did they say, "within the corporation" or "from Parliament Hill"—that is the point?

Mr. MCCLEAVE: I think people would take the ordinary meaning from what "political" means.

Mr. SMITH (*Calgary South*): The interference is pretty clear.

Mr. PICKERSGILL: I agree completely with Mr. McCleave.

The CHAIRMAN: Mr. Pickersgill, I hate to talk to the motion: I feel I would have to support your motion, by all means, and I would suggest that we continue in the same way that we always have—that it be brought before the steering committee; but the steering committee knows the feeling of this meeting. We will have a steering committee meeting this afternoon.

Mr. SMITH (*Calgary South*): Mr. Chairman, that was exactly my point—with the clear understanding that they are to be called, but with purely an opportunity to determine the numbers and any of the detail on how they are to appear.

Mr. PICKERSGILL: I am quite willing to amend my motion. I have not got a copy of it in front of me, but perhaps, if I could borrow it for a second, I could amend it.

The CHAIRMAN: By all means.

Mr. PICKERSGILL: I would therefore move that Mr. F. W. Peers, Mr. D. H. Gillis and Mr. D. Trotter be invited—

The CHAIRMAN: Would you include any others?

Mr. PICKERSGILL:—and any other former members of the C.B.C. who have recently resigned—I will go slowly—be invited by the steering committee to appear at the earliest convenient opportunity before the committee to substantiate the charge—and the rest of the motion would be as it now is. That is seconded by Mr. Forgie.

Mr. SMITH (*Simcoe North*): Mr. Chairman, what is the "invitation to substantiate the charge"—I am just wondering about that?

Mr. PICKERSGILL: I quite agree with what Mr. Fisher and Mr. Smith have said. I wrote this is in a great hurry.

The CHAIRMAN: May we have it once again, for the record.

Mr. PICKERSGILL:—so that the committee could hear evidence concerning their charge.

The CHAIRMAN: Are we ready for the question, gentlemen? Would you like the motion read? You all understand the motion, gentlemen?

Mr. MCCLEAVE: If I could say just once more: we have invited them. They may say "no". I hope the steering committee will interpret the mood of this meeting, so that if they decline the invitation, they realize they are going to get subpoenas to come here.

Mr. PICKERSGILL: These people are free, Canadian citizens; I do not think we need start making threats until we find they are not going to come.

Mr. JOHNSON: Mr. Chairman, I wonder if we could add, "all those who claim that there was at any time political interference in the C.B.C."—not only since two or three months?

An Hon. MEMBER: We cannot have them all.

The CHAIRMAN: I think we have the motion. I would suggest that you, gentlemen, should have enough confidence in your steering committee to invite the right people. Are we ready for the question, gentlemen? All those in favour of the motion, please raise your hands. Those not in favour? I declare the motion carried.

Motion agreed to.

Gentlemen, this morning we again have Dr. Stewart and Mr. Allison.

Mr. CHAMBERS: I do not know if this is in order, but I would like to express the hope that the C.B.C. will delay taking action on these resignations until these people have been heard.

The CHAIRMAN: You have expressed your hope, Mr. Chambers. Dr. Stewart and Mr. Allison both have, I think, some answers to questions that were asked last week.

Dr. Andrew STEWART (*B.S.A., M.A., LL.D., D.Sc. Econ., Chairman of the Board of Broadcast Governors*): Might Mr. Allison refer first of all to the network in the maritimes?

The CHAIRMAN: Yes.

Mr. Carlyle ALLISON (*Member of the Board of Broadcast Governors*): Mr. Chairman—

The CHAIRMAN: Gentlemen, please, this meeting is not going to be too long, so would you give us your full attention, please.

Mr. ALLISON: Just as the meeting was adjourning on Monday I was answering Mr. Pickersgill regarding a maritime network, and inadvertently I was handed a wrong list of the stations to be linked up in that network. I would like now to put them on the record. They are CHNS AM and FM, in Halifax; CJCB AM and FM, in Sydney; CFBS, Saint John, New Brunswick; CFNB, Fredericton; CKCW, Moncton, and CFCY, Charlottetown.

The CHAIRMAN: Thank you very much, Dr. Stewart.

Dr. STEWART: Mr. Chairman, Gentlemen: On Monday questions were asked about applications for licences or transfers of shares in which non-Canadian participation or multiple ownership were involved to the extent of constituting a problem. We have made a review of the cases dealt with by the board, and this review indicates that the answers given on Monday were inadequate—and I apologize for that.

The records show that there were two instances of applications for transfer of shares and two applications for licences in which either non-Canadian participation or multiple ownership, or both, were involved to the extent that either the board took action out of the ordinary, or there was an extended discussion of the case in the board meeting. I will deal first with the two cases of transfer of shares.

The CHAIRMAN: Could you, in your evidence, Doctor, keep the names of individuals out of this?

Dr. STEWART: Yes, I can do that, Mr. Chairman. There was an application for a transfer of 951 common shares in Western Ontario Broadcasting Company Limited, CKLW and CKLW-TV, Windsor, Ontario, from the estate of a person deceased, to RKO Distributing Corporation of Canada. This application was before the meeting of the executive committee on March 3. I explained on Monday that by action of the board, the executive committee deals initially with applications for transfers of shares. This one was discussed at the executive meeting of March 3 and was deferred. At the time the executive noted that the transfer would increase the extent of ownership of the station by non-Canadian interests. It was hoped that the vendor might perhaps find another purchaser.

This application was again considered by the full board on May 15 and was approved. The board noted that the effective control of the station was not affected by the transfer, that the vendor had received no dividends for a number of years and it seemed unlikely that another purchased on reasonable terms could be found.

The board noted also that the circumstances of this station, that is the substantial non-Canadian interest in it, was covered by section 14 (2) of the act.

The second transfer of shares case was an application for transfer of 3,750 common shares in Niagara Television Limited, CHCH television, Hamilton, Ontario, from certain shareholders to Theatre Properties, Hamilton, Limited. This application was before the meeting of the full board on May 15. When there are transfers of shares before the board, if they can be conveniently dealt with at the full board meeting, they are. The full board deferred on this application in order to allow the applicant to come before the board at the request of the board. The applicant attended a meeting of the executive committee of the board on June 12.

In the meantime, the board had received an application through the Department of Transport from the same applicant in connection with a firm entitled Sovereign Film Distributors to purchase 1,101 common shares in Western Ontario Broadcasting Company and Essex Broadcasters Incorporated CKLW and CKLW-TV, Windsor, Ontario, from certain persons and certain estates.

Both these applications involving the same person were considered by the executive which, having heard the applicant, recommended approval. The board noted that the transfer in the Western Ontario Broadcasting Company and Essex Broadcasters Incorporated would increase the Canadian participation in this station.

The board also noted that the applications did not contravene the act or regulations and was satisfied with the assurances given by the applicant of his intention to contribute to facilities which would increase Canadian capacity to produce broadcasting programs.

The CHAIRMAN: Just a minute, please, Dr. Stewart. I think Mr. Fisher has a question.

Mr. FISHER: It is on this station. Perhaps he would finish first.

Dr. STEWART: These are the two questions of shares in which either non-Canadian participation or multiple ownership was involved.

In respect of licences, the first is an application for a licence to establish a new broadcasting station at Montreal, Quebec, by Maisonneuve Corporation, Limited. This application was heard at a public hearing on March 26 and was recommended for approval. The chairman was instructed to write the Minister of Transport referring to the multiple ownership aspect of the application. This was done on April 2. The letter stated the board was aware of the applicant's interest in station CJON Newfoundland but felt there would be no danger from the applicant's association with stations in Montreal and St. John's, and that the service offered by CJON might not be maintained if the applicant were required to withdraw from it.

The second licence application is an application for a licence to establish a new TV broadcasting station at Cornwall, Ontario, on behalf of a company to be incorporated. This application was heard at the public hearing on March 26 and was recommended for approval subject to agreement between the applicant and the Canadian Broadcasting Corporation with respect to the extent of and means of carrying CBC originated programs. This condition was eventually met. At the meeting of the executive committee on April 16, an application from the same person to purchase radio station CKSF and CKSF-FM was considered. In the application for a TV licence, the applicant had stated his intention subject to board recommendation to purchase the radio station.

At the public hearing on March 26, the board had recommended for approval an application by another party to operate a new AM broadcasting station at Cornwall, French language. From the recorded discussion, it is clear that the board gave careful consideration to the multiple ownership aspect of the application. It was noted as of March, 1959, the only newspaper in Cornwall owned the only broadcasting station. If the board's recommendations were approved, the area would have a newspaper unidentified with broadcasting, an independent French language radio station and TV station and radio station (English) under the same ownership. The board felt that the situation in Cornwall seemed likely to be improved.

The CHAIRMAN: Thank you, very much.

Mr. FISHER: In the variation in ownership of CKLW, was there any indication that the O'Neill interests in the United States were going to have less of a share of the company's holdings.

Dr. STEWART: The applicant acquired as I remember it, a proportion of the shares which would certainly not give him any dominant position. However, as a distributor of programs he represented to us he felt that this would improve his position in relation to the company. That is what he worked on.

Mr. FISHER: About three years ago the C.B.C. board of governors O.K.'d a transfer from R.C.A. to Mr. Tom O'Neill who I understand is tied in with

a chain of American stations. I have had several complaints about the Windsor station. I could put one of them on the record. This is from the Windsor *Daily Star* of March 21, 1959, by Mr. Dan Odette. It says:

> Viewers in this area continue to miss out on top Canadian TV programs.

The CHAIRMAN: Is this a letter, or what?

Mr. FISHER: It is an editorial comment.

> The C.B.C. this Sunday is presenting a one-hour documentary, "Defence Against Tomorrow", dealing with the implications of the missile age on Canada's defence policy. But it won't be seen on CKLW.
>
> As a result of the cancellation of the Arrow contract, practically every Canadian is concerned about where we are going on military matters.
>
> Top military and political leaders in Canada and the United States express their views in this film feature—but you won't be seeing it.
>
> A spokesman at CKLW said that a request was made to let the station carry the program next Wednesday, but it was refused.
>
> Not all the C.B.C. programs are award winners, but don't you think it's time we saw some of them so we could judge for ourselves?
>
> The few Canadian programs we see now are shown two to four days after they have been flashed across the rest of the country. Aren't we entitled to the same television service as the rest of Canada? Then why aren't we getting it?
>
> Sometimes you have to take a drive along the Riverside Drive just to make sure the CKLW building is in Windsor and not Detroit.

Now, this is an indication that this station is oriented to American listeners. I have also been informed that the man in charge of their news broadcasting, their public information broadcasting, is an American citizen who lives in the United States.

It seems to me that here is a prime example of a station which seems to orient everything, its commercial sales, and its broadcasting to an American audience. This may be fine in terms of the shareholders, but it seems to me that you have a responsibility here to check on a situation such as this.

I would like to know if you have gone into the log of this particular station and into the programming that it does from a Canadian content point of view?

The CHAIRMAN: Before you answer, I wonder if Mr. Fisher realizes that station CKLW television or radio beams, as you said, to the United States, to Detroit, and that Detroit is the second largest "Canadian" city, and that there are a lot of Canadians over there who turn to that channel for Canadian content as much Canadian content as possible?

Mr. FISHER: That would reinforce the point I am making.

The CHAIRMAN: It could be.

Dr. STEWART: The board has not made any special investigation of the programming of this station.

Mr. FISHER: If you wished to do so, have you the staff and personnel to do it at the present time?

Dr. STEWART: We could do it, but we have not been able to do a detailed study of the station to any extent because of our limitations at the present time.

Mr. FISHER: There is nothing in the broadcasting act which gives the initiative to anyone but you in this particular field. It is not like the Combines

Investigation Act where if six people write in a letter, they can initiate action. Do you agree that this is a situation where, if these things were as indicated here, you could investigate and perhaps should investigate?

Dr. STEWART: If the Canadian content of the station were, in the board's view, insufficient to meet the requirements of section 10, we would certainly feel that we were in a position to bring this to the attention of the station and to call for adjustment in the programming.

Mr. FISHER: But as yet you have not reached that stage?

Dr. STEWART: We have not done it.

Mr. FISHER: Because you have not been informed about it, or because you have not had the time, or because you have not got the investigation personnel?

Dr. STEWART: We have not yet been in a position to proceed with a detailed study of the programming of this station.

Mr. FISHER: Do you plan to do so?

Dr. STEWART: Eventually, yes.

Mr. MCINTOSH: In his reference to the sale and transfer of stock, Dr. Stewart made reference to common stock. I wonder if the board, in granting permits in the first place has any direction in regard to the division of preferred and common stock having regard to the originator of the station or of the application?

Dr. STEWART: Yes, we get complete information on the stock, both common and preferred. There may be a question under the act as to whether we have any particular concern about preferred, but we have the information and the executive looks at it, and we approve the transfer of preferred as well as of common stock.

Mr. MCINTOSH: Do you have any direction as to what the percentage should be?

Dr. STEWART: Yes.

Mr. MCINTOSH: Do you advise the applicant as to what the percentage should be of common stock as against preferred stock or anything like that?

Dr. STEWART: No.

Mr. FISHER: I do not want to repeat parts, but from the evidence last day there is one point I want to ask a question about. In several places Dr. Stewart makes the statement: "We cannot deal with situations unless there is an application before us"; or, "The board has no powers to require applications." This is, I think, the basic limiting factor.

I have checked through the Broadcasting Act and I want to know what part of the act has lead you to take this interpretation, that you have no initiative in so far as either the extension of facilities in Canada or of the type of services that are extended in Canada are concerned?

I would like to pin it down. On page 472 of the last committee report, you repeat, and you say:

> The general objects and purposes of the board are found in section 10 of the Broadcasting Act which reads as follows: "The board shall, for the purpose of ensuring the continued existence and efficient operation of a national broadcasting system..."

Are you interpreting continued existence to mean that you are only concerned with what already exists?

Dr. STEWART: Not at all; and if I left the impression that the board was not interested in the development of broadcasting, then I left an erroneous impression.

The board is interested, and in our discussions with private stations we have talked with them about the general development of broadcasting in the

country. We have had discussions with the board of directors of the C.B.C. with regard, again, to the general extension of services. The board feels very strongly that we have a responsibility to facilitate good service to Canadian listeners.

But on the matter of setting up a new station which involves the expenditure of money, the board cannot initiate this. All we can do is to deal with the applications which come before us.

Mr. FISHER: Here we are at the key of what I am sure would bother Mr. Simpson and Mr. Forgie, as well as those who live in areas where the chance of commercial exploitation is very small.

Mr. PICKERSGILL: Please do not discriminate against me.

Mr. FISHER: I realize that Mr. Pickersgill comes from a riding where that is not likely to happen, but if you have no initiative in the way of developing what policy is going to apply, it seems that we are thrown back to the C.B.C. And the C.B.C. officials tell us, informally, that the lead in this field has to come from the B.B.G. So it looks to me as if we would get back to a case where it has to be the politicians, again, who are going to be the pressure point in so far as the extension of service is concerned.

We have thousands of square miles in this country which do not have radio service, and especially which do not have television service. Who is going to accept that responsibility?

Dr. STEWART: The board has discussed this, and it is one of the matters discussed between the board and the C.B.C., that there are these areas in Canada which are not being served. Certainly the board feels it has a responsibility to facilitate services in these areas, but we cannot tell the C.B.C. to spend money which they do not have; nor can we tell private broadcasters to set up a station on which they are going to lose money.

We can be interested, and as a matter of fact we are interested, in an area with which you are familiar right now, in a proposition with respect to the possibility of service. The board takes the position that if there is a possibility we are certainly interested in it.

Mr. FISHER: Where would the general planning come from, the sort of over-all leadership in a field like this, if you do not give it?

Dr. STEWART: Well, we can give it to a certain extent by indicating the board's interest and concern in these matters and by giving encouragement to the people. But we cannot put our fingers on somebody and say: "Set up a station".

Mr. FISHER: I quite agree. But are you going to put out an annual report with an analysis of area needs, and say: "Here is a vacuum and someone should fill it?"

Dr. STEWART: We have discussed the possibility of doing this. Part of the difficulty here is to know the availability of frequencies, and this is a technical matter on which at the moment the board has no capacity to make decisions. But we have in fact discussed the possibility of doing a complete survey of the country to find out where the deficiencies in service are, and of trying to get information as to whether it is technically and physically possible to fill them, and then to lend our encouragement to the provision of services in those areas.

Mr. FISHER: In what form is your encouragement going to be phrased or couched? Is it just going to be in your verbal relationships with the C.B.C., or with the minister, or do you plan to make an annual statement which would indicate it?

Dr. STEWART: We will have an annual report to the minister for parliament; and if and when we are able to do this work, the degree of extension which had occurred and, therefore, the improvement in the service which had been facilitated, will be made known.

Mr. FISHER: In other words, I do not have to interpret your statement that you cannot deal with situations unless there is an application before you. That is no hindrance at all to you in enunciating a general policy for extension of service.

Dr. STEWART: That is right.

Mr. MCCLEAVE: Dr. Stewart, I have some questions in relation to Canadian content, with particular reference—

Mr. PICKERSGILL: Mr. Chairman, I have one single question which is supplementary to that of Mr. Fisher.

The CHAIRMAN: Proceed, Mr. Pickersgill.

Mr. PICKERSGILL: Does the board feel that the C.B.C. rather than the board should decide the priorities of C.B.C. expansion? It seems to me this is a crucial question. The Fowler commission felt the board of broadcast governors should decide this and, of course, it is my opinion that the board of broadcast governors and not the C.B.C. should decide it. However, I would like to hear the views of the board.

Dr. STEWART: Again, you cannot escape the financial aspects of this.

Mr. PICKERSGILL: Say, for instance, that Port Arthur was selected instead of Grand Falls; is it the C.B.C. or the B.B.G. that decides this question? That is the point to which I am referring.

Dr. STEWART: On this we ask to meet with the C.B.C. board of directors to discuss it with them and, through past experiences we have had with them, I think we can work together on these matters, provided they have the funds and they are proceeding on a formula for distribution. In regard to particular situations, if the board feels there is a distinct preference, we communicate with the C.B.C. and, of course they would be interested in the board's views as it would affect them. I think we could agree.

Mr. FISHER: Mr. Chairman, I have a supplementary question.

The CHAIRMAN: Proceed, Mr. Fisher.

Mr. FISHER: Dr. Stewart, the pressure that are building up in the part of the country from which I come are very strong for this extension of service. There are now petitions circulating all over the place, thousands of signatures and this sort of thing. All the small communities in the hinterland are getting worked up about the situation. I would like to know where the petitions go? Where should the requests go?

Dr. STEWART: Well, the requests should go to the board.

Mr. FISHER: The board of broadcast governors?

Dr. STEWART: Yes, in a general sense. There may be technical considerations and this is for the Department of Transport; but if it is not a technical matter then the recommendation to the minister goes from the board. If, of course, the people in the district want a C.B.C. station—and in many cases this is the indication that we have—then they should also make representations to the board of directors of the C.B.C.

Mr. FISHER: In other words, there is a dual situation?

Mr. MCCLEAVE: It seems to me, Mr. Chairman, that the most important weapon the board of broadcast governors has on this question of Canadian content is found in section 4 of its regulations...

The CHAIRMAN: Incidentally, these regulations have been distributed. I do not think we need to table them.

Mr. McCLEAVE: ...which requires the stations to file their program logs; and in this way it would be possible for anyone sitting here, without going to the station or sending forth any investigatory staff, to determine the amount of Canadian content. I would like to know how many people in the B.B.G. do process these logs. Is there any attempt made at all to process them?

Dr. STEWART: I referred to this point on Monday. At the moment the logs are coming to the B.B.G. but because we have no space for staff as log examiners, by arrangement with the C.B.C. the staff over there are doing the log analysis and reporting to us.

The CHAIRMAN: That is the same staff that did it before?

Dr. STEWART: Yes, that is right. We would be happy to terminate this relationship as soon as we can but we had to take it on at the outset because the process had to go on and we were starting. We have not had an opportunity to pick it up.

I would like further to say that it really is not possible from the station logs, as we get them, to determine the Canadian content; it really is not.

Mr. McCLEAVE: Then, Dr. Stewart, when you require a title and brief description of each program broadcast, is it not possible under 4 (d) to determine whether it has a Canadian origination, live or kine—exactly what type of thing which is going out on the air?

Dr. STEWART: It would be possible to get further information on this but the problem of Canadian content is a pretty complex one. You can tell if you had an American imported film.

Mr. McCLEAVE: I forgot to read the last part. There has to be a notation whether the program was reproduced or is a live origination. However, that is no problem. If it is Canadian, they could be singing American songs, but the reproduction is different.

Mr. PICKERSGILL: We were told there was an American announcer living in the United States in connection with one.

Mr. McCLEAVE: He may pick up the Canadian accent when he comes across the border. In connection with these people in the C.B.C. who we hope are still with us this morning, and analyzing these logs, will it eventually be possible to bring them under the B.B.G. umbrella when you have enough space?

Dr. STEWART: We will have our own staff doing this; whether or not they will be the same persons, I do not know.

Mr. FISHER: I have a further question related to this. In order to analyze further all programming that is beyond the log, do you plan to have any audience research people?

Dr. STEWART: Our thoughts so far have not gone beyond the possibility of some kind of a monitoring service. Our feeling, in terms of interpretation of standards and quality of programming, is that the bare log which is sent in here from Peace River, Alberta, does not really tell you very much about the general quality of the programming of the station. We have given serious consideration to the possibility of some kind of a monitoring service.

The CHAIRMAN: Would you purchase it from those that are already set up or would you think of setting up your own little empire in connection with it?

Dr. STEWART: With the technical equipment that is available today to do this kind of spot monitoring, our thought was that it might be possible to use shut-ins. However, we have merely discussed this; we have taken no action. But it is one of the reasons why we changed the regulation—I think it is 4(g)—with respect to the sending in of logs, when we ask for the affidavit or the attestation of the licensee on the log. We feel this places the responsibility for this report to the board squarely on the licensee himself, and with this step taken it

might then be possible for us to change some of our procedure with respect to examination and perhaps to incorporate the monitoring principle.

Mr. McCLEAVE: I wonder if it would be possible to bring before us a specific example of one of these analyses of a station's operations done by the C.B.C. for the B.B.G.; I presume it is an analysis based upon the log. I would be very interested in it. I think probably it should not identify a particular station, but just the analysis.

The CHAIRMAN: I feel that information would be very interesting for the committee to have; could you arrange that?

Dr. STEWART: Yes.

Mr. FISHER: One of the complaints I have had from two private station operators—not so much a complaint, but the hope that the board of broadcast governors, in its regulations, would issue them in a format which would be more satisfactory and easier to keep track of than the C.B.C. regulations.

I am thinking of some kind of printed, or mimeographed loose-leaf book. You have started off with the same helter-skelter as the C.B.C. went on with for years.

I have gone into radio stations, and I have asked them to bring out certain regulations, and they bring out a whole sheaf of regulations and say, "This has been superseded", and it is not there anyway. You could bring it out on the basis that when you supersede a regulation you could remove the old one and slip in the other.

The CHAIRMAN: You mean, say, destroy page 14 and replace it?

Mr. FISHER: Yes.

Dr. STEWART: As a matter of fact, we are proceeding now with an arrangement for the printing of this; and we are happy to have the suggestion it might be done in loose-leaf form.

Mr. FISHER: The income tax department do it and the Canadian pulp and paper association do it. They are mimeographed, and I do not see why it should not be an example to you.

The CHAIRMAN: Mr. Fisher, Miss Aitken and gentlemen, I am wondering if we could continue, as we did last week, on the submission of Dr. Stewart. We were up to page 6, section 5, and I feel there might be a few questions still for this group. Perhaps we should just go over those, section 5, page 6.

Mr. BELL (*Carleton*): I have one question on section 5, page 6, where it speaks of the board deciding it would, each year, invite certain stations whose licenses were issued after April 1, to appear before it. Upon what basis do you choose those stations? Is it just a matter of chance, or is there any particular principle you would use in choosing stations?

Dr. STEWART: I think we would try some geographic distribution. We might tend to lean more heavily on larger stations rather than small ones, because of the expense of coming in, which I think is a factor. We would probably select stations which represented in their programming some aspect with which we were particularly concerned so that we might hear from them and talk with them about this.

Mr. BELL (*Carleton*): Approximately what number would you expect to bring in each year?

Dr. STEWART: We brought seven in in March—something of this order, I suppose.

The CHAIRMAN: Mr. Fisher, you have a question on section 5?

Mr. FISHER: Yes, Mr. Chairman.

Would you agree, Dr. Stewart, there was some misunderstanding over the basis on which you called in the seven last March?

Dr. STEWART: Yes, there certainly was. I think the lesson we learned from this is that if you issue cryptic statements they may be misinterpreted, and the board probably should state its position more clearly at the time the announcement is made. We gave no reasons, and a lot of people tried to interpret the reasons and some of them misinterpreted them.

Mr. FISHER: You have just said in your previous answer—I do not want to put words in your mouth—but there would be a factor of the type of programming that was involved. This was the issue that was misinterpreted, let us say, in the March hearings. How are you going to make sure we do not get a repetition of this?

Dr. STEWART: I do not think that it is possible—

Mr. FISHER: A repetition?

Dr. STEWART: I cannot see any possibility of completely avoiding misinterpretation.

Mr. FISHER: I see.

The CHAIRMAN: Any further questions on section 5, gentlemen?

May we move now to section 6 on page 8? This has to do with section 37 of the Canadian Broadcasting Act. Any questions on this, gentlemen?

May we then move on to section 7?

Mr. FISHER: I have also had complaints—and I am not identifying myself with them—on the question of the manager or some senior officer of the station endorsing the log. What was in mind; what was behind that particular regulation?

Dr. STEWART: The first point in mind was that in our view this is a report from the licensee to the board. We consider it a very significant document. It is the only formal communication that we get from the station. The licence is issued to somebody: somebody is the licensee and is responsible for that station. Basically, our feeling was that this report which comes from the station to the board should be from the licensee himself.

Mr. FISHER: If your monitors indicated the log had been doctored, then the responsibility rests on the owner, and he has no refuge in blaming it on an employee?

Dr. STEWART: Yes, that would be correct.

Mr. PICKERSGILL: I would like to ask about a matter related to political broadcasting, that I understand is now before the board. That is an application, as I understand it, from the provincial Liberal organization in the province of Quebec to have the regulations modified so that they may use the time that is allotted to them for the promotion of their campaign for membership in the party. The board has—I think, quite correctly—interpreted the present regulations as prohibiting that; but the regulations, after all, are not the Canadian Broadcasting Act, but are only the regulations of the board.

I want to ask the chairman if the board had reached any conclusion about whether there should be a change in this regulation or if they were still considering the matter. I have one or two supplementary questions as well.

Dr. STEWART: Yes, I think the answer to that, Mr. Pickersgill, is that this request was put to us on two bases. In the first place, it was a request for solicitation. As I remember the section of the regulations it does say, something to the effect of "except with the approval of the board".

Mr. PICKERSGILL: Quite.

Dr. STEWART: So that this request was dealt with by the board on this basis: "Here is the regulation. You have an application. The regulation says, 'with the approval of the board'. Are you prepared to approve it?" And the board said, "No".

Then the request came back to us on this basis: "Here is a script. In your interpretation, is it a solicitation?" The board, at another meeting dealing with this request, said, "This is, in fact, solicitation".

Mr. PICKERSGILL: My next question is, on what basis did the board reach the conclusion this kind of broadcasting—which, I understand, is allowed in the case of certain other organizations which, some of us would think, are not quite so important to the body politic as political parties—on what ground did the board feel this was an improper request? I do not mean on the part of the Liberal party alone.

Mr. FISHER: We do it all the time.

Mr. PICKERSGILL: On your broadcasts?

Mr. FISHER: Yes.

Mr. PICKERSGILL: It would appear there is a great difference between the Liberal party and the C.C.F.: we abide by the law; they do not.

But it does seem to me, if I might express a view, this is a proper kind of broadcasting. I do not say they should be given extra time, but that a political party be given the time and it should be allowed to use it for this purpose if it is so desired.

The CHAIRMAN: What is your question, Mr. Pickersgill?

Mr. PICKERSGILL: My question is, on what ground did the board feel this was undesirable?

Dr. STEWART: Not, I feel, on the ground of its being improper, but simply in the judgment of the board.

Mr. PICKERSGILL: Without reasons? There is a situation that troubles us, and I would like to put this in the form of a question to the chairman, so that he will be familiar with what I am talking about. There is one political party in this country, which is no longer represented in parliament, that has two faces, in the minds, of some of us: one is a political face and one a religious face. This political party, we know very well, is able to broadcast and broadcast with great regularity, certainly, as I would interpret it, incorporating solicitations for funds. But others who are not willing to adopt two faces—if I may put it that way—do not have this opportunity; and it does seem to me a discrimination of a character that ought not to be perpetuated. I would like to ask the chairman if the board has given any consideration to this particular situation?

Dr. STEWART: I think the board would not mind my saying that there was a difference of opinion in the board on this. I do not know that the board, as such, has any very firm opinion on it. It has, presumably—as far as we know—not been done in the past, and there may be some reluctance on the part of the board to make a change. This could be a factor.

Mr. PICKERSGILL: There is one other question I would like to put about political broadcasting, and it is this: Does the board relish the idea—the chairman will be aware of the debates that took place on the Broadcasting Act —of having this power which, in fact, the government did not intend to give them until it was pointed out there would be a vacuum in the law? Does the board relish having this power, or would they prefer to have parliament lay down the rules itself?

Dr. STEWART: Referring to political broadcasting?

Mr. PICKERSGILL: Yes.

Dr. STEWART: The only indication I can give you is that we have referred one matter with respect to political broadcasting to the minister, indicating that we think parliament should decide on this, rather than the board. But the board will not shirk its responsibilities. If an area is left open, we will deal with it, as a responsible body.

Mr. PICKERSGILL: Quite. I did not want to leave any such implication.

Mr. FISHER: I would just like to clear up Mr. Pickersgill's interpretation. We buy television and radio time, and on that we say, "If anyone wants a membership, here they are—come and see us". That could certainly be interpreted. Is that the thing?

Mr. PICKERSGILL: That is what the provincial Liberal federation asked to do.

Mr. JOHNSON: They asked permission of the C.B.C.?

Mr. PICKERSGILL: Yes.

Mr. FISHER: There is actually no distinction in the regulations.

Mr. PICKERSGILL: Presumably, if they had gone ahead and done it, there would be no question.

The CHAIRMAN: May I get on to figure 7?

Mr. FISHER: No, Mr. Chairman: I am very much interested in this particular phase of broadcasting. A petty point, first of all: you have changed the regulations so that stations no longer have to keep tapes for a full year after broadcast; they only keep them for six months. Is that not still too long a period? I wondered if you had received any complaints on this, because at the station at home they have a chock-a-block of old tapes still tied up. Six months still seems a long time.

Dr. STEWART: We have had complaints. We reduced it from 12 months to six. I do not know whether six months is too long, or not. There is a risk involved in shortening the period of time.

Mr. FISHER: You were going along with the prohibitions in the past that specify all political broadcasts incorporating any device which could be considered theatrical, such as dramatic skits?

Dr. STEWART: This is in the act.

Mr. PICKERSGILL: That is the law.

Mr. FISHER: Yes. But in the last election I had an example where a radio station refused to carry a panel show because they said it was a drama presentation. What are your views: do you interpret a panel show as a dramatic presentation?

Dr. STEWART: No. Incidentally, this case is before the board at the present time—at least, in this way, that representations were made to us and we have written the station for their statement on the matter. But, again—I am speaking from memory here—I think that our guiding principles should make it fairly clear that a panel discussion, or question and answer period, is not to be considered as a dramatization. On the other hand, even the chairman of the board can err in his interpretations of the regulations and the act—and I presume operators of stations can make mistakes too.

Mr. MCCLEAVE: Mr. Chairman, I just wondered how this matter did come before the board. Was it because of a complaint of a specific group?

Dr. STEWART: It was because of the complaint of a group, the letter being directed to us by an individual—a candidate in the elections.

Mr. FISHER: I happen to know that these regulations are—I will not say "broken", but they are badly bent across a considerable part of Canada. The

thing that concerns me is that they are broken, or bent, in an effort to make political programming a bit more interesting. Is it within your province to try to develop regulations or views on political broadcasting that would allow them to at least get away from this dullness and this grayness. Technically, you cannot even use a piece of music as a signature tune.

The CHAIRMAN: Maybe they could make a comedy out of it, rather than a drama.

Mr. FISHER: There is a serious point here.

Dr. STEWART: In discussing the white paper and the regulations with the C.B.C., we found that usually these things had been brought into the regulations as a result of some specific event and this provided, apparently, adequate grounds for doing it. I think it would be fair to say that on the whole the board would lean on the side of making anything on the radio and television more interesting than it is—if this is possible.

Mr. FISHER: I am glad to hear you lean that way; but will you look at this particular area—because in the last provincial election in our area the listeners or the viewers became frantic; they had no choice; they got a constant succession of people sitting at desks, reading, or looking at a teleprompter; there was nothing really to lighten it at all.

As someone who has used this medium a good deal, you are frustrated time after time by the regulations. What is a cartoon? I drew a picture on a blackboard of an Indian going into a poll, blind, because of certain connotations. Right away, that is a cartoon—"we are not going to have that sort of thing". We have the dullest political broadcasting in Canada, and largely as a result of these regulations.

The CHAIRMAN: You have looked at the United States, have you?

Mr. BELL (*Carleton*): Mr. Chairman, I have some very strong views on this also. If we are going to start to express them, I will do so also. But it seems to me this is a matter which is not for this committee. Are we not entering into the field of the privileges and elections committee, rather than the broadcasting committee? I understood that committee would be dealing with this.

If we are going to go into this, I am going to jump in, exactly as my friend has.

The CHAIRMAN: I think you are right, Mr. Bell.

Mr. PICKERSGILL: I agree.

Mr. JOHNSON: Does the board have influence on the determination of time allocated to each party on free radio and television broadcasts—political talks?

Dr. STEWART: Free broadcasting is arranged in discussion between the corporation and the political parties, and the corporation reports to us on the agreement, where agreement is effected. In our experience to date, it has always been apparently amicably settled between the corporation and the parties.

Mr. JOHNSON: But who determines the proportion to each party? Why is a party entitled to have free time on television on the C.B.C.?

Dr. STEWART: The principles of this are laid down in the white paper on political and controversial broadcasting. I have not got this before me, and forget the details.

Mr. FISHER: I could read these things to him, Mr. Chairman.

Dr. STEWART: But the principles are laid down.

Mr. BELL (*Carleton*): I think we should have copies of the revised white paper filed with the committee.

Mr. PICKERSGILL: Mr. Chairman, I have one factual question.

The CHAIRMAN: Those could be produced?

Dr. STEWART: Yes.

Mr. JOHNSON: We will have all the information I was asking for in this white paper?

The CHAIRMAN: That is right.

Mr. PICKERSGILL: I have one factual question. At the time of the by-election which was held in the province of Manitoba for the constituency of Springfield there was a station which violated the regulations. Could the chairman say what kind of discipline was applied to this station?

Dr. STEWART: I explained that we had a certain geographic duty and responsibility, and Manitoba is Mr. Allison's territory. Could you answer this, Mr. Allison?

Mr. ALLISON: Yes. This came up, Mr. Pickersgill, I think, at the time when we were in the process of moving from our former residences to this place. As I remember this, it was a Ukrainian broadcast, over a French language radio station.

Mr. PICKERSGILL: That is what I was informed.

Mr. ALLISON: The French language radio station proprietors—as I heard it—were not aware of the offence until after it had been committed, and some complaints came in. As far as I know they took the disciplinary action that they were not going to be caught out on this one again. Presumably, they would require translation of the Ukrainian either into French or English before a future broadcast occurred. I do not think it required any further disciplinary action than this.

Mr. FISHER: In many areas of the country the only available radio stations are the Canadian Broadcasting Corporation stations. Another difficulty of candidates of all parties is that this is one means of communication which they cannot use. There is a genuine vacuum here.

The CHAIRMAN: Just a moment. I do not believe we have a quorum right now. I am sorry, Mr. Fisher; I doubt very much that we will have a quorum for the remainder of the morning.

May I suggest, Dr. Stewart, we will call you again. I would assume, however, that we will be working with the C.B.C. for the next few meetings. May we call on you and your group again?

Dr. STEWART: Certainly, Mr. Chairman.

The CHAIRMAN: Thank you very much.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

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SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 16

TUESDAY, JUNE 23, 1959 (No Evidence Recorded)
TUESDAY, JUNE 30, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

Messrs. E. L. Bushnell, Acting President, Canadian Broadcasting Corporation; Charles Jennings, Controller of Broadcasting; H. G. Walker, Director, Ontario and English Networks; F. W. Peers, *formerly* Supervisor of Talks and Public Affairs, Ontario and English Network Division; D. H. Gillis, *formerly* Assistant Supervisor of Talks and Public Affairs; and B. Trotter, *formerly* Supervising Producer, T.V. Public Affairs, Toronto, Ontario.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21543-4—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.,

Vice-Chairman: J. Flynn, Esq.,
and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
Johnson,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Paul,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Taylor,
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

TUESDAY, June 23, 1959.

The Special Committee on Broadcasting met at 9.15 a.m. this day in front of the Peace Tower, and proceeded by bus to Uplands Airport.

At 10.00 a.m. the Committee left by air-transport for Malton, Ontario, from which it travelled by bus to the Jarvis Street Headquarters of the Canadian Broadcasting Corporation in downtown Toronto.

Members present: Mr. Bell (*Carleton*), Mr. Bell (*Saint John-Albert*), Mrs. Casselman, and Messrs. Chambers, Fairfield, Fisher, Halpenny, Kucherepa, Lambert, Macquarrie, Muir (*Lisgar*), McGrath, Paul, Smith (*Simcoe North*), Taylor—(15).

The Committee was greeted by senior officers of the Corporation and entertained at a buffet style luncheon on the Jarvis Street premises.

The Committee was divided into groups, and, together with members of the Board of Directors of the C.B.C. toured radio and television facilities in the Jarvis and Sumach Streets buildings.

The Committee viewed final rehearsals for a half-hour television drama; inspected studios and new equipment acquired by the C.B.C.; toured prop storage facilities, set design centres, art, costume and wardrobe departments.

Following completion of the tour members of the Committee were entertained at the Celebrity Club, and at 7.30 p.m. departed by bus for Malton, Ontario.

At approximately 10.00 p.m. the Committee arrived at Uplands Airport, and adjourned to meet again at 9.30 a.m. on Wednesday, June 24, 1959.

J. E. O'Connor,
Clerk of the Committee.

TUESDAY, June 30, 1959.

The Special Committee on Broadcasting met at 9.30 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Chambers, Eudes, Fisher, Flynn, Forgie, Halpenny, Lambert, Macquarrie, Mitchell, Morris, Muir (*Lisgar*), McGrath, McIntosh, McQuillan, Pickersgill, Paul, Richard (*Ottawa East*), Robichaud, Smith (*Calgary South*), Taylor and Tremblay—(24).

In attendance: Mr. F. W. Peers, formerly Supervisor of Talks and Public Affairs, Ontario and English Networks Division; Mr. D. H. Gillis, formerly Assistant Supervisor of Talks and Public Affairs; and Mr. B. Trotter, formerly Supervising Producer, T.V. Public Affairs, Toronto; all past employees of the Canadian Broadcasting Corporation.

21543-4—1½

The Chairman observed the presence of quorum and read to the Committee the motion adopted on Wednesday, June 24th relating to the calling of Messrs. Peers, Gillis and Trotter.

Messrs. Peers, Gillis and Trotter were introduced, and Mr. Peers reading from a prepared statement outlined his opinion and that of his colleagues concerning events related to the cancellation of the radio program "Preview Commentary". Mr. Peers, assisted by Mr. Gillis and Mr. Trotter, was questioned concerning the statement.

Mr. Morris moved, seconded by Mr. McIntosh,

That this Committee thank the witnesses, dismiss them, and return to consideration of the Committee's Agenda.

The motion was resolved in the negative, NAYS: 16; YEAS: 4.

At 10.55 a.m., Mr. Peers' questioning continuing, the Committee adjourned to meet again at 3.00 p.m. this day.

AFTERNOON SITTING

The Special Committee on Broadcasting reconvened at 3.00 p.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Chambers, Fisher, Flynn, Forgie, Fortin, Halpenny, Johnson, Lambert, Mitchell, Morris, Muir (*Lisgar*), McCleave, McGrath, McIntosh, McQuillan, Pickersgill, Paul, Robichaud, Smith (*Calgary South*), Taylor and Tremblay—(24).

In attendance: The same witnesses as at the morning sitting, with the addition of Mr. Ernest L. Bushnell, Acting President of the Canadian Broadcasting Corporation; and Mr. Charles Jennings, Controller of Broadcasting; and Mr. H. G. Walker, Director for Ontario and English Networks.

The questioning of Mr. Peers, assisted by Messrs. Gillis and Trotter was concluded and the witnesses retired.

Mr. Walker was called and presented his views concerning the events surrounding the cancellation of the radio program "Preview Commentary".

The Chairman being called from the room, Mr. Flynn, the Vice-Chairman, took the Chair.

Mr. Walker was questioned and retired.

The Chairman, Mr. Halpenny, having returned, assumed the Chair.

Mr. Jennings was called, read a statement, was questioned and retired.

Mr. Bushnell was called, and reading from a prepared text, presented his views concerning the incident.

Mr. Bushnell's questioning completed, Mr. Chambers moved, seconded by Mr. McGrath,

That the Committee do now adjourn.

The motion having been agreed to at 4.45 p.m. the Committee adjourned to meet again at 9.30 a.m., Thursday, July 2, 1959.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

TUESDAY, June 30, 1959.
9:30 a.m.

The CHAIRMAN: Would the press cameramen please leave. Gentlemen, we have a quorum.

You will recall at the last meeting there was a motion made by Mr. Pickersgill, seconded by Mr. Forgie, which reads as follows:

> Resolved that Mr. F. W. Peers, Mr. D. H. Gillis, Mr. B. Trotter and any other former members of the C.B.C. staff who resigned recently be invited by the steering committee to appear before the committee at the earliest possible time to give evidence concerning the charge "that clandestine political influence has been brought to bear on the C.B.C. management".

As you will recall, that motion passed with only one dissenting voice.

Then, Mr. O'Connor sent telegrams to Mr. Peers, Mr. Gillis and Mr. Trotter.

I might say to the committee and the witnesses that the acoustics in this room are about as bad as in any room in Canada. Therefore, we will all have to speak loudly.

The telegram reads as follows:

> Following motion adopted this A.M. by special committee on broadcasting Stop That Mr. F. W. Peers, Mr. D. H. Gillis, Mr. B. Trotter and any former members of the C.B.C. staff who resigned recently be invited by the steering committee to appear before the committee at the earliest possible time to give evidence concerning the charges "That clandestine political influence has been brought to bear on the C.B.C. management" Stop Committee to meet Tuesday 9.30 A.M. June 30 Room 112N Parliament Buildings Stop Advise whether you will be present.
>
> J. E. O'Connor
> Clerk of the Committee
> House of Commons

The three gentlemen on my right, Mr. F. W. Peers, Mr. D. H. Gillis and Mr. B. Trotter, are here with us this morning. I think before I call on the three witnesses, I would like to read this statement: I would suggest, ladies and gentlemen, that the sole purpose of this committee in calling these witnesses is to deal with the motion, that is, that there has been clandestine political interference. Therefore I intend to rule that all questions and answers which are not strictly to the motion be out of order. If this decision is not suitable to any member of this committee the Chair will be pleased to hear a motion to the contrary. Is that agreeable?

Agreed.

Mr. Peers, are you speaking for the trio to begin with?

Mr. F. W. PEERS: Yes, Mr. Chairman, I am.

The CHAIRMAN: Have you any evidence to support your charges of clandestine political interference? If you have a statement it should be brief and strictly relative to the motion.

Mr. PEERS: Mr. Chairman, I have two things; I have a statement which is a recounting of the events which took place as I saw them, things which were said and things which led up to the time that my resignation was submitted. I believe that relates strictly to the central subject of the inquiry of this committee. It is my intention to be as helpful as I can be to this committee in determining the facts, and my statement has been drafted to that end. It is not argumentative and I think it is reasonably brief.

The CHAIRMAN: Is it strictly to the motion?

Mr. PEERS: I believe it is.

The CHAIRMAN: If it is not, I will have to rule you out of order.

Mr. PEERS: There is one point I would like to raise, and my colleagues can correct me if I am wrong. I believe the phrase which was used in the press interview from which the motion was taken—the phrase quoted in the motion—read, "clandestine political influence" rather than "interference". This may have been reported in different ways in different newspapers; I am not sure.

The CHAIRMAN: Did you at any time correct that in the press?

Mr. PEERS: I am not certain I saw it in the press. What I am referring to is the statement which we handed to the press.

Mr. B. TROTTER: The statement we handed to the press did read "clandestine political influence".

Mr. PEERS: I would like to read this statement which I have prepared. I believe there are sufficient copies for the members of the committee.

I should like to begin by explaining my responsibilities and those of my two colleagues. My position has been that of supervisor of talks and public affairs in the Ontario and English networks division. I have been responsible for the supervision of all public affairs programs on the English radio and television networks. My immediate superior is Mr. H. G. Walker, director for Ontario and English networks. He in turn is responsible to the president and vice-president. This means that my communication with C.B.C. management is ordinarily through Mr. Walker who speaks to us on their behalf.

Mr. Gillis has been assistant supervisor of talks and public affairs. Mr. Trotter has been supervising producer, T.V. Public Affairs, Toronto. He is in charge of all public affairs production originating in the main production centre for the English television network.

The following is a statement of the events leading to our resignations, in chronological sequence.

On Friday, June 12, through Mr. H. G. Walker's office, I received a message from Charles Jennings, controller of broadcasting, asking me to go to Ottawa for discussions with him the following Monday. The purpose of the discussions was to go over the information to be placed before the special committee on the subject of radio and television commentaries.

When I arrived at Mr. Jennings' office at 10:00 a.m. Monday, June 15, he handed me a sheet of paper which announced the replacement of the program "Preview Commentary" by a news report on parliamentary developments each day, the change to take place on the next Monday, June 22.

The text of Mr. Jennings' statement appears as Exhibit A. I think perhaps I should read that. It is the second last page in this statement. The statement is dated June 15, 1959.

APPENDIX A

(Statement handed by Charles Jennings to Frank Peers Monday, June 15, 1959).

Parliamentary Reports and Commentaries

In "Preview Commentary" which follows the morning news bulletins at 8:10 a.m. Monday to Friday, the experiment has been made of using a variety of press gallery correspondents to give a daily interpretative review of the previous day's happenings in parliament. In these commentaries, the parliamentary debates and statements by government or opposition speakers are assessed in terms of the personal views and reactions of the commentators.

Those who have been contributing to this program are responsible journalists representing a variety of opinions. But on careful appraisal it is felt that an assessment of parliamentary debates, of government policies and opposition criticism, demands more than five minutes and a longer interval from the events under review. In "Capital Report" experienced commentators representing different viewpoints have for many years dealt with developments in parliament with full freedom of expression. Moreover, they have the time to put things in perspective, to verify detail and to go if necessary to representatives of the government or the opposition for clarification.

A daily commentary does not permit such a considered approach. Journalists in the gallery have a heavy daily work-load. Any additional assignments may suffer for lack of sufficient time for reflection and checking.

We have reached the conclusion that the public will be better served if the daily reports on parliamentary developments are factual, not opinion or interpretation, based on the despatches of The Canadian Press and United Press. Starting on Monday, June 22, a five-minute summary of each day's developments will be prepared by the central newsroom to be suitably introduced and read in the period following the eight o'clock news. Credits can be given where desirable to the news agencies for quotations or interpretive statements from their despatches.

Commentaries on the week's parliamentary developments will as in the past continue to be given in "Capital Report" or other suitable programs if required.

I will go back to the text of my statement.

I asked Mr. Jennings if we could have a full discussion. I told him that practically no criticism of the series or of individual broadcasts had reached my department. This sudden cancellation of a series without prior consultation with the responsible program department was unprecedented in my twelve years' experience with the C.B.C.

Mr. Jennings indicated that he had had some uneasiness about the program for some time, but did not name particular scripts or speakers. He said that on some occasions correspondents spoke as if what they were saying was factual when they should have qualified it by "I think" or "in my opinion" or "it seems to me". I replied that although this criticism was new to me, our producers could be asked to pay special attention to this point in discussing the phrasing of the material with the speakers.

In the course of our discussion, Mr. Jennings said that he had complete confidence in me, in the talks and public affairs department, in the variety of

viewpoints and speakers selected, and in our handling of commentaries generally. He then told me that the decision to cancel "Preview Commentary" was made by Mr. Bushnell and was final.

I then asked for an appointment with Mr. Bushnell. Mr. Jennings said he would inquire for me, but that Mr. Bushnell was very busy preparing for his appearance the next day before this committee. I said I could stay over if necessary.

On leaving Mr. Jennings' office at noon, I immediately called the network office in Toronto to ask if they had heard about the program change. Neither Mr. Nixon, assistant director of English radio networks, nor Mr. Walker, director for Ontario and English networks, had received this information before.

On Monday afternoon, I saw Mr. Jennings again, and he told me that Mr. Bushnell could not see me that day. He asked me to check again the next morning, to see if an appointment could be arranged in the afternoon.

I called on Mr. Jennings Tuesday morning, and there was no news about the appointment. At noon, outside the parliament buildings, Mr. Bushnell walked by while I was talking to Mr. Fraser, director of Public relations. Mr. Bushnell greeted me by name, and I returned his greeting. However, I did not approach him because Mr. Jennings was trying to arrange an appointment. After lunch I again checked with Mr. Jennings. He advised me that it seemed impossible to see Mr. Bushnell, and that I should return to Toronto and telephone him, that is to say, Mr. Jennings, the next morning.

On Wednesday, June 17, a teletype arrived from Mr. Jennings instructing the network office to substitute a news report for "Preview Commentary", effective Tuesday, June 23 (see Appendix B). The reasons given were rather different from the ones outlined to me two days before. (See Appendix A).

Perhaps I should read appendix B at this time. It is a teletype from Mr. Charles Jennings to Mr. H. G. Walker, with copies to W. H. Hogg, senior news editor; F. W. Peers; E. S. Hallman, director of English radio networks; and D. Nixon, assistant director of English radio networks.

> As result of discussions we have been having here for the past several days we have decided that effective next tuesday we will increase our report of parliamentary proceedings by the introduction of five five-minute specially prepared news bulletins from Tuesdays to Saturdays inclusive with the intention that if the House of Commons introduces Saturday morning sittings we will include Monday morning as well. We will continue with this special news service until the close of the present session. It will replace the preview commentaries presently scheduled in these periods. I am asking that Mr. Hogg give special attention to this news project which would be prepared in and delivered from Toronto on the basis of the news agency reports. I would suggest as a title "Parliamentary Report".
>
> This is in line with the proposal discussed over these past many months and expressed in the brief we submitted to the Speakers of both Houses for improved and extended parliamentary news coverage. The acting president also emphasized this to the parliamentary committee.
>
> We feel it is essential that presentation of this service should be as effective as possible. I would therefore ask that the parliamentary news report be read by a second voice. Will Mr. Hogg please consult with those responsible to see that we have the most effective announcing possible. Mr. Hogg may wish to call me to discuss any other points in connection with this.
>
> So far as Monday is concerned the international commentary should of course continue, unless as I have noted above the House should sit on Saturday.

The CHAIRMAN: Then this was a management decision?

Mr. PEERS: This was a management decision. I consulted with Mr. Nixon and my own department. We discussed the reasons given by Mr. Jennings for the cancellation of the program, and the circumstances in which the program change was made. All of those with whom I consulted agreed that the circumstances were extraordinary. I learned that Mr. Walker was in Ottawa and would not be in Toronto until the weekend.

He had gone to Ottawa just about the time I was coming back to Toronto.

I therefore decided to make another trip to Ottawa, at my own expense, to see him and, if necessary, Mr. Bushnell and try to get a fuller explanation for the decision. My colleagues, Mr. Gillis and Mr. Trotter, decided to go with me.

The three of us arrived in Ottawa at 11:30 Wednesday night and immediately saw Mr. Walker, director for Ontario and English networks, who had spent that day in Ottawa. He told us that he had talked at length with Mr. Bushnell and that there was no possibility of changing the decision to cancel the program "Preview Commentary". I told him that I had discussed the decision with others in both Ottawa and Toronto, including Mr. Fraser director of public relations, Mr. Meggs, director for the Ottawa area, and Mr. Nixon, assistant director, English radio networks, and that they all felt it to be an unfortunate decision. He replied that he agreed with this view but that Mr. Bushnell had been placed in an impossible position. He said that Mr. Bushnell had been given two alternatives: either to take this program off the air or the corporate structure of the C.B.C. would be endangered. Mr. Walker said that he was not at liberty to divulge further information but that external pressures were involved.

The CHAIRMAN: This is hearsay from Mr. Walker.

Mr. PEERS: This is what Mr. Walker, who is my line up to management, apparently gave as an explanation.

Mr. TAYLOR: Is it hearsay?

Mr. PICKERSGILL: I really feel that observations as to whether or not these things are hearsay are unfortunate, and we should allow the witness to proceed with his statement.

The CHAIRMAN: That is perfectly all right; will you proceed, Mr. Peers.

Mr. PEERS: We asked if these alternatives had been put to Mr. Bushnell by someone with a political connection. Mr. Walker said yes. He told us further that a time limit had been imposed and that there could therefore be no postponement of the cancellation to permit broader discussion within the C.B.C. Indeed, Mr. Walker said the decision was supposed to have been implemented a week earlier. We expressed concern about the impropriety of this specific decision and its possible implications for other programs. Mr. Walker said that he understood our concern on both points but that he would have to go along with the decision. He could not say that a similar situation might not arise again with regard to other programs. We asked him whether Mr. Bushnell had taken into account all the possible consequences which might follow this decision both inside and outside the corporation. He replied positively that all the consequences had been foreseen including staff resignations. We stated to Mr. Walker that, as result of our conversation and in particular of his statement that external pressures had brought about this program change, each of us was faced with a serious decision about the possibility of continuing to serve the C.B.C. We then left and decided that we would try to meet with Mr. Bushnell on Thursday.

On Thursday morning I stayed at my hotel. Mr. Trotter and Mr. Gillis attended the hearings of this committee, hoping to approach Mr. Bushnell personally and inform him of our desire for a meeting. They returned to

my room about 11.15 a.m. and told me that Mr. Bushnell was unwell and had not been at the committee hearings. I telephoned Mr. Walker and learned that Mr. Bushnell was not well enough to see me, although he was at the office.

We went back to Toronto Thursday afternoon. On Friday I reported the results of my trip to Mr. Nixon and Mr. Hogg, chief news editor. They shared my concern about the reaction of the C.B.C. to the reported pressure, and Mr. Nixon arranged for Mr. Walker to meet with a number of senior Toronto people at 1.00 p.m., Saturday, June 20. Among those present at this meeting were Mr. Hogg, Mr. Nixon, Mr. McDonald, director of the English T.V. network, Mr. Rugheimer, assistant director of T.V. network, and Mr. Lyall Brown, director of public relations, Ontario. We had another meeting Sunday afternoon which was attended as well by Mr. Hallman, director of English radio networks, who that morning had returned from overseas.

In those meetings the two points that I have mentioned above were confirmed by Mr. Walker: that there had been representations from someone politically connected; and that the alternative to cancellation would be a very serious one for C.B.C. management.

Mr. McINTOSH: Mr. Chairman, before we go any further, I would suggest that this is all—

The CHAIRMAN: Is this on a point of order?

Mr. McINTOSH: Yes, this is on a point of order.

The CHAIRMAN: Speak as loudly as you can, please.

Mr. McINTOSH: This was confirmed by Mr. Walker: how was it confirmed by Mr. Walker?

Mr. PEERS: Mr. Walker said again on Saturday, and said again on Sunday.

The CHAIRMAN: We will have a chance to question the witnesses after Mr. Peers completes the statement. Continue, please, Mr. Peers.

Mr. PEERS: At the Sunday afternoon meeting, the group present, with the exception of Mr. Walker, drew up and signed this statement—I have a photographic copy of it here, which I will give to the chairman:

From
Toronto Senior Group

To
Director for Ontario and English Networks Division

Cancellation of Preview Commentary

We, the undersigned, acknowledge management's right—

The CHAIRMAN: Continue, please.

Mr. PEERS:

We, the undersigned, acknowledge management's right to remove any program from C.B.C. schedules, but we protest against the decision by management to cancel Preview Commentary in circumstances which suggest that the decision was taken as a result of external pressures, actual or anticipated.

Because we believe that the principle of freedom from political or other interference, or the appearance of such interference, is absolutely essential to the effective discharge of the corporation's program responsibilities, we ask that the decision be reviewed; and that action be taken immediately to continue in the radio schedule a daily commentary on national affairs from Ottawa.

In view of the urgency of this situation, we would ask you to forward this statement to the acting president immediately, and on behalf of this group request an audience with the acting president at the earliest possible moment.

The signatures follow:

L. Brown, E. S. Hallman, W. H. Hogg, J. M. Kannawin, P. McDonald, J. D. Nixon, F. W. Peers, G. Rugheimer.

Do you want identification of any of these now, Mr. Chairman?

The CHAIRMAN: Not yet.

Mr. PEERS: Three copies were signed by the group. Two were handed to Mr. Walker, and the third, by general consent of the group, was left with Mr. Hallman. Mr. Walker undertook to try to arrange a meeting later that evening with Mr. Bushnell who was expected to arrive from Ottawa for the meeting of the Board of Directors.

We met Mr. Bushnell at 7:30 p.m., Sunday, June 21. All those who had signed the statement were present, under the chairmanship of Mr. Walker.

When Mr. Bushnell arrived he read the signed statement in our presence. He read it silently. He asked us to speak up and give reasons for putting such a protest before him. I outlined the unusual procedures by which the program was cancelled, recalled that I had tried to see him in Ottawa on three occasions, and referred to Mr. Walker's explanation of the change as related to outside pressures. Mr. Hallman and others raised similar points. Mr. Bushnell said that the program had been unsatisfactory; that there was bias, immaturity, and imbalance of views. He also stated that the decision was his in concert with other senior officers in Ottawa.

Mr. Hallman asked Mr. Bushnell if he had received criticism of the program, since there had been almost no criticism brought to the attention of himself, Mr. Nixon, or Mr. Peers, in the entire time the program or its predecessor "Ottawa Today" had been on the air.

Mr. Bushnell said he had received criticisms from three sources:

(1) by word of mouth from private citizens—friends, acquaintances, etc.
(2) from people in responsible positions, business men, and so on; and
(3) from politicians.

Mr. Hallman asked Mr. Bushnell if he expected C.B.C. to be under heavy criticism if Preview Commentary were cancelled—criticism not only from the public, but also from the press, since the reasons given in Mr. Jennings' statement seemed to imply that the correspondents appearing in the program were irresponsible or biased, incompetent or unable to prepare an adequate commentary in the interval between a night session and 8:00 o'clock the next morning.

Mr. Bushnell replied that Preview Commentary was not being cancelled; that this was simply an experiment with a different form of program to cover parliamentary affairs. He said that the parliamentary session would last only a few more weeks, and asked why we should not try this other format. He agreed that the decision would bring severe criticism from press and public. Mr. Hallman asked him, as a broadcaster of many years' experience, whether he could say honestly that the substitution of the reading of wire copy for Preview Commentary was a sound program decision. Mr. Bushnell replied that he could not.

Mr. Hallman asked Mr. Bushnell to consider the disadvantages of the program change in terms of public criticism, reactions from the press, staff doubts, implications for other programs, and possible resignations. Mr. Bushnell said he was fully aware of all the factors, and expected this kind of reaction.

Mr. Hallman then asked what positive gain for the C.B.C. would result from the decision. Mr. Bushnell replied that he would not discuss it.

Mr. Bushnel was asked whether the decision would be reviewed by the board. He said that it would be one of the first items on the agenda. I asked what would be the effect if the board reversed the decision. Mr. Bushnell said he supposed he would be sent to Siberia.

Mr. Bushnell was asked whether it would be possible for Mr. Peers to appear before the board to answer questions about the series. Mr. Bushnell gave no assurance that this would be possible.

Mr. Walker asked that the meeting break for a few minutes. After the recess, Mr. Bushnell asked those present to put their confidence in him and in the action being taken regarding Preview Commentary. He said that it was sometimes better to lose a skirmish in order to win a battle.

Mr. Bushnell concluded by handing back the signed statement to Mr. Walker, with the comment that he had never received it. After Mr. Bushnell left, the group expressed itself as being dissatisfied with the explanations given for cancelling the program and for maintaining that decision.

During the day I had become convinced that the only remaining hope of ensuring full review of a decision which appeared to be politically motivated was to make sure that the C.B.C. board of directors had all the facts at their disposal. Sunday afternoon I had talked briefly to Dr. W. L. Morton, the only member of the board of directors whom Mr. Gillis, Mr. Trotter and I all knew.

After the meeting with Mr. Bushnell, I told the group that in my view there was only one more step we could take within the corporation. That was, to give as much information as we had to a board member, and I named Dr. Morton. In the presence of Mr. Walker, I asked Mr. Hallman to accompany me, and he in turn asked Mr. McDonald to join us.

Dr. Morton received us, and after discussion assured us that he would undertake to see that the whole situation had a full discussion in the meeting of the board of directors the following day. He also agreed that he would try to arrange an opportunity for us to appear before the board on this issue.

The senior group met again on Monday morning, June 22, with Mr. Walker as chairman. Mr. Hallman and I communicated to the group the assurances given to us by Dr. Morton. Mr. Walker told us that he had just had a lengthy telephone conversation with the president of the C.B.C. Mr. Alphonse Ouimet. He reported that until his phone call Mr. Ouimet had no knowledge of the Preview Commentary situation.

The board of directors met during the day, but did not call on any of us. In the evening I received word from Mr. Hallman that Dr. Morton had informed him that he had failed completely in getting a full discussion. He said that the board had confirmed the decision of management to cancel Preview Commentary.

Throughout the various meetings, I had kept my colleagues, Mr. Gillis, and Mr. Trotter generally informed about developments. On Monday night we met at my house and decided that the three of us should resign because:

(a) We thought that the decision to make a program change because of external pressure, real or anticipated, threatened the integrity of public affairs programming;

(b) We thought that our relations with those who contributed to programs would be compromised;

(c) We had taken every step open to us within the corporation structure to have this decision seriously reconsidered; and

(d) This action would free us to make the public aware of the issues involved.

Our resignations took effect—rather, were submitted, to take effect—Tuesday, June 23. On Wednesday the C.B.C. board of directors made a thorough review of the program decision, examining scripts and lists of speakers, and they discussed the circumstances surrounding the decision to cancel.

Late Wednesday afternoon the board announced its intention of resuming Preview Commentary, beginning Monday, June 29.

The CHAIRMAN: Thank you very much, Mr. Peers.

Mr. Lambert, you had your hand up first, I think.

Mr. LAMBERT: Mr. Chairman, in view of the witness' lengthy statement, there is a number of questions which I would like to ask. We will go right to the nub of the matter. In the statement there is a reference to "clandestine political influence". Are these the words that you and your associates used in defining what you considered to be the reasons back of the cancellation of this program?

Mr. PEERS: These are the words we used.

Mr. LAMBERT: What do you mean by these words?

Mr. PEERS: First "influence": we had the word of Mr. Walker that the decision to cancel Preview Commentary was taken after representations by someone outside the corporation.

As for—let me see what the second word is—"political": we meant by that, the answer which Mr. Walker gave us in answer to our question, "was the representation from someone who was politically connected?"—Mr. Walker's answer was "Yes".

"Clandestine" we used that word meaning, I think, "hidden", because Mr. Walker had at every turn assured us he had been informed of this in confidence, and assured us that even the amount he was able to tell us was in confidence to us. In other words, nothing should be made public while we were members of the corporation.

Mr. LAMBERT: Regarding what you have told us that Mr. Walker had spoken to you about, have you any evidence to place before this committee of this so-called "clandestine political influence"?

Mr. PEERS: I have not. I assume others in the corporation have. I think this statement will lead to those who have.

Mr. LAMBERT: But you assume that?

Mr. PEERS: I should explain, Mr. Lambert, when Mr. Walker told us that he could not reveal the identity of the person or persons who had been in touch with C.B.C. management, I said, for my own part that did not matter and, in fact, in some ways, I would rather not know the identity of the person or persons. My stand was that it was a matter of what the C.B.C.'s action and procedures were after receiving complaints which may or may not have been legitimate. In other words I was not concerned with anything other than the management's action and response to such influence.

Mr. LAMBERT: You say there was this "political influence". What was your information as to who had wielded this influence? Did you have any names, or have you any names?

Mr. PEERS: Mr. Lambert, I have not any names because I did not ask for names at any time, and Mr. Walker explained each time the information was confidential and he could not divulge anything further than he already had.

Mr. LAMBERT: Further, just on whom was this political influence wielded?

Mr. PEERS: According to Mr. Walker, it was wielded on C.B.C. management, and he went further in our Monday morning meeting,—

Mr. TROTTER: I would like to say—

Mr. LAMBERT: Go ahead, Mr. Peers.

Mr. PEERS: —and re-affirmed or said again—perhaps I should use that word—he said again there had been external pressures, and he said again—he elaborated the nature of the alternative that was put to the corporation. The alternative that was put to the corporation was—and I am trying to remember his words—"the removal of top management".

Mr. LAMBERT: When you say, "management" do you specify any specific individuals?

Mr. PEERS: I have not specified any particular individuals, except in my report of what Mr. Jennings had told me, that the decision was that of Mr. Bushnell.

Mr. LAMBERT: No, I am referring specifically here to Mr. Walker's statement to you.

Mr. PEERS: No. Mr. Walker had told us that information which he gave us on Wednesday night came from a long talk that he had during the day with Mr. Bushnell.

I am not quite clear of the intent of your question, other than that.

Mr. LAMBERT: You said there had been pressure on management?

Mr. PEERS: Yes.

Mr. LAMBERT: Just on whom in management?

Mr. PEERS: I could not say that—"management"—by which I assume we mean "top management".

The CHAIRMAN: Do you wish to add to that, Mr. Trotter?

Mr. TROTTER: I want to remind Mr. Peers that Mr. Walker said—and it is in the statement—that Mr. Bushnell had been placed in an impossible position.

The CHAIRMAN: Mr. Lambert?

Mr. LAMBERT: Further, did you have any information as to when this had happened, and under what circumstances?

Mr. PEERS: Only this, Mr. Lambert, that on Monday—that was the fifteenth—Mr. Jennings told me that he had received a call from Mr. Bushnell on Friday—I think it was in the afternoon—but Friday, at any rate, and what Mr. Bushnell had to say to him sent him—put him into a dreadful state of mind. He thought about it for an hour, and I think he said that he paced the floor and that he had, at the end of the hour, come up with this statement which he presented to me. That is the appendix "A", which is Mr. Jennings' words.

Mr. LAMBERT: This was on the afternoon of June 15?

Mr. PEERS: This telephone call did not necessarily refer, of course...

Mr. LAMBERT: But when did it take place?

Mr. PEERS: The telephone call from Mr. Bushnell to Mr. Jennings took place on Friday, the Friday before June 15—I do not have the date. It would be the twelfth.

Mr. LAMBERT: These are the circumstances you feel govern the situation?

Mr. PEERS: It is part of the circumstances.

Mr. LAMBERT: Do you happen to know how this pressure was applied?

Mr. PEERS: Not at all.

Mr. LAMBERT: Do you know any reasons why it may have been applied?

Mr. PEERS: Not at all.

Mr. LAMBERT: And if this pressure was applied, do you know whether it had any influence on this decision?

Mr. PEERS: I refer, Mr. Lambert, to my statement in which I report my discussion with Mr. Walker on Wednesday—that is on page 3, two-thirds of the way down, the third paragraph, somewhere in the middle: "He"—that is Mr. Walker "replied that he agreed with this view"—that is, the decision was unfortunate—"but that Mr. Bushnell had been placed in an impossible position. He said that Mr. Bushnell had been given two alterna-

tives"—and I mention, in general, what those alternatives were. In other words, I have only Mr. Walker's word this was an important element in the decision.

But since Mr. Walker is the way in which I ordinarily communicate with management, and since I could not get to Mr. Bushnell to get his word on it during that week, I felt this was probably so.

Mr. LAMBERT: Mr. Bushnell had been given two alternatives; by whom?

Mr. PEERS: Mr. Walker did not disclose that to us, and said that he could not disclose that to us. But we questioned him in those general terms: "Was it someone outside the corporation?" "Yes". Then the other question was, "Was it someone with a political connection?" "Yes".

Mr. LAMBERT: Notwithstanding your discussions with Mr. Jennings and the statement appearing in appendix "A", you told Mr. Walker?

Mr. PEERS: Combined with the other circumstances I have mentioned. I had asked for a review of the position on ordinary program considerations. I wanted to go over lists, scripts, discuss the weaknesses of the series, if there had been grave ones. Mr. Jennings, on the Monday and Tuesday before, commented to me that this was not a decision with which he was personally sympathetic. He thought the series was a defensible one before the parliamentary committee or any other unbiased group of judges. So, my attempts to discuss the decision on program lines collapsed.

Mr. LAMBERT: Your position is an administrative position, I take it?

Mr. PEERS: My position is partly administrative, I should say; but it is more centrally the application of C.B.C. policy to programming. In other words, it is not administrative in the narrow sense of administration.

Mr. LAMBERT: You have been involved in program changes before?

Mr. PEERS: Yes, I have been.

Mr. LAMBERT: Is any program change extraordinary?

Mr. PEERS: The cancellation of a series without some prior discussion with the network or department heads is most extraordinary.

Mr. LAMBERT: This was a management decision, though?

Mr. PEERS: That is right.

Mr. PICKERSGILL: I would like to ask a supplementary question on that point. In your experience, Mr. Peers, have you ever before had a program cancelled by orders of the president or the acting president without discussion?

Mr. PEERS: Mr. Chairman and Mr. Pickersgill, I think we had a program cancelled two or three weeks—no, four or five weeks ago by order of the controller of broadcasting, which we were able to reinstate after we had given him an explanation. It was a broadcast on the Canada Council.

This program was reinstated. There have been orders that have come out which sometimes are accompanied by sufficient explanation that we carry them out with alacrity. Sometimes we think that a further review is called for, and it is understood that usually it will receive that protection. But any decision of management is final.

Mr. LAMBERT: What did you do to check any information before you arrived at your conclusion?

Mr. PEERS: The attempts to check the information were: my expressed desire to see Mr. Bushnell and discuss the matter with him. I have mentioned that in my statement. That took place on three days.

In addition there was my discussion with the chief news editor in Toronto, whose department was being asked to replace the program, to see whether he had information that I did not have.

Mr. LAMBERT: That was Mr. Walker?

Mr. PEERS: No, Mr. Hogg. The chief news editor is Mr. Hogg.

Then there was the trip to Ottawa again, when I learned that Mr. Walker would not be back in Toronto for the rest of the week, and the attempt to discuss the matter with Mr. Walker which, as I have said, was a discussion which gave us some additional information.

Mr. LAMBERT: But these were attempts to discuss the program, not the cancellation of the program?

Mr. PEERS: They were attempts to discuss the cancellation of the program in relation to the views which Mr. Jennings had given me, and the teletype he had sent as reasons for the cancellation of the program.

Mr. LAMBERT: This had nothing to do with information that there was political pressure or influence?

Mr. PEERS: Definite information that there was political influence did not come to me until Wednesday night. These very questions related to that.

Mr. LAMBERT: It developed when you made your statement on Monday or Tuesday?

Mr. PEERS: First I would like to say that the statement which Mr. Walker gave us about external pressures was made of course before the three of us. I should also be quite candid and state that I could not see any reason.

Mr. LAMBERT: Do you feel that you should be less than candid here?

Mr. PICKERSGILL: Mr. Chairman, I object to that question.

The CHAIRMAN: Please continue, Mr. Lambert.

Mr. PEERS: I say that merely as a venture into an opinion that I have tried so far to check the facts, Mr. Lambert. And I should say that in reviewing the situation in my mind and in discussion with my colleagues here, I could not think of any likely explanation for Mr. Walker trying to mislead me on this point. It is the last thing that a corporation official would attempt to do with a subordinate, to give a reason for any program move as being related to any kind of external influence or pressure.

The CHAIRMAN: Have you worked for any other corporation?

Mr. PEERS: I have worked with other organizations.

The CHAIRMAN: I asked if you have worked with any other corporation.

Mr. PEERS: I am not sure whether the University of Alberta is a corporation.

Mr. PICKERSGILL: It is.

The CHAIRMAN: I mean a business corporation.

Mr. LAMBERT: You made your statement concerning this political influence, and when you did that, did you consider the implications, if that statement should prove to be wrong?

Mr. PEERS: Inasmuch as I am capable of doing that without legal training, I think I did.

Mr. LAMBERT: Did you consider the implications as to other people who would be brought into this?

Mr. PEERS: I thought that I had taken, as I have said in my statement, every move that I could within the corporation and retaining the oath—not the oath, the promise, to respect confidences within the corporation, before I took that step. Then I thought that this was the only additional step that I could take which would raise the matter for public discussion.

Now, of course, I realized that as a result of public discussion—and because I did not think I should give the names of the persons who exerted,

or who were alleged to have exerted this influence—I did not believe that public discussion would find me to be wrong. I had a reasonable amount of confidence that my information was sound enough to stand up.

I hoped that that re-realization of the necessity for the corporation to continue as an independent organization working under broad lines and directed by its Board of Directors—that the corporation would come out more strongly for the investigation, even though in the meantime some persons within the corporation might be embarrassed.

Mr. MORRIS: Mr. Chairman, I rise to a point of order. The motion before this committee is to hear witnesses today having regard to the allegations of clandestine political activity. Therefore I move, seconded by Mr. McIntosh, that in view of the fact that the witness has testified that he has no information, but only hearsay, that the witness be thanked for his appearance and dismissed, and that we get back to our agenda. I ask that my motion be put.

Mr. ROBICHAUD: Closure.

The CHAIRMAN: That motion was seconded by Mr. McIntosh.

Mr. PICKERSGILL: It is not a point of order at all. Moreover, it is a debatable motion.

Mr. MCINTOSH: If there is nothing other than what we have before us except this statement, I suggest it is largely a matter between management and staff, and of no concern to us. But I would like Mr. Peers to explain what he means when he says:

> During the day I had become convinced that the only remaining hope of insuring full review of a decision which appeared to be politically motivated was to make sure that the C.B.C. board of directors had all the facts at their disposal.

Can Mr. Peers explain what he means by political influence? And was it his policy to make sure that the board of management always had the facts at their disposal? Was it not his job to do that, and if not, then this entire problem is of no concern of ours in this committee.

Mr. PICKERSGILL: I would like to oppose this motion of Mr. Morris for several reasons: the first is that there is a decision which has already been taken by this committee, which Mr. Morris is seeking to reverse. That decision was not merely to hear the witnesses before you, but also to hear representatives of management with respect to this matter. So I maintain it would be a denial of elementary justice to hear the representatives of management after having dismissed these witnesses, and not to give to them an opportunity to reply. That is my first objection.

My second objection is that it was agreed in the House yesterday in the discussion between the Minister of National Revenue and myself that we should have a calm, judicial, and non-partisan consideration of this matter with a view to getting at the truth.

My third reason is that the witness has given us precise and detailed information about the conversations he had with certain representatives of management and certain other officials of the corporation, and that we cannot expect to get the truth unless we hear the other persons referred to as having direct connection with this matter, and who were superior to Mr. Peers.

For these reasons I think this motion should be defeated.

The CHAIRMAN: Thank you.

Mr. CHAMBERS: I have to oppose the motion, Mr. Chairman. The witness has brought before us what seem to be very serious charges, not only with respect to the administration of the C.B.C. but also with respect to certain

unnamed politicians, and I think every opportunity should be given to them to substantiate those charges. I have some questions which in due course I would like to put.

Mr. PEERS: May I correct one word. I have not said anything about politicians. I have said something about persons politically connected. I was very careful in my question to Mr. Walker and he replied in kind.

Mr. CHAMBERS: The implications drawn were very clear.

Mr. FISHER: I would like to speak against the motion. It seems to me with the evidence of the meeting with Mr. Walker and a later meeting with Mr. Bushnell that we certainly cannot turn our backs on this. Mr. Walker is directly in charge of these gentlemen; he was their supervisor. If he gave them this assurance, it seems to me that this is much more than hearsay—this is the normal chain of command. The other point is that the evidence in so far as the relationship with Mr. Jennings and in so far as the telephone call is concerned, certainly substantiates a very mysterious situation into which we will have to go in much more detail, otherwise it will become a festering sore.

I am very strongly opposed to the motion.

Mr. TAYLOR: In connection with this motion, a question was put to you, Mr. Peers, in Toronto. Do you have this—

Some hon. MEMBERS: Order.

The CHAIRMAN: Order.

Mr. TAYLOR: The evidence today amounts to hearsay and is out of order. The other point is we still have a corporation to look after. We should adjourn here today. Apparently these two gentlemen have been invited back to the corporation. We have shown today that the evidence is hearsay. These persons may rejoin the corporation and we will be driving a wider wedge if we continue with this hearing at this time.

Mr. BELL (*Saint John-Albert*): I feel the motion has some merit but is a little bit premature at this time. Would the mover and the seconder hold it over and put it again later?

Some hon. MEMBERS: No, no.

The CHAIRMAN: Are we ready for the question, gentlemen? Here is the motion. Mr. Morris moved, seconded by Mr. McIntosh, that this committee thank the witnesses, dismiss them, and return to consideration of the committee's general agenda.

Those in favour of the motion?

Contrary?

I declare the motion defeated.

Mr. Lambert, would you please continue?

Mr. LAMBERT: We were on the point of considering the implications, the effects of your statement, should it prove to be wrong. Did you consider that?

Mr. PEERS: I hope I did, Mr. Lambert.

Mr. LAMBERT: Did you consider that if you were wrong much more would be brought into disrepute?

Mr. PICKERSGILL: I am raising a point of order. I understood that the decision you announced at the beginning of this motion, which no one dissented from, was that we were to seek evidence from the witnesses, and not opinions. I suggest Mr. Lambert is now going into the field of opinion and it is quite irrelevant to what is before us.

Mr. LAMBERT: With all due respect, Mr. Pickersgill, the witness all along has said he was "of the opinion that". I will put my question again, Mr. Chairman.

Mr. PEERS: Shall I answer the question?

Mr. PICKERSGILL: Are you ruling on the point of order I raised? I am entitled to a ruling from the chair. I consider this question does not relate to the facts at all. We are asking the witness questions about his state of mind. If we do that with all the witnesses we will never finish this inquiry.

The CHAIRMAN: The reason I continued with Mr. Lambert is that I ruled your point of order out of order because we have been getting opinions from the witness all the way through.

Mr. PICKERSGILL: I dissent from that view.

Mr. PEERS: Mr. Gillis, Mr. Trotter and I tried to line up the factors on each side. As is usual in human judgments one can always try to find out where the balance lies and act on that to the best of one's knowledge and conscience. That is what I attempted to do.

Mr. LAMBERT: If we return to page four of your statement and take the third paragraph, the third sentence, when you report on your interview with Messrs. Nixon and Hogg, you state:

> They shared my concern about the reaction of the C.B.C. to the reported pressure...

Are you therefore referring to Mr. Walker's information to you?

Mr. PEERS: Yes. I am using the word "reported" because Mr. Walker had reported that to me.

Mr. WALKER: Further down, in the next paragraph, you say:

> In those meetings the two points that I have mentioned above were confirmed by Mr. Walker . . .

How were they confirmed by Mr. Walker?

Mr. PEERS: I think I was asked a question of that sort before. Mr. Walker said again what he said to us in our Wednesday night meeting. He said on Saturday morning and on Sunday morning that there was influence brought to bear; that there was external influence in making this program decision. I see Mr. Hallman, for example, is here; he was present at that meeting.

Mr. LAMBERT: He is not here before us. Rather than confirming it is a repetition of the statement.

Mr. PICKERSGILL: As a good classicist that is what confirmation means.

Mr. LAMBERT: On page five of the statement signed by yourself and your colleagues, in the second paragraph you say:

> Because we believe that the principle of freedom from political or other interference . . .

Would you elaborate on the words, "political or other interference"?

Mr. PEERS: Well, I think the point there would be that there are many representations which can be made to a public corporation like the C.B.C. that should be given weight, should be given thought and should be taken into account in deciding action. Those influences can be political or can be from what I suppose we might call large organizations such as the Canadian Federation of Agriculture, the Canadian Chamber of Commerce or the Canadian Labour Congress.

But such representations and such advice as we get from bodies of that kind or from political organizations, or from political leaders, can be legitimate and non-binding—unless they are combined with an alternative it is offering as a consequence; then, I think, the influence becomes at least attempted interference. Once again, it is not so much whether or not interference is

attempted; the question which concerns us very much was whether we as a corporation had allowed our program department to be unduly influenced by such interference, and that is the point that was before us.

The CHAIRMAN: While Mr. Lambert is framing his next question, I would like to ask you if you would consider the Radio League of Canada as one of those possible lobbying groups?

Mr. PEERS: I think any organization which combines to direct themselves to certain ends can be considered as lobbying.

Mr. SMITH (*Calgary South*): Are you a member of the radio league?

Mr. PEERS: No.

Mr. SMITH (*Calgary South*): Were you a member at some time?

Mr. PEERS: I am not certain whether there was a different radio league preceding this one. I was a member of one at one time.

Mr. LAMBERT: We go now to page 7 and in the middle of the page it states:

> During the day I had become convinced that the only remaining hope of ensuring full review of a decision which appeared to be politically motivated . . .

In other words, did you entirely disregard Mr. Jennings' reasons for the program change?

Mr. PEERS: Mr. Jennings, if I may say so—

Mr. LAMBERT: Would you answer my question yes or no.

Mr. PICKERSGILL: Well, Mr. Chairman—

Mr. LAMBERT: I am asking this question. Did you disregard Mr. Jennings' reasons when you made this statement "which appeared to be politically motivated"?

Mr. PEERS: I did not entirely disregard them. I disregarded them to some extent; in other words, Mr. Lambert, I did not think in the way Mr. Jennings put them to me that his reasons were paramount or that even Mr. Jennings thought they were paramount.

Mr. LAMBERT: In other words, regardless of what management stated to you, you felt that there was a political motivation.

Mr. PEERS: Not regardless of what management said, but in the light of what management said.

Mr. LAMBERT: All right; what did management say to you? Let us get down to this political motivation.

Mr. PEERS: Management, in the person of Mr. Walker, said to us as a group, this group, and said to me, with others, Saturday, Sunday and Monday, that this decision was related to a representation made to management. I probably could state it more clearly if I read the text, but I am trying to remember the text. This decision, relating to Preview Commentary, was made after representation by an external influence. In answer to the question: was the external influence politically connected, the answer was yes.

Mr. LAMBERT: In other words, when at page 6 you report a conversation with Mr. Bushnell, in which he states:

> He said that the parliamentary session would last only a few more weeks, and asked why we should not try this other format.

You disagree with this programming experiment.

Mr. PEERS: We continued the discussion and Mr. Bushnell said he could not regard this as a sound program decision. This was in answer to a question by Mr. Hallman.

Mr. LAMBERT: All right; I am drawing now to the end of my questioning.

The CHAIRMAN: Is this your final question, Mr. Lambert?

Mr. LAMBERT: On page 8 of your stated reasons for resignation, you state:

> We thought that the decision to make a program change because of external pressure, real or anticipated, threatened the integrity of public affairs programming.

Do you feel that there was at that time no actual political pressure?

Mr. PEERS: Mr. Lambert, I am suggesting that. I have the word of Mr. Walker. It was a word that ordinarily I would accept 100 per cent but, as you have indicated, there is just the possibility that Mr. Walker exaggerated or that someone, I think Mr. Bushnell, who discussed the situation with Mr. Walker had exaggerated; and it may have been that any political influence up to that date was entirely an opinion.

What I think was a thing which we as a corporation had to regard seriously was that the corporation management felt that this decision, if not taken, would lead to certain dire consequences. That might have been anticipated political pressure rather than real or existant at the moment.

Mr. FISHER: Could I ask Mr. Trotter and Mr. Gillis if they confirm absolutely the information in this report?

Mr. TROTTER: In so far as we were present at the meetings, we can confirm it absolutely. We, of course, were not present at the meetings, with Mr. Peers, on Saturday, Sunday and Monday, with the senior group, whose names appear at the bottom of the statement.

Mr. D. H. GILLIS: I confirm the statement down to and including the Wednesday evening discussion with Mr. Walker.

Mr. FISHER: Mr. Peers, we have this parliamentary committee here. Was there ever at any time any question or idea in your mind that this committee in itself was the political influence?

Mr. PEERS: My idea was that it was something that should be handled within the corporation, and that was my effort right up until Monday night. I certainly made no move to get in touch with any member of the parliamentary committee so long as I was a member of the corporation's staff.

The CHAIRMAN: Does that answer your question, Mr. Fisher?

Mr. FISHER: No. There was no idea or thought in your mind that this committee was or could be the political influence.

Mr. PEERS: It was not in my mind.

Mr. FISHER: In so far as Preview Commentary is concerned, do you know whether there was a record kept of the previous broadcasts?

Mr. PEERS: Mr. Jennings submitted a list of the speakers in this and other commentaries to this committtee some time ago. I believe it has been distributed.

The CHAIRMAN: That is correct.

Mr. PEERS: Is that the answer to your question?

Mr. FISHER: Do you know whether these commentaries were reproduced and distributed in any form?

Mr. PEERS: You mean the scripts?

Mr. FISHER: Yes.

Mr. PEERS: Not so far as I know. They may have been. Sometimes, if members of the listening audience write in and want to look at a script to know what a person has said, we will, within the limits of our facilities, send out such scripts so that people can check. We—particularly in current affairs—take the view that such commentaries are then in the public domain, as if they had been published in the newspapers.

Mr. FISHER: But to your knowledge, there were no mimeographed copies made of Preview Commentary available for distribution.

Mr. PEERS: Not from our office. The only thing I can think of that might relate at all to your question is that I have been told by the producer here in Ottawa, Jim Taylor, that some weeks ago Mr. Jennings had asked for copies of the scripts to be sent over to his office each morning. I checked that with Mr. Jennings and found out that was so.

Mr. FISHER: Have you any idea on what date that took place?

Mr. PEERS: No, I have not. I think, again, I was told that the scripts started going over around the middle of May and that at a certain stage they asked for the scripts back to May 1. Mr. Jennings could correct that; I am not entirely sure, because it was not a very big point in my inquiries.

Mr. FISHER: When you spoke to Dr. Morton, did you have any indication that the members of the board, or that Dr. Morton had given serious consideration to this question—perhaps it had been raised with him by mail?

Mr. PEERS: I have no indication that Dr. Morton had ever heard a word about it until I spoke to him.

Mr. FISHER: In other words, the management had not consulted the board of directors in connection with this change, in so far as you know?

Mr. FLYNN: I object. That question—

Mr. PICKERSGILL: This question is a great deal more factual than many of the questions we have heard.

Mr. FLYNN: This witness is not qualified to answer this question.

The CHAIRMAN: Are there any other questions along that line, Mr. Fisher?

Mr. FISHER: When you decided to resign, was this a decision that you took in concert with Mr. Trotter and Mr. Gillis?

Mr. PEERS: The three of us decided, since we had started on the road together we would continue together.

Mr. FISHER: Did you ever, at any time, once you made the decision, try to influence any other people to resign?

Mr. PEERS: A few asked me, I tried to influence not to resign, and I influenced no one to resign.

Mr. FLYNN: That is, again, out of order, Mr. Chairman.

Mr. PICKERSGILL: It is exactly the line of questioning we had from Mr. Lambert. I think the questions should be treated alike.

The CHAIRMAN: Mr. Fisher, will you try and keep it to the point, please? You have got over those two points now: we have been fair.

Mr. FISHER: You were aware, when you resigned, that this might lead to such consequences—that is, further resignations?

Mr. PEERS: I would have to be aware of that, I think. If some people chose to interpret the whole procedure as a vote of lack of confidence in me, I suppose that result might flow with some people.

Mr. FISHER: Since your resignations have you had any further discussions on the particular points that were made to you regarding interference, with Mr. Walker.

Mr. PEERS: No.

Mr. FISHER: Have you had any further discussions on it with Mr. Hallman?

Mr. PEERS: I should amend my last answer. I had discussions only to the point where I said that, naturally, if I was called—or, since I had been called before this committee, I would have to, of course, mention his name as the source of my information.

Mr. SMITH (*Calgary South*): Mr. Peers, I would just like to clear up one question to which you made some reference. Other than the one conversation, or the conversation with Mr. Walker—which, until Mr. Walker appears, must be regarded as hearsay—is there any other suggestion of any political interference brought to bear? Are you aware of any other?

Mr. PEERS: I have one more recent bit of information that might, I suppose, again, be hearsay: it is something told to me. Is that hearsay; I do not know?

Mr. SMITH (*Calgary South*): If you wish to make some reference to it, you are entitled to, provided it, again, comes under the category of hearsay. That is up to you.

Mr. PEERS: Mr. Hallman has told me since my resignation that the board of directors discussed the matter—that he appeared as one of the representatives of the senior group of employees in Toronto and that in his presence the matter of political influence was discussed by the board of directors before the C.B.C. staff representatives and management representatives.

Mr. SMITH (*Calgary South*): I wonder if you would just repeat that last sentence again, please, Mr. Peers.

Mr. PEERS: Since my resignation Mr. Hallman has told me that he appeared before the board of directors of the C.B.C.; he and, I think, one or two others: Mr. Hogg, I believe, and Mr.—I had better not say, because I am not absolutely clear on this point. Mr. Hallman and one or two others appeared as representatives of the C.B.C. senior group—the ones who sent this memorandum which is contained here—excluding me, because I was off staff by that time.

Mr. Hallman and these others appeared before the C.B.C. board of directors, and the matter of the representations that had been made to the C.B.C. was discussed before the board of directors—by the board of directors, before representatives of staff and also before the representatives of C.B.C. management—"before" means "in the presence of".

Mr. SMITH (*Calgary South*): I asked you if there was any suggestion of any further political interference, like these representations of a political nature?

Mr. PEERS: The representations that Mr. Walker was telling me about—

Mr. SMITH (*Calgary South*): Other than Mr. Walker?

Mr. PEERS: And, I think, the representations that Mr. Hallman was telling me about.

Mr. SMITH (*Calgary South*): You think the representations by Mr. Hallman were of a political nature?

Mr. PEERS: No—I had in mind the representations that Mr. Hallman referred to as having been discussed before the C.B.C. board of directors.

Mr. SMITHS (*Calgary South*): You will agree, all rather indefinite? Let us come to another point. In your long history with the corporation can you think of any other occasion, by the action which you virtually took, in which you entered into the administration of the corporation? Have you any other examples? You state that your position in the corporation is one, basically, of administration, and you have also some policy control. Have you ever taken any other similar action which virtually enters into the administration of the corporation to this extent?

Mr. PEERS: I wonder whether by "any other action of a similar nature"—

Mr. SMITH (*Calgary South*): Have you threatened to resign any time?

Mr. PEERS: Once before.

Mr. SMITH (*Calgary South*): What were the circumstances in that particular case?

Mr. PEERS: It was a decision by C.B.C. management not to have the program Press Conference deal with the gas pipeline debate.

The CHAIRMAN: Touché.

Mr. SMITH (*Calgary South*): I am delighted to hear this. Perhaps you would give us more detail on this.

Mr. PEERS: I had proposed to C.B.C. management that on a certain Tuesday—I think it was—we invite the Hon. George Drew, who was then the figure, in my view, most in the news in relation to this pipe line controversy—he was then leader of the opposition.

Mr. SMITH (*Calgary South*): What would be the date of this, please, Mr. Peers? Just roughly?

Mr. PEERS: Roughly, May or June, three years ago.

Mr. SMITH (*Calgary South*): Thank you very much.

The CHAIRMAN: Mr. Pickersgill, followed by Mr. Chambers.

Mr. PICKERSGILL: I have several questions I would like to put to Mr. Peers.

The first question I would like to put to Mr. Peers is this: would he regard an opinion expressed to management by a politician about their programs, even a very unflattering and unfavourable opinion, as "political influence"?

Mr. PEERS: I would not regard it as political influence unless management seemed to give it undue and urgent consideration, to a degree they would not give such a representation from any other important person or person of substance.

Mr. PICKERSGILL: My second question is this: do you think that politicians, particularly ministers, should not express to management views on their programs?

Mr. PEERS: Mr. Chairman, I suppose I have to answer this?

The CHAIRMAN: Yes, that is a fair question.

Mr. PEERS: I think it is debatable. I think that opinions from members of parliament certainly should be welcome and should be given careful thought, just as the opinions of any other responsible citizen should be given careful thought.

The opinions of C.B.C.—or, rather of members of cabinet—I think under the old system of financing programs with licences, that a member—this is pure opinion, as you can see—

Mr. FLYNN: Like the rest.

Mr. PICKERSGILL: Exactly.

Mr. PEERS: I think that an opinion from a cabinet minister is very much like that of the opinion of an M.P. I am not certain I would say that it is now when the C.B.C. has to go before parliament for its grants on a basis which is not a statutory basis.

Mr. PICKERSGILL: The third question I want to put on this particular line is this: in your view, was the political—

Mr. BELL (*Carleton*): Would Mr. Pickersgill speak up?

Mr. PICKERSGILL: In your view, was the political interference, to which you understood Mr. Walker to make reference—was it accompanied by a threat of the consequences to the corporation if it was not followed?

Mr. PEERS: I am not sure it was accompanied by such a threat. I am at least sure that some in management thought there was a threat attached.

Mr. PICKERSGILL: Is it the apprehension or the suspicion of the threat that, in your view, constituted the pressure or the influence rather?

The CHAIRMAN: That is, in your view.

Mr. PEERS: In my view, it may have constituted an influence; but the important thing was the C.B.C. action following upon the representation—whatever the representation was, and however urgently it was dealt with.

Mr. PICKERSGILL: Mr. Peers, you have been a member of the staff of the C.B.C. for a considerable time. Have you ever before taken the step of approaching a member of the board with a view to getting a question put before the board?

Mr. PEERS: I have not.

The CHAIRMAN: Mr. Chambers, followed by Mr. McCleave; and then we will have to leave it.

Mr. CHAMBERS: I have a couple of questions. It was reported in the press Mr. Peers had made an investigation before resigning from the C.B.C. Is this correct?

Mr. PEERS: "Investigation" refers to my trip on my own, because I did not want to be advised not to come. That is the trip I made to Ottawa; the queries which I directed to Mr. Walker; the attempts to see Mr. Bushnell; and then, finally, our meeting with Mr. Bushnell on that Sunday night in Toronto.

Mr. CHAMBERS: In other words, your "investigation" is what you report in your statement?

Mr. PEERS: That is right.

Mr. CHAMBERS: Would you agree, the question of whether parliament should be reported by a commentary or by wire news compendium is a matter of opinion?

Mr. PEERS: It is a program decision for which there can be pros and cons on each side.

Mr. CHAMBERS: In other words, there is something to be said for either side.

In your view, when the C.B.C. is faced with a question as to whether do a thing in one way or another, whose decision is it as to which way it should be done?

Mr. PEERS: It is a decision, finally, of management.

Mr. CHAMBERS: The three witnesses before us are the three who resigned and gave out a statement to the press which has been reported as the reasons for their resignation, is that correct?

Mr. PEERS: Yes.

Mr. CHAMBERS: The three witnesses here—apart from what has been said in your statement and in the answers to questions—have not of themselves any proof this was a management decision taken under political influence and pressure? I would like to stress the word proof. You obviously believed it was necessary; but have you any witnesses to prove that it was?

Mr. PEERS: Again, I am not a lawyer, but I think we thought that beyond reasonable doubt there was a likelihood.

Mr. CHAMBERS: But you three gentlemen, beyond what you have said—can you adduce any further proof?

Mr. PEERS: I think that what can be regarded as proof would depend on the judgment of reasonable men who were reviewing it.

The CHAIRMAN: Do you consider this group to be reasonable men?

Mr. PICKERSGILL: Let us wait and see.

Mr. PEERS: I think so.

Mr. MCCLEAVE: I have a few questions I would like to ask this witness. This statement, I presume, has been drawn up by the three witnesses who are here this morning. Is that correct?

Mr. PEERS: That is so. It was primarily my own, but I showed it to them at each point, and they quite concurred in the basic parts of it.

Mr. MCCLEAVE: It is a joint summing-up to the best of your recollection.

Mr. PEERS: That is right.

Mr. MCCLEAVE: What bothers me particularly is that when you went through page 3 regarding the conversation around midnight on that Wednesday night you used the phrase that Mr. Walker apparently told you. You used the word "apparently", although it is not included in your statement. Do you recall using that word?

Mr. PEERS: No, I do not recall it. I would like to know the context.

Mr. MCCLEAVE: That was in answer to a question asked by the chairman.

Mr. PEERS: I cannot comment because I do not remember the statement.

The CHAIRMAN: Gentlemen, we shall have to adjourn now because the house meets at 11 a.m. We shall reconvene at three o'clock in this room. Thank you very much.

Mr. SMITH (*Calgary South*): Is it the intention to call Mr. Walker?

The CHAIRMAN: We shall consider that in the steering committee.

AFTERNOON SESSION

TUESDAY, June 30, 1959.
3:00 p.m.

The CHAIRMAN: It is three o'clock, gentlemen. We will come to order.

After the session broke up this morning the steering committee had a meeting at which it was decided we would call Mr. Walker because he had been mentioned so often in the evidence of Mr. Peers, Mr. Gillis and Mr. Trotter. I understand Mr. Walker is here. I would suggest to the committee members that the questioning, as far as the three present witnesses are concerned, is practically concluded.

I think it might be advisable if we would ask Mr. Walker to come up here now.

Mr. SMITH (*Calgary South*): Mr. Chairman, may I ask one question. I would like to complete the record. Earlier this morning Mr. Peers on a question from myself indicated there had been another occasion on which he had resented the action taken by management and emphasized his protest by a threat to resign. I think he indicated this was three years ago at the time Mr. Dunton was president of the corporation. I would like to ask Mr. Peers if there had been any other occasion. You mentioned the one. Has there been any other, perhaps, on which you would like to refresh your memory?

Mr. PEERS: First of all, in respect of the other occasion I mentioned I should say then it was not an ultimatum that I would resign. I went to Ottawa again because I found it difficult to discuss these things over the telephone. I had a long discussion with the general manager and, after a hard give and take, management decided to change its stand. The question of resigning did not formally come up although they understood that in the circumstances I felt it was an important enough issue at the time to suggest I would have no recourse but to leave the corporation.

However, in effect, this issue was voiced on the network from that time on.

Mr. SMITH (*Calgary South*): This morning I asked if there was any other situation in which you threatened. You gave one other example and you are now taking the position that this was not to the point of resigning.

Mr. PEERS: I never suggested at another time that I would resign.

Mr. SMITH (*Calgary South*): May I ask the circumstances in respect of interviewing certain persons who were the authors of a book concerning the former prime minister, and if there was any serious disagreement between yourself and the corporation as to whether or not the individuals should appear and whether you threatened to resign on that occasion.

Mr. PEERS: There was some disagreement between myself and the senior officials of the corporation. The discussion was carried on on the grounds of the merits of the particular program. I did not indicate that I would regard a reversal as a serious—

Mr. SMITH (*Calgary South*): Every time you disagree with management you do not, then, just threaten to resign? You are not trying to control management policy?

Mr. PEERS: As I said this morning, there are many times when my judgment is questioned, is not accepted as final; and I take that in good grace if I think we are meeting each other on the same kind of program grounds.

Mr. MCINTOSH: As a basis for my questioning and to put on the record the reasons why these gentlemen are here today, I would like to refer to the evidence of the committee of June 24. One committee member said he had a motion to present to the committee.

The CHAIRMAN: Would you please stand up, Mr. McIntosh? We are having difficulty in hearing you.

Mr. MCINTOSH: As a preface for my questioning and in order to put on record why these three were called to this meeting today, I wish to make reference to the evidence of the committee meeting of June 24, wherein one committee member said that he wanted to make a motion to invite these three gentlemen to appear at the next meeting of the committee to substantiate their charge that clandestine political influence has been brought to bear on C.B.C. management. Through this proforma we have been given this morning by these three gentlemen, reference has been made to interference, influence and connection. I would like to ask Mr. Peers—and I think he has stated it before—that there was no political motivation in his charge. Is that correct?

Mr. PEERS: There is no political motivation in my charge.

Mr. MCINTOSH: And no political interference?

Mr. PEERS: I am confusing two things. I thought you were asking did I have a political motivation; that is, did I intend to help one party or another by making a certain charge. My answer to this is, no. I take it now your question is in connection with something else.

Mr. MCINTOSH: I will go further into the evidence of the twenty-fourth. One committee member said that the charges of illegal interference had been levied and as such they are reflecting on the dignity of members of parliament. Following that up they also said—

The CHAIRMAN: Who were "they"?

Mr. MCINTOSH: They were speaking, I presume, about the three gentlemen appearing as witnesses.

The CHAIRMAN: These are committee members?

Mr. MCINTOSH: I am referring to the minutes of the twenty-fourth.

Mr. PICKERSGILL: If we are going to have the minutes referred to I think they should be read accurately.

The CHAIRMAN: Yes. What page are you on?

Mr. McINTOSH: Page 501, about half way down. Mr. McCleave said:

> Mr. Chairman, on Mr. McIntosh's point, surely the basis is that this little group has charged political interference? As such, they are reflecting on the dignity of members of parliament—and that, to me, is the important consideration. Undoubtedly they are going to have a fight with their own management of the C.B.C.; but I think the important point is that they have brought charges against people here in Ottawa on Parliament Hill.

Then I interjected. I said:

> Whereabouts? They did not say anything about that.

Then Mr. McCleave said:

> They talked about clandestine political interference.

You, Mr. Chairman, said:

> But did they say, "within the corporation" or "from Parliament Hill"—that is the point?

Mr. McCleave said:

> I think people would take the ordinary meaning from what "political" means.

Then Mr. Smith said:

> The interference is pretty clear.

What does Mr. Peers mean by interference or influence? Does he mean criticism?

Mr. PEERS: As I mentioned this morning, the word I had used was influence and not interference. Indeed, that is the way in which the telegram which invited me to this hearing reads. It said: to appear before this committee at the earliest possible time to give evidence concerning the charges "that clandestine political influence has been brought to bear on the C.B.C. management".

As I explained this morning, I do not make a charge that interference had taken place. I did make the assertion that there was influence in the sense that the C.B.C. itself recognized some external pressure. Also as I said this morning—I have no objective evidence that that influence in fact existed. All I know is that the C.B.C. interpreted it in that way. That is my criticism.

The CHAIRMAN: Who do you mean by the C.B.C.?

Mr. McINTOSH: I am referring now to page 6—

The CHAIRMAN: Just a moment, Mr. McIntosh. Who do you mean by the C.B.C.?

Mr. PEERS: I mean the C.B.C.'s management.

Mr. McINTOSH: I am now referring to the top of page 6 where you say:

> Mr. Bushnell said he had received criticisms from three sources:
>
> (1) by word of mouth from private citizens—friends, acquaintances, etc.;
>
> (2) from people in responsible positions, businessmen, etc.; and
>
> (3) from politicians.

Now, there, do you mean criticism or interference?

Mr. PEERS: Of course, these are Mr. Bushnell's explanations to a group of us who were meeting with him, and I think he meant criticism and certainly not interference.

Mr. McINTOSH: I now refer you to the letter which you sent to the Toronto senior group, on page 5.

Mr. PEERS: From the Toronto senior group.

Mr. McINTOSH: Well, it is signed by you.

Mr. PEERS: It was signed by eight people of whom I am one.

Mr. MCINTOSH: In the second paragraph you say:

> Because we believe that the principle of freedom from political or other interference, or the appearance of such interference, is absolutely essential to the effective discharge of the corporation's program responsibilities...

Is it your contention that the public is no longer able to have the freedom to criticize your program?

Mr. PEERS: No. I think the meaning there is that it has been an established principle with the C.B.C. and before it, when the C.R.B.C. was founded that the corporation should not take instructions from any political group or government, but should be responsible through its board to parliament. Now, the meaning of this—

Mr. MCINTOSH: Before you continue, Mr. Peers, what do you mean by political group?

Mr. PEERS: I mean political party. I should have evplained more precisely. The meaning of this particular sentence which you have quoted from the letter, to which I was one of the signatories, is that not only must there be freedom from actual interference which is often hard to assert with certainty, but C.B.C. program decisions should be made in an atmosphere when there could be no reasonable assumption that it was a political influence or interference that brought about the decision; in other words, the discussion on program matters should be carried on in the usual way of assessing the worthwhileness or otherwise of the particular program.

Mr. MCINTOSH: By political interference you mean political party interference?

Mr. PEERS: Not necessarily. I think interference—and I am not saying for a moment that there was interference—but interference could theoretically be from anyone who has any kind of power, real or imiginative, in the minds of the C.B.C. management.

Mr. MCINTOSH: Referring to those who criticize, could they not have a political affiliation with anyone?

Mr. PEERS: Yes, it would be some public identification with a political group.

Mr. MCINTOSH: I would like to refer back to the last paragraph on the first page:

> This sudden cancellation of a series without prior consultation with the responsible program department was unprecedented in my twelve years' experience with the C.B.C.

Now, is that prior consultation unusual?

Mr. PEERS: What is unusual, sir, is that a whole series of programs should be cancelled without some discussion between either a responsible program department or a network programming group and management; that is unusual.

Mr. MCINTOSH: In some other series of programs how much time is given to discussions?

Mr. PEERS: I would have to rely there upon programs in my own department only and I do not know the situation entirely in all other program areas, but I should think in my own department I cannot remember a program being cancelled with less than the usual publicity time, which is three weeks—usually three or four weeks as a rule.

Mr. MCINTOSH: How long have you held your present position?

Mr. PEERS: I have been supervisor since the beginning of 1954; I was assistant supervisor for a short time before that.

Mr. McINTOSH: After answering Mr. Smith's remarks about this being unprecedented in your twelve years' experience, you would say on one other occasion you admitted it did happen.

Mr. PEERS: That was not a series. That was an individual program and there the decision was taken to cancel the individual program, but after further discussion and reflection the program went ahead.

Mr. McINTOSH: Whether it was a series of programs or one, it did happen before?

Mr. PEERS: No. It possibly could have happened, but did not.

Mr. McINTOSH: Well, did it not happen in 1955 on one occasion when a political program was cancelled?

Mr. PEERS: I do not recall it; perhaps you could refresh my memory.

Mr. McINTOSH: Dr. Bernard Ostry.

Mr. PEERS: That was a proposed program.

Mr. McINTOSH: How about 1956, concerning a man by the name of Conway, who was involved?

Mr. PEERS: He gave two talks and they went ahead.

Mr. McINTOSH: Did you receive an objection to those talks at that time?

Mr. PEERS: No word that there was any criticism of the talks came to me until months later. I knew for some reason or another the C.B.C. board of governors were reviewing the scripts at one stage. I did not know there was any important objection to the two talks until some months later when it came out in the House of Commons debates.

Mr. McINTOSH: I would like to ask a question concerning the second paragraph on page 8, which states:

> The board of directors met during the day, but did not call on any of us. In the evening I received word from Mr. Hallman that Dr. Morton had informed him that he had failed completely in getting a full discussion. He said that the board had confirmed the decision of management to cancel Preview Commentary.

Was it after you received that decision that you put in your resignation?

Mr. PEERS: Yes, it was several hours after that.

The CHAIRMAN: Mr. McGrath, before you start your questioning, might I suggest to each member of the committee that this gentleman will remain here and I feel that inasmuch as we called Mr. Walker we should hear him as soon as possible. Now, your question, Mr. McGrath.

Mr. FISHER: Just on a point of information, Mr. Chairman: you said Mr. Walker; I understood the steering committee recommended Mr. Walker, Mr. Hallman and Mr. Hogg.

The CHAIRMAN: My understanding of it—and possibly Mr. Pickersgill can advise me if I am wrong—was Mr. Walker and Mr. Hallman.

Mr. McGRATH: My question is brief and part of it was answered during the time of Mr. McIntosh's questioning. It arises out of the third paragraph on page 6 of Mr. Peers' statement:

> Mr. Bushnell replied that Preview Commentary was not being cancelled; that this was simply an experiment with a different form of program to cover parliamentry affairs. He said that the parliamentary session would last only a few more weeks, and asked why we should not try this other format.

My question is this: as an experienced radio man, would you not accept this as a logical explanation of a change made in the interests of good programming?

Mr. PICKERSGILL: I would like to raise a point of order, Mr. Chairman.

The CHAIRMAN: What is your point of order, Mr. Pickersgill?

Mr. PICKERSGILL: Mr. Chairman, we are here to ascertain facts and what is being asked here now is whether or not something is logical. What we want to know is whether it is true or not.

The CHAIRMAN: We have been working on opinions all day. Could you change your question a wee bit, Mr. McGrath?

Mr. MCGRATH: In the normal affairs of programming, are changes made under similar circumstances?

Mr. PEERS: This morning I suggested there are arguments pro and con for each program format attempting to carry out its responsibility in different ways, and I think that such a discussion would be a worthwhile one; and we had a discussion along those lines that evening.

I should also report that those who were there felt that the weight of opinion was with maintaining Preview Commentary, and that included, I think, in that evening, the chief news editor, in whose department the other kind of program would fit.

Mr. MCGRATH: I have one other question and it concerns an interview in the Toronto Star of June 24.

The CHAIRMAN: An interview by whom and with whom?

Mr. MCGRATH: It is with Mr. Peers and his colleagues, by Mr. Templeton and Mr. Cohen. My question is: Mr. Peers is speaking, and he says, in part:

> The present board is, I'm sure, trying to do its best but the peculiar thing is that its information must come through management. It's an extraordinary feature of the legislation under which we are now operating.

Is this not normal, for a board of directors of a corporation to get its information through management? I would suggest that it is.

Mr. PEERS: Mr. Chairman, I am not sure that my experience is broad enough to venture an opinion with certainty, but I think in very many corporations there is a chairman of the board, and there is also a general manager, who is separate—sometimes a president who is separate; but certainly, as a rule, a general manager who is separate.

The CHAIRMAN: I would suggest we are just veering a little away from the motion.

Mr. FISHER: I wanted to ask a question in connection with the same interview, and it was your statement—

The CHAIRMAN: It is on the motion, is it?

Mr. FISHER: Yes.

> There have been other direct statements to us of the nature of the political pressures but since other people in the corporation are still working within the framework of the corporation to develop the kind of machinery which will more successfully resist such pressures, I'm not at liberty to give you details at the moment.

My question is: is this situation still existing, and is it reflected in your statement?

Mr. PEERS: Mr. Fisher, I have given the details in my statements this morning that I refused to give The Star interviewers.

Mr. FISHER: Fine.

The CHAIRMAN: Gentlemen, may I have your permission to excuse these three witnesses and call Mr. H. G. Walker?

Mr. MUIR (*Lisgar*): I would like to ask Mr. Peers a question. Mr. Peers has spoken of alleged pressure on management in connection with this program, and in view of the fact that the evidence so far submitted has been based on hearsay, would he not consider the action taken by himself and some of his colleagues as pressure on the management?

Mr. PEERS: Mr. Muir, on the alleged pressure—as I said this morning—I had to rely upon my superior officer, who was the link—my link—with management. On the business of pressure from this group of three, I think that resignation—sudden resignation—is a form of pressure vying with all the other pressures that exist around a contentious situation; but it did not seem to me that it was the kind of pressure which was not recognized immediately by the public for what it was. In other words, it was a pressure honestly and—I hope—sincerely exerted.

Mr. MUIR (*Lisgar*): Could I ask a supplementary question? Then, Mr. Peers, would you and your associates—

The CHAIRMAN: Would you speak louder, please, so that these witnesses can hear.

Mr. MUIR (*Lisgar*): I am asking Mr. Peers if he and his associates would deny the right of management to make and carry out decisions solely within the conscience and responsibility of management itself—by your actions?

Mr. PEERS: No, I would not deny that. But at the same time, it seems to me that a responsible officer of a corporation has it also within his rights to dissociate himself from the fact by publicly withdrawing from it.

Mr. PICKERSGILL: We live in a free country.

Mr. TAYLOR: On page 3 of Mr. Peers' statement there appears:

> Mr. Walker said that he was not at liberty to divulge further information but that external pressures were involved.

My question is this: who asked for information at this time while you were present with your colleagues? Were you asking for information and particulars about outside pressures?

Mr. PEERS: Sir, I think that we were asking about the nature of the emergency—there seemed to be an emergency—which brought this program decision to a head in such a short time. I do not think we ever asked for the names or identities of persons who may have been involved, and I think Mr. Walker, in just telling us how far he could go and how far he could not go, drew that line himself. That is the best of my recollection; but perhaps you would like to ask the same question of my colleagues, whose memories may be different from mine, for all I know.

Mr. TAYLOR: I take it you were in the room with Mr. Walker and your colleagues?

Mr. PEERS: That is right.

Mr. TAYLOR: And there was a discussion. How long was that discussion about this particular statement? Was there any discussion, apart from one bald statement that there were political pressures?

Mr. PEERS: I think that this particular part of our discussion may have lasted five or six minutes.

Mr. TAYLOR: Can you tell us what was discussed, then, during the five or six minutes?

Mr. PEERS: For one thing, we made the point that we were much more concerned with the corporation's procedure and method of appraising the program than we were with the identity of the people who had allegedly expressed views about the program.

Mr. TAYLOR: One final question. I take it the discussion was of about five minutes in duration; that there was one statement made which concerned you most, but none of you asked for further particulars about the statement of political pressure?

Mr. PEERS: I remember distinctly breaking in to say I would not ask for such information. This was aside from Mr. Walker telling me he was not at liberty to give such information.

The CHAIRMAN: May I now have your permission in this regard, gentlemen: the three witnesses could be excused right now, if they would like to sit down there, almost any place. Mr. H. G. Walker, please.

Gentlemen, may I introduce Mr. H. G. Walker, who is director for Ontario and the English network. Mr. Walker, would you tell the committee exactly what your duties are.

Mr. H. G. WALKER (*Director and Coordinator of English Language Networks, Ontario Division, Canadian Broadcasting Corporation*): I am director for the province of Ontario division of the corporation and coordinator of the English language networks.

Mr. BELL (*Carleton*): Mr. Chairman, may we have Mr. Walker speak louder, please?

The CHAIRMAN: Yes; could you speak a little louder, Mr. Walker, please?

Mr. WALKER: My title is director for the Ontario division and coordinator of the English language networks, which is radio and television.

The CHAIRMAN: Do you have a short statement you would like to make, Mr. Walker?

Mr. WALKER: I would like the permission of the chair—because my name has been included in the statement of Mr. Peers which I understand was read this morning—to read from some informal notes which I have written in this notebook, solely in the interests of possibly being a more useful witness in the event of my being called before the committee—and, of course, I have been called.

May I have your permission, Mr. Chairman? I should like to simply read through these—which I want identified as informal notes—which help me to recall, in all honesty, the events as I recall them over the last number of rather difficult days.

The CHAIRMAN: I wish you would do that, please. Carry on, Mr. Walker, please.

Mr. WALKER: Again, I should like to make very clear that these are informal notes in my own handwriting, and having said that, I will find some difficulty in reading some of it. I will do my best.

The CHAIRMAN: Would you also talk slowly, please, for the reporter.

Mr. WALKER: June 15: Mr. Nixon—Mr. Nixon is assistant director of radio networks, English language—advised me of direction from Mr. Jennings to drop Preview Commentary. Same day, in the afernoon: I tried to reach Mr. Jennings by phone, but he was unavailable. I was seeking information on the cancellation.

June 15; same day: I teletyped Mr. Jennings, with a copy to Mr. Bushnell, protesting the dropping of Preview Commentary, on the basis of timing, if nothing else, having no further information.

June 16: Mr. Bushnell phoned to say—and in fairness, I am not too certain of the quotes, but I will do my best to recall them—quote—I guess you think we are all crazy here—unquote—because of the dropping of Preview Commentary, but he advised me there were important reasons for the decision which he would explain when I was in Ottawa.

June 17: Arrived in Ottawa near noon hour. Mr. Bushnell informed me that too many scripts in Preview Commentary series have had special slant or

bias, and he left the impression with me—underline "impression"—that there have been important protests, but no names were mentioned. I asked if decision could be deferred until the end of the present session of parliament. The answer was "No".

June 17—same day: After above meeting with Mr. Bushnell I saw Mr. Jennings, who also gave me impression there were important protests about Preview Commentary. Mr. Jennings asked me to read a teletype he was sending to Toronto, ordering the replacing of Preview Commentary with Parliamentary Report, as of June 22.

Same date, June 17, rather late: I was advised that Mr. Peers, Mr. Gillis and Mr. Trotter were on their way from Toronto to see me, in the hope, I was advised, I would be able to give more information on the cancellation of Preview Commentary. Before their arrival I phoned Mr. Jennings at his home, urging him to give me real background. He advised me that situation was so serious that, quote—heads were to roll, unquote, if we did not remove Preview Commentary by June 22. In fact, it was to have been dropped the week previous. Specific heads mentioned were, Mr. Bushnell and Mr. Nowlan.

Same date, very late at night—

Mr. PICKERSGILL: I think we should have a recess for the press.

The VICE CHAIRMAN: Continue. Order, gentlemen. Please continue, Mr. Walker.

Mr. FISHER: Would you repeat that?

Mr. PICKERSGILL: I trust the press.

The VICE CHAIRMAN: I take it you heard it, Mr. Fisher?

Mr. FISHER: I did not hear it.

Mr. ROBICHAUD: Would you repeat the last question?

Mr. PICKERSGILL: I wonder if we could have that last sentence repeated, because there were some members who did not hear it.

Mr. JOHNSON: Do you want it amplified on a tape recording?

Mr. PICKERSGILL: I wonder if we could have silence so the witness can be allowed to repeat it, because many of us did not hear it.

The VICE CHAIRMAN: You can repeat it; there is no objection.

Mr. WALKER: Specific heads mentioned were Mr. Bushnell and Mr. Nowlan.

The VICE CHAIRMAN: Is that clear enough? Continue.

Mr. WALKER: Same date—I do not know what hour; rather late: I endeavoured to relay management's—Mr. Bushnell's position—to Mr. Peers, Mr. Gillis and Mr. Trotter, informing them, as I had been informed, that some of the Preview Commentary scripts had been offensive to certain people; and that it would appear that Mr. Bushnell, in his wisdom, had made a decision on his own in view of what seemed to be threats to the upper structure of the corporation.

Mr. Peers, Mr. Gillis and Mr. Trotter left me—that is, left my room—giving me the impression they had added up the information I had given them, and that Mr. Jennings previously had given them, as signs of some kind of serious outside interference; and that after consideration, they—that is, Mr. Peers, Mr. Gillis and Mr. Trotter—probably would regard the decision to drop Preview Commentary as unacceptable to them. I have in brackets here—"meaning their resignations."

June 20, one o'clock: A group of senior Toronto officers asked me to join them in a special meeting to discuss the situation. They were now unanimous in pressing for more information. In the interests of the integrity of the corporation and—I honestly felt at that time and continue to feel—also in the interests of Mr. Bushnell, I did not feel bound to withhold the information

I had, and had to agree with them—that is, the senior officers reporting to me—that basic principles seemed to be involved, and I also agreed we must try to have a reversal of decision so that, if nothing else, the public and the press would not misunderstand.

June 21, two o'clock: Second meeting with senior officers was held, out of which came a prepared signed statement by the officers who met with me, to be delivered through me to Mr. Bushnell. The statement recognized—if I may interject here, I understand it was read during the meeting this morning.

The VICE CHAIRMAN: That is right.

Mr. WALKER: The statement recognized the rights of management, but questioned the decision in this case because of the appearance of—quote—external pressure—unquote.

Continuing June 21: I read the statement to Mr. Bushnell, and he agreed to meet with the group at 7:30 that night. Meeting turned out to be unfortunate because in trying to convince Mr. Bushnell the decision was wrong, in the opinion of the officers reporting to me, Mr. Bushnell strongly objected to the statement that had been prepared, to some of the questioning, and to certain of the people in attendance.

Same date: Mr. Bushnell talked to me in the privacy of my office—just a moment.

The VICE CHAIRMAN: Take your time.

Mr. WALKER: And informed me there was no possibility of reversal of decision, and he must go along with it or his job might be in jeopardy. I said, "In the circumstances, I doubt it"—that this could be possible.

June 22: A representative group of senior officers urged me to seek the advice of the president. I felt obliged to inform him of the serious situation which seemed to be developing in Toronto. I therefore phoned the president and urged him to phone Mr. Bushnell for background. It was quite apparent to me, in talking to the president, that this was the first that he had heard of this situation, which I identified as serious.

The next date is June 23, 2:45 a.m.: I was advised at home that resignations of senior talks people and possibly others would be handed in to me first thing in the morning.

The same date, June 23, Mr. Bushnell and others were kept informed of the resignations as they were handed in to me. Mr. Bushnell again advised me in the privacy of my office that the decision could not be changed. Mr. Bushnell also advised me that our board had been fully informed.

June 23, at approximately 5.30 p.m. Mr. Bushnell returned a phone call to our president at his home in the presence of myself and Mr. Jennings, from the Celebrity Club in Toronto, and informed the president that the decision was necessary, otherwise he and the president might both be removed from their jobs.

The CHAIRMAN: While you are gathering your thoughts, when Mr. Bushnell phoned from the Celebrity Club, that was the date that the committee was in Toronto?

Mr. WALKER: That is right.

June 24, in the morning: Mr. Jennings, Mr. Peter McDonald, director of our English language TV network, Mr. Hallman and myself were called before the special meeting of our board. Mr. Hallman acted as spokesman because his network responsibilities were directly affected.

Mr. Jennings advised us later that following this meeting, he was detained in the meeting after we left to fully inform the board of the situation. He said some members of our board have learned full details of the decision for the first time, or of the background for the decision for the first time.

That is all I have, Mr. Chairman.

Mr. BELL (*Carleton*): Were there any names at any time mentioned of any political figure or person of political connection who was bringing the pressure to bear?

Mr. WALKER: Not in my presence.

Mr. BELL (*Carleton*): At no time was any name mentioned in any of the conversations at which you were present?

Mr. WALKER: Not in my honest recollection.

Mr. BELL (*Carleton*): So that at all times you were operating on the basis of surmise and inference from what was said?

Mr. WALKER: I would choose to call it—you may be correct in identifying it that way—but I would choose to call it logic, by virtue of the fact that the corporation is in no position, obviously, to relieve Mr. Nowlan, of his position; and if I may continue, nor, as I understand it, is our president, who also presides over our board, nor the board itself in a position to relieve the vice president of his duties.

Mr. BELL (*Carleton*): What inference do you get from that statement?

Mr. WALKER: No inference at all. By logic I felt—and I imagine that our other senior officers felt that probably there must have been some kind of influence.

Mr. BELL (*Carleton*): Did you ever ask Mr. Bushnell, Mr. Ouimet, or Mr. Jennings from whom this alleged pressure was coming?

Mr. WALKER: No sir.

Mr. BELL (*Carleton*): Why not?

Mr. WALKER: I cannot answer. I do not know why. I did not feel there was any reason for my asking. I had been advised of what I chose to regard as a serious situation, and for reasons that I have recounted in my informal notes, I felt, in the interest of the corporation, I would pass it on to my senior officials. That was as far as I could go.

Mr. BELL (*Carleton*): You are on a basis of intomacy with Mr. Jennings and Mr. Bushnell?

Mr. WALKER: Indeed so.

Mr. BELL (*Carleton*): Therefore there would be no reason why you would not ask a question of that sort, and if you did so, it would not be considered as impertinent coming from you?

Mr. WALKER: Not at all.

Mr. BELL (*Carleton*): Have you any further reason to advance why you did not ask the question directly to either, as to who was the person involved?

Mr. WALKER: No sir; I had no reason to.

Mr. BELL (*Carleton*): You indicated that Mr. Bushnell told you that his head—I am sorry, Mr. Jennings told you that his head and that of Mr. Nowlan would roll, and that if Mr. Nowlan's head was to roll, presumably you never thought at any time that Mr. Nowlan was the political figure who was associated with these alleged influences?

Mr. WALKER: Not to my recollection no.

Mr. BELL (*Carleton*): So, in your mind at all times you would absolve Mr. Nowlan?

Mr. WALKER: Yes, I think I would.

Mr. BELL (*Carleton*): As to these impressions which you left, or which were left with you, first, on the 17th, when Mr. Bushnell spoke to you about these scripts, you said—I think your exact language was:

He left the impression that important protests had been made? Would you please tell me the exact language that Mr. Bushnell used which conveyed that impression to your mind?

Mr. WALKER: I am sorry but I cannot recall the exact language. I think, if you will permit me to say so, that it is rather a difficult thing to do, to recall the exact language or the words used, when the event is now certainly a week old. I do not think I would like to attempt to guess at the exact words or the exact language.

As I have said, there was an impression created which led me to believe that there were important criticisms.

Mr. BELL (*Carleton*): Important criticisms? Would you try to give the committee, Mr. Walker, the closest you can recollect it, the language which was used by Mr. Bushnell on that occasion? I say to you frankly that I intend to test this by asking the same question of Mr. Bushnell on another occasion. I want to say that in fairness to you.

Mr. WALKER: I cannot add very much more to the notes which I have read associated with that particular date of my talk with Mr. Bushnell. There was a brief chat, extremely brief. It happened to be at the noon hour when I had just arrived. Mr. Bushnell was extremely busy. It was the briefest of chats in his office. And if I can recall anything, without using the exact words, he spent most of the time telling me that too many of the scripts had been slanted and had bias in them. I think that was about the extent of the discussion.

Mr. FISHER: Mr. Chairman, I have a question supplementary to that. You said you asked Mr. Bushnell to defer the decision, did you not?

Mr. WALKER: Yes.

Mr. FISHER: What did you have in mind?

Mr. WALKER: I had in mind that this was a bad decision. I must say this; and that with deferment perhaps we could understand a little better his reasoning in arriving at such a decision. I was also very conscious that in dropping this series of programs so quickly that perhaps—in my opinion anyway—the decision would be misunderstood by the public and most certainly misunderstood by the press.

The CHAIRMAN: Is your question another supplementary question, Mr. Fisher?

Mr. FISHER: It is on the same point. When you asked him if he would defer the decision was his negative answer immediate?

Mr. WALKER: A matter of seconds, I should say; yes.

Mr. FISHER: Later on the same day when Mr. Peers was asking you about it, you saw Mr. Jennings and again you said you had the impression from him an important protest had been made. Did you get exactly the same impression from Mr. Jennings that you got from Mr. Bushnell in so far as the type of person was concerned who made the protest, that is a very important person.

Mr. WALKER: I got a stronger impression, if I may say this, simply because Mr. Jennings seemed to be very disturbed, particularly disturbed that he was having to send this teletype, to which I have referred here, very clearly and very definitely directing that the Preview Commentary series be dropped. He seemed to be very disturbed. This gave me a very strong impression, as I did not have any other intimation, that surely there must be some kind of outside interference. This is the impression it gave me.

Mr. FISHER: Later on, when you telephoned Mr. Jennings you got this expression "heads were to roll". Are you certain that is the expression?

Mr. WALKER: If you will allow for the failings of an ordinary human—and I choose to regard myself as reasonably normal—it is difficult, especially in a situation that is very worrisome as this was to me, and many other officers, to recall. Personally, to the best of my honest recollection—and I have my notes here and I put this in quotes—he did say heads would roll, to the best of my recollection.

Mr. FISHER: He also told you at this time that in fact the program should have ended a week sooner?

Mr. WALKER: Yes. I think he endeavoured to convey to me that it was so important that in fact the direction, or decision, to drop the thing was intended to apply a week previous. What had delayed it I have no knowledge.

Mr. FISHER: I have one last question. I would like you to repeat that you heard from him that the specific heads that were to roll were Mr. Bushnell and Mr. Nowlan.

Mr. WALKER: Yes.

Mr. TAYLOR: When were your notes in that book prepared? Were they made to refresh your memory today, or were they prepared in diary form from day to day?

Mr. WALKER: I would say a combination of both, sir. I would say, in the main, my notes were made last night, but I had many notes accumulated from the date of June 15.

The CHAIRMAN: Do you ordinarily take notes of all conversations?

Mr. WALKER: No, I do not.

Mr. SMITH (*Calgary South*): I was going to question the witness more, but I do not think I will do so any further.

The CHAIRMAN: Are there any further questions of the witness?

Mr. CHAMBERS: I would like to make a motion that the witness now be excused and that we call Mr. Jennings.

Agreed.

The CHAIRMAN: Thank you very much, Mr. Walker. Mr. Jennings, please. It is not necessary to re-introduce Mr. Jennings. You all know him. Have you a statement, Mr. Jennings?

Mr. CHARLES JENNINGS (*Controller of Broadcasting*): Mr. Chairman and gentlemen, I have a statement which I wrote last Sunday.

On Thursday, June 11, I was instructed by Mr. Bushnell that the program Preview Commentary was to terminate as of Friday, the following week, June 19. I was told at that time I would be given an explanation shortly. Later, the explanation was given to me that both the president and acting president would lose their jobs if the program was not terminated and that the position of the minister would be in jeopardy, and that there could be no change in the decision.

The CHAIRMAN: Would you take it a little more slowly?

Mr. PICKERSGILL: Perhaps the right word would be dictation speed.

Mr. JENNINGS: In the light of our traditional policy of independence I protested what I felt would be the results of such an action and asked for an opportunity to consider a formula which might lessen the impact of the cancellation directive which I was advised was irrevocable. I submitted this in a statement that afternoon and was told that it was acceptable. This is the statement which Mr. Peers filed this morning with his statement.

On Monday, June 15, I saw Frank Peers in Ottawa, having arranged for him to come up on another matter. I opened my meeting by showing him the statement which had been prepared. He was upset and wanted to see the acting president. This was impossible because of various other matters which

Mr. Bushnell had to deal with at that time in connection with the parliamentary committee which was sitting the following morning.

Peers returned to Toronto on Monday night and, I presume, began to have discussions with his staff which culminated in Peers, Gillis and Trotter coming up to Ottawa by air late Wednesday night for a meeting with Mr. H. G. Walker, the director of the English network division, who was in Ottawa in connection with other matters.

Earlier on that Wednesday evening Mr. Walker telephoned me at my home to tell me there was great consternation amongst the talks staff in Toronto and to give me the information that these persons were coming to Ottawa. He begged me to give him some indication of the background to the decision, and I did so. I understand he met with Peers, Trotter and Gillis very late in his hotel room that same evening.

On Thursday morning June 18, Peers, Gillis and Trotter were still in Ottawa, but Mr. Bushnell was ill which prevented his attending the meeting of the parliamentary committee. When Peers, Trotter and Gillis returned to Toronto, I do not know, but it was impossible for Mr. Bushnell to see them while they were in Ottawa. While he had made every effort to come into the office, he was able to see no one except Mr. Dunsmore and myself, and we finally managed to get him to return to his summer home up the Gatineau.

On several occasions during the span between Thursday, June 11 and the following Wednesday, June 17, I had conversations with Mr. Bushnell in which we discussed the possibilities which might result from the implementation of the new program, Parliamentary Report, and I was told that under no circumstances could the decision be reversed. I had prepared a teletype directive some time on Monday or Tuesday and this was sent on Wednesday, the seventeenth.

The CHAIRMAN: Is there anything you want to add, Mr. Jennings, before Mr. Lambert asks his question.

Mr. LAMBERT: I would like to consider this first, Mr. Chairman, before I ask any questions.

The CHAIRMAN: Mr. Chambers, do you wish to ask a question?

Mr. CHAMBERS: I wanted to clarify a couple of points, particularly in regard to the beginning, where you were going fast. What date again were you instructed to cancel the program?

Mr. JENNINGS: Thursday, June 11.

Mr. CHAMBERS: And you were told an explanation would be coming later?

Mr. JENNINGS: Shortly, I said.

Mr. CHAMBERS: And when did this explanation come?

Mr. JENNINGS: About an hour later. The explanation was not given to me at that time because Mr. Bushnell was awaiting an appointment. He was outside his door.

Mr. CHAMBERS: What time of day was all this?

Mr. JENNINGS: I think around 12 o'clock roughly.

Mr. FISHER: You heard the statements made by Mr. Walker with regard to your telephone conversation in which he remembers you made a remark—quote—heads were to fall—unquote, and went on to indicate that would include Mr. Bushnell and Mr. Nowlan. Is it correct that in your view you gave him that impression?

Mr. JENNINGS: I certainly gave him that information, but I do not recognize that as a kind of expression I would use.

Mr. FISHER: Where did you get the information that Mr. Nowlan was involved with someone whose position was in jeopardy; was that from Mr. Bushnell?

Mr. JENNINGS: I am sorry; I think I made that clear in my opening remark. But I was instructed that the program Preview Commentary was to terminate, and so on. This was Mr. Bushnell; and later the explanation was given to me by Mr. Bushnell, and so on.

Mr. FISHER: Could I ask the same question that Mr. Bell was asking Mr. Walker. Did you question this at all and question the source of the pressure?

Mr. JENNINGS: At no time did Mr. Bushnell disclose or tell me the source which compelled him to take this action.

Mr. FISHER: Well, why did you not persist in trying to find out what the source of pressure was?

Mr. JENNINGS: Again, I do not know that I can answer that, Mr. Fisher. I had been given the information. It was quite a shock to me and I think I went away and tried to prepare this formula of which I spoke.

Mr. FISHER: You did not at any time disbelieve the statement?

Mr. JENNINGS: I will say that I wondered if I was hearing my own ears at first.

Mr. LAMBERT: Was any name or names ever given to you?

Mr. JENNINGS: No.

Mr. LAMBERT: Did you ever ask for any names?

Mr. JENNINGS: No, I did not.

Mr. PICKERSGILL: I have a supplementary question.

Mr. LAMBERT: Did you ask for an explanation of such a statement after you found it, as you say, rather strange?

Mr. JENNINGS: Not that I recall, Mr. Lambert. It was all rather a very strained time.

Mr. PICKERSGILL: I have a supplementary question.

The CHAIRMAN: Proceed.

Mr. PICKERSGILL: Mr. Jennings, did you consider that to have asked a question as to the source of the information would be redundant?

The CHAIRMAN: Would you repeat your question, Mr. Pickersgill.

Mr. PICKERSGILL: I asked him if he felt that to ask Mr. Bushnell for the source of the directive would be redundant.

Mr. JENNINGS: No, I did not think of that specifically; I am sorry, Mr. Pickersgill.

Mr. TAYLOR: I just wanted to go back to June 15. Mr. Peers had come to Ottawa for a specific purpose.

Mr. JENNINGS: Yes.

Mr. TAYLOR: And you then told him there was to be a change?

Mr. JENNINGS: Yes, I gave him a statement.

Mr. TAYLOR: Did you tell him then there was political interference?

Mr. JENNINGS: No, I did not.

Mr. TAYLOR: Well now, here was management making a decision to remove a program—

Mr. JENNINGS: Yes.

Mr. TAYLOR: Why would Mr. Peers run back to Toronto and get all these people together when an order had been given from management? If there

was no interference at that time, why would he cause that turmoil at that moment?

Mr. JENNINGS: I would think because he disagreed so completely with the logic of the decision that he would go back and discuss it with his people, as I assumed, in my statement.

Mr. TAYLOR: And at a later date he then found out through you and Mr. Walker that there was some political interference?

Mr. JENNINGS: Not through me.

Mr. TAYLOR: Through Mr. Walker?

The CHAIRMAN: The question was asked did he find out through you or Mr. Walker.

Mr. JENNINGS: I had no conversation with Mr. Peers following the meeting on Monday, June 15, and he referred to that in his statement this morning.

Mr. PICKERSGILL: Mr. Jennings, Mr. Peers did tell us this morning that on two or three occasions he communicated with you while he was in Ottawa, with a view to having a meeting with Mr. Bushnell.

Mr. JENNINGS: That is correct.

Mr. MCLEAVE: I was going to ask the witness if he would not agree with me that on occasions the acting president of the C.B.C. is capable of using very colourful language.

Mr. JENNINGS: I have known him a great many years, and I think on the odd occasion.

Mr. FISHER: Mr. Jennings, you can refuse to answer this question if you wish to do so. Did you at any time consider resigning, yourself, over this issue?

Mr. BELL (*Carleton*): I do not think this is a fair question.

The CHAIRMAN: You do not need to answer this question, Mr. Jennings, unless you wish to do so.

Mr. JENNINGS: I will not answer it then.

The CHAIRMAN: Are there any other questions, Mr. Fisher?

Mr. FISHER: No.

Mr. BELL (*Carleton*): Could we now call Mr. Bushnell?

The CHAIRMAN: Is that agreed?

Agreed.

The CHAIRMAN: Mr. Bushnell, please. Genlemen, this is Mr. Bushnell; I do not need to re-introduce him. Mr. Bushnell, have you a short statement you wish to read.

Mr. ERNEST BUSHNELL (*Acting President, Canadian Broadcasting Corporation*): I have, Mr. Chairman. I want to say, as simply and directly as possible, that never at any time has an order or a directive been given to me, or to my president, Mr. Ouimet, by the Honourable Mr. George Nowlan or by any member of parliament, or by anyone else who could be said to wield political influence.

I have included Mr. Ouimet in this statement with his full knowledge and consent.

It has been alleged that the management of the corporation has taken into account the criticisms and differences of opinion that from time to time are expressed by members of parliament, either privately or publicly.

To close an ear completely to criticism, regardless of its source, would in my view clearly indicate irresponsibility on the part of management.

To give criticism from any source more weight than it appears to the corporation to deserve legitimately would again, in my view, be a clear indication of irresponsibility.

Now, so much for generalities. Why then did I choose to change this particular program Preview Commentary and substitute one format for another? Because it seemed to me that it had somehow changed from the original intention and was not doing as good a job. Having made up my mind, I moved quickly to substitute a factual news report of the Ottawa scene.

Now, Mr. Chairman, I am afraid I shall have to agree that my sense of timing—which is all-important in radio—was perhaps a little faulty. I have been a busy man for the last six months and, as you know, we have had a rapid sequence of shocks and strains lately, and here was one situation that I thought was in my power to correct immediately. I did my duty as I saw it, having regard to all the circumstances. This, Mr. Chairman, is the truth, and the simple explanation.

The CHAIRMAN: Thank you.

Mr. PICKERSGILL: I would like to ask Mr. Bushnell—

The CHAIRMAN: I wonder, Mr. Pickersgill, whether you could stand, or speak louder—one or the other?

Mr. PICKERSGILL: I would be very glad to stand. I would like to ask Mr. Bushnell whether the Prime Minister spoke to him about this program at any time, formally or informally?

Mr. BUSHNELL: No, sir, never. I have not spoken to the Prime Minister—had the honour of speaking to him in two years.

Mr. PICKERSGILL: Might I ask Mr. Bushnell one other question? Did anyone purporting to speak on behalf of the Prime Minister speak to you about this program at any time?

The CHAIRMAN: What exactly do you mean by that, Mr. Pickersgill?

Mr. PICKERSGILL: Anyone who represented himself as speaking on behalf of the Prime Minister?

The CHAIRMAN: Who could that be?

Mr. PICKERSGILL: I prefer to ask my own questions, if the Chair will permit.

The CHAIRMAN: And I would prefer that you do not need to answer it, Mr. Bushnell, unless he gets down to cases—so we have an impasse on that. Would you like to change your question, Mr. Pickersgill?

Mr. PICKERSGILL: No, I will not change my question, Mr. Chairman.

The CHAIRMAN: Do you wish to answer it, Mr. Bushnell?

Mr. BUSHNELL: I think you will have to clarify for me what you mean by "purporting".

Mr. PICKERSGILL: I will be very happy to do that, and do it in the words I used the second time—anyone who represented himself to you as speaking on behalf of the Prime Minister?

Mr. BUSHNELL: No. Let me qualify that. As representing himself as speaking on behalf of the Prime Minister?

Mr. PICKERSGILL: Yes.

Mr. BUSHNELL: No.

Mr. PICKERSGILL: Did anyone representing himself as conveying views held by the Prime Minister speak to you about this program?

Mr. BUSHNELL: No, they did not.

Mr. PICKERSGILL: That is all the questions I have.

The CHAIRMAN: Thank you, Mr. Pickersgill.

Mr. BRASSARD (*Lapointe*): I wonder if I heard Mr. Bushnell correctly when he said in the first sentence of this statement—when he used the word "order"? I wonder if I could ask him a question? Was he given any hint or any suggestion by a minister of the crown that this program should be dropped?

Mr. BUSHNELL: No, sir.

Mr. FISHER: Mr. Bushnell, the question I think we are all very interested in knowing is, how Mr. Jennings got the impression—which was passed on to Mr. Walker, which later got down to the three people that were called here today—that, in the slang phrase that Mr. Walker used, "heads will roll"?

Mr. BUSHNELL: Mr. Fisher, as Mr. Jennings said, he could not confirm that I actually used those terms. I did.

Mr. FISHER: You did use those terms?

Mr. BUSHNELL: Yes.

Mr. FISHER: Why?

Mr. BUSHNELL: This matter has a rather long association. No heads were going to roll because of the cancellation of this program, but I think you will agree that it has been stated by newspapers—I have heard it said that such a statement has been made, if you like, by members of political parties, and I felt convinced that with this rather tragic series of unfortunate circumstances that we have had in the last six months, that if we did not pull up our socks, certainly somebody's head would roll—and quite properly.

Mr. FISHER: Mr. Bushnell, do you mean that the atmosphere was such at this particular stage when you made this decision that you felt your job and that of Mr. Ouimet were in jeopardy?

Mr. BUSHNELL: Rightly or wrongly, it could have been; and I think I felt that way.

Mr. FISHER: If your job was in jeopardy, where would the threat come from?

Mr. BUSHNELL: The threat, if you like, would—might have come from many different places.

Mr. FISHER: Did you ever at any time discuss this particular atmosphere, or situation, with Mr. Nowlan?

Mr. BUSHNELL: Yes.

Mr. FISHER: What advice did he give you?

Mr. BUSHNELL: I think you have used the right word, Mr. Fisher.

The CHAIRMAN: Mr. Fisher usually does.

Mr. BUSHNELL: In my position in the last six months—and prior to that, after the appointment of Mr. Ouimet and myself, we have had occasion to discuss matters with Mr. Nowlan, and—in my judgment—quite rightly.

Mr. Nowlan has intimated from time to time some of the things that he—how shall I put it?—that he felt were not being properly administered.

Mr. FISHER: You saw this question as, not one of principle but one of administration?

Mr. BUSHNELL: I do not—

Mr. FISHER: I mean, the question of Preview Commentary?

Mr. BUSHNELL: Yes.

Mr. SMITH (*Calgary South*): Mr. Chairman, may I ask Mr. Bushnell a supplementary question to this? You have stated, Mr. Bushnell, that you saw good reason—that you have indicated to the committee—for the removal of this particular program, Preview Commentary. May I, then, ask you whether

or not these threats—which you have also made some reference to, but had some difficulty to identify the source of these threats—whether they were actually real, or imaginary?

Otherwise, was there any suggestion on your part that this could be used as a pry to obtain the end which you desired in changing this program for the reasons you have indicated?

Mr. BUSHNELL: No; I came to the decision to substitute this commentary for another by myself, and no other.

Mr. SMITH (*Calgary South*): I understand that, Mr. Bushnell. The point I am making is: in convincing your colleagues that this should also be done, as a second portion—if I may use the expression—of your argument, was there any suggestion by you indicating that there had been these threats, that this was purely a selling feature for them, rather than factual?

Mr. BUSHNELL: It was reasonably factual.

Mr. MCINTOSH: Mr. Chairman, I have a supplementary question. Mr. Bushnell, you as acting manager of C.B.C.—did you consider any of the later Preview Commentary programs were not factual reports?

Mr. BUSHNELL: Yes.

Mr. MCINTOSH: When you started this series of programs was it your intention, or the intention of the board, that Preview Commentary would be factually reported?

Mr. BUSHNELL: I should say, sir, that all reports should not only be factual but objective.

Mr. MCINTOSH: Would you care to tell the committee, Mr. Bushnell, which showings—on what dates did you consider Preview Commentary was not reported factually?

Mr. BUSHNELL: I would not care to do so.

Mr. MCINTOSH: In your opinion, when did they start not to be factual?

Mr. BUSHNELL: I must admit that having had a rather busy time, this matter was not brought to my attention until some time, I should think, around the first of the year. And, then again, I felt we had quite responsible people who would be looking after this; and I should think it would be about a month ago that I began to ask for the scripts. It is my personal view—and I think it is only fair to add that a review of the scripts that were read by Mr. Jennings and by Mr. MacArthur, who was our former chief news editor, they found that some of the scripts, at least, were not what the C.B.C. might ordinarily expect them to be.

Mr. MCINTOSH: Mr. Bushnell, on your staff whose responsibility was it for seeing they were factual, before it came to you, as chairman?

Mr. BUSHNELL: You might have to go quite a long way back. I think the primary responsibility rests here in Ottawa. Then I am aware of the fact—

Mr. MCINTOSH: Who do you mean by "here in Ottawa"?

Mr. BUSHNELL: A producer of the talks and public affairs department.

Mr. MCINTOSH: But anyone who has appeared here as a witness today?

Mr. BUSHNELL: I would hesitate to correct what I thought Mr. Peers said. I was certainly under the impression that these scripts were sent back to Toronto. Now, it may not have been so. He may only have heard the broadcasts.

Mr. MCINTOSH: Who do you mean by "he"?

Mr. BUSHNELL: Mr. Peers. But I would have to have Mr. Peers confirm that himself. The responsibility goes from the producer in Ottawa to Mr.

Peers in Toronto, or to someone to whom he has delegated that responsibility. Then, as a matter of organization, the responsibility for policy of programming is that, ultimately, of Mr. Jennings, and Mr. Jennings reporting to management.

The CHAIRMAN: Mr. McIntosh, you broke in on a supplementary question. I am trying to be fair, but we are not being fair to Mr. Fisher; and I will come back to you later. Mr. Fisher?

Mr. FISHER: I have to go into what Mr. McIntosh has elicited. What is your conception of a reporting job, if you conceive that as a factual report?

Mr. BUSHNELL: I think that a factual report should be one in which all sides of a particular situation should be brought out.

Mr. FISHER: Mr. Bushnell, we have a 3½ minute program, with parliament with a very busy day and very busy schedule. Would you agree there is a selection of fact and issues? Would you agree that a selection of facts and issues is forced upon anyone doing the job?

Mr. BUSHNELL: I would not disagree with that.

Mr. FISHER: So that, in effect, this straight, factual report covering parliament's day, in the circumstances, is almost impossible?

Mr. BUSHNELL: That is the way I felt about it personally.

Mr. FISHER: Is that your reason for dropping it, because it is impossible to have a factual report? If that is so, what was the original idea of having newspaper men at all?

Mr. BUSHNELL: Again, Mr. Fisher, I must tell you that when this program was started I assumed it would be factual, even in the short period of time that was given to it; and that it could, at least, in that brief period of time reflect one, two or three, or, indeed maybe more, of the highlights of what had happened in parliament the day before.

No other thinking—it could have been faulty, on reflection, and I am not casting any aspersions on the many fine correspondents we have in the press gallery—is this: here is someone who is given the job of reporting, in a very short time, it is true, and he has the job to go home at night, probably tired—and why he would not be I would not know—and think of what he is going to say in the morning, or punch it out on his typewriter that night. Then he has to go to the studio and be there at approximately 7:30 in the morning, at which time the producer is supposed to review the script with him. I do not think it is fair to ask people to do that. I felt that inasmuch as we were getting quite a volume of material through the normal press services, that a wider selection, without opinion, immediately folowing our news broadcast in the morning, would reflect, as far as the public is concerned—or "reflect" is not the word I want—would give the public of—not all of Canada, because this does not go everywhere, but in those areas in which it was broadcast, a better idea of what going on in parliament.

Mr. FISHER: Going back—

The CHAIRMAN: Might I suggest, Mr. Fisher, that this line of questioning is out of order. We are questioning management and why he made a decision. I cannot—

Mr. FISHER: Exactly.

The CHAIRMAN: I cannot see this has anything to do with the motion. You know what the motion was, and there is no use reading it again. We have the evidence from Mr. Bushnell an that motion. Are there any other questions on the motion?

Mr. FISHER: Yes. Why did not Mr. Bushnell consult with Mr. Peers on this thing ? You have a diverging explanation. Why did you not consult with Mr. Peers on it, or with Mr. Jennings?

Mr. BUSHNELL: Mr. Fisher, maybe I should have. I was not trying to avoid Mr. Peers when he was down here. I saw Mr. Peers standing outside Parliament; and Mr. Jennings, I think, made one slight error in dates. He can correct me if I am wrong, but I think I saw Mr. Peers at this parliamentary committee on Tuesday. It coud have been Thursday—no, certainly it was not Thursday because I was sick.

Mr. FISHER: You gave Mr. Jennings, and so Mr. Walker, the impression that the two jobs where in jeopardy, is that correct?

Mr. BUSHNELL: Unfortunately, they took it that way.

The CHAIRMAN: Mr. McIntosh, you have question on the motion?

Mr. MCINTOSH: Yes, I have some questions, to follow on the line I used before. Mr. Bushnell, you said that back as far as January 1 you stated that you became aware that preview commentary was not factual, and the thought was going through your mind at that time you would change it or cancel it. Did you intimate to Mr. Peers either by letter or by word of mouth what your thoughts were on this matter?

Mr. BUSHNELL: No.

Mr. MCINTOSH: Prior to what date?

Mr. BUSHNELL: Prior to the date, I think, when Mr. Jennings sent him a teletype.

Mr. MCINTOSH: Was there any other way by which he would know what your thoughts were on this program?

Mr. BUSHNELL: Not that I am aware of.

Mr. MCINTOSH: Did any of the other directors know of your thoughts about the program prior to that time?

Mr. BUSHNELL: By directors, do you mean the directors of my board?

Mr. MCINTOSH: Yes.

Mr. BUSHNELL: I do not know that they knew of my thoughts; but I think it is only fair to say that the board had drawn to my attention on more than one occasion the whole question of factual, objective, and responsible commentaries. The board, as you know, comes from many sections of this country, and they are a new board.

The CHAIRMAN: Excuse me, but again I cannot see where this has anything to do with the motion whatsoever.

Did you have any question on the motion, Mr. McIntosh or Mr. Taylor?

Mr. PICKERSGILL: I have been trying to catch your eye a dozen times.

The CHAIRMAN: Oh, I did not see it. I am sorry.

Mr. TAYLOR: Mr. Bushnell says there was no political interference. His associates felt, or were led to believe, that there was. Apparently there was a very short discussion with Mr. Jennings about dropping the program, and giving reasons for dropping the program, and there were probably rumors of resistance, or statements made that there was political interference. Would it not have been wise at that time to scotch those rumors with your associates by calling them together?

Mr. BUSHNELL: Yes.

Mr. TAYLOR: Would it not have been wise to call them in and to put an end to it by selling them on it?

Mr. BUSHNELL: Yes.

Mr. TAYLOR: And as a second point, it would appear that they were chasing management to get a conference, but they could not seem to accomplish it.

Mr. BUSHNELL: I have admitted my guilt.

Mr. TAYLOR: Yes, and I think very fairly.

Mr. PICKERSGILL: My question is this: was the decision which he said he made because he thought the program was bad, or because he felt that the program was displeasing to the government?

Mr. BUSHNELL: I made the decision because I felt that the program in itself was not as good as it should be, and I have reason to believe that it was displeasing a great many people; and reports that came back to me through my board and through my association with certain businessmen—if you like—and certain others, such as school-teachers indicated to me clearly that this program was not achieving what I thought it had been created to achieve.

Mr. PICKERSGILL: I have a second question. Mr. Bushnell agreed with Mr. Fisher that he had used the right word when he used the word "advice" about the discussion between Mr. Nowlan and Mr. Bushnell. I therefore use that word. Did you at any time receive any advice from Mr. Nowlan that this program was displeasing to the government or to anyone in the government?

Mr. BUSHNELL: You ask if I received any advice from him?

Mr. PICKERSGILL: Yes.

Mr. BUSHNELL: No.

Mr. PICKERSGILL: Was there any suggestion from him, or did he convey in any way to you the notion of the feeling that this program was displeasing to the government or to anyone in the government.

Mr. BUSHNELL: He conveyed to me the impression that several programs had displeased a great many people in the government and elsewhere.

Mr. PICKERSGILL: I have one final question. This is a question which, if Mr. Bushnell does not want to answer it, I shall not press.

The CHAIRMAN: Very well.

Mr. PICKERSGILL: How did you think that Mr. Jennings got the impression that Mr. Nowlan's head might roll?

The CHAIRMAN: Do you wish to answer that question?

Mr. BUSHNELL: I would prefer not to.

Mr. PICKERSGILL: All right.

Mr. SMITH (*Calgary South*): We have an opportunity of course to sit again later on. On the other hand we have the pending arrival of Her Majesty the Queen so I suggest that you give us an indication of the time of adjournment.

The CHAIRMAN: I think we are practically through with Mr. Bushnell.

Mr. BRASSARD: I would like to ask one more question. Mr. Bushnell has just told Mr. Pickersgill that in the discussion between himself and Mr. Nowlan that the latter conveyed to him the impression that many programs were displeasing to a great many people. I wonder if that precise program, Preview Commentary, had been mentioned during that discussion?

Mr. BUSHNELL: I could not truthfully answer that.

Mr. FISHER: Mr. Walker reported on a telephone conversation that went from the Celebrity Club in which you spoke to Mr. Ouimet. Is it true that in that telephone conversation as reported in substance by Mr. Walker, that

you told Mr. Ouimet that if the program did not go, your job and his job were in jeopardy?

Mr. BUSHNELL: Inasmuch as there were two witnesses there, Mr. Jennings and Mr. Walker, I do not think I could categorically deny that. But what I did say, or what I was trying to get at was this: that if, generally speaking, something was not done to correct some of the errors of our ways, that that could be a possibility.

Mr. FISHER: What errors of your ways?

Mr. BUSHNELL: I think you have probably heard enough of them.

Mr. FISHER: Go ahead.

Mr. BELL (*Carleton*): This particular conversation took place after there had been some thirty resignations; did it not?

Mr. BUSHNELL: Yes; I think that is true. My memory on dates is not too clear. However, it was on the day that the committee met in Toronto.

Mr. FISHER: Mr. Chairman, the motion by which we brought these three men before the committee was that they were invited to present evidence on the charge of clandestine political influence. Can you now understand why they made that charge?

Mr. BUSHNELL: No; I cannot, Mr. Fisher. I think probably we might as well have a definition of "clandestine":

. . . conducted with secrecy by design usually for an evil purpose.

The CHAIRMAN: Or illicit.

Mr. BUSHNELL: That I have never done.

Mr. FISHER: Would you agree, Mr. Bushnell, that these three persons by their resignations put themselves in a very serious position?

The CHAIRMAN: Do you want his opinion on this?

Mr. FISHER: Yes.

Mr. BUSHNELL: Well, for what my opinion is worth, I think in the light of events, maybe they felt that that was the only course of action open to them.

Mr. FISHER: In the evidence we have had from Mr. Walker and Mr. Jennings the indications are that they relayed to these persons the idea that there was political influence brought to bear. Do you agree that they could have taken that quite honestly from what was relayed to them?

Mr. BUSHNELL: They might have.

Mr. TAYLOR: When you first heard from your employees that they were under the impression there was political interference did you try to communicate to them what the real circumstances were?

Mr. BUSHNELL: I am sorry.

The CHAIRMAN: You will have to repeat it. Would you stand up so that we can hear you.

Mr. TAYLOR: When you first heard that your associates were under the belief there was political interference, did you then make an effort to take them into your confidence in order to explain the true situation?

The CHAIRMAN: I think he has already answered that. He admitted he did not.

Mr. FLYNN: Mr. Bushnell, could the threats you referred to be the views expressed generally that the C.B.C. was not as objective as it should be and the views expressed strongly in the press, parliament and this committee, and elsewhere; is that it? The general desire that the C.B.C. should be more objective.

Mr. BUSHNELL: Yes.

Mr. FLYNN: And it is in this view that you wanted to change this program.

Mr. BUSHNELL: Yes.

Mr. FLYNN: Do you not think there was a reaction within the C.B.C. personnel against any change of policy?

Mr. BUSHNELL: I think that is obvious. Mr. Chairman, with your permission I want to put one short sentence on the record. So long as I hold my present position I shall continue to uphold and apply the principles of free speech and responsible reporting of public issues.

The CHAIRMAN: Do I hear a motion to adjourn?

Mr. PICKERSGILL: Before there is a motion to adjourn, I would like to understand whether or not these hearings are over?

The CHAIRMAN: I would suggest that the hearings with these witnesses are over and that on Thursday morning we reconvene at 9.30 in our regular room 112N, at which time we will go back to our agenda with the C.B.C.

Mr. PICKERSGILL: I would like to record my formal dissent from that decision.

The CHAIRMAN: Did I hear a motion. Mr. Chambers.

Mr. PICKERSGILL: Mr. Chairman—

The CHAIRMAN: A motion to adjourn is not debatable.

Mr. PICKERSGILL: Who made the motion?

The CHAIRMAN: I said Mr. Chambers made the motion and Mr. McGrath seconded it.

Mr. PICKERSGILL: Then I will comply with it.

Mr. FISHER: In what position are we leaving these three men?

Mr. PICKERSGILL: Exactly.

—The committee adjourned.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 17

THURSDAY, JULY 2, 1959

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CANADIAN BROADCASTING CORPORATION

WITNESS:

The Honourable George Nowlan, Minister of National Revenue.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21559-0—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.,

Vice-Chairman: J. Flynn, Esq.,

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
Johnson,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Morris,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Paul,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Taylor,
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, July 2, 1959.

The Special Committee on Broadcasting met at 9.30 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Mrs. Casselman, Messrs. Chambers, Dorion, Fisher, Flynn, Fortin, Halpenny, Johnson, Kucherepa, Lambert, Morris, Muir, (*Lisgar*), McCleave, McGrath, McIntosh, McQuillan, Nowlan, Pickersgill, Paul, Richard (*Ottawa East*), Robichaud, Smith (*Calgary South*), Taylor and Tremblay. (28)

In attendance: Mr. Charles Jennings, Controller of Broadcasting, Canadian Broadcasting Corporation, assisted by Messrs. M. Henderson, Comptroller; J. P. Gilmore, Controller of Operations; Marcel Carter, Controller of Management Planning and Development; Marcel Ouimet, Deputy Controller of Broadcasting; R. C. Fraser, Director of Public Relations; R. E. Keddy, Director of Organization; J. J. Trainor, Assistant to Director of Audience Research; Barry MacDonald, Secretary, Board of Directors; and J. A. Halbert, Assistant Secretary, Board of Directors.

The Chairman observed the presence of quorum and read into the record a letter dated June 30th received from Mr. Barry MacDonald, Secretary to the Board of Directors, Canadian Broadcasting Corporation, to which was attached a statement by the Board urging the reconsideration of the Committee's Order of June 2nd for the production of certain information concerning television costs.

Mr. Pickersgill raised a point of order relating to meetings of the Committee and Sub-committee on Agenda and Procedure on Tuesday, June 30th.

Moved by Mr. Pickersgill, seconded by Mr. Robichaud,

That, "The Committee invite Mr. W. L. Morton of the Board of Directors and Mr. Hallman, Director of English Radio Networks to appear before the Committee at the earliest possible date to give evidence on the matter which was before the Committee on June 30th."

and debate arising, at 11.00 a.m. the Committee recessed in order that members might attend the opening of this day's sitting in the House of Commons.

At 11.30 a.m. the Committee reconvened and following further debate Mr. Pickersgill's motion was resolved in the negative, NAYS: 16; YEAS: 5.

On motion of Mr. Fisher, seconded by Mr. Robichaud,

Resolved,—That Mr. Nowlan be invited to come and inform the Committee on the "advice" he gave Mr. Bushnell on programming.

The Committee then turned to further consideration of the letter and statement received from the Board of Directors of the Corporation.

Mr. Fisher moved, seconded by Mr. Robichaud,

That, the request for financial figures on T.V. programming be referred to the House of Commons for decision.

21559-0—1½

The Chairman ruled the motion out of order on the grounds that the Committee had been empowered to send for persons, papers and records, and that the adoption of such a motion would be an evasion of the Committee's responsibilities.

Mr. McCleave, seconded by Mr. Smith (*Calgary South*), moved,

That the Committee is of the opinion no new reasons have been advanced by the C.B.C. Board of Directors that the Committee should change its original decision, and that their formal request be rejected.

Following discussion Mr. McCleave, by leave, withdrew the motion.

On motion of Mr. Bell (*Saint John-Albert*), seconded by Mr. Smith (*Calgary South*),

Resolved, That the letter and statement from the Board of Directors, previously identified, be filed.

At 12.40 p.m. the Committee adjourned to meet again at 3.15 p.m. this day.

AFTERNOON SITTING

The Special Committee on Broadcasting reconvened at 3.15 p.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Mrs. Casselman, Messrs. Chambers, Dorion, Fisher, Flynn, Fortin, Halpenny, Johnson, Kucherepa, Lambert, Mitchell, Muir (*Lisgar*), McCleave, McGrath, McIntosh, Pickersgill, Robichaud, Smith (*Calgary South*), Taylor and Tremblay. (24)

In attendance: The same witnesses from the Canadian Broadcasting Corporation as appeared at the morning sitting.

The Chairman read to the Committee the motion adopted at this morning's sitting, calling for the invitation of Mr. Nowlan to attend the Committee's sitting.

Mr. Nowlan was introduced, questioned by members of the Committee, thanked and retired.

Pursuant to the Committee's motion of June 2nd concerning the tabling of costs of television productions, cost sheets relating to the first week of March, 1959 on the English network, and the fourth week of March on the French network, were tabled and copies distributed to members.

Agreed, That answers to questions asked by Messrs. Dorion, Smith (*Calgary South*) and McCleave on June 18th and June 19th be included as appendices to this day's Minutes of Proceedings and Evidence.

At 4.10 p.m. the Committee adjourned to meet again at 9.30 a.m. on Tuesday, July 7th, 1959.

J. E. O'Connor,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

THURSDAY, July 2, 1959.
9.30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum.

Mr. PICKERSGILL: Mr. Chairman, I rise—

The CHAIRMAN: Just a moment, please, Mr. Pickersgill; I have a letter in which I think you would be very, very interested. It is over the signature of Mr. Barry MacDonald, Secretary of the Board of Directors of the C.B.C. It is dated June 30, 1959 and addressed to myself.

Dear Mr. Halpenny:

On June 2nd last the parliamentary committee on broadcasting, by committee vote, instructed the corporation to submit detailed costs for all C.B.C. network television programs for a period of one month. In the case of commercial programs this was to include the amount of recovery from the sponsor. The required material for the first week of the month in question is now ready for submission to the committee.

The board of directors, at its regular meeting last week, reviewed this matter and expressed grave concern at the possible effect upon the corporation's future commercial operations of the publication of the requested information. Accordingly, the board wishes to make a formal request that the committee reconsider its decision, at least in so far as publication and public consideration of the information in question is concerned.

A statement setting forth the carefully considered views of the corporation as to the disadvantage of making the required information public is attached. The corporation will, of course, follow the wishes of the committee but it asks that the possible consequences of this committee action be considered again before a final step is taken.

Yours sincerely,
(Sgd) Barry MacDonald
Secretary—Board of Directors

Now, gentlemen, the statement reads:

The corporation's stated policy, endorsed—

Mr. PICKERSGILL: Mr. Chairman, I am rising to a point of order.

The CHAIRMAN: Yes, your point of order.

Mr. PICKERSGILL: My point of order is this, Mr. Chairman, that at the meeting of the steering committee which was held prior to the last meeting of this committee certain decisions were taken, and my point of order is that this

decision taken by the steering committee unanimously, which the chairman undertook to carry out, was not carried out and the discussion by the committee was choked off by the chairman asking for a motion to adjourn, getting a motion to adjourn from the supporters of the government, and thereby preventing debate on the point that the chairman himself had made. It seems to me that now that there is no motion preventing us from speaking before the committee, that I should be allowed to point out that we believe we have the right to have the decision of the steering committee carried out.

The CHAIRMAN: Mr. Pickersgill, do you not think that you could hold that until I read the statement?

Mr. PICKERSGILL: I am prepared to do that, Mr. Chairman, if you will hear me afterwards.

The CHAIRMAN: By all means, and then we can come back to your point of order.

The statement reads:

> The corporation's stated policy, endorsed by parliament and the Royal Commission on Broadcasting 1957, is to invite sponsorship of live Canadian programs.
>
> While in the main advertisers use television to carry advertising messages for their product, as efficiently and economically as possible, there are some Canadian advertisers who, as a matter of public relations, wish to be associated with programs produced in Canada.
>
> It has been recognized that with the exception of a few, less elaborate types of production, the full cost of television programs cannot be recovered from sponsors.
>
> The sale of C.B.C. live produced programs at the highest price that the market will bear, but at less than full cost, can however be misinterpreted as a subsidy, by the corporation to an advertiser. Seen purely from the point of view of corporation expenditure and income, the C.B.C.'s dealings with major sponsors of live programs will invariably present a picture of deficit. Conversely, in its dealings with competitive advertisers who sponsor imported programs, the corporation's books show a profit. This is true of almost every field; we have deficit dealings with one automotive manufacturer and profitable dealings with his chief competitor. The same applies to electrical, soap, food and other industries.
>
> The publication of these figures may thus result in unfavourable publicity for the firms sponsoring live programs, as to an uninformed public it will appear that the corporation favours these advertisers over their competitors.
>
> In so far as the sponsor of a live program is maintaining a relationship with the corporation, in accordance with the corporation's established policies, such a sponsor may reasonably expect the corporation to resist the publication of his financial relationship with the corporation in a manner or context which could harm his prestige before the public, or with a competitor in the same field.
>
> Additionally, the publication of such figures will make sponsors generally more reluctant to become associated with live programs with the attendant possibility of similar unfavourable publicity in the future.

Now, ladies and gentlemen, I feel that this is a very serious matter.

Mr. SMITH (*Calgary South*): Mr. Chairman, may I—

Mr. PICKERSGILL: Has the reading of the statement been completed, Mr. Chairman?

The CHAIRMAN: Yes, Mr. Pickersgill, you are on a point of order.

Mr. PICKERSGILL: My point of order is that the steering committee made a decision, which I will briefly recall, and if the chairman wants to dissent he can interrupt me.

At the meeting held during the luncheon adjournment on Tuesday our decision was that we would hear Mr. Walker, Mr. Hallman, Mr. Jennings and Mr. Bushnell, and then we would hear again, if any member of the committee desired to do so, the three witnesses who were invited to appear originally. Now, it will be recalled that we did not hear Mr. Hallman at all.

The CHAIRMAN: Because there was a motion from the floor at that time, if I might interrupt, there was a motion to call Mr. Jennings at that time and you agreed to the motion.

Mr. PICKERSGILL: Oh yes, I did not dissent, but it never occurred to me and I do not think it would have occurred to any reasonable person that in calling Mr. Jennings we were excluding the possibility of calling Mr. Hallman. It never occurred to me there was any particular sanctity about the order in which they were to be called. I had certain questions I wanted to put to Mr. Hallman and I understood, according to the decision of the steering committee, that I would have that right. I am sure other members felt the same way.

In so far as Mr. Bushnell is concerned, I admit—and I am still of this view—I had no more questions to ask that day. In fact, personally I do not think there is any more useful testimony to be got from Mr. Bushnell; but, that is my personal opinion. However, I do know, because they have spoken to me, that there are other members of the committee who at the time the adjournment took place still wished to ask questions, which I think any reasonable person would say were completely relevant.

The CHAIRMAN: Are you referring to members of the press or to members of the committee?

Mr. PICKERSGILL: To members of the committee.

Mr. BELL (*Saint John-Albert*): Why did they not say so?

Mr. PICKERSGILL: Because we were told that a motion to adjourn was not debatable.

The CHAIRMAN: The Queen was arriving at that time.

Mr. PICKERSGILL: That was at twenty minutes to five; I looked at the clock. The Queen arrived about ten minutes after seven. She was not due until a quarter to seven. Whatever else we may say about this matter, to introduce so feeble an excuse as that—after all, it is one of the traditions of parliament that parliament does not interrupt its business for royalty, and if you go back to Charles I, you will see that is the basic principle.

An hon. MEMBER: Do not be ridiculous.

Mr. PICKERSGILL: I am not being ridiculous. I am replying to the ridiculous statement that was made and I do not want to pursue that further because it seems irrelevant. My view is that we should resume. I admit we cannot do it immediately this morning, because the witnesses are not here—but at the next meeting of the committee we should resume and we should have in attendance the people who were in attendance on Tuesday, and in that way should complete the inquiry that was interrupted in the arbitrary way in which it was interrupted on Tuesday; and certainly we should hear Mr. Hallman, whom several of us want to question, and that we should have the possibility of having Mr. Peers appear before us again, if any member wants him.

Mr. BELL (*Carleton*): Does anybody?

Mr. PICKERSGILL: That can be found out. This point of order I am sure is debatable, and I intend subsequently—and I give notice of that now; the chairman will know about it—to make a motion that we invite Mr. W. L. Morton of the board of directors of the C.B.C. to appear, because we were told by

Mr. Peers that this group of employees went to see Mr. Morton and that Mr. Morton took their case up before the board of directors, and that the board of directors had two meetings about it.

The CHAIRMAN: In the interests of saving time, Mr. Pickersgill, would you like to make your motion right now?

Mr. PICKERSGILL: No, I think it would be better to have the point of order settled first, and then I can make my motion later. I will not make any further speech about it—

Mr. BELL (*Carleton*): What is the point of order?

Mr. PICKERSGILL: The point of order—and for the benefit of Mr. Bell, I will repeat it—is that the steering committee made a unanimous decision, which the chairman undertook to carry out, and that the chairman—of his own motion—changed that decision and brought the proceedings to an abrupt end and announced that we would not continue.

Mr. BELL (*Carleton*): Surely the committee did that; the chairman cannot adjourn the committee?

Mr. PICKERSGILL: Perhaps Mr. Bell will reply to me—in accordance with parliamentary procedure—when I have finished. I say that if Mr. Bell prefers to say that the committee did it, that is all right; I will not argue that point. I will, however, make a comment about it. I will say that it appears much worse than I was making it appear: it appears there was, therefore, some concerted effort on the part of the majority in this committee to make a motion, which was not debatable—

Mr. BELL (*Carleton*): Ridiculous.

Mr. PICKERSGILL:—to impose closure on the committee and adjourn its proceedings.

Mr. BELL (*Carleton*): That is what you say.

Mr. LAMBERT: You complied with the motion.

Mr. PICKERSGILL: Well, the vote was taken. Those who wished to dissent were not allowed to proceed. I rose to dissent and was choked off by the chairman; Mr. Fisher also rose, and was choked off by the chairman.

The CHAIRMAN: It does not say that here.

Mr. LAMBERT: You said you complied with the motion.

Mr. PICKERSGILL: I had no choice. I obey the rules, and have obeyed the rules of the house and the committee, and I recognize the chairman was technically right when he said a motion to adjourn was not debatable. But I say the chairman was not doing his duty—as we have a right to expect him to do it—when he invited, from the floor, at a time when it was obvious there were still people wishing to ask questions, a motion to adjourn.

The CHAIRMAN: In my own defence, if I may, please.

Mr. PICKERSGILL: Certainly, Mr. Chairman.

The CHAIRMAN: On page 563:

> The CHAIRMAN: Did I hear a motion. Mr. Chambers.

The CHAIRMAN: Then you got up and said, "Mr. Chairman—", and I said:

> A motion to adjourn is not debatable.

The CHAIRMAN: Then you said:

> Who made the motion?

The CHAIRMAN: Then I said:

> I said Mr. Chambers made the motion and Mr. McGrath seconded it.

The CHAIRMAN: Then you said—you always agree, you know:

> Then I will comply with it.

Mr. PICKERSGILL: That is right: I could not do anything else.

The CHAIRMAN: I cannot see anything unorthodox or wrong about that.

Mr. PICKERSGILL: No. I say, according to the technical interpretation of the rules—I am not making anything of that—

The CHAIRMAN: Once again, could we get to the point of order?

Mr. PICKERSGILL: My point of order is that the steering committee's decision—which was accepted by the chair—was not carried out and that this committee should resolve now to carry it out and to complete the hearings that were terminated abruptly on Tuesday.

Mr. CHAMBERS: Mr. Chairman, I would like to speak to the point of order, and I will stick just as closely to the point of order as Mr. Pickersgill has—which gives me a great deal of leeway. In the first place, on the question of the adjournment it will be noticed in the proceedings, on page 561, some minutes—I would say, about five or ten minutes—before we adjourned Mr. Smith asked for the time of the adjournment; and while it does not appear in that order, before you said, "Did I hear a motion for an adjournment?", I did make a motion. There was a great deal of commotion going on in the committee, and the reporters perhaps did not record it. But I would like to refute the charge against the chair, that the motion was made by the chair. It was not; I made it.

Mr. PICKERSGILL: If the record shows you did not make that, I withdraw.

The CHAIRMAN: I knew you would.

Mr. CHAMBERS: On the question of calling witnesses, we in this committee have a great responsibility. The Canadian Broadcasting Corporation, in the proceedings on Tuesday, was shown to be in a very difficult situation, and I think that as—I believe it to be true—all members of this committee believe that it is essential that the C.B.C. be preserved and, if possible, strengthened...

Some Hon. MEMBERS: Hear, hear.

Mr. CHAMBERS: ...we should be very careful in any actions we might take that will further demoralize the Canadian Broadcasting Corporation. I suggest the course suggested by Mr. Pickersgill would do exactly that.

We took the evidence at our last meeting, starting with those who had made a charge, or laid a complaint—or whatever way it wants to be put—and we followed that evidence exactly. One group named someone else from whom they had the information; the next person named someone else from whom he had information; we called him, and finally it came to the acting president, and we heard him. We started at the bottom and, without any deviation, we went right to the top.

In my reading of the evidence, the only other witnesses that could be called would be only people to give hearsay evidence on conversations that they had overheard, and evidence parallel to that which we have already heard.

Mr. Chairman, in the circumstances—and with the additional fact that the three witnesses who appeared before us first the other day are now back in the employment of the Canadian Broadcasting Corporation, and that Mr. Hallman, who was suggested in this motion, is now back—or, has never left the employ of the corporation—and since Mr. Pickersgill on previous occasions has said that the duty of a parliamentary committee is to speak to those responsible for the administration of the corporation and not to dig down and ask opinions from employees on the management, I think we would be doing a real disservice to the corporation, to parliamentary procedure and to this committee, if we at this time acceded to Mr. Pickersgill's request.

The fact that we did agree in the steering committee to call Mr. Hallman has to be, naturally, admitted; but Mr. Pickersgill will agree that at that time we had no idea what trail this evidence was going to lead us upon. And we included Mr. Hallman because we felt he might have been one of the links in the chain. There is nothing in the evidence given to us the other day to show that Mr. Hallman was one of the links in the chain, or that he could add anything useful to the deliberations of this committee. I believe it is our duty now to get on as fast as possible and complete our inquiries, so we can give a useful report and, perhaps, take more effective action to improve the situation that appears to exist in the C.B.C.

Mr. PICKERSGILL: Mr. Chairman, I want to make a correction—I left it till Mr. Chambers was finished—about a position he said I took earlier on in this committee. The position I took earlier on in this committee was that in regard to questions of internal management and organization of the C.B.C., we could not discipline individuals; that was for management. But I would like to remind the chair that what we are including here is not internal affairs; it is an external pressure upon the C.B.C. by the government, or by someone in the government...

Mr. LAMBERT: Just a minute: withdraw that.

Mr. PICKERSGILL: I will not withdraw that; I will support it.

Mr. CHAMBERS: Was the pressure on Mr. Hallman?

Mr. PICKERSGILL: I do not know whether the pressure was on Mr. Hallman. We were told by three witnesses in succession that they were—it was conveyed to them by Mr. Bushnell that there was pressure on Mr. Bushnell by someone who had the capacity to make the head of the Minister of National Revenue roll. There is only one person to whom that can apply in this whole country.

Mr. SMITH (*Calgary South*): This is an assumption you have no right to make.

Mr. PICKERSGILL: That person is the Prime Minister, and it is perfectly obvious.

Mr. BELL (*Carleton*): That is the most irresponsible, idle gossip we have ever heard.

Mr. FLYNN: An irresponsible statement.

The CHAIRMAN: Are you through, Mr. Pickersgill?

Mr. BELL (*Carleton*): Are you making the charge that the Prime Minister did it?

Mr. PICKERSGILL: No.

Mr. BELL (*Carleton*): Irresponsible, idle chatter.

The CHAIRMAN: Have you made your point, Mr. Pickersgill?

Mr. PICKERSGILL: No, I have not made my point.

The CHAIRMAN: Well, what is your point?

Mr. PICKERSGILL: My point is that what we were examining on Tuesday was an allegation of external pressure—external pressure—from a political source; that in the course of the evidence that was produced before us we were told that that external pressure—

Mr. CHAMBERS: All of which was hearsay.

Mr. PICKERSGILL: I would like to say one word on this nonsense about "hearsay". Everything one learns from another is, of course, hearsay; but when you are told by your superior something has happened, that is obviously evidence within the ordinary meaning of the term.

This "smearsay" of hearsay is just another of the tactics used to try to divert us from the real point which is before this committee.

The CHAIRMAN: But here top management denies all that.

Mr. PICKERSGILL: There is no denial, and that is my precise point. Mr. Bushnell in his evidence, at page 566—if the hon. members will turn to it, they will find I put three specific questions to Mr. Bushnell.

Mr. FORTIN: Read the questions, please.

The CHAIRMAN: What page is that again, Mr. Pickersgill?

Mr. PICKERSGILL: Page 566—no, page 556.

Mr. MCINTOSH: Are we past the point of order?

The CHAIRMAN: No, I want to give Mr. Pickersgill one more minute.

Mr. BELL (*Carleton*): Give him every opportunity; he will hang himself.

The CHAIRMAN: Mr. Pickersgill, please?

Mr. PICKERSGILL: I will continue, sir. At page 556 I started to ask a question, and the chairman asked me if I would stand. I said I would be very glad to stand.

Then I went on:

> I would like to ask Mr. Bushnell whether the Prime Minister spoke to him about this program at any time, formally or informally?

To which Mr. Bushnell replied:

> No, sir, never. I have not spoken to the Prime Minister—had the honour of speaking to him in two years.

I asked a second question:

> Might I ask Mr. Bushnell one other question? Did anyone purporting to speak on behalf of the Prime Minister speak to you about this program at any time?

Mr. CHAMBERS: What has all this to do with Mr. Hallman?

Mr. PICKERSGILL: Perhaps I might be allowed to continue?

The CHAIRMAN: Yes, if we can get back to Mr. Hallman in some way, Mr. Pickersgill.

Mr. PICKERSGILL: This has nothing to do with Mr. Hallman.

The CHAIRMAN: That is what I thought.

Mr. CHAMBERS: The point of order is on Mr. Hallman.

Mr. BELL (*Carleton*): You are not doing a very good job.

The CHAIRMAN: Mr. Pickersgill, please.

Mr. PICKERSGILL:

> I prefer to ask my own questions, if the Chair will permit.
>
> The CHAIRMAN: And I would prefer that you do not need to answer it, Mr. Bushnell, unless he gets down to cases—so we have an impasse on that. Would you like to change your question, Mr. Pickersgill?

I said:

> No, I will not change my question, Mr. Chairman.
>
> The CHAIRMAN: Do you wish to answer it, Mr. Bushnell?
>
> Mr. BUSHNELL: I think you will have to clarify for me what you mean by "purporting".

I replied:

> I will be very happy to do that, and do it in the words I used the second time—anyone who represented himself to you as speaking on behalf of the Prime Minister?
>
> Mr. BUSHNELL: No. Let me qualify that. As representing himself as speaking on behalf of the Prime Minister?

Mr. PICKERSGILL: Yes.

Mr. BUSHNELL: No.

Then I asked a third question:

Mr. PICKERSGILL: Did anyone representing himself as conveying views held by the Prime Minister speak to you about this program?

Mr. BUSHNELL: No, they did not.

Mr. PICKERSGILL: That is all the questions I have.

And that is all I had at that time, because it seemed to me—

Mr. CHAMBERS: Read on.

Mr. PICKERSGILL: —because it seemed to me that covered the waterfront, and that was a complete denial.

But if hon. members will turn to page 561, they will find there is not a complete denial, and that is precisely the point I am coming to.

At page 561 I rose and asked Mr. Bushnell a question which is not strictly relevant—that is, why the decision was made.

Then I asked a second question:

I have a second question. Mr. Bushell agreed with Mr. Fisher that he had used the right word when he used the word "advice" about the discussion between Mr. Nowlan and Mr. Bushnell. I therefore use that word. Did you—

That is, Mr. Bushnell.

—at any time receive any advice from Mr. Nowlan that this program was displeasing to the government or to anyone in the government?

Mr. BUSHNELL: You ask if I received any advice from him?

Mr. PICKERSGILL: Yes.

Mr. BUSHNELL: No.

This is the really significant question—

The CHAIRMAN: I am glad we have one.

Mr. PICKERSGILL:

Was there any suggestion from him, or did he convey in any way to you the notion of the feeling that this program was displeasing to the government or to anyone in the government?

You will note there is no denial in this case at all, but Mr. Bushnell said this:

He conveyed to me the impression that several programs had displeased a great many people in the government and elsewhere.

Any reasonable person, reading those five answers, is entitled to draw the conclusion that Mr. Nowlan did convey to Mr. Bushnell the impression these programs were displeasing to the government.

The CHAIRMAN: That is a personal opinion of yours.

Mr. FORTIN: That is a personal opinion of yours.

Mr. PICKERSGILL: That is my opinion, on the evidence, that any reasonable person is entitled to draw that conclusion.

What does that conclusion lead us to? It leads us to the view, since Mr. Bushnell has not denied that he left the impression with Mr. Jennings and with Mr. Walker that there was this political pressure, and that it involved Mr. Nowlan—this leads one inescapably to the view, in the default of any other evidence, that this is what happened.

Mr. LAMBERT: On a point of order. Mr. Pickersgill is arguing—

Mr. PICKERSGILL: We are already discussing the point of order.

Mr. FORTIN: You are not discussing the point of order.

The CHAIRMAN: Mr. Pickersgill, I think I have been very fair with you. You got up to interrupt Mr. Chambers—

Mr. PICKERSGILL: No, I waited until Mr. Chambers had finished.

The CHAIRMAN: You got up on a point of his.

Mr. McIntosh, please, and then Mr. Robichaud.

Mr. McINTOSH: My question is on a point of order.

Mr. PICKERSGILL: Surely, Mr. Chairman—

The CHAIRMAN: This is on Mr. Pickersgill's point of order?

Mr. McINTOSH: The one that he raised first. I ask it for information, mostly. How binding is a decision of the steering committee on this committee when the steering committee is not elected by this committee, but really was selected by the chairman? I would suggest it is not binding at all, but the committee's decision is binding.

The CHAIRMAN: You are correct in that.

Mr. ROBICHAUD: When Mr. Pickersgill introduced the point of order, a remark was made to the effect that he had complied with the decision that was taken when the committee adjourned on Tuesday afternoon last.

In order to put the record straight, I think I should read the remark which was made by yourself, Mr. Chairman, as reported at page 563.

The CHAIRMAN: Were you at the meeting, Mr. Robichaud?

Mr. ROBICHAUD: I was. I was just coming in at the time.

Mr. PICKERSGILL: Before there is a motion to adjourn, I would like to understand whether or not these hearings are over?

The CHAIRMAN: I would suggest that the hearings with these witnesses are over and that on Thursday morning we reconvene at 9:30 in our regular room 112N, at which time we will go back to our agenda with the C.B.C.

Mr. PICKERSGILL: I would like to record my formal dissent from that decision.

Mr. CHAMBERS: It is not a "decision" but a "suggestion".

The CHAIRMAN: I said, "I would suggest". Mr. Pickersgill said, "I would like to record my formal dissent from that decision"—which he has registered.

On the point of order, Mr. Robichaud?

Mr. ROBICHAUD: On the point of order, my position is that Mr. Pickersgill had the right to raise a point of order because he objected to the closing of the hearing.

The CHAIRMAN: That is right.

Mr. Dorion, and then Mr. Tremblay.

Mr. DORION (*Interpretation*): Mr. Chairman, I have read with great care and interest the reports of the last two meetings, and I must say that with my 32 years experience as a lawyer, I have never seen such a type of proof brought up before a court.

Mr. Pickersgill would like us to continue with the witnesses who were being heard the other day, and not one single one of those witnesses could determine a single fact, or bring a single shadow of any true doubt to us that there was in fact political interference.

These people had been disciplined or, more precisely, they had given their resignations; and in my humble opinion, Mr. Chairman, we should never bother with that problem.

We have dealt too much with it and I ask the members of the committee to read the very objective article which appeared on this matter in the Financial Post.

If there were a corporation in the whole world which worked like the C.B.C. does, where the employees tell the employers what to do, then not a single corporation in the world could go on for one single year.

Mr. TREMBLAY: Hear, hear.

The CHAIRMAN: You got in there, Mr. Tremblay.

Mr. DORION (*Interpretation*): We have internal trouble, and they are trying to activate it. You can only have anarchy if you bring in witnesses in this type of connection as I mentioned.

Now you will see that in some Montreal newspapers there have been remarks printed for days and days as regards Liberal members talking of the C.B.C. being directed in a certain way and fermenting in respect to programs. This is a matter which we have to take into consideration, and what we have to have is proof of this thing before the committee. It is a matter of internal administration of the C.B.C. and no proof whatsoever of political interference. Not even a single shadow of proof has been brought up, despite Mr. Pickersgill's questions which were suggestive, and in which he accused the Prime Minister himself of interfering.

There is no concrete evidence which has been brought up. The impression was created in the newspapers that the Prime Minister interfered either directly or indirectly whereas in fact there is no shadow of doubt which is brought up in the testimony, not a single shadow, I repeat.

The only person who could reply to the questions, and the only person upon whom we can truly rely was Mr. Bushnell who came and answered questions in the committee, and who put an end indeed to these rumours.

The motives are of little importance. I have a quote from the report of the other day's proceedings as follows:

> He conveyed to me the impression that several programs displeased a great many people in the government and elsewhere.

Do you think that the C.B.C. always satisfies everybody with its programs? Of course not. We represent the people. There is always a limit which you have to set. Let us not be hypocritical.

I am a member of parliament representing the people of this country, and I say that if I did not like such and such a program, then I would voice that opinion. I shall always oppose those programs where I think there is something wrong about them, and I shall not hesitate to do so. But I do not see by doing that that it is a question of political interference. So, Mr. Chairman, I think that this motion is absolutely—and I underline the word "absolutely"—out of order. I recall what Mr. McIntosh has just said, and the steering committee cannot tell us exactly how to go on in every respect; it can make recommendations—I think the word is "recommendation"—on various matters for our guidance. For some time this little game has been played. We are supposed to be people unable to participate properly in the organization of the C.B.C., whereas we have to pay—if I am not mistaken—57 per cent of the taxes in order to keep it going.

Mr. LAMBERT: $67 million.

Mr. DORION (*Interpretation*): Excuse me—$67 million. We are treated as though we had no responsibility towards the people. Are we not supposed to act in the proper way and to represent the people in our constituencies? You will see in the Montreal papers that Liberal members every day—

The INTERPRETER: At this point there was very great noise and the remainder was not finished.

Mr. PICKERSGILL: Mr. Chairman, I have a question.

The CHAIRMAN: Mr. Pickersgill, you have a notice of motion which you are going to speak to very shortly.

Mr. PICKERSGILL: I take exception to one word used by Mr. Dorion. I simply take exception to Mr. Dorion saying that I had accused the Prime Minister. I made no accusation.

Mr. LAMBERT: Chicken.

Mr. BELL (*Carleton*): May I speak to the point of order and not to a motion which presumably will be made. As I understand the point of order it is that the committee did not carry out in full the decision of the steering committee. That, of course, is evident from the proceedings. The point of order is only challenging the authority of this committee itself to overrule a subcommittee.

I venture to suggest there is no validity at all on the point of order on that ground. There were certain decisions taken by that steering committee. Mr. Pickersgill outlined some of them. He said there was a decision to call four persons. Three were called. The reason the other was not called was he did not seem to have a place in the chain of evidence. There was another equally vital stand taken; that is that this was a matter of such importance to the C.B.C. and its future that this should be cleaned up on Tuesday and would not be stretched out. The view was expressed very explicitly by Mr. Pickersgill that if it were stretched out it would do irreparable damage to the C.B.C. and this was the feeling of other members.

Some ten minutes before the meeting adjourned the other day, on Tuesday, I took the occasion to speak to my friend Mr. Pickersgill. I said to him at the time Mr. Jennings was under examination, "I think we have exhausted this whole matter. What is your opinion?" He then said to me, "I have two more questions; when I have asked them I think we are all through."

The CHAIRMAN: You said Mr. Jennings. Do you mean Mr. Bushnell?

Mr. BELL (*Carleton*): Yes. Let me put it that in the situation that there was some misunderstanding of language as between Mr. Pickersgill and myself, certainly I clearly understood that Mr. Pickersgill was following through with the eloquent language he used in the steering committee, that we had exhausted this matter and should get ahead. It was on that understanding I reported Mr. Pickersgill's views to my colleagues around me. If Mr. Pickersgill wants to say now he did not understand it was more than the finishing with Mr. Jennings—Mr. Bushnell—

Mr. PICKERSGILL: I was going to make that very correction.

Mr. BELL (*Carleton*): I think my language was very clear. We have exhausted this whole matter. As for his opinion, I want to put that in the light of what he, I and others in this steering committee said, that the protraction of this matter would in the long run be damaging to the cause of the C.B.C.

Mr. Pickersgill then put the two questions which appear on page 561. I was of the view, and all of us were of the view, that this matter was then exhausted and we would proceed to other matters.

Mr. PICKERSGILL: I am sure you would not want to misrepresent what I said. Since he has said what I understood I was saying in a private conversation, I will give my version. In the first place, as he corrected himself, it was while Mr. Bushnell was giving testimony and was very near the end—not near the end of Mr. Jennings' testimony. Moreover, I understood his question to mean had I any more questions to ask. I never presumed to express the view of anyone in the committe except myself. I said I had two more questions to ask, and that was all I had and all I asked. I was not purporting or pretending to speak for anybody but myself.

The CHAIRMAN: We realize that.

Mr. BELL (*Carleton*): That is the situation. On that basis a motion was made. I would like to say so far as I am concerned if Mr. Pickersgill wants to make a motion whereby we can produce witnesses who will be useful in the reaching of any further conclusion I would be prepared to vote for it, but I am not prepared to vote for the calling of witnesses who will simply repeat further what we have already heard before this committee. It would be of no use to call persons who have simply heard from Mr. Jennings or Mr. Bushnell. I can see no point to that. We would be simply repeating.

To come to the point of order, in my view the situation is that the steering committee made certain decisions; two of them vital. It was the belief of the members of this committee we were carrying out to the full and to the letter the decision which the steering committee had taken. I suggest there is no validity in the point of order.

The CHAIRMAN: Mr. Fisher, then Mr. Tremblay, and then we should get back to the order of business.

Mr. FISHER: I would like to come back to what Mr. Chambers said originally. With much of what he said I agree. First, there is the necessity to keep the C.B.C. going. I hope that is very strongly in the minds of all of us. The other point upon which he touched was that we had made up our minds in the committee that we were going to try to get to the root of the things on the one day. Over the interval—I checked in so far as whether or not the decision of the steering committee had any validity, and I discovered it has not; but it is really an informal matter. Therefore, there is no obligation at all upon the committee to go ahead with the calling of Mr. Hallman.

Personally, as a member of this committee, I feel I would like very much to have Mr. Hallman in front of us. I suggest that if you look through the statement of Mr. Peers, you will find that Mr. Hallman comes on the scene upon returning from overseas and figures very largely in things, standing as an intermediary in a very peculiar move in which Mr. Peers and his group went to Mr. Morton and so found an entry into the C.B.C. board of directors.

To me, the key point is that the board of directors did change their decision; after making one they made another. I would like to know what considerations were in the minds of the C.B.C. board of directors when they made that decision. That is the main reason why I would like to have Mr. Hallman here.

If anyone would be interested in supporting it, I think we should have Mr. Morton here also because I think this is a key point.

Now, the other point that has been discussed so much, especially by Mr. Bell, is the question as to whether we were completely through. I think all the gentlemen of the committee will agree that from a common sense point of view it was a very exciting afternoon, with the continuity of the questioning being broken by jumping around so much, and back and forth. To illustrate, I can remember that Mr. Lambert had some questions and he had to take some time to frame them. I was very much interested in putting more questions to Mr. Bushnell but, without any sort of a transcript there, it was very difficult. I still have some questions which I wish to ask Mr. Bushnell, as a result of reviewing his evidence, because, as Mr. Pickersgill pointed out—and I think you can find other examples in here—there are anomalies in his evidence. I would like to suggest to other members of the committee that if we take the line that has been suggested to us by Mr. Dorion—in other words, that nothing has been proved and whatever Mr. Bushnell said had completely refuted and wiped out anything that was told to us by Mr. Jennings, Mr. Walker or by the other groups,—then I think we are turning our backs on this odd evidence that was given, by giving to Mr. Bushnell's remarks a much greater validity than that testimony is worth. However, in so far as I am concerned, this

is a personal opinion. That is another reason that I would like to know what went on with the C.B.C. board of directors which caused them to change this decision, because I have to conclude that there was a long discussion, that Mr. Bushnell was there and Mr. Hallman was there.

The CHAIRMAN: Would Mr. Hallman have been at the board of directors meetings?

Mr. FISHER: He was there to give some evidence. This is the fundamental reason why it seems to me we have to go on further—not that I particularly want to go on further because I am very worried about the future of the C.B.C., but if we do not go on I think we are going to leave a very large question unanswered. I would like to suggest to the majority members of this committee that the fact they should take this particular line is going to sit very poorly with many people in Canada, in my opinion. I feel there will be accusations that they are attempting to whitewash and head off.

Now, if it is done on the basis of Mr. Chambers' plea, that we may be wrecking the C.B.C., I have to agree that is a great danger, but I do not see how I can turn away now from the situation, with all its seriousness, and for this reason I would like to suggest that in so far as the point of order is concerned, the decision of the subcommittee, or what we felt about that, has no validity or worth.

I would like to suggest, as a member of the steering committee and as a member of the committee, that we have Mr. Hallman here and personally, myself, I would like to have Mr. Morton here. I would like to appeal to all members of the committee that if we stop this now I think we are going to bring about a worse situation. I, personally, was shocked to discover this morning that Messrs. Peers, Gillis and Trotter had gone back to work.

An hon. MEMBER: Perhaps they used some sense.

Mr. FISHER: That might have some merit. I was shocked, not that I feel from their evidence that they will not make excellent employees for the C.B.C., but it seems to me that here again there is an assumption on someone's part that we were all through with this matter when I do not think we are. For that reason, I do not want to support so much the point of order as to make the request to the committee that we be allowed to have Mr. Hallman here and that the committee, as a whole, consider having Mr. Morton here.

My final point, Mr. Chairman, is that I would like to question Mr. Bushnell further and my reasons for this are the common sense ones—the excitement and the fact that it was very difficult to frame questions from the way the evidence came out. I think if any of you will look at Mr. Bushnell's answers to some of the questions I and Mr. McIntosh asked, I think you will see the reason why I make this request. After a retrospective glance at this we could probably bring much more pertinent questions to bear upon Mr. Bushnell.

My final conclusion, Mr. Chairman: I was completely dissatisfied with the evidence which Mr. Bushnell gave and, for that reason, I tend to feel there is some merit in the remarks that Mr. Pickersgill made, because of the very unsatisfactory evidence.

The CHAIRMAN: Thank you. Mr. Tremblay, you are next, and then perhaps we will have Mr. Pickersgill's motion. Mr. Tremblay, will you confine yourself pretty well to the point of order.

(Mr. Tremblay, having spoken in French).

The CHAIRMAN: Translation, please.

Mr. ROBICHAUD: I hope the translation is more in order than the speech that has just been made.

The CHAIRMAN: I knew it was in order because I could hear the names "Walker" and "Bushnell" all the way through it.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, on this matter I wish now to express my opinion. Contrary to my normal practice in the meetings, I kept my silence when we heard the three witnesses who came the other day—contrary to my normal practice. I kept a very studied silence, and by the time we were getting to the end it was a very amused silence. At the beginning I think there was an error, in the first place, in the broadcasting committee allowing these gentlemen to come and testify before us.

We had agreed on a certain agenda, which we had accepted here and which we were supposed to follow through. We also agreed not to enter into personalities, and in this connection, any interventions regarding personalities were immediately considered by the chairman as being out of order. We heard the three witnesses who came: Mr. Peers, who spoke on his own behalf, and there was also Mr. Gillis and Mr. Trotter—who were unable to prove what they should have proved. Then we had Mr. Walker and Mr. Jennings, who—for a reason unknown to me—made an accusation against Mr. Bushnell by reporting their points of view and their facts in a way which I would not wish to qualify.

Then Mr. Bushnell made a categorical denial by stating that there was no political interference of any kind whatsoever. We should have stopped at that point.

Mr. PICKERSGILL: Do you want to read it?

Mr. TREMBLAY (*Interpretation*): You can find it yourself.

Mr. PICKERSGILL: I cannot.

Mr. FLYNN: Page five hundred and fifty-five.

Mr. TREMBLAY (*Interpretation*): So, Mr. Chairman, since then the three gentlemen involved have been put back in their jobs. Now, I do not know why we should carry on the inquiry in this committee to satisfy the aims of certain people who have obvious demagogic intentions. There is talk of freedom of expression. This is a pretext and it is a diversion, the aim of which is to force us, or cause us to overlook what the true facts are.

Now, what we want to know is as regards the administration of the money which we vote for the C.B.C. to carry on its business. Several times I expressed my disapproval regarding replies we received so far. They were vague, these replies. We were very often treated with insolence. An example of this was when I asked an official of the C.B.C. what were the criteria of the C.B.C. for programming. I was given a vague answer in an insolent way.

An hon. MEMBER (*Interpretation*): Order.

Mr. TREMBLAY (*Interpretation*): I am coming back to it, Mr. Robichaud. Now, this incidence which arose following upon the three gentlemen I have referred to earlier causes me to mention a big danger which arises for the C.B.C. I am referring to the danger of incompetence. We must try, in this committee, to look into that particular aspect.

The fact of further questioning these witnesses and others proves absolutely nothing of what was established during the last meeting of the committee. I do not see in any way whatsoever what can be proved, except hearsay, such as we had the day before yesterday.

The CHAIRMAN: I understand from Mr. Pickersgill—he gave us notice of motion.

The INTERPRETER: This is not finished.

The CHAIRMAN: I am sorry.

Mr. TREMBLAY (*Interpretation*): Now, I would say that if my particular point of view regarding this business of the inquiry continuing—and I would say by all means it would be a different matter if we had the time to continue;

but our time is very limited: we only have a certain amount of time available for us before the end of the session, or, at least, the time preceding the end of the session would appear to be limited.

Mr. ROBICHAUD (*Interpretation*): There is still a month.

Mr. TREMBLAY (*Interpretation*): That is not much, Mr. Robichaud, when you are trying to go into the administration of the C.B.C.

So we should first try to dispose of our agenda. I would point out, for those who want absolutely to continue the inquiry, that if the committee allows us to carry on a further inquiry, then I shall make a special request for an inquiry into certain aspects of the French network of the Canadian Broadcasting Corporation, and I shall ask for certain people to be subpoened, those people who are responsible for dissemination of public information programs and what is called popular education.

If we want to proceed still further, I shall not object; but I shall reserve, myself, the right to ask for people to be subpoened who are responsible—as I say—for the dissemination of information and as regards the administrative sectors on the French network of the C.B.C.—and here I speak in my capacity as a representative of the people.

We have to obtain information. Among the information we should obtain is the following—and I draw this to the attention of the committee—regarding the proceedings of two days ago, when the C.B.C. on the 11:00 o'clock news in the evening cut an interview of a Montreal journalist just when he was going to mention Mr. Bushnell's statement that there was no political interference. The manner in which this was done could give the impression, or gave the impression that there was, in fact, political interference, to those people listening to or watching the program.

I mention this fact to show that we could carry on very far indeed in that field, and I shall certainly point out right here and now that I oppose continuation of the inquiry. But if, in spite of this opposition on my part, the committee does want to go on, then I shall personally ask that the people I have referred to be subpoened.

The CHAIRMAN: Thank you very much. Gentlemen, I was going to say that Mr. Pickersgill has given notice of motion. Mr. Lambert, Mr. Brassard and Mr. McIntosh—I know each has a short statement on the point of order.

Mr. LAMBERT: Mr. Chairman, may I say at the outset that I am distressed here, in some ways, that the weight of the evidence which was heard the other day has been considered publicly, and that we have conducted, in some way, a trial in headlines. I think the judgment of this committee would have been of greater value if that had been done privately.

In these matters there was a responsibility upon us to make an inquiry and to come to conclusions, and not to have a day-to-day trial in headlines.

Some Hon. MEMBERS: Hear, hear.

Mr. LAMBERT: However, in view of the fact that the gentlemen in question, who appeared before us the other day and who precipitated this allegation which we are looking into—the matter of alleged clandestine political interference, have returned to work—they have said, "All right, we did that, but if management is prepared to take us back, we will go back"—they have shown good will, to that extent.

Management—and I say this advisedly—might have had every reason to say, "We do not want to see you people from here till kingdom come". But they have said, "All right, we are prepared to take you back".

In view of the fact that the witnesses, if they were asked, candidly, might say, "We were unwise in our judgment in using those words", in the same way as Mr. Bushnell—and here, I do not want to weigh the evidence—did say that he was unwise, perhaps, in using certain terms in conversation with members

of the staff of the C.B.C., and also has said or indicated that on cooler reflection, perhaps, he would not have used those words. We can all say things in the press of events, and then, on the morning after the press of events, say, "I wish I had not put, not only one foot, but both feet in my mouth". Now, for goodness sakes, why do we sit here and pick and pick at it?

Mr. BELL (*Saint John-Albert*): Pickersgill—

The CHAIRMAN: You did not say, "Pick at 'Pick'"?

Mr. LAMBERT: Without any reference to what Mr. Bell of Saint John said: we can sit here and dissect, in cross-section, every action of the previous day. Of course, we can all point out where we would have been wiser yesterday by doing otherwise. My only word is that those who live in a glass house should not throw rocks.—

Mr. FLYNN: That is a reflection on Mr. Pickersgill.

Mr. LAMBERT:—and I am sure the hon. member for Bonavista-Twillingate would be the first one to agree with that. I am sure that on mature reflection certain of his words and actions in the past he wished had never come across his mind. So, Mr. Chairman, I am distressed there is here an attempt to come back to this. We have already had an effort by the principals involved to get back to work; and here there is an attempt, I think, perhaps, to throw more salt in the wounds, to open it up.

There is an attempt here to ask this committee to prove the innocence—and I am going to use these words—to prove the innocence of someone unspecified, because no one, as yet, has had the courage to come forward with names, dates and places.

Mr. PICKERSGILL: That is not true.

Mr. LAMBERT: This is a serious matter, and a statement was made—which, I think, should have had the greatest consideration of its effect—without being able to name dates and places. And the witnesses candidly admitted that they based themselves on a report from someone else.

Beyond that I am not going to go into the weight of the evidence; and unless someone is able to come forward and lay a specific charge, I would say this committee is not in a position then to carry this one. We are not here to try anybody in headlines: we are not here to prove the innocence of some unspecified person. Let whoever makes the charge prove it. I think that is an ordinary principle of justice. We have it in our courts; why should it be anything less in parliament?

The CHAIRMAN: Thank you very much, Mr. Lambert.

Mr. Brassard?

Mr. BRASSARD (*Lapointe*) (*Interpretation*): Mr. Chairman, I think that the main reason used by those who oppose the calling of Mr. Hallman here is the argument that we only heard hearsay on Tuesday.

I think there are some legal people who try to take the committee for a court of law; but there is, surely, more latitude in a committee of the House of Commons than in an ordinary court of law?

Here is someone who heard from his immediate superior, a superior officer of the C.B.C., a high official of the C.B.C., that there were threats to the employees if the program were not dropped. That, Mr. Chairman, is mere hearsay. We should have permission to hear Mr. Hallman.

Furthermore, Mr. Tremblay said that Mr. Bushnell had rejected and denied any suggestion whatsoever of political interference.

Mr. TREMBLAY (*Interpretation*): No.

The INTERPRETER: Mr. Johnson, I think; excuse me.

Mr. BRASSARD (*Lapointe*) (*Interpretation*): And that Mr. Bushnell had a phone call with Mr. Ouimet from the Celebrity Club in Toronto, in which there was mention of someone's head falling, or being in danger, if the program were not dropped.

Now this is serious, and this is not a matter of internal administration alone of the C.B.C., as Mr. Tremblay said. This is a matter of external pressure being applied; and no harm will be done to the C.B.C. if the inquiry is extended. They are afraid, perhaps, rather for the government.

Mr. DORION: That is very nice of you.

The CHAIRMAN: It would appear that we have too great a division of opinion, and we will not get this settled until we have the motion.

Mr. MCINTOSH: Mr. Chairman, speaking to the point of order, I suggest for a second time that this is not a point of order as far as this committee is concerned. It may be a point of order as far as the steering committee is concerned, but it is not one so far as this committee is concerned. However, you have allowed the discussion to go as far as it has, and in reply to what Mr. Fisher said about calling Mr. Hallman and then Dr. Morton, I would ask how far is this calling going to go? Are we to call just one director or all the directors? I suggest that we stick to our terms of reference, and that if questions such as this should come up, let them come up in the house. A great many of us are concerned about getting along with the agenda, and I still say this is no concern of this committee. I think you are allowing this point of order to go too far.

The CHAIRMAN: I am trying to act as diplomatically as possible in permitting every person to have his say. However there are two other persons who wish to speak.

Mr. TAYLOR: I was going to speak to the main motion.

The CHAIRMAN: We have no main motion. Would you keep it until the main motion? Mr. Paul?

Mr. PAUL: Yes.

Mr. PICKERSGILL: I move, seconded by Mr. Robichaud, that the committee invite Mr. W. L. Morton of the board of directors and Mr. Hallman, director of English radio networks, to appear before the committee at the earliest possible date to give evidence on the matter which was before the committee on June 30.

I do not intend to speak to it at all.

The CHAIRMAN: I hope there will not be too much discussion on the motion because I think we have gone over this matter pretty well already.

Mr. Pickersgill moves, seconded by Mr. Robichaud that the committee invite Mr. W. L. Morton of the board of directors and Mr. Hallman, director of English radio networks, to appear before the committee at the earliest possible date to give evidence on the matter which was before the committee on June 30.

Mr. TAYLOR: This motion to call witnesses was passed, I believe, just over a week ago, and it was to call three senior officers of the corporation, the three officers who had resigned because of alleged political interference. This was done, although I do not think that the members of this committee, including myself, were wise in entering into this dispute. I feel that entering this dispute has resulted in distracting the committee from its main function and purpose.

Now we are being asked to call additional witnesses. It is quite true that it is possible, although I submit not probable, that new and it may be interesting evidence might come to light. But if that did come to pass, then it would be necessary in turn to call still more witnesses, and this thing could go on ad nauseam, and ad infinitum.

I think that this committee has been fair to date in calling the three witnesses and then in turn allowing three other even more senior officials to

be called. I think we have been magnanimous in this regard, and I think we have been fair. But in my humble opinion, this has to stop.

We must vacate this field for two possible grounds; firstly that this is not a proper subject to be heard by this tribunal, and I submit also that this body is not properly set up really to handle this type of investigation.

If the hearing must be continued, then I submit that we should set up a subcommittee to deal with the matter in the same way that we are dealing now, or more properly, I submit, that we should return the problem to the government for appropriate action.

Consideration might also be given to permitting the corporation to put its own house in order. I think there should be a cooling off to allow the board of directors of this corporation to deal with the entire matter.

The CHAIRMAN: Would you please stick to the motion closely?

Mr. TAYLOR: But in any event, to continue this hearing is doing a disservice to the corporation and to the country, and more particularly to my own constituents in Vancouver-Burrard. We are now adding to the tearing down instead of putting together. I also understand that in due course, Mr. Chairman, a report must be made to parliament of the activities of this committee. There are many large problems that we have yet to grapple with; many large problems. Yet time is running out and I understand that this committee dies with the adjournment of parliament which might well be within 18 days time.

I ask this question: whether or not this problem of alleged political interference should preoccupy our remaining time? I was going to deal with previous commentaries, but I think that probably they are a little removed from the actual motion.

The CHAIRMAN: Yes, it would be somewhat out of order.

Mr. TAYLOR: I certainly want to know, as a member of the committee, whether or not, for example,—oh, I am saved by the House bell.

The CHAIRMAN: Yes, you are saved by the bell. Gentlemen, is it agreeable to you that we reconvene in half an hour, that is at 11.30?

Mr. PICKERSGILL: When the orders of the day have been disposed of.

The CHAIRMAN: After the orders of the day or at 11.30, whichever comes first. Then we shall have Mr. Paul and Mr. Fisher on the motion.

The CHAIRMAN: Order, ladies and gentlemen. Mr. Taylor, had you completed your remarks?

Mr. TAYLOR: Not quite, Mr. Chairman, but I will complete them very, very quickly.

The motion is that we call additional witnesses, and I tried earlier to say if the witnesses are called that much time will be taken in hearing them and, in turn, delving into further problems that might arise. I pointed out there were many large problems facing the community and that in a short period of time the committee is to make its report. Personally, I would like to give much further consideration to many of the larger problems. I would like to know in connection with our own area why 80 per cent of the television audience is listening to a television station—

The CHAIRMAN: Just on the motion, Mr. Taylor.

Mr. TAYLOR: The other point, Mr. Chairman, is that if we continue to call additional witnesses we might make it impossible for the committee to get the other particulars which we will in turn want. There will be an atmosphere of hostility and I do not think that is the best way in which we can continue to carry on. I am against the motion.

The CHAIRMAN: Does anyone else wish to speak to the motion?

Mr. PAUL (*Interpretation*): Well, Mr. Chairman, in listening to Mr. Pickersgill's motion of this morning it would have been interesting to know what he means to prove by calling upon Mr. Hallman to come before the committee to testify, and following upon the reasons put forward by Mr. Pickersgill, if Mr. Hallman quoted other names of employees of the C.B.C., which might have been all rumours, on the basis of Tuesday's hearings, then we would have to call upon them to come before the committee to testify.

I think we have lost quite enough time as it is up until now with this problem, because in reality nothing concrete or precise was brought forward. No precise accusation was brought forward by Messrs. Gillis, Trotter and Peers and, even if we are not before an actual court of law, I think we must observe certain elementary rules of proof as a guiding principle.

The INTERPRETER: The member for Brassard said—

The CHAIRMAN: It is Mr. Brassard.

The INTERPRETER: I am sorry; the member for Brassard, Mr. Lapointe.

The CHAIRMAN: It is Mr. Brassard from Lapointe.

The INTERPRETER: I am sorry. I will get it right this time.

Mr. PAUL (*Interpretation*): Mr. Brassard from Lapointe said shortly before the adjournment that we must give a certain amount of latitude in regard to the complaints and rumours.

The INTERPRETER: At this point the member for Lapointe interjected a correction by saying:

Not complaints or rumours but the way of proceeding.

Mr. PAUL (*Interpretation*): But if we hear all the witnesses in connection with these rumours and so on, then we shall never get to the end of it. I would like to point out and respectfully say that the inquiry is no doubt a very hearty meal for the journalists, but the work of analyzing the estimates, which are necessary for the good of administration for the C.B.C., calls for priority rather than a study of the problem which preoccupied the Tuesday sitting. That is why I say the motion should not be accepted. I say this because no precise point was put forward by Mr. Pickersgill this morning and we always run the danger of simply hearing once again political interference, without any proof of it having been indulged in by any person.

The CHAIRMAN: Mr. Fisher, do you wish to speak on the motion?

Mr. FISHER: Yes, Mr. Chairman. I want to support this motion, and the remarks I gave earlier give the reasons largely for it. However, I feel I should comment on some of the things which Mr. Taylor said in speaking to it. He said this was not a proper subject for this committee. Well, I do not know that we can be the judge of that. I would like to suggest to the committee if this is not a proper subject almost every one of our committee hearings have dealt with subjects that are improper, and this is too late in the day to begin worrying about whether this is a proper subject. I agree perhaps a little bit more with his suggestion that we are not properly set up to handle this kind of investigation, and he suggested that we might have a subcommittee or return the matter to the government. Well, the latter suggestion is very intriguing—that we return the matter to the government; but I am afraid some of us have been waiting for a number of days to see the government do something about this, and nothing has happened.

In so far as the general tenor of the remarks that have been made in this committee is concerned, I anticipate that this motion is going to be ruled out, and I would just like to suggest that if the main reason why the members are antagonistic to this motion is because they feel—as has been expressed by a number of them—that we are getting ourselves involved and continuing

a time of crisis for the C.B.C., if necessary we should meet this protest—and the protest has been made that it is nothing but trial by headlines—and have the witnesses appear before us in camera, which is not something I like—

Some Hon. MEMBERS: No, no.

Mr. FISHER: But, at the very least, that would get by these particular objections. I make the point on that, that it would be very interesting to have someone from the board of directors here other than Mr. Bushnell or Mr. Ouimet. I think we all noticed the statement following the meeting two days ago. It was a press statement, so I do not know how true it is. But it was that in so far as these three gentlemen coming back on the staff and their resignations being turned back to them is concerned, that would be a decision for the C.B.C. board of directors, and yet we have another statement this morning that they were called back by Mr. Walker.

This, again, brings the focus upon the role of the C.B.C. board of directors and their whole role throughout this particular case, and the logic of having them here to explain the matter is very strong to me. I think this motion should be approved in so far as that aspect of it is concerned.

In so far as Mr. Hallman is concerned, again I would like the members of the committee to notice what a prominent part Mr. Hallman played in the evidence put forward by Mr. Peers, in so far as a go-between or an interlocutor between the board, or certain members of the board of directors, and for that reason I think he may very well have some information that we do not have. For that reason Mr. Hallman and Mr. Morton would, I think, be very valuable witnesses, and I hope we will have a very favourable vote on the matter.

Mr. SMITH (*Calgary South*): Did you move an amendment?

Mr. FISHER: No, I did not move an amendment.

Mr. CHAMBERS: Mr. Chairman, I would like to oppose this motion, and on the same grounds I used speaking on Mr. Pickersgill's point of order this morning—and I shall be brief. I believe that to give the employees of the corporation—bring them before us to, you may say, air their complaints about management, could only damage and further weaken the Canadian Broadcasting Corporation. On the case of Mr. Hallman; Mr. Hallman, to my knowledge, has made no public statement that would lead us to believe that he has information of value to us. I have read the evidence carefully and I can see nothing in the evidence that leads us to believe that he can further our inquiry.

Mr. Pickersgill, in making his motion—and those who have supported him—has not given us any suggestion of what type of help Mr. Hallman might give to our inquiry. You could go on asking employees of the C.B.C., right through the 31 that resigned, to come and give their individual views, and I do not think it would be helpful.

In the case of Dr. Morton we have a slightly different situation. There is a board of directors; Dr. Morton is one member of that board. To ask him to come here and give evidence of what took place at a meeting of the board of directors—which, in effect, we would have to do—seems to me to be a very questionable propriety, to say the least. Consideration of having information from the board of directors might well be given. But there is one—apart from Mr. Bushnell and Mr. Ouimet—who I understand is the senior non-permanent member, Mr. Dunsmuir; and it seems to me that we would be getting on difficult ground if we called one individual member.

Mr. Chairman, I would like to say this: if it can be shown that any individual called before this committee as a witness can further our inquiry and get to the bottom of this thing, I will support that motion. But I do not feel the motion we have before us now will advance us in that direction.

The CHAIRMAN: Are you ready for the question, gentlemen?

Mr. PICKERSGILL: Mr. Chairman, I was waiting until Mr. Chambers finished. There are some points that have been raised, and I only intend to deal with points that have been raised, to which I would like to make a reply.

The CHAIRMAN: Yes, Mr. Pickersgill.

Mr. PICKERSGILL: Mr. Paul put the question: what did I want to prove by calling these witnesses? I do not want to prove anything: it is not my business to prove anything—nor is it the business of the committee to prove anything.

When we had the exchange in the House of Commons—which all hon. members will remember—Mr. Nowlan indicated that this committee was the proper form to inquire into and seek the truth of this matter—and that is all I am interested in. I am not interested in proving one thing or another—not in the slightest. I am interested in finding out whether or not—and I come to another point, which I think was also put by Mr. Paul, who said there was no precise accusation made.

I would like to refer to the evidence given on Tuesday, at page 523. That is the evidence of Mr. Peers who, after all, was the person who was invited here to give the evidence, and he spoke for the three people who had made this accusation. Here is what Mr. Peers said, at the middle of the page:

> He said that Mr. Bushell had been given two alternatives: either to take this program off the air or the corporate structure of the C.B.C. would be endangered. Mr. Walker said that he was not at liberty to divulge further information but that external pressures were involved.

Then there was some interchange, and then Mr. Peers went on again:

> We asked if these alternatives had been put to Mr. Bushnell by someone with a political connection. Mr. Walker said yes.

Mr. JOHNSON: Do you object to reading what the chairman said?

Mr. PICKERSGILL: Perhaps I could be allowed to continue this paragraph, and then I would be glad to listen to the question. That is, in my view, a precise statement of what he was told by his superior officer as the reason for the action being taken, and it was on the basis of that that this gentleman and the two others who were with him resigned from their positions. I think this meets the suggestion that there is not some precise accusation—and we are supposed to get to the bottom of it.

You will also remember that in the house, when I replied to Mr. Nowlan very briefly, I said that I thought this inquiry should be conducted in a quiet, judicial and non-partisan spirit, and I have tried to conduct myself in that way.

Mr. FORTIN: Not with great success.

Mr. PICKERSGILL: I also said it would go on until we had got at the truth, and the whole truth, and that is because I believed both these witnesses would help us to get at the truth.

Mr. CHAMBERS: In what way?

Mr. PICKERSGILL: I am going to come to that evidence. In listening to the evidence of Mr. Peers, I was impressed by what he said about Mr. Hallman's connection. He mentioned many employees of the C.B.C. who, according to his evidence, I do not think would give any additional evidence, and I would never have suggested that they come. But he did make certain references to Mr. Hallman's connection with this matter which seemed to me to indicate that Mr. Hallman had some knowledge of some things that happened, both in the board of directors and outside the board of directors at the meeting Mr. Bushnell had on the Sunday evening with the members of the staff, that we were entitled to have information about, if that information was there. Mr. Fisher, I thought, confirmed that very well this morning, and I completely agree with his view about that.

Mr. SMITH (*Calgary South*): The kiss of death.

Mr. PICKERSGILL: Regarding Mr. Paul's suggestion that, because other people might have to be called in order to get at the whole truth and the inquiry might go on for a long time, that is, I think, an argument that answers itself. If we are supposed to get at the truth—and nothing can be more important than to find out whether or not this corporation is being allowed to proceed independently or whether external pressures of a political nature are—as has been alleged and has not been denied—being—

Mr. FORTIN: Has not been proved, you mean.

Mr. PICKERSGILL: I asked Mr. Tremblay this morning to cite in the evidence where it had been denied, and he said I could look for it for myself. I have looked for it for myself, and I can find—

Mr. FLYNN: Page 555.

Mr. PICKERSGILL: —no denial.

The CHAIRMAN: Mr. Bushnell denied it; you know that, Mr. Pickersgill.

Mr. PICKERSGILL: The chairman may perhaps, also, let me speak for myself. What Mr. Bushnell said here—

Mr. BELL (*Carleton*): Page 555.

Mr. PICKERSGILL: We will look at page 557.

Mr. BELL (*Carleton*): Look at page 555.

Mr. PICKERSGILL: I am making the speech, and I waited patiently until everybody else had.

On page 557 Mr. Fisher said:

> Mr. Fisher: Mr. Bushnell, the question I think we are all very interested in knowing is, how Mr. Jennings got the impression—which was passed on to Mr. Walker, which later got down to the three people that were called here today—that, in the slang phrase that Mr. Walker used, "heads will roll"?

Mr. Bushnell replied:

> Mr. Fisher, as Mr. Jennings said, he could not confirm that I actually used those terms.

And then he added:

> I did.

It seems to me that that is precise, categorical, and that Mr. Bushnell said that he told Mr. Jennings he did use those phrases. Therefore nobody can say there has been a categorical denial; and the whole matter is left in doubt.

Mr. CHAMBERS: May I ask a question?

Mr. PICKERSGILL: Certainly.

Mr. CHAMBERS: How do you interpret "doubt" in the statement of Mr. Bushnell on page 555?—

> I want to say, as simply and directly as possible, that never at any time has any order or a directive been given to me, or to my president, Mr. Ouimet, by the Hon. Mr. George Nowlan or by any member of parliament, or by anyone else who could be said to wield political influence.

Mr. PICKERSGILL: I believe that, absolutely: I am sure no order or directive was given. That has nothing to do with the case—that has nothing to do with the case. It has been pointed out to me by Mr. Fisher that immediately after the questions I read on page 557—perhaps I had better read right on:

> Mr. FISHER: You did use those terms?
>
> Mr. BUSHNELL: Yes.
>
> Mr. FISHER: Why?

Mr. BUSHNELL: This matter has a rather long association. No heads were going to roll because of the cancellation of this program, but I think you will agree that it has been stated by newspapers—I have heard it said that such a statement has been made, if you like, by members of political parties, and I felt convinced that with this rather tragic series of unfortunate circumstances that we have had in the last six months, that if we did not pull up our socks, certainly somebody's head would roll—and quite properly.

We have the evidence, certainly not contradicted by Mr. Bushnell.

Mr. FLYNN: It is not proved.

Mr. PICKERSGILL: Of course, it is not proved.

Mr. FLYNN: It is proof we are looking for.

Mr. PICKERSGILL: If there were proof, I would not be asking for more witnesses to be called. There is a doubt, which it is our duty to resolve.

An hon. MEMBER: It is a doubt in your intention too.

Mr. PICKERSGILL: The hon, gentleman can make any interruption he likes as to other people's intentions. That remark is quite unparliamentary.

The CHAIRMAN: To come back to the point?

Mr. PICKERSGILL: To come back to the point, this evidence that has been read shows very clearly we were left in a doubt, and a very serious doubt, involving the government, involving the Conservative party—

Mr. FORTIN: What about the Liberal party?

Mr. PICKERSGILL: —And involving—what is, in my mind, much more important than these others—the integrity of the Canadian Broadcasting Corporation.

The CHAIRMAN: Mr. Pickersgill, please. Gentlemen, before you continue, we are never going to complete this evidence unless you give Mr. Pickersgill a chance.

Mr. PICKERSGILL: I thank you, Mr. Chairman.

I would say, as for the calling of Mr. Morton, I thought Mr. Peers' evidence was sufficient to indicate that Mr. Morton, of all the members of the board, did have a special association with this matter, and a special relationship to it, which, it seemed to me, would make him a more useful witness than any other member of the board of directors. But I would have no objection to anybody amending my motion to include, "any other member of the board of directors any member here felt ought to be called".

But there is an additional reason, of course, why we should call someone from the board of directors, because it will be recalled that Mr. Paul Martin, in the House of Commons, asked the Prime Minister a question about whether Mr. Allister Grosart was involved in any way in this matter. The reply the Prime Minister made to this question—and I have not *Hansard* here, but I remember it, I think, quite correctly, in substance—was that we should ask the board of directors about that.

The board of directors have not been asked about that; and it seems to me we should take the Prime Minister's advice. The hon. members who support the Prime Minister should be the first to support taking his advice, and give us an opportunity to ask that question.

There is this most fundamental reason, of course: the board of directors is charged with the management of the C.B.C.; and this committee is not. We are examining members of the staff of the C.B.C. all the time, asking them questions about all sorts of details. My submission is, the people we should be examining are not the staff at all, but the members of the board of directors. The members of the board of directors are people who are responsible to parliament for this, and not the staff of the C.B.C.

Mr. McINTOSH: Why did you not make that suggestion in the first place?

Mr. PICKERSGILL: I would point out, if Mr. McIntosh will look at the very first day's proceedings, he will find a reminder—he will find that the chairman reminded the committee that Mr. Nowlan had given an undertaking in parliament at the last session—as far as a minister can, and I admit the committee is master of its own affairs—and I said we ought to do what Mr. Nowlan said the committee should do, namely, to examine the legislation and how the new legislation was working.

That suggestion of mine was completely over-ruled by the committee, and as I represent a minority in the committee—

The CHAIRMAN: Would you stick to the motion, please?

Mr. PICKERSGILL: I was simply replying to a question.

The CHAIRMAN: There will be no other interjections.

Mr. FLYNN: We hope.

Mr. PICKERSGILL: My final reason for asking members to reconsider the matter and vote for the motion is that if this matter is left in the position it now is, this doubt—this genuine doubt—that is left by the evidence we have heard is going to be left indefinite; and it ought to be cleared up.

The CHAIRMAN: Are we ready for the question, gentlemen?

Mr. McCLEAVE: I would point out to Mr. Pickersgill that Mr. Bushnell was a member of the board of directors of the Canadian Broadcasting Corporation.

The CHAIRMAN: Are we ready for the question, gentlemen?

The question is this: Moved by Mr. Pickersgill, seconded by Mr. Robichaud, that the committee invite Mr. W. L. Morton of the board of directors and Mr. Hallman, director of the English radio network, to appear before this committee at the earliest possible date to give evidence on the matter which was before the committee on June 30.

Motion negatived.

The CHAIRMAN: Mr. Fisher, before you bring up your point—and I promise we will get to it—may we come back to this and clear this up first?

Mr. Smith, do you want to talk on this letter we received from the Board of Directors of the C.B.C.?

Mr. SMITH (*Calgary South*): Mr. Chairman, I am happy to do as you wish. If you wish to clear up this matter first, deal with this matter first before we proceed—

The CHAIRMAN: Mr. Fisher has given notice of motion. Have you a seconder, Mr. Fisher?

Mr. FISHER: Yes, Mr. Robichaud.

I move Mr. Nowlan be invited to come and inform the committee of the advice that he gave Mr. Bushnell on programming.

Mr. JOHNSON: He is a member of the committee.

The CHAIRMAN: That is all right. A member of the committee can be invited to give evidence.

Mr. BELL (*Carleton*): I would say, unhesitatingly, I would support that motion. I think now we are getting back on the rails, where we are getting into the chain of evidence, and we are getting somewhere if we ask Mr. Nowlan to come. I think we ought to ask him to appear before the committee at the earliest possible moment.

Let us clear the decks, and get the C.B.C. back to operating on a proper basis, without serious damage being done to it by the type of diversionary motion we have had this morning.

The CHAIRMAN: Does anybody else wish to speak to the motion?

Mr. BELL (*St. John-Albert*): We do not need a motion.

Mr. JOHNSON: I am against the motion and I shall vote against it. If we are going to bring Mr. Nowlan or everyone whom the Liberals or the C.C.F. members of this committee wish to put on the grill let us add to the motion. When we spoke about bringing Mr. Peers, all those who claimed that there was at any time political interference with the C.B.C., there was no one who had any objection against the management of the C.B.C. That is why I am going to vote against the motion.

The CHAIRMAN: Are you ready for the question?

It is moved by Mr. Fisher and seconded by Mr. Robichaud that Mr. Nowlan be invited to come and inform the committee on the "advice" that he gave to Mr. Bushnell about the programming.

Mr. FISHER: That word "advice" is in quotation marks.

Mr. BELL (*Carleton*): I hope the language of the motion will not be considered too confining.

The CHAIRMAN: Are you ready for the question? All those in favour of the motion will please signify? Those contrary? I declare the motion carried.

Now may we get back to the letter that I read to the committee earlier this morning.

Mr. SMITH (*Calgary South*): After this interesting and important diversion, the committee may recall—

Mr. KUCHEREPA: Mr. Chairman, relating to the motion we have just passed, when is it your intention to call Mr. Nowlan?

The CHAIRMAN: We shall take that up in the steering committee. Now, Mr. Smith, thank you.

Mr. SMITH (*Calgary South*): I said at the outset that after this diversion, perhaps the committee will recall that it was over a month ago when the question was raised of obtaining certain information on costs from the corporation by vote of the committee, when we instructed the corporation to produce the information which I have referred to.

Now a month has elapsed and I think it is perhaps important to note that previous to this, on approximately 24 hours notice, the corporation was able to provide us with similar information without any delay.

We now have a request from them by letter which does not present any new facts, to reassess the arguments which were presented to us at that time. The only reference I want to make is the suggestion that perhaps the committee members did not give full consideration as to the consequence of the importance of the decision which we arrived at. Certainly many of us have stressed here the importance in maintaining successful operations in the corporation. At the same time, we think that this should not be done without some regard to costs. We believe that our actual motion which had acceptance by the committee would stress this suggestion.

The whole argument which the corporation has placed before us is summed up in one paragraph, that the sale of the C.B.C. live produced programs at the highest price that the market will bear to allow them the full cost can, however, be misrepresented as a subsidy. We argue, sir, that at no time have they established that all that the market will bear has been received.

This was the concern of the Fowler commission as stated at page 180:

> How does the commercial division know that the particular sponsor who buys the show would not be willing to pay $6,000 or that some other sponsor in another company or another industry would not be willing to pay $7,000 for it?

I think it is important to receive this information, to determine what deals were made with the companies to determine how much better it might have been in the interests of the system, and in the saving of some money for the taxpayers in the production of this particular programming. I have nothing further to add except the suggestion that this is effrontery to the committee to come back, and I believe the motion should stand. I do not see any reason to move any further motion, and I suggest that the corporation is putting themselves in the place where, unless this information is provided, they should be considered to be held in contempt of this committee.

Mr. BELL (*Carleton*): I was one of those who voted against the information to which reference is now being made, being produced before the committee. I did so after having heard very extensive arguments.

We are now confronted with a situation a month later where the C.B.C., having had this information available for some time, comes back and asks us to reconsider.

I confess that I find the reasons which are advanced in their statement singularly unconvincing. We took a majority decision of this committee. We have had no reason advanced why the majority of this committee should change its view.

I personally intend—should it come to a vote—to stand by the decision of the majority of the committee, contrary to the view which I expressed earlier.

Mr. PICKERSGILL: I would like to make an observation about this motion. As you know, I spoke on that particular occasion for several of my colleagues in the committee as well as for myself when I said that after listening to the Minister of National Revenue who stated to us that the corporation was already in the radio field but that we were here considering television, and that it was in the television field, that in the near future it was to be confronted with competition, and that we would not demand from their competition the kind of information we were demanding from the C.B.C., and that in view of the time-honoured principle governing the operations of the Canadian National Railways vis a vis the Canadian Pacific Railway, I felt that Mr. Nowlan's case, unless our whole parliamentary experience since 1919 was to be disregarded, was an unanswerable argument. That is why I voted as I did.

I think the board of directors—I would have been happier if they had given slightly stronger reasons, but I am satisfied that the reasons they have given are sufficient. I think that the vote I made at that time was sound, and I hope that the committee will reconsider this matter because I think it is a real danger to the independence of the corporation to be disregarding their advice.

Moreover, parliament at the last session—I did not like its decision—but they decided that the board of directors of the C.B.C. was to run the C.B.C. and not a parliamentary committee. I have the feeling that to disregard this would constitute an attack upon the board of directors.

And as Mr. Donald Gordon was reported to have said in another committee under similar circumstances, if we do not like the board of directors, we should fire them. We should not interfere with their functions.

That is what the committee is seeking to do; and for that reason, if anyone will make the motion—I know that if I made it it would never carry—but if anyone supporting the government will make the motion to reconsider this matter, I would certainly vote for it.

Mr. TREMBLAY (*Interpretation*): Well, Mr. Chairman, I am utterly astonished that this morning this question which we had disposed of has come back again. We had asked for information concerning the proportion paid by sponsors in sponsored programs. I do not see any reason why I should change my opinion. We are entitled to know what is paid in this connection.

I repeat that we are responsible for the use of public funds and we are absolutely entitled to know the relationship between what we give to the C.B.C. and what we get from it.

I say, like many others have already said before me, including my colleague from Bellechasse this morning, that we are not satisfied with the C.B.C. That is why we want to know what the C.B.C. does with the taxpayers' funds.

It is well understood, as was just said by Mr. Pickersgill, that there is a board of directors in whom we can have reasonable confidence; but there comes a moment, Mr. Chairman, when you have to make a review of the policy in connection with the officials and to study their behaviour.

I have confidence in the officials of the government, but in the case of the C.B.C. I think there is abuse and that is what we want to denounce. We want to know what is the real basis for the grievances we hear from the people. We wish to know these facts which I have mentioned. We wish to know what the C.B.C. is doing with the taxpayers' money. Therefore, I formally oppose the consideration of this problem because I maintain we are entitled to know the proportion paid by the companies in the sponsored programs so as to determine if really and truly we are getting programs of a reasonable quality and which are reasonably justified in terms of the money spent on them by the taxpayers of this country.

The CHAIRMAN: Mr. McGrath and then Mr. Fisher.

Mr. MCGRATH: Mr. Chairman, I would like to support the remarks of Messrs. Smith, Bell and Tremblay, to an extent. I, too, am rather surprised that one month after the C.B.C. agreed to our motion—after the motion was put—that these figures would be given to the committee, we find that the information is still not available to us. As a matter of fact, I understood at that time—I think it was around June 2—that we would have this information, or at least a part of it, one week later.

To my mind, this is perhaps the most important aspect of our hearings, namely, the cost to the C.B.C. of producing commercial television programs and the amount realized from the sale of these programs to sponsors.

Reference was made, in the letter from the board of directors, to the highest amount the market will bear. This phrase has been used quite often in the advertising business. Whenever I hear this statement, a question comes to my mind: why does not the C.B.C. use participating sponsors, or alternative sponsors? If they cannot realize the full amount of a specific television program from one sponsor, why can they not sell it to several sponsors who can share the cost? I feel in this way the Canadian Broadcasting Corporation would realize the full amount of the show.

Also, I would like to deal with the remarks of Mr. Pickersgill. He referred to the minister's statement and used as an analogy the C.N.R. vis-a-vis the Canadian Pacific Railway. I do not think there is any analogy here at all because the Canadian Broadcasting Corporation is in a rather unique position in Canada in that it has the only electronic medium of advertising in the country and, consequently, it can be said this is a monopoly. This would naturally put them in a preferred position as far as advertising is concerned.

In conclusion, I might say, Mr. Chairman, that the suggestion was further made that the board of directors should run the C.B.C. and there was a suggestion that the C.B.C. should not be run by a parliamentary committee. In order for this committee to make its report and properly fulfil its function, I suggest to you, sir, it is absolutely essential we have this information. Also, in view of the fact that this session of parliament is drawing to a close we should have it as soon as possible.

Mr. McCLEAVE: Mr. Chairman, I do not intend to speak on the motion I now move, seconded by Mr. Smith, that the committee is of the opinion—

Mr. FISHER: I have a motion—

Mr. McCLEAVE: —that the committee is of the opinion that—

Mr. PICKERSGILL: I am rising to a point of order. When you recognized Mr. McGrath you agreed to recognize Mr. Fisher next.

The CHAIRMAN: I did not know that Mr. Fisher wished to move his motion now.

Mr. FISHER: I wanted to make a motion.

The CHAIRMAN: Then Mr. Fisher, by all means.

Mr. FISHER: Mr. Chairman, we have the paradox of the situation on the one hand of having a motion and then having a further word from management in the form of a request for reconsideration from the board of directors of a motion made by this committee. I think there is enough seriousness in this request coming from the board of directors. I am very glad they made the request. In view of their request, I would like to move, seconded by Mr. Robichaud, that this request for financial figures of television programs be referred to the House of Commons for consideration and decision.

The CHAIRMAN: Mr. Fisher, Mr. Robichaud and gentlemen, I feel that the motion is out of order. In the second edition of Beauchesne, citation 318, it states:

> There is no such proceeding as a motion to reconsider a decision, in British parliamentary procedure.

Actually, this committee is master of its own destiny. We have been given certain powers by parliament. Our order of reference is that we can call for persons, papers and records; they are practically all-embracing. I feel this motion is out of order, Mr. Fisher.

Mr. FISHER: Mr. Chairman, as you say, we are masters of our own destiny. It is for that very reason I think we can refer this to the larger body. I will admit this is unusual.

The CHAIRMAN: It has, seemingly, never been done.

Mr. BELL (*Saint John-Albert*): May I ask Mr. Fisher how he proposes to do this?

Mr. FISHER: By making a report to the House of Commons, that we ask for their consideration and decision on this question.

Mr. BELL (*Saint John-Albert*): Our decision here will be contained in the report when it is brought forward.

Mr. FISHER: Mr. Chairman, I still say, as you suggested, that as we are masters of our own destiny we can entertain this motion.

I would like to point out that it is perhaps unusual for an opposition member to refer something to the main body of the House of Commons, where the government has such a large majority, but I think, in view of the seriousness of the request for reconsideration, that that would be a proper thing to do in the light of the principle that seems to be involved.

The CHAIRMAN: When I said, Mr. Fisher, that we are masters of our own destiny I meant within the parliamentary rules. Once again, the rule I read to you was 318, that there is no such proceeding as a motion to reconsider a decision, in British parliamentary procedure. I would hate to be the first committee chairman in the long history of British rule to change that.

Mr. FISHER: Would you read it again, please.

The CHAIRMAN:

There is no such proceeding as a motion to reconsider a decision, in British parliamentary procedure.

Mr. FISHER: If that is true, there was no point in bringing this letter before the committee.

Mr. SMITH (*Calgary South*): He is bound to—

Mr. FISHER: The discussion is completely out of order and the decision has been made.

Mr. PICKERSGILL: On a point of order, Mr. Chairman.

The CHAIRMAN: Yes, proceed Mr. Pickersgill, on a point of order.

Mr. PICKERSGILL: Mr. Fisher's motion is not a motion to reconsider this matter. It is not a motion on the part of the committee to reconsider the matter, but a motion on the part of this committee, presumably by way of report, to report to the house on it, and get a verdict from the house.

The CHAIRMAN: Mr. Smith?

Mr. SMITH (*Calgary South*): If I may speak to the point, Mr. Chairman.

The CHAIRMAN: Proceed.

Mr. SMITH (*Calgary South*): First of all, Mr. Chairman, we should remember that we were given certain responsibilities in the terms of reference, in which the question of the financial structure of the corporation is clearly identified. Therefore, after some considerable discussion, during a large percentage of which Mr. Fisher was not present, we came to a conclusion that it was essential, as a committee decision, to have this information in order to assess the financial background and structure of the corporation. This was made by the committee. As Mr. Bell points out, while some at the time did oppose it, it now becomes the view and decision of the committee itself.

I feel there is little purpose in re-arguing a case in which there has been no new evidence submitted to us.

I would say at the same time that we are all fully cognizant of the responsibility we take in asking for the information and it is because that we regard it in the best interest of the corporation itself that we do so.

The CHAIRMAN: Actually, ladies and gentlemen, we did make a decision during debate on the original Smith motion, of which we are talking. The decision, when we make one, and when we ask for persons or papers or records, is actually an order, and we ordered the C.B.C. to produce these costs. Now, I do not see how we can change that.

Mr. PICKERSGILL: Mr. Chairman I am seeking to assist in this matter. There is a procedure—and I cannot lay my finger on it at the present time, and I have not a Beauchesne—Whereby the order of the house can be rescinded. I remember, because it has been done during my parliamentary experience. I should not say that, but since I have been in Ottawa. I have known that to be done. It may require unanimous consent.

I was wondering, Mr. Chairman, if that point could be taken under advisement and if the Chair should not adjourn this and perhaps at the next meeting we could complete it.

The CHAIRMAN: At the present time the Chair is going to rule this motion out of order. It has not been put to the committee yet. I have never accepted it as a motion and, for the time being, I will have to rule it out of order; if I am mistaken, we will consider it at a later date.

Mr. FISHER: Did the letter from the C.B.C. board of directors make the suggestion that if we do decide to go ahead with this we should do it in camera?

The CHAIRMAN: No. They merely said—and I am breaking in here—

> Accordingly, the board wishes to make a formal request that the committee reconsider its decision, at least in so far as publication and public consideration of the information in question is concerned.

Mr. FISHER: Well, in fact, that is asking us to hear it privately.

Mr. SMITH (*Calgary South*): Mr. Fisher posed the question as to whether or not this could be considered in camera. As I understand it, Mr. Chairman, any evidence taken in camera cannot usefully serve any purpose in the development of any recommendations which this committee may care to make in respect to its final report; in other words, if evidence is taken into account there is no opportunity to refer to it or usefully have it serve as a basis for a recommendation in our report. Is that correct?

The CHAIRMAN: In so far as I am concerned, it is correct.

Mr. MCCLEAVE: Mr. Chairman, could I now present a motion?

The CHAIRMAN: Have you a seconder?

Mr. MCCLEAVE: Yes, Mr. Smith. The motion is that the committee is of the opinion that no new reasons have been advanced by the C.B.C. board of directors that the committee should change its original decision and their formal request be rejected.

The CHAIRMAN: Gentlemen, I do not think; actually, I cannot see—

Mr. MCGRATH: Mr. Chairman, will you read the motion.

The CHAIRMAN: If I read the motion, it is before the committee.

Mr. MCGRATH: Would you then ask the mover to read it.

Mr. MCCLEAVE: My motion is that the committee is of the opinion that no new reasons have been advanced by the C.B.C. board of directors that the committee should change its original decision and their formal request be rejected.

The CHAIRMAN: Does anyone wish to talk on this point of order, as a point of order?

Mr. PICKERSGILL: I think if a motion is made by any member of the committee, whether that motion is in order or out of order, the Chair is under the obligation to read it to the committee, and then rule it out. That is a standard rule and, therefore, I think you should take the motion, read it, and then rule whether you consider it in order or not.

Mr. BELL (*Saint John-Albert*): Referring to Mr. McCleave's motion, I personally feel that if we are just at the motion that if the letter was filed it would suit the purpose, and make me happy.

The CHAIRMAN: Would you repeat that, Mr. Bell.

Mr. BELL (*Saint John-Albert*): It would make me happy, Mr. Chairman, if a simple motion was made that this letter from the secretary of the board of directors be filed.

Mr. SMITH (*Calgary South*): I would like to say in connection with the second motion prior to your original ruling, Mr. Chairman, that I subscribe to the point of view which Mr. Bell has offered now. I consider Mr. McCleave's motion is redundant, in view of your original decision, but I suggest the other motion, which Mr. Bell has indicated, if Mr. McCleave will withdraw his motion.

Mr. MCCLEAVE: I have no objection to withdrawing it, but I would point out there is a formal request from the board of directors and it can be met in only one way. If we simply say we are going to file it, it perhaps should be an act on which we really made no decision, or made a decision which would seem to be ruled on, and therefore the purpose of it is to say that we have considered it, are of the opinion we cannot meet it, and therefore reject it.

The CHAIRMAN: Mr. Bell, have you a motion?

Mr. BELL (*Saint John-Albert*): I do not want to be difficult here; Mr. Smith has supported me. I feel the indication will be given, if we file it or lay it on the table, and we do not have to express ourselves in this redundant way.

The CHAIRMAN: The motion by Mr. Bell, (*Saint John-Albert*), seconded by Mr. Smith: that the letter identified as signed by Mr. Barry MacDonald dated June 30, addressed to myself, from the board of directors, be filed.

Mr. CHAMBERS: Before the motion is put—I am not making another motion; it is not possible at this time, but perhaps as a suggestion of the method of dealing with it, that the chairman be requested to advise the board that the committee cannot vary its motion, based on your ruling. This might be another way of dealing with it.

Mr. FORTIN (*Interpretation*): Mr. Chairman, there are so many motions that my head is swimming with them and I do not know quite which one to speak to. But the request of Mr. Pickersgill to adjourn the question—the request put by the C.B.C. to consider our request—leaves the impression that the sole object is to delay the production of the documents. It is a dilatory process; the session is ending, and if we reconsider our decision I think the C.B.C. will simply gain time. The session will end without our having obtained the information required. So I am in favour of retaining the decision taken a month ago.

Mr. PICKERSGILL: Mr. Chairman, since my name has been directly called into question, I do think it is an extraordinary thing for any member of the majority—

The CHAIRMAN: You realize we are on the Bell motion now?

Mr. PICKERSGILL: Exactly; and I am opposed to it. I intend to vote against it; I think it is a gross discourtesy to a body set up by parliament last session for the purpose of directing the C.B.C. This committee was not set up for that purpose. When we had a request previously, it was only a request from management, plus some, what I thought very convincing reasons given to us by the Minister of National Revenue.

Mr. CHAMBERS: And a member of the board.

Mr. PICKERSGILL: I beg your pardon?

Mr. CHAMBERS: And a member of the board; Mr. Dunsmore also.

Mr. PICKERSGILL: And Mr. Dunsmore also. I was really disturbed. I must say the argument against the production of these documents was not as strong as I thought it should have been; but when the minister drew our attention to the fact that the C.B.C. in the near future—and speaking as a minister; a member of the government—was going to be faced with competition from private television, and there would be a situation analogous to that existing between the two railways, I thought his argument—as I said earlier—was unanswerable.

This matter went before a duly appointed board, a board that parliament provided for only last year—over my objections, I might say; but parliament did make this decision. The board was filled with appointees of the present government. Most of them, I do not think, the kind of people who would be very apt to vote for my friends. But that is irrelevant—

The CHAIRMAN: Would you stick to the Bell motion?

Mr. PICKERSGILL: Yes. So that I would have no motive except a proper one for supporting the request of the board of directors, and I support it because it seems to me that if this committee—which is, after all, a small part of parlia-

ment—were to decide on it, rather than the body parliament provided for the governing of the C.B.C., and should interfere with the internal documents, it would be a very unsound principle—and I will vote against this motion.

Mr. SMITH (*Calgary South*): Mr. Chairman, I would just like to make one very quick point. There are occasions, unfortunately, when views held by appointed bodies and the elected representatives are going to come in conflict. I maintain the principle that where public moneys are involved, those responsible to the public for those moneys should at no time be hesitant in expressing their views on any subject in relation—in this case—to the particular corporation under consideration.

For this reason I think we have every right, representing—as we do—the taxpaying public, to express our views as forcibly as we can on their behalf.

Mr. BELL (*Carleton*): Question.

The CHAIRMAN: Mr. Tremblay.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I certainly think that once again we are faced with an attempt at diverting our attention from this matter. We asked for information some weeks ago. We still have not received that information, and we have to, apparently—we have to come out heavily in defence of our point of view, which is that we should get this information.

I maintain that we are entitled to it and that if we accept that we should reconsider the question, I think that the C.B.C. will be authorized to reconsider all the requests for information which we have already put forth and for which we still have not received the answers. I maintain that we must refuse to reconsider the matter, if the committee's judgment has any value at all, and we do not have to go back on a majority decision already taken.

Mr. CHAMBERS: Question.

Mr. TAYLOR: Mr. Chairman, I hope that the motion passes. But it is my understanding that following the passing you might be communicating with the C.B.C., indicating what has transpired today?

The CHAIRMAN: By all means, yes.

Mr. TAYLOR: At the same time, could you ask the C.B.C. to indicate when the figures might be made available?

The CHAIRMAN: The figures are ready right now; I know that.

Mr. ROBICHAUD: Mr. Chairman, the request now before us—which has been made by the Board of Governors of the C.B.C.—

The CHAIRMAN: Not the Board of "Governors",—the Board of Directors.

Mr. ROBICHAUD: —the Board of Directors—pardon me—of the C.B.C. is a very important one. I feel it is of such importance that a decision on this request should be taken by the whole house, by parliament, instead of a committee representing a very small proportion of the members of this house.

The CHAIRMAN: Ready for the question, gentlemen? The motion made by Mr. Bell, seconded by Mr. Smith, that the letter, which I identified, from the board of directors be filed.

Motion agreed to.

The CHAIRMAN: I declare the motion carried.

Mr. SMITH (*Calgary South*): I wonder if I might speak on a point of order?

The CHAIRMAN: Yes, Mr. Smith.

Mr. SMITH (*Calgary South*): You will recall I also asked for some information on the percentage of films imported into Canada, in relation to the total Canadian content. This is also a long time outstanding, and I would respectfully ask this be filed at the earliest possible date.

Secondly, sir, may I suggest—

The CHAIRMAN: Mr. Smith, that is here, and we can read it into the record, if you wish, or distribute it.

Mr. SMITH (*Calgary South*): Whether it is read into the record or distributed, is not important.

I have a second point. May I ask that at some future time the commercial head of the corporation be asked to appear, so we can examine him about the various items of information that are available?

The CHAIRMAN: Ladies and gentlemen, Mr. Nowlan will not be in town on Monday or Tuesday. I would therefore suggest, if it is agreeable to you, we reconvene this afternoon at three o'clock. It that agreeable?

Mr. PICKERSGILL: I think before we make a decision we should know what we are reconvening for.

The CHAIRMAN: We had Mr. Fisher—

Mr. FISHER: You told us, Mr. Chairman, this would be considered by the steering committee.

The CHAIRMAN: I know but at that time I did not realize Mr. Nowlan would be available this afternoon. We can have a steering committee meeting first.

Mr. FISHER: I think we should have a steering committee meeting first.

The CHAIRMAN: We shall reconvene this afternoon at three o'clock; and we can have the steering committee meeting at 2:30 in my room.

Mr. CHAMBERS: Why not have the steering committee meeting right now?

The CHAIRMAN: We can have it right now.

Mr. MCINTOSH: May I ask what item we are on on the agenda before us?

Mr. BELL (*Carleton*): "Controversial and political broadcasting"!

The CHAIRMAN: Mr. Fisher, on a point of order?

Mr. FISHER: I gave you notice of a motion.

The CHAIRMAN: Could that hold off until this afternoon?

Mr. FISHER: Yes.

The CHAIRMAN: We have agreed—this afternoon, at three o'clock.

Mr. MCCLEAVE: On a question of privilege, could it be noted I was in attendance at Tuesday's meeting?

The CHAIRMAN: Yes, Mr. McCleave.

AFTERNOON SESSION

THURSDAY, July 2, 1959.
3.15 p.m.

The CHAIRMAN: Miss Aitken and gentlemen, we have a quorum. Thank you for returning so promptly.

Now, I think we should go along with Mr. Fisher's motion of this morning, which was seconded by Mr. Robichaud, that Mr. Nowlan be invited to come and inform the committee on the advice he gave Mr. Bushnell on programming.

We have the Honourable George Nowlan on my right; I think most of you know him. Mr. Fisher, would you like to proceed.

Mr. FISHER: Mr. Chairman, first of all, I would like a report given to the committee as a whole, as to what the recommendations of the steering committee were in their meeting after the last sitting.

The CHAIRMAN: Possibly I should have done that. There was a division on the steering committee, pre-lunch, I think mainly because Mr. Fisher was

leaving this afternoon; I was leaving this afternoon and Mr. Smith is leaving tomorrow, and someone else was not available. The Honourable George Nowlan was not available on Monday and Tuesday.

I must admit it was a very friendly meeting. I do not think it was unanimous at any time that we call Mr. Nowlan now instead of tomorrow morning at 9 o'clock, but the majority voted that Mr. Nowlan should be called this afternoon at 3.15 p.m.

Mr. PICKERSGILL: I wonder if, Mr. Chairman, before we proceed, I could ask to have a correction made in the record of the last meeting. I did not do it this morning because I had not read it through. It is at the very end where I am reported as saying:

> Then I will comply with it.

My recollection is that I said:

> If this form of closure is to be applied, I will have to comply with it.

Mr. CHAMBERS: I do not recollect that.

Mr. BELL (*Carleton*): None of us recollect it.

Mr. PICKERSGILL: Well, that is my recollection.

The CHAIRMAN: Mr. Fisher, please—and gentlemen, please, quiet.

Mr. FISHER: Mr. Nowlan, section 21 of part (d) of the Broadcasting Act says:

> "Minister" means the member of the Queen's Privy Council for Canada who is designated by the governor in council as the minister through whom the corporation is to be accountable to parliament for the conduct of its affairs.

Sir, I have searched through your remarks last year, when this was coming through, and I can find no real elaboration of it. I wonder if you could tell us how you interpret that phrase "is to be accountable to parliament for the conduct of its affairs"?

The CHAIRMAN: Before we get into this, Mr. Fisher, I would suggest that the Honourable Mr. Nowlan will be available for any questions that are not strictly on the motion during the estimates which are coming up some time within the next six weeks.

Hon. GEORGE C. NOWLAN (*Minister of National Revenue*): Two to three months, anyway.

The CHAIRMAN: I would appreciate it very much, and I know other members of the committee would appreciate it, if we could stick right to the motion and the motion, as you recall, is that Mr. Nowlan be invited to come and inform the committee on the *advice*—and that is in italics—that he gave Mr. Bushnell on programming.

Mr. FISHER: Mr. Minister, does that clause, naming you in the Broadcasting Act, give you the power to give advice to the C.B.C. board of directors in connection with programming?

Mr. NOWLAN: That is a legal matter on which you would have to get the opinion of the Department of Justice.

Mr. FISHER: Are you prepared at this time to make a statement in connection with this question of advice on programming?

Mr. NOWLAN: I am prepared to answer any questions which are asked of me with respect to advice which I gave to Mr. Bushnell or any other officials of the C.B.C.

Mr. FISHER: Well, do you go along again with the remarks that you made on June 23 in the House of Commons. It is at page 5041, and I quote:

> I have had discussions from time to time with the manager and Mr. Ouimet before his illness about various C.B.C. programs, as to

costs and so on and so forth. I do not remember discussing this particular program. If I did I expressed my appreciation of it, because it is a program for which I have had a very high appreciation. I have made no representations to the C.B.C., directly or indirectly, at any time or at any place, with respect to any program of the Canadian Broadcasting Corporation.

Mr. NOWLAN: I go along generally with that statement, yes, subject to one or two specific matters, which I would have in mind where, perhaps, I have spoken specifically about matters.

Mr. FISHER: Could I then refer you to this statement of Mr. Bushnell on page 557 of the evidence on Tuesday where he said:

> In my position in the last six months—and prior to that, after the appointment of Mr. Ouimet and myself, we have had occasion to discuss matters with Mr. Nowlan, and—in my judgment—quite rightly. Mr. Nowlan has intimated from time to time some of the things that he—how shall I put it?—that he felt were not being properly administered.

I asked the question then:

> You saw this question as, not one of principle but one of administration?
>
> Mr. BUSHNELL: I do not—
>
> Mr. FISHER: I mean, the question of Preview Commentary?
>
> Mr. BUSHNELL: Yes.

Now, my question in this regard, Mr. Chairman, is this: in any of your discussions, to which Mr. Bushnell is referring here, you never at any time referred to programming as such; it was only in so far as costs were concerned?

Mr. NOWLAN: No, that is not exactly correct.

Mr. FISHER: Well, could you elaborate in what way you went beyond the discussion of costs?

Mr. NOWLAN: Yes, I could give some examples with respect to that.

There was a case a little while ago—I am not sure whether you would call this programming, or what the exact definition of it would be—but I was approached by a colleague of mine, the Minister of Citizenship and Immigration, with respect to a proposal to bring in from Europe a person who had been refused a visa by the Department of Citizenship and Immigration because that department considered this person undesirable. I prefer not to give the name. I can, but I think Mr. Pickersgill will remember that it is a principle in the department not to give individual names, and I prefer not to do so.

In connection with this particular program, the director wanted to bring this person in for an interview because he said he thought it would be interesting for the people of Canada. I dare say it would be; but I thought the cost of bringing him in was something at which management might take a look. But it was beyond that stage when it came to my attention, because the producer had said, if you do not give a visa to bring him into Canada we are going to bring him into New York, and we believe we can get him by the American immigration officials; and we will bring him into New York and "pipe" him from New York to the C.B.C. and you will have to carry the program anyway.

As I said, this representation was made to me by my colleague, the Minister of Citizenship and Immigration, and reinforced again by very prominent officials—I do not want to involve the names of civil servants—in the Department of External Affairs, officials in whom everyone here in this room would have the utmost confidence, who thought this would be a very bad thing to do.

I passed the information on to Mr. Bushnell, and I told him this representation had been made to me and I asked him to give it very careful consideration, because I thought this was a matter where a producer of the C.B.C.

was defying the government and involving the taxpayer in very unusual expenses in order to produce this program. As a result of my statement to Mr. Bushnell that particular interview was cancelled and that person was not brought from Europe.

Then we have the case—it is a matter which probably should not have got in the press, and frankly I do not know just how it got there—but it has been referred to on various occasions as the case of the Algerian. You can call it the Algerian case, where I received a call from the Under Secretary of State. The Prime Minister being absent, I received the call from the Under Secretary of State, Mr. Norman Robertson, who informed me that the French ambassador, or the ambassador of the Republic of France, had called on him that afternoon and protested about a proposal of the C.B.C. to interview certain persons. I do not know their names. All I know is that they were representatives, presumably of the Algerian so-called government—or I presume the president called them rebels, I am not sure—and at the same time our ambassador at Paris had been called in by the Prime Minister of the French republic. An official protest had been registered with our ambassador about our proposal to interview these people.

I again called Mr. Bushnell and told him of the representations which had been made to me. Mr. Bushnell said—and I remember there was no hesitation—if the representations are coming at that level the interview will not take place. It was only two days later when Radio Canada, Montreal, carried the same program, but with a different individual, which I again discussed with Mr. Bushnell and said that I thought that was an example of loose management and defiance of management in the organization.

Also, I discussed the Madame d'Youville case with him, because I had said in the House of Commons I had no warning of this. Usually I speak without considering or preparing any statement and, you may remember, I was asked about that matter in the House of Commons and I said disciplinary action would be taken. Afterwards, I was asked by Mr. Bushnell what I meant by disciplinary action and, as I recall it, I said "I think the people responsible for it should be fired." He was quite shocked at that.

Mr. FISHER: Could you give us the date of that?

Mr. NOWLAN: I cannot remember. If you would look up *Hansard* you would find it. It was within twenty-four hours after I made the statement in *Hansard*. Mr. Bushnell said he did not think that could be done. I remember asking him: "has anyone ever been fired in this organization for disciplinary purposes?"—and he said he thought the last one was in 1942. I said that perhaps it was time somebody else was fired around here, to put some discipline in it.

Now, there have been several cases like that.

I have a case in connection with the financial side. As you know, under the act, I have to recommend,—and I changed this myself, or, at least, the government did. Under the old act, as I recall it, anything over $25,000 had to be recommended by the minister. The act was changed last year, I think to $100,000.

But, in dealing with leases, any lease over five years had to be recommended by the minister.

I was presented a paper some months ago, in March or April, wherein I was asked to sign a submission to lease what they called an audience participation studio in Montreal for a ten-year period at a rental of $62,000 a year. I told Mr. Bushnell that I thought that was too much money to pay for a theatre. I will be frank and try to recall what I said—"for people who wanted to get in out of the rain, to go in and watch a show". I asked him if it had been referred to the directors and he said no. I said I would not sign it and that that was a matter he had to discuss with the directors. They had powers in connection

with financial control and this matter had to be recommended by the directors before I signed it; and I have to give it consideration, even after that. The matter was referred to the directors and I have not heard anything more about it since.

Now, there have been a dozen cases such as that—speaking freely, probably ten or twelve in all.

Mr. Bushnell and I have been very close. We have talked freely and met two or three times a week in discussing the affairs of the corporation; these are some of the matters we have discussed.

Mr. FISHER: Mr. Chairman, did the minister make only one reference, in his conversation with Mr. Bushnell, to firing?

Mr. NOWLAN: I think that is the only reference I made to firing.

I remember once I told him, in dealing with some of these cases where I thought the thing was very loosely run, that the C.B.C. reminded me of a cabbage patch, with a great lot of heads, and each one trying to get bigger than the other—and you know what happens when they get too big, they burst.

Mr. PICKERSGILL: Not roll?

Mr. NOWLAN: No, not roll.

Mr. FISHER: Did you consider at any time under the legislation that your representations in these matters could have been taken to the board of directors as a whole?

Mr. NOWLAN: That was a matter for management and not for me. I discussed these matters freely and in a friendly and frank way with Mr. Bushnell and Mr. Ouimet, before his illness, time and time again. I never gave him any suggestion of what I thought he should do; never gave him any direction; never gave him or Mr. Ouimet, or any other officer of the corporation, any instructions whatsoever. I said: "these are matters to which I think you should give consideration and apply your best judgment to them". And, very often, as in the case of this Algerian matter, I was told afterwards that Mr. Jennings knew nothing about it and things were being done without any references, presumably, to the directors in Ottawa. I think it was on that occasion when I referred to the cabbage patch; but I may have more than once.

Mr. FISHER: You would reconfirm today what you said in the house on June 23, and I quote from page 5040:

> I knew nothing about it—

The CHAIRMAN: That is page 5040 in what?

Mr. FISHER: In *Hansard*.

> I knew nothing about it until this morning, when I heard on the radio that this decision had been made. That was the first intimation I had of it, and I also heard of the resignations.

The CHAIRMAN: Is this on the Algerian question?

Mr. FISHER: No, on Preview Commentary.

Mr. NOWLAN: That statement is correct.

Mr. FISHER: Have you read the evidence that Mr. Bushnell presented to the committee on Tuesday?

Mr. NOWLAN: Well, it all depends on how you spell "reading". I got a copy of it after lunch and I have glanced over his evidence. If I was speaking as a lawyer I would not say I read it, but I have looked at it.

Mr. FISHER: Could you give us an explanation as to why Mr. Bushnell used the expression in connection with the withdrawal of Preview Commentary that "heads will roll"?

Mr. NOWLAN: I cannot give any explanation whatsoever of that.

Mr. FISHER: You cannot give any explanation as to how he came to that conclusion? You have no idea how your name came to be included as one of the heads that would roll, either in communication with Mr. Jennings or Mr. Walker?

Mr. NOWLAN: I do not. I must say that I wondered if that was a threat or a promise, because certainly there is nothing I would rather do, frankly, than be rid of the responsibility of reporting to parliament for the C.B.C. I told Mr. Bushnell that on many occasions, and I told him I was going to try to get the Prime Minister to appoint someone else because I was sick and tired of these criticisms coming in from all over the country, from members of parliament, from my colleagues, and from the public generally. I said that life was too short to be bothered with this thing and that I was going to get out of it. So, as I said, if that is a promise, I hope it is fulfilled.

Mr. FISHER: When you referred to your colleagues, whom do you mean?

Mr. NOWLAN: My colleagues in the cabinet and in the House of Commons and, probably, including yourself.

Mr. FISHER: Did you ever take any of these representations on programming from your colleagues to Mr. Bushnell?

Mr. NOWLAN: Not in any specific way. I may have mentioned, and I undoubtedly have, many programs, sometimes commending him and sometimes criticizing him. I may have given my own personal opinion, and may have said: my colleagues are sore about this or irritated about that, or did appreciate that, or something of that kind. I have no power with the C.B.C. I am in the unfortunate position of receiving a lot of blame and having no responsibility for anything.

The CHAIRMAN: Mr. Pickersgill knows what you are talking about.

Mr. NOWLAN: We may have told him.

Mr. PICKERSGILL: I had responsibility too.

Mr. NOWLAN: I have, too, as Minister of National Revenue but not as the minister responsible for whatever comes up in respect of the policy of the C.B.C.

Mr. FISHER: Does the minister remember the discussion last year in respect of the Broadcasting Act relative to the possibility of political interference with the C.B.C.?

Mr. NOWLAN: I remember the act and the discussion. I do not remember any specific statement. I remember such matters being discussed ever since I recall there being a C.B.C.

The CHAIRMAN: Would you rather hold this until the estimates are up in the house.

Mr. FISHER: Do you remember making this statement:

> As the bill stands, the president and the vice-president are members of the board of directors. They have their associates there and, to use an expression used yesterday, they are insulated as far as it is humanly possible to do so.

Do you still subscribe to this, that they are insulated as far as it is possible to do so?

The CHAIRMAN: From what page are you reading?

Mr. FISHER: From *Hansard* of August 26, 1958, at page 4137.

Mr. NOWLAN: I would subscribe to that, I think. There is the word, "insulate", or "insulation". In referring to interference in any way, shape or form I would subscribe to it entirely one hundred per cent.

Mr. FISHER: At any time after June 23 when you made your statement in the house, did you have any further discussions with Mr. Bushnell or

any other member of the C.B.C.'s board of directors on this question of resignations or the question of the board changing its decision to put the "commentary" back.

Mr. NOWLAN: When was June 23?

Mr. PICKERSGILL: The day the committee was in Toronto.

Mr. NOWLAN: I had a discussion with some members of the board of directors on the morning of the twenty-third—no.

An hon. MEMBER: The twenty-fourth?

Mr. NOWLAN: Yes; I remember seeing Mr. Halpenny's picture in the paper. That is the only reason I could fix the date. I saw the chairman's picture in the paper as having been interviewed. This was on the morning I arrived. If you were there on the twenty-third, then I was there on the twenty-fourth. I was on my way to St. Catharines to a taxation conference. I met some of these directors and discussed the situation generally; but I had no discussion whatsoever about changing any decision. I did not know a thing about it until I got on the train that night, having bought the next morning's *Globe and Mail*. That was when I read that this decision had been taken.

Mr. FISHER: That is the decision to put the program back on the air?

Mr. NOWLAN: Yes.

Mr. FISHER: You at no time in discussion with the board of directors suggested it should be left on the air or taken off?

Mr. NOWLAN: I had no discussion about it. I took it that this decision had been made by management. I was trying to get information about this matter of the resignations and it was just a general conversation over a cup of coffee. Then I proceeded on to St. Catharines.

Mr. FISHER: I will repeat the former question I asked. There is no way that you can see that Mr. Bushnell got the idea in his head, that his head, your head and that of Mr. Ouimet would roll if this program were not taken off at a definite time?

Mr. NOWLAN: As a said before, if he had the idea my head would roll vis-a-vis the C.B.C., then I hope he is correct. As far as any inference that his head or Mr. Ouimet's or anyone else's is concerned he did not get it from me. Going back over these other occasions, like the Algerian matter, the Mother d'Youville question, the case of the person being brought in from Europe and also the background of the strike, where I was told afterwards if they had exercised any control here the strike would not have happened, I probably told them, "You had better tighten up this organization or something will happen to somebody around here." I do not make any bones about probably having said something like that; but in respect of having made reference to it in connection with some particular program, I never did.

Mr. FISHER: Is it possible Mr. Jennings might have interpreted what you said to apply to that particular program?

The CHAIRMAN: Do you mean Mr. Jennings or Mr. Bushnell?

Mr. FISHER: Mr. Bushnell.

Mr. NOWLAN: I cannot tell you anything about his interpretation.

Mr. FISHER: In relation to the question of heads rolling, is it true that the only way the heads would roll, in view of the clause in the act on good behaviour, would be if the government would make a recommendation to the house and show cause.

Mr. NOWLAN: I have never had any reason to check on that matter, and study it, and I cannot tell you.

Mr. FISHER: In other words, you had not thought out the corollary of the remarks you made about firing?

Mr. NOWLAN: I was thinking of the persons underneath responsible, presumably, for certain aspects of management who, apparently from things coming to me from time to time, were very lax in their administration; and I told him he better tighten up.

Mr. FISHER: Do you still hold that view?

Mr. NOWLAN: Yes.

Mr. FISHER: In other words you believe that there should be firings in the C.B.C.?

Mr. NOWLAN: I do not know about firing. I think there has to be a tightening up of administrative control.

Mr. CHAMBERS: I take it Mr. Nowlan in his answer to Mr. Fisher said that he did not at any time say anything to Mr. Bushnell which would lead him to believe he would be fired if Preview Commentary specifically was not cancelled.

Mr. NOWLAN: That is exactly right. I did not infer that to Mr. Bushnell or Mr. Ouimet by saying that in any shape or form.

Mr. CHAMBERS: Did Mr. Bushnell ever report to you that anyone else had threatened in such a way?

Mr. NOWLAN: No.

Mr. CHAMBERS: As the minister reporting for the C.B.C., would you expect that Mr. Bushnell would report any such occurrence to you?

Mr. NOWLAN: Mr. Bushnell and I, ever since Mr. Ouimet's illness, have carried on frank and free discussions two or three times a week, although not every week; sometimes we would not meet for two weeks. There is no doubt in my mind that if anything like that had been said to Mr. Bushnell he would have mentioned it to me. He never mentioned it in any shape or form.

Mr. PICKERSGILL: I have one or two questions. Mr. Chambers has pretty well cleared up the point on which I was going to question Mr. Nowlan. I will review it very briefly. It came out in the evidence on Tuesday. It came out in the evidence on June 11 that the question of taking this program off the air first came up in the C.B.C. and that Mr. Peers was summoned to Ottawa and was told about this on the fifteenth by Mr. Jennings, and that for the balance of that week right up until Sunday evening, the twenty-first, this matter was a matter of discussion, or lack of discussion, between management and the employees, and that the program was finally taken off beginning the twenty-third. Mr. Nowlan told us he never heard anything about this at all until the morning of the twenty-third.

Mr. NOWLAN: Yes.

Mr. PICKERSGILL: He told parliament that.

Mr. NOWLAN: Yes.

Mr. PICKERSGILL: The question I wanted to ask Mr. Nowlan is—I think Mr. Chambers has asked it but I would like to repeat it—during that whole period from June 11 until June 23, Mr. Bushnell never suggested to you at any time he felt his position was in jeopardy?

Mr. NOWLAN: Never.

Mr. PICKERSGILL: And he never at any time during that period mentioned the program Preview Commentary to you?

Mr. NOWLAN: To the best of my recollection I think that is correct.

Mr. FISHER: In the representations that you received from your colleagues, was there any specific mention that you recall of the program Preview Commentary?

Mr. NOWLAN: I think there probably was from time to time. There was specific mention of many programs.

Mr. FISHER: But did you, in turn, pass on the representations on that specific program to Mr. Bushnell?

Mr. NOWLAN: In this way I did. In the office we followed the practice in respect of all letters of criticism or praise of a program—and often there were both on the same program, some criticizing and some praising—we followed the practice, and still do, of sending the letters on to the C.B.C. management for their attention and such action as they see fit. We have a special form letter and a girl who does nothing else but type these out and send them over to the C.B.C. management. So I have undoubtedly sent many letters to the C.B.C. management, some criticizing and others praising.

Mr. FISHER: Were any of those letters written in a formal way from members or from your colleagues in the cabinet?

Mr. NOWLAN: As far as I know I have never received a written representation in any way, shape or form from any of my colleagues in the cabinet in respect of any aspects of the C.B.C. programming, or otherwise, except a formal letter from the Minister of Finance dealing with the budget and asking me to scrutinize it carefully, and so forth.

Mr. FISHER: I bring this name up because it has been brought up in the house and in committee. Have you any information of Mr. Grosart ever giving any views on Preview Commentary to Mr. Bushnell?

Mr. NOWLAN: I have no information on that. I can tell you this: when I heard of this thing, the charges of clandestine political interference or influence, or whatever the term may be watered down to by now, I was shocked because I thought if there was one person who had honestly stood against any political influence it was myself and my colleagues.

I heard from some of my friends in the press gallery that the rumour was Mr. Grosart had done this and I 'phoned Mr. Grosart. I did not believe it, but I wanted to verify it in my own mind. I telephoned Mr. Grosart and he said at no time did he make any representation to Mr. Bushnell in respect of this or any other program on the C.B.C.

Mr. FISHER: You were invited here to give us information on the advice you had given to Mr. Bushnell. At the time the new act was being introduced in the house last year, you said one of the duties, or you suggested one of the duties of this committee would be to review the legislation in so far as the C.B.C. board of directors was concerned and how it is working. In the light of this situation and the misunderstanding about the advice, are you of the opinion that that should be one of the prime functions of this committee? I am asking this partly as a member of this committee to find out whether this is actually working at the present time in so far as the C.B.C. board of directors is concerned.

The CHAIRMAN: Mr. Fisher, I do not know how you got the "advice" in there. I think that is a question for the estimates. Could you reword it?

Mr. NOWLAN: I will answer it in thirty seconds. I think it is the function of this committee to make recommendations on anything it sees fit in respect of legislation, administration or otherwise. Quite frankly, I would hope that all members of parliament in this room would agree with me this is not the time at the end of a session, if we want to get home some time, to introduce any amendments or any recommendations which might involve amendments,

if the government decided to introduce amendments accordingly. In other words, I hope this session will conclude without any more legislation on the order paper, in any event, in respect of the C.B.C.

Mr. FISHER: Aside from the conversations in Toronto, how many conversations have you had in concert with the C.B.C. board of directors as a group on the relationship of you as the minister to the C.B.C. and the board of directors. I ask this as a matter of information.

Mr. NOWLAN: I do not think there have been any conversations in respect of our relationship, although that is a very general phrase. I remember on more than one occasion, when the directors or some of them have asked me what I felt should be done and I have told them that is a matter for the corporation. I looked to the corporation as being management plus directors. I was not telling them what they should do. They made recommendations. It would be up to me and the government as to whether or not they would be implemented.

Mr. FISHER: On this particular point, do I understand that any advice you gave to Mr. Bushnell would go to the C.B.C. board of directors?

Mr. NOWLAN: I do not agree with your word "advice", although I have been going along with it because it was used in the evidence. I think it was between you and Mr. Pickersgill, and Mr. Pickersgill suggested the word "advice".

Mr. PICKERSGILL: It was Mr. Fisher.

Mr. NOWLAN: As I have said, there have been conversations time and time again, if you want to call that advice.

Mr. BRASSARD: Mr. Chairman, may I ask my questions in French?

The CHAIRMAN: By all means.

Mr. BRASSARD (*Interpretation*): Mr. Chairman, if the honourable minister would be good enough to enlighten us on the two following questions I would very much appreciate it. The first question is, I find it hard to understand that the C.B.C. has taken back three gentlemen who had put out accusations to the effect that the independence of the C.B.C. was in jeopardy. If the accusations were not founded, there should be disciplinary measures taken against them. If, on the other hand, they were in fact founded, then I am surprised, in either case, that the three employees were allowed to go back to work.

The second question is, the decision of the administrative council—

The INTERPRETER: I suppose that is board of directors.

Mr. BRASSARD: Yes.

(*Interpretation continued*): —to reverse the decision of Mr. Bushnell was taken late in the afternoon of June 24. The same evening on the eleven o'clock program Mr. Bushnell had pointed out at this stage—I am not quoting his words verbatim but in substance—that if the decision he had made to drop the program had not been reversed by the board of directors it would not have been possible for him to continue his work. I would appreciate it if you would enlighten us on these two questions.

Mr. NOWLAN: The taking back of the three men, or their return to work if they have returned, is a matter of which I first heard this morning again in the *Globe and Mail*. I had no knowledge of it whatsoever. It is a matter of decision of management and, apparently in this case, I would take it it was a decision of Mr. Walker himself. I do not know whether or not he confirmed it with Mr. Bushnell or whether he made this decision on his own. That is a matter I will find out about when I have an opportunity of getting in touch with Mr. Bushnell.

I am not quite clear on your reference to the board of directors' decision to revoke the decision made by Mr. Bushnell. I understood from conversation with one of the board members—I think it was Mr. Dunsmore—and I read their statement as well, that they felt this statement had been misinterpreted, that the inference of political pressure was there and apparently had been propagated by some people, and rather than have that impression linger, the best way to deal with it was to reverse the decision and reinstate the program. I knew nothing about that until I read about it in the paper. This is the first time I have heard of Mr. Bushnell's statement that his position would be impossible, or something to that effect, if that decision had not been reversed. I remember reading in a press statement that Mr. Bushnell said he accepted the decision of the board of directors as, of course, he naturally would accept the decision of the board of directors, because they are his directors. That is all I know of the question.

Mr. ROBICHAUD: Mr. Chairman: Mr. Minister, I understood you to say a while ago that you had received no written statement from your colleagues in the cabinet complaining about certain programs. Did you receive, at any time, statements or representations by individual members on the government side, or by a group of members, commenting on certain programs of the C.B.C. and complaining about news commentators?

Mr. BELL (*Carleton*): What about the opposition side?

Mr. ROBICHAUD: This is my question.

Mr. NOWLAN: I have received statements; I have received no representations. I have received nothing in writing from anyone, any of my colleagues or anyone, at any time. I have heard statements by various members of the House of Commons—I think representing all political parties—critizing some programs and commending others. I have never received anything that you could construe, even by a stretch of the imagination, as a representation.

Mr. BELL (*Carleton*): Did you ever hear of a statement by Mr. Fisher on the use of press gallery members on programs?

Mr. ROBICHAUD: I have not finished my question. Did you receive any representation from a group of members stating that there were a few favoured commentators who were appearing very frequently on the C.B.C. in Montreal?

Mr. NOWLAN: No, I have never received any representation from any group as such. I have received representations from individual members to that effect from time to time in the lobby and meeting them casually in the House of Commons, or something of that kind. But no group—no two—ever spoke to me in concert about any of these things.

Mr. ROBICHAUD: I understand you said you had received representations from individual members—

Mr. NOWLAN: Individual members is correct.

Mr. ROBICHAUD: Following such representations from individual members, did you transfer those recommendations to the officials of the C.B.C., or to the management?

Mr. NOWLAN: I cannot answer that question specifically. I have discussed—as I said—time and time again all the problems about the C.B.C. with Mr. Bushnell—formerly with Mr. Ouimet—and I have not any doubt that from time to time I have said that some of the members were complaining about this, or criticizing that.

Mr. ROBICHAUD: So I understand from your reply that at no time you referred to the C.B.C. representations which had been made, even by individual members, complaining about certain individuals being used too often as news commentators?

Mr. NOWLAN: I have just told you that I have discussed these matters with them. I never made any representation about a name. I have heard some of my colleagues criticize Mr. So-and-so, unfortunately. I have not listened to Radio Canada, and I did not know the names; I have forgotten them—but I have undoubtedly told them some of the members were complaining about some people being used too often. I have said that several times, probably—as I have said it, too, about Englishmen, as far as that is concerned. That was part of these general conversations that we would have.

Mr. ROBICHAUD: I do not know if you have to answer these questions. But when you mentioned such cases to the management of the C.B.C., was any investigation held and did you receive any reply?

Mr. NOWLAN: Never. I do not know about the investigation—I never received any reply; I know that.

The CHAIRMAN: Gentlemen, can we excuse our committee member as a witness?

Mr. PICKERSGILL: I have one more question, Mr. Chairman.

The CHAIRMAN: Mr. Taylor is first.

Mr. TAYLOR: As long as you have to answer to parliament for the operation of the C.B.C., and as long as the government subsidizes the C.B.C. to such an extent, I presume there will always be political interference—proper interference—in the C.B.C.?

Mr. NOWLAN: There has never been any interference, as far as I know, in any way, shape or form.

Mr. TAYLOR: Meeting of minds?

Mr. NOWLAN: There has been no meeting of minds. I have conveyed—as I said—every complaint I received in writing to the C.B.C. I undoubtedly have conveyed some—in general—of the verbal representations that I have received.

Mr. TAYLOR: I do not mean of an improper kind at all; I mean, there must always be meetings with C.B.C. officials, for one reason or another, where the government is subsidizing this corporation to such an extent?

Mr. NOWLAN: There are meetings constantly, because we get these representations and recommendations. I have given one—this question of the theatre. I have had a score of them that I have called up about and said, "I want to get more information on this" and asked them to come up and talk to me.

Mr. TAYLOR: It could not be otherwise, could it?

Mr. NOWLAN: It has not been otherwise; and it could not be, unless the minister is simply going to be a rubber stamp and pass things on—which I have not been.

Mr. MCINTOSH: Mr. Minister, you said you were the minister responsible to parliament for the C.B.C.

Mr. NOWLAN: I do not think I said that: Mr. Fisher quoted from the act.

Mr. MCINTOSH: To what degree does your responsibility extend: is it financial only, or is it for external affairs and internal affairs?

Mr. NOWLAN: I wish somebody could answer that question for me, so I would know. It is a question that has bothered me a great deal. I feel it means the ordinary common sense, that parliament is going to vote money for the C.B.C.—parliament—and I have to pilot the estimates through the house; and if I do not deal with complaints which I receive and I do not answer questions which are asked of me by members of the house, I can expect a pretty tough time from the members when I have to come before them and say, "Please give us $X million".

I have tried to deal with all questions and, in general, to report to parliament and to individual members in any connection on questions they raised with me about the corporation.

Mr. McINTOSH: Then what is the proper procedure for, say, the Department of External Affairs to protest in regard to a situation such as you mentioned, the Algerian affair, if it is not through the minister responsible to parliament?

Mr. NOWLAN: I am not an authority on international law or protocol respecting departments. Mr. Norman Robertson—one of the most senior and experienced officials in government service—if he had thought it proper, would have phoned me through his minister; but his minister was out of town that afternoon. The Prime Minister was at that time acting Secretary of State for External Affairs, and if the Prime Minister had called me, that, to some, would seem direct political interference; but Mr. Robertson called me—and that may seem to some to be indirect political interference—and asked me to consider it. I said, "All I can do is to pass this on to the management". It was then about half past five, I think—I had been in a cabinet meeting—or it was near six o'clock, and I said I did not know whether I could get Mr. Bushnell or not. But he, being a pretty hard working man, was still in his office and I got him at about a quarter to six. And that was about the end of it, as far as I was concerned.

Mr. FISHER: You said the relationship between you and the C.B.C. should be one of common sense?

Mr. NOWLAN: I was speaking of parliament, members of parliament, in reporting. That is what I understood Mr. McIntosh's question to be. And I would certainly hope my relationship with C.B.C. is one of common sense too.

Mr. FISHER: You have said today you feel, and have expressed to management the opinion that there should be shake-ups lower down?

Mr. NOWLAN: I feel there should be more discipline, yes.

Mr. FISHER: Have you never made a suggestion recently that there should be shake-ups higher up?

Mr. NOWLAN: No, never.

Mr. FISHER: In what way—in the point Mr. McIntosh raised—have you noticed a difference in your relationship to the C.B.C. under the new legislation, as compared with the old—that is, with Mr. Dunton?

The CHAIRMAN: Just a moment; that has nothing to do with it.

Mr. FISHER: It has just as much to do with it as Mr. McIntosh's question.

Mr. PICKERSGILL: I think I must protest on Mr. Fisher's behalf. Mr. McIntosh went much further.

The CHAIRMAN: Would you like to take the chair, Mr. Pickersgill?

Mr. NOWLAN: I did not realize there were any implications: apparently there was a land-mine buried in Mr. McIntosh's question, the significance of which I did not get. But the difference in relationship is purely one of personalities; that up to the—I am speaking subject to correction and going back a week or two weeks, or something of that kind; but my recollection is that Mr. Dunton retired as chairman of the board and, to a certain extent, the general manager—because he was the one with whom I dealt prior to his resignation—and I think that took place just about the time the new legislation came into effect. You have the record in front of you.

Mr. PICKERSGILL: Just before it was introduced.

Mr. NOWLAN: Just before it was introduced. I had discussed the legislation with Mr. Dunton on numerous occasions. Our relationship was a warm, friendly, personal relationship with a man for whom I had—and still have—a

tremendous regard, and there is no need to amplify that; everyone in this room, I think, knows that his resignation had nothing whatever to do with the government in any way, shape or form. I regretted it very much.

Just about that time the new legislation came in, and after that I dealt with Mr. Ouimet and occasionally—but very occasionally—with Mr. Bushnell, as the vice president, until Mr. Ouimet was taken ill. That is the only change that the legislation brought. Davey—Mr. Dunton—and I talked things over just as frankly and just as fully in the past up to the night of his retirement. I remember the newspaper story which said he turned the key in the lock at nine o'clock at night. I remember the occasion. He came in to see me just before he retired—and we worked very closely together. I never said anything to Mr. Bushnell or to Mr. Ouimet of a different character, a different nature, or a different tone than I used to Mr. Dunton.

The CHAIRMAN: I think you have saved a lot of time on your estimates, Mr. Minister.

Mr. FISHER: I would like to ask Mr. Nowlan the same question I asked Mr. Bushnell on Tuesday. It is on page 562:

> In the evidence we have had from Mr. Walker and Mr. Jennings the indications are that they relayed to these persons the idea that there was political influence brought to bear. Do you agree that they could have taken that quite honestly from what was relayed to them?

Mr. NOWLAN: I have not any idea what was relayed to them.

Mr. FISHER: I was assuming you had read the evidence given by Mr. Walker and Mr. Jennings.

Mr. NOWLAN: I still have not any idea what was relayed to them.

Mr. PICKERSGILL: Mr. Chairman, I would like to draw Mr. Nowlan's attention to the question asked by Mr. Brassard at the bottom of page 561 of the evidence, and perhaps the simplest thing would be just to read that question.

The CHAIRMAN: A little louder, please, Mr. Pickersgill.

Mr. PICKERSGILL: Yes. Mr. Brassard said:

> I would like to ask one more question. Mr. Bushnell has just told Mr. Pickersgill that in the discussion between himself and Mr. Nowlan that the latter conveyed to him the impression that many programs were displeasing to a great many people. I wonder if that precise program, Preview Commentary, had been mentioned during that discussion?

And Mr. Bushnell replied to that:

> I could not truthfully answer that.

Now, I am not making anything of that answer; I recognize the atmosphere there was that day, and I am not making anything of it at all. The question I want to ask Mr. Nowlan is: since Mr. Bushnell, obviously, was answering about whether there had been any discussions, could Mr. Nowlan say whether there were—to the best of his recollection?

Mr. NOWLAN: I could almost answer the same way Mr. Bushnell did—I cannot truthfully answer. I mean by that, to be absolutely, meticulously correct. I imagine—in fact, I would be quite certain—that I have from time to time mentioned that program to him, as I did many other programs, sometimes commending it and sometimes criticizing it, and sometimes, possibly, passing on observations I had heard from others; and I do not think there is any doubt I did it. But I cannot recall any specific time or any specific comment I made with respect to it.

Mr. PICKERSGILL: Well, can you recollect any occasion on which any of your colleagues—and by your colleagues I mean your colleagues in the ministry—took exception to any of these Preview Commentary programs, to you?

Mr. NOWLAN: I cannot recall any specific one, Mr. Pickersgill. I have a feeling that probably some of them did from time to time; but I cannot recall anything. But I daresay—after all, we have been in power now for two years; we have been together for two years and there have been discussions about everything under the sun, and I have not any doubt that at some time somebody has mentioned one program or another, either commending it or criticizing it.

Mr. PICKERSGILL: But there is nothing that remains in your mind?

Mr. NOWLAN: There is nothing that remains in my mind in any way, shape or form; nothing that could be construed, by the wildest stretch of the imagination, as a representation of any sort, shape, kind or description.

The CHAIRMAN: Mr. Fisher, you have a final question?

Mr. FISHER: No. If we are through, I would just like to express our appreciation to the minister for the evidence we have had.

Mr. NOWLAN: I would express my appreciation for the fact that you have allowed me to come down here.

The CHAIRMAN: You are a member of the committee.

Mr. NOWLAN: I know that; but I was in this awkward situation—I had only been at one meeting, and that is a time which you will remember.

Mr. PICKERSGILL: On that occasion you were very convincing to the minority.

Mr. NOWLAN: I hope I am convincing to all at the moment.

The CHAIRMAN: Thank you, Mr. Minister.

Mr. NOWLAN: I want to say, I did not want to come down, walk in and start talking, because somebody would think, "Well, he must feel he has something to explain, or something to justify". This, to my mind, is something which I do not understand—somebody has made a mountain out of a mole hill; and I was very, very glad to have the committee ask me to come in so I would have a reason for appearing here and making an explanation.

The CHAIRMAN: Thank you very much, Mr. Minister. Now may we get back to the agenda?

Mr. NOWLAN: May I retire, Mr. Chairman?

The CHAIRMAN: Yes thank you very much.

Mr. PICKERSGILL: You are a member of the committee.

Mr. NOWLAN: I know; and I am also a member of some other committees.

The CHAIRMAN: There are some answers to questions. There was a question asked by Mr. Dorion on June 9. He asked if any letter had ever been written to producers at Montreal asking that loans from performers be repaid.

May I dispense with the answer and put it in as an appendix, or would you like it read?

Agreed. (See Appendix A).

The CHAIRMAN: There was also a question by Mr. Art. Smith on June 9: How much has importation of American films been reduced on C.B.C. networks and stations.

Dispense, and include as an appendix?

Agreed. (See Appendix B).

The CHAIRMAN: Then a question by Mr. McCleave on June 18. The question: overall amount paid to members of press gallery at Ottawa for contributions to national news bulletin over a period of one month. Report to cover news inserts only and to include number of contributions.

Dispense and include?

Agreed. (See Appendix C).

Mr. FORTIN: On a question of privilege, Mr. Chairman: I would like to say that on Tuesday last I was in attendance at the committee, and my name does not appear. I came in late: that is the answer.

The CHAIRMAN: We shall have it corrected.

Mr. JOHNSON: On a question of privilege, before we go further: On June 9 I asked a question on films of Mr. Bushnell and Mr. Ouimet, and it was agreed that the names of all film distributors with whom the C.B.C. had contracted for film rental or purchase for the French TV network during the years 1957-58 and 1958-59 would be given to me, together with the total amount of money paid to each company.

The CHAIRMAN: I recall that.

Mr. JOHNSON: I see here, on reading page 493 of June 22 that as appendix B there are the names of the companies, without having the amount paid to each one, which was specifically promised to me by Mr. Ouimet on June 9.

The CHAIRMAN: We shall request that again, Mr. Johnson. Is that satisfactory?

Mr. JOHNSON: Thank you.

The CHAIRMAN: May we get back to the agenda.

Mr. FISHER: What ruling did you get on my motion?

The CHAIRMAN: We have not had a ruling on it yet and the clerk of the committee has not been able to get a ruling on it. Could we hold that over?

If it is agreeable, may we get back to our agenda? There was a hold-over, as you recall—the Smith motion Part A item No. 2—on programming, the analysis of costs required by the committee. We have them here and they will be distributed. They are for the first week of March, for the English networks; the fourth week of March for the French networks. That, gentlemen, will be distributed. It will be the end of our meeting today, if it is agreeable with you all.

Agreed.

The CHAIRMAN: As I must leave for London, Ontario—

Mr. JOHNSON: When do we meet again?

The CHAIRMAN: We will reconvene on Tuesday morning at 9.30. Thank you very much.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DE LA RADIODIFFUSION

2 juillet 1959

(*Page No. 575*)

M. DORION: Monsieur le président, j'ai lu avec beaucoup d'attention les rapports qui ont été faits des deux dernières séances et je dois dire qu'étant avocat depuis au delà de 32 ans, jamais je n'ai vu un tel genre de preuve faite devant aucun tribunal.

Monsieur Pickersgill voudrait qu'on continue avec certains témoins qui ont été entendus l'autre jour. Or, pas un de ces témoins n'a été capable de déterminer un seul fait, d'apporter l'ombre d'une seule véritable preuve pour démontrer qu'il y avait eu ingérence politique.

Ces gens-là avaient été disciplinés ou plutôt avaient donné leur démission et, à mon humble avis, nous n'aurions pas dû nous occuper de ce problème-là. Nous nous en sommes occupés beaucoup trop, et j'invite les honorables membres du comité à lire un article très objectif qui a été publié dans le *Financial Post*.

S'il y avait une corporation au monde qui "marchait" de la même manière que Radio-Canada, alors que des employés dictent aux employeurs ce qu'il faut faire, pas une corporation ne pourrait exister pendant un an.

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(*Page No. 576*)

Or, nous sommes en présence d'une chicane interne et l'on veut activer cette chicane. On veut semer l'anarchie en tendant de faire revenir des témoins qui ont porté des accusations qu'ils n'ont pas été capables de prouver.

Si l'on tenait compte des qu'en dira-t-on des journaux et d'autres... vous lirez, par exemple, certains journaux de Montréal où, pendant des jours et des jours, il est dit que tel député libéral mène Radio-Canada, qu'il faut en avoir les mots de passe pour y faire entrer les employés et faire entrer un tel ou un tel sur les programmes...si nous avions suivi votre ligne de conduite, si nous avions adopté votre attitude, nous aurions relevé ces points.

Nous avons le respect de la loi, et nous avons le respect de ce que signifie le mot preuve.

A mon humble avis, cette affaire n'aurait pas dû être soumise au comité. C'était une question de régie interne, et aucune preuve d'ingérence politique et pas même l'ombre d'une preuve n'a été présentée malgré que M. Pickersgill ait posé des questions suggestives, dans lesquelles il accusait le premier ministre d'être intervenu. Il n'y a pas un tribunal qui aurait toléré cela. Et on a laissé l'impression, dans les journaux, que le premier ministre serait intervenu soit directement soit indirectement, alors qu'il n'y a pas l'ombre d'une preuve dans les témoignages qui ont été entendus, une ombre de preuve qui ait été faite à cet effet.

La seule personne qui était en mesure de répondre aux questions et la seule personne sur laquelle on s'appuyait, c'était M. Bushnell. Et M. Bushnell est venu mettre fin à ces rumeurs. Peu importe les motifs qui l'avaient inspiré et ce que pense, d'ailleurs, M. Pickersgill...

Pensez-vous que l'on est toujours satisfait des programmes de Radio-Canada? Pensez-vous que, lorsqu'on n'est pas satisfait, on n'a pas le droit de le dire? Pensez-vous que nous n'avons pas le droit de le dire, nous qui représentons le peuple? Il y a toujours une limite. Cela devient de l'hyprocrisie.

Moi, je le dirai tant et aussi longtemps que je serai député, au nom de mes électeurs, si je ne suis pas satisfait de tel ou tel programme, et je ferai les représentations qui s'imposent, quand de telles représentations devront être faites, et je ne pense pas manquer à mon mandat en agissant ainsi. Je ne demande pas qu'on se débarrasse des individus, mais il y en a qui se permettent d'émettre des opinions et qui tout de même sont payés par l'État.

Je crois que cette motion-là est absolument "hors d'ordre", que cette demande est absolument "hors d'ordre".

Et d'ailleurs, comme M. MacIntosh, l'a dit, le "steering committee" ne peut pas nous imposer quoi que ce soit. Il peut prendre des décisions, après quoi le comité décide, et je trouve que cela fait assez longtemps que l'on joue son petit jeu ou que l'on prend l'allure de gens qui n'ont rien à voir là-dedans, qui ne peuvent toucher à cet organisme, alors que nous sommes appelés à voter 57 millions de dollars ou 63 millions de dollars pour faire jouer cet organisme, pour faire "marcher" cet organisme, où des gens qui n'ont aucune espèce de responsabilité vis-à-vis le peuple ont le droit de dire tout ce qu'ils pensent et tout ce qu'ils veulent, de ces gens qui ne pourraient même pas se faire élire comme bedeau dans leur paroisse.

Vous verrez les journaux de Montréal et vous verrez quels sont les députés libéraux qui, chaque jour, sont pris à partie.

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(Page No. 580)

M. TREMBLAY: Monsieur le président, à ce sujet-là, je voudrais moi aussi exprimer mon opinion. J'ai contrairement à mon habitude, gardé le silence l'autre jour à l'occasion de l'enquête des trois témoins qui étaient présents. J'ai gardé un silence respectueux, qui est devenu vers la fin un silence amusé.

Je crois qu'il y a eu, au départ, une erreur en laissait le comité de la radio inviter ces messieurs à comparaître. Nous nous étions entendus au départ sur un ordre du jour que nous avons accepté ici, lequel nous devions suivre dans les délibérations du comité.

Nous nous étions aussi entendus pour ne pas entrer dans le domaine des personnalités, et toutes les tentatives qui ont été faites à cet égard ont été immédiatement considérées comme "hors d'ordre" par le président.

Nous avons entendu trois témoins: d'abord, M. Peers représentant lui-même, M. Gillis et M. Trotter qui ont été incapables de prouver ce qu'ils devaient prouver. Nous avons ensuite entendu M. Walker, M. Jennings. Je ne sais pas pour quel motif ils ont, en définitive, fait une charge contre M. Bushnell en rapportant ses propos d'une façon que je ne veux pas ici qualifier.

Il y a eu ensuite M. Bushnell qui a fait une dénégation catégorique, disant qu'il n'y avait pas eu d'ingérence politique d'aucune sorte. Je crois que nous aurions du nous en tenir là...

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M. TREMBLAY: Ça se trouve, monsieur Pickersgill.

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Alors, monsieur le président, depuis ce temps-là, les trois personnes intéressées ont été réinstallées et je ne vois pas pourquoi nous poursuivrions l'enquête, sinon pour savoir les vues de certaines personnes qui ont manifestement des intentions démagogiques. Ces personnes prennent le prétexte de la liberté de parole, de la liberté d'expression pour faire diversion, pour entreprendre une tentative de diversion qui a comme but de faire oublier les fins véritables de la radio, lesquelles fins sont pourtant de faire enquête sur l'administration de Radio-Canada, en tant qu'elle appelle des demandes de crédit.

Ce qui nous intéresse, nous, c'est de savoir comment est administré l'argent que nous remettons à Radio-Canada ou que nous votons à Radio-Canada.

Je dois exprimer ma désapprobation au sujet des réponses que nous avons reçues à date, lesquelles ont été vagues. On nous a traités très souvent avec insolence. C'est ainsi, par exemple, que lorsque j'ai demandé à un officier de Radio-Canada quels étaient les critères de la Société en ce qui concerne les programmes d'éducation, on m'a répondu d'une façon vague et d'une façon insolente.

Je viens au point, monsieur Robichaud. Soyez sans inquiétude. On allègue aussi le danger qu'il pourrait y avoir à Radio-Canada, du fait de cet incident qui est survenu de la démission des trois messieurs dont j'ai parlé plus haut; on allègue un danger, mais je crois que le grand danger qui guette Radio-Canada, c'est le danger d'incompétence et c'est ce que nous essayons de voir au comité, c'est ce que nous devons essayer de voir.

Je crois que le fait d'interroger plus longuement d'autres témoins, les témoins que nous avons interrogés et d'autres témoins, ne prouverait absolument rien de ce qui a été établi lors des dernières réunions du comité. Je ne vois pas du tout ce que l'on pourrait prouver, sinon des ouï-dire, comme on l'a fait avant-hier.

Pour ma part, je suis opposé à ce que l'on poursuivre l'enquête, non pas en principe,—si l'on avait le temps, je ne verrais aucune sorte d'objection à ce que l'on poursuive l'enquête, mais comme le temps qui nous est alloué avant la fin de la session est limité, il faut donc alors se limiter.

(*Page No. 581*)

M. ROBICHAUD: Il reste encore un mois.

M. TREMBLAY: C'est bien peu, monsieur Robichaud, un mois pour aller au fond de Radio-Canada. Alors, je crois que nous devrions disposer de l'ordre du jour.

Si, j'en suis absolument positif, cette enquête du comité, s'il est permis de la continuer, d'aller plus loin dans l'enquête qui a été commencée, je ferai moi-même la demande pour que l'on fasse enquête sur certains aspects de Radio-Canada, réseau français, et que des gens qui ont la responsabilité de l'information publique et de ce que l'on appelle l'éducation populaire, si nous voulons procéder, si, en dépit de l'opposition de certains membres du comité, on veut poursuivre plus loin, je ne m'opposerai pas, mais il faudra que ces gens-là soient entendus.

Mais, par exemple, je me réserve le droit de demander que soient assignés les gens qui sont responsables du domaine de l'information, du secteur administratif du réseau français et dont nous avons à nous plaindre.

Je parle ici à titre de représentant du peuple. Nous avons à nous plaindre du domaine de l'information.

C'est ainsi, par exemple, qu'avant hier soir, en rapportant les délibérations du comité de la radiodiffusion, Radio-Canada, lors des nouvelles à 11 heures le soir à la télévision, a coupé l'interview d'un journaliste de Montréal, au moment où on allait rapporter les déclarations de M. Bushnell à propos du fait qu'il n'y avait eu aucune ingérence politique, ce qui a laissé les gens sous l'impression qu'il y avait eu ingérence politique et que M. Bushnell n'aurait pas nié cela.

Je tiens à formuler ici mon opposition à ce que nous poursuivions plus loin dans ce domaine, mais si en dépit de cette opposition le comité veut poursuivre, je demandrai personnellement qu'on assigne ici des gens qui sont responsables de l'information au réseau français.

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(*Page No. 582*)

M. BRASSARD (*Lapointe*): Monsieur le président, je crois que la principale raison qui justifie nos adversaires, ceux qui s'opposent à ce que nous demandions ici à M. Hallman de venir témoigner devant nous, que le principal argument qu'ils invoquent, c'est que nous avons entendu seulement du ouï-dire aux deux séances de mardi dernier.

Je crois qu'il y a certains juristes ou certains esprits légaux qui tentent de vouloir prendre le comité pour une salle de tribunal, et je crois qu'il y a plus de latitude dans un comité de la Chambre des communes.

Voici un employé qui nous dit avoir entendu des fonctionnaires supérieures immédiats, avoir entendu un haut fonctionnaire immédiat de Radio-Canada qu'il y avait eu des menaces à certains employés si tels programmes n'étaient pas annulés. Je crois que c'est plus que du ouï-dire et que nous devrions avoir la permission d'entendre M. Hallman.

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(*Page No. 583*)

D'autre part, on nous a dit que M. Bushnell, M. Tremblay nous a dit que M. Bushnell avait écarté la question d'ingérence politique dans sa déclaration. On nous a dit aussi que M. Bushnell avait téléphoné à M. Ouimet, du *Celebrity Club*, à Toronto, pour lui dire que sa tête à lui, président, et aussi celle de M. Bushnell étaient en danger si le programme ne tombait pas.

Je crois qu'il s'agit là de choses sérieuses et qu'il ne s'agit pas seulement de régie intérieure, comme le dit M. Tremblay. Je crois qu'il s'agit de choses extérieures. On craint de faire dommage à Radio-Canada, mais on ne fait pas dommage à Radio-Canada en voulant étendre cette enquête. On fera plutôt dommage au gouvernement et c'est pour cette raison...

M. DORION: C'est très gentil à vous.

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(*Page No. 585*)

M. PAUL: Voici, monsieur le président. En écoutant la motion que nous a présentée M. Pickersgill, il aurait peut-être été intéressant de savoir ce qu'il entend prouver en invitant M. Hallman à comparaître devant le comité et, suivant les raisons qu'expose le député de Bonavista-Twillingate, s'il arrivait que M. Hallman cite d'autres noms d'employés de Radio-Canada, qui auraient été mis au courant des rumeurs qui circulaient, lesquelles ont fait la base des séances d'enquêtes de mardi dernier, il faudrait par la suite inviter également ces membres-là à venir témoigner devant le comité.

Je crois, monsieur le président, que nous avons perdu assez de temps jusqu'ici avec ce problème, parce qu'effectivement rien de concret ni de précis n'a été... aucune accusation précise n'a été portée par MM. Gillis, Trotter et Peers, et je crois que, même si nous ne sommes pas devant un tribunal de justice, nous devons observer certaines règles élémentaires de la preuve pour maintenir et ensuite orienter les membres du comité de la présente enquête.

L'honorable député de Lapointe, M. Brassard, mentionnant avant l'ajournement que nous devions donner beaucoup de latitude à certaines plaintes et rumeurs qui doivent circuler à Radio-Canada...

M. BRASSARD: Ce n'est pas cela que j'ai dit; il ne s'agit pas de plaintes ni de rumeurs, mais de façon de procéder.

M. PAUL: De façon de procéder. Si nous invitons tous ces témoins-là pour écouter les plaintes et rumeurs, je crois que cette enquête-là ne se terminera jamais.

Comment se fait-il que l'on ait permis à certains témoins certaines insinuations, alors que l'on refuse ce droit à certains membres du comité?

Je comprends que cette enquête fait peut-être les délices des journalistes, mais je crois que notre travail consiste à étudier les crédits de Radio-Canada, lesquels méritent beaucoup plus notre attention que l'enquête qui a fait l'objet des délibérations de mardi dernier.

Je crois que cette motion ne devrait pas être acceptée, parce qu'aucun but précis n'a été mentionné par M. Pickersgill et nous retomberions ainsi de Charybde en Scylla, en attribuant ou en obtenant seulement les versions qui ont été données, à l'effet qu'il n'y a eu aucune ingérence politique de la part de qui que ce soit dans les affaires de Radio-Canada.

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(*Page No. 592*)

M. TREMBLAY: Monsieur le président, je suis fort étonné qu'on ramène ici ce matin cette question dont nous avions disposé. Nous avons demandé des renseignements concernant la part qui est payée par les commanditaires des programmes commandités. Je ne change pas d'avis à ce sujet. Nous avons le droit de connaître exactement ce que payent les commanditaires dans les programmes commandités.

Nous sommes ici, je le répète, responsables de l'emploi des deniers publics et nous avons le droit de savoir absolument quel est le rapport entre ce que nous payons et ce que nous obtenons de la société Radio-Canada.

Je tiens à affirmer, après bien d'autres et après mon collègue de Bellechasse, ce matin, que nous ne sommes pas satisfaits de Radio-Canada et que nous nous inquiétons de savoir ce que Radio-Canada fait de l'argent des contribuables.

Il est bien entendu, comme le faisait remarquer tout à l'heure M. Pickersgill, qu'il y a un bureau des directeurs, qu'il y a là des fonctionnaires en qui raisonnablement nous pouvons avoir confiance, mais il vient un temps où il est nécessaire de reviser la politique à l'endroit des fonctionnaires et d'étudier le comportement de ces fonctionnaires.

J'ai confiance aux fonctionnaires du gouvernement, mais je crois que dans le cas de Radio-Canada, il y a des abus et ce sont ces abus-là que nous voulons dénoncer, et c'est aussi pour savoir quel est réellement le fondement des griefs dont le peuple nous a saisis, dont les citoyens nous ont saisis, c'est en fonction de tout cela que nous désirons connaître ce que Radio-Canada fait de l'argent des contribuables.

C'est pourquoi je désire déclarer que, formellement, je m'oppose à ce que l'on considère le problème parce que je maintiens que nous avons droit de savoir quelle est la proportion payée par les compagnies dans les programmes commandités, afin de déterminer si réellement nous obtenons des programmes d'une qualité raisonnable et qui soient vraiment en fonction de ce que ces programmes coûtent aux contribuables canadiens.

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(*Page No. 597*)

M. FORTIN: Il y a tellement de motions qui ont été faites, je ne sais pas trop à laquelle rattacher mes remarques.

Voici, la demande que M. Pickersgill a faite d'ajourner cette question-là, demande formulée par Radio-Canada de reconsidérer notre demande, me laisse l'impression d'une demande qui est faite dans le seul but de retarder la production des documents. Ceci prend l'allure, comme cela se produit en droit, de procédure dilatoire.

La session s'achève. Si nous reconsidérons notre décision, je crois que Radio-Canada ne fera que gagner du temps et, la session achevant, nous n'obtiendrons pas les documents demandés. Je suis en faveur du maintien de la décision que le comité a prise il y a un mois.

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(*Page No. 598*)

M. TREMBLAY: Monsieur le président, je pense bien qu'on tente encore de faire de la diversion, qu'on se sert de la pratique de la diversion. Nous avons demandé des renseignements il y a quelques semaines, nous ne les avons pas obtenus, et pourtant, nous les avons demandés assez simplement, nous avons fait voir que nous avions besoin d'obtenir ces renseignements.

Je maintiens que nous avons le droit d'obtenir ces renseignements et, si nous acceptons de reconsidérer la question, je pense que Radio-Canada sera autorisée à reconsidérer toutes les demandes que nous avons faites par ailleurs et pour lesquelles nous n'avons pas encore obtenu de réponses. Je maintiens que nous devons refuser de reconsidérer la question si, tant il est vrai que le jugement du comité a une certaine valeur, nous ne devons pas revenir sur ce qui a été décidé par la majorité.

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(*Page No. 608*)

M. BRASSARD (*Lapointe*): Monsieur le président, si l'honorable ministre avait l'obligeance de nous faire connaître ses commentaires sur les deux questions suivantes, je l'apprécierais beaucoup.

Je comprends difficilement que la société Radio-Canada ait repris à son service trois personnes qui ont formulé des accusations à l'effet que l'indépendance de la société Radio-Canada était en danger. Si les accusations n'étaient pas fondées, je crois que des mesures disciplinaires devraient être prises, et si elles étaient fondées, je suis surpris, dans l'un et l'autre cas, que ces trois employés aient pu reprendre leur fonction.

Deuxièmement: il s'agit de la décision du Conseil d'administration de renverser la décision de M. Bushnell, prise tard dans la soirée du 24 juin. Le même soir, à l'émission de 11 heures, M. Bushnell,—je ne sais pas quelles ont été ses paroles exactes, mais c'est l'impression qu'il nous a laissée, de toute façon,—il a dit en substance que si sa décision de faire tomber le programme n'avait pas été renversée par le Conseil d'administration, il ne lui aurait pas été possible de continuer dans ses fonctions.

Si le ministre avait l'obligeance de commenter ces deux points, je l'apprécierais beaucoup.

APPENDIX "A"

Mr. Dorion M.P.—(June 9)—asked if any letter had ever been written to Producers at Montreal asking that loans from performers be repaid.

The Corporation has looked into this matter and found that in March, 1958, a complaint was made by l'Union des Artistes to the Corporation at Montreal about money owing from producers to artists. The Corporation immediately asked for the names of those involved and the amounts outstanding. The union said it would prefer to have the CBC send a letter to its producers which would establish a deadline for the payment of these personal obligations. If at the expiration of this deadline any debts had not been paid, the union would give the names of the producers concerned to the Corporation.

A letter was accordingly sent to all producers telling them that all money borrowed from artists was to be returned by the first of May. At the end of this period the Corporation approached the union to ask if any debts remained unpaid. The union advised that they had no defaulters to report. The matter was accordingly considered closed.

No representations concerning matters of this kind have been received from the union on any other occasions.

APPENDIX "B"

Mr. Smith, M.P. (*Calgary South*)—(June 9)—How much has importation of American films been reduced on CBC networks and stations?

While there is variation between individual stations dependant upon the season of the year, the best indication would be a comparison between the situation in 1957 when we reached an overall network peak of about 32% to the past fall-winter network schedule which was an even 25% American film.

This figure it is expected is just about at the point of balance where no great reduction can be expected.

APPENDIX "C"

Mr. McCleave, M.P.—(June 18)—asked for the overall amount paid to members of Press Gallery at Ottawa for contributions to National News Bulletin over a period of one month. This statement to cover news inserts only and to include number of contributions.

For the month of April, 1959, the number of Press Gallery members contributing news inserts was 12 and the total number of contributions was 59. Total payments for radio $855 and for television $315.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 18

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TUESDAY, JULY 7, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

Colonel R. P. Landry, Assistant to the President, Canadian Broadcasting Corporation; M. Henderson, Comptroller; Charles Jennings, Controller of Broadcasting; J. P. Gilmore, Controller of Operations; M. Ouimet, Deputy Controller of Broadcasting; and G. Rugheimer, Assistant Director of English Television Networks, Program and Sales.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21573-1—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.,

Vice-Chairman: J. Flynn, Esq.,

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
Johnson,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Paul,
*Pratt,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Taylor,
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

*Replaced Mr. Morris, Tuesday, July 7, 1959.

ORDER OF REFERENCE

TUESDAY, July 7, 1959.

ORDERED,—That the name of Mr. Pratt be substituted for that of Mr. Morris on the Special Committee on Broadcasting.

ATTEST

LÉON J. RAYMOND,
Clerk of the House.

21573-1—1½

MINUTES OF PROCEEDINGS

TUESDAY, July 7, 1959.

The Special Committee on Broadcasting met at 9.30 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Mrs. Casselman, Messrs. Chambers, Fisher, Flynn, Forgie, Fortin, Halpenny, Johnson, Lambert, Mitchell, Muir (*Lisgar*), McCleave, McIntosh, McQuillan, Pickersgill, Paul and Taylor. (20).

In attendance: Messrs. R. P. Landry, Assistant to the President, Canadian Broadcasting Corporation; M. Henderson, Comptroller; J. P. Gilmore, Controller of Operations; Marcel Carter, Controller of Management Planning and Development; Charles Jennings, Controller of Broadcasting; Marcel Ouimet, Deputy Controller of Broadcasting; R. C. Fraser, Director of Public Relations; Barry MacDonald, Secretary, Board of Directors; J. A. Halbert, Assistant Secretary, Board of Directors; and G. Rugheimer, Assistant Director of English Television Networks, Program and Sales.

Moved by Mr. Pickersgill, seconded by Mr. Forgie,

That,—"At the close of today's meeting, the Committee suspend the hearing of witnesses and proceed without delay to prepare its report to the House".

Following discussion, it was agreed that the motion stand.

The Chairman introduced Colonel R. P. Landry, and called for consideration of Item 2 of Part A of the Committee's Agenda, relating to analysis of costs of television productions.

Messrs. Gilmore, Jennings, Henderson, Ouimet and Rugheimer were questioned concerning the television cost figures produced before the Committee on Thursday, July 2nd.

Copies of a table summarizing newscasting, staff, salaries and other costs, were distributed to members of the Committee and ordered printed as Appendix "A" to the record of today's proceedings.

At 10.00 a.m. the Committee adjourned to meet again at 3.00 p.m. this day.

AFTERNOON SITTING

The Special Committee on Broadcasting reconvened at 3.00 p.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Chambers, Dorion, Fisher, Flynn, Forgie, Fortin, Halpenny, Johnson, Lambert, McCleave, McGrath, McIntosh, McQuillan, Pickersgill, Pratt, Paul, Taylor and Tremblay. (22)

In attendance: The same witnesses from the Canadian Broadcasting Corporation as appeared at the morning sitting with the addition of Mr. W. C. Richardson, Director of Engineering; and the absence of Mr. G. Rugheimer.

The Chairman observed the presence of quorum and reported to the Committee the views of the Sub-committee on Agenda and Procedure relating to the disposition of Mr. Pickersgill's motion, and the further study of Item 2 of Part A, and Part H of the Agenda.

Agreed,—That the Committee depart from the regular order of its Agenda and at its next meeting consider Part H—New Developments.

Following the reading of a telegram from Union des Artistes, Association des Realisateurs, Societe des Auteurs Dramatiques and Societe des Artistes de Quebec, who requested an opportunity to appear before the Committee and present a brief, it was agreed that they be advised that this was not possible at the present time but if time permitted, when the Committee has completed its Agenda, they be invited to appear along with those other associations and individuals who have expressed an interest.

Messrs. Gilmore and Jennings answered questions relating to Item 1 of part B of the Agenda—Programming—Newscasting.

Copies of the following documents were distributed to members of the Committee and it was agreed that only those designated by the Chairman should be included as appendices to the record of today's proceedings:

1. Information Service Publications 1957-58 indicating title, number printed, cost and revenue; (See appendix B)
2. Staff statistics—Radio and Integrated Services—1955-59; (See appendix C)
3. C.B.C. Commercial Staff—1956-59—Selected Cities; (See appendix D)
4. C.B.C. Information Services—Expenditures—Staff and Revenue, 1953-1958—Selected Cities; (See appendix E)
5. Sample letters of Engagement:
   (a) Film Cameraman—English and French;
   (b) Graphic Designing—English and French;
   (c) Costume Designer—English and French;
   (d) Producer—English and French;
   (e) Set Designer—English and French;
6. International Service of the C.B.C.—sample scripts:
   (a) Hungarian Language;
   (b) Russian Language;
   (c) Polish Language;
   (d) Ukranian Language;
   (e) Slovak Language.

The Chairman called for consideration Part C of the Agenda—Programming—Controversial and Political Broadcasting.

On Items 1, 2 and 3, Messrs. Ouimet and Jennings were questioned.

The following documents were tabled:

1. Copies of all agreements between the C.B.C. and trade unions;
2. Original scripts of certain programs broadcast by the International Service of the C.B.C.

At 4.45 p.m. the Committee adjourned to meet again at 3.00 p.m., Wednesday, July 8, 1959.

J. E. O'Connor,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

TUESDAY, July 7, 1959.
9:30 a.m.

The CHAIRMAN: We have a quorum, gentlemen. Mr. Pickersgill?

Mr. PICKERSGILL: Mr. Chairman, I would like to draw attention—I am not asking to have the record reprinted, but I would like to draw attention to a number of errors and misleading features in the record of the last meeting, which I think ought to be recorded at the beginning of this meeting—maybe other hon. members feel the same way—so as to make it intelligible.

Mr. JOHNSON: Misleading statements?

Mr. PICKERSGILL: Perhaps the hon. gentlemen could wait and see what they are; or, perhaps, even read the record.

On page 572, about the fifth or sixth line of the paragraph I am quoted as having said:

> But I would like to remind the chair that what we are including here is not internal affairs;—

It should be "discussing", of course. Then at page 573, and again at pages 574 and 575 there are quotations from the previous day's record, and they are not indented in such a fashion that, in all cases, it is clear which is quotation and which is not. It is almost impossible to follow the sense without some indication of that.

It is not so bad at the middle of page 573 where I said:

> I will continue, sir.

Then there are the words:

> Then I went on:

And these words are followed by the words I quoted that time:

> I would like to ask Mr. Bushnell whether the Prime Minister spoke to him about this program at any time, formally or informally?

Then I quoted Mr. Bushnell's reply:

> No, sir, never. I have not spoken to the Prime Minister—had the honour of speaking to him in two years.

This is followed by my second question which I quoted:

> Might I ask Mr. Bushnell one other question? Did anyone purporting to speak on behalf of the Prime Minister speak to you about this program at any time?

That brings us down to Mr. Chambers' intervention.

At the end of the page I think it is fairly clear that after I intervened the last time it is all quotation.

But on the next page it is quotation, of course, up to, "That is all the questions I have".

Then the next line:

> And that is all I had at that time, because it seemed to me—

Was what I said at the meeting the other day.

Then, again, a little later on, I asked a second question which is quotation. The chairman intervened.

> I am glad we have one.

That is not part of the quotation, but what he said the other day. I went on reading the quotation from the previous day.

On the next page, where Mr. Robichaud spoke the second time—immediately after that it says:

> Mr. Pickersgill: Before there is a motion to adjourn, I would like to understand whether or not these hearings are over?

Down to Mr. Chambers, that is quotation, again by Mr. Robichaud, though it looks as though I had intervened at Thursday's proceedings, that the chairman had and that I had again.

There are a few other small things that, really, though they are small in one way they do not make sense as they stand.

On page 577, my last intervention:

> I am sure you would not want to misrepresent what I said. Since he—

That is, Mr. Bell—

> —has said what I understood—

It should be: "said what he understood", instead of, "what I understood".

> The CHAIRMAN: It should be, "what he understood I was saying."
>
> Mr. PICKERSGILL: Yes.

At page 580, my second intervention.

> Mr. TREMBLAY (*Interpretation*): You can find it yourself.
>
> Mr. PICKERSGILL: I cannot.

I said, "I cannot find it"—and that means something quite different from "I cannot."

It is hardly worth pointing this one out, but at one place on page 587 it says:

> proper form—

It should be, "forum".

In my intervention, the second last one on that page, it does not make any sense at all the way it is now.

I think what was actually said, or the sense of what I said was: "I also said it should go on until we get at the truth and the whole truth". The next three words should be struck out, "that is because" and then, "and I believe both these witnesses would help us to get at the truth".

Then the beginning of the next intervention:

> I am going to come to that evidence.

I do not think the word "evidence" should be there, because it does not relate to evidence at all.

Then on page 590, my first intervention, it reads:

> I would point out, if Mr. McIntosh will look at the very first day's proceedings, he will find a reminder—he will find that the chairman reminded the committee—

It should not be "the chairman" but, "that I reminded the committee".

There are some little typographical errors.

Then at page 598, line 2:

—and should interfere with the internal documents,—

It should be, "the internal management". The word, "documents" is in error.

Thank you very much, sir.

Mr. TREMBLAY (*In French—not interpreted*).

Mr. JOHNSON: I have a correction to make.

The CHAIRMAN: Yes, Mr. Johnson?

Mr. JOHNSON: At page 591 of the committee reports, No. 17, Thursday, July 2, 1959, at the start of the second line, I am quoted as saying:

> I am against the motion and I shall vote against it. If we are going to bring Mr. Nowlan or everyone whom the Liberals or the C.C.F. members of this committee wish to put on the grill let us add to the motion.

And this should be quoted: "and all those who have any grievance against the C.B.C."

Then there is a period. I carry on:

When we spoke about bringing Mr. Peers,—

It should read: "I suggested should be invited all those who claimed there was at any time political interference with the C.B.C.".

The rest should be deleted:

—there was no one who had any objection against the management of the C.B.C.

The CHAIRMAN: Any other corrections in the record?

Miss Aitken and gentlemen, I want to introduce Colonel Landry, who is assistant to the president of the C.B.C.

Mr. TREMBLAY (*In French— not translated*).

Mr. PICKERSGILL: Before you do that, I was rising on a point of order, and my point of order was to make a motion—which I do not propose to debate, or anything else—seconded by my colleague, Mr. Forgie, that at the close of these meetings the committee suspend the hearing of witnesses and proceed, without delay, to prepare its report to the house. I do not mean, necessarily at eleven o'clock but whenever the committee would feel disposed to close it. The purpose is obvious.

The CHAIRMAN: Does anybody wish to speak to the point of order? There is only one thing I would suggest, that I think it is a little premature, your motion, because before we can start to prepare a report we will have to get suggestions from every person here.

Mr. PICKERSGILL: It is the hearing of witnesses this motion refers to, only.

The CHAIRMAN: Does anybody wish to speak to it?

Mr. MCINTOSH: Why is it necessary; why is this motion necessary?

Mr. PICKERSGILL: My suggestion is, if we are going to cooperate—as we in the opposition want to—with the leader of the house trying to finish the business of the house next week, it is very important this committee should get its report prepared so it will be available at the time the estimates of the corporation are before the house.

Time is really running out on us, and we obviously cannot conclude the agenda mapped out.

Presumably, in our report we will ask to have the committee reconstituted again next session.

Mr. McINTOSH: Could we not have an understanding, because something may crop up which we may have to, or desire to call witnesses on; and if we carry this motion we cannot do it.

Mr. PICKERSGILL: I am perfectly prepared to let the motion stand for the time being.

Mr. BELL (*Carleton*): It seems to me we would save time by letting the motion stand until the end of today's proceedings. Then we will see how far we have got ahead, and then we could discuss the matter.

Mr. PICKERSGILL: I am quite prepared to do that.

The CHAIRMAN: We will do that then.

Mr. TREMBLAY (*In French—not translated*).

The CHAIRMAN: Is this on a point of order, Mr. Tremblay?

Mr. TREMBLAY: A question of privilege, Mr. Chairman.

The CHAIRMAN: Very well.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I would like to know if you have received a telegram from the Union des Artistes—the artists and performers union—of Montreal, asking that the Union des Artistes appear before the committee?

The CHAIRMAN: When I arrived in my office this morning I was given the telegram, and my intention is to bring it up before the steering committee, at a meeting we will have later today.

Mr. FISHER: Could you explain the point of privilege? I have not got it.

The CHAIRMAN: That is rather a good question.

Mr. CHAMBERS: Like Mr. Pickersgill's point of order, it was really a motion.

The CHAIRMAN: May I introduce to you Colonel Landry, who is assistant to the president of the C.B.C. Mr. Bushnell will not be with us today. Colonel Landry has with him the necessary people from the C.B.C. to answer any questions you may have.

I was wondering if we have any questions on these television program costs and recoveries which were tabled last week? That is Item No. 2 in Part A of our agenda.

If there are no questions on that, I think we should move on to B(1). That is under the heading, Programming-Newscasting (1) Comparison by location of news service showing: (a) number of staff, and (b) annual cost for (i) radio; (ii) television, for the last three fiscal years.

Mr. FORTIN: I have a question on that.

The CHAIRMAN: Mr. Fortin has a question on these costs. On No. 1, Mr. Fortin?

Mr. FORTIN: On No. 1.

The CHAIRMAN: We will revert to No. 1, gentlemen.

Possibly, if we have questions on that, Mr. Landry has a short statement that might answer those questions.

Colonel Landry, please, gentlemen.

Colonel R. P. LANDRY (*Assistant to the President of the Canadian Broadcasting Corporation*): Mr. Chairman, as you have said, the corporation tabled with this committee last Thursday the television costs and recoveries sheets for live Canadian production of its English and French networks.

These, as had been expected, gave rise to a good deal of comment. Among the criticisms which have come to the attention of the corporation is one which has arisen because of the inadvertent omission in the press of the figures paid to private stations for commercial programs. The total payments

from sponsors are made up of payments on account of CBC stations and on account of private stations. The latter figure is shown at the bottom of the cost sheet for programs which are sponsored.

An example might be given in the case of sheet No. 64 for the Canadian produced English network program, "Showtime". Overlooking the payment to private stations, it seems that the sponsor's payments amount to $10,217, whereas in reality the proper figure would be $12,251 which is obtained by adding the $2,034 payment to private stations which is noted at the bottom of the cost sheet.

Now, Mr. Chairman, in order to contribute to the discussion of the material, we thought it might be well if we had Mr. Jennings state to you briefly the policy which the CBC follows in regard to its television network programming. After this, we would like to have Mr. Gilmore present a few points on the position of a Canadian network producing and selling live television programs. Finally, for the specific consideration of our commercial operations in television, we would like to introduce Mr. Gunnar Rugheimer who is Assistant Director, English Television Network for programming and sales.

Section B

That completes our returns in connection with section A. Mr. Chairman, we have a return which has been produced in answer to No. 1 of section B. Would you like to have that distributed at this time. Mr. MacDonald has supplied it in 75 copies to the Clerk.

Would you like to have these distributed at this time?

The CHAIRMAN: Yes. The clerk has them and they will be distributed. We are on A-2.

Before we call on Mr. Jennings and Mr. Gilmore, perhaps in the interests of saving time we might have Mr. Fortin's question at this time.

Mr. FORTIN (*Interpretation*): Well, Mr. Chairman, on page 21 of the report I notice there is no amount indicated for talent payments. I am referring to the program Point de Mire.

I recall that during the inquiry we had a report on the programming indicating that $700,000 had been set aside for talent, whereas in this last report, referring to page 21, there is no amount indicated for talent as regards performers on the Point de Mire program. I would appreciate information in this connection.

Mr. LANDRY: Mr. Gilmore will answer that question.

Mr. P. GILMORE (*Controller of Operations*): On this particular program we have, as you are aware, different editions each week. With one program, such as the example given some weeks ago, we had four or five performers. It escapes me just how many we had at that time or what total was given. When we considered the format of the cost sheet which you have before you, the point was raised under "talent" of what we should do, or what was desired where only one person appeared, in view of the fact that you have not forced us to give a single payment, that is, when a single individual appeared on a single occasion. It was agreed at that time that where we had a program with only one performer, we would enter it under production cost with the rest of the production costs.

The CHAIRMAN: That is right. That was a decision of the committee earlier.

Mr. MUIR (*Lisgar*): I have some questions to ask. My first question is this: does the producer submit a budget of his show to the financial committee, the management, for approval before the show?

Mr. GILMORE: The format of preparation of budgets is to produce approximately two months before a given quarter a complete schedule for each network and each station. These schedules show the origination and the responsibility of each station, as to what it will cost, and these are presented in the form of a budget per program and for the total.

Mr. MUIR (*Lisgar*): My second question is this, and it is partly answered: does management put a ceiling on the cost of sponsored or of non-sponsored shows?

Mr. GILMORE: Yes. Based on a schedule which is drawn up for the content of any program, station management tries to establish within artistic requirements a ceiling for that given program. Program cost reports come in each week, and the producer's performance is judged partially on the result of that performance.

Mr. MUIR (*Lisgar*): My third question is this: is the price to the sponsor arrived at by negotiations with one company or with various companies?

Mr. GILMORE: This is a very broad question and if you will pardon me, I may employ some advertising jargon. On a certain day we go on the street with our programs. We may have five or six new programs in a year and they will have tentative price tags on them. We will knock on doors and in this way present the same program to a number of people, except with respect to those with whom we may have continuing relations, such as clients with whom we have continued from year to year pretty successfully.

Mr. MUIR (*Lisgar*): My next question is: is an attempt made to have more than one company share the cost of a more expensive show?

Mr. GILMORE: Yes sir. We have several programs which have alternate sponsorships; there will be one sponsor one week, and another sponsor the next week.

Mr. MUIR (*Lisgar*): Is there any attempt made to give each company value for its money? For example, do you charge one company 50 per cent where you might charge another company for the whole cost of the program, or do you give them all what they pay for?

Mr. GILMORE: I wonder if we are not getting into the relationship between salesman and sponsor? Perhaps Mr. Rugheimer will speak to this.

Mr. GUNNAR RUGHEIMER (*Assistant Director of Television Network, English, Programming and Sales*): We charge what the traffic will bear, and we try to find whatever sponsor is available.

Mr. BELL (*Carleton*): When you go on the street at the beginning of the season does your price tag include all the production and distribution costs, or is it the price tag that is on this list which is tabled.

Mr. RUGHEIMER: We separate the program package from the charges for distribution and station time. These latter charges for distribution and station time are based on the hour of the day, the distribution across the country by full network or by partial network, the number of programs involved, the length of the programs and such factors as these which are subject to mathematical formula. The single program package is the basis of negotiation.

Mr. MCINTOSH: One of the speakers said that they went out and tried to sell to alternate sponsors. In regard to page 72, P.M. Party I noticed they charged "others" $1,990 for this show, and the people of Canada $13,000. If there had been a second customer, would you have charged him same price, $1,990

Mr. RUGHEIMER: This was sold on a partial sponsorship basis. We only got one-half of the program sold, on one day per week. When it is a one day per week program we would sell in that form, yes.

Mr. BELL (*Carleton*): You sold one-sixth of what you were ready to sell?

Mr. RUGHEIMER: That is correct.

Mr. MCINTOSH: In other words, if you could get other sponsors, you might have perhaps four or five sponsors. You might have almost six additional sponsors for the same week.

Mr. GILMORE: There was a possibility of that, but we were not successful in selling that vehicle.

Mr. JOHNSON: Speaking on this question of sponsors, do you sustain a program for many years or many seasons usually?

Mr. GILMORE: Mr. Chairman, we have here a fundamental question of the service. If I may go right back to the start of television, may I say we started with no sponsors. We designed a schedule which we thought was a balanced schedule for the amount of money and the time we had in 1952. Then we brought in sponsors as we were able to sell shows.

One very excellent example is C.B.C. Theatre, a one-hour drama on the English network. This was a C.B.C. program a priori, from the start. It was sponsored in the second year of our existence by General Motors, and for the next season. Then they dropped it. The fourth year they came back with G. M. Presents and it has stayed that way ever since.

I want to make that point strongly to emphasize that the corporation saw its responsibility for providing a one-hour drama in the English network service, whether or not we could sponsor it. That illustrates the point of view we have in presenting a service.

Mr. JOHNSON: Would you go up to three or four years in sustaining a program without a sponsor?

Mr. GILMORE: If the program was of a certain type. Perhaps Mr. Jennings would answer that question.

Mr. CHARLES JENNINGS: (*Controller of Broadcasting*): We put out an over-all program service, as I explained earlier, in talking about our concept to present a service to inform and entertain. Not only do we put on some programs in the entertainment field which we know will not be susceptible to attracting advertisers, but indeed our policy prevents many of these programs in the field of news and opinion being sold at all. We do, in the over-all service, put out programs which will not attract an advertiser because they may not have the kind of appeal which the advertiser may want or we may refuse to sell them.

Mr. JOHNSON: May I take an example. Let us take a program like Point de Mire on the French network which we have had for the last three or four years without sponsors. I think it started in about 1955-1956.

Mr. MARCEL OUIMET (*Deputy Controller of Broadcasting*): It was about the fourth year this year.

Mr. JOHNSON: We might compare it to a program like Pays & Merveilles.

The CHAIRMAN: On what page?

Mr. JOHNSON: Point de Mire is on page 21 and Pays & Merveilles is on page 35. As I understand it Pays & Merveilles has had a sponsor since it originated.

Mr. OUIMET: Not quite since it originated, but very soon after—a year after.

Mr. JOHNSON: In Point de Mire, would it be because of the particular type of the program that there were no sponsors?

Mr. OUIMET: Because it was definitely opinion broadcasting. According to the policy of the C.B.C. we do not sponsor such broadcasting. A program like Pays & Merveilles is not considered opinion broadcasting because it deals

mostly with recital of some person's experiences overseas and so forth, accompanied by a film which they took themselves. It is sort of a travelogue. That is why we consented to Pays & Merveilles being sponsored.

Mr. JOHNSON: Could a program like Point de Mire be left over and be replaced by a program which could attract sponsors?

Mr. OUIMET: Certainly it could be.

Mr. JOHNSON: Would that be the reason for the rumour that this program will not come back next fall?

Mr. OUIMET: No, it is not.

Mr. JOHNSON: Would it be a difference of opinion between the management at Montreal and the commentator?

Mr. OUIMET: No, I do not believe so. I think it was strictly a program decision.

Mr. JOHNSON: Would the commentator's attitude during the strike be of any importance to management in Montreal in taking this program off the schedule?

Mr. OUIMET: No; I do not feel so.

Mr. JOHNSON: Thank you. In this program at page 35, Pays & Merveilles, I see that the talent is two persons at $300; that is the guest and the commentator?

Mr. RUGHEIMER: Yes.

Mr. JOHNSON: Does the commentator have any other amount paid to him, for instance in the item, program production?

The CHAIRMAN: You mean, is all talent included in the $300.

Mr. JOHNSON: Yes.

Mr. GILMORE: Yes; that would be inclusive of any writing or performance he would do himself.

Mr. JOHNSON: What is the meaning of technical, $270? Is this only a matter of cost accounting there?

Mr. GILMORE: That is the charge for the services of the technical operators and the equipment for that period of time for that program.

The CHAIRMAN: It is a bookkeeping entry?

Mr. GILMORE: Indeed. It is a cost accounting figure.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, on page 10 of this report we have the details in respect of the program Music Hall for the program of March 22, 1959. The taxpayers' funds were used to pay $12,683. Could I have an explanation as to the manner of proceeding with that type of program in which Labatt's brewery is the sponsor. How did they ask for $12,683 of the taxpayers' money for this program when it is a sponsored program?

Mr. GILMORE: Mr. Chairman and Mr. Tremblay, may I come back one year ago to the time when Music Hall was kept on a schedule with no sponsor. At that time the Music Hall production in Montreal, as you probably are aware, was placed in the schedule opposite the Ed Sullivan show and frequently outdrew the Ed Sullivan show in Montreal. At that time it was purely C.B.C. programming. For this season we were able to interest a sponsor on the basis of paying station time plus the program package of $5,100. On that basis the deal was made.

The question in these package program costings is obvious—how we came to $5,100 and what leads us to charge that amount of money on, let us say, a $15,000 or $20,000 program. The answer is very simple; it is supply and demand. For a fraction of $5,100 a sponsor can purchase what is called in

the trade a first-class film to fill that period. That is what we are competing with. We want to interest sponsors in contributing to live Canadian production and this is the manner in which we have been able to do it.

The CHAIRMAN: Is it possible that next year you might have two sponsors for that program?

Mr. GILMORE: Yes, and it is possible we might be able to jack up that package cost a bit.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I understand the explanation just given to us by the C.B.C. representative, but I cannot understand why we have to pay two-thirds of the program so as to advertise the products of Labatt's brewery, and I would like to have an explanation of that.

Mr. GILMORE: It is the opposite way, as we see it. A given sponsor is contributing one-third of the cost of what would otherwise be a full cost to the corporation to produce that program.

Mr. TREMBLAY (*Interpretation*): Could you not find another sponsor who could pay more?

Mr. GILMORE: The answer in this particular case is definitely no; we have tried.

Mr. FORTIN: I understand as well.

Mr. TREMBLAY (*Interpretation*): Could you tell us, in the case of Music Hall—

Mr. PICKERSGILL: Mr. Chairman, I have a supplementary question in connection with the same question of which Mr. Tremblay was speaking, and it is this: would the C.B.C. put on this program, whether or not it had a sponsor?

Mr. GILMORE: Yes, we would. We feel that it is a vital part of our French network service.

Mr. PICKERSGILL: In other words, anything you receive from a sponsor is a relief to the taxpayer?

Mr. GILMORE: Yes.

Mr. TREMBLAY (*Interpretation*): Well, Mr. Gilmore, could you please tell me if it is possible to find another sponsor in another province? Supposing that you put on this program somewhere other than in the province of Quebec, could you have found a sponsor other than Labatt's brewery?

Mr. GILMORE: We would have to, because beer advertising is not permitted in other provinces.

Mr. OUIMET: Mr. Chairman, may I say that this program is being viewed in Ontario and Manitoba, and we are not able to find a sponsor.

Mr. TREMBLAY (*Interpretation*): Well, Mr. Gilmore, I see here that for Music Hall of March 22, the total cost is given as $18,000. Could you tell me if the average cost of this program is always the same—if each program of Music Hall costs around $18,000?

Mr. GILMORE: The average is slightly below this figure. This was chosen as simply being in that particular week, and happened to be that particular program.

Mr. JOHNSON: Well, in connection with page 10, Mr. Gilmore, you said, if I understand you right, that a film would cost much less than this if it was on the same hour as the Ed Sullivan program. Would it be possible to change the hour of the program "Music Hall" so that you could get a sponsor—I understand that the very fact the Ed Sullivan show is on the English network that it would prevent many English and French-speaking people seeing the program

"Music Hall", and a sponsor would not consider this time very good for advertising. Would it be possible to change the hour and thereby get a better result and a larger amount from the sponsor?

The CHAIRMAN: Mr. Gilmore said this was outdrawing the Ed Sullivan show at that time.

Mr. GILMORE: Of course, it is shown only by kinescope in the other parts of the country; but on the French network it does outdraw the Ed Sullivan show where there is a signal available to the English network. In answer to your specific question, I must say this is a matter of program judgment and scheduling. It seems to have been very successful on the French network.

Mr. TAYLOR: Was not that brought out earlier?

Mr. TREMBLAY (*Interpretation*): On a point of order, Mr. Chairman. I would like to point out at this stage that we have here a copious report and that a whole series of questions is relevant to it. I would like the committee to consider giving all the time necessary for the purpose of putting questions connected with what has been brought to light in this report. Therefore, I would like to ask that we be given all the time necessary in this connection.

Mr. PICKERSGILL: Mr. Chairman, on a point of order, an agenda was drawn up some time ago, and we were proceeding on that agenda. There are many of us who think there are many more important items on that agenda having to do with general policy that should have priority over a detailed consideration of something which, after all, is the responsibility of management and is not policy at all. I suggest, Mr. Chairman, that we should go on with the agenda as laid down by the committee and, if there is time later on, come back to this item.

The CHAIRMAN: I was going to say there are also over thirty other people on the committee and it is impossible, Mr. Tremblay, to give you the full time of the committee—I mean the Chair cannot consider you more important than these gentlemen over here or the honourable lady down at the end of the table. I noticed Mr. Taylor had his hand up and I recognized him.

Mr. TREMBLAY (*Interpretation*): Well, Mr. Chairman, far be it from me to try to take up all the time of the committee; but you must recognize, Mr. Chairman, with me, that we have a most important document which should be helping us to find out what is being done with the taxpayers' money, and that is why we must have this information. As for Mr. Pickersgill, he is in a very poor position to say we should look into the management of the C.B.C., considering his diversion tactics of last week, when he stopped us from seeing what was being done with the taxpayers' money.

Mr. PICKERSGILL: On a question of privilege; I was not responsible for the clandestine political influence on the C.B.C. that made that diversion necessary.

The CHAIRMAN: Mr. Tremblay, I will be back to you later. Mr. Taylor, have you a question?

Mr. TAYLOR: Mr. Chairman, it is a general question. Is it my understanding that the salesmen in the C.B.C. are not paid a commission?

Mr. JENNINGS: They are on salary.

The CHAIRMAN: Yes, that was given in the evidence before.

Mr. TAYLOR: Then, there might not be any real incentive.

The CHAIRMAN: That question was asked previously.

Mr. TAYLOR: Would it be possible to get the costs of producing these American shows in Canada; for example, the Ed Sullivan show?

The CHAIRMAN: It is not produced in Canada.

Mr. TAYLOR: I know—shown in Canada? What is the cost of showing the Ed Sullivan show?

The CHAIRMAN: To the network on the other side?

Mr. TAYLOR: That is right.

Mr. GILMORE: Mr. Chairman, Mr. Taylor: There is no cost at all to the Canadian Broadcasting Corporation of producing American shows or bringing them into Canada, with one small exception. I believe there is an hourly line charge between Buffalo and Toronto, which is under $100 an hour, something of that order.

Mr. TAYLOR: Is there a profit to the C.B.C. on showing the Ed Sullivan show?

Mr. GILMORE: Yes.

Mr. TREMBLAY (*Interpretation*): I have another question, coming back again to Music Hall. Could you tell me if this program aims at encouragement of Canadian talent?

Mr. OUIMET: I believe the statistics which I gave to the committee some time ago definitely indicate that all programs of the C.B.C. have in mind the encouragement of Canadian talent, including Music Hall.

Mr. TREMBLAY (*Interpretation*): Could you give us the precise statistics in the case of Music Hall?

Mr. OUIMET: I have not got them with me. If necessary, I could get them.

Mr. TREMBLAY: (*Interpretation*): We know from experience that a great many foreign performers appear on the program Music Hall.

Mr. OUIMET: If I remember well from memory, there were 78 engagements all told in 1958, out of 10,000 programs—no, not as many as 10,000 programs, because 10,000 would include the English programs. I do not believe this is a very strong proportion of foreign artists.

Mr. TREMBLAY (*Interpretation*): What are the fees you pay the foreign performers as compared with Canadian performers?

Mr. OUIMET: This, again, varies with the popularity of the individual concerned.

Mr. TREMBLAY (*Interpretation*): What are the criteria for popularity: what are the popularity ratings?

Mr. OUIMET: I do not think you can discuss the popularity here of Edith Piaf or Jean Sablon or all these artists who have an international reputation. Canadian artists who have an international reputation are paid, generally, as well.

Mr. TREMBLAY (*Interpretation*): That is precisely the type of answer that tells us absolutely nothing whatsoever.

Mr. PICKERSGILL: Just plain common sense.

The CHAIRMAN: I do not think that is quite fair, Mr. Tremblay.

Mr. JOHNSON: I have a supplementary question, Mr. Chairman. Is it true that in the case of foreign artists, especially from Europe—you mentioned Jean Sablon—the C.B.C. pays the travelling expenses from Europe to Canada back and forth for many of them?

Mr. OUIMET: I would say, in most instances, no. Actually, we take advantage of the fact that they have been brought in by other organizations,—impressarios, night club and so forth. We take advantage of the fact that they happen to be, not only in Canada but in North America. Edith Piaf was brought in, I believe, by the leading hotel of New York, the Waldorf Astoria. She was brought in by the Waldorf Astoria; she fell ill; she was engaged by the Ed Sullivan show, and in turn we engaged her in Music Hall.

This is something we have to take advantage of, because otherwise we just could not meet the prices these people ask. Some of these performers ask as much as $10,000, and they will get it on some American shows; but they are not getting anything like this on Canadian shows.

The CHAIRMAN: Gentlemen, I suggest we are getting many miles away from this statement. This is a breakdown of costs that were recovered from advertisers. It has nothing to do with whether we import talent, or do not import talent.

The reason of the Smith motion, if you recall, was to find out the costs and recoveries. Let us have questions on costs and recoveries.

Mr. JOHNSON: May I speak on this?

The CHAIRMAN: If it is on this line, yes.

Mr. JOHNSON: Talking about costs, we are aware of some charges in Montreal—and those charges were made specifically by performers in Montreal during the strike—that foreign artists are brought in by France Film, and other companies—or cabarets—through some connection with the C.B.C. officials in Montreal. They are invited to programs in Montreal. The travelling expenses are paid by the C.B.C., and these foreign performers appear in cabarets, and all that sort of thing.

The CHAIRMAN: We went all through that before.

Mr. JOHNSON: That is part of costs.

The CHAIRMAN: I know. We went all through that before, though. If you go back and read the evidence, you will find we dealt with that once before. We will never get through with this if we repeat the questioning, as we are doing now. We are going to stick exactly to the costs and recoveries on this. Are there any more questions?

Mr. FORTIN: I notice that the cost of a program entitled L'Heure des Quilles is reported on page 7 and page 53, and I notice a difference in the cost on these two programs: one shows $3,789, and the other one $2,980.

I would like to know why that difference exists. It is the same program, on different dates.

Mr. GILMORE: Mr. Chairman, as is the case on all programs in a series, you will get variation, depending upon the number of people and the complexity of the program. This, I think is a pretty good example of this, where you have in one case a certain talent shown, and in the other case there is an additional person employed. They will vary.

Then you find program production will vary accordingly, according to the complexity of the program—also technical. I do not think, in the nature of program production, you can arrive at an exactly similar cost for any two programs in a series.

Mr. FORTIN: A supplementary question, then. How can you explain the difference in the amount paid for talent? On page 7 I notice that for 10 persons $496 has been paid, which is an average of $49.60 per person. Then on page 53, 11 persons got $696, which makes an average of $63 each.

Mr. GILMORE: This is not necessarily that type of payment. What is involved here is this: the second program may have required more rehearsal, in which case every performer would get $5 per hour extra for rehearsal.

Mr. JOHNSON: We are talking about a sports program; there is no rehearsal there.

Mr. FISHER: Mr. Chairman, I have three questions, and I do not know whether they should go to Mr. Jennings or Mr. Gilmore. I want to know something about the relationship between the sports programs, hockey and football. Obviously, the N.H.L. hockey is a payer. We have no figures here,

because of the season, on football; but I gather that football is not something on which you get nearly as good a recovery as hockey. I would like to have an explanation of the factors that keep you from getting as good a recovery on football.

Mr. RUGHEIMER: Mr. Chairman, I think that actually we should perhaps explain that the facts on N.H.L. hockey on sheet 100 may be slightly misleading, because actually in the recovery of $8,244 is included a billing for pick-up in Chicago: that was a semi-final that was picked up in Chicago, and extra line costs were incurred.

Unfortunately, by the time these sheets were prepared that charge had not gone through the books as a cost and is not reflected in the production costs: so we are much closer to a break-even position than a profit position in hockey. On football we have, in the past, been in a deficit position. It would be idle to speculate this year what we will do. The rights payment is very heavy this year.

Mr. FISHER: Is the time of the program a factor in your inability to get more sponsored broadcasting?

Mr. RUGHEIMER: Yes, that is right, sir. The other factor is the blackouts.

The CHAIRMAN: Thank you, Mr. Rugheimer.

Mr. FISHER: That reduces the amount?

Mr. RUGHEIMER: Yes.

Mr. GILMORE: May I say on that, we do not own the rights to hockey. That is a very important thing, and that may indicate the difference.

Mr. FISHER: Do you mean by that, Mr. Gilmore, there is a different attitude from the point of view of the hockey management, as a whole, and the football management?

Mr. GILMORE: That is quite possible—quite possible.

Mr. FISHER: Has anybody a supplementary question, because I have two more questions?

Mr. TAYLOR: I have one more question. Money is paid direct to the C.R.U. this year.

The CHAIRMAN: That is right.

Mr. TAYLOR: Has money ever been paid direct to the national hockey league by the C.B.C.?

Mr. GILMORE: Not within my memory—except possibly, for individual all-star games, which are quite apart from the league. For the league and the Stanley Cup that has not happened.

Mr. TAYLOR: One further supplementary question, Mr. Chariman. As money has been paid to the football league, has any C.B.C. money been paid to any amateur athletic body?

Mr. JENNINGS: There we have paid rights.

Mr. GILMORE: We have paid rights in the maritimes, British Columbia, and on the prairies to universities and to provincial leagues. I will be glad to pick it out in a future meeting. We have not it here at hand.

Mr. JENNINGS: We also bought rights to the commonwealth games in Vancouver.

Mr. FISHER: My next question is addressed to Mr. Henderson. Would it be possible, through this kind of figures to arrive at a per capita cost of programming for the French network and English network, in so far as audience is concerned? I mean, per capita in terms of audience.

Mr. HENDERSON: I do not know that I quite undestand the question, Mr. Fisher.

Mr. FISHER: I would like to have the per capita cost of programming in so far as English networks are concerned and in so far as French networks are concerned; and your total of capita, let us say, which would be the prospective French audience and the prospective English audience.

The CHAIRMAN: For example, how many dollars per thousand TV homes?

Mr. FISHER: I would like to know how much you are spending comparatively, to reach one French viewer and one French listener as compared to one English speaking viewer and one English speaking listener.

Mr. HENDERSON: Yes, it is possible to work that out, but we keep them separate and it would take some time to produce that information for you, Mr. Fisher. I would be glad to take it in hand, if possible to report back at a later meeting.

Mr. FISHER: It would give us some idea of the balance we have in so far as the money we are putting into these two particular networks is concerned; and it would give some idea of the relationship.

The CHAIRMAN: You would not want it for any great length of time, Mr. Fisher—just a month?

Mr. FISHER: Probably there is a year figure.

The CHAIRMAN: That should not take too much work?

Mr. HENDERSON: I would have to refer back to it at the next meeting.

The CHAIRMAN: Just tell us how much time it would take.

Mr. FISHER: My third and last question to Mr. Henderson—and it is a fairly simple one—is this: in the public appraisal that has gone on of this particular document the word "loss" keeps recurring. You are an accountant. In accounting terms, you look on this analysis in terms of the actual loss?

Mr. HENDERSON: On a profit and loss basis?

Mr. FISHER: Yes.

Mr. HENDERSON: I do not, because under its mandate the corporation has to provide a national service, and the cost of that service is paid by the parliamentary vote, as you know. It recovers what it can from the sponsors, along the lines Mr. Gilmore has explained.

Therefore, I think a proper description of that is that the vote, the taxpayers' money, is to meet the net operating requirements of the corporation—details of which you see under (b) here, where we talk about the parliamentary vote.

To describe it on the basis of a profit, or to describe it on the basis of a loss, or a deficit, is misleading, because of the nature of this particular operation.

Mr. FISHER: Do you have any thought the word "gain" might be used in contrast to "loss"?

The CHAIRMAN: A supplementary question, Mr. McIntosh?

Mr. MCINTOSH: Yes, I am referring to this pro forma which we have here—the television program costs and recoveries budget.

I wonder if the same picture presents itself on radio cost and recovery; or is that balance more even? Or, have you, as far as radio is concerned, fulfilled or nearly fulfilled your purpose now in spreading Canadian culture?

Mr. GILMORE: Mr. Chairman, sponsorship of radio network programming has ceased to exist, to all intents and purposes. Sponsorship in radio is being obtained through spot announcements; and following the Fowler commission report we became a little more active in the spot field, which we had previously been restricted in, to try and improve our stations' position in radio. We are gradually doing this. We are not, as yet, and will not be, for some time, in a break-even position.

To answer your question directly, there is no sponsorship of radio programming.

Mr. McINTOSH: And your cost recovery?

Mr. GILMORE: There is no cost recovery on programming.

The CHAIRMAN: Except on spot announcing.

Mr. McINTOSH: Whether you get it on spot announcements or any other way, has it a cost percentage-wise to the public, the same as television?

Mr. GILMORE: We are getting about one-eighth of our budget back in radio.

Mr. FISHER: One of the factors mentioned here is station time. Could you just explain that? What factors are involved in station time?

Mr. GILMORE: Yes, when a broadcasting station is licensed to do business in Canada or the United States, it estimates the coverage that it has in its service area or market, depending upon the radio or television homes in that area. The figure is attached to the purchase of one hour of time on that station.

One hour is then spelled out into the various periods of the day as class A viewing time or listening time, class B, a little less, and so on.

The one hour is further translated downward into fractions of an hour for spot announcement purposes, and class A and B connotations are attached to that. That is the way in which a station charges for its time.

There is one more refinement. In charging for local spot announcements, the station may hope to get a little more than for the network time. I think it is obvious with bulk buying of network time, that you get a little less than for the one-time spot.

Therefore, coming back to the concept of one hour class A time, when we sell our network, just our own stations, and our affiliated stations, we sell one hour time on all these stations, which may total approximately $12,000 for the full one hour rate, plus the connection, the microwave connection to connect the stations and so on.

There is an interesting point—if I may repeat myself from a few weeks ago: we must, in order to get our 17,000,000 shareholders covered—and we are not doing it fully yet—but in order to come close to them we require about 43 stations. Yet, in one city in the United States, WBCA, or WCBS in New York city—they with one station can cover more people than we are able to do, and they can charge that straight price for the one hour rate with no interconnection.

Mr. FISHER: Each year you have negotiations with the actual private station people who carry your broadcasts. I know that part of it is devoted to programming, and discussions about the kind of programs.

The CHAIRMAN: This is television.

Mr. FISHER: Yes. How much time do you spend on the question of renegotiation of cost figures, or is that something which does not come up at these meetings?

Mr. JENNINGS: It does come up at these meetings. The question of rates is discussed at sub-committee meetings. There is a sub-committee which devotes itself to examining the rates for the programs.

Mr. FISHER: Has the formula ever been a really contentious matter?

Mr. JENNINGS: I think I would agree at the moment that we have not figured out a really perfect formula. It is turning out to be a very difficult problem to provide a formula. We do not have the facilities as yet in Canada to find out on a very accurate basis what circulations the stations have.

Mr. FISHER: This sub-committee is an ad hoc thing, and it is not an offshoot of CARTB?

Mr. JENNINGS: It has nothing to do with CARTB. It is definitely a relationship between the CBC and its television affiliates.

Mr. FISHER: Recently the BBG allowed private stations greater intensity of spot announcements. Is that not correct?

The CHAIRMAN: I cannot see where that is related to television.

Mr. FISHER: I am interested in the return that the CBC is getting from its attempt to get more income from spot commercials.

Mr. GILMORE: We are trying to get more returns in radio particularly; and in television our returns are pretty fair on spots.

Mr. FISHER: Have you reached the saturation point in radio in so far as spot commercials are concerned?

Mr. GILMORE: No, we have not.

Mr. PICKERSGILL: I have one general question. It was said earlier that some times you got alternate sponsors on alternate weeks. I would assume that in a situation like that—I would like to know if you—I would assume that both these sponsors would be charged the same rates? You would never charge one less than the other?

Mr. GILMORE: This is an assumption, sir.

Mr. PICKERSGILL: Yes, it is an assumption.

Mr. GILMORE: It precludes the right of the corporation to negotiate to get more, depending on the time and the season.

The CHAIRMAN: And on the type of salesman.

Mr. GILMORE: I would like to leave it at that.

Mr. PICKERSGILL: I have discovered the first good reason for keeping these figures secret.

Mr. MCINTOSH: Supplementary to Mr. Pickersgill's question, in a program such as PM Party where you only have one sponsor so far, is that sponsor allowed to advertise on each performance of that program?

Mr. GILMORE: No sir, only on the segments that he buys.

Mr. TREMBLAY (*Interpretation*): Well, Mr. Chairman, referring to page 59, we have Soiree du Hockey—Hockey Night—and we have there two sponsors, Molson's Brewery Limited and Imperial Oil Limited. Would it be possible to know what proportion was paid by Molson's Brewery?

Mr. GILMORE: I am terribly sorry, but we do not have that separated right now.

The CHAIRMAN: We will obtain that information Mr. Tremblay.

Mr. A. M. HENDERSON (*Comptroller, Canadian Broadcasting Corporation*): I should explain that the figures on the table here asked for by Mr. Smith were taken directly off the program cost ledger sheets of the corporation. On those sheets we do not carry that breakdown.

Mr. TREMBLAY (*Interpretation*): I put this question because there is a very true relationship between Molson's Brewery and the arena. Therefore, I would like to know what is the exact proportion paid by Molson's Brewery in order to discover whether or not we are faced here with a network monopoly, be it a monoply on the air.

Mr. GILMORE: I cannot answer the question, but I would like to make a comment to this effect. None of these recoveries show any payment of rights. The rights are not held by the corporation in this instance.

The second thing is the program package we are speaking about. Any variation would be in the program package because station time, distribution, and so on, would be the same for both programs. In the program package, I would make a guess—and I think I would be 99 per cent accurate—that they

pay equal. We could not make a difference in this instance between identical same program. I am pretty sure it would be the same each week for each sponsor.

Mr. CHAMBERS: On Soiree du Hockey you have a program package of $8,500 and on Hockey Night in Canada there is no program package. There seems to be a greater recovery from the French.

The CHAIRMAN: Which page are you on now?

Mr. CHAMBERS: Page 100. There seems to be a greater recovery in French than in English and I imagine the English has a larger audience.

Mr. RUGHEIMER: This comes back to the statement I made eariler. The pick-up of the N.H.L. semi-final was done by a station in Chicago. They have not billed us yet. This is our own cost of our own mobile unit in Montreal.

Mr. JOHNSON: I want to get this clear. Do I understand in these figures that the cost of rights does not show? Does that mean that the C.B.C. has nothing to do with the rights? Does the Forum charge directly to the sponsor for rights and is it an agreement between the sponsor?

Mr. GILMORE: Yes.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, regarding the Theatre Populaire program Au Cœur de la Rose, page 11, where we have a cost of $4,821, I would like to ask what is the average production cost of these theatre programs, be they Teletheatre or other types?

Mr. GILMORE: This particular program was a repeat by kinescope recording of a program done previously. The only costs there were the origination cost of the film plus 65 per cent of the original telecast, which is required in the agreement with L'Union les Artistes. I think this particular program, when it is a live production, is in the range of $14,000 or $15,000.

Mr. FLYNN: For a half hour?

Mr. GILMORE: One hour.

Mr. FISHER: I would like to address this question, perhaps, to you, Mr. Chairman, and the committee. Would it be valuable to have some kind of comparison of the total cost figures between United States networks and the C.B.C. network figures? This comparison would take into account relationship between the total number of viewers, the number of the stations and the distribution cost.

Mr. BELL (*Carleton*): That is covered by D.3 on our adgenda.

Mr. HENDERSON: The figures asked for by Mr. Fisher and which Mr. Bell stated come under D.3 are not available to us.

The CHAIRMAN: We will discuss that under D.3.

Mr. JOHNSON (*Interpretation*): Well, Mr. Chairman, referring to page 64, the program "Showtime", I see we have the Canadian General Electric as sponsor, and I wish to put the following questions: firstly, for how long has this program been sponsored; secondly, was there a sponsor during the first year and, thirdly, considering the enormous difference between the production costs and the amount received by the C.B.C., considering the number of people performing in that program and considering that many programs are in this condition or in this state, I would like to ask the C.B.C. people if they are considering the possibility of changing their manner of programming production so as to sell the time of the station to independent producers who would try to make ends meet in regard to the production costs of such programs.

The CHAIRMAN: Mr. Jennings?

Mr. JENNINGS: I would like to say, Mr. Chairman, that the C.B.C. has no intention of changing the policy that we have stated here again and again, and that is to carry out the responsibility put upon us of broadcasting and scheduling an over-all television service made up of a variety of things, from informational programs to entertainment programs. I believe both Mr. Rugheimer and Mr. Gilmore have explained the efforts we make to recover as much as we can from the sponsors of these programs. We shall continue to do so, but we do not intend to change the policy, as you suggested; we intend to continue it.

Mr. JOHNSON: Do you not consider that a good deal of money would be saved in overhead, sales and production costs if you did not produce programs but just rented the station time and let the independent producers obtain a sponsor and pay for the programs, thereby making ends meet?

Mr. JENNINGS: I do not see that that enters into the picture.

Mr. TREMBLAY: Instead of "making ends meet", I would prefer the words "tighten the budget".

The CHAIRMAN: That is a management decision.

Mr. CHAMBERS: In connection with the figures that are given to us in regard to a show like "Showtime", are the costs of producing the commercials, which are sometimes quite elaborate, included in this and, if so, where?

Mr. GILMORE: In this program they are included in the costs and in the recoveries under the various objects. In this particular program the commercial message cost us just over $1,300 and was billed at cost to the sponsor.

Mr. CHAMBERS: That is amongst the recoveries and amongst the costs?

Mr. GILMORE: That is correct. It is distributed through the objects which are shown here.

Mr. CHAMBERS: You make no profit on this?

Mr. GILMORE: We charge the commercial message out at cost.

Mr. CHAMBERS: It has been said—and I would hope this could be refuted—that in certain programs originating in the United States, where a separate commercial has to be used in Canada, that the production of these commercials by the C.B.C. is sometimes done at a loss.

Mr. GILMORE: While that may have been true on specific occasions in the past, it is not true as of this season.

The CHAIRMAN: Gentlemen, may we pass on from costs?

Mr. TREMBLAY (*Interpretation*): On page 49 we have the program "Musique Sacree" costing $24,971. Mr. Gilmore, would you be good enough to tell me if the C.B.C. attempted to obtain a sponsor for the program?

Mr. JENNINGS: While Mr. Gilmore is looking for that information, may I make a supplementary answer to Mr. Johnson's question. This is not only policy, but we are required by the act, under section 29, to carry on a national broadcasting service.

Mr. GILMORE: In answer to Mr. Tremblay's question, this was a special program for holy week and there was no effort made for any sponsorship for any special program in holy week.

Mr. OUIMET: Religious programming is one area where we do not go after sponsors.

Mr. FISHER: Mr. Chairman, are we going to have an opportunity to go into (b) (i)?

The CHAIRMAN: Gentlemen, may we insert this table as appendix A?

Agreed.

The CHAIRMAN: I would suggest, if it is agreeable to you all, ladies and gentlemen, that we reconvene this afternoon at 3 o'clock, and perhaps the steering committee would be good enough to meet in my office at 2:30.

Mr. BELL (*Carleton*): Before we breakup, Mr. Chairman: I imagine the officers of the C.B.C. have prepared statements on quite a number of matters on the agenda. Would it not expedite matters if we could run through the agenda and have the statements that have been prepared available to us this afternoon?

The CHAIRMAN: We can discuss that at the steering committee meeting.

Mr. PICKERSGILL: I think that could be discussed by the steering committee.

The CHAIRMAN: Is that agreeable? Then, 3:00 o'clock this afternoon. Thank you very much.

AFTERNOON SESSION

Tuesday, July 7, 1959.
3:00 p.m.

The CHAIRMAN: Gentlemen, we have a quorum. Since this morning's meeting the chief of the Committee Reporters came up to my office to discuss the corrections that Mr. Pickersgill made in the proceedings of July 2. He showed me the file copy of the proceedings for that day, and this clearly indicated that the errors, as such, were made in the printing and not in the reporting.

I just wanted to get it on the record. These boys are doing a good job, and I know it.

Some Hon. MEMBERS: Hear, hear.

The CHAIRMAN: We had a steering committee meeting, which has just concluded, and several points have been suggested by the steering committee.

The first is that we withhold any further questioning on the Smith motion on costs until we have had a real opportunity to study them and to see if we cannot eliminate a lot of the questions on individual programs.

The second thing is that Mr. Pickersgill has agreed to withhold his motion, the one he intended to make at the end of these proceedings, in an attempt to see how much of our agenda we could possibly get through today and tomorrow. I have a feeling, if we can hold these over now, we can get through quite a large part of our agenda today and tomorrow.

It was also recommended by your steering committee that we change our agenda, whereby Part "H" would be given priority. There is quite a number of the members who are interested in new development and extension of services. I am sure most of the members are interested. Is that agreed, gentlemen?

Mr. TREMBLAY: No.

Mr. JOHNSON: No, I cannot agree, Mr. Chairman.

Mr. TREMBLAY (*Interpretation*): No, Mr. Chairman, I would prefer us to follow through with the agenda as it was proposed at the time of its adoption.

The CHAIRMAN: Does anybody else wish to speak on the request of the steering committee?

Mr. MCQUILLAN: Mr. Chairman, I have spent a good deal of time at these meetings, though I have not asked many questions, and I am here because I am primarily interested in section "H". I have a feeling that if we do not cover it during these sittings of the committee, we probably never will get back to it.

A great portion of the population of Canada is interested in that section "H". I think probably about 30 per cent feel they are contributing in taxation to the support of programs for the other 70 per cent.

I would like to support the suggestion we pull section "H" ahead.

Mr. FISHER: I would like to support the idea very strongly, Mr. Chairman, for the very same reasons Mr. McQuillan has mentioned.

The CHAIRMAN: It was the consensus among your steering committee that section "H" was such that in spite of everything else it should be covered.

Mr. Johnson?

Mr. JOHNSON: May I suggest we carry on with the agenda now; but we could go to section "H" when we have dealt with "E", instead of going through sections "F" and "G".

The CHAIRMAN: Again, I thought we would continue with our agenda as is, for today. Then we could get on with section "H" tomorrow. I think, maybe, we could do that if every person agrees.

Mr. JOHNSON: Take section "H" tomorrow, and then go back to the agenda on Thursday?

The CHAIRMAN: Then we would come back to the other points. Is that agreed?

Mr. JOHNSON: On that understanding.

Agreed.

The CHAIRMAN: I have this telegram Mr. Tremblay was asking about this morning, and I think we should read it into the record.

It is addressed to myself, as chairman, and reads:

> The radio and television authors, actors, and producers have followed with close interest the meetings of your committee. As they are directly affected by the remarks made in the committee and by the decisions which may arise from them, the groups named below believe it is their duty, not only as taxpayers and citizens but also as members of the very professions to which they are devoting their lives, to cooperate in that work. Through the unions and professional associations representing them, the authors, artists, and producers of Quebec and Montreal have already prepared a short brief for your committee setting forth their points of view on several important questions.
>
> L'union des artistes de Montreal, and the association of producers, the society of authors and the society of artists of Quebec would like to present this brief at a future meeting of your committee. These groups therefore request that you let them know on what date their representatives could be heard. Hoping for a prompt reply.

This is signed by the four associations.

Your steering committee has instructed me to write them exactly the same as we have written to every other person who wished to appear before this committee, stating we seem to have rather a full agenda, as is, but that should there be time to hear any person else that we have not agreed on hearing, we would consider their request at the same time as that of any other person.

Is that agreed by this committee?

Agreed.

Mr. MCINTOSH: I do not agree on the same grounds.

The CHAIRMAN: But as long as we get through it, that is all right.

It was also suggested this morning that the C.B.C. table as much information as there is available, and we will print much of it as an appendix.

Colonel Landry, do you have any of that information that we have requested, which could be tabled at this time?

Mr. LANDRY: Yes, sir, I might say our secretary to the board of directors has already written Mr. O'Connor in the matter, and I would like just to inform you of that, first of all.

There were three outstanding questions, I believe, that were left open. One was from Mr. Smith on May 14, concerning the operating cost of one or two C.B.C. stations, including numbers of staff. This will be available on July 14 in the usual number of copies for distribution.

The next question was from Mr. McGrath on June 2, concerning an explanation of functions of information services. The corporation is ready to speak to this question at any time. Item E-4 (a)(iii) refers to the same subject, and possibly you would want it discussed at that time.

Mr. Chambers, on June 16, asked for a breakdown of cost for the international service by language; and an explanation of increase in expenditures for stationery and printing of publications. This will be available for distribution to the committee on July 9. That is next Thursday. I believe these are the only questions outstanding.

Turning to the agenda, all material required under items "A" and "B" has been submitted. In connection with item "C", controversial and political broadcasting, the governing rules referred to in C-1 were submitted on June 1. This is the so-called white paper.

The only other material to be tabled under item C is the list of commentators on the French networks, C-3(b) for the years 1955, 1956 and 1957 which I believe was requested by Mr. Tremblay. This material is still in the course of preparation and I am advised that, while the required information for 1957 and for the last four months of 1956 can be provided there may be some difficulty for the period before that when complete records were not kept.

There is no further material to be tabled in connection with agenda item D, finance. The P.S. Ross letter of May 1, 1958, to the C.B.C. has already been distributed.

Under the heading of organization, agenda item E, a table of personnel statistics for the last five years, E-2(a), is ready for distribution immediately. Also, samples of individual contracts, E-2(b) can be distributed at any time. Copies of the corporation's contracts with various trade unions, E-2(f) are not available in quantity, but a copy of each contract can be filed with you at any time.

Under the commercial organization heading a table showing the number and location of sales personnel, E-3(a) is ready for immediate distribution. The record of performance of the commercial organization of the corporation for the last three years, E-3(c) will be available for distribution in quantity on July 9, next Thursday.

I believe that the item on public relations and information services should be No. E-4. Under this heading a table showing number of staff and annual costs for the past five years, E-4(a) is ready for immediate distribution. Similarly a table showing the purpose and costs of C.B.C. publications is ready for distribution at any time.

Agenda item F, engineering and property, has eight subsections. The data on all of these subsections except 4 and 8 will be ready in quantity for distribution on July 9.

The corporation will be prepared to deal verbally with agenda item G, network relations. With respect to new developments, agenda item H, a statement in connection with extension of coverage to remote areas, H-2, has already been submitted to you in 75 copies.

If there is any further information you require in connection with these points we will try to provide it.

Mr. McGRATH: I did not hear a reference to a question I asked regarding the main production centres across Canada. I asked a question. I cannot recall when it was, and I cannot find it in the minutes right off. I asked a question in regard to the main production centres of Vancouver, Toronto, Montreal, Halifax, and I think, Winnipeg.

The CHAIRMAN: I recall something about that.

Mr. McGRATH: And Mr. Pickersgill had a supplementary question.

The CHAIRMAN: I feel quite sure that we have that here and that it has not been distributed. Mr. O'Connor has three or four items he intends to distribute at our next meeting, and I believe that information is amongst them.

Mr. JOHNSON: With regard to the contract with the unions, I understand Mr. Landry says that they do not have copies for each member here.

Mr. LANDRY: We have a few copies.

Mr. JOHNSON: You have a few copies. Have you a copy for the member who asked the question? I remember asking it.

Mr. LANDRY: You will have a copy.

Mr. FORTIN: I also requested the amount that has been paid by the C.B.C. for rental of premises in the different cities where stations are operated by the C.B.C. if I recall it.

The CHAIRMAN: We have that also. It will be distributed at the next meeting, possibly tomorrow.

Mr. McQUILLAN: Some time ago a member of the committee requested a map showing the coverage of the C.B.C., TV and radio. We were promised that it would be furnished to us.

The CHAIRMAN: I think that was already tabled, but I am not sure.

Mr. LANDRY: That will form part of Mr. Richardson's coverage demonstration.

Mr. JOHNSON: On June 9 I asked about films, and I got an answer on June 22 at page 493. Then I asked for further details, which had not been given on the 22nd. That request was made on June 23, I believe, or later. Can Mr. Ouimet tell me if he is ready to submit those figures to me?

The CHAIRMAN: It seems to me that there was a question at that time as to whether they were going to get that. Can you find in the evidence when you asked for this?

Mr. JOHNSON: It was June 9.

The CHAIRMAN: Page 375, so they tell me.

Mr. JOHNSON: Pages 375 and 376.

The CHAIRMAN: While you are asking for that, as I see here on page 377, Mr. Flynn and I had an exchange. He spoke, and then I came in later, and I do not think there was a clear understanding.

Mr. JOHNSON: There was. It is not reported exactly, but I know that Mr. Ouimet had agreed at a certain point, and when we came out of this discussion, it came out on page 375, and I put a question which was accepted by Mr. Ouimet; so I believe we could call it quits. Then you went on to something else. Since there was no disagreement about my last statement, I believe that this left us under the impression that everything was okay.

Mr. M. OUIMET (*Deputy Controller of Broadcasting*): If you will look at the record you will find that I agreed to something earlier, not quite the last question.

Mr. JOHNSON: No. I was referring in my last statement to the fact that you had agreed earlier, and then we came to the details which started with a discussion of dates, and I brought it down to the last few years.

The CHAIRMAN: Let us have that and we will review it at our next steering committee meeting, and come to a decision. Is that satisfactory? That is so we may get along with this meeting again. All these things will be tabled, or as many as possible, at tomorrow's meeting or today; some of it will be tabled at today's meeting. Mr. O'Connor has quite a considerable quantity, five different items, for tomorrow.

Now, let us get back to the agenda. It is Programming and Newscasting.

Mr. JOHNSON: Before that, might I ask another question for which the evidence might be tabled? It has to do with a publication by the C.B.C., Montreal, for the French network, entitled La Semaine à Radio-Canada.

I would like to ask a question concerning the personnel, the clerical staff, the editorship, the cost of the publication for each issue, and the name of the printer. Oh, that is given on the publication itself; but was the contract awarded by tender?

The CHAIRMAN: Information services will be on, and we shall try to get the information ready for you by that time; that will be during information services.

Are there any questions on item B-1, that was tabled this morning? That was "expenditures and staffs, 1955-1958, at the different locations".

Mr. MCGRATH: May I have a copy of that statement. I was not here this morning?

The CHAIRMAN: Is anybody else missing a copy?

Mr. BELL (*Carleton*): Such an admission to make, for the record!

Mr. MCGRATH: I hope that does not get on the record.

The CHAIRMAN: Are there any questions on this?

Miss AITKEN: I want to ask why in Toronto under film production and processing there are no costs given at all?

The CHAIRMAN: Who would like to answer that question?

Mr. GILMORE: Under Toronto?

The CHAIRMAN: Yes, under film production and processing there are blanks.

Mr. GILMORE: The answer will be found if you look above. I was answering it by looking under National Television News; that is where it appears in Toronto, the first section.

Miss AITKEN: Why is the charge to radio so much higher than the charge to television under that heading of Toronto?

Mr. GILMORE: Under Toronto the set of figures shown are for the National Radio News, whereas under National Television News you will see that the charge is for television, which is much higher.

The CHAIRMAN: Does that answer your question?

Miss AITKEN: Yes.

The CHAIRMAN: Are there any other questions concerning B-1?

Mr. FISHER: Has the C.B.C. received any direct complaint from any of the metropolitan newspapers in Toronto as to the scope and time of their telecasts in so far as news is concerned?

Mr. GILMORE: Not to my knowledge.

Mr. JENNINGS: Not to our knowledge.

Mr. FISHER: And one other question: generally speaking, during that news programming I understand there are a number of agencies, some of American origin, that produce films of various kinds for television. They shop around, and are able to get distribution fairly widely, and they are used to quite an extent on the American news networks. Are you using any such film that comes from American defence sources; that is, American government sources?

Mr. JENNINGS: This would not be a source of news for our television news service and we would not use it, as far as I know.

There was a picture—I would have to have my mind cleared on this—made by the United States army information service on the Canadian army, which we carried, with duly edited top and bottom on it, with Canadian army people. That is not the news you are talking about.

Mr. FISHER: Could we have an assurance that there is no film used on C.B.C. television news that comes from any of these American government agencies?

Mr. JENNINGS: Quite frankly, I do not see how I could give you that assurance. This is not a source of supply to us.

Mr. GILMORE: May I just say that we do not use that material as a story. But we do—

Mr. JENNINGS: We might use a clip.

Mr. GILMORE: What we may use of this material is a stock shot, because it is extremely valuable—to get a stock shot of atomic cannon, for example. You cannot get it anywhere else. It might be used in News Magazine, or some of our dramas, or, indeed, some of our news—but not as a news story per se.

Mr. FISHER: There have been complaints before the United States senate committees about, in effect, the military agencies who are producing film that they feed out to television networks. It is used in television news and is, in effect, a sort of empire building in various fields.

I wanted the assurance that there was not any extension or elaboration of that sort of thing into Canada with that kind of films.

Mr. JENNINGS: I think I can give you that kind of assurance, quite definitely.

Mr. PICKERSGILL: Could you give us any assurance about any other governments?

Mr. JENNINGS: I could give this assurance, I think—that the news service turns to legitimate sources for its news. As Mr. Gilmore says, anything of this sort might be in the stock shot library and might be used as illustration films or in some other way. I think I can certainly give the assurance that it is not used as propaganda in any way.

Mr. PICKERSGILL: That is precisely the point.

Mr. FISHER: I have, again, to illustrate the American example to ask for assurance, because there have been some complaints in the United States over the fact that in certain instances this has happened. In one case Mr. Rockfeller hired his own television camera men, processed his own film and had that released to news stations. Nothing like that could happen in Canada, in either the political field or in the manufacturing field?

The CHAIRMAN: I do not think anyone has that much money.

Mr. JENNINGS: I do not know whether you could put Mr. Rockefeller up as a stock shot, or not, in the future. No—we turn to our own news covering sources, our own stringers, and to legitimate news sources to get this material. I think our news staff would be very much on the alert for anything that could be a "dupe" for propaganda film, which we might be suckers for. I do not think there is any chance of that.

Mr. McINTOSH: What is the meaning of that expression "stock shot"?

Mr. JENNINGS: Stock shot is, I suppose, in a sense, timeless film; it is a stock picture, film that you can go to and take out as film for a background of a story or as an illustration of a story that comes up. There is another phrase, other than stock shot.

Mr. GILMORE: Library material.

Mr. JENNINGS: Library material.

Mr. McGRATH: Could I have an explanation of figures for St. John's, Newfoundland, because there is a private television station there. It is the only one here that does not have a C.B.C. television station.

Mr. GILMORE: We do not have anything on the private station costs of that nature at all.

Mr. PICKERSGILL: This is radio.

Mr. McGRATH: These are referring strictly to radio?

The CHAIRMAN: That is right.

Mr. McGRATH: It is for the Newfoundland region?

Mr. GILMORE: Yes.

Mr. CHAMBERS: I want to know, Mr. Chairman, if any news material, film or otherwise, was sold by the C.B.C. to networks in other countries, to movie newsreel people or anyone else?

Mr. JENNINGS: What did you say just before—something "and other countries"?

Mr. CHAMBERS: Networks in other countries. In other words, do you sell material in the C.B.C. to American networks?

Mr. JENNINGS: We have exchange arrangements in several fields. We have an exchange arrangement with Columbia Television—C.B.S. TV news—and we have an exchange arrangement with U.P.I.

Mr. GILMORE: B.B.C., I. T.V.

Mr. JENNINGS: With the Independent Television Association in Britain, with the French, and so on. We even have exchange arrangements with the Japanese television.

Mr. CHAMBERS: How does this work out financially: is it an even thing do we pay, or do they?

Mr. JENNINGS: It is worked out on a contra-account basis; I cannot tell you. It is much more beneficial to us than it is to them.

Mr. McGRATH: Would the same apply to your exchange service with private television stations?

Mr. JENNINGS: In Canada, do you mean?

Mr. McGRATH: Yes, in Canada.

Mr. JENNINGS: The arrangements we have here—as I believe I explained earlier on when we were on the news broadcasting part of it—is this: there is a television cooperative, which was organized by the C.B.C., in cooperation with private stations, in which the C.B.C. works as administrator and clearing house for film, which is loaned out to the private stations who are members of the cooperative. We receive back from the co-op a daily supply of Canadian television film.

In addition, the co-op has exterior arrangements with people like B.C.I.N.A., the British Commonwealth Television Film Agency, which makes their film available to the co-op.

The CHAIRMAN: Might I suggest that is going to be covered in Part "G", Network Relations, relations with private radio and private T.V.

Mr. CHAMBERS: There is one question which I do not believe Mr. Jennings answered. Do you sell any film to newsreel people?

Mr. JENNINGS: I do not think we do. I think all our arrangements are with television film people.

Mr. GILMORE: Except for one or two outstanding occasions we have had no sale at all. One I can think of was the tragedy—

Mr. JENNINGS: The British Commonwealth games.

Mr. GILMORE: Yes, and the tragedy of the aircraft crash around Saskatoon.

Mr. JENNINGS: But it is the exception, by far.

The CHAIRMAN: Are there any further questions on "B.1"?

Mr. McINTOSH: Are we now on "B.1(b)"?

The CHAIRMAN: This is "B.1(a) (b)", actually. Are there any further questions on this?

Mr. McINTOSH: Mr. Chairman, I have a question to ask on B.1(b) with regard to the C.B.C. teams.

The CHAIRMAN: With regard to C.B.C. what?

Mr. McINTOSH: Camera teams kept in various countries. I was told by you that we would get on to that, on a previous occasion. May I ask the question now?

The CHAIRMAN: Yes.

Mr. McINTOSH: I would like to know how many C.B.C. teams there are, in what countries they are located, and at what cost?

Mr. GILMORE: Mr. Chairman, we have no teams as such in foreign countries, in my definition of a team—that would be a cameraman, a commentator and an engineer. We do not have any team per se.

Mr. McINTOSH: Reference was made to them by the chairman at a previous meeting.

Mr. GILMORE: May I put it this way: we have approximately 150 stringers throughout all parts of the world who do two things; they submit material without assignment—on speculation—and where it is accepted we pay a minimum of $35 per assignment. Then they procure for us film footage by shooting it themselves, normally, on assigment, on the same basis. For certain specific assignments we do mount a small team to accompany an outstanding personage to another country, to give material for four or five programs, News Magazine, Close-Up, Explorations, or the news.

We might send a team like this throughout the U.K. and Europe. In such a case the cost is less than $2,000 to $3,000 per show, the cost of this team. Then the other case we have is where we send a small camera team down to a "hot spot" of news, such as Suez. We flew them down very quickly for that—we did, also, for the Algerian crisis—to have on-the-spot coverage and interviews in French and English for both our network services.

Mr. McINTOSH: Do I understand you to say that they are only paid on an assignment basis?

Mr. GILMORE: No, the teams are on an estimated cost ahead of time. These are estimated by the network production centres and these estimates are sent to Ottawa for study and authorization to see if, firstly, the program idea seems good, and that we will get a reasonable distribution of this material through several programs. That is in the case of the teams. In the case of stringers, who are really free lance film cameramen all over the world, they are assigned only on a footage and subject basis.

Mr. McINTOSH: I would like to ask a similar question in regard to the C.B.C. commentators.

Mr. JENNINGS: Do you mean our correspondents in Paris and London?

Mr. McINTOSH: Yes.

Mr. JENNINGS: They are not members of the staff, but are under contract and work on an almost full-time basis. They are allowed some freedom to do additional work; but our own present plans are to bring them more closely into the staff.

Mr. FISHER: I have a supplementary question. Would Donald Gordon Jr., for example, be under contract or on an assignment?

Mr. JENNINGS: Under contract.

Mr. PICKERSGILL: How many of these people are?

Mr. JENNINGS: Approximately five.

Mr. PICKERSGILL: Could you say five-and-a-half?

The CHAIRMAN: Mr. Taylor, do you have a question?

Mr. TAYLOR: Am I to understand from the statistics that there are 15 people in Vancouver who provide the radio and television news service?

Mr. JENNINGS: Yes, radio staff. The figure for 1958 is 15.

Mr. TAYLOR: Could you give any indication of the number on duty, say from Monday to Friday, and the number on duty on Saturday and Sunday? Have you more working in the week and less on the weekends? I am asking this question for this reason, that some people say your reporters are not available on the weekend.

Mr. JENNINGS: At some times during the weekends the wire services are pretty dead and sometimes they are not operating. I do not like to guess at that, but I will guess and say that on the weekend, probably until we come up to the time when the wire is open again, the news room probably is not as active as other days of the week.

Mr. GILMORE: May I supplement Mr. Jennings' statement by saying that normally these periods are call-in periods and we have to pay overtime on that. We call them in on assignment and it is pretty much that kind of an arrangement.

Mr. TAYLOR: That is what I am getting at, that most work a Monday to Friday week and on the weekends they are available; in other words, they do not seem to stagger their shifts, as in the case of other radio stations.

Mr. JENNINGS: They are on shift.

Mr. GILMOUR: We maintain a seven-day operation, but over the period where we have to pay overtime we cut back.

The CHAIRMAN: Gentlemen, are there any further questions in connection with B.1.? May we leave it?

Agreed.

The CHAIRMAN: Before we go to part C., Mr. O'Connor is having distributed—

Mr. PRATT: May I ask whether these are figures or fly specks?

The CHAIRMAN: Mr. Pratt, you will have to get new glasses. May I have your permission to print only that which is thought necessary?

Agreed.

Mr. PICKERSGILL: And a minimum of that.

The CHAIRMAN: Yes. Part C. is next, Programming—Controversial and Political Broadcasting.

Mr. PICKERSGILL: Are we skipping the rest of B.?

The CHAIRMAN: It is all pretty well covered in here. No. 1 is the review of governing rules. Are there any questions in connection with the white paper?

Mr. BELL (*Carleton*): Did we not agree that that was a matter for the Privileges and Elections Committee at the next session of parliament?

The CHAIRMAN: We discussed that; I do not know whether or not we agreed. Do you recall our decision?

Mr. FISHER: I would like to ask a question on that. I would like to ask Mr. Jennings what the C.B.C.'s view is at the present time in connection with these rules. Do you feel this is now a matter for the B.B.G. and solely theirs, and that you are completely free from this field?

Mr. JENNINGS: No, we do not. I mentioned at an earlier meeting that while the B.B.G. has issued a new white paper, as of March 31, we are in the process of revising our own white paper inside the corporation to spell out our own policies and directions in this field of political and controversial broadcasting. By and large the main sections of that will remain very similar to the statement of policy that appeared in our old white paper, the statement of policy in connection with political broadcasting. If you would like me to read it, I will.

The CHAIRMAN: I think you should, Mr. Jennings.

Mr. JENNINGS: If I may, what I will do, since the whole copy covers controversial and political broadcasting, is to cover the policy statements concerning those two as they are specifically set out; and then I might go on to mention the list of commentators for 1958, which we have put out; and then, if it would be your wish, to go on and give the statement of direction which exists within the corporation in regard to the general selection of speakers and the achieving of balance and so on. I do not know whether or not you have the copies of the white paper that was distributed earlier. It reads:

> The corporation's statement of policy

as it appeared in our white paper first and, as I presume, it will appear in our new directive when we issue it.

Under the heading "political broadcasting" it says:

> For the proper functioning of representative and democratic government, it is essential that the public should be fully informed of the issues at stake in any election and of the position and position and policies of the various parties towards those issues. Broadcasting is today one of the most powerful means of disseminating information of this kind.

I will skip the second paragraph, which is now within the field of the B.B.G. and go on to the statement of policy:

> The corporation assumes this responsibility as a function of public service broadcasting. In accordance with its general policy of encouraging fair and adequate presentation of controversial questions of public interest and concern, the corporation has instituted a general plan for party political broadcasting. This plan includes the provision of network time free of charge to recognized political parties during dominion and provincial elections, thus giving all parties the opportunity of speaking to a wide public irrespective of their capacity to buy time, and a limited amount of free network time to recognize party leaders or their representatives in the periods between elections.

Then under the general heading "controversial broadcasting" there is another statement, which reads as follows:

> The corporation does not exercise censorship. It does not restrict the nature of material to be broadcast, except to see that such material conforms with its printed regulations.
>
> The policy of the corporation, with regard to controversial broadcasting, is based on the following principles:
>
> 1. The air belongs to the people, who are entitled to hear the principal points of view on all questions of importance.
> 2. The air must not fall under the control of any individuals or groups influential by reason of their wealth or special position.
> 3. The right to answer is inherent in the democratic doctrine of free speech.
> 4. Freedom of speech and the full interchange of opinion are among the principal safeguards of free institutions.
>
> In the view of the corporation, these principles are not promoted by the sale of network time to individuals or commercial concerns for broadcasts of opinion of propaganda. The principles can be furthered by the provision of free time to competent speakers to present, without let or hindrance, varying points of view on questions of the day. The best safeguard of freedom of discussion is a policy which permits opportunity for the expression of varying points of view. Then, Mr. Chairman, in that white paper of ours, in a general summary, there was another statement under the heading, General, Freedom of Speech:
>
> In accordance with its policy of resisting any attempts to regiment opinion or to throttle freedom of speech, the corporation lays down no specific rulings covering controversial broadcasting. The corporation itself supports the policy of the fullest use of the air for:
>
> (*a*) Forthright discussion of all controversial questions;
>
> (*b*) Equal and fair presentation of all main points of view;
>
> (*c*) The discussion of current affairs and problems by informed, authoritative and competent speakers.
>
> Broadcasting is a changing and expanding art and no fixed and permanent criterion can be set down for the best method of presenting controversial material.
>
> These policies have been adopted in an effort to ensure that the medium of broadcasting may remain at the disposal of the nation, regardless of party, section, class or creed.

Back in the little preamble to the (*a*), (*b*) and (*c*), where it says that the corporation lays down no specific rulings that, of course, refers to the time when the corporation had the regulatory function. It did not lay down any specific regulation. This is only to say it itself supports the policy of the fullest use of the air, and so on.

The CHAIRMAN: Are there any questions on that aspect?

Mr. FISHER: You said in there that you do not exercise censorship,—that is, that you, on a free political broadcast, for example, would have no connection with the content.

Mr. JENNINGS: We do not exercise censorship.

Mr. FISHER: Do you remember the case which happened in the C.B.C. French network, the talk of Michel Chartrand, last year?

Mr. JENNINGS: I do.

Mr. FISHER: Which was given on television and was barred or forbidden on radio. Could you explain to me why it was allowed in the one case and not on the other?

Mr. JENNINGS: Because, following the television broadcast, I think I am correct in saying legal opinion was that the speech was in contempt of court—in contempt of the judiciary.

Mr. FISHER: Had you taken any steps when you first saw the script of the telecast?

Mr. JENNINGS: No.

Mr. FISHER: In other words, did you have a complaint which led you to get the Minister of Justice to review this?

Mr. JENNINGS: I myself cannot recall because I was not directly connected with the details of what representations were made. My present recollection is that following the delivery of the broadcast, the television script was examined and comptent opinion was that it would likely be held in contempt. For that reason we felt we would not repeat it on radio.

Mr. FISHER: Is there anyone here who could give me the details of the chronology of events. I am interested in whether or not Associate Chief Justice Scott called the C.B.C. and asked that this broadcast be not repeated?

Mr. JENNINGS: That I cannot tell you, from my own recollection.

Mr. FISHER: Is there anyone here who can? You cannot tell me whether or not there was any request from the council of the bar in Quebec?

Mr. JENNINGS: No; I am sorry I cannot recall the details. I do not suppose I ever really knew them at first hand.

Mr. FISHER: Could you tell me whether or not this is a true quotation from a letter sent to Mr. Chartrand by Gérard Lamarche, director of programs, French language. It says: In the opinion of the Minister of Justice, the broadcast of the speech could eventually place the C.B.C. in a legally dangerous position.

Mr. JENNINGS: I can only say I assume we—the C.B.C.—must have secured our opinion from justice.

Mr. FISHER: Could you explain to me the meaning of "eventually place the C.B.C. in a legally dangerous position."

Mr. JENNINGS: No; I am sorry. I presume it means that if we went ahead with a repetition of the text of the broadcast, then—what I am trying to say is—we would be in contempt.

Mr. FISHER: I do not want to take up any more of the committee's time, but could I request I be provided with a brief chronology and interpretation of the events which took place? I have had this in person from Mr. Ouimet, the president, and at the time it did not make sense to me. I would like it down on paper.

The CHAIRMAN: A personal letter to you?

Mr. FISHER: I think it should come to the committee because it is the one example of which I know of a broadcast being allowed, and then disallowed. I am not saying it does, but it may raise questions of freedom of speech and there may be a denial of the very principles Mr. Jennings has talked about.

Mr. FLYNN: It could only happen to Mr. Chartrand.

The CHAIRMAN: You will recall we decided some time ago that before we ask the C.B.C. for anything more, we would bring it up before the steering committee.

Mr. FORTIN: Under the heading, federal elections, I see there are five conditions to be fulfilled in order to obtain free periods on television and radio. I

see that the fourth condition is to have representation in the House of Commons. I would like to know why this clause is not included at page 5 under the heading, provincial legislatures.

The CHAIRMAN: You are referring to which documents?

Mr. FORTIN: Political and controversial broadcasting, policies and rulings, Canadian Broadcasting Corporation.

Mr. JENNINGS: These rulings were arrived at following a discussion with political parties. I cannot answer why the omission occurs under "provincial".

Mr. FORTIN: Do you not think the conditions should be the same?

Mr. JENNINGS: I would think it would be logical they should be.

Mr. FORTIN: Is there a possibility of correcting that situation?

Mr. PICKERSGILL: Would that not become a question for the B.B.G.

Mr. JENNINGS: But it also still remains a question for our own internal operation of the network.

Mr. JOHNSON: When the B.B.G. were before us I asked a question and I believe the answer was that it was decided between the B.B.G. and the C.B.C. in conference.

Mr. JENNINGS: No; we work with the B.B.G. in transferring a part of this white paper across to them as a matter of cooperation. What you have there now I think is the old white paper.

The CHAIRMAN: Mr. Jennings has agreed there is no reason why there should be a difference between federal and provincial. He has already agreed on that and I imagine there will be a change.

Mr. JENNINGS: I imagine so.

The CHAIRMAN: Are there any other questions?

Mr. FORTIN: Did he say "should" or "should not"?

The CHAIRMAN: He agrees there should not be any difference and therefore there will be a change.

Mr. FISHER: He did not make that undertaking.

The CHAIRMAN: Close to it.

Mr. PICKERSGILL: I suggest perhaps it is not within Mr. Jennings' competence or the C.B.C.'s. I think if we look at the statute we will find it is a B.B.G. function—the apportionment of time between political broadcasts.

The CHAIRMAN: I understand Mr. Johnson asked the question and I recall the evidence right now, but certainly it should be referred both to the C.B.C. and the B.B.G.

Mr. JOHNSON: Mr. Stewart said he would have a conference with the C.B.C. on this matter.

Mr. CHAMBERS: In respect of hiring the people for the talks department—

Mr. PICKERSGILL: What are we on now?

The CHAIRMAN: We are still on Part C, item 1.

Mr. CHAMBERS: What I want to ask is in appointing personnel to be in charge of this type of program has the C.B.C. made any inquiry into their political leanings?

Mr. JENNINGS: I think, Mr. Chambers, that we select for our staffs in this field the most competent persons we can find.

Mr. CHAMBERS: I am sure you do, but that is not my question.

Mr. FLYNN: On a point of order, I have several questions on this point, and I do not think we should start on this matter.

The CHAIRMAN: That has nothing to do with governing rules. When you started on this I thought it had not. Any more questions on (C 1), review of governing rules, the white paper?

Mr. TREMBLAY: Mr. Chairman—

The CHAIRMAN: Is your question on that, Mr. Tremblay?

Mr. TREMBLAY: Yes. (*Interpretation*): Mr. Chairman, referring to page 2, I see the principles of the Canadian Broadcasting Corporation are mentioned in connection with controversial broadcasting. And in No. 3 we see that: the right to answer is inherent in the democratic doctrine of free speech.

Mr. Chairman, I would like some definition, please, of what they call "the right to answer".

Mr. JENNINGS: I would think, Mr. Tremblay, the right to answer would be when the subject is of general interest to a wide number of people. Where one opinion has been put forward about it, there is the right on the side of a group of a substantial nature which held opposite views to that. Thus, we would recognize their right to answer.

Mr. TREMBLAY (*Interpretation*): Yes, but Mr. Chairman, in this case I consider that some broadcasts which come under the category of commentaries would call for a right to answer; and I will give you a specific example of this.

For instance, in the case of a broadcast which I heard, or saw rather, a few days ago, there was a commentator who was analyzing the situation in a certain part of the province of Quebec; and he made a charge against the government of that province.

Do you not think, in a case like that, that there was no respect of the right which is set forward here?

Mr. JENNINGS: I would say this, Mr. Tremblay, that in our opinion, on controversial broadcasting the producers in charge, and the planners, are continually analyzing the output, to make sure that so far as is humanly possible it is a balanced presentation.

I see you smile when I say, "as humanly possible"; that is done.

Mr. TREMBLAY: Of course.

Mr. PRATT: I wonder, on page 2—

Mr. BRASSARD (*Lapointe*): I have a supplementary question on that point.

Mr. PRATT: This is supplementary too.

The CHAIRMAN: Mr. Brassard had his hand up first.

Mr. PRATT: Après vous monsieur.

Mr. BRASSARD (*Lapointe*): I wonder if this right to reply could apply to a comment made within the eleven o'clock news by a member of parliament?

Mr. Tremblay has pointed out an example, and I would like to point out another one, one which he could have very well pointed out himself.

When we were discussing—

An Hon. MEMBER: Do not be cruel.

Mr. BRASSARD (*Lapointe*): No, I am not being cruel. When we were discussing the Trans-Canada Highway Act amendments introduced in the house a few months ago by Mr. Green, a few members of parliament of the P.C. party decided they would not vote on the amendment. They did not vote in fact, and that same night, on the eleven o'clock news, Mr. Tremblay—

Mr. TREMBLAY: No personalities.

Mr. JOHNSON: No personalities, Mr. Chairman.

Mr. BRASSARD (*Lapointe*):—was invited to go to the C.B.C. studio and make a comment, to explain why the Quebec P.C. member did not vote on that amendment.

Why a Liberal or C.C.F. member would not have been invited to comment and would not have that right—the answer is pointed out by Mr. Tremblay—I would not know.

Mr. JOHNSON: I have the answer: it is because they voted against—

The CHAIRMAN: Just a moment.

Mr. FLYNN: It was not an attack on the Liberals.

The CHAIRMAN: Quiet, please, gentlemen. We are getting into personalities, and we are getting no place.

Mr. PRATT: If I may probably ventilate this question: on page 2, item 3, which we are discussing, I am wondering if there was any deep psychological, sub-conscious significance to the misuse of the word "doctrine". The first two syllables written here are, "doctor", which may suggest some changing.

Mr. JENNINGS: I do not know. I made a correction of my own, and struck out that extra letter "o".

Mr. PRATT: You do not think there is any psychological significance?

Mr. JENNINGS: I do not know whether the stenographer typed it under some sub-conscious influence or not.

The CHAIRMAN: Any further questions?

Mr. MCCLEAVE: I am sorry I arrived late, but the final score was 5 to 4 for the national league.

The CHAIRMAN: This is on the white paper Mr. McCleave.

Mr. MCCLEAVE: I wanted to ask a question on controversial broadcasting.

If a reputable journalist is called a dim-witted idiot by another person on a C.B.C. program, do you make it the practice for that man to reply to the charge or statement made against him?

Mr. JENNINGS: I think, Mr. McCleave, when our commentators get into that kind of affair we try to stop their habits, or rather tone down their habits rather than open up the air to a sort of bull pit for the exchange of this kind of remark.

The CHAIRMAN: Exactly what the chair is trying to do here.

May we go on to item 2, gentlemen?

Mr. MCCLEAVE: I have one more question Mr. Chairman.

The CHAIRMAN: Yes, Mr. McCleave?

Mr. MCCLEAVE: I take it, certainly if a guest appeared on that program and made a remark about a journalist—as opposed to another journalist—and the remark in question happened to be made by a guest on the program, calling the man a dim-witted idiot—the man used to be a Liberal, but he has now become a Tory—

Mr. FISHER: On a point of information, is that the notorious Ben Nobleman?

The CHAIRMAN: May we cut out this, and get on with the business, please? Mr. Johnson, you had one other question on the white paper?

Mr. JOHNSON: (*In French—not interpreted*).

The CHAIRMAN: Is this a question or a statement?

Mr. JOHNSON: No, it is not a statement.

The CHAIRMAN: What is the question, please? May I have the translation up to that point?

The INTERPRETER: The chairman, said, "is there another question on the white paper?" and Mr. Johnson replied:

Mr. JOHNSON (*Interpretation*): Yes, Mr. Chairman. As regards the panel programs— and I regret that I do not know the French word—I guess the word is 'forum'—it has been noted in Montreal, Mr. Chairman, that there were complaints by some people that when they present a discussion about an idea, in which there are political sides involved, there is a tendency to have a commentator of definite and well known political views who is the moderator, and, on the other hand, they have several guests with a different idea.

Are orders given to the producer by those responsible for the cultural programs? I am speaking of Montreal, for example, in the case of—

The INTERPRETER: And at this point the chairman interrupted.

The CHAIRMAN: Were orders given to the supervisors? Is that your question?

Mr. JOHNSON: Were orders given to the supervisor for this sort of program, that is, with regard to strict observation of the right to answer, and that it is given to each side of the question?

Mr. JENNINGS: It is not the easiest job in the world always to make a complete balance in a panel. A lot of times it will depend on the performance of the individual who may be representing one side or the other. But the instructions certainly are that in these panel programs and forums that the choice of a moderator or speaker is carefully assessed all the time and on a continuing basis, in the light of his experience and performance.

Mr. JOHNSON: Are there on the C.B.C. French network—

The CHAIRMAN: What does that have to do with governing rules?

Mr. JOHNSON: It is very important at Montreal.

Mr. OUIMET: Mr. Johnson mentioned a specific program a moment ago and he referred to two moderators. A name has just been mentioned. I do not intend to repeat it. But if you come back, we could mention two names. There was particular care in this specific instance that, so far as we know, the political ideas of the two moderators counterbalanced one another.

The CHAIRMAN: Before we leave this or go on to number 2, I would like to have your permission to table with the committee one copy of each of the C.B.C. agreements with trade unions. Also you will recall that Dr. Kucherepa on June 16 requested copies in the original languages of the international news transmissions. May I have your permission to table one copy of each?

Agreed.

You have one more question strictly on the white paper. That certainly was not a white paper question Mr. Brassard.

Mr. BRASSARD (*Lapointe*): In regard to controversial political programs on the C.B.C.—

The CHAIRMAN: If you will look at your breakdown, does your question have anything to do with governing rules?

Mr. BRASSARD (*Lapointe*): No.

Mr. PICKERSGILL: Should we not hear the question first before it is ruled out of order, Mr. Chairman?

The CHAIRMAN: Well!

Mr. CHAMBERS: If it is a very general question it cannot be supplementary to one that is out of order.

The CHAIRMAN: Go on then. Let us have it, in all fairness to the members of the committee.

Mr. BRASSARD (*Lapointe*): May I ask Mr. Ouimet if his staff in Montreal has any difficulty in having a certain party agree to send commentators in connection with its political programs on the C.B.C.?

Mr. JOHNSON: I did not speak of a party sending commentators. I spoke of the C.B.C. hiring commentators.

The CHAIRMAN: Just a moment, Mr. Johnson. Mr. Brassard asked a question which was definitely out of order. No answer is required for it. May we go on to number 2?

Mr. PICKERSGILL: What are we discussing here?

The CHAIRMAN: Governing rules, the white paper.

Mr. PICKERSGILL: Rules governing political broadcasts, yet a question has been ruled out of order because it referred to a political party. Surely the governing rules apply to political parties. That is the very essence of them.

The CHAIRMAN: Down here it says political broadcasting, under four.

Mr. PICKERSGILL: Surely these governing rules are related to political broadcasting.

Mr. JENNINGS: Well, primarily the rules do, but I think we are ranging here from political broadcasting to controversial broadcasting and opinion broadcasting.

Mr. JOHNSON: I think that Mr. Brassard and I agree to forego our questions.

The CHAIRMAN: That is very charitable of both of you.

Mr. BRASSARD (*Lapointe*): I am not insulted.

The CHAIRMAN: Have we any more questions on number 1, the white paper?

Mr. TREMBLAY (*Interpretation*): Yes. As we are studying the C.B.C. I would like us to get down to the basic principles.

The INTERPRETER: The chairman asked if there were any more questions and Mr. Tremblay replied yes, and as we are studying the C.B.C. I would like us to get down to the basic principles.

Mr. TREMBLAY (*Interpretation*): I would like to know specifically what is in the mind of the C.B.C. representatives when they speak of political and controversial broadcasting. What do they understand by that? Take, for instance, the forums or panels. Are they not controversial? And is there not the right to answer?

Mr. JENNINGS: I do not say this facetiously, but I mean any program which expresses opinions appears to us as a controversial broadcast. I would say that we try to deal in this quite complex and difficult field in three ways:

1. In political broadcasting, in what we call the free political broadcasts between elections; and the free time political broadcasting during election campaigns; both of these forms of broadcasting have been worked out in cooperation with the parties at discussions over the years. They were first held many years ago.

2. Then you come into the field of controversial broadcasting, and it is fairly distinct. In this type of broadcasting we try to put forward ideas either in the technique of panels where people present varying points of view within the same broadcast, or we may put them forward in a symposium, and in such panels there is a discussion back and forth which is controlled by the moderator.

Then we have controversial broadcasts in the form of symposiums where opposite points of view are expressed. I think the latest example which I can recall was when the President of the Canadian National Railways and the heads of the various unions took part in a symposium about a year ago.

3. Finally we have the opinion broadcasts, the third main general area, where competent speakers appear on a continuing basis to deal with subjects of the day either national or international, and where we attempt to get a balance in that field by continually evaluating what has been said on a particular subject, and by attempting to secure a representative balance of speakers, so that the whole thing is kept in balance. It is a very difficult job to do.

We have been at it now since the very early days of the C.B.C. and I think I could say that by and large we can be reasonably proud of what we have done over the years in connection with our national broadcasting, in consistently putting various points of view forward on controversial opinions in this country.

Mr. TREMBLAY (*Interpretation*): Mr. Jennings, I have a question now which is purely technical in the case involved. When you have a commentator appearing to comment on the events of the day, is the broadcast always tape-recorded so that there is a document of it afterwards?

Mr. JENNINGS: We always keep a record of what has been said. I am not certain that it is always tape-recorded, but we always have an as-broadcast script, or if it is a non-scripted broadcast, then we have a recording or a tape of it.

Mr. FISHER: I want to ask a hypothetical question in connection with the answer business. Suppose someone did take objection. He might represent an individual viewpoint or an association viewpoint of some kind; it might be political or ethnic. Would you give serious consideration at all times to giving him time to answer, or giving the association time to answer what they considered was an attack or an unfair "slice" at them?

Mr. JENNINGS: Yes, Mr. Fisher, I would say we always give serious consideration to it. This is not to say we always give air time to it.

Mr. PRATT: What is the C.B.C. criterion for making fair distribution of time on controversial questions? Is it based on the comparative size of the group which holds a certain opinion, is it based on a 50-50 division; or is the minority given a break and given more time than the majority, in order to be fair to minority rights?

Mr. JENNINGS: Are you speaking now of political broadcasts?

Mr. PRATT: Of any controversial question, including political broadcasts?

The CHAIRMAN: It would have to be on political broadcasts.

Mr. JENNINGS: I think that is included under the general statement on page 8, (b), which says:

> Equal and fair presentation of all main points of view.

Mr. PRATT: "Equal", then, may be interpreted as 50-50 time between opposing views?

Mr. JENNINGS: Equal and fair.

Mr. PRATT: Is that taking into consideration the external affairs outside, which may or may not be diametrically opposed?

Mr. JENNINGS: I think I have said before that in many of these fields you cannot get down to a mathematically fair and equal division; but "equal and fair" is perhaps as far as I can go on that.

The CHAIRMAN: Yes.

Mr. OUIMET: "Mathematically fair" would come at times when you have a specific controversial question, such has a labour dispute, for example. We would go out and offer both management and the union exactly equal time to present their respective points of view.

Mr. PRATT: In Quebec, I think, politically speaking, there are diametrically opposed views between the major groups, and I was wondering if the proportion would be based on 50-50. Your answer seems to be in the affirmative.

Mr. PICKERSGILL: If I may put a supplementary question, Mr. Chairman: could Mr. Jennings give us the latest breakdown for the Nation's Business, which I think answers Mr. Pratt's question?

Mr. JENNINGS: I would say, coming down specifically to the political field—which I asked Mr. Pratt first, I think, if that was what he referred to—we do have a breakdown, which does not give equal representation but which gives a breakdown in this way: we have cycles of, say, 10 and within each of these ten broadcasts there is a mathematical breakdown as between the parties qualifying. So far as I know, in all my experience it has always been a mathematical breakdown acceptable to all the parties which have met with us to discuss this breakdown.

Mr. PRATT: My question was basically a far more general one. It was not what recent questions have been, on political aspects—Quebec.

Mr. JENNINGS: I think Mr. Ouimet high-lighted another aspect of your question. There may be a specific controversial question such as the railway strike, where we felt we should put before the public of Canada both sides of the specific question. In that particular broadcast there was an equal division of time and—as far as I can recall—there was a toss as to which group should speak first. In the production arrangements, we went to the extent of seeing that the group speaking second was not in a position to hear what the group speaking first had to say, because we thought that would give them an unfair advantage.

Mr. JOHNSON: Does this apply, Mr. Jennings, to news items? Take your example of a strike: suppose there is some trouble during a strike and the C.B.C. reporter is sent over to get the news on—suppose there is a fight on a certain date? Does the C.B.C. give instruction to its reporters that they should get both sides' version of the fight—of the incident?

Mr. JENNINGS: Yes. In our news—as I said earlier when we were discussing news broadcasting—by and large we take our services from the two main news associations here. But we do have our own reporters, and they are under strict instructions to be fair in that regard.

Mr. JOHNSON: Do they have written orders from the C.B.C. management about this?

Mr. JENNINGS: I think, if you go back and look at the news "bible" that we discussed for a couple of days, you will find these things are covered pretty thoroughly, and in detail.

The CHAIRMAN: May we move on to Item "2", repetitive appearances of commentators?

Agreed.

The CHAIRMAN: You had a short statement on that, Mr. Jennings?

Mr. JENNINGS: No, I did not have a statement.

The CHAIRMAN: Are there any questions on "2"? If not, we will pass on to Item "3", achievement of balance of opinion.

Mr. PICKERSGILL: I have a question on "3", Mr. Chairman.

Mr. JENNINGS: Then may I preface "3"?

The CHAIRMAN: By all means.

Mr. JENNINGS: This is a statement on the selection of talks, speakers and topics. May I read it?

The CHAIRMAN: By all means.

Mr. JENNINGS:

1) In the public affairs field topics are very often suggested by news developments, both national and international.
2) Sometimes they arise from research carried on in universities, or they arise from projects being developed by government departments, business organizations, and so on.
3) Speakers are discovered by producers and program organizers in many different ways:
   (*a*) They may be authorities on the subject whose names are well known to all who know the particular subjects under consideration.
   (*b*) They may be journalists or broadcasters who have a facility for making a complex matter understandable to the general public.
   (*c*) Producers in various regions of Canada try to become acquainted with articulate speakers in that area, therefore, speakers selected are widely representative of the country as a whole.
   (*d*) Similarly the C.B.C. maintains bureaus in London, in New York and in Paris, and speakers may be selected from those centers or from adjacent territories. In addition the C.B.C. has access to program material from broadcasting networks in other countries.
   (*e*) Frequently potential contributors suggest topics of which they have some special knowledge and their ideas are given consideration by C.B.C. staff members. Many speakers come to the microphone as the result of such submissions.
   (*f*) In order to guarantee that a number of viewpoints on any controversial matter will be heard, C.B.C. public affairs producers make continuous evaluations, and if an important viewpoint has not been heard, the producers seek out persons who might reasonably be expected to hold such a complementary view. This process, of course, is followed in arranging panel discussions.
   (g) Usually a wide range of people and organizations is consulted in an attempt to discover the best informed and most articulate speakers on a particular subject.
4) Once a speaker has been invited to contribute to a program series, he is given production assistance in making his presentation as effective as possible. He is never advised by the producer what to say, but he is given assistance in how to say it, and how to write his script clearly, and the way to deliver it effectively.
5) Speakers who have the most success in presenting their material, either for radio or for television, are likely to be invited again if they have other subjects of general interest on which they are competent to speak. On the other hand any speaker whose facts are not particularly reliable, or who has difficulty in communicating successfully, is unlikely to be re-invited.
6) The success of particular programs and of individual contributors is constantly being evaluated—by the producer, by a program planner in the national program office called a "program organizer", by the supervisor of the department concerned, by the controller of broadcasting and C.B.C. management generally.

Mr. PICKERSGILL: Mr. Chairman, there is a question I would like to put. I put it either to Mr. Jennings or Mr. Ouimet, and it is this. Have they any knowledge, either through having seen it or through having heard about it, of

any document prepared, or adhered to by a number of members of parliament complaining about the lack of balance in the choice of persons in this kind of broadcasting in the French network?

Mr. JENNINGS: I have not, myself.

Mr. OUIMET: I have no knowledge. In fact, I saw this in Hansard a few days ago, and it came as rather a surprise to me. I have no knowledge of a document.

Mr. PICKERSGILL: Thank you.

Mr. FISHER: I want to try to stay away from expressing an opinion here on your programming in this field. But would you agree, Mr. Jennings, that on radio in this particular field of controversial and opinion broadcasting you do a better job of getting viewpoints from across the country than you are doing at the present time on television?

Mr. JENNINGS: I would think this, Mr. Fisher, that we have a much longer experience in radio in this field. We are still developing our methods and our techniques in television but, offhand, I would be inclined to agree with you that, as an opinion, radio at the moment, because of longer experience and because the radio medium itself is perhaps better adapted for getting people to appear on it, is not as difficult as television in that regard.

Mr. FISHER: On this point, I would like to know why in this particular field we cannot get on television more comment and controversy from places such as Winnipeg, Regina, Saskatoon, Edmonton and Calgary?

Mr. PICKERSGILL: And St. John's.

Mr. FISHER: The concentration upon Montreal and Toronto, to people who live outside of the metropolitan sphere, is most discouraging.

Mr. PRATT: Is that not due to the fact that television by its nature is concentrated in the two large production centres?

Mr. JENNINGS: Yes, there is this tendency because of the mechanical difficulties of the medium. This is one thing that we are trying to collect—pardon me, I should say "correct"—and since I say "collect", I should also mention costs. It is an expensive proposition to reverse the network to make pick-ups from any great distance outside.

I think you will notice that in connection with "Citizens Forum" we have used film. However, I do not think this has the vitality of live broadcasting. Although this is not an opinion shared by all my colleagues, it is an opinion I hold fairly strongly.

I mentioned mechanical difficulties. Well, in radio, you press a button and, at no cost, switch out to Vancouver; you press another button and switch back to St. John's during the same program. There is no effort in pressing a button.

Mr. FISHER: One of the tendencies of this is to give us an imbalance of content; it swings much more to international affairs, which may interest people in metropolitan centres, rather than national topics.

Mr. JENNINGS: You are speaking of television?

Mr. FISHER: Yes. Is there not any way, despite the difficulties, that we could hear some commentaries and controversy from places other than Montreal and Toronto?

Mr. PRATT: Are you suggesting that in the two metropolitan major cities of Toronto and Montreal the interest is mainly toward international events rather than national?

Mr. FISHER: No, but there is that tendency. There is also a tendency—and I have learned this from talking to some of your producers—to feel that, because the metropolitan centres are much more in competition with American networks, they should orient in competition with them and to forget about this, thereby leaving a vacuum.

The CHAIRMAN: Mr. McGrath, do you have a question?

Mr. MCGRATH: Referring to the expense of reversing the network, could the C.B.C. not use the tape, the voice-over system, to obtain a consensus of opinion across the country?

Mr. JENNINGS: Yes, there are many ways of doing it.

Mr. MCGRATH: Have you used it?

Mr. JENNINGS: We have used it in a discussion a couple of times. It is a technique of film pictures, plus a live video; in other words, that is worked out by having a live audio circuit connecting the participants.

Mr. MCGRATH: That is precisely what my reference was.

Mr. JENNINGS: And while they are appearing at each of the points you have a camera which is photographing them spontaneously as they answer, and later you match the film with the voice. So you get a tape recording of a live discussion that is a sound track to a film of the various participants in that discussion as it took place.

The CHAIRMAN: Mr. McGrath, are you talking of the new tape?

Mr. MCGRATH: No. I take it this is an expensive process, almost as expensive as reversing the network.

Mr. JENNINGS: I cannot tell you; I imagine it is.

Mr. MCGRATH: Just to clarify the point I was making, where you would have a discussion to get a cross country consensus of opinion, you could probably bring in tapes from voices in different parts of the country and use a voice over a man's picture on the network.

Mr. JENNINGS: It would be pretty dull broadcasting.

Mr. MCGRATH: Well, this sort of broadcasting is pretty dull anyway.

Mr. PICKERSGILL: Controversial broadcasting is dull.

Mr. FISHER: Mr. Chairman, I have a supplementary question. I was very much impressed with the television coverage you gave to Mr. Smallwood and Mr. Ladd at the time of the Newfoundland controversy. I thought it was an exciting and interesting controversy.

Mr. JENNINGS: That was a film.

Mr. FISHER: Why could you not do the same sort of thing in connection with programs such as Viewpoint? After all, we got in a snit last week over a program that only circulates in Ontario.

Mr. JENNINGS: Which one is that?

Mr. FISHER: I am talking about Preview Commentary.

Mr. JENNINGS: It is distributed further than Ontario.

Mr. FISHER: It does not go into the west.

Mr. JENNINGS: Oh, yes.

Mr. FISHER: I understood that it did not.

The CHAIRMAN: It does not matter.

Mr. BELL (*Saint John-Albert*): Mr. Fisher has been doing a lot of talking about a program about which he does not know much.

Mr. FISHER: I know it is not carried on the stations at the Lakehead and the stations to the east of there.

The CHAIRMAN: What is your question?

Mr. JENNINGS: This is a thing we are trying to correct all the time because we recognize the fact that the tendency, because of the economics of the medium, is to concentrate on the easiest places in order to do it as economically as possible. We are trying to widen that scope as much as possible.

Mr. FISHER: In other words, you recognize your own weaknesses.

Mr. JENNINGS: Yes.

The CHAIRMAN: Mr. Chambers, do you have a question?

Mr. CHAMBERS: Yes, and I think now is the correct time to ask this question. Once the executives of the C.B.C. have been chosen to oversee a particular program, do you inquire of their political views?

Mr. JENNINGS: Not to my knowledge. I would say that if we saw evidence that their political views were conditioning their approaches to their jobs, we would inquire very seriously into it.

Mr. CHAMBERS: Well, this is a very sensitive area. Would it not be possible if you did not—and I am not suggesting you should—that you might have a build-up of a group which is generally of one political opinion; and as a supplementary question, would it not be natural for them—they would be in contact more probably with people of similar political views?

Mr. JENNINGS: I am sorry if I answer this obliquely—

Mr. CHAMBERS: To explain what I mean by "political" here, I do not mean party political; I mean philosophical political.

Mr. JENNINGS: I think I will go back to the answer I was going to give you. We have had specific complaints made to us about imbalance, but where the kind of thing of which you are speaking may have been a conditioner, I must say that I personally have never discovered anything that could substantiate that. I do think that our people, regardless of their political philosophy, lean over backwards to follow out the responsibility of their job, as I have tried to outline them in these directions and general policy. I think they do.

Mr. CHAMBERS: I am sure they work hard at it, but some have said they have difficulties in getting statements of certain types of views, and this might, to some extent, be caused by the fact that they are not in touch.

Mr. JENNINGS: They do not move in certain circles.

Mr. CHAMBERS: Yes and, perhaps, it would be better if your employees in charge of this were less homogeneous and more varied.

The CHAIRMAN: Have you a question, Mr. Taylor?

Mr. TAYLOR: Mr. Jennings, if you had a program originating in Toronto, with three commentators on television, what would the extra cost be if they had three commentators in different parts of the country? What would be the additional cost?

Mr. JENNINGS: I do not know what the approximate additional cost would be. Of course, this would depend on what part of the country they were in. If we had three, one in Toronto, one in St. John's and one in Vancouver perhaps,—could Mr. Gilmore give us what the reversals would cost in the circuit?

Mr. GILMORE: We have no cost yet on the reversal of the circuit to St. John's.

Mr. JENNINGS: Because it is too new.

Mr. GILMORE: To reverse a circuit in television there is a minimum charge of one hour. You must buy one hour under any circumstance. From Vancouver the approximate cost is $2,100; from Winnipeg, approximately $1,100 and from Halifax, approximately $700.

The CHAIRMAN: That answers your question, Mr. Taylor?

Mr. TAYLOR: Yes.

Mr. MCGRATH: I have a supplementary question. Would reversing the network to St. John's be about double that to Halifax?

Mr. GILMORE: I would have no way of estimating that. I hesitate to give an opinion.

Mr. JENNINGS: The additional cost of putting a commentator in Vancouver in addition to the one in Toronto and the one in Halifax, in the quotation which Mr. Gilmore gave, would be approximately $3,000.

Mr. TAYLOR: Do you use the half-screen technique which one sees so often on United States programs.

Mr. JENNINGS: Yes. I think I remember during the general election coverage where we cut the screen in four.

Mr. GILMORE: We quartered it.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I would like to put a question. Would it not be possible to have as commentators a greater number of individuals from the city of Quebec, which is both a university city and a capital city?

My second question is on the subject of the balance of opinions. If the same man is maintained as a commentator on a program for three years giving his points of view or giving commentaries on both national and international events, can this not harm what is known as balancing of opinions?

The third question is could the C.B.C. more frequently use commentators who form part of its regular staff? I have here before me the case of the $5,000 a year man who is only rarely called upon to make commentaries.

Mr. JOHNSON: May I make a correction. It should be two men, not one man.

The INTERPRETER: Excuse me, it should be two men.

Mr. OUIMET: Regarding the first question, I feel we do make quite a considerable use of commentators from Quebec city. If you consult the list we circulated some time ago, you will find there are quite a number of persons from Quebec city, from Laval university and various other university fields who are being used. In fact, I have figures which deal with the over-all use of commentators from September 1, 1956, to May 1, 1958. I find we have used 748 speakers, guest speakers, interviewers, panelists and panel chairmen in the C.B.C. French radio and television network. I repeat, 748 within a period of 21 months.

Mr. TREMBLAY: From Quebec city?

Mr. OUIMET: No; over all. In Quebec city on television there is the problem of bringing in commentators and the network reversal cost. We would like to use more than we have used; but on radio we have used them to a very great extent, either from Quebec city or by bringing them down to Montreal.

As far as the second question is concerned, I do not know what commentator you are referring to. On the question of analyzing the international news and international affairs, I would say should the man prove to be absolutely subjective in his judgment rather than objective, as many of the commentators would be in such a specific instance, there would be a danger of imbalance. However, if you are thinking of the same individual I am, I do not believe this man has ever been proven to be conciously subjective.

Mr. TREMBLAY (*Interpretation*): I do not know to whom you are referring.

Mr. OUIMET: I was a journalist once. I reported for a number of years. I imagine, like anyone else, I was conditioned by my upbringing, my family surroundings, background and so forth; but at the same time this does not stop an individual from bending backwards in his objective to be as impartial as possible.

Concerning the last question, in respect of the two commentators on our staff earning $5,000, I would like Mr. Tremblay to give me their names.

The CHAIRMAN: No personalities.

Mr. TREMBLAY (*Interpretation*): I do not want to enter into personalities.

Mr. BELL (*Saint John-Albert*): Granting that to some extent it might be desirable to have commentators in the larger cities close at hand available for immediate news comment, would it not be possible in the case of subjects of a more general nature, like the Gallup poll, to move around the country more? I know on two occasions I was very annoyed to see on TV, I think in connection with the flag or the anthem, when that was in the public eye a few months ago, only new Canadians, in a scene in Toronto describing conversations in on-the-street interviews. It seemed to me it might be better if, in a matter of that kind, we moved around the country so that we would get everyone's comment.

Mr. JENNINGS: I cannot identify the broadcast you are speaking of. All I can say in answer to that is I have explained to you the difficulties in making television—if that is what you are speaking of—flexible. It is difficult to comment on one broadcast. In radio the attempt always has been to make as widespread as possible the expression of opinion. It can be done in television in some instances within the limits of facilities and places where pick-ups can be made. In some cases, that is an impossibility except in the general run of the mill thing.

Mr. MCGRATH: I think Mr. Bell was referring to Tabloid a few months ago.

Mr. BELL (*Saint John-Albert*): It would come under that category; a program like Tabloid.

Mr. PICKERSGILL: Is there a program like Tabloid?

Mr. PRATT: I think Mr. McGrath made what I thought was an excellent suggestion, that it may be more use on sound tape for still pictures, graphs, maps and other material which can be exposed in either Montreal or Toronto, which would give everyone a chance across the country to have their say, and it would not entail this tremendous expense of reversing networks or sending up special crews. Could something not be done to implement that suggestion?

The CHAIRMAN: Mr. Jennings?

Mr. JENNINGS: We do this on a small scale.

Mr. PRATT: But on a large scale?

Mr. JENNINGS: On a large scale—we can look into that.

Mr. PRATT: We are getting somewhere after 45 minutes discussion.

The CHAIRMAN: Mr. Johnson, you have a short question for which a short answer will suffice, I hope?

Mr. JOHNSON (*Interpretation*): Very short, Mr. Chairman.

The CHAIRMAN: Very well.

Mr. JOHNSON (*Interpretation*): I have a short question, and I would like, for once, to have a direct answer to a direct question.

Is it true, Mr. Ouimet and Mr. Jennings, that in Ottawa, as in Montreal, there exists a list of newspapermen—

Mr. TREMBLAY: A "black" list.

The INTERPRETER: All right, a black list.

Mr. JOHNSON (*Interpretation*): A black list of newspapermen who must not be invited to comment?

Mr. JENNINGS: No.

The CHAIRMAN: You have a direct answer.

Mr. JOHNSON: May I ask a direct supplementary question?

The CHAIRMAN: If it is short.

Mr. JOHNSON: It is very direct and short.

Mr. JOHNSON (*Interpretation*): Is it not true this applies to Mr. Pierre Chalout of Le Droit of Ottawa?

The CHAIRMAN: This is in personalities, and you do not need to answer that, Mr. Jennings.

Mr. TREMBLAY: That is a fact.

Mr. JENNINGS: There is no black list.

The CHAIRMAN: Did I hear you move a motion to adjourn, Mr. Pickersgill?

Mr. PICKERGILL: Yes, you did, Mr. Chairman.

The CHAIRMAN: We shall reconvene at three o'clock tomorrow afternoon, gentlemen, in the same room.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DE LA RADIODIFFUSION

(Page No. 630)

M. TREMBLAY: Monsieur le président, je voudrais savoir si vous avez reçu un télégramme de l'Union des artistes de Montréal, demandant que l'Union des artistes comparaisse devant le comité.

* * *

(Page No. 631)

M. FORTIN: A la page 21 du rapport, je constate qu'il n'y a aucun montant indiqué au titre "paiement des talents". Il s'agit du programme "Point de Mire".

Je me souviens qu'au cours de l'enquête nous avons reçu un certain jour une formule, un rapport sur ce programme, lequel indiquait qu'un montant de $700 était alloué pour les talents, alors que sur le dernier rapport que nous avons eu, comme l'indique la page 21, aucun montant n'apparaît pour les talents ou présumés artistes de "Point de Mire".

J'aimerais avoir quelques explications à ce sujet.

* * *

(Page No. 634)

M. TREMBLAY: Monsieur le président, à la page 10 du rapport, au sujet de l'émission "Music Hall", je vois ici que pour l'émission du 22 mars 1959, on a payé à même les fonds des contribuables $12,683. Est-ce qu'on pourrait m'expliquer ici quelle est la façon de procéder dans un programme comme celui-là où la brasserie Labatt est commanditaire? Comment se fait-il qu'on ait à exiger $12,683 de l'argent des contribuables pour ce programme "Music Hall", alors que le programme est commandité?

* * *

(Page No. 635)

M. TREMBLAY: Monsieur le président, je comprends l'explication des représentants de Radio-Canada, mais je ne peux comprendre que nous ayons à payer les deux tiers du programme pour annoncer les produits de la brasserie Labatt.

* * *

M. TREMBLAY: Est-ce qu'il n'était pas possible de trouver un autre commanditaire qui aurait consenti à payer davantage?

* * *

M. TREMBLAY: Pourriez-vous nous dire, dans le cas de "Music Hall"...

* * *

M. TREMBLAY: Pourriez-vous me dire, monsieur Gilmore, s'il était possible de trouver un autre commanditaire dans une autre province; à supposer que

vous ayez fait passer ce programme dans une autre province que la province de Québec, auriez-vous pu trouver un autre commanditaire que la brasserie Labatt?

* * *

M. TREMBLAY: Monsieur Gilmore, pourriez-vous me dire, en tant que le programme "Music Hall" du 22 mars est concerné,—on mentionne un coût total de $18,000,—pourriez-vous nous dire si ce programme, si la moyenne du coût de ce programme n'est pas toujours la même, si chaque programme "Music Hall" a coûté à peu près $18,000 ou l'équivalent?

* * *

(Page No. 636)

M. TREMBLAY: Monsieur le président, je voudrais faire remarquer que nous avons ici un volumineux rapport, et il y a toute une série de questions pertinentes à ce rapport, et je voudrais que nous considérions la possibilité d'avoir tout le temps qu'il faut pour poser des questions. Il y a une série de questions qui surgissent à l'étude de ce rapport et je voudrais avoir tout le temps qu'il faut pour poser des questions sur ce rapport.

* * *

M. TREMBLAY: Mon intention n'est pas du tout de prendre le temps du comité, mais vous devez reconnaître avec moi que nous avons ici un document extrêmement important, qui va nous permettre de voir ce que Radio-Canada fait avec l'argent des contribuables, et c'est pourquoi nous devons avoir certaines informations.

M. Pickersgill est bien mal placé pour dire que nous ne devons pas entrer dans l'administration de la société Radio-Canada, si l'on considère les tactiques de diversion qu'il a lui-même employées la semaine dernière.

(Page No. 637)

M. TREMBLAY: Toujours sur le sujet de "Music Hall", pourriez-vous me dire si ce programme a comme but d'encourager les talents canadiens?

* * *

M. TREMBLAY: Pourriez-vous nous dire, nous indiquer exactement les statistiques dans le cas de "Music-Hall"?

* * *

M. TREMBLAY: Nous avons l'expérience qu'un très grand nombre d'artistes étrangers apparaissent à "Music Hall".

* * *

M. TREMBLAY: Quels sont les tarifs que vous utilisez dans le cas de cachets payés aux artistes étrangers comparativement à ceux du Canada?

* * *

M. TREMBLAY: Exactement les critères de popularité?

* * *

M. TREMBLAY: C'est exactement le genre de réponses, monsieur Ouimet, qui ne disent absolument rien.

(*Page No. 642*)

M. TREMBLAY: Monsieur le président, à la page 59, il est question de "La soirée du hockey". C'est un peu différent de la question à laquelle vous vous intéressez. A la page 59, pour "La soirée du hockey", on invite deux commanditaires, la brasserie Molson et la compagnie Imperial Oil. Est-ce qu'il serait possible de savoir quelle est la part payée par la brasserie Molson?

* * *

M. TREMBLAY: Je pose cette question-là parce qu'il y a une parenté, une affinité très directe entre la compagnie Molson et la Canadian Arena, de même que le club Canadien. Alors, je voudrais savoir exactement quelle est la part payée par la brasserie Molson afin de savoir s'il y a un monopole exercé ici sur les ondes?

* * *

(*Page No. 643*)

M. TREMBLAY: Au sujet du téléthéâtre "Au cœur de la rose" . . . Je voudrais savoir quel est exactement . . . Il y a un téléthéâtre: "Au cœur de la rose", qui a coûté $4,821. Voulez-vous me dire quel est le coût moyen des émissions de téléthéâtre, ou d'émissions comme "En première"

* * *

M. JOHNSON: Monsieur le président, à la page 64, relativement à l'émission "Showtime", je vois qu'il y a un commanditaire, la Canadian General Electric. Je voudrais savoir, premièrement, depuis combien de temps ce programme est commandité, en second lieu, s'il y a eu un commanditaire dès la première année et, troisièmement, étant donné la différence énorme entre le prix de production et le montant reçu par Radio-Canada, considérant le nombre de personnes qui jouent un rôle dans ce programme et considérant le fait que beaucoup de programmes sont dans cette situation, je voudrais demander aux autorités de Radio-Canada si elles considèrent la possibilité de changer sa façon de réaliser des programmes, et de vendre le temps du poste à des producteurs indépendants qui se chargeraient de boucler le budget, qui se chargeraient eux-mêmes de boucler le prix de réalisation de ce programme?

* * *

(*Page No. 644*)

M. TREMBLAY: Monsieur le président, à la page 49, il est question du programme de musique sacrée, qui a coûté $24,971. Pourriez-vous me dire si Radio-Canada a tenté d'obtenir un commanditaire pour ce programme?

* * *

LE COMITÉ DE LA RADIODIFFUSION

(*Page No. 645*)

M. TREMBLAY: Monsieur le président, je m'oppose. Je voudrais qu'on suive l'agenda tel qu'il a été proposé et tel qu'il a été adopté.

* * *

(*Page No. 658*)

M. TREMBLAY: Je vois, à la page 2, les principes de la société au sujet des émissions controversées; numéro 3, "le droit de réponse est inhérent à la doctrine démocratique de la liberté de parole".

Je voudrais avoir la définition de ce qu'ils appellent le droit de réponse.

M. TREMBLAY: Monsieur le président, en ce cas, je considère que certaines émissions qu'on appelle des émissions de commentaires exigeraient un droit de réponse et je vais vous donner un exemple précis. Dans le cas d'une émission, par exemple que j'ai vue il y a quelques jours, un commentateur a analysé la situation dans certaines régions de la province de Québec et a fait une charge contre le gouvernement de cette province. Ne pensez-vous pas que, dans un cas comme celui-là, on n'a pas respecté les principes qui se trouvent émis ici.

* * *

(*Page No. 660*)

M. JOHNSON: Monsieur le président, au sujet des émissions que l'on appelle des émissions de "panel",—je m'excuse de l'expression, je ne connais pas exactement l'expression française . . .

M. TREMBLAY: Un forum.

M. JOHNSON: Un forum. On a constaté, à Montréal, qu'il y avait des plaintes, de la part de plusieurs personnes, à l'effet que, lorsqu'on présente la discussion d'une idée qui aurait des incidences politiques, on a tendance à inviter, d'une part un commentateur qui a des idées politiques bien arrêtées et bien connues, qui agit comme modérateur et, d'autre part, deux invités, deux ou trois invités protagonistes d'une idée, et seulement un invité de la contrepartie.

Est-ce que des ordres sont donnés au *supervisor* par les responsables des émissions culturelles? Je pense au cas, à Montréal par exemple, où il y a une discussion comme...

* * *

(*Page No. 661*)

M. TREMBLAY: Etant donné que l'on fait l'étude de la société Radio-Canada, je voudrais bien qu'on en vienne aux principes...

* * *

M. TREMBLAY: Je voudrais savoir exactement qu'est-ce que c'est, dans l'esprit des représentants de Radio-Canada, qu'est-ce que c'est qu'une émission controversée? Qu'est-ce qu'ils entendent par là, des émissions forum? Est-ce que ce ne sont pas des émissions controversées? Est-ce qu'il n'y a pas un droit de réponse?

* * *

(*Page No. 662*)

M. TREMBLAY: Une question d'ordre purement technique dans le cas présent. Est-ce que, lorsqu'un commentateur fait un commentaire sur les faits du jour, sur les événements du jour, l'émission est toujours enregistrée de façon à ce qu'il en reste un document?

* * *

(*Page No. 668*)

M. TREMBLAY: Monsieur le président, je voudrais savoir: est-ce qu'il serait possible d'avoir comme commentateur un plus grand nombre de gens de la ville de Québec, une ville universitaire et une capitale?

Deuxième question, sur le sujet de l'équilibre d'opinions. Est-ce que le fait de maintenir, comme commentateur à un programme, le même commentateur qui, pendant trois ans, émet des opinions sur les événements internationaux ou nationaux, n'est pas de nature à nuire à l'équilibre des opinions?

Et, troisièmement, est-ce que Radio-Canada ne devrait pas utiliser plus souvent des commentateurs qui font partie de son personnel régulier? J'ai ici le cas de deux commentateurs qui sont payés $5,000 par année et ne sont appelés à faire des commentaires que très rarement.

* * *

M. TREMBLAY: Je n'ai pas dit à qui je référais.

* * *

(*Page No. 669*)

M. TREMBLAY: Je ne veux pas faire de personnalité.

* * *

M. JOHNSON: J'ai ici une question courte. Il me faudrait une réponse directe à une question directe. Est-il vrai, monsieur Ouimet, ou monsieur Jennings, qu'il y a à Ottawa, comme à Montréal, une liste noire de journalistes qui ne doivent pas être invités à faire des commentaires sur les ondes de Radio-Canada?

* * *

M. JOHNSON: N'est-il pas vrai que c'est le cas de M. Pierre Chaloult, du journal Le Droit, d'Ottawa?

ITEM B-1 APPENDIX "A"

BROADCASTING COMMITTEE AGENDA

CBC PROGRAMMING—NEWSCASTING

EXPENDITURES AND STAFF—1955-1958

(in thousands of dollars)

Location	Fiscal Year Ending March 31	Salaries and Wages	Press News	Film Production and Processing	Other Expenses	Total	Number of Staff	Charged to Radio	Charged to T.V.
National T.V. News	1956	163	165	330	331	989	26	—	989
	1957	207	191	450	407	1,255	41	—	1,255
	1958	269	252	487	436	1,444	44	—	1,444
St. John's	1956	28	29	—	—	57	5	57	—
	1957	36	29	—	—	65	6	65	—
	1958	37	30	—	—	67	6	67	—
Halifax	1956	50	28	22	16	116	7	52	64
	1957	56	29	60	30	175	9	43	132
	1958	55	29	37	75	196	9	38	158
Montreal	1956	132	70	58	29	289	27	84	205
	1957	171	70	64	20	325	36	107	218
	1958	201	74	55	38	368	41	110	258
Toronto	1956	94	33	—	12	139	18	122	17
	1957	120	28	—	10	158	23	125	33
	1958	127	28	—	9	164	22	134	30
Ottawa	1956	13	—	7	11	31	2	6	25
	1957	17	—	11	15	43	2	9	34
	1958	23	—	13	27	63	4	13	50
Winnipeg	1956	43	28	10	5	86	9	48	38
	1957	56	28	2	5	91	10	56	35
	1958	58	28	—	7	93	10	62	31
Vancouver	1956	60	29	66	33	188	11	57	131
	1957	76	38	102	50	266	14	62	204
	1958	89	40	110	29	268	15	66	202
TOTAL	1956	583	382	493	437	1,895	105	426	1,469
	1957	739	413	689	537	2,378	141	467	1,911
	1958	859	481	702	621	2,663	151	490	2,173

NOTE: Above represents direct departmental costs applicable to News Service. It does not include any proration of supervisory and management overhead.

June 23rd, 1959.

INFORMATION SERVICES

PUBLICATIONS 1957–58

Title	Number printed	Function	Cost	Revenue
			$	
ENGLISH LANGUAGE				
"Writers' Market Information"	4,000	To provide information to writers re CBC requirements for radio and TV scripts, and rates of pay for same	253	
"Long Life & Good Health"	8,000	Reprint of program material on geriatics made available to interested groups concerned with the care of the aged	850	
"TV & Radio Writer"	4,600	A typewritten bulletin issued three or four times a year to TV and radio writers to encourage more submissions	494	
"Young Canada Listens" manual and folder	96,000	To provide a necessary supplement for teachers in preparation for broadcasts used in the classroom	7,998	
"Stratford Music Festival" 1957	7,500	To promote a series of broadcast concerts from Stratford Festival	243	
"Farm Forum" 1957–58 folders	60,000	To provide program schedules concerning details of the various farm broadcasts in advance to interested groups (e.g. Farm Forums) and individuals	767	
"Citizens' Forum" 1957–58 folders	100,000	To provide program schedules and background information to universities, educational organizations and individuals who plan listening and discussion groups based on the program	1,119	
"Kindergarten of the Air" 1957–58 folders	5,000	Same specialized promotion function as "Farm Forum" and "Citizens' Forum" booklets	120	
"In Reply" folders	500	To advise 500 regular correspondents to "In Reply" that program was returning to the air	59	
"CBC Religious Programs" folders	20,000	Specialized promotion covering regular religious periods and special feature series for the season	374	
"Meet Your CBC Farm Commentators" folders	5,000	4-page leaflet to promote the personality of our farm commentators—distributed at annual International Plowing Match	109	
"The Vision of William" folders	2,100	Reprint of CBC Times article on this "Wednesday Night" program of special interest to groups on Religious Broadcasts list	66	

Title	Number printed	Function	Cost	Revenue
			$	$
"Canadian TV Is Worth It!" booklets....	1,500	Digest of speech by President, Mr. J. A. Ouimet, distributed generally and to press	88	
"It's Nursery School Time" folders.....	10,000	To provide program schedules to groups and individuals interested in television programs for pre-school children	267	
"Is There A Writers' Clique In Toronto?" folders	300	Reprint from CBC Times article used as an information piece in correspondence between Script Department and writers	26	
"An Introduction to Geology" folders....	12,000	To provide advance information, schedules and background material to educational groups and individuals regarding the "University of the Air" series	642	
"Philosophy In The Mass Age".....	2,200	A reading list supplied on request to individuals who wished to do extra reading in connection with the "University of the Air" series	185	
CBC Times (Eastern, Prairies and Pacific Editions) Average Weekly Distribution				
—paid subscriptions	23,846	To provide program information and background material to the English-language press (daily and weekly), the affiliated stations of English radio and TV networks, the staff of the English networks, interested listeners and viewers, advertising agencies	6,736 (annual cost of printing and engraving)	31,332
—free and staff	8,333			
		SUB-TOTAL (English Language Publications)	$ 100,396.	
FRENCH LANGUAGE "Adult Education & Public Affairs"				
—Summer Edition	25,000	These booklets are program schedules covering details of all programs concerned with adult education and public affairs. They include background material on each series and specific information on each program. Their chief function is to provide advance information to individuals and groups with an expressed interest in public affairs and adult education	6,150 (including mailing and art work)	
—Fall & Winter Edition	35,000			
—Spring Edition	35,000			
"Farm Broadcasts".....	35,000	These booklets are program schedules covering details of the various farm broadcasts during the year, and their function is to provide advance information to interested groups	700	

"Regulations—Canadian Song Contest"..	2,300	These rules for "Le Gala des Chansons Canadiennes" are supplied to individuals on request. The contest, which is for the best original popular song, culminates in a large-scale television broadcast at which winners are declared and the top songs are broadcast.....	500	
"La Semaine à Radio-Canada" Average Weekly Distribution				
—paid subscriptions.....	5,593	To provide program information and background material to the French-language press (daily and weekly), the affiliated stations of French radio and TV networks, the staff of the French networks, interested listeners and viewers, advertising agencies.....	37,440 (annual cost of printing and engraving)	9,360
—free and staff.....	3,407			
		SUB-TOTAL (French Language Publications)..... $ 44,790.		
		TOTAL COST AND REVENUE OF PUBLICATIONS.....	145,186	40,692

CANADIAN BROADCASTING CORPORATION

STAFF STATISTICS

Radio and Integrated Services

1 April 1955

	Head Office	Newfoundland				Maritimes				Quebec			Ontario			Prairies			British Columbia		Foreign Offices	TOTAL
		St. John's	Corner Brook	Gander	Grand Falls	Halifax	Sackville	Sydney	Moncton	Montreal	Quebec	Chicoutimi	Toronto	Ottawa	Windsor	Winnipeg	Edmonton	Regina	Vancouver	Prince Rupert	New York	
EXECUTIVE																						
Executive	2																					2
Division Heads & Ass'ts	12									2			2									16
Regional Officers		1				1				1			1			1			1			6
Station Managers			1	1	1			1	1	2	1	1		1	1		1	1	1	1		15
PROGRAM																						
Program Supervisors	3					2			1	7			17	1	1	2	1		1			36
Producers		3				6				36	2		44	2		11	1	1	10	1		117
Commentators	1	2				2				1			3			2		1	3			15
Announcers		6	4	4	3	5		4	4	21	4	3	16	7	3	12	5	5	10	4		120
News Editors		5				4				11			16		1	5			6			48
Production & Program Ass'ts, Continuity Writers										5			12			1			2		1	21
Music Librarians, Copyists & Clerks						3			1	12	1		10	2		3			2			34
COMMERCIAL																						
Commercial Supervisors and Representatives										7			8			1			1			17
PRESS AND INFORMATION																						
P. & I. Representatives	3					1				10			9			1			3			29
ENGINEERING																						
Engineering Supervisors	1	1					1			16			2			1			1			23
Engineers										43			2									45
Architects & Draftsmen										21												21
Technicians & Operators		12	1	1	1	15	7	6	5	83	11	8	57	15	8	42	8	8	21	2		312
Wiremen & Machinists										25			3									28
Storekeepers & Stores Clerks	2	1				1				26			13			5			5			53
Building & Studio employees							1			7		1	8		1	3	1	1	1			24

ADMINISTRATIVE SERVICES																							
Personnel and Administrative Officers	8	1				1				4			4			1			1				20
Treasurer's Representatives						1				2			2	1		1			1				8
Secretaries & Stenographers	61	3	1	1	1	4	1	1	1	59	1	1	51	2	1	6	2	1	8	1			207
Clerks	176	8				11	1	2	4	215	3	2	169	10	3	24	6	5	37	1			676
Receptionists, Switchboard and Teletype Operators	4	3				3		1	2	19	3	1	17	4	1	5	1	1	9				74
Office Boys	9					1				19			16	1		1			4				51
OTHERS	18									6			5			2							31
TOTAL	300	46	7	7	6	61	11	15	19	660	26	17	487	46	20	132	26	24	128	10	1		2,049

CANADIAN BROADCASTING CORPORATION

Staff Statistics

1 April 1955

	TELEVISION							INTERNATIONAL SERVICE					
	Halifax	Montreal	Ottawa	Totonto	Winnipeg	Vancouver	TOTAL	Montreal	Sackville	Ottawa	Toronto Vancouver	London, Eng. New York	TOTAL
Executive													
Directors & Assistants	1	2	1	2	1	2	9						
Regional Officers								1					1
Program													
Program Supervisors	2	7	1	9	2	2	23	18				1	19
Producers	2	37	2	37	3	6	87	8		1	2	1	12
Announcers	2	7		9	3	2	23	44					44
Co-ordinating Producers & Production Assistants	4	17	5	29	3	6	64	3					3
Script-Assistants	3	33	2	33	3	5	79	18					18
Film Editors & Assistants	7	21	2	71	7	8	116	3					3
Cameramen & Photographers	2	4	1	6	1	3	17	13					13
Film Librarians & Assistants	2	3		9	2	2	18						
News Editors & Copy Clerks	4	10	1	21	3	4	43						
Design & Staging													
Design & Staging Supervisors		4		4		1	9						
Set Designers & Assistants		15		20	2	2	39						
Graphic Designers & Assts	1	16	1	13	2	2	35						
Scenic Artists		11		12		2	25						
Painters		10		12			22						
Carpenters		22		26		2	50						
Propsmen		31		20		1	52						
Stagehands	1	45	2	69	1	4	122						
Warehouse & Staging Attendants		16		12			28						
Make-up Artists	1	8		7	1	1	18						
Costumers		19		21		1	41						
Engineering													
Technical Supervisors	1	3	1	4	1	1	10						
Technical Producers	1	11	2	14	3	2	33						
Technicians	19	122	24	156	26	33	380						
TV Assistants & Trainees	1	57	4	31	3	6	105						
Storekeepers	1	7		8			16						
Building & Studio employees	1	1				1	3						
Engineering													
Engineering Supervisors								1					1
Technicians & Operators								1	7	2			11
Mechanical Riggers									2				2
Storekeepers & Stores Clerks									1				1
Building & Studio employees								2	2				4
Administrative Services													
Administrative Officer								1					1
Treasurer's Representatives													
Secretaries & Stenographers								22		1	2		25
Clerks								20					20
Receptionists, Switchboard & Teletype Operators										1			1
Office Boys													
Press & Information													
P. & I. Representatives								2					2
TOTAL								157	13	5	4	2	181

ADMINISTRATIVE SERVICES							
Secretaries & Stenographers	9	24	6	50	7	9	105
Clerks	13	30	6	56	15	10	130
Receptionists		3	3	4			10
Office Boys		4		5			19
Others	2	4	2	12	1	1	22
TOTAL	83	604	66	781	90	119	1743

RECAPITULATION	
Radio and Integrated Services	2049
International Service	181
Television	1743
GRAND TOTAL	3973

CANADIAN BROADCASTING CORPORATION

Staff Statistics

Radio and Integrated Services

1 April 1956

	Head-Office	Newfoundland				Maritimes				Quebec			Ontario			Prairies			British Columbia		Foreign Offices		TOTAL
		St. John's	Corner Brook	Gander	Grand Falls	Halifax	Sackville	Sydney	Moncton	Montreal	Quebec	Chicoutimi	Toronto	Ottawa	Windsor	Winnipeg	Edmonton	Regina	Vancouver	Prince Rupert	New York	London	
Executive																							
Executive	3																						3
Division Heads & Ass'ts	12									2			2										16
Regional Officers		1				1				1			1			1			1				6
Station Managers			1	1	1			1	1	2	1	1		1	1		1	1		1			14
Program																							
Program Supervisors	1					2			1	8			17	1	1	2	1		1		1	1	37
Producers		3				7				38	2		45	2		12	1	2	10	1			123
Commentators	1	1				2				2			2			3	1	1	3				16
Announcers		6	5	4	4	8		4	4	21	5	3	16	9	3	16	5	5	13	4			135
News Editors		5				4				13			17		1	6			6				52
Production & Program Ass'ts Continuity Writers						2				4			12			5			3		1		27
Music Librarians, Copyists & Clerks						3			1	17	1		13	2	1	5	1	1	5				50
Commercial																							
Commercial Supervisors & Representatives						1				7			16	1		2			2				29
Press & Information																							
P. & I. Representatives	3					2				12			13	2		2			2				36
Engineering																							
Engineering Supervisors	1	1				1	1			19			3			1			1				28
Engineers										50													50
Architects & Draftsmen										24													24
Technicians & Operators		13	1	1	1	14	7	6	5	95	10	9	60	16	8	37	8	8	21	2			322
Wiremen & Machinists										19			3										22
Storekeepers & Stores Clerks	2	1				5				38			23			5			6				80
Building & Studio employees	1						1			23			24		1	5	1	1	2				59
Administrative Services																							
Personnel & Administrative Officers	8	1				1				5			5			1			1				22
Treasurer's Representatives		1				2				2			2	1		2			2				12
Secretaries & Stenographers	72	3	1	1	1	13	1	1	1	69	1	1	78	5	1	13	2	1	12	1			278
Clerks	245	7				24	1	2	4	269	2	3	284	17	3	48	5	5	51	2			972
Receptionists, Switchboard & Teletype Operators	5	3				4		1	2	22	3	1	23	4	1	5	1	1	9				85
Office Boys	11					3				20			18	1		3			4				60
Others	29									9			8			3							49
TOTAL	394	46	8	7	7	99	11	15	19	791	25	18	685	62	21	177	27	26	155	11	2	1	2607

CANADIAN BROADCASTING CORPORATION

Staff Statistics

1 April 1956

	TELEVISION							INTERNATIONAL SERVICE					
	Halifax	Montreal	Ottawa	Toronto	Winnipeg	Vancouver	TOTAL	Montreal	Sackville	Ottawa	Toronto	London, Eng. New York	TOTAL
Executive													
Directors & Assistants	1	2	1	2	1	2	9						
Regional Officers								1					1
Program													
Program Supervisors	3	12	1	20	3	4	43	17					17
Producers	3	58	3	44	6	8	122	9		1	1		11
Announcers		10		7			17	43					43
Co-ordinating Producers & Production Assistants	5	24	8	39	7	7	90	3					3
Script-Assistants	3	56	3	45	5	7	119	16					16
Film Editors & Assistants	11	27	5	94	8	10	155	1					1
Cameramen & Photographers	3	6	2	8	3	4	26	13					13
Film Librarians & Assistants	1	3		15	3	3	25						
News Editors & Copy Clerks	3	14	2	26	3	5	53						
Design & Staging													
Design & Staging Supervisors	4	5		5		2	16						
Set Designers & Assistants		34		23	2	4	63						
Graphic Designers & Ass'ts	2	20	1	17	1	2	43						
Scenic Artists		21		19	1	3	44						
Painters		16		9	2		27						
Carpenters		33		29	4	3	69						
Propsmen		54	1	39	2	6	102						
Stagehands	2	49	4	89	6	3	153						
Warehouse & Staging Attendants		37		3			40						
Make-up Artists	1	12		7	1	2	23						
Customers		35		27	1	2	65						
Engineering													
Technical Supervisors	2	5	2	5	2	2	18						
Technical Producers	3	15	3	11	3	3	38						
Technicians	37	151	37	188	43	39	495						
TV Assistants & Trainees		67	3	35	4	4	113						
Storekeepers	1	8	1	9			19						
Building & Studio employees	1	1	1			2	5						
Administrative Services													
Secretaries & Stenographers	5	29	8	50	5	10	107						
Clerks	4	58	6	57	2	6	133	16					16
Receptionists		3	3	4			10	1					1
Office Boys			2	7			9	13					13
Others													
Press & Information													
P. & I. Representatives								2					2
Engineering													
Engineering Supervisors								1					1
Technicians & Operators								1	8				9
Mechanical Riggers									2				2
Storekeepers & Stores Clerks									1				1
Building & Studio employees									2				2
Administration Services													
Administrative Officer								1					1
Treasurer's Representatives													
Secretaries & Stenographers								16		1	1		18
Clerks								22					22
Receptionists, Switchboard & Teletype Operators										1			1
Office Boys													
TOTAL	95	865	97	933	118	143	2251	146	13	3	2		164

Recapitulation

Radio and Integrated Services	2607
International Service	164
Television	2251
GRAND TOTAL	5022

STAFF STATISTICS

RADIO AND INTEGRATED SERVICES

DATE: March 31, 1957

	Head Office—Ottawa	Headquarters—Montreal	Headquarters—Toronto	NEWFOUNDLAND				MARITIMES				QUEBEC			ONTARIO			PRAIRIES			BRITISH COLUMBIA		Foreign Offices	Sub-Total	TOTAL
				St. John's	Corner Brook	Gander	Grand Falls	Halifax	Sackville	Sydney	Moncton	Montreal	Quebec	Chicoutimi	Toronto	Ottawa	Windsor	Winnipeg	Edmonton	Regina	Vancouver	Prince Rupert			
EXECUTIVE																								
Executive	4							1																5	
Divisional and Regional Officers	9	2	2	1				1				2			2			1			1			21	
Senior Officers	12				1	1	1			1	1	2	1	1	1	1	1	1	1	1	1	1		29	
Other Senior Staff	5			1								3			3						1			13	
Senior Secretarial Staff	6											1			1									8	
Reference Library															5									5	
Junior Administrative and Clerical Staff	13							1				4			2			2			1			23	104
PROGRAM																								
Program Directors and Supervisors	4		21					2				7			1			2			1		2	40	
Producers and Organizers	1		31	5				9			2	41	2		16	3		12	1	2	12	1		138	
Announcers and Commentators			3	6	5	4	4	11		4	4	38	5	2	22	10	3	18	5	6	16	4		170	
Newsroom Staff			5	6				9				17			17		1	10			7			72	
Other Production Staff			6					1				4			5			2			3	1		22	
Music Librarians and Clerks								4			1	25	1		20	2	1	6			5			65	
Program Clearance and Traffic								3				2			29			17			3			54	
Production Services			7									28			14	2	1		3	1	3	2		61	
Administrative and Clerical Staff	8		45	5	1	1	1	10		2	2	23	1		1	4	2	8	3	3	11	1		132	754

ENGINEERING																								
Engineering Supervisors	1	10		1				1	1			2			3	1		1			1		22	
Engineers		40																					40	
Architects and Draftsmen		22																					22	
Technical Supervisors and Instructors		2		2				1	1	1	1	9	2	2	9	3	1	4	2	2	3	1	46	
Technicians and Operators		4		9	1	1	1	14	6	5	4	76	7	6	56	10	7	33	7	6	19	1	273	
Wiremen and Machinists		19													3								22	
Purchasing and Stores Personnel		36		1				6				16			25	6		5			8		103	
Program Clearance and Traffic												15											15	
Building and Studio Employees	2								1			82		1	27		1	7	1	1	2		125	
Administrative and Clerical Staff	3	30		1				2	1		1	8			15	1		2	1		3		68	736
AUDIENCE RESEARCH																								
Supervisors and Department Heads	2											1			1								4	
Specialists	7														2								9	
Junior Administrative and Clerical Staff	17														2								19	32
COMMERCIAL																								
Supervisors and Department Heads			9					1				3				1		1			1		16	
Sales Representatives and Assistants			19									8						1			1		29	
Administrative and Clerical Staff			77					5				27				4		5			5		123	168
INFORMATION SERVICES																								
Supervisors and Department Heads	2		2					1				3			4			1			1		14	
Representatives, Editors and Writers	2		3					2				9			13	2		4			3		38	
Information Bureau and Receptionists												18			14								32	
Junior Administrative and Clerical Staff	7							4				14			27	2		5			5		64	148
STATION RELATIONS																								
Supervisors	2											1											3	
Junior Administrative and Clerical Staff	14											1											15	18
P & A SERVICES																								
Department Heads, Managers and Reps	7							1				1			1	1		1			1		13	
Supervisors and Assistants	17											5			4			1					27	
Central Registry Employees	41			3				5	1	1	1	57	1	1	42	3	1	10	1	1	16		185	
Receptionists, Swbrd. and TType Operators	6			3				8			3	17	3	1	15	4	1	5	1	1	10		78	
Junior Administrative and Clerical Staff	48			1				10	1		1	94	1	2	70	2		4		1	8		243	546
TREASURER'S																								
Functional Supervisors and Reps	14	1						1				2			1	1		1			1		22	
Section Heads and Assistant	12	4		1				3				8			7			2			2		39	
Junior Administrative and Clerical Staff	132	29		4				17		1	1	85	1	1	64	14	1	24	1	1	22		398	459
TOTAL	398	199	230	50	8	7	7	134	12	15	22	759	25	17	544	77	21	196	27	26	177	11	3	2,965

STAFF STATISTICS

DATE: March 31, 1957

	TELEVISION									INTERNATIONAL SERVICE					
	Newfoundland	Halifax	Montreal	Ottawa	Toronto	Winnipeg	Vancouver	Sub-Total	TOTAL	Montreal	Sackville	Ottawa	Toronto	Sub-Total	TOTAL
EXECUTIVE															
Directors & Assistants	1	2	1	3	2	1	10								
Senior Administrative Staff	1	2		1	1	1	6								
Junior Administrative & Clerical Staff	1	4	1	4	1	2	13	29							
PROGRAM															
Program Directors & Assistants	2	2	1		2	2	9								
Supervising Producers & Producers	5	71	4	51	7	14	152								
Announcers				1			1								
Co-ordinating Producers & Prod. Ass'ts.	6	33	9	41	8	9	106								
Script-Assistants	6	68	4	50	6	9	143								
Presentation, Casting & Script		2		4			6								
Other Production Staff				5			5								
Program Clearance & Traffic		20	1	7			28								
Administrative & Clerical Staff	2	31	13	49	4	14	113	563							
FILM															
Directors & Superv sors	1	4		7	1	1	14								
Editors & Assistants	13	32	5	111	10	13	184								
Cameramen & Photographers	3	9	2	8	2	5	29								
Production & Screening		2		2			4								
Procurement & Traffic		6		4			10								
Librarians & Assistants	3	2		20	2	2	29								
Administrative & Clerical Staff	6	21		56	1	3	87	357							
TV NEWS															
Editors-in-charge		1		4		1	6								
Editors		11	2	26		6	45								
Administrative & Clerical Staff		7		11			18	69							
DESIGN & STAGING															
Directors & Assistants	1	4		1	1	1	8								
Functional Supervisors		9		12		2	23								
Set Designers & Assistants	2	41		28	1	4	76								
Graphic Designers & Apprentices	3	23	2	23	4	3	58								
Scenic Artists, Painters & Helpers	3	46		35		11	95								
EXECUTIVE															
Regional Officers										2				2	
Administrative Officer										1				1	
Junior Administrative & Clerical Staff										3				3	6
PROGRAM															
Program Supervisors										4				4	
Section Heads										16				16	
Producers										12		2	1	15	
Announcer Producers										42				42	
Announcers															
Newsroom Staff										13				13	
Policy Editors										2				2	
Writers										4				4	
Translators										7				7	
Program & Research Assistants										1				1	
Junior Administrative & Clerical Staff										26			1	27	131
INFORMATION SERVICES															
Representatives and Assistants										2				2	
Junior Administrative & Clerical Staff										5				5	7
ENGINEERING															
Engineering Supervisors & Assistants										2	1			3	
Technicians & Operators											7			7	
Mechanical Riggers											2			2	
Storekeepers & Stores Clerks											1			1	
Building & Studio Employees											2			2	
Junior Administrative & Clerical Staff										4				4	19
TOTAL										146	13	2	2		163

Carpenters & Helpers	3	66		38	4		111	
Propsmen	2	33	2	48		3	88	
Stagehands & Staging Attendants	6	113	4	115	4	9	251	
Warehouse Attendants & Drivers		37					37	
Costumers & Wardrobe Employees	2	59		38		3	102	
Make-up	2	19		9		3	33	
Administrative & Clerical Staff	2	32		19			53	935
ENGINEERING								
Technical Directors & Assistants	3	2	1	2	2	2	12	
Technical Supervisors & Assistants	1	5	2	10		4	22	
Technical Producers & Instructors	4	19	3	11	5	4	46	
Technicians	60	187	43	214	47	47	598	
TV Assistants & Trainees	8	80	3	37	4	7	139	
Building & Studio Employees	2		1			2	5	
Junior Administrative & Clerical Staff	5	14		8	1	3	31	853
P & A SERVICES								
Receptionists & Clerks			5				5	5
TOTAL	159	1119	109	1113	120	191		2811

RECAPITULATION

Radio and Integrated Services	2,965
International Service	163
Television	2,811
GRAND TOTAL	5,939

CANADIAN BROADCASTING CORPORATION

STAFF STATISTICS

RADIO AND INTEGRATED SERVICES

DATE: March 31, 1958

	Head Office—Ottawa	Headquarters—Montreal	Headquarters—Toronto	NEWFOUNDLAND: St. John's	Corner Brook	Gander	Grand Falls	MARITIMES: Halifax	Sackville	Sydney	Moncton	QUEBEC: Montreal	Quebec	Chicoutimi	ONTARIO: Toronto	Ottawa	Windsor	PRAIRIES: Winnipeg	Edmonton	Regina	BRITISH COLUMBIA: Vancouver	Prince Rupert	Foreign Offices	Sub-Total	TOTAL
EXECUTIVE																									
Executive	7																						7		
Divisional & Regional Officers	9	2	2	1				2				2			2			1			1		22		
Senior Officers	9				1	1	1	1		1	1	3	1	1	1	1	1	1	1	1	1	1	28		
Other Senior Staff	7											4			2						1		14		
Senior Secretarial Staff	7											1			1								9		
Reference Library												8			6								14		
Junior Administrative & Clerical Staff	16							2				4			2			2			2		28	122	
PROGRAM																									
Program Directors & Supervisors	5		24					4				6			2			2			3	4	50		
Producers & Organizers	1		36	7				10			2	43	2		14	3		14	1	2	11	1	147		
Announcers & Commentators			3	7	4	4	4	13		4	5	37	4	3	22	10	3	18	6	6	18	4	175		
Newsroom Staff			4	6				9				18			18			10			8		73		
Other Production Staff			8					1				4			5			3			3	1	25		
Music Librarians & Clerks				1				5			1	26	1		20	2	1	6			5		68		
Program Clearance & Traffic								4				14			32			18			8		76		
Production Services			13									35			13	4	2		1	1	1	2	72		
Administrative & Clerical Staff	6		43	6	1	1	1	12		2	2	25	1		1	2	1	10	5	3	9	2	133	819	
ENGINEERING																									
Engineering Supervisors	1	9	3	1				1	1			2			2	1		1			1		23		
Engineers		49																					49		
Architects and Draftsmen		26																					26		
Technical Supervisors & Instructors		1	3	2				1	1	1	1	8	2	2	8	3	1	4	2	2	3	1	46		
Technicians & Operators		4	1	9	1	1	1	14	6	5	4	79	7	6	54	11	7	32	7	6	21	1	277		
Wiremen and Machinists		20													3								23		
Purchasing & Stores Personnel		29		1				7				22			25	6		5			8		103		
Programme Clearance & Traffic Building & Studio Employees	3								1			122		1	28		1	7	1	1	2		167		
Administrative & Clerical Staff	3	36	10	1				2	1		1	7			5	1		2	1		3		73	787	

AUDIENCE RESEARCH																								
Supervisors & Department Heads...	2													1								3		
Specialists	18										1											19		
Junior Administrative & Clerical Staff	24										2			3								29	51	
COMMERCIAL																								
Supervisors & Department Heads...			8	1				1			7				2		2			2		23		
Sales Representatives & Assistants...			21						1		10						1			1		34		
Administrative & Clerical Staff			79					6			42				4		4			6		141	198	
PRESS & INFORMATION																								
Supervisors & Department Heads...	4							1			4			5			1			1		16		
Representatives, Editors & Writers..	2							2			16			19	2		4			5		50		
Information Bureau & Receptionists.	1										18			24								43		
Junior Administrative & Clerical Staff	7							4			12			28	2		5			4		62	171	
STATION RELATIONS																								
Supervisors	2										1											3		
Junior Administrative & Clerical Staff	15										1											16	19	
P & A SERVICES																								
Department Heads, Managers & Reps	6							1			3			2	1		1			1		15		
Supervisors & Assistants	26			1							7			6			1			1		42		
Central Registry Employees	41			4				12	1	1	1	68	1	1	49	3	1	9	1	1	16		210		
Receptionists, Swbrd. & Teletype Operators	5			3				8			2	20	3	1	14	5	1	5	1	1	11		80		
Junior Administrative & Clerical Staff	53							6	1		1	104	1	2	67	3		6		1	6		251	598	
TREASURER'S																								
Functional Supervisors & Reps....	10	1						1				1			2	1		1			1		18		
Section Heads & Assistant	16	4		1				1				9			9			3			3		46		
Junior Administrative & Clerical Staff	107	30		4				21				74	1		71	16		25			25		374	438	
TOTAL	413	211	258	56	7	7	7	153	12	14	21	870	24	17	566	83	19	204	27	25	192	12	5	3203

CANADIAN BROADCASTING CORPORATION

STAFF STATISTICS

DATE: 31 March 1958

	TELEVISION									INTERNATIONAL SERVICE					
	Newfoundland	Halifax	Montreal	Ottawa	Toronto	Winnipeg	Vancouver	Sub-Total	TOTAL	Montreal	Sackville	Ottawa	Toronto	Sub-Total	TOTAL
EXECUTIVE															
Directors & Assistants	2	1	2	1	2	2	1	11							
Senior Administrative Staff		1	3	1	2	1	2	10							
Junior Administrative & Clerical Staff		1	4	1	4	1	2	13	34						
EXECUTIVE															
Regional Officers										2				2	
Administrative Officer										1				1	
Junior Administrative & Clerical Staff										2				2	5
PROGRAM															
Programme Directors & Assistants		2	3	2	1	2	1	11							
Supervising Producers & Producers		7	79	4	55	10	13	168							
Announcers					2			2							
Co-ordinating Producers & Prod. Ass'ts.		6	32	9	42	7	8	104							
Script-Assistants		6	75	4	51	7	5	148							
Presentation, Casting & Script			3		8			11							
Other Production Staff			9		9			18							
Programme Clearance & Traffic			23	2	8			33							
Administrative & Clerical Staff			30	13	39		12	94	589						
PROGRAM															
Program Supervisors										4				4	
Section Heads										16				16	
Producers										13		2	1	16	
Announcer Producers										44				44	
Announcers															
Newsroom Staff										13				13	
Policy Editors										3				3	
Writers										5				5	
Translators										7				7	
Program & Research Assistants										1				1	
Junior Administrative & Clerical Staff										28		1	1	30	139
FILM															
Directors & Supervisors		2	4		10	1	1	18							
Editors & Assistants		15	38	5	106	10	11	185							
Cameramen & Photographers	1	4	8	4	8	3	5	33							
Production & Screening			3		4			7							
Procurement & Traffic			8	..	4			12							
Librarians & Assistants		4	3		18	3	3	31							
Administrative & Clerical Staff		8	26		65	8	2	109	395						
PRESS & INFORMATION															
P & I Representatives and Assistants										2				2	
Junior Administrative & Clerical Staff										5				5	7

TV News								
Editors-in-charge		2	1	5		1	9	
Editors		12	3	25		6	46	
Administrative & Clerical Staff		9		14			23	78
Design & Staging								
Directors & Assistants	2	4		2	1	1	10	
Functional Supervisors	1	11	1	22	1	5	41	
Set Designers & Assistants	3	39		30	3	4	79	
Graphic Designers & Apprentices	1	25	3	27	3	3	62	
Scenic Artists, Painters & Helpers	3	49		36	4	3	95	
Carpenters & Helpers	3	71		44	4	5	127	
Propsmen	2	32		44	4	7	92	
Stagehands & Staging Attendants	6	134	4	126	7	8	285	
Warehouse Attendants & Drivers	2	59					61	
Costumers & Wardrobe Employees	2	54		35	3	1	95	
Make-up	2	17		9	3	3	34	
Administrative & Clerical Staff	2	42		20			64	1045
Engineering								
Technical Directors & Assistants	2	2	1	2	2	2	11	
Technical Supervisors & Assistants	6	5	2	9	4	4	30	
Technical Producers & Instructors	3	22	3	13	5	5	51	
Technicians	56	208	47	226	62	50	649	
TV Assistants & Trainees	5	72	5	37	5	7	131	
Building & Studio Employees	3	1	1			2	7	
Junior Administrative & Clerical Staff	6	14	1	8	1	3	33	912
P & A Services								
Receptionists & Clerks			6				6	6
TOTAL	3	167	1237	127	1172	167	186	3059

Engineering					
Engineering Supervisors & Assistants	2	1		3	
Technicians & Operators		7		7	
Mechanical Riggers		3		3	
Storekeepers & Stores Clerks		1		1	
Building & Studio Employees		2		2	
Junior Administrative & Clerical Staff	4			4	20
TOTAL	152	14	3	2	171

RECAPITULATION

Radio and Integrated Services	3,203
International Service	3,059
Television	171
GRAND TOTAL	6,433

STAFF STATISTICS

RADIO AND INTEGRATED SERVICES

DATE: March 31, 1959

	Head Office—Ottawa	Headquarters—Montreal	Headquarters—Toronto	NEWFOUNDLAND: St. John's	Corner Brook	Gander	Grand Falls	MARITIMES: Halifax	Sackville	Sydney	Moncton	QUEBEC: Montreal	Quebec	Chicoutimi	ONTARIO: Toronto	Ottawa	Windsor	PRAIRIES: Winnipeg	Edmonton	Regina	BRITISH COLUMBIA: Vancouver	Prince Rupert	Foreign Offices	Sub-Total	TOTAL
EXECUTIVE																									
Executive	7																					1	8	
Divisional and Regional Officers	12	2		1				2	1			2			3			3			2			28	
Senior Officers	10				1	1	1	1		1	1	3	1	1	2	1	1		1	1	1	1	3	32	
Other Senior Staff	10											3			2						1			16	
Senior Secretarial Staff	10											1			2									13	
Reference Library												8			7									15	
Junior Administrative and Clerical Staff	27							2				5	1		2			3			3	1		44	156
PROGRAM																									
Program Directors and Supervisors			28					3				7			2			3			3		6	52	
Producers and Organizers	1		43	7				11			2	51	3		12	2		15	1	1	12	1	1	163	
Announcers and Commentators			3	7	5	3	4	13		4	5	38	4	3	23	11	3	19	6	6	18	4	6	185	
Newsroom Staff			3	7				9				20			19			10			8			76	
Other Production Staff			10					2				7			5			2			3		1	30	
Music Librarians and Clerks				1				5			1	26	1		20	2	1	6			5			68	
Program Clearance and Traffic								5				15			36			18			8			82	
Production Services			14									35			14	2	2		3	1	1	3		75	
Administrative and Clerical Staff	2		51	7	2	1	2	11		2	2	26	1		1	2	1	9	3	3	10		3	139	870
ENGINEERING																									
Engineering Supervisors	1	9	3	1				1				2			1	1		1			1			21	
Engineers		53	1															1						55	
Architects and Draftsmen		25																						25	
Technical Supervisors and Instructors		3	3	2				2	1	1	1	8	2	2	8	3	1	4	2	2	3	1	1	50	
Technicians and Operators		6	1	9	1	1	1	14	6	5	5	80	7	6	55	11	7	34	5	6	20	1	2	283	
Wiremen and Machinists		19													3									22	
Purchasing and Stores Personnel		24		1				6				24			24	6		6			8			99	
Program Clearance and Traffic																									
Building and Studio Employees	3											130		1	112		2	7	1	1	13			270	
Administrative and Clerical Staff	2	35	8	1				2	2		1	8			10	1		2	1		3			76	901

AUDIENCE RESEARCH																								
Supervisors and Department Heads.	2										1			1								4		
Specialists	14										3			2								19		
Junior Administrative and Clerical Staff	21										4			3								28	51	
COMMERCIAL																								
Supervisors and Department Heads.			11	1				1			5				2		1			2		23		
Sales Representative and Assistants.			19					1			11					1	2			2		36		
Administrative and Clerical Staff			78	1				5			49				5		4			7		149	208	
INFORMATION SERVICES																								
Supervisors and Department Heads.	4							1			8			7			1			1		22		
Representatives, Editors and Writers	5							2			21			23	2		5			5		63		
Information Bureau and Receptionists	1							1			19			26						3		50		
Junior Administrative and Clerical Staff	8							4			20			29	2		6			4		73	208	
STATION RELATIONS																								
Supervisors	1		2								1											4		
Junior Administrative and Clerical Staff	11		9								1											21	25	
P & A SERVICES																								
Department Heads, Managers and Reps	6							1			3			1	1		1			1		14		
Supervisors and Assistants	22			1							11			7			1			2		44		
Central Registry Employees	38			4				12	1	1	66	1	1	48	9	1	8	1	1	15		208		
Receptionists, Swbrd. and T Type Operators	8			3				7		2	22	3	1	16	9	1	6	1	1	9		89		
Junior Administrative and Clerical Staff	42							6	1	1	104	1	3	74	4		8			9		253	608	
SYSTEMS AND PROCEDURES																								
Supervisors	3										1			1								5		
Analysts	11										2			3								16		
Administrative and Clerical Staff	9										4			3								16	37	
TREASURER'S																								
Functional Supervisors and Reps	9	1						1			2			2	1		1			1		18		
Section Heads and Assistant	17	4		1				1			8			9			2			3		45		
Junior Administrative and Clerical Staff	76	27		4				19			70			70	15		27			23		331	394	
TOTAL	393	208	287	59	9	6	8	151	12	14	22	935	25	18	688	92	21	216	25	23	210	12	24	3,458

STAFF DISTRIBUTION

DATE: March 31, 1959

	TELEVISION											INTERNATIONAL SERVICE					
	Newfoundland	Halifax	Montreal	Ottawa	Toronto	Winnipeg	Calgary	Vancouver	Foreign Offices	Sub-Total	TOTAL	Montreal	Sackville	Ottawa	Toronto	Sub-Total	TOTAL
EXECUTIVE																	
Directors and Assistants	2	1	2	1	2	2		1		11							
Senior Administrative Staff		1	3	1	12	2		2		21							
Junior Administrative & Clerical Staff		1	5	1	4	1		1		13	45						
PROGRAM																	
Program Directors and Assistants		2	3	2	7	2		1		17							
Supervising Producers and Producers		8	89	6	59	11		16		189							
Announcers					3					3							
Co-ordinating Producers and Prod. Ass'ts		7	33	9	43	8		9		109							
Script-Assistants		7	90	6	56	8		8		175							
Presentation, Casting and Script			3		18					21							
Other Production Staff			15		1					16							
Program Clearance and Traffic			24	2	8					34							
Administrative and Clerical Staff		5	33	11	35			4		88	652						
FILM																	
Directors and Supervisors		2	3		11	2		1		19							
Editors and Assistants		15	40	6	101	9		12		183							
Cameramen and Photographers	1	4	10	4	10	4		5		38							
Production and Screening			4		4					8							
Procurement and Traffic			7		4					11							
Librarians and Assistants		4	4		19	3		3		33							
Administrative and Clerical Staff		3	27		80	8		7		125	417						
TV NEWS																	
Editors-in-charge			4	1	4			1		10							
Editors			16	5	28			6		55							
Administrative and Clerical Staff			9		19			1		29	94						
DESIGN AND STAGING																	
Directors and Assistants		2	5		3	1		1		12							
Functional Supervisors		1	16		18	2		5		42							
EXECUTIVE																	
Regional Officers												2				2	
Administrative Officer												1				1	
Junior Administrative & Clerical Staff												2				2	5
PROGRAM																	
Program Supervisors												3				3	
Section Heads												16				16	
Producers												13		2	1	16	
Announcer Producers												43				43	
Announcers																	
Newsroom Staff												13				13	
Policy Editors												2				2	
Writers												7				7	
Translators												6				6	
Program and Research Assistants												1				1	
Junior Administrative & Clerical Staff												30		1	1	32	139
INFORMATION SERVICES																	
Representatives and Assistants												2				2	
Junior Administrative & Clerical Staff												5				5	7
ENGINEERING																	
Engineering Supervisors and Assistants												2	1			3	
Technicians and Operators													7			7	
Mechanical Riggers													3			3	
Storekeepers and Stores Clerks													1			1	
Building and Studio Employees													2			2	
Junior Administrative & Clerical Staff												5				5	21
TOTALS												153	14	3	2		172

Set Designers and Assistants		2	39		33	2		4	80	
Graphic Designers and Apprentices		2	30	3	28	3		3	69	
Scenic Artists, Painters and Helpers		3	39		39	4		3	88	
Carpenters and Helpers		3	62		46	4		5	120	
Propsmen		3	31	3	51	5		5	98	
Stagehands & Staging Attendants		7	138	4	163	8		10	330	
Warehouse Attendants & Drivers		2	81			1			84	
Costumers & Wardrobe Employees		2	54		42	4		4	106	
Make-up		2	17		10	4		3	36	
Administrative & Clerical Staff		2	48		32	1		1	84	1149
ENGINEERING										
Technical Directors and Assistants		2	2	1	2	2	1	2	12	
Technical Supervisors & Assistants		6	6	3	12	4	3	5	39	
Technical Producers & Instructors		4	24	4	16	5		5	58	
Technicians		56	229	52	257	50	21	59	724	
TV Assistants and Trainees		7	92	6	58	10		3	176	
Building and Studio Employees		3	1	1				3	8	
Junior Administrative & Clerical Staff		6	19	1	12	1	4	4	47	1064
TOTAL	3	175	1357	133	1350	171	29	203		3421

RECAPITULATION

Radio and Integrated Services	3,458
International Service	172
Television	3,421
GRAND TOTAL	7,051

APPENDIX "D"

CANADIAN BROADCASTING CORPORATION

COMMERCIAL STAFF

As at March 31st

—	St. John's	Halifax	Montreal	Ottawa	Toronto	Windsor	Winnipeg	Vancouver	Total
1956*	0	1	7	1	16	0	2	2	29*
1957	0	6	38	5	105	0	7	7	168
1958	1	8	59	6	108	0	7	9	198
1959	2	7	65	7	108	1	7	11	208

* Statistics available on Supervisors and Sale Representatives only.

ITEM E-4

BROADCASTING COMMITTEE AGENDA

CBC INFORMATION SERVICES

EXPENDITURES, STAFF AND REVENUE, 1953-1958 (IN THOUSANDS OF DOLLARS)

APPENDIX "E"

Location	Fiscal Year Ending March 31st	Salaries and Wages	Other Expenditures	Total	Revenue	Net	Number of Staff
Head Office	1954	14	9	23	—	23	4
	1955	33	18	51	—	51	8
	1956	48	15	63	—	63	11
	1957	68	29	97	—	97	11
	1958	73	31	104	—	104	14

Halifax	1954	7	5	12	—	12	2
	1955	11	7	18	—	18	3
	1956	16	8	24	—	24	5
	1957	22	9	31	—	31	7
	1958	26	12	38	—	38	7
Montreal	1954	100	161	261	6	255	30
	1955	117	164	281	6	275	34
	1956	127	57	184	7	177	40
	1957	143	71	214	8	206	44
	1958	152	74	226	11	215	50
Toronto	1954	118	146	264	11	253	35
	1955	131	145	276	11	265	37
	1956	164	153	317	12	305	56
	1957	202	230	432	11	421	63
	1958	261	271	532	13	519	76
Ottawa	1954	—	—	—	—	—	—
	1955	4	1	5	—	5	1
	1956	12	4	16	—	16	3
	1957	13	3	16	—	16	4
	1958	15	3	18	—	18	4
Winnipeg	1954	14	28	42	8	34	4
	1955	24	35	59	8	51	7
	1956	28	29	57	8	49	8
	1957	36	36	72	11	61	10
	1958	39	47	86	12	74	10
Vancouver	1954	16	30	46	4	42	5
	1955	24	33	57	4	53	7
	1956	30	26	56	4	52	9
	1957	33	25	58	3	55	9
	1958	31	25	56	4	52	10
TOTAL	1954	269	379	648	29	619	80
	1955	344	403	747	29	718	97
	1956	425	292	717	31	686	132
	1957	517	403	920	33	887	148
	1958	597	463	1,060	40	1,020	171

NOTE: Above represents departmental costs applicable to Information Services. It does not include any proration of supervisory and management overhead. Travelling 1954–$5,000—1955–$8,000—1956–$10,000—1957–$14,000—1958–$17,000. Revenue shown is primarily from sale of CBC Times and La Semaine à Radio-Canada.

JUNE 25th, 1959.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 19

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WEDNESDAY, JULY 8, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES:

Messrs. R. P. Landry, Assistant to the President, Canadian Broadcasting Corporation; W. D. Richardson, Director of Engineering; J.P. Gilmore, Controller of Operations; and Charles Jennings, Controller of Broadcasting.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21575-6—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.,

Vice-Chairman: J. Flynn, Esq.,

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
Johnson,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Paul,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Taylor,
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

WEDNESDAY, July 8, 1959.

The Special Committee on Broadcasting met at 3.00 p.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Mrs. Casselman, Messrs. Fisher, Flynn, Forgie, Fortin, Halpenny, Kucherepa, Lambert, Muir (*Lisgar*), McCleave, McGrath, McQuillan, Pickersgill, Paul, Pratt, Simpson, Smith (*Simcoe North*), Taylor and Tremblay—(23).

In attendance: Messrs. R. P. Landry, Assistant to the President, Canadian Broadcasting Corporation; M. Henderson, Comptroller; J. P. Gilmore, Controller of Operations; Marcel Carter, Controller of Management Planning and Development; Charles Jennings, Controller of Broadcasting; Marcel Ouimet, Deputy Controller of Broadcasting; W. G. Richardson, Director of Engineering; R. C. Fraser, Director of Public Relations; Barry MacDonald, Secretary, Board of Directors; and J. A. Halbert, Assistant Secretary, Board of Directors.

Mr. Richardson was called in connection with Item 2 of Part H of the Agenda relating to the "Extension of Coverage to Unserviced Areas". He read a brief statement on the subject, copies of which were distributed to Members, and illustrated on maps those areas receiving full or partial radio and television service.

Messrs. Richardson, Gilmore and Landry were questioned concerning present coverage and proposed areas of extension.

Copies of the following documents were distributed to Members of the Committee and ordered printed as appendices to today's proceedings:

1. C.B.C. Staff by location—March 31, 1959. (*See appendix A*)
2. Properties owned or leased—Selected cities. (*See appendix B*)

The Committee considered Item 1 of Part H of the Agenda—"Extension of hours of telecasting", and Mr. Gilmore was questioned.

On Item 3 of Part H of the Agenda—"Color Television", Messrs. Gilmore and Richardson were questioned.

Messrs. Landry, Carter and Jennings answered questions in connection with the policy of the C.B.C. concerning potential competition.

At 5.15 p.m. the Committee adjourned to meet again at 9.30 a.m., Thursday, July 9, 1959.

J. E. O'Connor,
Clerk of the Committee.

21575-6—1½

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

WEDNESDAY, July 8, 1959.
3 p.m.

The CHAIRMAN: Gentlemen, we have a quorum. Mr. Brassard, you wish to speak to a point of order?

Mr. BRASSARD (*Lapointe*): Mr. Chairman, on a question of privilege; I shall be very brief. I noticed in the press this morning, in at least two newspapers from Montreal, that I had been told—both myself and Mr. Johnson—that if we found that the proceedings of this committee were not too serious for us, that we should resign. That was on account of having presumably joked with Mr. Johnson during the questioning yesterday afternoon. I do not recall having made any jokes during the committee sittings; and when you addressed your remarks right after I spoke yesterday, I thought they were directed to the Honourable member from Roberval. That is all I have to say.

The CHAIRMAN: Thank you very much.

Mr. TREMBLAY (*Interpretation*): Well, Mr. Chairman, if yesterday afternoon I seemed to be amused during the sittings of the committee on broadcasting, it was really at the advice I was receiving in answer to my questions, and it looked to me as if we were returning to the past as far as the answers were concerned. That is what amused me. I do not wish to be too closely connected with what my learned friend from Lapointe has said.

Mr. BRASSARD (*Lapointe*): Neither do I.

The CHAIRMAN: Thank you, very much. I think we have that settled now.

Mr. PRATT: This is equally important or unimportant, but it has to do with a correction. On page 247, line 17, it should read "cost per viewer" not "cost to the viewers"; and on line 32, it should not read "even though"; it should read "even if". Thank you.

The CHAIRMAN: Thank you, Mr. Pratt.

Yesterday we decided or agreed that we should start Part H of the Agenda "new developments". I think in fairness, or in the interests of continuity we would be much smarter to clear item 2, and then go to item 1, that is, extension of coverage to unserviced areas, and then follow through with extension of hours of telecasting. Is that agreed?

Agreed.

You have a statement on extension of coverage to unserviced areas. That is number 2 of item H.

Colonel R. P. LANDRY (*Assistant to the President of the Canadian Broadcasting Corporation*): Yes, Mr. Chairman. Mr. Richardson will present the statement.

The CHAIRMAN: Mr. Richardson, please.

Mr. W. G. RICHARDSON (*Director of Engineering, Canadian Broadcasting Corporation*): Mr. Chairman—

Mr. FISHER: Are you going to use that board?

Mr. RICHARDSON: Yes, but not for a moment.

This statement was prepared some time ago, actually before this agenda came out. It is entitled Canadian Broadcasting Corporation coverage, but it does not bear the agenda indication of H-2. With your permission I shall now read it.

I have been asked to supplement the statements by our acting president, Mr. Bushnell, on the coverage of C.B.C. radio and television stations. You will recall also Mr. Bushnell's indication, at the session on Tuesday, May 19 I believe, that the corporation is presently engaged in a thorough study of our radio network operations, and I mention this to point out that network distribution through private and C.B.C. stations is under study. Through existing stations our networks reach some 98 per cent of the radio homes and this service is constantly being improved as a result of increased power by affiliated stations.

In speaking of our planning in both radio and television I should make it clear that expenditures are involved which are chargeable to the vote for this fiscal year. Since this vote has not yet come before parliament, I am sure you will realize that I cannot be specific and can talk in general terms only. However, our planning has been estimated and the figures are reflected in current budgets and will be put before the C.B.C. board of directors as concrete plans in the next month.

With this as background, in terms of radio first, may I say that the C.B.C. plans to increase the power of its station CBH at Halifax. This station, a basic station of the Trans-Canada network—has been in operation since 1944 with comparatively low power. In present circumstances it does not serve the urban Halifax area.

In our planning for this year also are a number of additional low power relay transmitters. Mr. Bushnell outlined briefly the development of these LPRT's in his introductory statement. When they were put in first we used a power of 20 watts. Present transmitters utilize 40 watts and will be used to replace the older ones when replacement is needed. In Canada, these transmitters are classed as radio broadcasting stations but they are not recognized as such internationally nor are their frequencies protected either internationally or in Canada. However, they are still most useful to provide broadcasting service in isolated areas. We are submitting a list of LPRT's presently authorized including those under construction showing dates when installation was made.

I think that list has been distributed, Mr. Chairman.

The CHAIRMAN: Thank you.

Mr. RICHARDSON: We hope this year to obtain approval for an additional twenty or so LPRT's and thereby to provide service to a potential of some 14,000 radio homes—all not now receiving Canadian broadcasting coverage.

The CHAIRMAN: Would you please pause for just a minute. I thought the statement had been distributed. But we could get it distributed very quickly. Would you mind?

Mr. RICHARDSON: No, not at all.

While the capital cost of these transmitters is reasonable—$5,000 for one connected to the network, $15,000 for one fed by off-air pickup from another station—the annual cost for wireline connection is usually the key factor. In the group for this year, a number will be off-air types. So far, we have

only one of this kind in operation. In recommending the selection of the centres to be served, we analyse known gaps in coverage and representations from many sources seeking improvement. If the network lines are available or can be made available at reasonable costs, or if service can be laid down by rebroadcasting the signal from a neighbouring station, cost data is collected based on the coverage area, the number of potential radio homes,—

The CHAIRMAN: Gentlemen, Mr. Richardson is on the last part of the first paragraph, the sixth line from the bottom. He is going to repeat, "If the network lines are available . . .". Thank you, Mr. Richardson.

Mr. RICHARDSON:

> If the network lines are available or can be made available at reasonable costs, or if service can be laid down by rebroadcasting the signal from a neighbouring station, cost data is collected based on the coverage area, the number of potential radio homes, the amortization of capital and operating costs. As most of these LPRT's are unattended, outside of annual maintenance, most of the operating cost is the cost of network connection.

Mr. Chairman, when I wrote this it appeared that we would not be able to obtain a map large enough to show the coverage across Canada, but since that time, by photostating a smaller map and enlarging it in sections—

The CHAIRMAN: Can we move that up a bit.

Mr. RICHARDSON: Since that time, by photostating a smaller map and enlarging it in sections, we were able to produce this map; but the people who put it together did not provide for the other map. Actually, this top section should be down across here, so we only have one "Hudson" for "Hudson Bay", and this "CYLK" should be down on here: so if you can imagine a drop of that nature, it will help me.

This map is based on the day time protected contours as outlined in the international agreement for the use of the broadcasting channels. In most cases it is the half-millivolt per meter contour; in some cases—for the clear channel stations such as CBK here—it is the one millivolt per meter contour. This is the daytime service, taking all the stations in the area into account, and it gives, in effect, the limits of the coverage; so all the area that is within the black lines and the pink edges is receiving primary daytime service from some radio station in Canada, either C.B.C. or privately owned, either on the network or not on the network.

These small circles—you will notice a bunch of them in the northwestern part of Ontario, and I think there should be one here some place, and a couple in here, and particularly in British Columbia, where we have many pockets in the mountains, are all what we call LPRT's, or low power relay transmitters.

If you look at the first sheet that is attached here, on that document you will find the outline of the LPRT's as they were established by date, starting October 22, 1940 and continuing right through to the present time. There is a total of 67, either in operation, or, as shown in the last of the list, a few that are under construction and will be in operation this fall, at the latest. This gives a picture of what we have to do, to study areas outside these lines and determine where it is economical to put more of these low power relay transmitters. Also, on this map I might point out we have shown the stations in the Northwest Territories.

In our study of these blank spots here we have taken into account television. If you stick strictly to radio, you will find some places that are now receiving television, or will probably receive television in the next one, two or three years; and then you will find other places where it is unlikely that there will be television within the foreseeable future. It is the places that

have not got any service—either television or radio—and are not likely to get television or radio in the foreseeable future that we concentrate on in the first instance. But we do study all areas where we have a sizable population, not of the population centers only but of the surrounding area which could be served by an LPRT, which varies from approximately, maybe 10 to 15 miles during the day time. At night time it may shrink down to four or five miles, depending on the conditions of the particular frequency.

The CHAIRMAN: Are there any questions on low power relay transmitters?

Mr. FISHER: You are not in a position to give us the names of your extensions at this time?

Mr. RICHARDSON: No, sir, because I have just submitted this to the board of directors and they have not yet told me whether I am right or wrong.

The CHAIRMAN: That is on the low power relay transmitters?

Mr. FISHER: Yes. I asked a question last year, to which I got an answer in the house which indicated the cost of such LPRT's ranged from $800 to $1,300.

Mr. RICHARDSON: That is for the transmitting equipment only; that is the transmitter, the antenna and the ground system.

Mr. FISHER: In the answer that you gave me there were indications that you had—not a rigid, but some kind of formula.

Mr. RICHARDSON: Yes.

Mr. FISHER: In so far as costs were concerned. I brought up at the time a discrepancy that I found in my own constituency in this particular regard.

Mr. RICHARDSON: That is right.

Mr. FISHER: I realize we can get into a very complicated topic; but I wondered if you expect, when you announce your new locations, whether you will be able to give the indication at that time as to why those particular places were picked, with a listing of the factors—because if you do not, and, for example, if there are not included two places I can think of, it is going to be very embarrassing for the local representative?

Mr. RICHARDSON: It is also very embarrassing for us too, because we quite realize that probably everybody in Canada is entitled to some broadcasting service. But the matter of economics comes into the thing and that is the part that I am personally concerned with—the number of potential radio homes that we could cover with one of these establishments, the amortization on the capital cost, the annual operating cost and the network charges to get the service into it.

Mr. FISHER: In the establishment of these LPRT's in the past, did the corporation always stick to the formula?

Mr. RICHARDSON: No; there are some other considerations, such as language distribution and geographical distribution. It might be that if you were considering a small number of LPRT's—say, four or five—they might all appear in one area, if you stuck strictly to the formula.

Mr. FISHER: How long have you been at this particular chore, Mr. Richardson?

Mr. RICHARDSON: Since about 1939.

Mr. FISHER: I want to ask you a straight-forward question, and I hope the rest of the members will not think I am fishing. Have any of these stations ever been established as a result of influence directed by any cabinet ministers?

Mr. RICHARDSON: Not to my knowledge.

Mr. LAMBERT: Mr. Chairman, this is a question which I was asked to put to the witness by the member for Jasper-Edson, who had been a member

of this committee. I notice that in the list of the relay stations you have one at Jasper, Alberta and one at Edson, Alberta, and the particular problem is that in between these two points is the town of Hinton. Hinton is a new papermill town, and the complaint is that due to the typical topographical contour Hinton is in the blackout area.

Mr. RICHARDSON: This points up a problem similar to that which Mr. Fisher has touched on. We have quite some difficulty in keeping track of the growth of some of these smaller areas. Mr. Fisher brought to our attention one in northwestern Ontario which, according to the 1956 census, contained four or five hundred people, whereas actually it was four, five or six times that number.

Mr. LAMBERT: Hinton is a rather rapidly growing area and possibly the most populous one in the riding. If you could have a look at it, it would be appreciated.

Mr. RICHARDSON: I appreciate the problem and we have had a look at it.

Mr. SIMPSON: In this connection, are you speaking specifically of radio?

Mr. RICHARDSON: Yes.

Mr. SIMPSON: There is a point in northern Manitoba, at Lynn Lake, which requires some consideration.

Mr. RICHARDSON: Yes; as I understand it, it is a comparatively new community.

Mr. SIMPSON: Well, during the last six or seven years there has been very poor radio reception of any kind whatsoever. Have any representations been made?

Mr. RICHARDSON: I do not recall any representations. This brings up another point. We hear about these places in a great many different ways; some are obtained from looking over the lists of communities that are published by the bureau of statistics; and then there are places we hear about from mining companies, chambers of commerce and boards of trade which are established in some of these newer communities, or from the community itself, which has grown to the extent that it feels it requires some of these facilities. Some of you gentlemen have brought communities to my attention which, apparently, have been left out. Hinton is one, and Mr. Fisher brought one or two to our attention. These come to our offices and we immediately study them.

Now, Mr. Simpson, the difficulty in connection with Lynn Lake is how to get the programs up there. It is up in this area somewhere that the northern network runs across. There would have to be a land line.

Mr. SIMPSON: There is a land line.

Mr. RICHARDSON: It is more than 100 miles from the land line.

Mr. SIMPSON: There are no land lines north of Brandon and these people would only be able to pick up Watrous, I suppose?

Mr. RICHARDSON: Yes, on occasion.

Mr. SIMPSON: And the local station at Flin Flon. But we are having a great deal of difficulty in getting good reception in radio. I would just like to bring these matters to your attention.

Mr. FISHER: We have four of these stations within a line of 50 miles. I am thinking of Nakina, Long Lac, Geraldton and Beardmore. In economic terms, I am wondering whether any consideration has been given to try and serve them with one station, or would it raise your power requirement beyond what is allowed?

Mr. RICHARDSON: That is right. The coverage of any of these stations which you see here is based on what we call ground wave. It is the wave

that goes out from the station and is pretty well parallel to the surface of the earth. It is influenced by the conductivity of the soil and, unfortunately, the conductivity of the soil in this Laurentian shield is very poor. The conductivity in this area is about the same as sea water. That soil is the best you can get. This is a shade below sea water. This is several times poorer and, consequently, in order to get a signal above this area you would have to use the most efficient antennae you could build. Your operating costs would go sky high and you would not be able to serve the people as effectively. It is cheaper this other way.

Mr. FISHER: I have one other question and this is in connection with another spot on the agenda, but it also involves a technical question. It concerns a request that has come forward from at least three of these communities with LPRT's, that they be allowed to exert some choice in switching from one network to another, that is within the local telegraph office, and the answer I received, when I brought this up, was that this was impossible, largely because of advertising commitments.

Mr. RICHARDSON: I am unable to answer that part of it, but I can give you the technical reasons.

Mr. FISHER: What are the technical problems?

Mr. RICHARDSON: The technical reason is that the Trans-Canada network feeds all of these LPRT's—and this is the basic part of the network—so the network is always fed to these points. Even during an interruption the service is restored by other facilities, either by the railway or a third party, in order to get the service back in. The Dominion network, which is the only other English network going through there, does not always go through these places. It might be that if you went into a railway repeater point you might hear both networks, because the policy is to keep all networks alive with program material at all times—and I could give you some amusing incidents in connection with that. Therefore, if you went into the railway repeater at Geraldton you might be able to hear it on the station monitor, but if we switched it over to the network we probably would get additional charges for bringing the network from some other point up to that station.

Mr. FISHER: I have an example in connection with one community. One certain night C.B.C. Trans-Canada tends to be devoted to intellectual and heavier programs, which have not as wide a listening audience, or the community does not appreciate it; so the operator, on his own, was making this particular switch. There happened to be one maverick in the community who complained, and he was in trouble with the authorities in the railway over this. Do you think there would be some way in working out a compromise for something such as this? I know it is a large province.

Mr. RICHARDSON: I do not know. No matter what we do, so far at networks are concerned, it costs us more money. We can look at the problem. The Dominion network always has operated much fewer hours per day than the Trans-Canada network and, in order to give a full day's service, we hook these up to the Trans-Canada.

Mr. MCGRATH: What is your coverage on the Labrador coast and the south coast of Newfoundland?

Mr. RICHARDSON: Well, actually in here we do have a short-wave station, which we inherited.

Mr. MCGRATH: At St. John's?

Mr. RICHARDSON: Yes, and it provides some coverage along there. Also, this station does provide a secondary day time service over here by means of sky wave. You must keep in mind that the noise level in these smaller communities is very, very low compared to what you would find in a city such as

Montreal, Ottawa or Toronto: therefore, they can listen to extremely weak signals.

Mr. McGRATH: What is your power output on your short-wave transmitter?

Mr. RICHARDSON: 200 watts.

Mr. McGRATH: Have you any plans to increase that?

Mr. RICHARDSON: Yes, we have had plans at the international conferences since 1947.

Mr. McGRATH: Do you have plans in the immediate future to increase your power? I ask this question because the radio coverage is poor.

Mr. RICHARDSON: Yes.

Mr. McGRATH: In regard to a study you made with respect to one of the factors pertaining to the setting up of one of these LPRT's, you mentioned the economic factor. Could you explain that? Were you speaking in terms of the number of sets or in terms of revenue to amortize your capital expenditure?

Mr. RICHARDSON: No, there is a dollar limit some place, beyond which it becomes uneconomical to put these things in. If it is going to cost $100 per potential radio home in one place and $5 per potential radio home in another place, this is where we cut costs. It is all a drain on the public purse.

The CHAIRMAN: Are there any further questions?

Mr. PICKERSGILL: Is there any part of the island of Newfoundland where the ordinary radio coverage is not reasonably adequate?

Mr. RICHARDSON: Oh, yes; there is much on the island of Newfoundland.

Mr. PICKERSGILL: I mean in the inhabited parts of the island.

Mr. RICHARDSON: I think the inhabitants are mostly around the coast. So if you follow the coastal area here you will find quite a few names of places. I have not been there and I do not know how large they are. However, there are many places there getting little or no radio service.

Mr. PICKERSGILL: Has there ever been any thought of putting one of these in St. Anthony?

Mr. RICHARDSON: Where is that?

Mr. PICKERSGILL: Almost at the tip of the northern peninsula.

Mr. RICHARDSON: Frankly, I could not say, sir.

Mr. McGRATH: I have a supplementary question. If you increased your short wave transmitter would that solve it?

Mr. RICHARDSON: It only partly solves it. The short wave transmission and reception leaves much to be desired if you start comparing it with what you were getting in many of the major centres. It is subject to interference from stations all over the world. It is very much affected by the atmospheres; I mean the effects of the northern magnetic pole, sun spots and that type of thing.

Mr. McGRATH: And also subject to the economic factors which you outlined.

Mr. RICHARDSON: Yes; but I think the other factors would play a larger part in respect of a short wave station there than in some other areas.

Mr. FISHER: How do you get the transmission to CFAR in Flin Flon?

Mr. RICHARDSON: We do not. They have permission to pick up and rebroadcast from Watrous.

Mr. FISHER: In respect of places like Winish and Lynn Lake, what is the feeling about bringing a service into a community like that?

Mr. RICHARDSON: We have had no—I suppose we have had no—hard and fast rules. For instance in 1940 when we still had the $2.50 radio licence receiving fee, we figured the number of homes in the area and multiplied by $2.50. If we could do the job for less than that we figured it was economical. Because of economic changes, and so on, this rose and we set a limit of $6. The last one I think went in at $9. This is a fluid thing. Where the shut-off is at the moment is pretty hard to say. It is a changing condition.

Mr. MCGRATH: Is the coloured area along the Pacific coast the area you intend to cover by C.B.C. radio?

Mr. RICHARDSON: It is a combination of C.B.C. and private stations. This part of the contour up here is CJOR Vancouver. This part is CBU. This is still CBU but is almost equalled by one of the stations in Victoria. This is a combination thing giving the outline coverage of all stations.

Mr. MCGRATH: Do you have a station at Prince Rupert?

Mr. RICHARDSON: Yes.

Mr. MCGRATH: What area does it cover?

Mr. RICHARDSON: It is only a 250 watt station. It is not very big. This is a very mountainous area and the conductivity is very poor.

Mr. MCGRATH: Is there a gap there in the Queen Charlotte islands and the mainland coast which is subjected to Japanese and American reception?

Mr. RICHARDSON: Yes. I might say that here, and probably down in here somewhere, they probably receive better reception from Russia.

Mr. MCCLEAVE: Would the witness expand on his statement in the third paragraph where it says in respect of station CBH at Halifax:

> In present circumstances it does not serve the urban Halifax area.

Mr. RICHARDSON: Yes, sir. CBH was a station which was set up during the war to give some additional coverage in Halifax. I think there was only one station there at the time. It was 100 watts. This was under war-time conditions and we were lucky to find a 100 watt station. This happened to be an old one we fixed and made operative. It was situated in a building on Sackville street with a short antenna and has been there since.

In the meantime, Halifax has grown. The metropolitan area is larger and this station does not serve all that area. Also there is interference in part of the metropolitan area of Halifax.

Mr. MCCLEAVE: Is it in any particular part of that area?

Mr. RICHARDSON: I have heard the interference is quite bad in Dartmouth and also on the point, here.

Mr. MCGRATH: Do your plans call for the construction of a transmitter somewhere in British Columbia to offset radio Moscow in the north?

Mr. RICHARDSON: In the northern services plan which was approved a year ago or more by the government, we had planned on setting up a short wave station here to serve an area about like this. Since that time—

Mr. BELL (*Carleton*): For the purpose of the record, I think Mr. Richardson will have to say what he means by "here".

Mr. RICHARDSON: I think an arc with the limits here and here; a line between Vancouver and about the mid-point of the Alaska-Yukon border. The other side of the arc would go somewhere between Fort Smith and Yellowknife. These are limits which are determined probably empirically for engineering purposes. This was our original plan; but there are now some indications there may be quite some activity in getting other communication circuits into the north. If so, it would probably be more economical for us to take the network up to many of these places rather than rely on short wave.

Mr. BELL (*Carleton*): What do you mean by "these places"?

Mr. RICHARDSON: Places like Whitehorse, Dawson, Yellowknife and Fort Smith. Fort Nelson has it now. It would not necessarily include Churchill. This is under study. If this is true, then this area probably would bet pretty good service in the populated centres but not in the outlying places. Then we might change the location of the short wave station to some other point where it would be more effective.

The CHAIRMAN: What would be the cost of a short wave station as you first mentioned in that arc.

Mr. RICHARDSON: This would cost, with land, buildings and everything, in the neighbourhood of $1,200,000 or $1,500,000.

Mr. MCGRATH: Do you have any plans, or has any attempt been made to jam radio Moscow?

Mr. RICHARDSON: No, sir. That would not be within the purview of the C.B.C.

Mr. MCGRATH: Is there any attempt in the north, or has the Canadian government any facility there, to jam it?

Mr. RICHARDSON: Not that I know of.

Mr. LAMBERT: In respect of station CBX in Alberta, is the use of that transmitter at Lacombe efficient, or why has it been found necessary to use a supplementary transmitter and, I suppose, almost a second station, CBXA?

Mr. RICHARDSON: In Edmonton?

Mr. LAMBERT: Yes?

Mr. RICHARDSON: Edmonton has grown to such a size we did not have sufficient signal intensity into Edmonton from Lacombe to override the listening noise. So, in order to have 100 per cent service in Edmonton, we have to establish this supplementary station. When CBX was established, this was a different set of conditions.

Mr. LAMBERT: What about the southern area of the province?

Mr. RICHARDSON: That is exactly the same, but I have not received any authorization to put a similar station in Calgary.

Mr. SIMPSON: Mr. Richardson, you were mentioning these different points, and you said, "not necessarily Churchill". What was your reasoning behind that? What are your findings?

Mr. RICHARDSON: As far as I know, at the moment there are no plans to extend suitable facilities into Churchill that could be used for the network. It would be a special job. This does not rule it out for the future. I am talking about, as of last week, when I had conversations with the railway companies.

Mr. SIMPSON: They do have an armed services radio station there? You have it marked on the map there?

Mr. RICHARDSON: That is right.

Mr. SIMPSON: Is that mark at Churchill indicating a radio station there?

Mr. RICHARDSON: Yes, this is the radio station here, which I believe we are taking over, as we have taken over all the rest of the stations in the north. We have not taken it over yet, but I think it is scheduled soon.

Mr. SIMPSON: You have plans for that?

Mr. RICHARDSON: Yes.

Mr. SIMPSON: That is very good, because I understand most of their news and other broadcasts come from the United States. They hear practically all United States news up there, and not Canadian, because it is operated by the armed services.

Mr. RICHARDSON: Yes.

The CHAIRMAN: We are glad that you are happy about that, Mr. Simpson.

Mr. FISHER: There is a Conservative who recognizes the purposes of this corporation.

Mr. MCQUILLAN: Mr. Richardson, you spoke a moment ago about a proposed short-wave station there. As I gathered, it was going to strike the easterly side of the coast range. Why could that not have been designed so it would have served the northern section of the coast; or have you any other plans to serve that section of the coast?

Mr. RICHARDSON: We have a peanut short-wave in Vancouver, around 100 to 150 watts, which is not very good. We would, some day, like to improve that.

But one of the difficulties with short-wave is, if you are 3,000 miles away from the target you can do a better job than if you are 300 miles away. That is because you have to shoot your signal up like that, and let it bounce down. If the distance from the transmitter to the target is short you have to shoot at a short angle; most of your signal goes into the ionosphere and does not get reflected back at all. That is one of the problems we have.

Mr. MCQUILLAN: You have a situation out there now where quite an extensive fishermen's broadcast is put on every morning, and most of the fishing population cannot hear it. That is because most of the fishing population, or a great part of it, is from the area shown coloured there, north to Prince Rupert.

Mr. RICHARDSON: Or in there.

Mr. MUIR (*Lisgar*): I was going to ask if an alternative to Vancouver for your high power short-wave would be Churchill?

Mr. RICHARDSON: No, sir. I think we have to keep far away from our target areas, as I said before.

The CHAIRMAN: Any further questions on LPRT's?

Mr. FISHER: Just one.

The CHAIRMAN: Yes, Mr. Fisher?

Mr. FISHER: A general question. The intent, I gathered from last year's legislation was to have a five-year program in forecasts? You have expressed your intention—

The CHAIRMAN: Quiet. Give Mr. Fisher a chance, please.

Mr. FISHER: In your intention on these extensions, does this envisage a five-year period?

Mr. RICHARDSON: What I have said today is the first part of the five-year forecast, but we will carry this forward on a rolling basis, year after year, as we have done for the past 15 years.

Mr. FISHER: The reason why you cannot go further is, perhaps, because of population growth?

Mr. RICHARDSON: Yes.

Mr. FISHER: That sort of factors?

Mr. RICHARDSON: Yes, that is right.

The CHAIRMAN: Any further questions?

Mr. TREMBLAY: Mr. Chairman—

The CHAIRMAN: On LPRT's?

Mr. TREMBLAY: Yes.

Mr. TREMBLAY (*Interpretation*): Could you tell me if the towns of Chapais and Chibougamau, in the province of Quebec, are on CBJ?

Mr. RICHARDSON: On what?

Mr. TREMBLAY (*Interpretation*): If they are covered—

Mr. TREMBLAY: If they are covered by the station CBJ in Chibougamau.

Mr. RICHARDSON: Chibougamau is not, because it is over here. What is the other place?

Mr. TREMBLAY: Chapais.

Mr. RICHARDSON: Is that the same place?

Mr. TREMBLAY: It is 20 miles from Chibougamau.

Mr. RICHARDSON: No, they would not receive primary service from CBJ. That is the limit of CBJ.

Mr. TREMBLAY: There is no private station there?

Mr. RICHARDSON: No, they might get some sky wave at night, but it is not what we call primary service.

Mr. TREMBLAY: Do you intend to have a C.B.C. station there?

Mr. RICHARDSON: I could not say, because Chibougamau is a remote place, and we are studying and have studied those places, and it is one of those places that is growing—ten years ago I think it was pretty small.

The CHAIRMAN: Would you like to continue with your statement, Mr. Richardson?

Mr. RICHARDSON: Thank you. At the top of page 2:

Television

Mr. Bushnell thought it would be helpful to the committee if a map were prepared showing the development of the Canadian television system. If it is your pleasure at this time, Mr. Chairman, I would like to bring this map in and explain to members the information which it provides with respect to television coverage. To start, I feel I should say that the station coverages depicted are the 'B' contours as worked out by the engineering consultant and submitted as part of the technical brief at the time the application is filed. These 'B' contours provide a useful representation of the 'good' service areas of the stations. With an outside antenna, usable television service is provided over a considerably wider area.

But I might say that the limits here are those which are recognized in the bilateral agreement between Canada and the United States for the use of those channels within 250 miles of the border.

Beyond 250 miles you do not have an agreement about interfering with the neighbouring parts south of the border, or interference from them to us.

The details of the extension of coverage are shown through the use of different colours. These colours identify those stations established in each year. The coloured lines identify the years when network connection was supplied to each station. I have also had this information compiled in tabular form, which is submitted with this document.

In television also the C.B.C. has planned for extension of coverage through C.B.C. installations. As I said these are plans and are subject to study by the C.B.C. board of directors and I can only report in general terms. Plans for this year involve proposed stations at some nine or so locations to serve approximately 70,000 new TV homes.

When the corporation takes its decisions in the light of the financial provisions for extension of service and after reviewing these plans, as is the case for all new stations or increases in power, application is made to the Department of Transport, who makes reference to the board of broadcast governors for a recommendation. Speaking of the BBG reminds me that C.B.C. planning must be kept flexible. I keep in touch with the recommendations of the BBG and the licencing of new television stations for planning purposes.

Sometimes an area which seems to be a gap in the service for which the C.B.C. might plan is covered as a result of an application recommended by the BBG. In such a case, instead of planning an installation the C.B.C. is faced with providing network service to the new station.

The provision of network service either to private stations or C.B.C. installations involves the Corporation in network extensions. To date we have used (a) direct connection—physical connection of the station to the network based on contracts, signed after tenders have been analysed and costs compared with other means of connection; (b) television recordings—this is adopted usually when the station is isolated from the existing network and where the cost of providing a physical connection is more expensive than television recordings; (c) then, of course, there is the pickup and rebroadcasting from a mother station. This is called—satellite operation—and is accomplished without direct network extension or recording costs.

The annual report sets out the costs of network connections in total for both radio and television. In radio the rates are established through a long-term contract jointly with the railway companies. In television, supplying companies are the railways jointly and The Bell Telephone on behalf of the Trans-Canada Telephone system. Microwave rates vary depending on topographical conditions and the use which the supplying companies can make of the facilities in their normal traffic. In general terms these rates vary from $20.00 to $70.00 a mile per month. Extensions to the television network tend toward the higher rate because the centers are smaller and there is less chance of using the facilities for other traffic.

I feel it might be helpful also to report that the recommendations for low power transmitters this year will be co-ordinated as to television or radio. As a result these recommendations will cover either television or radio service and mean that some 30 communities will receive either service for the first time if all the necessary authorizations and approvals are given.

Further planning will be reflected in the five-year capital program to which you have already had many references.

Mr. McCLEAVE: I wonder if the witness could tell us whether there are further plans for the establishment of stations in Nova Scotia? I am thinking of the area between Halifax and Sydney, either on the Cape Breton side or on the Sheet Harbour side.

Mr. RICHARDSON: This brings up a problem. We have considered this area in here; this is the limit of the Charlottetown coverage.

Mr. McCLEAVE: That is the eastern shore of Nova Scotia.

Mr. RICHARDSON: Yes; that is the limit of CBHT, Halifax, and this is Sydney; and it leaves this area here from Antigonish to Mulgrave, Canso, Guysboro, and the Sheet Harbour area at the moment without B service. We have considered this area, and at the last meeting of the Board of Broadcast Governors there was an application by Antigonish to establish a station.

If that application had been approved, it would have filled in, maybe not all but certainly a good deal of, the unserved area in this vicinity. I think that application was recommended for denial. But I understand there is an application already in or coming in for Charlottetown to establish a satellite in the vicinity of New Glasgow. So until we have the details of that, we do not know how much of this particular area will be left unserved.

Mr. McCLEAVE: You would leave it up to the private station to establish a satellite, rather than to the C.B.C.?

Mr. RICHARDSON: That is right. But we would have a look at the area after to see what is unserved and to determine whether or not it is worthwhile for us to consider it again.

Mr. McGRATH: How many satellites does the corporation operate on the television network?

Mr. RICHARDSON: We have three satellites: they are at Liverpool, Shelburne, and Yarmouth.

Mr. PICKERSGILL: And what about Stephenville?

Mr. RICHARDSON: Stephenville is a station where we supply the program material, but it is owned and operated by the United States forces at Harmon Field.

Mr. MCGRATH: Do you plan to establish a satellite station at Grand Falls, Newfoundland?

Mr. RICHARDSON: It is in our planning. It will be a network station. The television network comes through here and crosses in here and goes up to Corner Brook, and it follows around here. This is not the actual physical routing. The network actually goes around here through Grand Falls, Gander, and into St. John's. We deliberately asked for it to be done that way because it was cheaper for the railways to follow along their right of way, and it took in the larger populated areas.

Mr. MCGRATH: Would it not be more economical to establish a satellite transmitter at Grand Falls?

Mr. RICHARDSON: The satellite station picks up another station and rebroadcasts it. Grand Falls cannot pick it up because it is too far away.

Mr. MCGRATH: Could it not pick up a private station?

Mr. RICHARDSON: No.

Mr. PICKERSGILL: I am interested in the Grand Falls situation, and there is one point: is the station contemplated for Grand Falls to be the same kind of station as now exists at Corner Brook?

Mr. RICHARDSON: It will be fed from the network; but as far as power is concerned, it may be different, because there are different conditions there.

Mr. PICKERSGILL: There is some difficulty in Corner Brook in getting reception, even in parts of Corner Brook. Is there any thought as far as Stephenville is concerned as to putting it on the network?

Mr. RICHARDSON: It is already on the network, as of the 15th or 16th of June.

Mr. PICKERSGILL: What about a station at Goose Bay?

Mr. RICHARDSON: I am afraid that Goose Bay is so isolated that we will have to continue with kinescope recordings there.

Mr. SIMPSON: These three satellite stations you mentioned in the Maritimes that the C.B.C. constructed or are operating: do they pick up from another C.B.C. station?

Mr. RICHARDSON: That station at Liverpool picks up and rebroadcasts our Halifax station; Shelburne picks up and rebroadcasts the Liverpool station; and Yarmouth picks up Shelburne and rebroadcasts it. So it goes through the mill four times.

Mr. SIMPSON: It is not the policy of the C.B.C. to set up a satellite and to rebroadcast the programs of a private station?

Mr. RICHARDSON: That would cause some pretty serious managerial problems in respect to who controls whom, and so on.

Mr. MCQUILLAN: How far from the mother station can these satellite stations be used satisfactorily?

Mr. RICHARDSON: It depends entirely on the topographical conditions, the power of the mother station, and the height of the antenna, because as you go up in height with your antenna, your horizon gets farther and farther

away. But the antenna would have to stay somewhere close to that B contour, because if you get too far away from your original pick-up, you are troubled with fading and noise.

Mr. McQUILLAN: Would you please indicate the northerly boundaries of that area on the British Columbia coast?

Mr. RICHARDSON: We do not get to Powell River or Courtenay. That is Courtenay, here.

Mr. McQUILLAN: Did you say that Port Alberni is being covered?

Mr. RICHARDSON: Port Alberni is just inside only; but it is down in a hollow and is probably getting poor service.

Mr. McQUILLAN: And what about the lower west coast and Vancouver?

Mr. RICHARDSON: In mountainous country you must take into consideration whether you are in a valley or sitting on top of a hill. These are just general contours which are based on the international rules and regulations. It does not mean that in every spot you have coverage; but the rule is that when you get out to this vicinity here, 50 per cent of the receivers will get service at least 50 per cent of time, and you are meeting all the requirements of the international agreement.

Mr. McQUILLAN: Have you given any consideration to the establishment of a satellite station there, or can you cover more of that area?

Mr. RICHARDSON: Yes sir, we have.

Mr. McQUILLAN: You have given it serious consideration?

Mr. RICHARDSON: Yes sir, serious consideration.

Mr. FORTIN (*Interpretation*): Well Mr. Chairman, I have two questions to put: the first is as follows: does the C.B.C. propose to set up a French television station at St. Boniface? And my second question is this: is it true that in Winnipeg there are two channels available for television, one of them being important and the other of secondary importance, and that the request was made by the French speaking population of Manitoba to obtain the most important; and after they had originally received unofficial permission, this was then changed and they were to get the least important facility.

Mr. RICHARDSON: Answering question No. 1: we certainly have planned on establishing a French language station to serve St. Boniface. Actually the station will be located in the same building and the radiating element on the same tower as our present station in Winnipeg, but designed to serve the French population of St. Boniface.

Mr. FORTIN: May I put a supplementary question, Mr. Chairman? Would you have any idea as to the date on which this station could perhaps come into operation?

Mr. RICHARDSON: No, I could not give you a date. We went through the necessary application to Department of Transport. In March the Board of Broadcast Governors approved our recommendation, but we have not yet received order in council authority to establish a station. Until we receive that we can put no dates on completion.

The CHAIRMAN: Would you repeat the second question, Mr. Translator?

Mr. FORTIN (*Interpretation*): The second question was as follows: Is it true that in Winnipeg there are two channels available for television, one of them important—

Mr. RICHARDSON: May I answer that? Yes, there are two.

Mr. FORTIN (*Interpretation*): One of them important, and the other of secondary importance?

Mr. FORTIN: Would you answer this part too?

Mr. RICHARDSON: I will, in a second. Shall I answer it now?

Mr. FORTIN: Is it right that there is one important channel and one of secondary importance?

Mr. RICHARDSON: Let me put it this way. There are 12 channels, running from 2 to 13, and I think they are all of equal importance. But it is a little more difficult to render the same service on one of the top channels than it is on one of the lower channels, because it takes a little more power to reach the same coverage area. You have additional design problems with your antenna and that sort of thing.

I do not know what you mean by saying one is more important than the other; they are both equally important, as far as service is concerned. But one might cost you a little more to operate than the other.

Mr. FORTIN: Do you think you will spend the necessary money to have those two stations at the same level as far as power is concerned.

Mr. RICHARDSON: No, not as far as power is concerned. But this—

Mr. PRATT: Mr. Chairman, I have a supplementary question. What are these two particular channels being discussed?

Mr. RICHARDSON: I think they are 7 and 13.

Mr. PRATT: They are both fairly high, then, respectively?

Mr. RICHARDSON: Yes.

Mr. PRATT: One is half-way up.

The CHAIRMAN: Mr. Bell, Saint John-Albert.

Mr. FORTIN: He has not finished answering my question yet. (*Interpretation*): The continuation of the question was as follows:—one of them being important and the other of secondary importance; and is it true that a request was made by the French-speaking population of Manitoba to obtain the most important of these stations, and that after they had originally been given unofficial permission, this was then changed and they were to obtain the least important facility?

Mr. RICHARDSON: I have seen no request from the French-speaking population of Manitoba for either channel. As far as I am concerned, we worked on the design of this station using the lower channel, and that was what our application was based on.

Mr. FORTIN: I understand you are not aware of this request, but the request might have been made just the same?

Mr. RICHARDSON: It could have been; I have no knowledge of it.

Mr. FLYNN: Will this station be connected with the French network?

Mr. RICHARDSON: It will be programmed using film recordings, because the closest French network is here, and to extend the French network—

Mr. FLYNN: Where is it?

Mr. RICHARDSON: In the vicinity of Kirkland Lake.

Mr. BELL (*Saint John-Albert*): Mr. Richardson, regarding the blank spot in New Brunswick, about which I understand there is some controversy, I wonder if you would care to say the factors that might determine a decision as to whether there be a satellite or a new private station in that area?

Mr. RICHARDSON: The dotted line around New Carlisle here shows the area that will be served when the New Carlisle station is established, which I hope will be in about mid August this year.

Mr. BELL (*Saint John-Albert*): Is there any undesirability regarding the interprovincial nature of such an operation; that is, crossing provincial boundaries?

Mr. RICHARDSON: Not from my standpoint.

Mr. BELL (*Saint John-Albert*): I agree with that; but I just wanted to hear you say it.

Mr. FISHER: Have you made a survey in that very large area that has no colour?

Mr. RICHARDSON: Across here?

Mr. FISHER: Yes.

Mr. RICHARDSON: Yes, it has all been considered.

The CHAIRMAN: That large area you are talking about is northern Ontario and northern Manitoba?

Mr. RICHARDSON: Yes, northwestern Ontario.

Mr. FISHER: That dot at Kenora; does that represent your range?

Mr. RICHARDSON: That represents the coverage of the low power station at Kenora.

Mr. FISHER: Have there been any technical changes in development in the last year or two that would enable you, with relatively little expense, to expand that?

Mr. RICHARDSON: No; if you increase the coverage by increasing the power of the transmitter and the height of the antenna it will cost more money, no matter how you do it.

Mr. FISHER: Could you just repeat the cost of the Kenora operation?

Mr. RICHARDSON: The Kenora operation is around $175,000, is it? I am not sure; I would have to look it up.

Mr. FISHER: What is the approximate figure you have per household in television, in contrast to radio?

Mr. RICHARDSON: This varies, in our present studies. By the way, I think I just rounded the figure off to a dollar; but I think it ranges all the way from 93 cents up to $220 per television home—of the places that we have studied.

Mr. FISHER: The problem in northwestern Ontario is so often one where communities are being badgered and hectored by private organizations, not to put in a station but to put in some kind of reception device. I know of two of them that are delaying at the present time because they do not know whether it is worth while going ahead, because of developments in so far as the C.B.C. is concerned and in so far as the private station in Port Arthur is concerned.

When you make your announcement, or when your announcement is made of your plans for these nine stations, can you give any projection beyond that for the five-year period, so that these communities can make up their mind one way or the other whether it is worth while getting involved in this?

Mr. RICHARDSON: I think that we could, after our five-year plan is firmed up—which may be within the next two or three months.

Mr. FISHER: There is no possibility of any announcement in the house in the minister's estimates on this particular matter?

Mr. RICHARDSON: I would not know about that.

Mr. FISHER: So far the board of directors has given no indication?

Mr. RICHARDSON: No.

Mr. FISHER: They have not looked this over and approved?

Mr. RICHARDSON: No, not yet.

Mr. FISHER: I have one more question, and this is a hypothetical one. If the Port Arthur station is allowed its increase in power and its new antenna location, it is going to change that colour pattern?

Mr. RICHARDSON: That is right.

Mr. FISHER: And extend it out more? Is there any question of sort of a licence, or the privilege that a station gets, coming in conflict with potential C.B.C. service: I mean, in so far as those proprietors have proprietory rights in any way to their coverage?

Mr. RICHARDSON: I do not think so.

The CHAIRMAN: That would be up to the Board of Broadcast Governors, would it not?

Mr. RICHARDSON: That would be up to the Board of Broadcast Governors. I think you are talking about a vested right in the area, or something. I would doubt it very much, but that is only my opinion.

Mr. FISHER: Has the possible extension of the Port Arthur station been taken into consideration in any plans which you have made?

Mr. RICHARDSON: If the application is approved, we would immediately change, in effect, the colour on this map and see whether it affects any of the plant that we have. Just the same as I pointed out here in the Antigonish-Guysborough county problem that we would take that into account. If the private station can serve the area, that is fine with us.

Mr. FISHER: What is the minimum cost of a transmitter working off the micro-wave?

Mr. RICHARDSON: I would say the minimum cost would probably be in the order of $120,000. You might get lower than that if you got a smaller transmitter and a shorter antenna, and all that sort of thing; but to render a reasonable service over a small area would be about $120,000.

Mr. FISHER: Does most of the cost go into providing the change from the micro-wave to your transmittor?

Mr. RICHARDSON: No, that is the annual operating cost of the network facilities which, you see, are owned by other people. We just lease a service. We pay for that on an annual basis.

Mr. FISHER: Why is it that with so many of these satellites operations the costs seem to be so much below $100,000?

Mr. RICHARDSON: In your satellite operation you are picking up and rebroadcasting a mother station, operating away from the network which you have at another point.

Mr. FISHER: That is my point. The high cost factor is working from the—

Mr. RICHARDSON: Partly. It is not because of the network; it is because of the equipment that we need in order to feed it into the machine.

Mr. FISHER: Is there a private firm supplying that kind of equipment, or is it done on order?

Mr. RICHARDSON: All that we have done so far has been done on order. Now, whether they are going to make this as a stock item, I do not know, but I expect they will if there is a great demand. There are other satellites operating besides ours. There is Kapuskasing, Red Lake, and perhaps at Inverness, Penticton and Vernon.

Mr. FISHER: The Fowler commission had a recommendation in so far as television coverage is concerned. It was to the effect that wherever you had

a population of 5,000 to 8,000 people that should be taken under serious consideration by the corporation. Are you paying any particular attention to that point?

Mr. RICHARDSON: Yes, we have based it generally on a 5,000 figure within the service area, not necessarily within the community.

Mr. FISHER: I have one supplementary question. What is the area—I mean where do you determine the point where your 5,000 people fit?

Mr. RICHARDSON: This is not a cut and dried thing. You say: there is a likely looking spot. You look at it, and find there are two or three towns out around there at varying distances. You say: you put up a 500-foot antenna and put a kilowatt in it—all right, the contour will go there. You say to yourself: perhaps it is not enough; maybe if I extended it five miles it would be better. Then you amortize all these things, divide it by the population, and whichever one comes out to be the most reasonable is the one you recommend.

Mr. FISHER: Is one of the factors in connection with the small range of the Kenora station the fact that you have not a high enough location?

Mr. RICHARDSON: That is part of it, and we have not enough power to go further, and a high enough antenna and enough money to do it. We did the best we could with the finances at our disposal.

Mr. SIMPSON: I was going to ask you to give the general rundown of the areas in Canada which are not serviced by television; however, the map which you have produced gives us clear evidence that there are a lot of areas not being serviced. I would like to ask this question: has the C.B.C. any priority plans regarding any of these areas, which they consider should be serviced as quickly as possible?

Mr. RICHARDSON: I think I could best answer that by pointing out that on the first rundown of these things, after a few cut and tries, we decide that in a certain area it would appear to be economical to put up a station of a certain size. We estimate the potential population and the television demands to be served and we try to estimate the cost of network connection. We know the cost of supplying them by kine recordings; and taking all this into account we estimate the amount of dollars per television home and, from our standpoint, it would look reasonable to get the cheapest one first.

Mr. SIMPSON: I suppose one of the prime factors would be the population in the area?

Mr. RICHARDSON: Yes, the larger the population the cheaper it becomes.

Mr. SIMPSON: Could you tell me, Mr. Richardson, what areas you may be considering at the present time which are now serviced by a micro-wave system; that is, the telephone micro-wave system, which could be utilized. Would that not have a large bearing on the areas?

Mr. RICHARDSON: It has a considerable bearing on the costs. We are considering all areas, even those up here, but as you are closer to the network along here, the cheaper your network service becomes because you pay so much a mile plus station connection charges, which are fixed.

Mr. SIMPSON: That is understandable; but in some of these areas, where the population factor may be fairly equal, if you find an area which already has a micro-wave system, which could have the television equipment installed on it, as against another area where towers would have to be built up, would that not be a factor and have a bearing on it?

Mr. RICHARDSON: I think the first one would probably come out to be the cheaper.

Mr. SIMPSON: One other question: who specifically in the C.B.C. makes the decisions in regard to extensions from time to time as they come up?

Mr. RICHARDSON: The board of directors.

Mr. SIMPSON: The entire board of directors?

Mr. RICHARDSON: Yes.

Mr. BELL (*Saint John-Albert*): Does the Department of Transport investigate the technical aspect of all this type of activity?

Mr. RICHARDSON: If we apply for a station anywhere we must make that application to the Department of Transport. We must supply a complete technical brief showing the channel, the height of the antenna and so on, and all these things have to go to the Department of Transport. If the thing is technically correct they refer it to the Board of Broadcast Governors.

Mr. BELL (*Saint John-Albert*): And they might express themselves in favour of one suggestion over another from a technological point of view.

Mr. RICHARDSON: I think they would only point out technical facts and not express an opinion.

The CHAIRMAN: Mr. McGrath is next, and then Mr. Fisher.

Mr. SIMPSON: I have a supplementary question. As you are well aware yourself, there have been many representations made in respect to the area I am in, in regard to servicing The Pas, Swan River, Flin Flon, and the Dauphin area on the way up to the northern part of Manitoba. There have been many representations made to the president of the C.B.C. and Mr. Bushnell, when he was acting president. To your knowledge, are the board of directors aware of the many representations which have been presented from this area?

Mr. RICHARDSON: Oh, I think so.

Mr. MCGRATH: Well, Mr. Chairman, my question concerns the policy of the C.B.C. with regard to—

The CHAIRMAN: I do not think that we should expect our present witness to answer a question like that.

Mr. MCGRATH: I feel that perhaps one of the committee of management should be able to answer it.

The CHAIRMAN: All right, proceed; ask your question.

Mr. MCGRATH: My question is in regard to coverage in new areas, Mr. Chairman, areas that are presently unserviced. Bearing in mind the concept of the national broadcasting system, which is a combination of C.B.C. and private stations, it seems to me that the policy of the corporation has changed somewhat in that now the corporation is competing with private enterprise in the few commercial areas that are left in Canada for the television franchise. I might say in all fairness that I asked this question of Mr. Bushnell earlier in the hearing; I also asked it of Dr. Stewart of the B.B.G. on June 22, and his answer is at page 483 of the evidence. My question is based on the economics of the C.B.C. and, of course, the fact that we are concerned with trying to save the taxpayer money. If a private organization will provide the service, as it now stands, if it is obliged to accept the network, why should the C.B.C. move in to compete?

Mr. LANDRY: I would say that this is really a matter for the board of directors to consider and that they should refer their conclusions to the B.B.G. I am afraid I cannot reply in detail as to the policy on this.

Mr. MCGRATH: Well, could we have this question referred to your board and, perhaps, you could come back with an answer or statement later?

Mr. LANDRY: Yes.

The CHAIRMAN: By all means.

Mr. FISHER: I would like to ask Mr. McGrath whether he feels the taxpayer in a way is being paid money; it is all going to cost money.

Mr. McGRATH: I am not a witness, but I will answer it, if you like.

Mr. MUIR (*Lisgar*): I have a couple of questions. I am wondering what is the reason for changing Winnipeg from channel 4 to channel 3?

Mr. RICHARDSON: The reason was that all throughout the southern part of Manitoba, south of Winnipeg, all the southern area here, we received many letters and telephone calls complaining they could not pick up Winnipeg because of a station operating down here in North Dakota.

Mr. MUIR (*Lisgar*): Bismark?

Mr. RICHARDSON: No; Valley City. It was on the same channel. According to the international agreement the two stations were sufficiently separated geographically that they could operate on similar channels but they did not. The people were using outdoor antennae. They had them oriented to pick up Winnipeg but the back of them pointed toward Valley City and they got both signals.

Mr. MUIR (*Lisgar*): I live seven miles from Winnipeg and almost all the people in that area—

The CHAIRMAN: Where do you live?

Mr. MUIR (*Lisgar*): —have had to change their arials. Did that justify the change?

Mr. RICHARDSON: On the basis of the complaints we had, it certainly did.

Mr. MUIR (*Lisgar*): I understand the height of the tower in Winnipeg is confined by the proximity to the airport?

Mr. RICHARDSON: Yes.

Mr. MUIR (*Lisgar*): Do you have any plans for moving the tower so that you can raise it?

Mr. RICHARDSON: I think this will come up in our five-year plan in order to render a wider and more consistent service.

Mr. McGRATH: How much of the area across the prairies between the main network and the border would be covered by American stations? Is that pretty well filled in?

Mr. RICHARDSON: I rather doubt it. I do not know the exact distribution of the American stations along there. These, here, are fairly close to the border and would get some service. I do not think there would be too constant a service rendered up here.

Mr. MUIR (*Lisgar*): I wish to ask a question about the two communities of Prince George and Prince Rupert along the northern main line of the C.N.R. Has any consideration been given to establishing stations in those two communities?

Mr. RICHARDSON: They are under consideration. However, at the present meeting of the Board of Broadcast Governors, I believe there are three private applications being considered for Prince George.

Mr. FISHER: Have you heard anything or do you know anything of a policy which would enable the C.B.C. to share costs—perhaps to provide the service from year to year but have the communities themselves, or organizations within the communities, provide the capital outlay for the original facilities?

Mr. RICHARDSON: I have seen no such proposal put up to the corporation.

Mr. FISHER: Is it fair to ask whether or not it has been discussed within the organization?

Mr. RICHARDSON: Not to my knowledge.

The CHAIRMAN: Colonel Landry, have you anything to add?

Mr. LANDRY: No, I do not think we have received any such request.

Mr. FISHER: Is the station in Labrador a C.B.C. station?

Mr. RICHARDSON: This, again, is a station for which we provide a manager plus program material, but it is owned and operated by the armed forces of the United States.

Mr. FISHER: How would the population there compare with Flin Flon?

Mr. MCGRATH: There would be no comparison.

Mr. FISHER: Flin Flon would be much larger?

Mr. MCGRATH: Yes.

Mr. FISHER: Here you have worked out a paying operation.

Mr. RICHARDSON: These people here decided to build stations.

The CHAIRMAN: United States?

Mr. RICHARDSON: Yes; they were going to program them 100 per cent. I do not know who got into the act—the Department of External Affairs, the Department of Transport, or who—but the question came up that these were United States stations on Canadian soil and that something must be done. The compromise was they would be licensed in the name of the corporation. We would provide some of the programming and would license the station. It cost nothing so far as capital is concerned.

Mr. FISHER: If a community like Flin Flon was willing to do the same thing—I am not suggesting it is—would there be a possibility of sharing this as you are doing there?

Mr. RICHARDSON: It is a distinct possibility. I think, however, we would have to give it very serious consideration. From the engineering standpoint I see nothing wrong with it at the moment.

Mr. FISHER: Have you been checking on the recent experiments which were given much publicity over a year ago, which were made by the Westinghouse Corporation in Hamilton on the question of throwing a long-range television beam?

Mr. RICHARDSON: We keep up to date on all these things. The only one I have actually seen the concrete results of is the small link from Florida over to Havana. At the time I saw it, which was about a year or eighteen months ago, the picture received at both ends left quite a bit to be desired.

Mr. FISHER: Have you any indication which would lead you to believe that a similar development will open up any easy way of supplying long-distance transmission to places like Flin Flon?

Mr. RICHARDSON: Not at the moment. I do not say it will not come in the long run, but today I do not think we have it.

Mr. PRATT: In Montreal the television mast occupies the most desirable and practical location for telecasting purposes. I am wondering, if private licences are granted, whether or not the C.B.C. is prepared to share the location for a multi-antenna mast such as they have on the Empire State building in New York?

Mr. RICHARDSON: I do not know.

Mr. PRATT: Has the engineering department given consideration to the engineering factors involved?

Mr. RICHARDSON: Yes.

Mr. PRATT: They are prepared to do it from an engineering point of view?

Mr. RICHARDSON: There are certain difficulties. In Montreal we are limited in the height of the mast by civil aviation regulations. If you add antennae

you keep adding them lower down the mast, and if you have enough stations the last one may be in the cellar. This is one limitation. You could very easily say, "Why do you not build another mast beside it?" Then you have the difficulty of ghosts and reflections on the one tower off the other.

Mr. PRATT: The engineering department has considered this possibility?

Mr. RICHARDSON: Yes. If you have a mast here you can build another one within some limit.

The CHAIRMAN: Approximately how far apart?

Mr. RICHARDSON: They have to be between 75 feet and 250 or 300 feet. That is an estimate.

Mr. PRATT: Has the policy been considered by the hierarchy of the C.B.C. in respect of sharing?

Mr. LANDRY: I could not answer that question definitely. I do not know whether it was or was not discussed. I suppose it was done in the case of existing stations, but in respect of new stations, I am not aware of it.

Mr. PRATT: Would you seek this information and let the committee know?

Mr. LANDRY: Yes.

Mr. SIMPSON: What is the C.B.C.'s answer to the fact that in the province of Saskatchewan with a relatively equal population to Manitoba, they have practically three times as many miles of network television facilities in comparison to Manitoba. I believe in Manitoba they have around 330 miles of network facilities and in Saskatchewan they have 882 miles.

Mr. JENNINGS: This may be perfectly true because we were not particularly concerned with attempting to equalize miles of network with population by province. What we were concerned with was getting across the country with a micro-wave system and picking up centres of major population as we went. So it just happened that Winnipeg was the largest city in Manitoba, and Brandon was the next, so the thing went on the cheapest possible route.

Mr. SIMPSON: Flin Flon is third.

Mr. RICHARDSON: That may be true. At the beginning, when we ordered this network, no one envisaged there would be a television station at Swift Current, because the economy at that time simply indicated it was impossible.

In the same way, nobody thought of a privately owned station at Yorkton, and we had doubts about Prince Albert. We were figuring on Regina and Saskatoon. I can assure you there was no thought of discrimination, as of one province against another, or vice versa.

The CHAIRMAN: May we have your permission to have these tables of Mr. Richardson's printed in the record right after his remarks on it?

Agreed.

The CHAIRMAN: Any further questions of Mr. Richardson?

Mr. FISHER: Our terms of reference, Mr. Richardson, allow us to review, among other things, the development of the C.B.C., and to report from time to time our observations and opinions thereon.

In this whole question of extension of coverage to remote areas do you think it would be, or do you believe it would be of real assistance to you, in your particular function, if this committee could report or express an opinion, in some detail, about this extension of coverage; and with some suggestion of an appreciation of the cost factors and the population factors with which you are concerned?

Mr. RICHARDSON: Any help we can get, Mr. Fisher, we will welcome most heartily.

Mr. FISHER: Mr. Simpson and I will take a particular interest in this.

The CHAIRMAN: Mr. Taylor, this is on the extension of coverage?

Mr. TAYLOR: Yes.

Do you know how many companies operate in remote areas by way of a closed circuit system? Do you know how many companies in remote areas get their programs free of charge, like cutting in on C.B.C. television lines?

Mr. RICHARDSON: No one cuts in on C.B.C. lines.

Mr. TAYLOR: How about the one out in the interior of British Columbia, which operates a closed circuit system, but gets its programs from the C.B.C., —probably improperly?

Mr. RICHARDSON: That is the first I have heard of that.

Mr. TAYLOR: Could you ask some of your associates? I think they know of that.

Mr. RICHARDSON (*Addressing his associates*): Has anyone here heard of the station—the community antenna system, I presume?

Mr. TAYLOR: Yes, a community antenna system.

Mr. RICHARDSON (*Again, to his associates*): In the interior of British Columbia, taking a feed off our lines? I do not think they can.

Mr. TAYLOR: It was written up in *Time* magazine that there was one company in the interior of British Columbia doing that.

Mr. GILMORE: Mr. Chairman, if there is such a tap or feed being taken from the micro-wave network I think that should definitely be drawn to the attention of the microwave network authorities, who are the Trans-Canada Telephone Company. We will be glad to look after that part of it, if the reference can be given to us. That is a very serious offence, actually.

The CHAIRMAN: Mr. Taylor, can you write the C.B.C. a personal letter on that?

Mr. TAYLOR: I already have.

There is one other question: if in the remote areas a closed circuit company was operating, would you provide film coverage to that company?

Mr. RICHARDSON: No, because, by and large, as I understand it, we only own broadcast rights in this material, and the instant you put it on a closed system, where somebody is charging so many dollars a home or receiver, that is no longer broadcasting. Maybe Mr. Gilmore could throw more light on it.

Mr. GILMORE: If I may expand a little, there are two questions involved: one is a constitutional question: being set up to provide a broadcasting service, and a definition of that word "broadcasting" comes very directly into focus here—whether that would be providing a broadcasting service, anyway. Secondly, there is the point that Mr. Richardson has mentioned, that of clearance with owners of the copyright of the material. That copyright is not only copyright in the property, the play, music, sketch, or whatever it is, but it is also clearance with organized labour on the subject.

These actually could possibly be overcome with special agreements for the sale of this material to a commercial house. That is the only way we see of doing it.

Mr. TAYLOR: Mr. Chairman, specifically, in Whitehorse the public there desire a television service. I understand the corporation does not plan to extend into that area for two or three years. The closed circuit company is there. Film has to come from American outlets only, so the Canadians in the area cannot get any Canadian film. Do you not feel you could overcome that problem at no expense to the taxpayers—and you might even derive a rental from the film?

Mr. GILMORE: Mr. Chairman, that is a commercial enterprise. I think, if I could comment, that the entrepreneur should look into that on the basis of what it would cost to provide Canadian film. There are other sources of Canadian film besides the C.B.C.

I think what is suggested here is C.B.C. programming, and my answer to the previous question should apply here.

Mr. TAYLOR: I do not want to labour this point too much, but the same thing might happen in other towns and cities in the north. Do you not feel you should encourage private enterprise, to some extent, in that area, when you do not plan to go in there yourself, and help them get Canadian material? If you do not help them they might go to American sources, which is what we do not want.

Mr. GILMORE: Mr. Chairman, this is not broadcasting.

The CHAIRMAN: I know.

Mr. GILMORE: We do not see it as our primary responsibility, sir.

Mr. PRATT: A supplementary question to that, Mr. Chairman.

The CHAIRMAN: Yes, Mr. Pratt.

Mr. PRATT: If this were distributed to private enterprise, which in turn would re-broadcast it, you would be willing and able to do that under your terms of reference?

Mr. GILMORE: We have provided, from 1953 onward, an average of 40 hours of programming a week to all private television stations in Canada by means of kine recordings, with no charge to them. In fact, about half of this was sponsored material, for which they were paid station time.

Mr. PRATT: I am not criticizing—

Mr. GILMORE: I am agreeing with you.

Mr. PRATT: You are agreeing with me?

Mr. RICHARDSON: Yes.

Mr. PRATT: That is fine.

Mr. TAYLOR: The Canadian forces—the air force and army—are at Whitehorse. Because of the fact the corporation cannot supply material for our Canadian forces in Canada they are being fed nothing but American films. I am trying to find out if you can overcome that problem.

The CHAIRMAN: Could we settle this by stating you will study it, Mr. Gilmore, or Colonel Landry?

Mr. GILMORE: There is a radio service being provided; and television will be provided under the normal planning of the corporation, in due course.

Mr. TAYLOR: What is "in due course", though?

Mr. FISHER: There is no reason why he should tell you any more than us. We want to know too.

Mr. SIMPSON: Has there been any application, at any time of which you know, by the United States armed forces to provide a television service in Fort Churchill?

Mr. RICHARDSON: Not to my knowledge.

Mr. SIMPSON: That would also provide a service for the people in the town of Churchill?

Mr. RICHARDSON: Yes.

Mr. SIMPSON: What would that involve? Supposing they wished to go ahead and construct a television station there, to provide a service for the armed forces, would that tie in with the broadcasting policy in Canada, or are you allowed to do that?

Mr. RICHARDSON: I am not an expert on these international matters, but I would assume, offhand, there would first be an approach from the State Department to the Department of External Affairs on such a matter—as there was with Harmon Field and Goose Bay; and from there the various Canadian authorities probably take it into consideration, the same as we did before, with the Department of Transport—and, probably, the Board of Broadcast Governors would get into it now.

Mr. MCGRATH: Is there not a difference in the two situations? I think in the case of Harmon Field and Goose Bay the Americans have an actual lease.

Mr. RICHARDSON: Yes.

Mr. MCGRATH: Whereas they would be pretty small detachments at Churchill.

Mr. RICHARDSON: I would not know.

Mr. SIMPSON: One further question on that. At the present time they are operating a radio station there, and I do not know whether that is under C.B.C. jurisdiction.

Mr. RICHARDSON: It will be very shortly.

Mr. SIMPSON: You mentioned that, but it is my understanding—and I have not been able to get the complete facts on this—but it is my understanding from people in the area that the United States authority was quite willing to put up a television service, but was refused permission.

Mr. RICHARDSON: It did not get to my level.

The CHAIRMAN: Now, we have been holding Item No. 1. Colonel Landry, who is going to answer questions on The Extension of Hours of Telecasting?

Mr. LANDRY: Mr. Gilmore will answer the questions.

The CHAIRMAN: Mr. Richardson, before you leave, on behalf of the committee, may I present an orchid to you. You were one of our better witnesses.

We will have these tables, which form part of Mr. Richardson's brief, placed on the record at this point.

CBC LOW POWER RELAY TRANSMITTERS

Location	Call Letters	Frequencies (KC/S)	Date in Operation
Revelstoke, B.C.	CBRA	860	October 22, 1940
North Bend, B.C.	CBRN	800	September, 11 1942
Edmundston, N.B.	CBAM	1490	October 18, 1942
Fernie, B.C.	CBRF	730	December 14, 1942
Cranbrook, B.C.	CBRR	860	December 17, 1942
Kimberley, B.C.	CBRK	900	December 18, 1942
Creston, B.C.	CBRM	740	December 20, 1942
Sioux Lookout, Ont.	CBLS	1240	June 13, 1943
Quesnel, B.C.	CBRQ	800	August 9, 1943
Prince George, B.C.	CBRG	860	August 10, 1943
Williams Lake, B.C.	CBRL	860	August 11, 1943
Nakina, Ont.	CBLN	1240	April 27, 1944
Hornepayne, Ont.	CBLH	1340	November 23, 1944
Dryden, Ont.	CBLD	1490	April 24, 1948
Ashcroft, B.C.	CBRT	860	May 16, 1948
Princeton, B.C.	CBRP	860	May 18, 1948
Field, B.C.	CBRD	860	December 2, 1948
Foleyet, Ont.	CBLF	1450	May 25, 1949
White River, Ont.	CBLW	1240	April 3, 1951
Marathon, Ont.	CBLM	1490	April 4, 1951
Schreiber, Ont.	CBLB	1340	April 6, 1951
Smithers, B.C.	CBRS	860	April 16, 1951
Atikokan, Ont.	CBLA	1490	June 26, 1951
Burn's Lake, B.C.	CBRB	860	September 11, 1951
Hazelton, B.C.	CBRH	1110	September 14, 1951
Terrace, B.C.	CBRC	860	September 16, 1951
Vanderhoof, B.C.	CBRV	860	September 9, 1951

CBC LOW POWER RELAY TRANSMITTERS—*Conc.*

Location	Call Letters	Frequencies (KC/S)	Date in Operation
Longlac, Ontario	CBLL	1400	July 23, 1953
Geralton, Ontario	CBLG	730	July 25, 1953
Beardmore, Ontario	CBLE	1240	July 25, 1953
Red Rock, Ontario	CBLR	1010	July 25, 1953
Megantic, Que	CBFB	990	September 26, 1953 (French)
McBride, B.C	CBXM	860	August 28, 1953
Lytton, B.C	CBRE	1080	October 22, 1953
Chapleau, Ont	CBLC	1090	September 23, 1953
Jasper, Alta	CBXJ	860	November 20, 1953
Jamestown, Ont	CBLJ	540	December 18, 1953
Golden, B.C	CBXE	730	February 11, 1954
Salmon Arm, B.C	CBUC	740	April 9, 1954
Grand Forks, B.C	CBRJ	860	April 23, 1954
Greenwood, B.C	CBRO	730	April 25, 1954
Banff, Alta	CBXB	860	April 26, 1954
Coleman, Alta	CBXC	1450	August 14, 1954
Blairmore, Alta	CBXL	860	August 14, 1954
Natal, B.C	CBXN	1490	August 17, 1954
Oliver, B.C	CBUA	730	September 15, 1954
Osoyoos, B.C	CBUB	900	September 17, 1954
Ocean Falls, B.C	CBUF	860	October 4, 1954
Castlegar, B.C	CBUD	1080	November 12, 1954
Kaslo, B.C	CBUG	860	November 16, 1954
Hope, B.C	CBUE	860	December 21, 1954
Kitimat, B.C	CBUK	740	February 19, 1955
Gaspé, Que	CBFG	1420	April 16, 1955 (French)
Grand Falls, N.B	CBAB	1350	May 2, 1955
Edson, Alta	CBXD	1110	November 8, 1958
Chase, B.C	CBUH	860	November 26, 1958
Espanola, B.C	CBLP	1240	January 12, 1959
Mattawa, Ont	CBLO	1240	January 13, 1959
Kirkland Lake, Ont	CBLK	1450	February 2, 1959 (French)
Latchford, Ont	CBLO	540	February 3, 1959
Smooth Rock Falls, Ont	CBLU	540	April 1, 1959 (French)
UNDER CONSTRUCTION			
Plaster Rock, N.B		990	Spring, 1959
Deep River, Ont		540	Spring, 1959
Barrington, N.S		540	October, 1959
Slocan City, B.C		860	October, 1959
New Denver-Roseberry, B.C		740	October, 1959
Lillooet, B.C		860	October, 1959

CANADIAN TELEVISION STATIONS

Call	Location	Established
CBFT	Montreal	1952
CBLT	Toronto	1952
CBOT	Ottawa	1953
CBUT	Vancouver	1953
CFPL-TV	London	1953
CKSO-TV	Sudbury	1953
CBHT	Halifax	1954
CBMT	Montreal	1954
CBWT	Winnipeg	1954
CFCJ-TV	Port Arthur	1954
CFCM-TV	Quebec	1954
CFQC-TV	Saskatoon	1054
CFRN-TV	Edmonton	1954
CHCH-TV	Hamilton	1054
CHCT-TV	Calgary	1954
CHSJ-TV	St. John	1954
CJBR-TV	Rimouski	1954
CJCB-TV	Sydney	1954
CJIC-TV	Sault Ste. Marie	1954
CKCK-TV	Regina	1954
CKCO-TV	Kitchener	1954
CKCW-TV	Moncton	1954
CKLW-TV	Windsor	1954
CKWS-TV	Kingston	1954
CBOFT	Ottawa	1955
CHEX-TV	Peterborough	1955
CJLH-TV	Lethbridge	1955
CJON-TV	St. John's	1955
CKGN-TV	North Bay	1955
CKRS-TV	Jonquiere	1955
CKNX-TV	Wingham	1955
CKVR-TV	Barrie	1955
CKX-TV	Brandon	1955
CFLA-TV	Goose Bay	1956
CFCL-TV	Timmins	1956
CFCY-TV	Charlottetown	1956
CHEK-TV	Victoria	1956
CHLT-TV	Sherbrooke	1956
CFSN-TV	Stephenville	1957
CFCR-TV	Kamloops	1957
CHAT-TV	Medicine Hat	1957
CHBC-TV	Kelowna	1957
CHBC-TV-1	Penticton	1947
CHBC-TV-2	Vernon	1957
CHCA-TV	Red Deer	1957
CJFB-TV	Swift Current	1957
CJOX-TV	Argentia	1957
CKMI-TV	Quebec	1957
CKRN-TV	Rouyn	1957
CKSO-TV-1	Elliot Lake	1957
CBHT-1	Liverpool	1958
CBHT-2	Shelburne	1958
CBHT-3	Yarmouth	1958
CFCL-TV-1	Kapuskasing	1958
CFCL-TV-2	Elk Lake	1958
CJES-TV-1	Estcourt	1958
CKBI-TV	Prince Albert	1958
CKBL-TV	Matane	1958
CKOS-TV	Yorkton	1958
CKTM-TV	Three Rivers	1958
CJDC-TV	Dawson Creek	1959

STATIONS RECOMMENDED OR AUTHORIZED BUT NOT YET IN OPERATION

Call	Location	Call	Location
CJVC-TV	Clermont	CHAB-TV	Moose Jaw
	Corner Brook		
	Cornwall	CHAU-TV	New Carlisle
	Inverness		Princeton
	Kenora		St. Boniface
	Moncton		Trail

TV STATIONS—DATES CONNECTED TO NETWORK

Call	Location	Date on Network
CBLT	Toronto	Jan. 19, 1953
CBFT	Montreal	May 14, 1953
CBOT	Ottawa	May 14, 1953
CFPL-TV	London	Jan. 1, 1954
CBMT	Montreal	Jan. 10, 1954
CKCO-TV	Kitchener	Mar. 1, 1954
CHCH-TV	Hamilton	June 1, 1954
CFCM-TV	Quebec	July 17, 1954
CKLW-TV	Windsor	Sept. 4, 1954
CKWS-TV	Kingston	Dec. 9, 1954
CHEX-TV	Peterborough	Apr. 1, 1955
CBOFT	Ottawa	June 24, 1955
CKVR-TV	Barrie	Sept. 28, 1955
CKNX-TV	Wingham	Nov. 18, 1955 (Temp) Aug. 10, 1956 (Perm)
CHLT-TV	Sherbrooke	Aug. 12, 1956
CKGN-TV	North Bay	Sept. 30, 1956
CKSO-TV	Sudbury	Sept. 30, 1956 (Temp) Mar. 30, 1957 (Perm)
CFCJ-TV	Port Arthur	Sept. 30, 1956
CBWT	Winnipeg	Sept. 30, 1956
*CHSJ-TV	Saint John	Dec. 2, 1956 (to CBHT)
*CKCW-TV	Moncton	Dec. 2, 1956 (to CBHT)
*CJCB-TV	Sydney	Dec. 2, 1956 (to CBHT)
CBHT	Halifax	Dec. 2, 1956
CHEK-TV	Victoria	Dec. 17, 1956 (to CBUT)
	(To Cross-Canada Network July 1, 1958)	
CKMI-TV	Quebec (Eng.)	Mar. 17, 1957
CFCL-TV	Timmins	Apr. 21, 1957
CKX-TV	Brandon	Apr. 28, 1957
CKCK-TV	Regina	Apr. 28, 1957
CFQC-TV	Saskatoon	June 16, 1957
CJBR-TV	Rimouski	Aug. 7, 1957
CKRS-TV	Jonquiere	Oct. 28, 1957
CHCT-TV	Calgary	Nov. 24, 1957
CFRM-TV	Edmonton	Nov. 24, 1957
CJLH-TV	Lethbridge	Nov. 24, 1957
CHAT-TV	Medicine Hat	Nov. 24, 1957
*CFCY-TV	Charlottetown	Nov. 30, 1957 (to CBHU)
CKTM-TV	Three Rivers	Apr. 15, 1958
CHCA-TV	Red Deer	Apr. 16, 1958 (Temp) Oct. 1959 (Perm)
CJIC-TV	S. S. Marie	June 1, 1958
CBUT	Vancouver	July 1, 1958
CJFB-TV	Swift Current	Oct. 1, 1958
CKBL-TV	Matane (Fr.)	Nov. 15, 1958
CKBI-TV	Prince Albert	Feb. 8, 1959
CKRN-TV	Rouyn	Mar. 21, 1959
CJON-TV	St. John's	June 15, 1959
CFSN-TV	Harmon Field	June 15, 1959
	Corner Brook	June 15, 959
	Moose Jaw	Aug. 16, 1959
CHBC-TV	Kelowna	Sept. 1959
CFCR-TV	Kamloops	Sept. 1959
CKOS-TV	Yorkton	Dec. 1959
	New Carlisle	1960
	Moncton (Fr.)	1960
	Kenora	Late/59 or Early/60
	Trail	Late/59 or Early/60

*English network connection between Montreal and the Maritimes went into operation Feb. 2/58.

Mr. FISHER: Before you go, Mr. Richardson, can you foresee within the next five years that private entrepreneurs are really going to get into this field of providing television coverage in remote or hinterland areas?

Mr. RICHARDSON: That is a matter of opinion. I believe that past events have spoken somewhat in favour of it by the fact that some satellites have been established in some remote areas such as Elliot Lake, Kapuskasing, Penticton, Elk Lake and Vernon.

Mr. TAYLOR: Do you not feel that you should give a type of assistance to these private companies, with the reservation of course that if the C.B.C. ever intends to enter that area, it would have the first rights?

The CHAIRMAN: That is Corporation policy. Please ask your question of Colonel Landry. Go on, through me.

Mr. TAYLOR: Well, Mr. Chairman, it is the same question. Do you not feel that you should give every effort to help those small companies operating in the northern areas in order that they provide service which is desirable in these television areas, with the reservation at all times that the C.B.C., if they do enter that area, would have priority; but as long as you are not in there, you will give every assistance; but when you do enter the area the private companies would have to do as you see fit?

Mr. LANDRY: Yes, Mr. Gilmore will answer your question.

Mr. GILMORE: It would be about the same thing as to ask us to supply C.B.C. programs to all small theatres throughout that area. It would amount to the same thing. We would certainly provide encouragement, provided we could get the clearance.

The CHAIRMAN: Thank you.

Mr. TAYLOR: I understand that if you are outside of Canada you can buy film or rent; but if you are a Canadian company operating in Canada, you cannot get them.

Mr. GILMORE: Only if you are a broadcasting organization outside of Canada.

Mr. SIMPSON: My final question is directed to Mr. Richardson: to your knowledge, speaking especially of the area in which you know I am interested and which already has a micro-wave system set up, how long do you think it would take, after decision was made to service that area, to secure the equipment? Is this equipment available? Is it being manufactured fairly quickly, or is it a long term process to have the equipment manufactured to equip these towers?

Mr. RICHARDSON: This is a network micro-wave system?

Mr. SIMPSON: Yes.

Mr. RICHARDSON: As I understand it the micro-wave system that runs into the area which you are describing is made for voice, telegraph, and such types of communication only. It is entirely different to the type of equipment which you would have to have to carry television programming. So what would have to be done, I think, would be to acquire a complete set of equipment. Whether or not their present buildings could accommodate the equipment, whether their towers would support the necessary antenna to beam these things from tower to tower, frankly, I do not know. All I can say is that the extensions of networks which have been authorized and ordered in the last two or three years have taken anywhere from 18 to 24 months to construct.

Mr. SIMPSON: Is it reasonable to assume that these towers could carry that equipment? I ask that because the Manitoba telephone system has already arrived at a rental cost which they would require for them; so it must be reasonable to assume that the towers could carry the equipment.

Mr. RICHARDSON: I do not know.

Mr. PRATT: May I ask a supplementary question to Mr. Taylor's question of Mr. Gilmore? Is there at the present time any understanding with the performers union to break or to destroy recorded material in a case where future broadcasting is suggested?

Mr. GILMORE: We can only produce one performance. That is a restriction of the agreement.

Mr. PRATT: Are these recordings destroyed?

Mr. GILMORE: They are certainly destroyed, and the actual film prints are destroyed.

Mr. PRATT: Do you not keep kines for your records.

Mr. GILMORE: We have a policy of keeping negatives, but it varies with the material. In the case of important broadcasts we keep them indefinitely.

Mr. PRATT: Does this apply to video tape?

Mr. GILMORE: We have not established a policy in respect to video tape because we have not yet got the complete data on what it would cost us to store them.

The CHAIRMAN: Thank you. May we now refer to item H-1 extension of hours of telecasting?

Mr. MCGRATH: We have finished the other items under item H?

The CHAIRMAN: No.

Mr. MCGRATH: What is left under H?

The CHAIRMAN: Items number 3 and 4. Do you have a short statement, Mr. Gilmore?

Mr. GILMORE: No.

The CHAIRMAN: Are there any questions under extension of hours of telecasting?

Mr. KUCHEREPA: Why can we not have an extension of hours of television broadcasting in the large metropolitan area?

Mr. GILMORE: The extension of hours of television for the C.B.C. network was planned two or three years ago now, as outlined in appendix 12 of the Fowler commission report; and this is the program we are following. This brings the television network back to about 1962 or 1963. We are presently in the process of up-dating this forecast for the current 5 years forecast which is due on November 10 under the new Broadcasting Act. I cannot say at this date whether that will be altered or not.

Mr. PRATT: Might there not be some consideration given to reducing the number of hours of television broadcasting in the interests of making better programs at less cost to the public?

Mr. FISHER: Or of extending television services?

Mr. GILMORE: I would not be in a position to comment on that.

Mr. PRATT: Has any consideration been given to it?

Mr. GILMORE: The consideration given was that the Fowler Commission took thought of our development, and the corporation at that time took the position that if it was reasonable to have a balanced service of recorded radio and television programs it was also reasonable to provide live service throughout the network when such television service was available, particularly from across the border.

Mr. PRATT: In a place like Montreal where a tremendous amount of space has to be filled in by television broadcasting, where they not only use their first, second, and third grade performers, but where they are down to fourth, fifth, and sixth grade performers in order to fill these hours which are not always necessary, it seems to me—

The CHAIRMAN: Is that a personal opinion?

Mr. PRATT: Yes, I am expressing a personal opinion. I am sorry. I shall desist.

Mr. FISHER: Come out of retirement, John.

Mr. PRATT: Thank you.

Mr. TAYLOR: You will get used to it.

The CHAIRMAN: I was wondering about private enterprise. Getting right down to cases, CFPL of London found it necessary to compete, I imagine, with Cleveland and Detroit. They extended their hours by starting two hours earlier in the morning.

Mr. GILMORE: Yes.

The CHAIRMAN: There is no way of knowing whether or not they are losing money on this, but I feel sure they are not losing very much money if any, because they are selling sufficient commercials to pay for the film or whatever they may run at that time. But could not an extension of hours be made in some areas in your larger centres at no cost to the C.B.C.?

Mr. GILMORE: You are dealing now with local service, and we would hope that any extension we would make in local service would pay for itself. I might add, in comment on the CFPL statement, that the private affiliated stations would like our network to extend, in order to aid them in their local extension.

The CHAIRMAN: I would understand that.

Mr. TREMBLAY (*Interpretation*): Well, Mr. Chairman, I would like to put three questions to Mr. Gilmore. First, what is the aim which the C.B.C. would be seeking in increasing the number of hours of television broadcasts? The second question: this aim pursued by the C.B.C., does it meet requirements put forth by the public and specific requests in that connection? And my third question is: does the C.B.C. undertake, in cooperation with educational, cultural, social and other bodies—does it undertake to make a study of this problem, based on family problems?

Mr. GILMORE: On the first question—and I will couple it with the second; they are both pretty much the same—why are we increasing, and does it meet the need: any of the surveys which have been made on this subject indicate that there is a very definite television audience for any television service in the afternoon and noon hours. In the case of the noon hours, our production planning—Mr. Jennings, I think, can substantiate this—was to possibly go into the rural field around noon and complement our radio farm broadcast.

In the case of the effect on families, or family studies, I know nothing of any particular family statements—statements by psychologists or social studies of this nature. I do know one thing, however; that we have had on the English network—and, as Mr. Ouimet and Mr. Jennings mentioned previously, we have complied with it by experimental telecasting—considerable pressure to develop some school television in the English language network service.

The CHAIRMAN: Are there any further questions on Item "1"? Shall we go to "3", Colour Television?

Agreed.

The CHAIRMAN: Who will be our witness on that, Mr. Landry?

Mr. LANDRY: Mr. Gilmore and Mr. Richardson.

Mr. KUCHEREPA: What are the prospects of colour television?

Mr. GILMORE: In forecasting the costs of colour television, extensive investigations were made, mainly at the National Broadcasting Company in the United States—where colour is being produced pretty widely—and it was found that on the actual programming costs—that is, the costs of producing a program—there was a differential of approximately 25 per cent between colour and black and white, to the extent that colour is more expensive by approximately 25 per cent.

Mr. MCGRATH: Is it also not a fact, Mr. Gilmore, that the large networks in the United States—N.B.C. in particular—are not too happy with their experiments with colour television, because of the very factor you mentioned, the cost factor, and the factor of producing special receivers; and would this also be a very definite prohibitive factor to introducing colour television in Canada?

Mr. GILMORE: Mr. Chairman, Mr. McGrath; the situation is a little different in that the public has not bought colour receivers to the extent that was forecast by electronics economists some three years ago. Had the public in the United States bought colour television receivers in volume, I think they would be pretty happy with it, because they were geared up to supply a service just about now—a full network service. But there are a little more

than 300,000 colour television sets which have been sold in the United States in the four odd years since colour became a real reality on network transmission.

Three hundred thousand colour sets compares with approximately 45 million sets in black and white in the United States—and I think thereby hangs the tale of the slowness of development.

Mr. PRATT: Supplemental of that question: was this the R.C.A.—was this the compatible system?

Mr. GILMORE: Yes, the compatible system.

The CHAIRMAN: Have you any idea how many colour sets are in Canada right now?

Mr. GILMORE: There is no count available on that.

Mr. TAYLOR: What will it cost, including sales tax, to convert to colour television? Would you have to buy a complete, new set in Canada?

Mr. GILMORE: It requires a complete, new set, and on the last estimate it was something of the order of $1,000, or slightly under. Mr. Richardson may want to correct this.

Mr. PRATT: That was the Canadian price?

Mr. RICHARDSON: There is no change in that. A reasonably good set would, I think, probably cost you pretty close to $1,200 or $1,500.

The CHAIRMAN: We have a few in London, John: I do not know whether you have them in Vancouver.

Mr. TAYLOR: Yes; it comes in from the Seattle station.

Mr. GILMORE: There is no question about it, in the view of the corporation, and I would like to quote our president in this regard—Mr. Alphonse Ouimet—colour television is the logical development of the television system as we now have it. It is a beautiful thing to behold, a properly produced coloured television program.

Mr. TAYLOR: If it is going to cost 25 per cent more, the future will be that the taxpayer will have just that much greater burden.

The CHAIRMAN: Are there any further questions on colour television?

Mr. TAYLOR: When can we expect colour television?

An HON. MEMBER: Twenty-five years!

Mr. GILMORE: We will have to replot our whole course of development. We had hoped to have started some network colour broadcasting earlier than now based on the forecasts of the United States economists. It has not materialized, and I certainly do not think we would be very wise in fixing a firm date to it at this time.

Mr. MCGRATH: I have one supplementary question to the observation of Mr. Gilmore. Can we conclude from your answer that the corporation has had experimental telecasts in colour?

Mr. GILMORE: No, we have no equipment for experimental telecasts in colour. Mr. Richardson and myself have watched the developments in the United States very closely.

The CHAIRMAN: Is there any reason why not? Or possibly Mr. Richardson could answer this question. Again, I go back to CFPL television: all they have to do is put on a switch, as you know, and they can show colour film. Is there any reason why C.B.C. would not want CFPL to turn that switch?

Mr. RICHARDSON: No reason, that I know of.

The CHAIRMAN: Who would not want them to?

Mr. RICHARDSON: As I understand it, there is a government policy—I have got this from the Department of Transport: again, I perhaps should not be speaking to it—that the colour position will be reassessed in the future, and present licences are for monochrome only.

The CHAIRMAN: Thank you very much. We are on Item "4" of "H", policy of C.B.C. re potential competition. Colonel Landry.

Mr. LANDRY: Mr. Chairman, this is a matter which we assume applies to the licensing of second stations in television in Canadian Broadcasting Corporation service areas. As we are all aware, this is a hypothetical situation as of this date, which however may become a practical reality in terms of the not-too-distant future.

As to the date at which this may or may not occur, this is a matter strictly for the B.B.G. and the government. In so far as the policy regarding the Canadian Broadcasting Corporation's approach to the situation is concerned, this is a matter for the consideration of our board of directors and the direction from that point to our management.

There are many problems which will have to be studied at that time and which depend upon the timing, whatever restrictions are placed on the potential of hypothetical competition, et cetera. This is about all the Canadian Broadcasting Corporation can say on this subject at this particular time. I hope you will excuse us from further statements or discussion in view of the obscurity of the situation and the many complex factors which could bear on any determination of policy by our board.

The CHAIRMAN: Still, you would not mind a few questions on it?

Mr. LANDRY: If we can answer, we will.

The CHAIRMAN: Within those limitations?

Mr. LANDRY: Yes.

Mr. MCGRATH: Document 3(a), which was distributed yesterday, respecting the commercial staff across Canada and, further to that, bearing in mind the fact that there are areas in Canada today where the C.B.C. must compete, could we not include that item with this question?

The CHAIRMAN: 3(a) of yesterday?

Mr. LANDRY: "Commercial organization".

Mr. MCGRATH: Yes. So far as I can see it has a definite bearing on it.

Mr. LANDRY: Possibly so. Mr. Johnson is not here and, I suppose, he is the one who could deal with this. Could you answer that question, Mr. Carter?

The CHAIRMAN: Mr. Carter is with personnel; if you have a question on that it will be all right, if it is tied in with H.4.

Mr. MCGRATH: Yes, this is a tie-in and it has to do with competition. It concerns this chart, here. I hope I am understanding this, but I would like to know why it is that in the two key competitive areas of Windsor and Vancouver there are only one and eleven respectively on the commercial staff, as opposed to—and these are not a fair comparison, because Montreal and Toronto are key network centres—as opposed to seven for Halifax and seven for Ottawa which, in terms of advertising, would not be as competitive as border areas of Windsor and Vancouver.

Mr. LANDRY: I would say in regard to Windsor that possibly the situation is that the commercial representative there reports to Toronto. However, I would like Mr. Carter, who is the director of personnel to answer that question.

Mr. Marcel CARTER (*Controller of Management Planning and Development*): In regard to Windsor, it is a local operation, connected solely with

radio. We do not operate a television station in Windsor and, therefore, we would not require any sales representative in that area for television. In addition to the local commercial operations, Toronto and Montreal are the two network centres and, therefore, the staff there are not solely sales staff. You have the auxiliary clerical staff and sales service branches that go with it. They deal with the national advertising agencies and are mostly concentrated at these two locations.

Mr. McGRATH: Yes, I understand; I should not have mentioned those. I caught myself and instead used as an analysis Halifax and Ottawa.

Mr. CARTER: Well, in comparing Halifax and Ottawa with Vancouver, there is a slight difference because in Vancouver you have some advertising agencies that do national business and we have to work with those. So there is a small difference between Halifax and Ottawa and Vancouver; Vancouver is not limited strictly to local.

Mr. McGRATH: Well, I would like to make an observation at this point and I would like you to comment on it, if you will. These figures indicate to me that there does not seem to be an awareness of the importance of the local advertising dollar. For instance, in the city of Windsor, which is a large competitive city on the border, there is only one commercial man selling radio in that area, and the same applies to Vancouver where you have C.B.C. television and radio. My question would be this: does the C.B.C. have any intention of stepping up their programming in regard to going after the local advertising dollar? I ask this question because there is a lot of revenue here.

Mr. CARTER: You are now getting out of the personnel area.

Mr. LANDRY: It is a question of policy.

Mr. CARTER: In regard to radio network operations and our local operations, we have definite policies that have been given to us by the former board of governors and board of directors. I am sure the board of directors will review that question. However, so far, we have not gone heavily into local business in areas where there were private stations operating. We have not gone too far in trying to take over their market, which was recognized as their market.

Mr. McGRATH: That raises a very important question at this point, so far as I can see, and it is this: with the change in the set-up, who is going to answer questions from time to time, as we proceed, with respect to policy? To my mind, this is very important.

Mr. LANDRY: I would suggest that Mr. Jennings answer this question.

Mr. JENNINGS: Especially in the field of radio—and I do not know whether or not we have tabled the figures as well in another item on the agenda, about the increase in commercial returns—but you will see there where the figures have increased after a drop in radio; and although we do not present in that return the figures we have so far for 1959, I have been told by Mr. Henderson that we show a great step-up. This does reflect, particularly in radio, the increased effort to get the advertising dollar, particularly in local operations.

You will see from the figures that the network return from advertising, in regard to radio, has gone down, but the figures reflect very clearly the new attempt on the part of radio to increase our commercial income by the use of new formats, which are almost completely in the spot field, or in programs like the Happy Gang, where we have shared sponsorship.

Mr. McGRATH: Surely there would be a lot of spot advertising business in the Windsor market and surely one man could not possibly adequately cover that market.

The CHAIRMAN: It has been the C.B.C. policy not to pursue that too strongly—I mean the selling of spots; but they anticipate a change.

Mr. JENNINGS: I cannot answer you now, but I will speak to our commercial representative to find out what the situation is, because the kind of programming we are doing is a sort of semi-network, semi-local programming in radio.

Mr. MCGRATH: You can see my point. Another example is St. John's; it has a very much smaller market than Windsor, but has two men. I realize that is the centre of a regional network, but even taking in the whole regional network it would still be in terms smaller than Windsor.

Mr. JENNINGS: Mr. McGrath, let me get a better answer for you.

Mr. FISHER: When we had the case of competition being introduced in the question of the relationships between Trans-Canada Air Lines and C.P.A., there were public hearings by the Air Transport Board. Does the C.B.C. foresee that it will present its case, in so far as its relationship to competition, and its arguments, regarding restrictions on competition to the board of broadcast governors at public hearings?

Mr. LANDRY: I presume that is also a matter of policy. I have no doubt the board must be apprised of it, and it is up to them to decide. I cannot tell you the answer now. I have taken on my job just recently and have not had occasion to study all these matters. Perhaps Mr. Gilmore could comment further on that.

Mr. GILMORE: I would expect that in advising management we would advise that we should be heard on the effects on us of competition.

The CHAIRMAN: Did you have a question, Mr. Taylor?

Mr. TAYLOR: Yes; I have an observation and then a question.

The CHAIRMAN: Would you keep your observation to a minimum; it is getting late.

Mr. TAYLOR: Apparently in the Vancouver area the C.B.C. radio has about 5 per cent of the market and in television, according to some surveys, 80 per cent of the markets across the border. There are large audiences listening mostly to American stations, and also upwards of two millions of dollars going over to American stations for advertising. That is an alarming situation. What is the board of governors doing to try to combat that situation?

Mr. MCGRATH: You mean the board of directors.

Mr. TAYLOR: Or the board of directors. What are they doing to combat that situation in Canada's third largest city?

Mr. LANDRY: Mr. Jennings, would you answer that question.

Mr. JENNINGS: I have heard a lot of it is brewery advertising.

Mr. TAYLOR: There is Nelson's laundry and a lot of other large companies. I understand they have twenty-one salesmen at Bellingham and we have eleven. We have everything our way in Vancouver and yet Canadians are listening to Bellingham and Seattle to an alarming extent. Do you feel that at some time we may have to give way on amateur talent and provide more American shows in order to hold or to recover the audience in Canada. Actually, we have lost the audience.

Mr. JENNINGS: I am not in a position to say. The C.B.C. operates its programming under certain clearly laid down mandates as to what kind of service it should lay out. These mandates place a certain handicap on us in going out and attempting to sell spot advertising. We are under a handicap.

Mr. TAYLOR: That is the key to the whole thing.

Mr. JENNINGS: Of course, we recognize it. We are, however, still carrying out a very clearcut mandate laid down and given to us which has been restated over a great many years. There are also certain policies in respect of advertising. We are restricted in things like depilatories and that sort of thing, which some American stations are not.

The CHAIRMAN: Our food and drug limitations are different?

Mr. JENNINGS: Yes. I would say we are attempting to step up to quite an aggressive degree our attempts to capture advertising. I believe we are doing this in the sense of creating local retail rates. We are also trying more clearly to identify the network operation with our own stations.

The CHAIRMAN: May we leave it with the understanding that you will have another good look at it.

Mr. JENNINGS: We will indeed.

Mr. GILMORE: May I challenge the figure of 20 per cent. I have seen a number of surveys. Our officers see them monthly. I can only speak from memory although our audience research would have a detailed study. From menory, CBUT in Vancouver gets 60 per cent during many periods and at others drops to 40 or 30. I think it is rare when it goes down to 30.

Mr. TAYLOR: I do not want to enter into an argument on that point, but—

The CHAIRMAN: These are facts we can obtain.

Mr. TAYLOR: If the C.B.C., in the near future, is convinced that is the case and if we introduce two further private stations into the Vancouver area with the result that the C.B.C. ends up with 10 per cent of the market, what will they try to do about that situation in order to survive?

The CHAIRMAN: They have stated they will have another good look at it first.

Mr. FISHER: Are there any other areas aside from the Vancouver area where you have a tremendous amount of competition which indicates American programs are much more popular with the Canadian people?

Mr. GILMORE: There is a swinging audience. I think Mr. Jennings would substantiate this. It depends on the program period. In Vancouver and in Toronto you have five channels coming in. You are dividing the audience between four other stations.

Mr. FLYNN: I move we adjourn.

The CHAIRMAN: We will adjourn until tomorrow morning at 9:30. We will go on to that part of the programming concerning controversial and political broadcasting. We have finished H. 1, 2, 3 and 4.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

LE COMITÉ DE LA RADIODIFFUSION

(*Page 703*)

M. TREMBLAY: Je voudrais faire remarquer que je n'ai aucune sorte de partie liée avec mon collègue de Lapointe et si, hier après-midi, il m'est arrivé de m'amuser au comité de la radio, c'est plutôt des réponses que j'avais reçues... C'est une sorte de retour dans le passé des réponses que j'avais reçues qui me faisaient m'amuser.

* * *

(*Page 712*)

M. TREMBLAY: Pouvez-vous me dire si les régions de Chapais ou de Chibougamau, dans la province de Québec, se trouvent dans le rayon du poste CBJ?

* * *

(*Page 716*)

M. FORTIN: Monsieur le président, j'ai deux question à poser. La première est la suivante: Est-ce que la Société se propose d'établir un poste de télévision française à Saint-Boniface? Et la deuxième question: Est-ce qu'il est exact qu'à Winnipeg il y ait deux canaux de disponibles à la télévision, l'un important, l'autre secondaire, et qu'une demande aurait été faite par la population française du Manitoba pour obtenir le canal le plus important et que, après que la permission leur eût été officieusement donnée, on serait sur le point de revenir sur cette décision et de leur donner le canal le moins important?

* * *

M. FORTIN: Une question supplémentaire: Est-ce que vous auriez une idée de la date à laquelle ce poste pourrait être mis en service?

* * *

(*Page 733*)

M. TREMBLAY: Monsieur le président, j'ai trois questions à poser à M. Gilmore. Voici la première: Quel est le but que poursuivrait la société Radio-Canada en augmentant le nombre d'heures d'émissions à la télévision? Deuxièmement: est-ce que cette fin que poursuit la Société répond à des demandes, à un besoin public et à des demandes bien précises qui ont été faites dans ce sens-là? Troisièmement, est-ce que la société Radio-Canada a entrepris, en collaboration avec des organismes d'éducation et différentes sociétés, différents organismes d'ordre culturel et social, etc., est-ce que la Société a entrepris une étude de ce problème en fonction des problèmes de la famille?

APPENDIX "A"

CANADIAN BROADCASTING CORPORATION

STAFF BY LOCATION

March 31, 1959

Headquarters, Ottawa	393	
Engineering Headquarters, Montreal	208	
		601
NEWFOUNDLAND REGION		
St. John's Studios and Transmitter	60	
Corner Brook	9	
Gander	6	
Grand Falls	8	
Stephenville—Television	1	
Goose Bay—Television	1	
		85
MARITIME REGION		
Halifax Studios and TV Transmitter	326	
Sydney Studios and Transmitter	14	
Moncton Studios and Transmitter	22	
Sackville CBA Transmitter	12	
		374
QUEBEC REGION		
Montreal Offices and Studios	2,267	
TV Transmitter, Montreal	10	
Vercheres Transmitter	7	
Marieville Transmitter	6	
Quebec Studios and Transmitter	25	
Chicoutimi Studios	13	
Chicoutimi Transmitter	5	
		2,333
ONTARIO REGION		
Toronto Studios and Transmitter	2,316	
Hornby Transmitter	9	
Windsor Studios and Transmitter	21	
Ottawa Studios and Transmitter	221	
Shortwave Receiving Station	4	
		2,571
PRAIRIE REGION		
Winnipeg Studios and TV Transmitter	381	
Carman Transmitter	6	
Regina Studios	16	
Watrous Transmitter	7	
Edmonton Studios	19	
Lacombe Transmitter	6	
Calgary Delay Centre	29	
		464
B.C. REGION		
Vancouver Studios and Radio Transmitter	403	
Television Transmitter	10	
Prince Rupert—Studios and Transmitter	12	
		425
INTERNATIONAL SERVICE		
Montreal Offices	153	
Sackville Transmitter	14	
Ottawa Studios	3	
Toronto Studios	2	
		172
NORTHERN AND ARMED FORCES SERVICES		
Ottawa Headquarters	5	
Yellowknife Studio and Transmitter	5	
Whitehorse Studio and Transmitter	5	
Dawson City Studio and Transmitter	2	
Goose Bay Studio and Transmitter	1	
		18
FOREIGN OFFICES		
London	4	
Paris	2	
New York	2	
		8
		7,051

June 4, 1959.

APPENDIX "B"

PROPERTIES OWNED OR LEASED

SELECTED CITIES

VANCOUVER

A—OWNED PROPERTIES

Address	Area	Use
1200–1220 W. Georgia St. (Lots 1 and 2)	.396 acres (1–2 storey building and 1–1 storey building of 25,938 sq. ft. total)	TV studios, offices, shops, prop. storage, garage, etc.
1230 W. Georgia St. (Lot 3)	.198 acres (1–2 storey building of 17,730 sq. ft.)	TV studio, offices, stores, screening facilities, film archives, etc.
Lot 4 W. Georgia St.	.198 acres	Parking lot
Lot 5 W. Georgia St.	.168 acres	2 multiple dwelling houses leased to former owner
East ½ of Lot 6, W. Georgia St.	.129 acres	Parking lot
Mount Seymour	3.9 acres (1–2 storey building of 3,000 sq. ft.)	TV transmitter building and tower
Lulu Island	18.97 acres (1–1 storey building of 2,922 sq. ft.)	Radio transmitters and towers

B—LEASED PREMISES

Vancouver Hotel	14,841 sq. ft.	Radio studios, offices, FM transmitter
660 Howe St.	5,500 sq. ft.	Radio Studio and offices
650 Burrard St.	9,666 sq. ft.	Offices
600 West 6th Ave.	6,000 sq. ft.	TV scenery and props. storage
557 Richards St.	3,780 sq. ft.	Program rehearsal space
1190–1192 Alberni St.	3,373 sq. ft.	TV production offices
1030 W. Georgia St.	546 sq. ft.	Office
29th Ave. and Imperial St.	400 sq. ft. of land	Shortwave receiving station (Bldg. and equipment owned by the International Service)

C—ESTIMATED HOURS OF LIVE PRODUCTION 1958–59

	Radio	TV
National	375	120
Regional and Local	1,013.6	478.6
Total	1,388.6	598.6

CANADIAN BROADCASTING CORPORATION

WINNIPEG

A—Owned Properties

Address	Area	Use
541 Portage Ave. (Lots 1, 2 & 3)	.35 acres (1–5 storey building and 1–2 storey of 69,120 sq. ft. total)	Radio and TV studios, offices, stores, record and film libraries, etc. and TV transmitter
537–9 Portage Ave., 300 Spence St., 327–9, 337, 341 Young St.	1 acre (2–1 storey buildings of 9,450 sq. ft. total)	Offices, storage, shops and parking

B—Leased Properties

Winnipeg Auditorium	18,790 sq. ft.	TV studio, Radio studio, rehearsal area, shop, storage
375 Balmoral St.	7,500 sq. ft.	TV sets and prop storage

C—Estimated Hours of Live Production 1958–59

	Radio	TV
National	253	60.8
Regional and Local	1,474	405.8
Total	1,727	466.6

CANADIAN BROADCASTING CORPORATION

HALIFAX

A—Owned Properties

Address	Area	Use
Bell Road and Summer St.....	1.3 acres (4 storey building of 74,664 sq. ft. total)	TV studio, offices, shops, film library, storage etc.
Geizer Hill.....	12.75 acres (1-1 storey building and tower)	TV transmitter

B—Leased Properties

100 Sackville St.....	13,011 sq. ft.	Radio studios, offices, stores, radio transmitter record library, etc.
Nova Scotian Hotel.....	2,049 sq. ft.	Radio studio and office
76 Bayers Road.....	7,047 sq. ft.	TV carpentry and paint shops and storage
7-11 Argyle St.....	4,310 sq. ft.	Radio studio, TV rehearsal space, storage
117 Howe Ave.....	5,047 sq. ft.	TV design offices and storage

C—Estimated Hours of Live Production 1958-59

	Radio	TV
National.....	229	57.7
Regional and Local.....	1,202	547.3
Total.....	1,431	605.0

June 8, 1959.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 20

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THURSDAY, JULY 9, 1959

CANADIAN BROADCASTING CORPORATION

WITNESSES

Messrs. R. P. Landry, Assistant to the President, Canadian Broadcasting Corporation; Charles Jennings, Controller of Broadcasting; M. Henderson, Comptroller; J. P. Gilmore, Controller of Operations; W. R. Johnston, Assistant Controller of Broadcasting (Commercial); M. Carter, Controller of Management Planning and Personnel; and C. B. McKee, Manager of Industrial Relations.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21603-6—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.,

Vice-Chairman: J. Flynn, Esq.,

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
Johnson,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Paul,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Taylor,
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, July 9, 1959.

The Special Committee on Broadcasting met at 9.30 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Messrs. Bell (*Carleton*), Dorion, Fisher, Flynn, Halpenny, Kucherepa, Lambert, Muir (*Lisgar*), McGrath, McQuillan, Pickersgill, Paul, Pratt, Smith (*Simcoe North*), Taylor and Tremblay. (16)

In attendance: Messrs. R. P. Landry, Assistant to the President, Canadian Broadcasting Corporation; M. Henderson, Comptroller; J. P. Gilmore, Controller of Operations; Marcel Carter, Controller of Management Planning and Personnel; Charles Jennings, Controller of Broadcasting; W. R. Johnston, Assistant Controller of Broadcasting, (Commercial); Marcel Ouimet, Deputy Controller of Broadcasting; W. C. Richardson, Director of Engineering; R. C. Fraser, Director of Public Relations; Barry MacDonald, Secretary, Board of Directors; and J. A. Halbert, Assistant Secretary, Board of Directors.

The Chairman observed the presence of quorum and called for consideration Item 4 of Part C of the Agenda—Political Broadcasting. Mr. Jennings was questioned.

Items 1, 2, 3 and 4 of Part D of the Agenda relating to financing were discussed and questions answered by Messrs. Henderson and Gilmore.

Item 5 of Part D of the Agenda was called and Mr. Henderson made a brief statement, and together with Messrs. Jennings and Gilmore answered questions.

The following documents were distributed to Members of the Committee and ordered printed as appendices to the record of this day's proceedings:

1. Architectural Staff. (*See Appendix "A"*)
2. Policy re calling public tenders. (*See Appendix "B"*)
3. New Construction. (*See Appendix "C"*)
4. Number of staff and annual costs for three years. (*See Appendix "D"*)
5. Functions of Engineering Division. (*See Appendix "E"*)
6. Record of Commercial Performance—Gross Billing—Television. (*See Appendix "F"*)
7. Record of Commercial Performance—Gross Billing—Radio. (*See Appendix "G"*)
8. Summary of Construction 1953 to 1958. (*See Appendix "H"*)
9. Costs of Microwave and Conditions of rental contracts. (*See Appendix "I"*)
10. Costs of rental of studios and Rehearsal halls. (*See Appendix "J"*)

Item 6 was adopted without discussion.

On Item 7—C.B.C. Rate Structure—Mr. Johnston outlined the methods of determining Commercial Television and Radio rates.

At 10.55 a.m. the Committee adjourned to meet again at 3.00 p.m. this day.

21603-6—1½

AFTERNOON SITTING

The Special Committee on Broadcasting reconvened at 3.05 p.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Mrs. Casselman, Messrs. Chambers, Fisher, Flynn, Forgie, Halpenny, Johnson, Kucherepa, Lambert, Mitchell, Muir (*Lisgar*), McGrath, McIntosh, Pickersgill, Paul, Pratt, Richard (*Ottawa East*), Simpson, Smith (*Simcoe North*), Taylor and Tremblay. (25)

In attendance: The same witnesses as at the morning sitting with the addition of Mr. R. E. Keddy, Director of Organization, and Mr. C. B. McKee, Manager, Industrial Relations; and the absence of Mr. Barry MacDonald, Secretary, Board of Directors.

The Chairman observed the presence of quorum and tabled two documents prepared by the International Service of the Canadian Broadcasting Corporation, copies of which were distributed to Members, and ordered printed as appendices to the record of this day's proceedings. (*See Appendices "K" and "L"*)

Mr. Johnston, assisted by Mr. Henderson, was questioned on the statement he presented at this morning's sitting and notices of questions arising out of the tabled International Service material were given to Mr. Landry.

On Part E of the Agenda Messrs. Carter, Landry, Gilmore, Jennings, McKee and Johnston were questioned concerning the organization of the Corporation generally; its recruiting and promotional policies; personnel growth; nepotism; trade union contracts and the experience and qualifications of sales personnel.

At 5.05 p.m. the Committee adjourned to meet again at 9.30 a.m., Friday, July 10, 1959.

J. E. O'Connor,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

THURSDAY, July 9, 1959
9.30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum. You will recall that we finished off with Part "H" of the agenda yesterday afternoon—and today we are back on Part "C". We cleaned up items "1", "2" and "3". We are now on item "4", Political Broadcasting.

Mr. PICKERSGILL: On "4", Mr. Chairman, Mr. Bell will corroborate it, I think when I say that at the last meeting—the final meeting—of the Privileges and Elections committee it was decided, either formally or informally, to approach the house with a view to having this subject considered by that committee—as Mr. Nowlan suggested it should be—at the next session of parliament.

In view of that, and the difficulty of getting through our whole agenda, I wonder if we could not just postpone this and go on to the next item, and perhaps come back to it later, if we have time.

The CHAIRMAN: Is that agreeable?

Mr. FISHER: No, it does not help at all in so far as expressing our opinions or making any suggestions in so far as these broadcasts are concerned for this next session. For instance, The Nation's Business stopped several months ago, and the session has gone on. There is an inconsistency there that I certainly cannot appreciate. Surely when parliament is in session is the time to have that particular program going, and just to let it lapse until next year—as Mr. Pickersgill suggests—indicates that we have not got much interest or respect for the program. That may be understandable—but I do not think we should let that go.

The CHAIRMAN: Are there any further comments?

Mr. CHARLES JENNINGS (*Controller of Broadcasting, Canadian Broadcasting Corporation*): Mr. Chairman, may I speak to that?

The CHAIRMAN: Yes.

Mr. JENNINGS: You will notice under section B of this white paper:

> In the periods between general election campaigns (federal or provincial)
>
> (*a*) During periods between election campaigns free time will, on application in writing, be made available to national party leaders for political broadcasts on a national C.B.C. network and to provincial party leaders on a regional C.B.C. network as follows:

And there are set out the qualifications. We have always—to my recollection—met with all parties when application has been made for this.

Mr. FISHER: Why did The Nation's Business lapse in the middle of this session?

Mr. JENNINGS: Because the cycles that had been arranged with the parties came to a close.

Mr. FISHER: Do you mean an arrangement initiated with all the parties?

Mr. JENNINGS: It always has been.

Mr. FISHER: Is that not a rather unfortunate arrangement, since you have three, or perhaps four, very separate parties? What brings them into—I will not say "into collusion"; but together to initiate—

Mr. JENNINGS: What has happened in the past—I do not know whether there has been any collusion or not—is that usually one or more of the parties has written to the C.B.C.; we have told the other parties a request has been made, and usually out of that some members of this committee, I think, perhaps have taken part and then we have had a meeting with the parties. Indeed, this is going on actively at the moment in the provincial free-time broadcasts in Quebec. Consideration is being given at the moment to an extension of it.

Mr. PICKERSGILL: I confess I, too, wondered why these programs had come to an end, or apparently had come to an end. But, as Mr. Jennings has said—I have had some experience as a negotiator at one time or another in this matter, and I know the initiative has always been taken by one party or another and the other party has been got in touch with. That has been the traditional method.

It would appear to me that somebody in the party organizations may not have been very active—in all the parties—from the look of things. I believe that there is a feeling that after about the first of June there is very little audience for these programs, and that may be the reason why the party organizations have not been very vigorous.

Mr. FISHER: We know there is not a very big audience for this particular program. It must be a dreadful, disgusting thing to politicians that they can attract so very few, according to the viewers' figures I have seen. This is the question I wish to ask: would it not be possible to put that program on later, and closer to the news?

Mr. JENNINGS: It is a very difficult type of scheduling. Also—if you will forgive my saying so—it is a pretty difficult piece of programming. There is also—I think I may say—the fact that, especially in television, it seems at times to be a chore to those participating to spend the time that is necessary for the production, and so on.

Mr. FISHER: Obviously, it is not the C.B.C.'s fault, it is the politicians'. But have you ever considered approaching the program from the point of view that the B.B.C. has at times? I know you had a producer over in England—Hind-Smith—looking at this, and I understood he had some ideas of using this kind of time just to throw politicians on their own on a catch-as-catch-can basis.

Mr. JENNINGS: After the last general election, I think we had a long meeting in which we told the parties we would hold seminars—if you can dignify them by that name—with the broadcasters from the parties to discuss with them the most effective ways of putting on political broadcasts, to give them coaching, training, and so on.

Some of them went on, I think. Also, since people like Mr. Hind-Smith had probably had most experience of that, we also tried to develop some of Hind-Smith's facilities in this field in other producers. The corporation is quite ready—indeed, is quite anxious to do all it can to improve the free time political broadcasts and the campaign broadcasts so that they will be better programming.

Mr. BELL (*Carleton*): In other years I have sat through more of these conferences with the C.B.C. than any other person, and I can certainly say that the

C.B.C. has tried at all times to be most helpful to the political parties. I think the basic problem that Mr. Fisher raises is one that rests with the political parties themselves.

Mr. PICKERSGILL: I agree.

Mr. BELL (*Carleton*): And not with the C.B.C. I think if one of the political parties—any one—took the initiative in relation to this, they would find the C.B.C. would convene an annual meeting, and it would then be a question of trying to get agreement between the parties.

Mr. FISHER: Mr. Chairman, may I ask Mr. Bell a question?

The CHAIRMAN: If he wishes to answer, yes.

Mr. FISHER: Do you mean in so far as the B.B.C. and I.T.V. run these panel shows? They give free time and they bring in politicians from different parties and let sink or swim around a topic. Do you mean we should have a meeting on that kind of topic?

Mr. BELL (*Carleton*): That is a thing for the parties to decide, so long as it comes within the definition of non-dramatization.

Mr. FISHER: With your influence and background in the Conservative party, Mr. Bell, would it be ready for that kind of show?

Mr. BELL (*Carleton*): I am afraid I am not spokesman for the Progressive Conservative party.

The CHAIRMAN: May we leave item "14" and go on to part "D", finance? I believe Mr. Henderson will answer questions on this. Mr. Bell, I think you have some questions on this; that is, the further study of reports of P. S. Ross and Sons to the C.B.C. and to the Fowler Commission. Did you have any questions on that, Mr. Bell?

Mr. BELL (*Carleton*): No.

The CHAIRMAN: Are there any further questions on the report of P. S. Ross and Sons to the C.B.C. and the Fowler Commission? Can we pass on to item "2", Analysis of Financial Statements of the Corporation?

Mr. BELL (*Carleton*): Mr. Chairman, these are the statements we have just been given, are they?

The CHAIRMAN: No; that is the annual report which was distributed earlier.

Mr. A. M. HENDERSON (*Comptroller, Canadian Broadcasting Corporation*): Reference is made here to the last published annual report of the corporation for the year ended March 31, 1958. The report for March 31, 1959, is not yet printed; but we understand it will be shortly.

The CHAIRMAN: All questioning will have to be done on the last published annual statement. We pretty well covered finance, I think, at the beginning of the hearings. We had Mr. Henderson as a witness for the greater part of two meetings. I doubt very much if there will be very many questions on the financial statements of the corporation.

May I have your permission, gentlemen then, to move to Item "3", comparison with U.S. and Canadian stations and U.S. Networks? Are there any questions on "3"?

Mr. MCGRATH: Mr. Chairman, may we later on, perhaps—under this item—revert to "2"?

The CHAIRMAN: Do you have any questions on "2"?

Mr. MCGRATH: I feel I may. I have a question on "3" now.

The CHAIRMAN: Let us have Item "3". If we do have time, we can come back to "2". But as far as the Chair is concerned, we have cleaned it up. Let us have your questions on "3".

Mr. McGRATH: Item "2" is a very important item.

The CHAIRMAN: If we have time, we will come back to "2".

Mr. McGRATH: The question I have on "3" is, that probably the only comparable analysis that can be made, in terms of similarity of operation and in terms of finance, would be the Australian Broadcasting System; is that correct?

Mr. HENDERSON: I would like to point out, Mr. Chairman and Mr. McGrath, that much as we would like to have access to the individual station figures of the United States and the British stations—also to their network figures—they are simply not available. You take a case like the United States: you have C.B.S., which is a public corporation, and its operations include not only radio and television station and networks, but the manufacture of tubes, sets and everything else.

These annual accounts are published in accordance with the requirements of the Securities and Exchange Commission in the United States. There is nothing available beyond that; it would be confidential to them but not available to us. The same is true in the case of the B.B.C., which publishes an annual report, but does not disclose individual stations or network figures. It publishes a report not dissimilar to ours.

To come to individual comparisons, the way we are set up today, we would welcome it, but these individual figures are not available to us.

Mr. McGRATH: My question is this: has there ever been an attempt recently to have an interchange of ideas or perhaps study the Australian system?

Mr. HENDERSON: Not the Australian system, so far as I am concerned. Our president and several of our associates have visited Australia, and we have a very happy relationship with the people in the United Kingdom and in the United States and I have had some most helpful and interesting discussions with the accounting officers of the two big American corporations; but beyond discussing things along general lines, procedures and methods of handling, it has not led to the disclosure of any of their figures.

Mr. McGRATH: The point of my question was to illustrate the fact that I do not feel there is much to be gained from an analysis or comparison with the United States and the United Kingdom systems, but that perhaps the closest one in comparison would be the Australian system.

Mr. HENDERSON: I cannot speak on that, but perhaps Mr. Gilmore can.

The CHAIRMAN: Mr. Gilmore?

Mr. J. P. GILMORE (*Controller of Operations*): Yes Mr. Chairman and Mr. McGrath, while your statement that Australia is possibly the closest comparison is quite true, still there is a vast difference between the Australian and Canadian systems, fundamentally in that the state operating body, the A.B.C., does not indulge in any commercial operations whatsoever. The privately-owned networks and individual stations have the commercial field completely to themselves. Also, we are talking of a country with a population of approximately 9 million people, which is again comparable to ours in terms of connecting up micro-wave or direct line connection, but not in comparison to the broad distances we must span in our 4,000 miles of network.

The CHAIRMAN: Mr. Pickersgill, have you a supplementary question?

Mr. PICKERSGILL: Yes, Mr. Chairman; I would like to ask Mr. Gilmore a supplementary question in connection with the Australian situation.

The CHAIRMAN: Proceed.

Mr. PICKERSGILL: Mr. Gilmore, would you not consider the fact that as there is no United States adjacent to Australia, it would make the comparison wholly unrealistic?

Mr. GILMORE: I would have to agree with you. There is no influence brought to bear on Australian broadcasting except what they bring into the country themselves.

The CHAIRMAN: Gentlemen, may we proceed to Item 4, or are there any further questions in connection with 3?

Mr. PICKERSGILL: Mr. Chairman, at an earlier stage I asked whether there was any station in the United States which was reasonably comparable to the C.B.C. operation in Vancouver, and I suggested there might be something in Seattle. I think the answer was that there was not anything there but that there was a station in one of the American networks, that is in San Francisco, that did some origination. Although I have no personal knowledge of this, it has been represented to me that the operations at Vancouver are considered by many people there to be rather ostentatious and extravagant. I wondered if the C.B.C. had made any comparison with any comparable place in the United States, and San Francisco was suggested. Could you tell us whether or not any such comparisons have been made?

Mr. HENDERSON: So far as my operation is concerned on the accounting side, no comparison has been made because it has been rather obvious to me, for the reasons given before, that is that the details which we would require to make the comparison are confidential to the owners and would not be made available. We are further developing our own individual station and network costs. We have been doing this for the past year and, perhaps, the problem should be started at home before it is taken up elsewhere.

Mr. PICKERSGILL: Well, if I can mention this in this context, it specifically has been represented to me that there is a rather expensive property in the 600 block on Howe street, Vancouver, which is rented by the C.B.C. at quite a considerable rent and practically never used. Does the accounting side of the C.B.C. ever look into the question of whether premises that are rented are really used?

Mr. HENDERSON: Yes, that is one of the responsibilities of the chief financial officer.

The CHAIRMAN: Mr. McGrath, have you a question along the same lines?

Mr. MCGRATH: Yes, Mr. Chairman. I think that is very aptly illustrated. There is no code number on this sheet but I think there is an answer to my question with regard to properties in Vancouver, Winnipeg and Halifax, and the list of properties owned and leased in the city of Vancouver is very extensive. It takes a whole section. Has the corporation ever given consideration to erecting a building to house its operations under one roof, or has there been anything planned in this direction?

Mr. HENDERSON: That is one of the continuing problems of the corporation, to wit, the necessity for consolidation, where we are spread over so many different areas. It also exists in Toronto and Montreal, and it is a continuing problem with which we are dealing.

The CHAIRMAN: Gentlemen, are there any further questions on Item 3? May we leave 3 now and go to "Capital Program" which is 4?

Mr. TAYLOR: Dealing with the comparison of the Vancouver station with American stations—

The CHAIRMAN: Is this supplementary to Mr. Pickersgill's question?

Mr. TAYLOR: Yes. There is a statement that has been going around that there are more live shows coming out of the three major Seattle stations and yet the Vancouver C.B.C. station has more employees in that one station than all three American stations in Seattle. Have you ever looked into that, and would you care to make any comment on it?

The CHAIRMAN: Mr. Gilmore, would you care to make a statement on this?

Mr. GILMORE: Firstly, I would like to refer to the picture of origination production in Canada. In volume, the No. 1 production centres are Montreal on the French network and Toronto on the English network, and No. 2 is Vancouver. It has been traditional that the talent pool that has built up over the years—and I am not deprecating any other city,—has been mainly at Vancouver. Now, in order to develop this, and to bring it along properly, we have provided in Vancouver in both radio and television the best facilities that we can to do this work. To compare local originations of the type which I have mentioned in Seattle and in Bellingham with a network production out of Vancouver is simply not to compare the facts of life. There is an entirely different scope of production. There are more rehearsals and time spent in our productions, and they have a much higher artistic quality.

In terms of the number of staff and scope of facilities in Vancouver, while at Winnipeg and Halifax, which are comparable, you have around 10 per cent of their production going to the network, in Vancouver it is 25 per cent.

The CHAIRMAN: Mr. Taylor, have you a question?

Mr. TAYLOR: It would appear then that you have looked into this problem and have compared Seattle with Vancouver.

Mr. GILMORE: Yes, but not in a detailed way.

Mr. MCGRATH: I notice from this sheet, Mr. Chairman, that there is on the national television network, originating from Vancouver, 120 hours of programming; is that a correct understanding of it?

Mr. GILMORE: Which sheet is that?

The CHAIRMAN: It was distributed yesterday.

Mr. GILMORE: That would be approximately right for that particular period.

Mr. TAYLOR: How would this compare with Montreal and Toronto? Can you tell me, offhand, how it compares?

Mr. GILMORE: Could I come back during this meeting and give you those figures? It is in here somewhere and I will have to look it up.

Mr. PRATT: Mr. Chairman, I have a supplementary question. Is it not a fact that the city of Vancouver is a very prolific source of talent, and that a great many of the performers in Toronto are originally from Vancouver? That is true, is it not?

Mr. GILMORE: Yes.

Mr. FISHER: Also, some of the most prolific performers in the House of Commons.

The CHAIRMAN: Gentlemen, may we go to Item 4, Capital Program. Are there any further questions on that, Mr. McGrath? You were speaking about a possible consolidation and the construction of a new bulding to house all the facilities.

Mr. MCGRATH: Are we going to have a statement on this?

Mr. HENDERSON: There is a detailed statement being filed in respect of engineering and property in which the construction costs for five years, and the detailed construction projects, are listed.

The CHAIRMAN: Then I would imagine we could leave Item 4 until we have the engineering statement which will be under Part F. That is being distributed along with several other things at the present time which I would like to table. These are as follows: Item F-5, new construction planned; item F-2, salaries and wages; item F-1, engineering; the statement on gross billings

on radio; statement on gross billings on television; item F-6 which has to do with tenders and advertising; and item F-7, architectural staff. May we have your permission to table these, please?

Mr. BELL (*Carleton*): Is is your intention they be printed as appendices?

The CHAIRMAN: If it is your wish. On item 4, Mr. Paul.

Mr. PAUL (*Interpretation*): On item F.6.

The CHAIRMAN: We will get to that later.

Mr. KUCHEREPA: We will also go back to 4 later?

The CHAIRMAN: We will not go back to item 4 here, but will get all the information on the five-year plan of engineering.

Mr. PICKERSGILL: I presume it will meet Mr. Kucherepa's wish and my own if at that time we could speak about any aspect of capital.

The CHAIRMAN: By all means.

Then may we proceed to Part D. item 5. That is forecasts of deficits in future.

Mr. HENDERSON: Mr. Chairman, in my earlier remarks on May 14 I mentioned that it is too early to say what our net requirements are likely to be over the next several years. We are in the process of estimating these over the next five years in order to present it to the Minister of National Revenue and the Minister of Finance. The date for that is November 10, 1959. At the moment, we are in the midst of that. I suggest it would be inappropriate at the present time to say what they are likely to be.

Mr. MUIR (*Lisgar*): I do not know whether or not this is the item on which to ask this question. However, in respect of a deficit, is it contemplated to put on any more shows comparable in price to Peter Grimes?

Mr. HENDERSON: That is a question which I think should be addressed to Mr. Jennings as he schedules these.

Mr. JENNINGS: This is a very difficult question to answer. I imagine in the future there may well be programs which will cost that much. At the same time, however, I would say in respect of all these programs when we select a time for presentation every effort is made to keep the cost down as much as possible.

The CHAIRMAN: Every effort has been or will be made.

Mr. JENNINGS: Has been and always will be.

Mr. MUIR (*Lisgar*): Is there any justification for spending that much money on one show when actually your figures which have been presented show that shows which have a very much smaller cost actually reach the larger audience.

The CHAIRMAN: We are getting back on to programming.

Mr. JENNINGS: Inside the corporation itself, among the program people, there is a good deal of hot argument as to whether or not this kind of operatic presentation should be done on television.

Mr. MUIR (*Lisgar*): I would think in producing shows that there must be some—the gentleman here gave me the word yardstick—but there must be some responsibility to the people for the amount of money that is spent. I mean the money is not unlimited which you expect to spend. There must be some tie-in to the value you are going to receive, shall we say, with the money we spend.

Mr. MCGRATH: I think Mr. Muir's question was referring to something which came up during the discussion on this very subject. It is regarding who, in the final analysis, sets the budget for extravaganzas.

The CHAIRMAN: If we go over our former evidence we will find, I think, all these questions have been answered pretty well.

Mr. PICKERSGILL: Does Mr. Jennings think, in the words of "Oklahoma", you have gone about as "fur" as you can go.

Mr. JENNINGS: I would hate to predict; I believe so, to a certain extent.

Mr. FISHER: In respect of Mr. Muir's question, you do not consider the number of viewers as your yardstick as to whether or not you put on a program?

Mr. JENNINGS: No. I come back again to the wide range of program fare we have put out and in so far as Peter Grimes is concerned, that has been one of the most successful of modern operas which we have done at least twice on radio in past years. It has had many performances around the world. In our assessment of what we should do, Peter Grimes was one of the works we selected.

Mr. FISHER: If you did use that yardstick we would have wrestling seven days a week.

Mr. JENNINGS: I would say we would have films seven days a week.

Mr. BELL (*Carleton*): In dealing with the forecast of deficits, I think Mr. Henderson will appreciate the dilemna the committee is in. This is the crux of the problem we were set up to examine. The graph of deficits has risen very steeply. I think all the members of the committee are very deeply concerned as to whether we may find ourselves, in two years hence, with a deficit of $100 million and in three years hence a deficit of $125 million. I would like to put this directly to Mr. Henderson. Is there any type of guidance you can give us as to what we should report to the house? Is there a ceiling which this committee ought to suggest in respect of the deficit or any sort of formula as to the ceiling to be placed on the amount drawn by the C.B.C.

Mr. HENDERSON: I think that is a very reasonable approach. I think we will want to do our very best to answer it. In the first place, I would like to suggest the word, "deficit" is not applicable to this operation. It may be splitting a hair.

The CHAIRMAN: That is hair-splitting.

Mr. HENDERSON: The corporation is required to present national broadcasting. I would like to sketch out the considerations and modus operandi that we feel must be followed. Just like any other corporation, we have to approach the business of estimating and forecasting along orthodox lines. In an effort to reduce this to some simple headings I made some jottings.

First, we have to determine what our operating plan is going to be and what it will require. Mr. Gilmore and most of my associates spend considerable time in developing that. We have to know what it is we plan to do within the framework of the policy of the corporation. Having done that, it falls to me to cast up that and evaluate it in terms of its final cost.

We then take a look at our previous year's records which show what we have spent and done. For my part, I consider it my responsibility to look it over and see what savings, if any, we can achieve in terms of what we have spent in the past and in the light of what we might spend in the future.

Then I think the next step would probably be to assess the probable effect of inflationary conditions on the expenditure, in forecasting. It is obviously a very difficult task when it comes to making a five-year forecast. Mr. Fowler compiled his figures in terms of 1956 dollars, and we are doing it in terms of 1959 dollars, and what it is going to be, or we think it is going to be, when we get to 1964 dollars. We have to bring as intelligent and informed an approach to that as we can.

We then estimate our likely forward revenues over this period. Conceivably, we can be reasonably specific as far as the first of the five years in the

five-year plan is concerned; and the remaining four years are under the heading of forecasting. We are faced there with the identical problem a manufacturer has, in terms of what the demand is likely to be for the product, the price at which the manufacturer is going to be able to sell for, and how much it is going to cost him to make the product. Finally, when we have our demand down, there is an obligation on our part, we feel, to relate the final result to the country's economy. What is a country like Canada, in terms of government spending, going to be able to afford for the development and maintenance of a national broadcasting service? We may have our opinions on that: and our board, our management, will make their representations on that to the appropriate ministers, as is provided for under the act.

It is along lines like these, it seems to me, you will approach your position, and only then do you have a picture as to what your future position is likely to be. I do not know whether this is helpful to you.

The CHAIRMAN: Mr. Gilmore, would you like to add to Mr. Henderson's statement on Mr. Bell's original question?

Mr. GILMORE: I would like to back up everything Mr. Henderson said in detail, but I would to paint a little broader canvas as to the ultimate cost of television in Canada.

Our board, some years ago, and our president, Mr. Ouimet, made representations to the government on what basis the corporation could supply television on a network service basis to the Canadian people over the years. The figure given at that time was $15 per television home, net, to the corporation, plus what commercial revenue we could get.

Mr. BELL (*Carleton*): "Plus"?

Mr. GILMORE: Yes, we were talking of the net requirement for operating requirements—the net amount. The figure in 1957-58—which is the report before you—is approximately $11.66, taken at the mid point of the year for that service.

We maintain that, developing television over the years—and not including colour, I must underline that—we can do the job for an average of $15 per television home; and that would be the objective of our planning, within the terms Mr. Henderson outlined.

The CHAIRMAN: How did you arrive at that $15 figure again?

Mr. GILMORE: We looked at the cost of licence fees in the United Kingdom—and it was pretty embryonic at that time, 1945-46. We looked at the cost of licence fees in other countries, and the scope of television in the Columbia Broadcasting System and the National Broadcasting Corporation. We looked at our radio costs, with no knowledge of the differential in cost between radio and television; and we said $15 should do the job for us on a first costing basis; and that figure has stood for us pretty well through the years.

The CHAIRMAN: I will get back to you, Mr. Bell, in a second.

Now that you have more experience than when you originally arrived at that $15 figure, can you not anticipate certain savings your experience will automatically give you—that, possibly, you would be able to reduce that $15 to $11 or $12?

Mr. GILMORE: Not until we have arrived at the development of a full day's television service.

Mr. BELL (*Carleton*): May I be clear on this? This $15 is a net figure?

Mr. GILMORE: A net operating requirement.

Mr. BELL (*Carleton*): Could you tell us what the gross figure would be, of what you calculate the amount of recovery from commercial revenues would be?

Mr. GILMORE: We would hope to get another third from commercial revenues,—which we are doing just about now.

Mr. BELL (*Carleton*): Your gross cost would be $45 a television home?

Mr. GILMORE: No, another third.

Mr. PRATT: No, $20.

Mr. BELL (*Carleton*): Twenty dollars?

Mr. GILMORE: That would be a net estimate at this stage, and I think it stands up pretty well.

Mr. BELL (*Carleton*): Do you still feel, on the basis of your experience, that the remaining third is the maximum commercial recovery you could have, still being consistent with the policies of the C.B.C.?

Mr. GILMORE: I would find that terribly difficult to answer in those terms. We will put the maximum effort into our commercial operations. We will try to fill all our spot availabilities, and try to sell to our maximum, consistent with the current policy you mention, of not selling controversial broadcasting or religious broadcasting or news. I think it is a good estimate; but here I would not pretend to forecast the effect of competition in our major markets. That is under circumstances as they exist today.

Mr. PRATT: Is it not a fact most of the American networks were in the red for the first five years of their operation after the war?

Mr. GILMORE: I think two of them, five years; and one, seven years—if I remember correctly.

The CHAIRMAN: Yes, Mr. Pickersgill?

Mr. PICKERSGILL: My question was supplementary to this main question and was—as a matter of fact, the first question I had intended to ask has already been answered by Mr. Henderson, and that was: Is the word "deficit" not entirely irrelevant to this matter; because you cannot have a deficit, can you, until you determine what your guide-line is—that is to say, what your criterion is on which you base it?

I come, therefore, to my second question—

Mr. BELL (*Carleton*): It is splitting hairs.

Mr. PICKERSGILL: It is not splitting hairs. This is a question I asked and I never got a very satisfactory answer to it from the very beginning—and that is to say, on what basis is the annual requirement determined? What is the criterion on which you determine what you are going to ask the Minister of Finance for?

Mr. GILMORE: It is along the steps I endeavoured to outline.

It is the development of your plan within the framework of your policy, the costing up of that plan. By "plan" I mean, not only an estimate of your expenditures but also your revenue, to see what your net operating requirement—or, if you prefer to call it, your "deficit"—is going to be.

Mr. PICKERSGILL: I do not prefer to call it "deficit", because it does not seem to make any sense.

Mr. GILMORE: You relate that to what is reasonable under the circumstances in terms of the country's ability to pay and within the framework of what Mr. Henderson has given.

That seems to me to be a practical approach.

Mr. PICKERSGILL: Perhaps I could phrase the question another way, to get at what I am really trying to find out.

In other words, having listened to what Mr. Gilmore has said, you start with what you think is necessary to carry out—as far as your capital facilities will permit it—a national coverage. Then you discount that by what you think the traffic will bear.

Mr. GILMORE: Our best estimate of it.

Mr. PICKERSGILL: Your best estimate?

Mr. GILMORE: Yes.

The CHAIRMAN: I realize all these are supplementary questions. Mr. McGrath, Mr. Lambert, Mr. McQuillan, Mr. Fisher and Mr. Muir—that is the order I have noted.

Mr. MCGRATH: Mr. Chairman, has there been an attempt to change the financial structure—I do not know what phrase I am looking for here—but what I have in mind, sir, is, on the network has the corporation ever thought in terms of making each unit semi-autonomous in respect to bookkeeping?

For example, on the Halifax television station your overhead is "X" number of dollars. Then we will set a quota of how much you must retrieve from the local market to offset that overhead.

Mr. HENDERSON: On that, you might recall that on May 14, in my remarks, I outlined all we had set up—and this is under the heading of implementing one of the Fowler commission recommendations, which was to segregate the operations of the stations from the networks in both services, in order to determine the profitability of the individual stations in each of the services, and to determine the actual net operating costs of the television networks.

That procedure started last year. It has been greatly improved as of April 1 this year. We have only had a year at it.

Mr. MCGRATH: You have improved your revenue or revised your commercial structure, including your commercial spots in these stations across Canada?

Mr. HENDERSON: Yes, we have. The statement shows our income and the cost of getting that income, and the expenses and the profit and loss.

Mr. MCGRATH: It was established during earlier questioning that there was no incentive, commission, or bonus to your commercial men or salesmen, call them whatever you like, to sell time on the C.B.C. Is this in your plan?

Mr. HENDERSON: It is a matter of opinion.

Mr. MCGRATH: No, it is not a matter of opinion, because this question was asked directly, and the reply was given directly.

Mr. HENDERSON: I mean as to whether or not an incentive or a bonus within this framework will be established or not. My point is this: the individual statements, coming down now, pinpoint the responsibility of station operation, the main responsibility for it, and they diagnose the situation for management; and if sales are not matching up to our budget expectations, or the cost of them is too high, then we look to that man to fix it. Time will show if a bonus or incentive will have to be considered.

The CHAIRMAN: This same question was asked of Mr. Bushnell and he agreed that a study should be made of the possibility of an incentive plan.

Mr. LAMBERT: Before I ask my question I would like to have a clarification from Mr. Gilmore as to the $15.00 net operating revenue concept as originally set out, the one he referred to, whether that $15.00 also includes the net operating revenue?

Mr. GILMORE: No; it is $15.00 plus what commercial revenue we can gain to produce the service. This is the key to the thing.

Mr. LAMBERT: There has not been a change in the basic formula?

Mr. GILMORE: There is a reassessment of this each year by our president to pinpoint the cost and to ascertain where we are going.

Mr. LAMBERT: Basically it is the same?

Mr. GILMORE: That is right, as this sheet sets out.

Mr. LAMBERT: In arriving at this determination of your development, is that within the framework of existing or potential private television and radio sets in Canada, or do you consider the C.B.C. as all-embracing? In other words, would you pursue a completely independent line and say that we are going to look at Canada's requirements in television and radio, and as to the other people, we can ignore them?

Mr. GILMORE: No. This is a concept based on what Mr. Jennings pointed up in respect to our mandate, which is to establish and operate a national broadcasting system. The national broadcasting system as we have interpreted it, and as it has been more or less backed up from time to time is this: a partnership between the C.B.C. and private affiliated stations throughout Canada to provide the maximum coverage possible. I think that was well illustrated yesterday by Mr. Richardson's coverage map.

In the program and service field we take it as our responsibility, as Mr. Jennings has said, to develop a well balanced and comprehensive service on all networks; and that is pretty well the terms of reference.

Mr. MCQUILLAN: In respect to this $15.00 per television home figure which has been spoken about, I presume it was based on an estimated number of television sets in use in Canada. How is the estimate working out? How is the coverage working out as compared to the estimate, because that $15.00 must be based on an estimate?

Mr. GILMORE: It exceeded our expectations two-fold: first of all, in the voracity of the appetite of Canada for television; and secondly, set sales were far faster than we ever expected they would be.

Mr. MCQUILLAN: And that in turn would probably affect the costs.

Mr. GILMORE: It did. Both went up.

Mr. PICKERSGILL: Did the increase in consumption to date just about off-set the inflation?

Mr. GILMORE: In the first few years in television, due to the system of financing C.B.C. through the excise tax, we accumulated some surplus in operations, but it was dissipated as the years went on.

Mr. PICKERSGILL: Thank you.

Mr. FISHER: When you used the word "voracity" there seems to have been a bit of misunderstanding. Does not an increase in "voracity" mean more programming used, and therefore more cost?

Mr. GILMORE: That is correct. They wanted more and more television, as evidenced by the viewing patterns. And let us never forget that the viewing of television and the listening to radio is the second most popular pastime in this country; the first being sleep.

Mr. FISHER: The costs of extending the service—they get more costly as time goes on, and as you try to reach out into the more remote areas?

Mr. GILMORE: Yes. Mr. Richardson in his testimony yesterday used the criterion of the cost per home served and showed that it is going up as we go farther out. I think that is correct.

Mr. FISHER: If there were a study made, perhaps as a preliminary to new policy, would you say that the competitive factors—that is, if the C.B.C. does compete more for commercial revenue—are going to affect both the private stations and the newspapers which are the other factors in this field? And how close are you in your estimate now to causing a real problem for those two particular types of competitive agencies?

Mr. GILMORE: I am afraid I could not comment on that.

The CHAIRMAN: I did not think you could.

Mr. HENDERSON: Competition for the advertising dollar will be much keener with the introduction of the third element, and we must govern ourselves accordingly.

Mr. FISHER: I imagine you could get almost fantastic returns from commercial or national newscasts, which has one of the higher, and sometimes the highest viewer rating; and if you were allowed to do that, and if the policy would allow you to do that, how would that change your competitive position in so far as this one-third figure is concerned?

Mr. HENDERSON: I think it would improve it.

Mr. FISHER: Markedly?

Mr. HENDERSON: Possibly. It would depend on the price you get for it and the other factors in the thing balanced off against the loss you might get; and if it were possible to sell these things which you mentioned, we would profit accordingly.

Mr. MCGRATH: I take it from Mr. Fisher's line of questioning that the corporation would welcome a new definition of the role of the C.B.C. with respect to commercial advertising. This seems to be the crux of the thing.

Mr. HENDERSON: You say the corporation would welcome it?

Mr. MCGRATH: Yes, in its actual daily operations.

Mr. HENDERSON: I think that would be for the Board of Directors to answer.

The CHAIRMAN: Perhaps Mr. Landry would answer that question.

Mr. MCGRATH: We have heard quite a bit about the commercial advertising aspects of the C.B.C. from the Fowler commission, in parliament, and in this committee here, yet there has never been a clearly defined policy with respect to commercial advertising. Is that correct?

Colonel R. P. LANDRY (*Controller of Administration, Canadian Broadcasting Corporation*): I would not think it is entirely correct. This is a matter that has to be settled by the board, and suppose the board decides to go to a certain limit I cannot really answer your question very definitely without consulting with them.

The CHAIRMAN: I would suggest that the board is new, Mr. McGrath —it is a young board—and I imagine that they will develop a new policy.

Mr. MCGRATH: My question was put with the idea of perhaps helping us make our report.

Mr. PICKERSGILL: Has the corporation made any calculation of the effect of the establishment of competitive television stations, particularly in Toronto and Montreal, on its prospective advertising revenues?

Mr. HENDERSON: We are moving into that problem for the next two months, because we have this date next November—as I mentioned—and work is now under way. It is too early to be specific; but it is of course, one of the most important aspects.

The CHAIRMAN: I would suggest that any further questions on that could relate to "G.1", relations with private radio and private television.

Mr. PICKERSGILL: That is the only question I had, and Mr. Henderson has answered it the only way he can.

Mr. TAYLOR: We know your revenues today for television, and we know that private television is going to enter the picture in large centres. Do you still anticipate larger revenues in the future than you have had in the past —in television?

Mr. HENDERSON: As I said, in answer to Mr. Pickersgill, we are in the midst of doing this forecasting now. I think in certain fields we can anticipate

improvement; in others we have to face up to a loss. It is too early at this stage to be specific as to what places, or how we will do it.

Obviously, we have to make provision, I would think, for a reduction in our revenues because of the prospect of further competition. On the other hand, when you get close to the problem—and after giving it the best attention we can and getting the best advice we can—it may be we will not have to make as big a provision for the loss as we thought.

Mr. TAYLOR: If there are increased deficits, you may have to alter your program format?

Mr. HENDERSON: If we come up with the prospect of an increased deficit, there are only two ways in which we can handle it. One is to ask parliament to increase our vote proportionately; the other is to cut our expenses of operations right across the board.

Mr. TAYLOR: What happened in C.B.C. radio could happen in C.B.C. television?

Mr. HENDERSON: That is correct.

Mr. TAYLOR: And, as I understand it, we do not have many sponsored national shows on radio any more?

Mr. HENDERSON: No, I do not know of any at the moment.

The CHAIRMAN: Mr. Gilmore, would you like to add something to that?

Mr. GILMORE: I would say, sir, that what happened in network radio was the result of network television, and I would not expect that to happen in television to the extent that it happened in radio. There are still national advertisers who will want this medium, I am pretty confident.

Mr. PRATT: You may get the "smellies" in "feelies" though!

Mr. TAYLOR: Has the C.B.C. considered dropping the Dominion network because of the present situation?

Mr. FISHER: That is not on this part of the agenda.

The CHAIRMAN: I cannot see that it is on this at all, at the present time.

Mr. TAYLOR: It is relevant, in view of the fact—

The CHAIRMAN: I do not consider it to be relevant at all; I am sorry.

Mr. LAMBERT: Mr. Chairman, arising out of Mr. Gilmore's observations on Mr. McQuillan's question as to the nature of the increased demand and the relationship to cost: Mr. Gilmore stated that as demand for television increased, so it appeared that costs increased as well. But did they increase at an increasing rate, a constant rate, or at a declining rate—or you might arrive at a point where they met?

Mr. GILMORE: This started in about 1952, when we started our service, and the curve crossed over at about—if I remember correctly—1956-57. There was a cross over of that curve. I cannot remember the month. But up to that time we had accumulated quite a bit of surplus—as I answered Mr. Pickersgill a few minutes ago. Then there was a point reached where we were using that surplus to continue developing the service, because our service had not been developed.

You must remember this is based, too, not on a constant service of from six in the evening to midnight; it was moving back during the hours, providing children's programming and women's programming in the afternoon. That is why I say the increase will continue, or had continued, because there was more service to be provided—and that is the cost.

Mr. LAMBERT: Did that increased service increase your costs at a declining rate, a constant rate, or an increasing rate?

Mr. GILMORE: The increased development of service in the afternoon hours is at a cheaper programming rate. For the microwave network it is a little more expensive, because you go outside the contract hours. But I think the key to your question—if I can just get at the dilemma here this way—is this, that we have never received income on the basis of $15 per television home. Our costs have not yet reached that $15.

We received income on the basis of an excise tax levied on the sale of television receivers. Early on in television there was a slight bend on the curve—a reverse bend—and then it went very steeply up as income exceeded what we expected. The sales of sets were faster, showing two things; that our service was being well received, and that the public did want television per se. This led—again I come back to this—to the need for more service.

There was a good deal of pressure on us for types of service we were not giving, and this whole complex raised the whole curve up to a point, at about 1956-57, where the cost of the service crossed over with what we were getting from television receiver sales—excuse me for being so long, sir.

The CHAIRMAN: Go ahead.

Mr. GILMORE: Receiver sales, which had climbed fast in the early years, started to flatten off as we got around the 70 per cent saturation in some of the cities, and therefore our income decreased accordingly.

The CHAIRMAN: Mr. Henderson, might I ask: if you had reached your projected $15 figure, what would your deficit be?

Mr. HENDERSON: It would be greater than it is now, by—

The CHAIRMAN: By 4, 5 or 6 per cent?

Mr. HENDERSON: Yes, by 6 per cent.

Mr. LAMBERT: Developing what Mr. Gilmore had to say here: in the original instance, what relationship was there between this $15 figure and the determination of the level of the tax? Was there a relationship between the two, in the determination?

Mr. GILMORE: I am afraid that is policy beyond my knowledge, sir. I just do not know.

The CHAIRMAN: That would actually be a 33⅓ per cent increase, Mr. Henderson, on the other?

Mr. HENDERSON: Yes, it would be.

Mr. PRATT: I have a supplementary question, Mr. Chairman. Is there any indication of a second set per home having any effect on this levelling off of the sales of sets; or has the sale of sets pretty well become horizontal now?

Mr. GILMORE: The sales of sets have taken a downward dip, slightly.

Mr. PRATT: Actually downward?

Mr. GILMORE: A little downward, yes. 1957 was the peak year.

Mr. PRATT: Is there any indication of any effect from second sets per home?

Mr. GILMORE: I have not seen any trends projected that way, sir.

The CHAIRMAN: Are there any further question on Item "5"?

Mr. MUIR (*Lisgar*): I have a question that is supplementary to one Mr. Pickersgill asked some time ago. Perhaps we have lost the continuity a little bit; but I think it still applies. While it may be true to say that under the mandate the C.B.C. has from parliament anything recoverable from sponsors is a net gain, would it not be a good idea for management itself to regard the operating deficit as a loss?

Mr. HENDERSON: Management does not regard it in that sense. We think a proper description of it is "a net operating requirement". But, obviously, it is a profit and loss business; we do not disguise that fact. But we are operating under an act which requires that we provide a national broadcasting service. That is what we are doing and that is what it is costing. We pick up what we can elsewhere and, I think, what you call the difference becomes academic.

The CHAIRMAN: Gentlemen, can we leave 5. We have Item 6—principles on which annual budgets are prepared.

Mr. HENDERSON: I thought perhaps I had covered that.

The CHAIRMAN: I think you have. Are there any further questions in connection with 6? Is it agreed that we proceed to No. 7?

Agreed.

The CHAIRMAN: Gentlemen, now we come to C.B.C. rate structure; are there any questions on that? Mr. McGrath, did you have some questions?

Mr. MCGRATH: I am trying to follow this, in terms of the agenda. Is it No. 8 on the agenda?

The CHAIRMAN: No, No. 7—the C.B.C. rate structure. Mr. Johnston is the assistant controller of broadcasting (commercial), and he will be our witness on this.

Mr. BELL (*Carleton*): Perhaps we should have a general statement from Mr. Johnston first in connection with the principles on which the rate structure is based.

The CHAIRMAN: Yes; have you a statement, Mr. Johnston.

Mr. W. R. JOHNSTON (*Assistant Controller of Broadcasting (Commercial)*): It is broken down into four areas really and, broadly of course, into television and radio, and under each of those main headings into network and selective business.

Mr. MCGRATH: Mr. Chairman, before he proceeds, in view of the time which we have left to sit—until 11 o'clock—could we have his statement now and then adjourn and pick it up from there at the next sitting?

The CHAIRMAN: It will depend on the time it takes him to give his statement.

Mr. JOHNSTON: This will not take many minutes. First of all, I would say that rates, whether they are network rates or selective rates for individual stations, must be related just as the advertising rates of a publication are related to the circulation that it delivers.

In the case of the television network, if I might speak first on that, we have established our network station rates based on a formula that was worked out in conjunction with a committee representing the private affiliates. It is based on what we call the unduplicated network, the A and B potential coverage of each network station. It takes into account, what we think is proper—that an advertiser buying the network should not pay more than once for any given television home. So, by statistical methods, which are based on figures supplied to us by the dominion bureau of statistics and the R.E.T.M.A., which is the Radio Electronic and Television Manufacturers Association, we do projections each year—and this is done in the spring of each year—as to the number of television homes that there will be in the country as of the following January 1. Our rate changes actually are made on July 1 but, as is customary in the industry, a six-month rate protection is given to current advertisers.

In the case of a station that has no duplication, we then determine the number of television homes within its A and B contours. In other cases we note whether there is an area of overlapping between one station and another; we determine the line of equal service between these two stations, and allot the number of homes on one side of the line to one station and those on the other side of the line to the other station. Having determined then what these figures are, we relate them to a rate schedule or curve, which is worked out with each affiliate, and the indicated network rate results from that.

As I say, we have used the above method for some time. However, back in 1956, it was modified to a small extent; that is, the rate curve was; and it has been in use since that time.

In meeting with our affiliates from time to time, it has been suggested that perhaps a better method of setting network rates might be found, one which would take into account in some measure the circulation, setting up one station as against another, particularly in areas where there is overlapping. We agreed we would study this, and we have been studying it for a good many months now. It has been a very complex thing to do. Our next step is to complete the study, which we hope to do within the next few weeks. We then intend to bring it forward for further discussion with our own affiliates. Meanwhile, the rates as of July 1, have been set in accordance with the same method as used for the past several years.

If I might go then to our local sales on the stations we own, here again we go out to get as much as the market will bear. But once more we have to relate the rates that we charge to a circulation that is delivered by the station; and we have to take into account a further factor, that is, in some areas of the country, advertisers themselves may not place as high a value on a market of a given size, as they would to another market of a given size. We have to keep our eye pretty closely on the sales pulse at each one of these locations. For instance, at the present time, of our eight CBC stations, there are two, as I recall, our English stations in Montreal and Toronto—where our selective rates are somewhat higher than our network rates.

Mr. McGRATH: Are you talking about radio or television?

Mr. JOHNSTON: I am still talking about television. In all others, except one, we have established the selective rate at the same level as the network rate, simply because it is the best rate that we feel we can get for those stations in those markets; and there is one case, which happens to be our French-language station in Ottawa, where we have found it necessary to set our selective rate a little lower than the network rate. We had a peculiar station in the Ottawa area —and I do not know of it obtaining anywhere else—where because the French-speaking population in this area is to such a large extent bilingual, a good many advertisers feel they can reach that market quite effectively—perhaps not fully, but rather effectively, by means of their English advertising. This has been our experience not only in television but in radio down through the years.

Turning now to our radio networks, the situation is that the last general revision of our radio network rates took place in 1952. There were further minor revisions in 1953 but, by and large, the radio network rates have remained unchanged since that time. Now, of course, during this period television advertising was forging ahead; radio network advertising was steadily declining. Advertisers were diverting their radio ads to television to an increasing degree. So, it was our view during that period that if we had made further upward revisions in radio network rates we would have succeeded merely in driving more business off the radio networks. We also had the feeling that in due time—and we did not know how fast this would happen—there would come a levelling off in television viewing and a resurgence of interest in radio listening. This, I think, has definitely happened. It reflects, among other things on the part of

radio stations and radio networks generally, a recasting of their radio program service, the devising of new programs and new techniques, and this has had quite an effect, both in the United States and Canada, in the development of an upward swing in radio listening. So, because of this we have had under way now for several months a complete review of our radio network rates. This has been an involved study. There are about 117 stations all told which we had to consider individually. At the moment we are getting close to finalizing this study, and I would expect that once it is finished and after we have management approval of it, that revision in network rates will then be made.

The CHAIRMAN: When do you expect to be finished?

Mr. JOHNSTON: I would expect within the next month.

Finally, Mr. Chairman, there is just one other thing. In respect of our own C.B.C. radio stations, as I believe already has been said at earlier meetings, for quite some time we were not too active in the selective advertising field on C.B.C. radio stations. The recommendation was included in the report of the Fowler commission that we become more active in this area. We got under way with this, particularly in the Ontario region as a starter, early in 1958.

At the same time we made certain upward revisions in our selective rates for all our radio stations and, more importantly that that, we changed what we call the time classifications. Whereas class A, the highest rates, previously had applied to night-time, we now made them apply to day-time. The over-all effect was to increase quite substantially the rates charged for the times of the day we could sell. We did this on rather an experimental basis in order to see how the thing would work out. We had in the back of our minds that possibly every two years we might have to make further revisions in those rates. This we have done.

At July 1 we introduced further new rate cards and that is where the matter stands today. Over all, for the periods we can sell, we have increased our selective radio rates to some degree.

The CHAIRMAN: Thank you. Gentlemen, will you please hold your questions until this afternoon. We will reconvene at three o'clock.

May I have your permission to insert the three further statements, the summary of construction 1953 to 1958, the costs of microwave and conditions of rental contracts, and the costs of rental of studios and rehearsal halls.

Agreed.

Mr. MCGRATH: Could we have the new rate structure as of July 1? Could we have that this afternoon?

Mr. JOHNSTON: The new television rate cards are not yet printed. The rates have been announced to the agencies by circular letter. They are on the press now and will not be available for another couple of weeks.

Mr. LAMBERT: Are you going to call any further meetings this week?

The CHAIRMAN: We might call one this evening.

AFTERNOON SESSION

THURSDAY, July 9, 1959.
3 p.m.

The CHAIRMAN: Miss Aitken and gentlemen, we have a quorum.

May I have your permission to print in the appendix two further items that have been delivered to us, one entitled "International Service—the cost

per language section, 1957-58", and then some answers to some questions by Mr. Egan Chambers. Gentlemen, is that agreeable?

Agreed.

Mr. BELL (*Carleton*): Are these being distributed now?

The CHAIRMAN: Yes, they are being distributed now. While they are being distributed, I understand Mr. Tremblay has a short question.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, have you not received a letter from Mr. Pierre Chaloult from the *Le Droit* in connection with the questions put respecting him by Mr. Johnston?

The CHAIRMAN: Yes, I received it and Mr. O'Connor, our Clerk of the Committee, has it. We shall bring it up in the steering committee, when next we meet, which will be tomorrow. Is that satisfactory, Mr. Tremblay?

Mr. TREMBLAY: Yes, thank you.

The CHAIRMAN: Mr. Johnson, have you a supplementary on that?

Mr. JOHNSON: No, it concerns a question about some information I have asked about C.B.C. films; this was to be brought before the steering committee.

The CHAIRMAN: Yes, and we have not had a meeting since.

Mr. Gilmore, you now have an answer to a question asked by Mr. McGrath this morning.

Mr. GILMORE: Yes. This was in connection with the hours of live production in Toronto and Montreal. The average position is as of last year that a year of production out of Toronto would be just under 1,600 hours, and Montreal, 2,600 hours.

The CHAIRMAN: Thank you very much; is that satisfactory, Mr. McGrath?

Mr. MCGRATH: Yes, thank you.

The CHAIRMAN: Miss Aitken and gentlemen, we completed Mr. Johnston's statement this morning. Now, are there any questions under Part D. Item 7.—C.B.C. Rate Structure?

Mr. MCGRATH: I understand from what was said this morning that there has been a new rate structure.

The CHAIRMAN: That is right.

Mr. MCGRATH: In effect since July 1, for radio and television.

Mr. JOHNSTON: Mr. Chairman, the new network rates for television came into effect on July 1 and there were also some revisions in our selective rates; by that, I mean our individual station rates in television as of July 1. Also, on July 1, some modifications in our selective rates for radio stations and, as I mentioned, our study of radio network rates have been going on for some time, and it is not yet completed.

Mr. MCGRATH: Are your local rates set on your potential audience or your actual audience?

Mr. JOHNSTON: We have to relate our station rates very definitely to the audience to which we deliver.

Mr. MCGRATH: Just for clarification, would you perhaps explain that.

Mr. JOHNSTON: Well, I think I would explain it this way. You cannot relate your rates to your own whole potential because you do not deliver that potential. You adjust your rates—with one eye, shall I say—on the share of audience that you are getting in your market, and also an eye on the value of that market to the advertiser, and what the advertiser in general is prepared to pay.

Mr. MCGRATH: At that rate, would not this make your rates in a fairly small competitive area, where the market was held by private stations, rather lower than the private stations?

Mr. JOHNSTON: Yes, it would make it lower.

Mr. MCGRATH: Lower?

Mr. JOHNSTON: Yes, very definitely; but the degree to which it would be lower would depend on the market.

Mr. MCGRATH: Even though perhaps in most cases your power outlet would be greater than the private station?

Mr. JOHNSTON: That is only part of the answer.

Mr. MCGRATH: It is your ability to deliver a signal?

Mr. JOHNSTON: Yes. You have to consider not only the power of your transmitter, but where your transmitter is located in relation to the transmitters of other stations, which may be closer to the heart of the centre of population.

Mr. MCGRATH: Well, Mr. Johnston, does not this result in quite a lot of protest from the industry? Does it not, by the stations who take exception to the fact that the Canadian Broadcasting Corporation are selling below their rates.

Mr. JOHNSTON: I am not aware of any general complaint in this area.

Mr. MCGRATH: This was raised in parliament last winter in respect of the Montreal market, if I am not mistaken, and another market as well.

Mr. JOHNSTON: I believe there may have been one or two instances; but I am not aware of any general complaint of this nature.

Mr. MCGRATH: Is an effort ever made to standardize your rates with other rates prevalent in the industry in a particular location?

Mr. JOHNSTON: I do not know that it can be said there is any standardization as such among the rates of other television stations or radio stations across the country. I think it has to be settled by each individual station having regard to the market in which it is serving.

Mr. MCGRATH: My point is rates have to be competitive. They must be competitive with one another and be competitive to the point of still being within the confines of good business ethics. Is that right?

Mr. JOHNSTON: That would be right; yes.

Mr. MCGRATH: How much would the difference be—this is a rather difficult question to phrase without giving a specific market.

The CHAIRMAN: Can you mention the market?

Mr. MCGRATH: Well, in the Toronto market, for example—better still, I will give you the Windsor market where you only have C.B.C. radio. What would be the difference in the C.B.C. rate card locally and the local radio station?

Mr. JOHNSTON: I could not answer that. The information is published, but I do not have it with me.

The CHAIRMAN: All the local stations would be Detroit stations?

Mr. JOHNSTON: There is one Windsor station.

Mr. MCGRATH: Is there an instance where your rates are 50 per cent lower than the independent radio station?

Mr. JOHNSTON: Again, I could not answer that specifically.

The CHAIRMAN: Is there any person here who could answer that?

Mr. JOHNSTON: I have not studied it specifically. This information could be obtained. I have not done that type of study.

Mr. MCGRATH: Were the other rate cards in the industry standard before you set up your own rate structure?

Mr. JOHNSTON: I would say we have never attempted to set our rates on any basis other than the circulation that we deliver and the rate which we think we can get for that circulation.

Mr. MCGRATH: Irrespective of your overhead in that particular operation?

Mr. JOHNSTON: I come back to what I said this morning, that your rates have to be based on the circulation that is delivered and the rate that the advertiser will be prepared to pay for it.

Mr. MCGRATH: I know; but if a private radio station could not realize a profit it would not be in business. If it could not break even it would have to go out of business. I would suggest this should be considered in setting up your own rate card.

Mr. JOHNSTON: I feel it comes back to the basic type of program. The over-all programming pattern of C.B.C. stations generally provides a pattern of programming which we know will not deliver what you might call a mass audience.

Mr. MCGRATH: Do you have a campaign within the organization to go after, in a serious way, local commercial business? Do you have your own local sales promotion? Is it encouraged? Do your own respective station managers have authority to put on sales promotions in order to encourage local business?

Mr. JOHNSTON: Not so much at the individual station level. We have a very active sales force at Toronto and Montreal handling what we call national selective sales. I might ask at this point if we are speaking of radio or television?

The CHAIRMAN: I think the question was in respect of radio.

Mr. MCGRATH: I was rather thinking in terms of both, but primarily radio because that is where you are mostly concerned with local business.

Mr. JOHNSTON: Yes. At the Toronto and Montreal commercial offices we are split into radio and television. There are two separate divisions in those areas in that the television field is split into network sales and national selective sales where we are trying to sell from Toronto and Montreal selective business on all our television stations. We do the same thing in radio where we try to book business on our stations, if not on the entire group, then on as many of them as we can. There is definitely a continuing sales effort going forward in that area.

Mr. MCGRATH: Overhead is not a factor in determining rates.

Mr. JOHNSTON: No; I would say it is not.

The CHAIRMAN: Any further questioning on rates structure?

Mr. BELL (*Carleton*): Mr. Chairman, I am not clear, from what Mr. Johnston said this morning, as to the effect upon the rates structure which was forecast, of the possible entry of private stations into what are now the exclusive TV areas.

Mr. JOHNSTON: Mr. Chairman, I do not believe I touched on that subject at all. Indeed, I do not know that I can at this stage. This is in the future, and we have not reached any firm conclusions in our own minds.

Mr. BELL (*Carleton*): Would you feel that would result in a substantial reduction in your rate charges in those possible competitive areas?

Mr. JOHNSTON: This is something that conceivably might happen, but I would feel at the moment it would be more likely to level rates off and, as it were, freeze them where they are.

Mr. BELL (*Carleton*): Existing rates would continue throughout those areas?

Mr. JOHNSTON: This would be my thinking at the moment. Circumstances might well dictate otherwise.

Mr. BELL (*Carleton*): Why would you believe that?

Mr. JOHNSTON: I would say that, for one thing, the markets are going to increase, the number of television sets—we have not yet reached the saturation point—so that in markets where second stations may come into operation it is reasonable, I think, to expect that set circulation will continue to grow. There will then be a division of the areas between whatever stations are heard in the area.

It might be that some reduction in rates might be necessary; but my thinking at the moment is it would be likely these rates would level off.

Mr. BELL (*Carleton*): You do not believe the introduction of private TV will result in any loss of revenue to the C.B.C.?

Mr. JOHNSTON: No, that is entirely another thing. What your rate is and how much business you have at that rate—they are two different things. If the business is split, then it is only reasonable to assume there would be a reduction in revenue.

The CHAIRMAN: Mr. Johnston, do you, under your jurisdiction, more or less consider yourself sales manager? Do you have this sales department under your jurisdiction?

Mr. JOHNSTON: No, Mr. Chairman, I do not. At head office my particular areas have to do with commercial policy in general, the rates structures of our networks and stations; and also the administration of our commercial projects across the country. Sales headquarters for the English network is at Toronto; and for the French network, at Montreal.

The CHAIRMAN: Any further questions on rates structure?

Mr. MCGRATH: I have one final question.

The CHAIRMAN: Yes, Mr. McGrath?

Mr. MCGRATH: Mr. Johnston, we heard earlier in these hearings about a system of cost accounting,—

Mr. JOHNSTON: Yes.

Mr. MCGRATH: —in the corporation, where in the costs of the capital expenditure this system of cost accounting was used, whereby part of the president's, the vice president's and managerial salaries went in the make-up of your cost, your capital expenditure.

You do not have to answer this, but do you not feel it would be wise to carry this practice into the setting up of your rates?

Mr. JOHNSTON: Mr. Chairman, I am not versed in cost accounting.

The CHAIRMAN: That would be cost accounting and Mr. Henderson might be able to answer that. Mr. Henderson, maybe you would like to answer that?

Mr. HENDERSON: If I understood Mr. McGrath's question correctly, he was referring to the overhead which you saw added to the program production costs which were tabled; and I made a statement in which I outlined what that overhead is intended to recover and how it has been the corporation's practice to add it to each of its published costs.

I think your question, Mr. McGrath, to Mr. Johnston—as I interpret it—is: should not that factor be taken into account in the setting of the corporation's rates. Is that the question you wish to ask, Mr. McGrath?

Mr. MCGRATH: That is the question.

The CHAIRMAN: Yes, that is the question.

Mr. HENDERSON: I would respectfully suggest, in setting the corporation's rates, that overhead is taken into account; but there is also another factor that has to be taken into account, and that is, what the market will bear.

Were the entire overhead to be taken into account, and were we able to realize the result in an increase, we would be on a break even basis, or showing a profit in the entire operation. But it is not practical because the advertiser, as was explained earlier, is going to pay what that time is worth to him viz-a-viz other media.

Therefore we have to draw a line in arriving at a rate and in arriving at a realistic one in terms of the market. That is the point that Mr. Johnston is making, sir. We are perfectly aware of the incidence of this overhead, very well aware of it, I may say.

The CHAIRMAN: Miss Aitken and gentlemen, may we proceed to Part E,, Organization?

Mr. CHAMBERS: Mr. Chairman—

The CHAIRMAN: Do you have a question on D, Finance?

Mr. CHAMBERS: I have questions on finance, on the forecasts arising out of these returns that have just been made.

The CHAIRMAN: Proceed, Mr. Chambers.

Mr. CHAMBERS: To whom do I address myself?

In the cost per language section of the international service, under A, we have central and eastern Europe, German, Polish, Czech, Russian, and Ukrainian, with salaries of seven each, $36,000 times five. I do not know what seven each means.

Mr. HENDERSON: These figures have just arrived from our international service in Montreal and I have only seen this schedule for the first time. I interpret it to mean—perhaps if the schedule were set up in a slightly different pattern, it would be self-explanatory—but the salaries for the sections of the five countries is $36,000; so five times that is $180,000 for each of the seven sections; seven German, seven Polish, seven Czech, seven Russian, and seven Ukrainian. I would interpret that to mean that each of the individuals, 35 of them in all, would be pulling down about $1,000 apiece, or about $80 per month, based on eight hours of work per day. They are not on full time. Perhaps my associates would check on that, but that would seem to be logical.

Mr. CHAMBERS: I know there are some full-time people employed, but I do not know how many.

Mr. HENDERSON: There may be some exceptions. I was just taking the average.

The CHAIRMAN: Would you like to check it?

Mr. HENDERSON: I would be glad to.

Mr. CHAMBERS: Under D, we have $50,000 for salaries in English, and performers' fees of $25,000. Does the international service broadcast in English, and if so, to whom?

The CHAIRMAN: May I suggest that Mr. Henderson review this whole matter and we can check with him again tomorrow morning.

Mr. CHAMBERS: Under printing and publications, on page 432 of the minutes, I noticed there is a doubling of the cost of printing and publications, and that advertising and publicity have also doubled. I have the answer for printing and publications but not for advertising and publicity. It is not a terrific item, but it went up from $6,000 to $12,000.

Mr. HENDERSON: I shall bring that down as well.

Mr. MCGRATH: I believe Mr. Henderson has some information for the committee with respect to paragraph 2, analysis of financial statements.

The CHAIRMAN: Were you able to get this together?

Mr. HENDERSON: Well, it was not on that. I thought that Mr. McGrath was referring to an earlier reference to the action taken to implement the Fowler commission report, as distinct from financial statements. The financial statements are limited to the 1958 ones, as to which no questions arose. But I have some comments on the action taken to implement the Fowler commission report.

The CHAIRMAN: We will get that later. We are on organization generally, and Mr. Carter is sitting beside Colonel Landry. Does Mr. Carter have a statement?

Mr. MARCEL CARTER (*Controller of Management, Planning, and Personnel, C.B.C.*): I would like to make a short statement if you would permit me.

The CHAIRMAN: Very well.

Mr. MCGRATH: Before Mr. Carter proceeds, this part E reads:

> organization generally
> (*a*) analysis of organization charts and examination whether responsibilities of respective departments and divisions are fully defined.

I thought this question was covered before we got down to this agenda.

The CHAIRMAN: A lot of this is pick up. If you will recall it, Mr. Carter went through the organizational chart with us at one of our earlier meetings, and if there are any questions which were missed at that time, this is our last opportunity to ask them. If you are not repeating any statements you made before, Mr. Carter, would you please continue now?

Mr. CARTER: In his initial presentation to the committee, Mr. Bushnell submitted charts that give a picture of the main functions and relationships of the various groups that make up the organization of the corporation.

Before dealing with questions the committee may wish to ask on the functions of the principal officers at head office and in the field, I would like to say something on the development of the organization of the corporation.

Prior to television in 1952, despite dispersal of stations, production centres and facilities, the corporation was tightly controlled through functional divisions with heads of each being located centrally in order to report readily to the general manager.

Several years ago to take care of the developing workload, particularly as a result of television, it became necessary to consider means or ways of delegating responsibility for decision-making as close as possible to the scene of action, which lead to a decentralized approach to organization planning. This decentralization is still going on and has been a gradual one. I am sure if Mr. Ouimet were here he would tell you that organizational development has been difficult, and is still complicated, by the heavy load placed on the senior staff of the corporation to keep the current operations under way.

He would also indicate that we are going through a transition period. The recent changes in the act, the appointment of a new board of directors, the difficulties we have encountered in the past few months have impeded our progress in this area.

It is just over a year since Mr. Ouimet decided that the task of developing and defining the organization structure required the full time of a small group who could specialize in management planning and development.

At this time also it was made clear that in organization work it was not intended to destroy the individuality and personality of our executives. A program was submitted in order to determine and clarify the responsibilities of each segment of the organization so that those responsible for an area will know how they can act on their own initiative, and if they have to refer decisions to others, to whom reference should be made. An endeavour was made to secure the cooperation of all senior executives in this program.

We can therefore consider organization planning in the Corporation as the process of setting up administrative units to conduct operating activities of the corporation in geographical areas in line with established policies. Operating management should have control of the essential elements of their operation such as personnel, allocated budgets and production.

Management at head office, however, cannot relinquish through delegation the responsibility for the total activities of the corporation. This is done by establishing:

(a) Over-all objectives, policies and plans.
(b) Systems of communications, so that management at all levels will understand these corporation objectives, policies and plans.
(c) Means of evaluating and controlling the performance of operating management.

As in any well run organization, the structure of the corporation is authorized and enforced by the chief executive, but each officer in charge is responsible for recommending the duties, relationships and form of his unit and may ask for and obtain consultant assistance from management planning and development.

The structure of the organization to operate and control the activities of the C.B.C. has been and is being built in relation to many factors. These include the nurture of a proper atmosphere to enable creative people to plan and present programs in radio and television; the operation and control of activities at facilities widely dispersed geographically; the central direction, co-ordination and control of complex and difficult operations to provide a national broadcasting service in two languages.

Mr. Chairman, that is my preliminary statement. I do not know whether you would want me to talk about specific responsibilities.

The CHAIRMAN: We will see if there are any specific questions.

Mr. MCGRATH: I see here by the chart—which is not identified by any specific code number—that the total for the Ottawa staff is 393; is that correct?

Mr. CARTER: For the headquarters in Ottawa, yes.

Mr. MCGRATH: Your Toronto staff is 2,316?

Mr. CARTER: That would be the Toronto studios and the transmitter.

Mr. MCGRATH: Would it be more economical to have your headquarters in Toronto at the base of the operations?

Mr. CARTER: Toronto is the headquarters for English network operations. We also have the French network operations located in Montreal—and the Ottawa group has as much responsibility over policy and general direction in Montreal as they have over Toronto. The relationship should be the same.

Mr. MCGRATH: I should rephrase my question.

Mr. BELL (*Carleton*): You certainly should, or you are going to get into an argument with the member for Carleton very fast.

Mr. MCGRATH: I was going to suggest, in the interest of good, sound economics within the corporation, would it not be better to have the headquarters of the corporation in either Toronto or Montreal?

Mr. CARTER: Outside of the economic factor, if I might mention it, the Act specifies the head office of the corporation is to be located in Ottawa.

Mr. PRATT: Mr. Chairman, I have a supplementary to that, going back to something I raised at one of the first meetings of this committee. I asked at that time if it might not have been better to have concentrated all production in a city such as Montreal—where you can produce bilingual shows—rather than have two very expensive, repetitive production centres, in a

country the size of Canada—17 million people—whereas in the States you only have two production centres, with about 180 million people, Chicago being comparatively unimportant from the television point of view? If somebody could answer that question today, I would be very much obliged.

Mr. CARTER: For one thing, you mentioned repetitive. I can assure you that the Montreal facilities are over-taxed at the present time to meet just the requirements of the French network.

Mr. PRATT: By "repetitive" I mean the overhead, the offices—I will not use the word "bureaucracy"; that would not be too popular, I imagine—costuming, carpentry, manufacture of sets, make-up: all these things are needed in both places. I am not suggesting you could combine these two in your facilities on Dorchester street; but might it not have been better planning from the very beginning had some large area been taken out in the suburbs, where you could have had a single-storey production rather than a multistorey production such as you have on Dorchester street, in the light of the fact that in New York they have found it uneconomical to bring wood and materials into the centre of the city?

The CHAIRMAN: Is there enough land out in Dorval, Mayor Pratt?

Mr. PRATT: I am not thinking of Dorval; more towards the centre; but certainly in such a centre as the film board has taken up—

The CHAIRMAN: We are getting into observations.

Mr. PRATT: I am asking a question, if I may have an answer.

The CHAIRMAN: What is your question?

Mr. PRATT: May I have it repeated by the reporter?

The CHAIRMAN: Mr. Fisher?

Mr. PRATT: Mr. Chairman, I am waiting for an answer on that. I am asking if it might not have been better planning at the very beginning to have had one—

The CHAIRMAN: I do not think it is within Mr. Carter's scope to answer that.

Mr. LANDRY: That is a question of higher policy for the members of the board. What we have now has been decided, and any changes will be a matter for the board.

Mr. PRATT: Mr. Chairman, if I may make one observation. The purpose of the C.B.C. is supposed to be to tie this country together, as the C.P.R. was supposed to do. Here we have a divisive force operating; we have the entire English production concentrated in Toronto and the entire French production concentrated in Montreal. If the artists, the cultures of the two centres were rubbing shoulder to shoulder and working together, we would have the sum of the two cultures—each would work upon the other and in that way we could find a Canadian culture of our own. When they are in separate cities, each one works on its own. One production centre for both would help this country artistically and culturally. However, I will not make any further observation.

Mr. FISHER: May I make an observation?

Mr. LAMBERT: Let us have an answer, Mr. Chairman.

The CHAIRMAN: You had your answer from Colonel Landry, to the effect that this was a decision made by management some years ago, and the sins of their forefathers, more or less.

Mr. LAMBERT: If you assume there is a sin, is it necessary to perpetuate it?

The CHAIRMAN: It was just the chair that said there was a sin.

Mr. PICKERSGILL: A supplementary question: is Toronto a sin?

Mr. PRATT: Montreal is a very typical Canadian city.

Mr. FISHER: It is not typical.

Mr. PRATT: And it is an English-speaking city as well as a French-speaking city.

The CHAIRMAN: Let us not have observations but questions.

Mr. FISHER: Out of your observation on that, could you give us a breakdown of French Canadians and English Canadians, in terms of total figures?

The CHAIRMAN: Do you mean a breakdown, or in total?

Mr. FISHER: No, I do not mean costs; I mean staff.

The CHAIRMAN: That will come under personnel.

Mr. MCGRATH: Would that not be on this chart?

Mr. FISHER: If I am following what Mr. Pratt has said. A lot of these people in Montreal—

The CHAIRMAN: You will find that under personnel statistics for five years. That is the next item.

Are there any questions of Mr. Carter on the over-all organization? Then, Miss Aitken and gentlemen, we will proceed to personnel. Mr. Carter is going to be our witness on that, Colonel?

Mr. LANDRY: Yes.

The CHAIRMAN: This is the first part of personnel, under (*a*)—personnel statistics for five years. Are there any questions on (*a*) of personnel? You had a question, Mr. Fisher, did you not?

Mr. FISHER: Do you remember it?

Mr. CARTER: Mr. Chairman, I cannot give a precise answer, but if it is satisfactory, I consider it is close to 30 per cent—close to a third.

The CHAIRMAN: Could you find it in this chart?

Mr. CARTER: No, it is not broken down in that way.

Mr. FISHER: Could you indicate how much of that 30 per cent falls within the purview of the French television network?

Mr. CARTER: A great majority of those employees are in the French network.

The CHAIRMAN: Are there any further questions on (a)? Then, gentlemen, we will pass on to (b), recruiting policy, public competition.

Mr. BELL (*Carleton*): Is that the practice—

Mr. CARTER: I could make a short statement on that.

The CHAIRMAN: If you would like to make a short statement on that, please proceed.

Mr. CARTER: The policy of the corporation is to promote within the service whenever possible. Vacancies occurring within the corporation are made known to staff, whose applications receive consideration before such vacancies may be advertised at large.

Where the vacancy is not filled from within, applications are solicited from outside the corporation by means of advertisements in newspapers or trade journals and contact with the various agencies and schools which constitute the source of recruitment.

The recruitment and selection functions are performed by the employment offices at the various locations in close conjunction with the department heads concerned. Depending upon the nature of the vacancy, the initial contact with the applicant may be made by either the employment office or

the department head. It is the latter who makes the selection as to the successful applicant, which selection is usually supported by advice received from the employment office.

Where there are many applicants for any given position, a file of applications containing an evaluation of qualifications and experience gathered by the employment interviewer is consulted and usually provides an acceptable candidate.

The employment office is responsible for ensuring that each application, solicited or unsolicited, is given consideration and also that the applicant is kept informed of the corporation's decision. Unsuccessful applications are retained on file for varying periods of not less than one month.

Certain types of employees are hired on the basis of tests, which are administered in the employment office and the results forwarded to the departments concerned.

It is the corporation's policy to interview all applicants who present themselves at the employment office, whether or not a specific job is available or whether only general information concerning employment opportunities is being sought. That is all.

Mr. McGRATH: Mr. Carter, what is the policy of the corporation with respect to applicants other than Canadian citizens?

Mr. CARTER: We endeavour at all times to give preference to Canadian citizens; but if there are positions where it is difficult to get a Canadian citizen, we might hire a non-Canadian citizen. But we usually request him to express his intent of becoming a Canadian citizen at the time of hiring, and this intent is expressed by contacting the Department of Citizenship and Immigration and getting the permit.

Mr. McGRATH: In terms of air personnel, the corporation obviously are not reluctant to put an announcer on the air who has an accent foreign to Canada; for example, a person with a British-type accent which is not compatible for commercial radio in Canada.

Mr. CARTER: On that, it is not a question of nationality, I would say; it is really a question of competence and ability to fill the job required. I would think that a strong foreign accent would certainly be an impediment to a person wishing to be hired as an announcer.

Mr. McGRATH: But the point I would like to make is that preference is given to Canadian citizens?

Mr. CARTER: Definitely.

Mr. McGRATH: In specific types of—

Mr. CARTER: For all types of employment we try to hire Canadian citizens first.

Mr. TAYLOR: How many non-Canadians are there employed by the C.B.C.?

The CHAIRMAN: Can you answer that?

Mr. CARTER: I cannot give that offhand, sir.

Mr. LAMBERT: In your recruitment do you find that you get quite a flow into the C.B.C., or a flow out of the C.B.C. into the field of private radio and television?

Mr. CARTER: When new television stations were opened we have lost some employees; but generally it has been—in radio particularly—the reverse, that announcers and technicians from private stations have been coming to the corporation.

Mr. LAMBERT: In other words, do you feel that you are getting more from private stations than you are furnishing private stations—shall we say, the ebb and flow of staff?

Mr. CARTER: The experience has been such in the past.

Mr. LAMBERT: Can you hazard an opinion as to why that might be?

Mr. CARTER: Well, we have rates of pay in most areas set by collective agreements, which generally meet the going rates in Canada, and we are operating networks and as such we require the best qualifications of technicians and announcers, and I do not believe that, in general, private stations pay those rates.

Mr. FISHER: Last year there was a case in which the loyalty of a certain C.B.C. person—a candidate for employment—was in question, and there was a study of the matter by the Minister of Justice and, I believe, some kind of ruling.

Could you explain to us, in the light of that, just what is the relationship in this regard between those seeking work, their applications, and the screening that they may go through?

Mr. CARTER: Mr. Chairman, I would like to state that all employees are screened. We follow the general practice of the government in this respect.

Mr. FISHER: In other words, it is identical with the Civil Service practice, as far as you know?

Mr. CARTER: Yes.

The CHAIRMAN: Similar, more than identical?

Mr. CARTER: It would be similar; and we seek advice from the same sources.

Mr. FISHER: Are there any reviews of screening after the employee has been working for some time? Have there been any occasions in recent years where you have had reviews in this matter?

Mr. CARTER: Yes, occasionally.

Mr. FISHER: What usually triggers such a review?

Mr. CARTER: It is difficult to say definitely. It may be the director of a service.

Mr. LANDRY: I can say, Mr. Chairman, I do not think it is a review as such—taking all the cases. But if a man is promoted to a certain job, then we might review his case.

Mr. FISHER: You mean, certain jobs are classed as more—

Mr. LANDRY: That is right—supervisory levels.

Mr. FISHER: There is not within your C.B.C. organization anything that would be classed as sensitive to security, or anything like that, is there? I mean, more so than the ordinary government department?

Mr. LANDRY: No, I would say that is about right.

Mr. FISHER: I would just like to give my reasons for asking those questions, Mr. Chairman. I think I should give them, because there have been some indications at various times by various members of parliament—not in this particular house—that there are people in the C.B.C. whose loyalty could be questioned; and as I am one who believes the R.C.M.P. does a fairly thorough job of screening, I think this should be an indication that the C.B.C. employees in this particular regard must be all right.

The CHAIRMAN: Do you have a question you would like to ask after that, Mr. Fisher?

Mr. FISHER: No.

Mr. PICKERSGILL: Mr. Carter mentioned collective agreements. Under any of your collective agreements—I confess I perhaps should have read them, but I have not—are employees required, if they accept certain jobs, to become members of the union?

Mr. CARTER: Membership in the union is not a requisite; but in our agreements we have a clause which covers payment of dues by people who are hired under bargaining agreements, a modified form of the Rand formula. But membership in the union is not required.

Mr. CHAMBERS: In the recruitment of, particularly, administrative personnel do you tend—you said, as a general thing, within the corporation—to take them from, say, technical and artistic people, or do you recruit people from outside with administrative experience?

Mr. CARTER: I can give as an example the manager of industrial relations, who had a background in engineering; and his assistant is also a professional engineer. Does that answer your question?

Mr. CHAMBERS: In other words, you do tend to recruit administrative personnel from technical or artistic groups within the corporation?

Mr. CARTER: We do; but not necessarily so. In other words, because they have had engineering or artistic background it does not preclude them from getting administrative positions; that is what I am saying. But they do not necessarily have to be in that area.

Mr. CHAMBERS: But the tendency is to promote them from within the corporation rather than, let us say, looking for business school, commercial graduates and that kind of thing?

Mr. CARTER: I would say that the first criterion is the ability of the man to do the job. If he is able to do the job we will give him an opportunity to get a promotion.

The CHAIRMAN: Are there any further questions on (a)?

Mr. BELL (*Carleton*): Yes. Has there been any external review, either of classification or of recruiting policy?

Mr. CARTER: As far as classifications are concerned, we have had a job analysis—a job evaluation system, going on since 1944.

Mr. BELL (*Carleton*): By whom?

Mr. CARTER: Inside the corporation.

Mr. BELL (*Carleton*): It is an inside review?

Mr. CARTER: Yes. But in order to evaluate jobs we are working closely with outside organizations, and we try to get certain key jobs evaluated. We establish rates for certain jobs at various levels, which permits us to evaluate our rate structure.

Mr. BELL (*Carleton*): What outside organizations do you deal with?

Mr. CARTER: The Quebec Industrial Relations Institute is one of them, and there are some industrial firms in Canada who make very detailed studies, and they have made the information available to us. I do not believe I would be allowed to quote the names of those firms. One of them is one of the largest corporations in Canada.

Mr. BELL (*Carleton*): These have been industrial relations consultants, have they?

Mr. CARTER: Quebec Industrial Relations—yes, if you take industrial relations in the wide sense of the word.

The CHAIRMAN: Were they industrial consultants as well as industrial relations consultants?

Mr. CARTER: They are an association of Canadian industries working in the industrial relations area.

Mr. BELL (*Carleton*): Is that a regular process, or has it been done just on an individual occasion?

Mr. CARTER: We have been doing that regularly for five or six years, I believe.

Mr. BELL (*Carleton*): And to what jobs does that apply?

Mr. CARTER: Every job in the organization that we can match with jobs in industry. They cover a pretty wide field in the service that they make.

Mr. BELL (*Carleton*): What are such jobs?

Mr. CARTER: Administrative jobs—I think the whole gamit of that; which would include accounting, stenographers, typists, clerical jobs. Then we are able to get some information on technical jobs, operators—and they are not, possibly, operators in radio but they may be for power stations, and so forth. Then on the program side it is much more difficult to get comparative positions.

Mr. BELL (*Carleton*): Do you?

Mr. CARTER: No, not from that organization.

Mr. BELL (*Carleton*): From any other organization?

Mr. CARTER: We keep in touch with the universities, with other radio stations and also with the major American networks. But, in respect to the major American networks, we have to apply a differential because of the economic conditions in Canada and in the United States.

Mr. BELL (*Carleton*): In connection with vacancies has consideration been given to the fact that the possibility of advertising only within the corporation in the first instance, might lead to a degree of inbreeding?

Mr. CARTER: Yes.

Mr. BELL (*Carleton*): And what is your conclusion?

Mr. CARTER: I have indicated that we try to find out if there is a man within the organization able to do the job. Because we have advertised and have received applications does not mean the job will be given to an employee of the corporation. If it is felt he is not qualified for the job, we seek elsewhere. We might hold our decision until we advertise outside.

Mr. BELL (*Carleton*): Do any problems of nepotism arise by reason of that fact?

Mr. CARTER: Not particularly.

Mr. PICKERSGILL: Has the C.B.C. ever been offered any assistance by members of parliament in recruiting staff?

Mr. CARTER: We get those occasionally, sir.

Mr. JOHNSON: Since when?

Mr. CARTER: I was not in charge of personnel until recently, but I can say it has been going on for a while.

Mr. JOHNSON: Were any recommendations made since 1953 by anyone from Montreal on this subject?

Mr. CARTER: We have received recommendations from members of parliament at all times.

Mr. JOHNSON: Since 1950?

Mr. CARTER: I believe since 1936.

The CHAIRMAN: I think that will conclude that type of questioning. Mr. Johnson, have you any further questions in connection with the recruiting policy?

Mr. JOHNSON: Yes, Mr. Chairman. What is the method used in hiring script assistants—and I am not asking for their addresses, Mr. Carter—take, for example, in Montreal?

Mr. CARTER: As I mentioned, we have a job evaluation system where we outline the functions, responsibilities, duties, qualifications and experience required for all jobs in the bargaining units. Now, the process for hiring script assistants is the same as for any other job in those bargaining units; we try to find a candidate who meets the requirements of the job.

Mr. JOHNSON: When you say "we", I understand you do not do this from Ottawa. Who is in charge at Montreal? Is this the responsibility of the chief of personnel in Montreal?

Mr. CARTER: The man in charge of personnel in Montreal is responsible for going over any decision that is made regarding the hiring of staff. Now, the recommendation may be made by the person in charge of the script assistants. The personnel office may submit some applications when there are vacancies. These will be screened by the person in charge. The candidates will be interviewed and a selection is made of the person who is thought best qualified to fill the job. Accordingly, a recommendation is made to the director of the region; it is further screened, and is given final approval, if accepted.

Mr. JOHNSON: Now, is this done through written competition?

Mr. CARTER: Part of the interview would consist of a written test because a script assistant is performing secretarial duties as part of her work.

Mr. JOHNSON: Does any producer attend the interviews?

Mr. CARTER: It is possible that the producer might be consulted because a script assistant would eventually be assigned to work with a producer.

Mr. JOHNSON: I am thinking of an example where a certain producer or a certain director might need a script assistant; is he invited by the chief of personnel to assist or to attend, when there is an interview?

Mr. CARTER: I said he might be consulted in the selection.

Mr. JOHNSON: There is no laid down policy by the regional director?

Mr. CARTER: We have a number of script assistants and it may very well be that one of the script assistants presently on staff would be assigned, when the producer needs her services.

Mr. JOHNSON: Now, for secretaries to producers: is there a special way of hiring them, or are they hired like any other secretaries?

Mr. CARTER: I am sorry but I did not quite hear your question.

Mr. JOHNSON: There is a secretary to each producer.

Mr. CARTER: There is not a secretary to each producer. A producer has a script assistant working with him, who performs incidental secretarial duties for him.

Mr. JOHNSON: But, actually, there are secretaries to certain producers?

Mr. CARTER: Some of the supervising producers would have secretaries, but I do not believe that producers who hold the rank and do the job of producers have.

Mr. JOHNSON: Are these secretaries hired through competition or by the producer himself?

Mr. CARTER: No, no one is hired solely by the producer; the personnel department comes in.

Mr. PRATT: Mr. Chairman, I have a question on the training of personnel, which would be an acceptable question at this time. I recall as late as 1954 working with a producer who was unaware that there was more than one lens on a camera. Have any steps been taken to correct a situation such as that, in the training of technical personnel?

The CHAIRMAN: Are there any further questions, gentlemen?

Mr. JOHNSON: I have a further question in connection with producers; how are the producers recruited?

Mr. CARTER: The producers are recruited in the same manner but the selection would be made by the program director and the director of television, who would recommend hiring them.

Mr. JOHNSON: Then, are the supervisors hired through competition or through promotion?

Mr. CARTER: By promotion. I believe there are very few from the outside. They could be hired from the outside, but in most cases it would be by promotion.

Mr. JOHNSON: Does this apply to radio as well as television?

Mr. CARTER: We have no supervising producers in radio.

Mr. JOHNSON: But, producers; you have producers?

Mr. CARTER: Yes, we do.

Mr. JOHNSON: Do you have independent or free lance producers in radio?

Mr. CARTER: On some occasions, when we had commercial radio, there were free lance producers coming in to produce commercial shows but, today, I believe there are very few, if any. Mr. Gilmore, would you like to elaborate on that?

Mr. GILMORE: Mr. Chairman, I was just trying to think of an instance. We had in Canada, for a very short term, on specific contracts, some outside producers, but not to any degree since the decline of commercial radio.

Mr. JOHNSON: Is seniority considered an attribute in a directorial function or executive function?

Mr. CARTER: All other things being equal, it would be considered, but it is not the prime consideration.

Mr. JOHNSON: Is there a difference between recruiting radio producers and television producers?

Mr. CARTER: You require a different set of qualifications.

The CHAIRMAN: But the method of recruiting is the same?

Mr. CARTER: The method of recruiting?

The CHAIRMAN: Would be the same?

Mr. CARTER: You would not look for the same qualifications in the person. You would ask more of a television producer.

Mr. JOHNSON: Was it not contended that there was a difference?

Mr. PRATT: I think lenses are rather important on a camera.

Mr. CARTER: I am sorry; I did not understand your question.

Mr. JOHNSON: I want to make sure that I get a direct answer to my question. Is there a difference, not in the qualifications, but the method of recruiting?

The CHAIRMAN: Yes, of radio and television producers?

Mr. CARTER: The method would be relatively the same. The man responsible for the work of the producer would be called upon to evaluate the candidate and, with the personnel office, would make the recommendation for his appointment.

Mr. JOHNSON: Anyone could go and ask for a job as a producer for radio and television and his case would be examined by the supervisor in charge of the particular section for which he is supposed to work?

Mr. CARTER: A preliminary screening of all applicants would be made by the personnel department and, if it is felt a candidate offers potential for a job, he would be referred to the supervisor concerned, if there is immediate need and, if not, possibly his application would be placed in a pending file and, when there is a vacancy, his case would be brought forward.

Mr. JOHNSON: Is there some kind of handbook or written instructions in the general headquarters in Ottawa or Montreal for the hiring of radio or television producers?

Mr. CARTER: There is no handbook as such, but we have the job descriptions, and these are available at all locations.

Mr. PRATT: What are the qualifications specifically required for a television producer?

The CHAIRMAN: I doubt if Mr. Carter would know that offhand.

Mr. CARTER: Perhaps Mr. Jennings could answer that.

The CHAIRMAN: Mr. McGrath is next, and then Mr. Fisher.

Mr. MCGRATH: Is there any policy of the corporation with respect to rotation of staff?

Mr. CARTER: Are you moving to the next item?

Mr. MCGRATH: No, I am under the same item.

Mr. CARTER: As I indicated previously, we advertise vacancies. Junior positions, if I may use that term, are advertised locally and we receive applications from employees at the location; intermediate positions would be advertised regionally, and we would receive applications from candidates in the region; senior jobs would be advertised nationally, and in that I would include producers and supervisory jobs of all kinds. Now, candidates may apply from the various locations, and it has been our experience in the past year that 59 employees were moved or transferred from one location to another.

Mr. MCGRATH: In 1958, 1959?

Mr. CARTER: Yes.

The CHAIRMAN: Mr. McGrath, may I suggest we hold that until we move to (c), because we are still on recruiting policy. Mr. Fisher, you are next.

Mr. JOHNSON: Mr. Chairman, I have another question.

Mr. MCGRATH: I can finish it off with one further question, and get at the point of it. I think it is generally associated with this item which is being dealt with.

The CHAIRMAN: Is it not associated with "promotional"?

Mr. MCGRATH: Not necessarily. It refers to the practice in large corporations of a national character to broaden the scope of the employees by changing them around from time to time so that they learn all aspects of the operations; in other words, changing employees or staff announcers and sending them from one region to another or from one city to another. Have you any laid down policy in that respect?

Mr. CARTER: There is no laid down policy, but in practice this is done.

Mr. FISHER: I just wanted to know some particulars in connection with the relationship of recruiting in respect of Ryerson, and this course it has to produce various types of technicians; have you any formal relationship with that school?

Mr. CARTER: We have hired many graduates from the Ryerson Institute.

Mr. FISHER: Are there any other schools in Canada which are doing a comparable work?

Mr. CARTER: Yes, in Montreal there is a school, but I do not remember the name of it.

Mr. GILMORE: There is the one in Montreal and there is also the radio college of Canada from which we have done considerable recruiting, from the technical side.

Mr. CARTER: The one in Montreal is the Institut d'Electronique.

Mr. FISHER: Have you ever at any time subsidized or helped those organizations out in training, technical equipment or anything like that?

Mr. CARTER: We have allowed some of our staff to help in the instruction, especially at the beginning of the activities, at the Ryerson Institute.

Mr. JOHNSON: I have a question in connection with samples of individual contracts. I would like to know if supervisors have a contract with the C.B.C.

Mr. CARTER: Some supervising producers are hired on contract as they were previously hired as producers, and they have continued. But I believe they are doing away with that gradually and bringing the supervising producers on staff.

Mr. LAMBERT: I want to direct a question in connection with announcers and, particularly, your staff announcers; is there any encouragement for these people to become bilingual? Is there any active encouragement given by management?

Mr. CARTER: Well, first of all, for an announcer to be able to work on the microphone in both languages he has to be very good, and there are very few people who can announce equally well in both languages. Perhaps Mr. Jennings may wish to add something to that. Our experience has been that we can count on our fingers the number of good bilingual announcers who are equally at ease in both languages.

Mr. PRATT: Mr. Chairman, has an answer been found to my request for information in connection with the qualification requirements for a television producer?

The CHAIRMAN: Someone was looking up the job specification sheet.

Mr. CARTER: We have not a complete job specification here, sir.

The CHAIRMAN: That is fine; we will get it tomorrow. We will now proceed to "promotional policy". I feel that this has pretty well been answered. Mr. Chambers, have you a question?

Mr. CHAMBERS: In preparing people for promotion and so on within the corporation, do you make use of such things as the University of Western Ontario business administration course, and so on?

Mr. CARTER: We encourage our employees to participate in study courses and, as you said, the University of Western Ontario is one of them. There is also A.M.A. seminars and the Banff school, workshops.

The CHAIRMAN: Do you pay their tuition when they are there?

Mr. CARTER: When it is a seminar, workshop, or a conference, we do.

The CHAIRMAN: Do you pay their salaries when they are there?

Mr. CARTER: Yes.

Mr. CHAMBERS: You pay their salaries when they go to the University of Western Ontario, but not the tuition?

Mr. CARTER: For the University of Western Ontario we would pay because it is a six-week course.

Mr. CHAMBERS: How many people attend there from the C.B.C. during the course of a year?

Mr. CARTER: We have had a couple every year attending Banff and the University of Western Ontario.

The CHAIRMAN: There are about 150 attend each year; however, they are not all from the C.B.C.

Mr. BELL (*Carleton*): Where is it located?

The CHAIRMAN: In London, Ontario. Do you gentlemen wish to raise any further points in connection with (c)—promotional policy? (d)—possible limitation of personnel growth, is next.

Mr. CARTER: Mr. Chairman, I would like to make a short statement.

The CHAIRMAN: Proceed.

Mr. CARTER: The personnel growth is geared to and limited by the amount of production activity at any time, although there are occasions when production activities outrun the servicing functions and the lag has to be caught up. I am referring to accounting personnel and so forth.

At the outset, before the end of fiscal year, we prepare operational plans and budgetary estimates for each department. These plans are reviewed through the line of authority. The budgets are approved finally by management at the beginning of each period; annually for radio and integrated services and quarterly for the television service.

The operational plans take into account the increase and reduction in activities in each department and outline the need for additional staff, where required. Consideration is also given to the movement of staff from one department to another, according to variation in departmental load.

The budgets contain listings of additional positions required and, as a further check, the creation of each new job is reconsidered and approved as the need arises. Then, when these jobs have been approved, staff is recruited to meet the need.

Mr. CHAMBERS: Who is responsible for the approval?

Mr. CARTER: The approval of the job?

Mr. CHAMBERS: In other words, the head of a department says that he needs three more people, and then you say this is reviewed; who is responsible for this reviewing and approval?

Mr. CARTER: Operations will review the operating plans before budgets are approved and, through comparison with other operating units, they will try and assess the need, if it is a question of volume. If it a question of organization, then Mr. Keddy, the director of organization, or I, will be brought in for discussion, and the budget is approved. Now, when a job is to be established, a recommendation is initiated by the department head. It is examined by the director of the area. If it is in television, it is examined by the director of television and if it is radio, it is examined by the director of radio or, in the case of a servicing department, the head of it. Then it will go to the regional director's office, and from there to personnel in Ottawa who will, as a further check, consult the functional head in Ottawa before submitting it for executive approval.

Mr. CHAMBERS: I want to get at this approval; who is that?

Mr. CARTER: The executive finally approves any new positions; it is the president or his delegate.

Mr. CHAMBERS: All new positions are approved by the president or general manager.

Mr. CARTER: Or his delegate.

Mr. CHAMBERS: Does he delegate that authority in normal times?

Mr. CARTER: Yes, Colonel Landry had that authority until a month ago and it has been passed on to me.

The CHAIRMAN: Mr. Muir, have you a question?

Mr. MUIR (*Lisgar*): Yes, Mr. Chairman. How many new employees in all services did you take on in 1958?

Mr. CARTER: That takes a lot into account; it takes into account the separations and new employees. We would have to review the staff changes.

Mr. PICKERSGILL: Could you give the net figure?

Mr. CARTER: The net figure in the number of employees, yes; it is in the statement which was passed on to you. At the end of March, 1959, we had 7,051 employees; the previous year it was 6,433, so the difference is 618.

Mr. MUIR (*Lisgar*): Do you think that this build-up will have to continue?

Mr. CHAMBERS: It is about 10 per cent.

Mr. CARTER: Not at the same rate; there is a levelling off.

Mr. FISHER: I would like to ask Mr. Jennings a question. If you do get into educational broadcasting—

An hon. MEMBER: Or telecasting.

Mr. FISHER: Yes; telecasting, which has been experimental so far, will there be a marked expansion in personnel?

Mr. JENNINGS: A marked expansion in personnel?

Mr. FISHER: Yes?

Mr. JENNINGS: I would think there would be, especially in the area of planning. As to the actual production group I would doubt it very much. In the planning of programs, however, which is pretty involved and lengthy I feel that in carrying on through the national advisory council on school broadcasting there would be some expansion.

Mr. FISHER: Has the national advisory council on school broadcasting given any indications it may perhaps be able to provide, and pay for, personnel in this particular field.

Mr. JENNINGS: We will ask them, and have in the experimental series which is carried on, to asume certain financial obligations and certain planning obligations. They have undertaken that. Not the national council as such, but rather the various departments involved in the experiments.

Mr. FISHER: What I am interested in is the prospects of more real educational telecasting and whether or not it can be done with some of the responsibility in so far as providing personnel is concerned falling upon the departments. Is there any indication this would happen?

Mr. JENNINGS: This would depend very much on how it develops. If we should get involved in the school or educational broadcasting in television in the same volume we are now in respect of radio broadcasting—and there is no indication of that in the near future—I think we would have to have additional personnel to deal with it.

Mr. FISHER: You have emphasized "if". In the communications I have had from the representatives of the teachers, it seems they have assumed there is not any "if" about it; you are going to move.

Mr. JENNINGS: I, myself, think we are going to move but I do not think there is any unanimous recognition of the fact that we will move. I think—and I said this earlier—that there is really no assurance as to the actual value of school television, although we are all convinced there is a value. Through experiment, we have not figured out just what methods or techniques will be most effective.

Mr. FISHER: Remember your mandate.

Mr. JENNINGS: I am sorry I used that word.

Miss AITKEN: Coming back to Mr. Muir's question, could Mr. Carter explain why the staff increased 10 per cent in the last year?

Mr. CARTER: As I explained to the committee, we had to take into account the changes in the various programs and the work-load. That has accounted

for part of the increase. Also, as I indicated before, there is always a certain lag in the service departments. This has, to a point, caught up in the past year. Mr. Gilmore may wish to add something.

Mr. GILMORE: We added one half-hour of production on the English network starting last October in line with the development which I reviewed this morning. That was the main reason for the increase of operating personnel.

Mr. LAMBERT: Is there any indication as to how much of that increase was purely administrative as against, shall we say, the technical and production side?

Mr. CARTER: We would have to make a comparison. I do not have the information offhand. We could try to get that for you for tomorrow.

Mr. JOHNSON (*Interpretation*): Mr. Chairman, this question is addressed to Mr. Carter and concerns the methods of staff requirement. In these methods have there been any methods fixed—and at this point I would like to say I am coming back to my question of a little while ago because it comes better under this heading. Has there been any analysis of the tasks of the producers and supervisors? Has there been an analysis of the tasks carried out by these persons?

Mr. CARTER: Yes; there are. I have already filed with the committee a statement in respect of the administrative responsibility for programs. The role of the producer and supervisor is outlined in the note accompanying that.

Mr. JOHNSON (*Interpretation*): Mr. Chairman, again this is addressed to Mr. Carter. Has there been drawn up a brief or have directives been drawn up as to the qualification, experience and talent of these producers and supervisors? What are the standards required.

Mr. CARTER: As far as the supervising producers are concerned, the job specification has been written outlining the job function, the responsibility and so forth. For the producer, the job function is written but we have not prepared the job specification. There is no formal specification which exists.

Mr. JOHNSON: When was this written?

Mr. CARTER: For the supervising producer I would imagine about three years ago when the job was set up.

Mr. CHAMBERS: My question has been partly answered. In Mr. Carter's opening statement he said requirements were related to increases in production.

Mr. CARTER: In work-loads.

Mr. CHAMBERS: Is the work-load not directly apportioned to the increase in production?

Mr. CARTER: Yes.

Mr. CHAMBERS: The average mentioned by Mr. Gilmore is not 10 per cent. You have an increase of almost 10 per cent.

Mr. CARTER: I indicated that the changes in programming would require additional staff. Also I referred to the lag in the service department which has been caught up in the past year.

Mr. CHAMBERS: Could you tell us what was your increase for the previous year?

The CHAIRMAN: 618 one year and 494 the year before.

Are there any further questions? Then we will go to (*e*) safeguards against recruitment exclusively on certain type of employee. I think that was answered.

Mr. TAYLOR: Has there ever been any efficiency expert, independent and from outside the corporation, who has come in to look over the staff situation of the C.B.C.

The CHAIRMAN: Mr. Bell asked that question about half an hour ago.

Mr. TAYLOR: What was the answer.

The CHAIRMAN: In the interest of saving time, you will find it in the record. He stated there has been.

Mr. TAYLOR: If there has been any expert called in, could we have the name of the company the expert came from.

The CHAIRMAN: Again, the witness gave us the name of the organization. Naturally, we do not get into individual names.

Mr. TAYLOR: Has there been an independent appraiser or efficiency expert look over the staff problems of the C.B.C.?

Mr. CARTER: Mr. Bell inquired about the rates of pay and I replied to that effect. In respect of Mr. Taylor's question, about two years ago, or two and a half years ago, we had a complete review made of our accounting operations and the accounting set up by the firm of P. S. Ross and Sons, which was previously referred to.

Mr. TAYLOR: I am not interested at the moment in accounting. This is in respect of looking over the numbers of staff you have. Has any efficiency expert come in to deal with staff problems only, not accounting problems? As I understand it you have three live microphones carrying the dominion network and the trans-Canada network and that behind those three live microphones are 7,000 employees.

The question is has anyone been called in to look over that whole situation?

Mr. CARTER: The corporation itself did not call in anyone to make a complete review, but the Fowler royal commission had consultants working for them within the corporation for a period of a year and a half. Their conclusions were given in the Fowler commission report.

Mr. TAYLOR: I take it from that answer that no outside appraiser or expert has ever been called in to deal with staff problems only?

Mr. CARTER: Not with staff problems only; but the whole accounting department was reviewed by the firm of P. S. Ross and they went into the personnel division in the course of their study—the commercial, purchasing and stores at the same time. That was done about two years ago.

Mr. TAYLOR: They were mainly dealing with auditing?

Mr. CARTER: No, sir; with the operation of those departments.

Mr. PRATT: I was wondering if Mr. Taylor's questions referred to the technical operations staff and, if so, where would one get the technically trained personnel in such a young medium as television at this time in this country.

Mr. CARTER: In this country I believe we have the people who know most about it.

Mr. PICKERSGILL: I wonder if Mr. Taylor has an independent appraiser he could recommend?

Mr. TAYLOR: I have.

Mr. JOHNSON (*Interpretation*): I am putting the following question to Mr. Carter. Is there a C.B.C. policy which forbids the practice of employing relatives and, if so, what are the general rules?

Mr. CARTER: Mr. Chairman, I would like to read an internal memorandum dated October 30, 1957, which gives the policy in respect of the employment of relatives.

The corporation policy with respect to the employment of relatives forbids employment of applicants if a relative, already on staff, exercises or is likely to exercise supervision in line of authority.

To clarify this policy please note the following conditions:

(1) The spouse of an employee shall not be hired, but if marriage takes place between employees of the corporation, they may both be retained subject to the conditions as laid down herein.

(2) Relatives may be hired or husband and wife may be retained

(a) in the same department if at separate locations,

(b) at the same location if in different departments or divisions.

No transfers or promotions may be made that will alter this condition, and relatives when employed must realize that their progress in the corporation may be limited or hampered by virtue of the limitations set out above.

Mr. PRATT: There are a great many cases in which work is subcontracted out, I believe. There may be cases in which there are married persons working in the two organizations. Have any steps been taken to correct that type of, shall we call it, nepotism?

Mr. CARTER: I do not believe it is the corporation's duty to tell someone subcontracting whom they can hire. These arrangements for subcontracting are made under the best possible conditions. Quotations are asked in most instances, and once we have a quotation the work goes on. If a relative of a person in the employ of the corporation happens to be working there, I do not think we can do very much about it.

Mr. PRATT: Except keep an eye on them, I presume?

Mr. CARTER:

In addition to the foregoing, recommendations affecting the employment of relatives, even though meeting the above requirements, should be referred to the director for the province for his approval. This may be indicated on either the request re personnel or form 396.

This does not alter the existing responsibility and authority of the director for the province to decline any application which he deems not in the best interest of the corporation.

Mr. JOHNSON (*Interpretation*): Does this only apply to permanent employees in the management section or does it apply to the staff in general, all categories of people working in the Canadian Broadcasting Corporation?

Mr. CARTER: This applies to all staff employed by the corporation whether it be regular, temporary or other.

Mr. JOHNSON (*Interpretation*): Does this apply in the case, for instance, of performers who might be related to somebody in management, executive or clerical personnel?

Mr. CARTER: This regulation applies to the hiring of staff. Artists and performers are not considered as staff. They are hired on a per occasion basis.

Mr. JOHNSON (*Interpretation*): Do they see to it that in the case of a performer who discusses employment conditions or conditions of a contract with the management that the person related to that performer does not form a part of the negotiating group of the C.B.C.? I am putting this question in this manner because I cannot enter into personalities or refer to any particular program.

Mr. CARTER: If a case of this type came up, I would expect the supervising producer supervising that area of activity and the director concerned would certainly pay particular attention to this case.

Mr. JOHNSON (*Interpretation*): Well then, in other words, would you take it as being quite improper for a member of management to discuss with a performer contract conditions, if there is a relationship between the person in management involved and one or more perfomers?

Mr. CARTER: If I were concerned, I would withdraw myself from any discussion. I believe in the case you have in mind this is what takes place.

Mr. JOHNSON: Now, does it happen if it is done, even if improper—

Mr. CARTER: Pardon me. What is improper? I think we should be very careful on that.

Mr. JOHNSON (*Interpretation*): If this happened and you had a supervisor, or member of the management, who did not withdraw, would disclipinary action be taken against him?

Mr. CARTER: If it were brought to our attention, certainly the matter would be looked into.

Mr. JOHNSON (*Interpretation*): For instance, the local director in Montreal—does he have the responsibility to report such an occurrence?

Mr. CARTER: I would think his responsibility would go beyond that. He would have to deal with such a case.

The CHAIRMAN: Are there any further questions on (e)?

Mr. FISHER: Carried.

Mr. LAMBERT: I am going back to (d). It goes into the question I have asked, and Mr. Carter indicated that he would look at the statistics. I have had an opportunity now of going into the staff statistics return.

While it has been indicated there has been some—shall we say—diminution over the past years in the effect of radio, I find there has been a tremendous increase in personnel under what is known as radio and integrated services.

I was wondering if an explanation could be given. I find that, for instance, in—I believe it was—1956, as against 1955, there seems to have been an increase of about 300 in clerical staff. I take into account there is the difficulty of interpreting statistics through that whole period under review because there was a change in the method of presenting the information.

Mr. CARTER: I would like to point out, Mr. Chairman, that as the title indicates, this is not strictly radio—it is radio and integrated services.

Integrated services are services that are commonly used by both radio and television; and that would include such things as—in the purely services area, the general services area: divisional services such as accounting, administrative services, engineering, personnel and legal, and so on.

Now in the programming services you would have: audience research, commercial, educational and public affairs, farm, news, outside broadcasts, station relations; integrated operating services, such as announcers, casting bureau, music library, record library, reference library and script bureau.

All these services would look after both media—that of radio and television—and as television coverage increases the demand on those services would increase. Therefore, you would have, necessarily, a substantial increase in that area.

Mr. LAMBERT: Except that under television you do indicate a whole section for engineering.

Mr. CARTER: That would be more properly labelled "technical operations", as against strictly engineering, which you have as a regional service.

Mr. MUIR (*Lisgar*): Just to clear that up: you do not see any danger of the C.B.C. operating under what is called Parkinson's law?

Mr. CARTER: We are constantly on the lookout to avoid that.

The CHAIRMAN: May we move, Miss Aitken and gentlemen, on to "F", review of trade union contracts and possibility of "feather-bedding"? Any questions? No question; thank you.

Mr. CHAMBERS: Stop thinking of that deadline, Mr. Chairman!

The CHAIRMAN: You have a question?

Mr. CHAMBERS: As we have brought Mr. McKee all the way here we should ask something.

The CHAIRMAN: What is your question?

Mr. CHAMBERS: How many separate trade union contracts has the C.B.C.?

Mr. CARTER: Am I permitted to answer?

The CHAIRMAN: Yes.

Mr. CARTER: If we talk about contracts covering staff relations we have nine, with seven unions. Some unions have two contracts covering different bargaining units.

Mr. CHAMBERS: This question was asked in the same form before; but, none of these contracts is a closed shop?

Mr. CARTER: No, sir.

Mr. CHAMBERS: They all follow more or less the Rand formula?

Mr. CARTER: There is a modified form of the Rand formula in each of them, I believe.

Mr. CHAMBERS: There is a question here on feather-bedding; and you have to have different personnel to do very similar things. Do you feel the corporation is put to extra expense by any of the provisions of these contracts—unnecessary expense, I mean?

Mr. CARTER: "Feather-bedding" is normally used to describe the attempt by a union to require an employer to pay unneeded workmen, to pay for unnecessary or duplicating jobs, or to limit the amount of work done in a day.

As such, we have no "feather-bedding", but we have jurisdictional problems which arise because of the fact we have many unions to deal with. But the jurisdiction of those unions has been defined by the Canada labour relations board. However, there are some areas which at times create some problems, and place certain restrictions on the corporation's ability to engage in the assignment of multiple functions—that is, to have one employee engaging in work in several different job functions, as may be done on certain non-unionized private stations.

The corporation, however, is no different from any other large employer with a multi-plant, multi-union organization.

We have cetrain restrictions on the performance of job functions; and an example of that would be the performance of a job within one union's jurisdiction or area. This problem has been resolved in Montreal by a finding, and a binding ruling of the arbitration board. In late 1955 the Montreal TV operation decided in the light of experience and operational practice that the job of propsman (set)—responsibility for placing desks, chairs, tables and other small properties, on the set—could be combined with that of stagehand—the responsibility for the erection of the set, and so on.

After an experimental period of approximately six months, the new method of operation went into effect in June, 1956. After 16 months of operation the union grieved to have the two separate job functions, which it should be noted were at the same rate of pay, re-established in Montreal.

After many delays in the grievance procedure a minor wildcat strike in Montreal and so on, an arbitration board has recently ruled that the corporation cannot continue the practice of one man performing the related duties of both stagehand and propsman.

We are discussing with the union the implication of this arbitration board award; and that may involve quite a few more employees.

Mr. CHAMBERS: Regarding what you have said there, statements have been made that the grievance procedure under their contract is very lengthy, to get a decision in any serious matter. Do you agree with this comment?

Mr. CARTER: That is a general statement. I would like to know what is meant particularly.

Our grievance procedure has been set out. When we reached an agreement with the union they put in safeguards on their side, and the corporation put in safeguards on its side; and, therefore, we both have to live with it.

Mr. CHAMBERS: From the beginning of a grievance, if it goes right through your procedure to its final disposition, does it take longer or a shorter time than the average in industry?

Mr. CARTER: May I ask Mr. McKee, manager of industrial relations to reply to that?

The CHAIRMAN: By all means.

Mr. C. B. McKEE (*Manager of Industrial Relations, Canadian Broadcasting Corporation*): No, I would say our grievance procedure is as good as, if not better than, the average in industry.

As a matter of fact, after our grievance procedure was first implemented, one of the unions took our grievance procedure south of the border as a good illustration of a grievance procedure. There are certain examples of delay in going through the mechanism of the procedure, and the unions have the right, under the grievance procedure, to lay their grievance immediately at national level, if they are concerned with any problem whatever; and it can be done on the double.

Mr. CHAMBERS: Do they go right over the local level?

Mr. McKEE: Yes. And the national union representative will be in Ottawa, and he may receive a phone call from a local; and if the problem is one which he considers to be sufficiently important he will deal with it right there and then.

Mr. CHAMBERS: Have you any comparison you can make of the number of grievances of personnel registered through your machinery, as compared to the industrial average?

Mr. McKEE: No, I am afraid we have not a comparison. It would be a very hard comparison to make because in a comparable type of organization, in size, with a multi-union set-up, it has normally been of long-standing.

We have had, possibly, more grievances in recent years because the unions have just come in in the past six years, compared with the railways', possibly, 50 or 60 years. They have only just come into our organization; and, in addition, we have only just started television, which means that it has brought in new people in many new fields of the organization.

Mr. CHAMBERS: Your grievance procedure will set precedents which will obviate the necessity of using the grievance procedure in the future?

Mr. McKEE: Yes, we hope so.

Mr. CHAMBERS: You will be able to cut down on the percentage of them, do you mean, then?

Mr. McKEE: We hope so.

Mr. FISHER: I was going to ask if you had considered offering Mr. Chambers any sort of position as a negotiator. I know Mr. Pickersgill would like a by-election.

The CHAIRMAN: As an apprentice, it has been suggested.

May we move on to commercial organization, section 3?

Agreed.

The CHAIRMAN: Section 3, who shall we have, Mr. Henderson?

Mr. HENDERSEN: Mr. Johnston.

The CHAIRMAN: Mr. Johnston. This is commercial organization, section 3(a), number and location of sales personnel. We have a chart on that.

Any questions, Miss Aitken and gentlemen, on the number and location of sales personnel?

Mr. MCGRATH: That was covered this morning.

The CHAIRMAN: No further questions? Section 3(b), qualification and experience of sales personnel.

Mr. BELL (*Carleton*): We have not found the return yet.

The CHAIRMAN: Qualification and experience of sales personnel.

Mr. JOHNSTON: I have a short statement I might make, Mr. Chairman.

The CHAIRMAN: May we have your statement?

Mr. JOHNSTON: I would say this, Mr. Chairman, that the C.B.C. has recruited its sales staff from a variety of sources. In a number of cases men have advanced to sales positions from within the corporation—men who have had training, often over a period of years, in one or more areas of broadcasting—for example, in administration, accounting, engineering, announcing, personnel matters and the general area of programming.

Radio and television are very complex media—particularly television—and we usually find that the greater a man's knowledge of broadcasting generally, the more successful he is likely to be in the field of radio sales, provided, of course, that he has a good personality, meets people well and is really sales-minded.

On the other hand, some of our sales staff have come to us from outside the C.B.C.—men who have had good sales experience, perhaps with manufacturing firms of one kind or another and, in some instances, people from private broadcasting stations who have had a good general background in broadcasting and sales experience in that field.

The CHAIRMAN: That is true of any organization. Mr. Bell, did you have a question on this?

Mr. BELL (*Carleton*): I gather that most of the recruitment is from within the C.B.C. itself?

Mr. JOHNSTON: To a large degree, this is so.

Mr. BELL (*Carleton*): You do not subscribe to the view that salesmen are born and not made?

Mr. JOHNSTON: To a point they are; but if you have personnel in your organization who may have good sales potential, the background they develop within the corporation, in one or other of the areas, is very helpful indeed.

Mr. BELL (*Carleton*): Could you give me the experience of the two senior people in the commercial organization? I do not ask for their names, but the experience of the two most senior persons?

Mr. JOHNSTON: Here we have the difficulty in terms of television on the one hand, and of radio on the other.

I would comment here—let me take, for example, the man who is supervisor of our television sales. He came to the corporation originally, as I recall,

from private industry—and I am speaking now from memory. He came through our own organization—that is, his entry into it was through the accounting area, and then he transferred into personnel and administration, and got a very good background there. This threw him into contact with the whole area of broadcasting. From there he moved into the commercial or sales activity, and has come steadily forward, right from that time.

Mr. BELL (*Carleton*): And the second in command?

Mr. JOHNSTON: On the radio side—what I might call his opposite number—by a coincidence, and it is just a coincidence, his entry into the corporation many years ago was into the area of accounting; and he, too, moved, as I recall it, directly, at a later date, into the commercial organization; and he, too, has come steadily forward from that time.

Mr. PRATT: In the—

The CHAIRMAN: Just a moment, Mr. Pratt.

Mr. PRATT: In the United States television the sales—

The CHAIRMAN: Mr. McGrath?

Mr. MCGRATH: This is a supplementary question. I would like to know the title of the two men in question.

Mr. JOHNSTON: The title of the first one is supervisor of television network sales for the English networks; and the other one, his title today—until recently he was supervisor of radio networks sales, but the title has been changed, and he is now the assistant director of radio networks (sales).

The CHAIRMAN: Mr. Pratt?

Mr. PRATT: In the United States television the sales group is a group that drives the most Cadillacs. I was wondering what the position was with regard to the Canadian salesmen.

Mr. JOHNSTON: I think it has already been stated that our sales personnel are on salary.

The CHAIRMAN: And it was stated also previously by Mr. Johnston—and also by Mr. Bushnell—some consideration would be given to an incentive plan.

Mr. PRATT: In the future?

Mr. JOHNSTON: Yes, this is something we have had under study.

The CHAIRMAN: I might make this one observation: I have been in the sales business all my life, and I would never look to an accountant to become a salesman because you can divide the world into buyers and sellers,—and they are certainly buyers.

Mr. CHAMBERS: I wonder if this information might not be available, but could you tell us how many national accounts you are currently dealing with?

Mr. JOHNSTON: I would have to look in the folder and do a quick addition. If I were to take a figure right out of the air concerning the English and French operations in radio and television, I think it would run to 40 or 50—perhaps higher.

Mr. CHAMBERS: It would be 40 or 50 national accounts?

Mr. JOHNSTON: That is my immediate, off-the-top-of-my-head figure. I could check that and let you know specifically.

Mr. CHAMBERS: You do not do a great deal of business with local accounts, not much?

Mr. JOHNSTON: We have not up until recently. We are doing a little bit more now. The pattern will change, of course, in different areas.

On the radio side, if you get to such places as Corner Brook, Grand Falls, Gander, in Newfoundland—we do have quite a good deal of business from local accounts. The same is true in Prince Rupert, British Columbia, where there is no other radio facility at all.

Mr. CHAMBERS: You have listed the difference between Montreal and Toronto—173 people working on the commercial staff. How many of those would be employed on national accounts and how many on local accounts?

Mr. JOHNSTON: Probably I could answer that best, Mr. Chambers, if I were to explain these figures and the returns you have before you, they are our total commercial staff and not the specific people on active sales.

Mr. CHAMBERS: This would include stenographers?

Mr. JOHNSTON: Yes, everybody on the clerical level. At Toronto, for instance, we have three people in what I would call sales supervising activity, and 13 actually on sales.

Mr. CHAMBERS: So, in Toronto, you have 16 people concerned with sales?

Mr. JOHNSTON: The balance is made up of sales clerical groups, because there is a great deal of clerical activity that has to be tied right in with sales,—our billing people—what we call sales services, because the actual servicing of this business—the network on the one hand, and local on the other—is an enormous job and has to go on day after day, seven days a week, and we have, at Toronto, a large commercial acceptance operation which screens the commercials that are included in our programs, and everything to do with our general acceptance.

Mr. CHAMBERS: It is a staff of 16. I have worked in the sales organization, and the rough proportion is 3 to 2—three sales personnel for two salesmen.

Mr. JOHNSTON: Let me make this point, if I may. This is, perhaps, not as simple as it might at first appear. I am speaking now specifically of Toronto, because, comparing the total at Toronto, it is larger than the total at Montreal.

At Toronto, where we are dealing with our English network it involves relations with 31 basic stations, and something like 12, if my memory serves me, supplementary stations on the English network. This naturally affects our billing staff. We are also dealing with the programs from the American networks. We are dealing out of there with the networks themselves not with advertising agencies in the United States; it is only American networks. This whole thing builds up a supporting organization that is required for the active sales group itself. It is very sizeable.

Mr. CHAMBERSS: Could you give us a breakdown in Montreal? You said 16 people are active in the sales division in Toronto. How many people are actively employed in Montreal?

Mr. JOHNSTON: At Montreal, two supervising and eleven on the direct sales front.

Mr. FISHER: I move we adjourn, Mr. Chairman.

The CHAIRMAN: Before we do adjourn, I think we can complete this full subject tomorrow morning, so we will reconvene at 9:30, if that is agreeable.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DE LA RADIODIFFUSION

(*Page No. 753*)

M. PAUL: Sur l'item F. 6 . . .

* * *

(*Page No. 765*)

M. TREMBLAY: Monsieur le président, est-ce que vous n'avez pas reçu une lettre du journaliste Pierre Chaloult, du journal *Le Droit,* relativement aux questions qui ont été posées à son sujet par M. Johnson?

* * *

(*Page No. 784*)

M. JOHNSON: Cette question s'adresse à M. Carter et concerne les "qualifications" du personnel. Est-ce qu'il n'y a pas des méthodes, monsieur Carter, que l'on a fixées . . . Je reviens à ma question, parce que je considère qu'elle s'adresse mieux à cet item; est-ce qu'on a fait une analyse des fonctions des *producers* . . .

M. CARTER: Des réalisateurs . . .

M. JOHNSON: Des réalisateurs et "superviseurs". Est-ce qu'on a fait une analyse des fonctions de ces gens, de ces fonctions?

M. CARTER: Oui.

M. JOHNSON: Est-ce qu'on a rédigé une loi ou des directives quant aux "qualifications" ou à l'expérience et au talent de ces réalisateurs et de ces "superviseurs"? Quelles sont les normes exigées?

* * *

(*Page No. 785*)

M. JOHNSON: Monsieur Carter, est-ce qu'il existe une politique, à Radio-Canada, qui défend l'emploi de parents, et, si oui, quelles en sont les règles générales?

* * *

(*Page No. 786*)

M. JOHNSON: Maintenant, est-ce que ceci s'applique seulement pour les employés permanents de la direction ou du personnel en général ou est-ce que cela s'applique à toutes les classes de gens qui travaillent à Radio-Canada?

M. JOHNSON: Maintenant, est-ce que cela s'emploie pour le cas d'artistes qui seraient parents avec quelqu'un de la direction?

M. CARTER: Non.

M. JOHNSON: Ou du personnel exécutif ou clérical?

M. JOHNSON: Maintenant, est-ce qu'on voit dans le cas d'un artiste qui discute des conditions d'emploi, des conditions de contrats avec le direction, est-ce qu'on voit à ce que la personne apparentée à cet artiste ne fasse pas partie du groupe qui négocie avec la direction de Radio-Canada?

Vu que je ne veux pas établir de personnalité ni faire allusion à aucun groupe, je pose ma question de cette façon-là.

* * *

(*Page No. 787*)

M. JOHNSON: Vous considérez tout à fait contraire à l'étiquette le fait qu'un membre de la direction discute avec des artistes des conditions de contrats, s'il y a un lien de parenté entre ce membre de la direction et un ou plusieurs des artistes?

M. JOHNSON: Si cette chose se produit et qu'un "superviseur" ou un membre de la direction ne se retire pas, est-ce qu'on prend des mesures disclipinaires contre ces personnes?

M. JOHNSON: Est-ce que le directeur régional à Montréal, par exemple, aurait la responsabilité de vous signaler de tels cas?

* * *

APPENDIX "A"

CANADIAN BROADCASTING CORPORATION

ARCHITECTURAL STAFF

Architects	10	Includes the Chief Architect and Assistant. Duties involve new construction design and supervision, management planning, changes and additions to existing owned and leased buildings.
Engineers	3	One position temporarily vacant. Engineering work is in the design of complex ventilating and air-conditioning installations for radio and TV studios, offices and technical facilities areas, which is specialized and exacting, requiring a knowledge of broadcasting operations. This group also is responsible for the design of heating and plumbing installations and for sewage disposal facilities at rural operating locations.
Architectural draftsmen	3	Prepare structural drawings for new construction and for modifications to existing buildings.
Electrical draftsmen	11	Prepare electrical facilities drawings for new construction and for alterations. Most of the time of this group is taken up in preparation of drawings for electronic equipment and installations.
Mechanical draftsmen	4	Prepare drawings required for ventilation, air-conditioning, heating, plumbing and other mechanical building components.
Construction Supervisors	2	Stationed in Toronto. Act as CBC "on site" representatives.
Clerical	8	One position temporarily vacant.
	41	

Costs: Year ended March 31, 1958: $265,426.00.

July 1959.

APPENDIX "B"

CANADIAN BROADCASTING CORPORATION

POLICY RE-CALLING PUBLIC TENDERS

Formal tenders are not invited by advertising in the public press for any work.

On new building construction, extensive modifications to existing buildings, and for large blacks of technical equipment, sealed tenders are invited from those who are considered qualified to perform the work covered by the specifications. If the work is not too complicated, quotations are requested. The number invited to tender is never less than three, if at all possible, and usually more. If a competent supplier or contractor specifically requests consideration, his name is added to the list.

The Engineering Division has been instructed by Management to use the best professional judgement in inviting tenders to perform the Corporation's work, exactly as would be done for a private corporation to get the best for the money expended.

July, 1959.

APPENDIX "C"

CANADIAN BROADCASTING CORPORATION

NEW CONSTRUCTION

(*a*) New Construction Planned

During the current fiscal year, the Corporation is planning, and has provided in its capital budget, for the following projects:

(i) Improvement to the Northern Radio Service by means of the establishment of a new station at Inuvik and by preliminary engineering for a short-wave transmitter. In addition, facilities are being added to existing stations to improve performance.

(ii) Establishment of a new radio transmitter of increased power at Halifax. Actual construction is likely to be delayed until 1960 although planning will proceed and a site is likely to be purchased during this year.

(iii) Extension of radio and TV service to small communities by installation of relatively low power radio and TV transmitters. Trail, B.C., Kenora, Ont., Moncton, N.B and Corner Brook, Nfld. are under construction. Corner Brook is on the air on a temporary basis and will be completed within a few months; the other locations mentioned are scheduled to be in operation before Christmas of this year. A new low power TV transmitter for St. Boniface is planned but has not yet received final approval.

(iv) Installation of videotape equipment at Toronto and Montreal and probably at other CBC television centres in Vancouver, Winnipeg, Ottawa and Halifax.

(v) Relocation in a new CBC building at a permanent site, the western TV network delay centre in Calgary.

(vi) Minor modifications and additions to facilities at various locations across Canada.

The Corporation is also providing in the 5 year plan to be submitted in accordance with the Broadcasting Act, several major projects which include construction of new consolidated operating centres for television and radio at Toronto, Montreal, Vancouver and for extensions to existing buildings for the same purpose at Ottawa, Winnipeg and Halifax. Planning also visualizes extension of both radio and TV service to additional small communities by means of new installations of low power TV and radio transmitter units.

(*b*) Over the years the Corporation has received excellent co-operation from the various local administrations with which it has dealt; in return it is our policy to comply with the local building codes and by-laws.

July 1959.

APPENDIX "D"

CANADIAN BROADCASTING CORPORATION

NUMBER OF STAFF AND ANNUAL COSTS FOR 3 YEARS

	Fiscal Year Ending March 31	Salaries and Wages	Other Expenditures	Total	Number of Staff
NATIONAL					
Ottawa	1956	31	12	43	5
	1957	35	13	48	5
	1958	41	2	43	5
Toronto	1956	47	15	62	16
	1957	56	12	68	15
	1958	69	10	79	15
Montreal	1956	983	203	1,186	197
	1957	1,066	195	1,261	199
	1958	1,166	197	1,363	211
TOTAL	1956	1,061	230	1,291	218
	1957	1,157	220	1,377	219
	1958	1,276	209	1,485	231
REGIONAL					
St. John's Nfld	1956	11	3	14	2
	1957	11	3	14	2
	1958	12	2	14	2
Halifax	1956	14	4	18	2
	1957	22	7	29	4
	1958	23	2	25	4
Montreal	1956	35	7	42	5
	1957	39	4	43	6
	1958	33	6	39	5
Toronto	1956	36	17	53	6
	1957	34	15	49	6
	1958	36	11	47	5
Ottawa	1956	15	1	16	3
	1957	17	1	18	3
	1958	18	—	18	3
Winnipeg	1956	18	9	27	4
	1957	18	8	26	4
	1958	20	5	25	4
Vancouver	1956	12	9	21	3
	1957	15	6	21	3
	1958	18	1	19	3
TOTAL	1956	141	50	191	25
	1957	156	44	200	28
	1958	160	27	187	26

July, 1959

APPENDIX "E"

CANADIAN BROADCASTING CORPORATION

Functions of Engineering Division

The Engineering Division has a dual role in the Organization. It acts in a staff capacity to provide specialized engineering services to CBC Management, and to officers of other Division. It also has line status in the supervision of construction for new plant and facilities. More specifically, the following categories of work are involved:

(*a*) Planning and designing of new transmitters and studio plant, including supervision and responsibility for construction pertaining to new buildings and the installation of technical facilities.

(*b*) Research and development in respect to transmission problems, operating requirements, extensions to and improvement of National Service TV and Radio coverage.

(*c*) Training of technical operating personnel; co-ordination of operating and maintenance practices; preparation and distribution of operating standards.

(*d*) Co-ordination of purchasing and storing methods throughout the system.

(*e*) Co-ordination of the operation of the TV and Radio networks and liaison with the communication companies including supervision of network contracts.

(*f*) Planning and supervision of alterations to existing CBC owned buildings and leased premises, and of CBC technical facilities.

(*g*) Costing of new construction and technical installation projects.

(*h*) Preparation of Capital Project budgets both annual and long range in respect to construction and new facilities.

(*i*) General supervision and co-ordination of the technical phase of major special features broadcasts such as Royal Tours and opening of the St. Lawrence Seaway.

(*j*) CBC technical representation at National and International conferences on frequency allocations, short-wave broadcasts, etc.

July, 1959.

APPENDIX "F"

CANADIAN BROADCASTING CORPORATION

GROSS BILLING

RECORD OF COMMERCIAL PERFORMANCE

Television

Selective Business	1955–1956	1956–1957 in relation to 1955–56	1956–1957	1957–1958 in relation to 1956–57	1957–1958
	$	$	$	$	$
Maritimes	149,571	+ 82,216	231,787	+ 120,123	351,910
Quebec	1,363,090	+ 441,519	1,804,609	+ 451,531	2,256,140
Ontario	1,193,959	+ 374,447	1,568,406	+ 345,602	1,914,008
Prairies	358,998	+ 158,709	517,707	+ 179,481	697,188
British Columbia	402,415	+ 216,891	619,306	+ 56,299	675,605
Total Selective	3,468,033	+1,273,782	4,741,815	+1,153,036	5,894,851

Network Business	1955–1956	1956–1957 in relation to 1955–56	1956–1957	1957–1958 in relation to 1956–57	1957–1958
	$	$	$	$	$
English	10,381,326	+2,005,059	12,386,385	+2,488,840	14,875,225
French	2,280,767	+1,856,793	4,137,560	+1,473,117	5,610,677
Total Network	12,662,093	+3,861,852	16,523,945	+3,961,957	20,485,902

Total Selective and Network	16,130,126	+5,135,634	21,265,760	+5,114,993	26,380,753

APPENDIX "G"

CANADIAN BROADCASTING CORPORATION

GROSS BILLING

RECORD OF COMMERCIAL PERFORMANCE

Radio

Selective Business	1955–1956	1956–1957 in relation to 1955–56	1956–1957	1957–1958 in relation to 1956–57	1957–1958
	$	$	$	$	$
Newfoundland	79,656	− 10,137	69,519	+ 12,324	81,843
Maritimes	6,222	− 1,340	4,882	+ 5,705	10,587
Quebec	295,592	− 63,332	232,260	− 86,274	145,986
Ontario	243,007	− 14,698	228,309	+ 95,440	323,749
Prairies	31,309	+ 689	31,998	+ 13,910	45,908
British Columbia	25,120	+ 5,455	30,575	+ 13,190	43,765
Total Selective	680,906	− 83,363	597,543	+ 54,295	651,838

Network Business	1955–1956	1956–1957 in relation to 1955–56	1956–1957	1957–1958 in relation to 1956–57	1957–1958
	$	$	$	$	$
Trans-Canada	1,440,406	− 365,187	1,075,219	− 452,858	622,361
Dominion	446,324	− 188,622	257,702	+ 84,232	341,934
French	576,100	− 78,161	497,939	− 84,146	413,793
Total Network	2,462,830	− 631,970	1,830,860	− 452,772	1,378,088

Total Selective and Network	3,143,736	− 715,333	2,428,403	− 398,477	2,029,926

APPENDIX "H"

CANADIAN BROADCASTING CORPORATION

SUMMARY OF CONSTRUCTION 1953 TO 1958

(a) Expenditures incurred on projects completed and under construction during the five-year period April 1, 1953 to March 31, 1958 amounted to $23,074,328.79. Included in this figure are expenditures on buildings and technical plant.

(b) Expenditures on bldgs. during the five-year period.

Description	Location	Estimated Cost	Final Cost			Difference Between Final Estimated Cost	
			Basis	Extras	Total	Under Estimate	Over Estimate
CBAX Transmitter Building	Moncton, N.B.	32,387	26,854	Nil	26,854	5,533	
CBT Transmitter and Studio Building	Grand Falls, Nfld.	54,718	52,948	Nil	52,948	1,770	
CBG Studio and Transmitter Building	Gander, Nfld.	57,914	53,869	Nil	53,869	4,045	
TV Studio, offices and Transmitter	Toronto, Ont.	1,113,870	938,474	94,753	1,033,227	80,643	
3rd TV Studio, Yonge St.	Toronto, Ont.	445,340	400,014	5,197	405,211	40,129	
Halifax TV Transmitter	Halifax, N.S.	114,525	61,313	8,370	69,683	44,842	
Television Transmitter and Studio	Ottawa, Ont.	396,081	333,320	18,071	351,391	44,690	
TV Transmitter, Mount Royal	Montreal, Que.	236,355	146,617	49,789	196,406	39,949	
Television Studios TV annex	Montreal, Que.	733,488	669,228	64,024	733,252	236	
CBUT Transmitter	Vancouver, B.C.	99,603	88,955	12,228	101,183		1,580
TV Studio, Georgia St.	Vancouver, B.C.	271,708	260,871	16,521	277,392		5,684
Radio and TV Studio and Transmitter	Portage and Yonge, Winnipeg, Man.	1,393,578	1,223,655	47,037	1,270,692	122,886	
CBY Transmitter	Cornerbrook, Nfld.	33,950	27,860	Nil	27,860	6,090	
CBI Transmitter Building	Sydney, N.S.	33,068	29,284	Nil	29,284	3,784	
CBN Transmitter Building	St. John's, Nfld.	28,650	24,585	Nil	24,585	4,065	
CBV Transmitter Building	St. Jean Chrysostome, Quebec	31,840	27,971	Nil	27,971	3,869	
CBO Transmitter Building	Ramsayville, Ont.	26,430	22,198	Nil	22,198	4,232	
TV Extensions—Radio-Canada Bldg.	Montreal, Que.	1,327,280	1,229,742	82,340	1,312,082	15,198	
TV Extension—Jarvis St.	Toronto, Ont.	1,185,836	1,051,209	35,879	1,087,088	98,748	
Alteration to Carlton Theater	Toronto, Ont.	80,616	48,545	4,699	53,244	27,372	
Second TV Studio, Consolidated Bldg.	Vancouver, B.C.	147,954	142,258	4,627	146,885	1,069	
Halifax TV Studios	Halifax, N.S.	787,975	755,312	28,590	783,902	4,073	
TOTAL		8,633,166	7,615,082	472,125	8,087,207	553,223	7,264

July, 1959.

APPENDIX "I"

CANADIAN BROADCASTING CORPORATION

COSTS OF MICROWAVE AND CONDITIONS OF RENTAL CONTRACTS

Television network transmission costs in 1957-1958 were $2,636,923.00.

There are seven television network contracts between the CBC and the communication companies:

(1) Buffalo-Toronto-Montreal (Bell Telephone Company)

This contract became effective May 1, 1953 for a period of five years, i.e., to April 30, 1958, with option of renewal to April 30, 1963. This option has been implemented. This network also supplies service to stations at Peterborough, Kingston and Ottawa.

(2) Toronto-Windsor (jointly, CNR-CPR)

This contract became effective January 1, 1954, and terminates June 30, 1961, but contains an option for renewal to June 30, 1966. This network provides service to stations at Hamilton, Kitchener, London, Wingham and Windsor.

(3) Montreal-Rimouski (jointly, CNR-CPR)

This contract became effective July 17, 1954 and terminates March 31, 1962, but contains an option of renewal to March 31, 1967. This network provides French language serviee to stations at Sherbrooke, Three Rivers, Quebec, Jonquière and Rimouski.

(4) Montreal-Ottawa (Bell Telephone Company)

This contract became effective June 20, 1955 and terminates June 30, 1960, but contains an option of renewal to June 30, 1965. This network carries French language service from Montreal to Ottawa and to Rouyn.

(5) Montreal to Sydney and Toronto to Victoria (Bell Telephone Company)

This contract became effective September 28, 1955 and terminates June 30, 1968, with an option for renewal on a year to year basis thereafter. This network provides service to stations at Quebec, Saint John, N.B., Moncton, Charlottetown, Halifax, Sydney and Barrie, North Bay, Sudbury, Sault Ste Marie, Timmins, Port Arthur, Winnipeg, Brandon, Regina, Saskatoon, Prince Albert, Swift Current, Medicine Hat, Calgary, Edmonton, Red Deer, Lethbridge, Vancouver and Victoria.

(6) Rimouski to Matane (Bell Telephone Company)

This contract became effective August 1, 1958 and terminates September 30, 1963, but contains an option for renewal to September 30, 1968. This network carries French language service to the station at Matane.

(7) Sydney to St. John's, Nfld. (CNR)

This contract became effective June 23, 1959 and terminates June 22, 1964, but contains an option for renewal to June 22, 1969. This network provides service to stations at Stephenville (Harmon Field) and Corner Brook as well as St. John's.

All contracts provide for standards of transmission, penalties for interruption to service, rates for additional daily hours, overtime, occasional service, reversals and switching for both video and audio.

July, 1959.

APPENDIX "J"

CANADIAN BROADCASTING CORPORATION

COSTS OF RENTAL OF STUDIOS AND REHEARSAL HALLS

At many of our locations, Studios, Rehearsal Halls and Offices are in the same premises and are covered by the same leasing transaction. In these cases, a reasonable division has been made and the amount shown for rental is for Studios and associated areas exclusive of offices. Examples are 1425 Dorchester St. and 1482 Guy St., Montreal.

At smaller locations, such as Grand Falls, Newfoundland and Regina, Saskatchewan, offices are a minor proportion of the area under lease and in these cases, the per annum rental covers studios, associated control rooms and offices required in administration of the local Operation.

In all cases where rental of premises used for TV Studios is involved, the rental figure includes scenery "docking", or storage space associated with the studios.

Details are shown on the attached pages.

July, 1959.

Location	Address	Cost/Annum	Radio Studio	Television Studio	Rehearsal Hall
		NEWFOUNDLAND REGION			
Grand Falls	High and Mill Road	$11,200.00	×	—	—
St. John's	Duckworth Street	$13,412.50	×	—	—
		MARITIMES REGION			
Halifax, N.S.	100 Sackville St.	$24,168.00	×	—	—
Halifax, N.S.	Nova Scotian Hotel	$ 3,110.00	×	—	—
Halifax, N.S.	7–11 Argyle	$ 3,200.00	—	×	×
Sydney, N.S.	247–251 Charlotte St.	$ 3,900.00	×	—	—
Moncton, N.B.	232 St. George St.	$10,000.00	×	—	—
		QUEBEC REGION			
Montreal	1244 St. Catherine St.	$22,122.00	—	—	×
Montreal	1173 Drummond St.	$ 4,200.00	—	—	×
Montreal	1425 Dorchester St.	$34,261.20	×	—	—
		$10,974.00	—	×	—
Montreal	3710 Calixa Lavallee	$ 1.00 ($10.00/day for stage only) ($75.00 per occasion with audience)	×	—	—
Montreal	3510 Cote des Neiges Rd.	$12,000.00	×	—	—
Montreal	Saint Croix Blvd.	$36,000.00	—	×	—
Montreal	1137 Stanley St.	$48,000.00	—	×	×
Montreal	1482 Guy St. (4 halls)	$22,826.00	—	—	×
Montreal	1162 Crescent St.	$20,352.00	—	—	×
Montreal	1231 St. Catherine St.	$12,975.00	—	—	×
Chicoutimi	121 East Racine St.	$ 4,405.05	×	—	—
Quebec	Palais Montclam	$ 8,000.00	×	—	—
		ONTARIO REGION			
Toronto	9 McGill St.	$12,000.00	×	—	—
Toronto	90 Sumach St.	$48,732.00	—	—	×
Ottawa	Chateau Laurier	$ 5,625.00	×	—	—
Windsor	Security Bldg.	$ 7,350.00	×	—	—
		PRAIRIE REGION			
Winnipeg	444 St. Mary's Ave.	$10,620.00	×	×	—
Regina	1840 MacIntyre St.	$ 9,275.00	×	—	—
Edmonton	100th Street and Jasper Avenue	$ 8,500.00	×	—	—

CANADIAN BROADCASTING CORPORATION—*Concluded*

COSTS OF RENTAL OF STUDIOS AND REHEARSAL HALLS—*Concluded*

Location	Address	Cost/Annum	Radio Studio	Television Studio	Rehearsal Hall
		BRITISH COLUMBIA REGION			
Vancouver	701 Hornby St.	$24,943.60	×	—	—
Vancouver	660 Howe St.	$14,293.56	×	—	—
Prince Rupert	336 2nd Ave. W.	$ 900.00	×	—	—

APPENDIX "K"

INTERNATIONAL SERVICE

COSTS PER LANGUAGE SECTION 1957–58

A—CENTRAL AND EASTERN EUROPE		
(1) German, Polish, Czech, Russian, Ukrainian		
Salaries (7 each) $36,000 × 5		$180,000
Performers Fees		5,000
		$185,000
(2) Austrian, Hungarian, Slovak		
Salaries (3 each) $13,000 × 3		$ 40,500
P.F.		2,500
		$ 43,000
Total Central and East European	$185,000	
	43,000	
		$228,000
B—WEST EUROPEAN		
Dutch, Italian, Danish, Norwegian, Swedish		
Salaries (3 each) $16,500 × 5		$ 82,500
P.F.		7,000
		$ 89,500
C—LATIN AMERICAN		
Spanish and Brazilian		
Salaries (12)		$ 69,000
P.F.		5,000
		$ 74,000
D—ENGLISH		
Salaries (11)		$ 50,000
P.F.		25,000
		$ 75,000
E—FRENCH		
Salaries (10)		$ 45,000
P.F.		12,000
		$ 57,000
F—MUSIC		
Salaries (5)		$ 21,500
P.F.		50,000
		$ 71,500
TOTAL COST		$595,000

APPENDIX "L"

QUERY BY MR. EGAN CHAMBERS M.P. RE INTERNATIONAL SERVICE BUDGET ITEM "PRINTING OF PUBLICATIONS"

Answer—This item covers mainly the cost of printing the International Service schedule, distributed free to listeners on their request. It is issued seven times a year. It contains program information in the various languages of the Service, including frequencies of broadcast. The mailing list comprises nearly 200,000 addresses. The cost runs somewhat under $4,000 per issue. The issue printed close to the end of any fiscal year is charged in that fiscal year or the succeeding one, depending on receipt of invoice. This accounts for the somewhat low figure for 1956–1957.

The year 1957–1958 was the year of the Brussels International Fair. In keeping with our practice of providing copies of our schedule for distribution at the Canadian booth of major international fairs where the Department of Trade and Commerce is represented, and where such publicity can promote our audience, we arranged an additional run of schedules to cover the duration of the fair and the large number of visitors expected. We consulted the Government Exhibition Commission as to the minimum number required and so ordered. This increased the annual schedule printing figure from approximately $28,000 to $36,000.

An additional cost during this year was the purchase of several years supply of the External Affairs booklet "Canada from Sea to Sea" (15,000 English, 5,000 French) at a cost of $3,400. Such publicity material is used for mailing to groups among our listeners, such as teachers, study groups, etc., where the information will serve to answer authoritatively the range of questions such listeners ask.

There were also smaller additional printing expenses under this item for the printing of Spoken Word Transcription Catalogues (English, French, Spanish) where none were printed the preceding year.

HOUSE OF COMMONS

Second Session—Twenty-fourth Parliament

1959

SPECIAL COMMITTEE ON

BROADCASTING

Chairman: G. E. HALPENNY, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 21

FRIDAY, JULY 10, 1959

TUESDAY, JULY 14, 1959 (IN CAMERA)

CANADIAN BROADCASTING CORPORATION
INCLUDING SECOND REPORT TO THE HOUSE

WITNESSES:

Messrs. R. P. Landry, Assistant to the President, Canadian Broadcasting Corporation; J. P. Gilmore, Controller of Operations; W. R. Johnston, Assistant Controller of Broadcasting (Commercial); W. G. Richardson, Director of Engineering; R. C. Fraser, Director of Public Relations; G. Young, Assistant Controller of Broadcasting (Station Relations); and M. Ouimet, Deputy Controller of Broadcasting.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1959

21611-9—1

SPECIAL COMMITTEE ON BROADCASTING

Chairman: G. E. Halpenny, Esq.,

Vice-Chairman: J. Flynn, Esq.,

and Messrs.

Miss Aitken,
R. A. Bell (*Carleton*),
Tom Bell (*Saint John-Albert*),
Brassard (*Lapointe*),
Mrs. Casselman,
Chambers,
Dorion,
Eudes,
Fairfield,
Fisher,
Forgie,
Fortin,
Johnson,
Kucherepa,
Lambert,
Macquarrie,
Mitchell,
Muir (*Lisgar*),
McCleave,
McGrath,
McIntosh,
McQuillan,
Nowlan,
Paul,
Pickersgill,
Pratt,
Richard (*Ottawa East*),
Robichaud,
Simpson,
Smith (*Calgary South*),
Smith (*Simcoe North*),
Taylor,
Tremblay.

J. E. O'Connor,
Clerk of the Committee.

REPORT TO THE HOUSE

The Special Committee on Broadcasting has the honour to present the following as its

SECOND REPORT

On Wednesday, April 29, 1959, your Committee was constituted with the following Order of Reference:

> That a Select Committee be appointed on Broadcasting to consider radio and television broadcasting together with the Annual Report of the Canadian Broadcasting Corporation, and to review the operations, policies and aims of the Corporation and its revenues, expenditures and development, with power to examine and inquire into the matters herein referred to, and to report from time to time their observations and opinions thereon, and to send for persons, papers and records;
>
> That the Committee have power to print such papers and evidence from day to day as may be deemed advisable or necessary;
>
> That the Committee have power to meet while the House is sitting;
>
> That the Committee shall consist of 35 members;
>
> That Standing Orders 66 and 67 be suspended in relation thereto.

In order to fulfill its responsibilities as set forth in its Order of Reference your Committee hoped to include in its study the following:

1. The Canadian Broadcasting Corporation—its organization and structure; aims and functions; policies and operations; revenue and expenditures; and programming and plans for future development.
2. The Board of Broadcast Governors—its views on its role in Broadcasting; its relationship to the Canadian Broadcasting Corporation and to the regulation of public and private Broadcasting.
3. The Canadian Association of Broadcasters and such other representatives of independent radio and television as wished to present to the Committee views on the subject of Broadcasting.

Although your Committee has held 33 meetings, heard statements and recorded evidence from the Board of Broadcast Governors and senior officers of the Canadian Broadcasting Corporation; as a result of the thorough nature of its study and the limited time available it was possible only to consider in detail the first item of its proposed program, that is the Canadian Broadcasting Corporation.

To facilitate its examination, the Committee adopted a very detailed and exhaustive agenda dealing with C.B.C. matters. It was able to complete this agenda, but regrets to report that due to shortage of time, it was unable to hear all the witnesses necessary to report on all matters set out in the terms of reference. Specifically, your Committee was unable to complete its examination of the Board of Broadcast Governors and no representatives of the private broadcasters were heard. This leads your Committee to the conclusion that its work is incomplete.

Accordingly, your Committee recommends that it be reconstituted at the earliest possible stage of the next ensuing Session of Parliament, and be then authorized to complete the hearing of evidence and to present its final conclusions and recommendations to the House and that the terms of reference permit the Committee to use the evidence taken at this Session for such purposes.

21611-9—1½

Your Committee affirms its support of the basic aims and objectives of the C.B.C. We commend the officers of the Corporation for their efforts to further these aims and objectives.

Your Committee regrets that it must report its conviction that the administrative structure of the Corporation is weak and in need of a thorough revision. There is a lack of clear definition of responsibilities and authority of the various executives and junior executives of the Corporation. There appears to be at times a multiplicity of authority, at others, a divided authority in the Corporation, and an apparent lack of effective liaison between the top-level management team on the one hand and those directly responsible for program production and distribution on the other. This has caused confusion and a wavering in morale of many employees, which are factors to which recent troubles of the Corporation may be largely attributable.

Your Committee believes that the process of decentralization of the Corporation's administrative and managerial functions may well have gone too far. The Board of Directors should give immediate consideration to an administrative reorganization and the restoration of clear authority and responsibility to the central headquarters in Ottawa.

Your Committee believes that the Board must assume full responsibility for policy, and recommends that the person occupying the position of Chairman of the Board shall not hold other executive offices in the Corporation, and that a Chairman of the Board be appointed.

Your Committee investigated the charge that "clandestine political influence" was responsible for the removal of the program, "Preview Commentary" and found no evidence to support the charge.

Your Committee recommends that a senior officer of the Corporation, with headquarters in Ottawa, be vested with the clear authority and responsibility for all supervision of production. This officer would be responsible for: liaison between top management and those responsible for the production, presentation and distribution of programs; the observance of budget control; the assurance that one person is definitively responsible for the production and presentation of each program or series of programs.

Your Committee gave lengthy attention to the financial operations of the Corporation. These operations divide naturally into capital expenditures and operating expenditures.

So far as capital expenditures are concerned, your Committee believes the test should be that of demonstrated unduplicated need. In view of the fact that the Corporation is required by Section 35(2) of the Broadcasting Act to submit to the Minister of National Revenue and the Minister of Finance before November 10, 1959, a five-year capital program, your Committee believes any further general comment would not be useful.

Your Committee gave lengthy attention to the financial operations of the those parts of Canada unserved or poorly served by C.B.C. radio and television. Your Committee received from the Director of Engineering a very detailed and enlightening presentation of the problem of extending service to presently unserviced areas. These areas are in such contrast to the main urban regions with their diversity of such service, or with other choices, that we would commend to the C.B.C. and to the Governor-in-Council, when considering the capital budget, consideration of extension of facilities, wherever technically feasible, before other large capital expenditures related to the existing service structure (except where these expenditures result in operating economies) or any costly extension of programming hours. In this regard, we commend to the C.B.C. the minimum nodal population figure of 5,000 as a target for such extensions of service within the next five years.

Your Committee was unable to ascertain that there is any intelligible formula or pattern used in determining the annual budget of the C.B.C. The recent steep rises in the costs met by annual vote of Parliament is noted with concern.

It is suggested by your Committee that some formula be adopted whereby limits may be set on the annual contribution of the federal government to the Corporation. Further, your Committee is of the opinion that increased effort should be made to ensure the emergence of vigorous commercial policies.

Your Committee was concerned at the low rate of recovery on most sponsored television programs and the indefiniteness of the method of setting the prices for a program package. It is acknowledged that the dearth and spread of population in Canada, necessarily linked with an attenuated network service, creates a difficulty to recoup the entire cost of some types of programs.

Despite this, there is a suggestion of inequity in the disparity between the charges to different sponsors. Therefore, your Committee recommends to the the Board of Directors a careful and immediate study of this problem, in order to find a practicable formula and to obtain the maximum return from sponsored programs. It is further recommended that where there is a program field such as sports, where the demand is high, that the C.B.C. should not compete in buying the telecasting rights but should allow such events to find their own level in the market, merely offering time and production facilities at a reasonable profit to the Corporation.

Your Committee believes that it is a basic function of the C.B.C. to achieve a national program balance as between the various forms of entertainment and other telecasts. But, your Committee is not convinced that this requires the C.B.C. to establish a monopoly on telecast production. The power of veto which the C.B.C. has over any proposed production is sufficient to enable the Corporation to carry out its mandate. Specifically, the Committee entertains real doubt that the C.B.C. should insist upon exclusive production rights in a sponsored show, which it then sells to a sponsor at less than cost.

Your Committee does not wish to express more than preliminary views on this subject, but it does recommend that the Board of Directors, in collaboration with the appropriate Controllers give immediate consideration to permitting and encouraging the production and presentation of broadcast network programs by other outside sources with a view to reducing costs, increasing income and encouraging in Canada the development of new pools of talent and new program production agencies.

In making a recommendation for study of this matter, the Committee emphasizes that it does not seek to derogate in any way from the essential authority of the C.B.C. Board of Directors and the Board of Broadcast Governors to bring about a balanced national program service.

Your Committee wishes to record its appreciation to officers of the Canadian Broadcasting Corporation and the Board of Broadcast Governors who appeared before it and contributed to its work.

A copy of the Minutes of Proceedings and Evidence is appended.

Respectfully submitted,

G. E. HALPENNY,
Chairman.

MINUTES OF PROCEEDINGS

FRIDAY, July 10, 1959.

The Special Committee on Broadcasting met at 9.35 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Chambers, Dorion, Fisher, Flynn, Forgie, Halpenny, Johnson, Kucherepa, Lambert, Mitchell, Muir (*Lisgar*), McGrath, Pickersgill, Pratt, Taylor and Tremblay. (20).

In attendance: Mr. R. P. Landry, Assistant to the President, Canadian Broadcasting Corporation, assisted by Messrs. W. G. Richardson, Director of Engineering; Marcel Ouimet, Deputy Controller of Broadcasting; J. P. Gilmore, Controller of Operations; R. C. Fraser, Director of Public Relations; M. Henderson, Comptroller; W. R. Johnston, Assistant Controller of Broadcasting (Commercial); R. E. Keddy, Director of Organization; P. A. Halbert, Assistant Secretary, Board of Directors; Marcel Carter, Controller of Management Planning and Personnel; and G. Young, Assistant Controller of Broadcasting (Station Relations).

The Chairman observed the presence of quorum and read into the record answers to certain questions by Mr. Johnson at a meeting of the Committee on July 7th.

On the questions of the record of performance of the commercial organization for the past three years; comparison by location of information services, staff and costs; purpose and cost of publications; value of free time given to philanthropic organizations; functions of, and comparison by location of staff and cost of the Engineering Division; and construction undertaken during the last five years, Messrs. Johnston, Fraser, Richardson, Gilmore and Ouimet were questioned.

At 11.00 a.m. the Committee recessed in order that Members might attend the convening of the day's sitting of the House.

At 11.45 a.m. the Committee reconvened and information concerning costs of microwave and rental contracts; new construction plans; policy on calling public tenders; rental of studios and rehearsal halls; and architectural staff was elicited from Messrs. Richardson and Gilmore.

With regard to Part G of the Committee's Agenda, Messrs. Young, Johnston, Gilmore and Ouimet were questioned concerning relations with private radio and television; analysis of possible regional networks; and cost and justification of Dominion (Radio) Network.

At 1.10 p.m., the Committee having completed its agreed Agenda, adjourned to meet again at 9.30 a.m. on Tuesday, July 14, 1959.

TUESDAY, July 14, 1959.

The Special Committee on Broadcasting met *in camera,* at 9.40 a.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Mrs. Casselman, Messrs. Chambers, Dorion, Fisher, Flynn, Forgie, Halpenny, Kucherepa, Lambert, Muir (*Lisgar*), McCleave, McGrath, McIntosh, McQuillan, Paul, Pickersgill, Pratt, Smith (*Calgary South*), Smith (*Simcoe North*) and Tremblay. (24).

Agreed,—To print as appendices to the recorded proceedings of Friday, July 10th, letters received from Messrs. Roland D'Amours and Pierre Chaloult, each referring to references made to them during the course of the Committee's hearings.

Agreed,—That a letter received from Mr. Harry MacDonald, Secretary to the Board of Directors of the Canadian Broadcasting Corporation, asking that certain changes be made in the testimony of Mr. G. Young, Assistant Controller of Broadcasting (Station Relations), on Friday, July 10th, be approved and that outstanding answers to questions asked previously by Committee Members be printed as appendices to the Committee's records.

The Committee proceeded to the consideration of a "Draft Report to the House" and at 11.00 a.m. adjourned to meet again at 3.00 p.m. this day.

AFTERNOON SITTING

The Special Committee on Broadcasting reconvened at 3.05 p.m. this day. The Chairman, Mr. Halpenny, presided.

Members present: Miss Aitken, Messrs. Bell (*Carleton*), Bell (*Saint John-Albert*), Brassard (*Lapointe*), Mrs. Casselman, Messrs. Chambers, Dorion, Fisher, Flynn, Forgie, Halpenny, Johnson, Kucherepa, Lambert, Mitchell, Muir (*Lisgar*), McCleave, McIntosh, Paul, Pratt, Smith (*Calgary South*), Smith (*Simcoe North*) and Tremblay. (23).

Following further discussion concerning the "Draft Report to the House" and its amendment, the Report was approved and the Chairman instructed to present it to the House as the Committee's "Second Report" to the House.

At 5.00 p.m. the Committee adjourned.

J. E. O'Connor,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

FRIDAY, July 10, 1959.
9.30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum.

I would like to read into the record a letter received by Mr. O'Connor. This letter is over the signature of Mr. Barry MacDonald and is in answer to some questions which were asked:

On July 7 Mr. Johnson asked for certain information concerning "La Semaine à Radio-Canada".

(*a*) How many clerical personnel are employed in its production?

One clerk full time, one clerk half-time and one steno quarter-time.

(*b*) How many editors?

One editor full time, six writers half-time and one listings editor half-time.

(*c*) What would cost of each issue be?

As of April 30, 1959: printing and engravings: $1,380 gross; $918 net.

(*d*) Was printing contract awarded by tenders?

Tenders were asked again last summer of different printers in Montreal. The following concerns presented submissions: Ernest Therrien & Fils Ltee, La Patrie Ltee, Le Samedi and Southam Printing Company. The submissions of these four printing houses were higher than the one submitted by Desmarais, our printer at that time. We have continued doing business with Desmarais.

This letter is signed by Mr. Barry MacDonald, Secretary of the Board of Directors.

Gentlemen, we are still on Part E, sub item (c) of item 3 (c)—record of performance of commercial organization of past three years; demonstration of sales technique. Are there any questions in connection with (c); if not, we shall move to Item 4 "public relations and information services". I will wait for a moment on (c) until Mr. Fisher checks to see whether or not he has any questions to ask. I am referring to (c) under Item 3, on page 2 of the agenda.

Mr. FISHER: Mr. Chairman, I just wanted to know how this got on the agenda?

The CHAIRMAN: I think it was decided after the steering committee came back and asked the members of the committee if there were any additions. I am sorry; I recall it now. Mr. O'Connor has brought it to my attention that the C.B.C. suggested this possibility as it might be interesting to us. Is that correct?

Mr. JOHNSTON: Mr. Chairman, that is as I recall it and I believe this was something that it intended to cover when the committee went to Toronto.

The CHAIRMAN: Are you satisfied, Mr. Fisher? May we pass on?

Mr. JOHNSON (*Chambly-Rouville*): Mr. Chairman, I have a question.

The CHAIRMAN: Is it on public relations and information services?

Mr. JOHNSON (*Chambly-Rouville*): It is in connection with (c).

The CHAIRMAN: Proceed.

Mr. JOHNSON (*Chambly-Rouville*) (*Interpretation*): Mr. Chairman, in regard to the personnel department in the commercial organization set-up in Montreal, does it occur that the C.B.C. imposes a program on a sponsor instead of allowing the sponsor to choose such and such a program, or instead of allowing him to organize it?

Mr. JOHNSTON: I would say, Mr. Chairman, that we are not always able to provide to the sponsor the specific program that he might like to put on the air at a given time. The time available will be governed by what other sponsors have already purchased, and the type of program we feel can be scheduled at a given time is, of course, related to our over-all plans of programming across the week.

At the present moment, for instance—and I am thinking more particularly of the English network, with which I am more familiar—the western type of program is rather in the ascendant, and it might well be that several advertisers on a given evening, if time were available to them on those evenings, might wish to schedule programs of that type.

In our over-all program structure we strive to achieve a balance of programming during the evening or across the week and in this way it might not be possible for a specific program to be made available to a specific advertiser at the time that was available to him.

Mr. JOHNSON (*Chambly-Rouville*) (*Interpretation*): Well, Mr. Chairman, perhaps Mr. Ouimet can clarify this point. Could it happen, for example in Montreal, on the French language network, that the C.B.C. would impose between two programs of the same type, that it might impose one rather than another on the sponsor; for example, let us take a very interesting program, which is on its way out, called "Point de Mire", as compared with a rather similar category of program called "Pays & Merveilles", which is still on the air after quite some years. The reason I give this example is because I sincerely believe the C.B.C. has a general policy—and you can correct me if I am wrong—which consists of not leaving a program too long on the air, with a view to a variation of programs.

The CHAIRMAN: Are they commercial programs or sustained programs?

Mr. MARCEL OUIMET (*Deputy Controller of Broadcasting*): On this specific point, we offer our programs in packages as a whole, that is to say, a complete package made up of various elements of a program. In the case of the two programs you mentioned, it was not a question of imposing one rather than the other. It was a question of the availability of one and the non-availability of the other under the regulations of the C.B.C. Point de Mire, being considered a full-fledged opinion broadcast was not available for sponsorship under the regulations of the C.B.C. The other one, Pays & Merveilles, being considered more of a type of travelogue in which very few opinions are injected, was made available for sponsorship. It was not a question of imposing one rather than the other. They were not of the same type.

Mr. JOHNSON (*Chambly-Rouville*) (*Interpretation*): Mr. Ouimet, may I ask, if a sponsor, through an agency, offers to sponsor a C.B.C. program on condition that the C.B.C. will take such and such a performer, do your commercial representatives in Montreal accept such a proposition from an agency?

Mr. OUIMET: May I repeat that our programs are packages. However, like in any sound business we negotiate the sale of programs. It may be that the agency will have a very good suggestion as to the content of the program. The agency may suggest one person rather than another. In this case, insofar as it is possible, we endeavour to reach a compromise. It is not a question of imposing one artist rather than another, or one program rather than another. It is a question of sound business practice and of sound negotiations generally speaking.

The CHAIRMAN: Thank you, Mr. Ouimet. We are getting a little off Item 3(c). This has to do with record of performance of commercial organization of past three years. I would say that has more to do with increases in sales.

Mr. BRASSARD (*Lapointe*): I do not know whether or not my question is in order. I will abide by your ruling. Would the C.B.C. tell the committee whether or not the social credit movement, or party or whatever it is called, could have some free time on the C.B.C. or could buy some time on the C.B.C. In doing so, I assure you I have no intention of trying to gain their favours.

The CHAIRMAN: I realize that.

Mr. LANDRY: This matter is on the agenda of the executive committee of the C.B.C. at their meeting this morning in Ottawa.

The CHAIRMAN: May we go to the next item, public relations and information services.

Mr. FISHER: I have to preface this question. Mr. Bushnell earlier provided me with some information to the effect that when the C.B.C. feels the press has been biased and misinformed, they take corrective measures to seek to put the correct facts forward. I would like to know what the reaction of the C.B.C. is going to be at the present time to alter the newspaper comment, especially editorial comment, which we are getting, and which to me is misinterpreting all these financial statistics.

Mr. LANDRY: I would like to have Mr. Fraser answer this question.

Mr. PICKERSGILL: I have a supplementary question. Has Mr. Fisher read the letter in the *Gazette* this morning containing a correction from the C.B.C. on this very point?

Mr. R. C. FRASER (*Director of Public Relations, Canadian Broadcasting Corporation*): The policy of answering editorials is this. If a newspaper has made an error in fact, we reply to it immediately.

Mr. FISHER: That would keep you pretty busy.

Mr. FRASER: It does indeed, especially since this committee started. If the newspaper is expressing an opinion, we have found from experience that it does not pay to try to answer that because if it is an opinion you can go on with an exchange of correspondence for years. We try to stick to errors in fact. We have done that, as Mr. Pickersgill pointed out, in the case of the *Gazette* yesterday and today.

Mr. FISHER: Have you ever considered being a bit more militant?

Mr. FRASER: Yes. I think we have become more militant, especially in the past year or so.

Mr. FISHER: I observe that these Bay street vigilantes can only be handled with a bit of militantcy.

Mr. PICKERSGILL: Could Mr. Fraser give us a brief description of the functions of the information service?

The CHAIRMAN: Do you have a short statement?

Mr. FRASER: Basically, it is a question of providing an information service on the output of our programming services in two languages, the output of

five networks, two French and three English, the output of our operating divisions across the country and the output of our local programming. That would be the basic function dealing with program information and distributing this program information to the press, the public, the staff, advertising agencies and affiliated stations, and so on.

In addition to that, another basic task is to keep our people internally informed of public opinion as expressed through letters, telephone calls, and so on. For example, last year we processed approximately 1,300,000 letters and over 600,000 telephone calls. We also keep our people informed of press opinion about the corporation and about broadcasting generally.

We provide our people with a digest of developments in the broadcasting world generally. In addition to that, we provide certain internal basic services such as library service at the various points, receptionists and that type of thing. I think that would be a summary of our basic functions in a nutshell.

Mr. PICKERSGILL: Does the public relations or information service attempt to influence public opinion about the C.B.C.?

Mr. FRASER: I would think that as a matter of policy, public relations should be mainly based on the product itself; and public relations is only as good as its product.

Mr. BELL (*Saint John-Albert*): In respect of public relations, to what extent is the general public allowed to go through your operations in Toronto and Montreal and see particular programs, and so on? I ask that because of our trip to Toronto where I think the members had a better understanding and at least I hope a better appreciation of the problems and difficulties.

Mr. FRASER: Last year we handled about 60,000 people in groups of varying sizes across the country in our studios. In most instances our facilities for handling the public are extremely poor. As you noticed in Toronto, it is almost impossible to conduct a tour properly. It is better in Montreal because we have the Radio Canada building where we can handle tours.

In many other locations in Montreal and elsewhere it is not practical; such visits would interfere with operations. We would like to have ideally a situation whereby the public could be taken on a conducted tour through a television station and watch a program in progress through plate glass windows and this type of thing. However, we just cannot afford it.

Mr. DORION (*Interpretation*): Mr. Chairman, if I properly understood the witness, he told us when they have to echo public opinion they use especially the opinions expressed in the newspapers.

Mr. FRASER: No, Mr. Dorion I did not intend to convey that impression. Public opinion is conveyed to our people in several ways—letters, telephone calls, which are direct communications with the public, and press opinion, which sometimes reflects public opinion and, perhaps, sometimes differs. Press opinion, obviously, is expressing some public opinion at all times, but not necessarily majority opinion at all.

Mr. DORION (*Interpretation*): Yes, but the only thing is, when you speak of newspaper opinions, is it just the opinion of certain newspapers, or do you take into account all the nuances of opinion, the shades of opinion of all the newspapers in general, including the weeklies?

Mr. FRASER: Yes, Mr. Chairman, we provide a completely factual account to our people of what newspapers of all types have said editorially.

Mr. PICKERSGILL: A supplementary question, Mr. Chairman. Do you read *Montreal Matin* assiduously?

Mr. FRASER: We read every newspaper assiduously, Mr. Pickersgill.

Mr. TREMBLAY: The *Toronto Star* too?

Mr. JOHNSON (*Chambly-Rouville*): When you say "we", do you mean to say, for example, in Montreal is there somebody in charge of reading the papers, to know the different shades of opinion?

Mr. FRASER: We do this in two ways. We have a clipping service which provides us with clippings from all newspapers. These clippings are summarized, and this information is passed on to our people. In addition to this, in order to get reaction more quickly—the clipping services take some time to get the clippings in—our own people read the daily newspapers at all points. These are clipped and sent to one person who summarizes what these editorials have said factually, who then passes it on.

Mr. JOHNSON (*Chambly-Rouville*): When you refer to your own people, do you mean your people in Montreal—somebody in charge there?

Mr. FRASER: I am speaking of the information services strictly.

Mr. JOHNSON (*Chambly-Rouville*): Is there a section for each production centre? Is there a special information service in Montreal?

Mr. FRASER: We have information service offices at Halifax, Montreal, Ottawa, Toronto, Winnipeg and Vancouver. They are basically geographically located offices.

Mr. JOHNSON (*Chambly-Rouville*): Your people at a certain location, if they have to send a letter to a paper, do they send a letter for approval first to the regional director?

Mr. FRASER: Not necessarily, Mr. Johnson. It depends entirely on what the editorial is about. They might do this under some circumstances, but in the main it is not necessary because they are dealing with matters of fact, and if they have those facts themselves they answer the editorial automatically.

Mr. JOHNSON (*Chambly-Rouville*): Do I understand they do not have to have any permission from the regional director if they want to send a letter or protest to a paper?

Mr. FRASER: I think you would have to take each case on its merits, and if it was to do with policy, most certainly, they would have to; but if it was a matter of straight operational facts and figures it would not be necessary.

Mr. JOHNSON (*Chambly-Rouville*): They do not engage in giving opinions?

Mr. FRASER: Absolutely not.

Mr. JOHNSON (*Chambly-Rouville*): Or starting discussions in the papers?

Mr. FRASER: It is not our function to engage in that sort of thing.

Mr. LAMBERT: This news clipping service, and the use made of it, is it merely passed on to people below for their own information, and they may draw their own conclusion; or is interpretation made at certain senior levels, perhaps, and issued in the form of directives?

Mr. FRASER: There are two things, Mr. Lambert. The first is, we pass these summaries of press opinion along to what we call our management group of the corporation's people all across the country; that is, everyone who can be considered on the management level. In addition to that, now, we have started a monthly public relations appraisal. It is a monthly appraisal of the public relations situation in which the corporation finds itself at that time.

Mr. LAMBERT: When did that start?

Mr. FRASER: That has started recently. It has been in plans for some time, but we have only been able to start it just recently. But prior to that time there was discussion on this type of thing on a per occasion basis. It was our job to bring it to the attention of management as things came up.

Mr. TREMBLAY (*Speaking in French—not interpreted*).

The CHAIRMAN: I do not think this will need an answer. Interpretation please.

Mr. TREMBLAY (*Interpretation*): To follow up Mr. Pickersgill's question, in your appreciation of the newspaper opinions, do you take account of pseudo-journals like *La Réforme*, so-called?

The CHAIRMAN: Mr. Dorion?

Mr. DORION (*Interpretation*): Mr. Fraser, I think you have, have you not, every week a press review of the weeklies?

Mr. FRASER: This is a program which is on the air to which you may be referring, and it is not under my jurisdiction; but in English it is called Neighbourly News and it is a summary of the news reported in the weekly press.

Mr. DORION (*Interpretation*): Do you have the same thing on the French network?

Mr. OUIMET: Yes, on the French radio network, I think it is called La Revue Des Hebdomadaires. It used to be on on Sunday, but, personally, I do not hear it very often because at that time, generally, I am on my way to church.

Mr. DORION: Mr. Chairman, I would like to compliment the C.B.C. on that program.

The CHAIRMAN: Yes, Mr. Dorion?

Mr. DORION (*Interpretation*): I would like to say at this point that this review program is, in fact, very well done, and I wish to express the hope that it will become more so, and that most of the Quebec weeklies which express local opinions may be consulted as much as possible.

The CHAIRMAN: Yes, Mr. Pickersgill?

Mr. PICKERSGILL: Mr. Chairman, I hope this does not mean that Mr. Dorion does not go to church.

Mr. DORION: Yes, I do, but at a different time.

Mr. JOHNSON (*Chambly-Rouville*): Supplementary to this question, Mr. Chairman, I am very pleased to learn that C.B.C. has become very religious since La Belle de Céans.

Mr. FRASER: We are on the side of the angels.

Mr. CHAMBERS: When somebody phones up about a program, is this phone call handled by your department?

Mr. FRASER: Yes. We make a daily summary of telephone calls and of mail. We try to summarize the gist of a telephone call; and this is passed along to our program people.

Mr. CHAMBERS: When some one phones they are directed to your department?

Mr. FRASER: Yes, normally.

Mr. CHAMBERS: Do you maintain a service as long as the station is on the air?

Mr. FRASER: It all depends on the location. In Toronto and Montreal these calls are directed to the information desk after five o'clock at night. Prior to five o'clock they are directed to the audience relations section.

Mr. CHAMBERS: And that desk is open until when?

Mr. FRASER: I think it is open until 11 o'clock.

Mr. CHAMBERS: I remember the most satisfactory telephone conversation I ever had with the C.B.C. was when I telephoned to complain about a late movie, and the only person I could get was the sweeper. He agreed with me completely.

Mr. FRASER: We might get him to join the public relations staff.

The CHAIRMAN: Make him the chief?

Mr. PICKERSGILL: You had better file that offer.

Miss AITKEN: In reference to these one and a half million letters, is the C.B.C. influenced by them, and do you answer them all? I think most people write in to protest.

Mr. FRASER: Oddly enough, this does not appear to us so. I believe of that number about 70,000 require a separate and individual answer per year. The balance come in in some connection with contests, and others just make a straight comment which requires no reply. However, about 70,000 do.

These again are summarized and passed on to the program people who take these, along with surveys, into consideration in trying to assess public opinion.

Miss AITKEN: I personally have added considerably to that one and a half million letters in the last two or three weeks, because when anybody called me to complain about a certain Toronto program, I suggested that they write directly to the C.B.C.

Mr. FRASER: I do not know whether to thank you or not.

Mr. PICKERSGILL: I would like to ask Mr. Fraser if these digests of opinion are passed on in the first place to your own board of directors or executive committee, and if this information is made available to the Board of Broadcast Governors?

Mr. FRASER: The information is not made available to the Board of Broadcast Governors, but it is made available to our directors.

Mr. FISHER: The Board of Broadcast Governors would be within its rights in asking for it?

Mr. FRASER: I am not certain about that. This is a service provided by the corporation and paid for by the corporation. It is provided to its people.

Mr. FISHER: I would like to ask you about a couple of cases where the C.B.C. gave in to popular demand. If requests should pour in, and there is a program and they are irritated with it, and these requests would come in, when does it reach the stage where you feel there is enough of a crisis situation that you would get in touch with the people who have the power to alter the thing, and decide to go ahead.

Mr. FRASER: This is done immediately. We have a standing rule at all our operational points, when there is unusual public reaction,—and this must be left to the judgment of the people—but immediately there is unusual reaction, it is telexed to our main office and it is then brought up immediately either at a meeting, or it is brought to the attention of the president or at a meeting of the senior management committee where it is discussed.

Mr. FISHER: What is your relationship with the Couchiching conference.

Mr. FRASER: There is no relationship with them at all, other than the fact that our staff would publicize Broadcasts in that connection.

Mr. FISHER: Was your staff responsible last summer for the publication in which reading material was set out in relationship to the Couchiching conference?

Mr. FRASER: I would think not. Our work would confine itself, I believe, to pre-publicity of the broadcasts.

Mr. FISHER: You spoke earlier about library services.

Mr. FRASER: These are reference libraries across the country.

The CHAIRMAN: Before there are any further questions may I suggest that your questions be as short as possible and that the answers be as short as possible because we would like to complete this whole agenda this morning.

Mr. JOHNSON (*Chambly-Rouville*) (*Interpretation*): Well, in putting any question, Mr. Fraser, I am taking it for granted that this in fact the information service which deals with the problems involved. What is the practice of the C.B.C.—and I speak especially of the Montreal French language network as regards the distribution of publicity printed in the newspapers, to give publicity to programs? As an example, let us take a very good announcement regarding a very popular program Chez Miville, which I never saw anywhere else than in a daily which has a very limited circulation in Montreal.

The CHAIRMAN: Are these paid advertisements you are asking about, or editorial comments?

Mr. JOHNSON (*Chambly-Rouville*): No, I do not think so.

The CHAIRMAN: They are paid advertisements.

Mr. FRASER: I cannot give you a specific answer on that specific program. But we have carried paid advertisements in the weekly newspapers of Quebec also.

Mr. JOHNSON (*Chambly-Rouville*): Do you ask all the daily newspapers to take these advertisements?

Mr. FRASER: Not necessarily, we may or we may not, depending entirely on the need, the circulation, and that type of thing. We do not do a great deal of paid newspaper advertising because we do not have the money. So that every time we do carry out this type of thing, it is studied quite carefully, and we try to assess the thing we are trying to do, and then use the papers which can do the best job for us. These papers may vary from time to time.

The CHAIRMAN: The same as any other business.

Mr. FRASER: Exactly.

Mr. JOHNSON (*Chambly-Rouville*): When you want to make a promotional campaign for a certain program which is sponsored—that is why I took this example—would you consider it to be better advertising and publicity to give it to a paper with a very large circulation?

Mr. FRASER: We might or we might not. I can only say that it would depend on what we are trying to achieve. You cannot use advertising according to a set formula. I think you have to consider it in the light of what you are trying to achieve with a specific thing, and then to weigh all your possibilities and try to carry them out.

The CHAIRMAN: You will find that your sponsor paid for these advertisements, and not the C.B.C.

Mr. FRASER: Very often that is the case. But we work very closely with the advertising agencies in connection with publicity campaigns to make sure that we do not duplicate one another. Very often advertising is taken care of by the agency.

Mr. JOHNSON (*Chambly-Rouville*): When the sponsor pays for it, is the decision taken by the sponsor or by the C.B.C.?

Mr. FRASER: The decision is taken by the agency not by the C.B.C.

The CHAIRMAN: May we pass on to Sub item (c) of item 4. Public Relations and Information Services?

Mr. CHAMBERS: Are we not through with publications?

The CHAIRMAN: All these questions have been on publications or related to the statement on publications. And if there are no more questions, let us pass on.

Mr. CHAMBERS: Your department is responsible for the C.B.C. Times and La Semaine?

Mr. FRASER: Yes.

Mr. CHAMBERS: I notice that in your revenue in here you have a total of $40,000 which is primarily from the sale of these publications.

Mr. FRASER: That is right.

Mr. CHAMBERS: Do you have a breakdown of your costs for preparing these publications?

Mr. FRASER: If you mean in addition to the costs given here, then in what sense? There is this document which the committee already has, which is a complete list of the publications together with the cost of each one.

The CHAIRMAN: That has been tabled.

Mr. FRASER: Yes. It provides the number, the purpose, and the intention of the publication, as well as the cost and the revenue. And it provides it for both the English and the French.

Mr. CHAMBERS: I have read testimony by the C.B.C. before other committees such as the Fowler commission and so on to the effect that you basically depend on these two publications as opposed to newspaper advertising to get your programs and so on before the public. Is that correct?

Mr. FRASER: No, I would not say that. These publications were started in the first place to save money. They were first started in about 1947. At that time we were putting out this information in different forms, in about three or four different ways. We had what we call a "tear sheet" for the press, a clip sheet for the press; we had printed program schedules for the sponsors, the advertising agencies, the affiliates—that type of thing—and we had a monthly free publication called Program News, which went to people who were interested in advance program information.

We found that by combining these three things into one publication we could save several thousand dollars a year; and so we did it. It might help, Mr. Chambers, to point out that C.B.C. Times basically provides information to advertising agencies, sponsors, affiliated stations, the press all across the country, including all the columnists, and our staff. Members of parliament and senators receive this too, because we think people who are our bosses should know what we are doing.

Mr. CHAMBERS: If you are starting a new program—let us say it is unsponsored—and you want to get this fact known, do you depend on these publications, or what steps would you take to get this new program known to the public?

Mr. FRASER: If this were a series, we would draw up what we call a project sheet. For instance, in our work there is never a question of what to do; it is always a question of which to do. There is always more to do than you can possibly do, so it is a matter of constantly exercising judgment and seeing what your limitations are as to finance and staff. We would draw up a project book. In that project book—the program information would always be carried, necessarily, in C.B.C. Times—we decide how much air promotion we would give it in our own facilities, whether we would prepare a special press kit, whether we would do our own advertising, and so on.

Mr. CHAMBERS: On that point; you do not do much advertising?

Mr. FRASER: No.

The CHAIRMAN: Do you know your total budget with regard to newspapers?

Mr. FRASER: Yes; this year ending March 31, 1959, $148,000—which is the highest it has ever been. Normally, up until that time, I think the highest we had gone was roughly around $50,000.

Mr. FISHER: I have just one question. You have your own printing shop?

Mr. FRASER: No, we have not.

Mr. FISHER: You have not changed your printers since June, 1957?

Mr. FRASER: Not for C.B.C. Times, no. We get tenders on the other publications—at least three on each publication—but you cannot move around a weekly publication like Times as you can a "one-shot" publication. You get tenders and carry on with the same printer for some years, because there are also associated services.

Mr. MCGRATH: Is it your responsibility to put out special promotional material for a special program?

Mr. FRASER: Yes.

Mr. MCGRATH: What does that consist of?

Mr. FRASER: Again, Mr. McGrath, it would depend entirely on the program —what we were trying to achieve.

Mr. MCGRATH: For example, a special production of C.B.C.—Folio, for example—which is going to cost the corporation a lot of money and for which, quite naturally, the corporation would like to draw the widest possible audience?

Mr. FRASER: Yes, we would sit down and look at this. We would talk it over with the program people first. We would see what the aim was, what was trying to be achieved, and we would then draw up a promotional program within our limitations both as to money and as to staff. Samples of this type of thing might be, again, air promotion, special spots, and that type of thing. It might be newspaper advertising, or it might not; it might be magazine advertising, or it might not. It might be special mailings to interested groups—a letter, if you like—or a letter to the secretaries of these groups that we know are interested in this type of program. This would go on to include other items.

Mr. MCGRATH: Do you not think it would cut down on your budget considerably if you were to use the newspapers: they could provide the same service and save you the cost of printing and processing?

Mr. FRASER: Are you comparing it now with C.B.C. Times?

Mr. MCGRATH: No, not C.B.C. Times.

Mr. FRASER: The newspapers do carry a tremendous amount of information which we supply. As a matter of fact, there has been a tremendous increase since the advent of television of the weekend supplement, concerned mainly with television, I might add, and very little with radio.

Mr. MCGRATH: For example, Farm Forum—you could appeal to the rural weeklies in Canada, could you not, to get your message across?

Mr. FRASER: We do that also. This publication is a simple pamphlet. It is put out and used, as I understand it, by the farm people to aid in their organizational work and to get people interested in listening. They, in essence, become press agents for the corporation.

We are working through organizations, and they are very helpful to us in distributing information about programs. We do a lot of that.

Mr. MCGRATH: It is my understanding that there are no promotional ads in Canadian dailies to promote, from a commercial point of view—with a commercial appeal—audience in a specific—

Mr. FRASER: Yes, this is done; but it is done on a—

Mr. MCGRATH: —small scale?

Mr. FRASER: Small scale campaign basis, and a great deal of it is done—as we mentioned a moment ago—by the advertising agencies themselves in connection with commercial programs. We do not think we should duplicate

that. I think this would be a waste of money—we need that money for other promotion—and we could get that mileage by using that money in other respects.

Mr. CHAMBERS: Do these costs include postage?

Mr. FRASER: This is on C.B.C. Times?

Mr. CHAMBERS: You have a whole list of publication costs here.

Mr. FRASER: I do not think C.B.C. Times includes the postage; but I believe the other publications cover mailing.

The CHAIRMAN: Under the section on French language Adult Education and Public Affairs is, "$6,150, including mailing and art work". On C.B.C. Times the cost is "$86,736, annual cost of printing and engraving". They do not say anything about mailing there. On paid subscriptions they recover $31,332.

Mr. JOHNSON (*Chambly-Rouville*): Still on the same subject: I see here that the cost of La Semaine à Radio-Canada is shown as "annual cost of printing and engraving". Do you have figures showing the mailing cost? Do you have figures showing the cost accounting of this publication? I mean, you use personnel for this. Do you not first use clerical personnel, and even newspaper writers to write the articles—free-lance writers?

Mr. FRASER: Yes, occasionally: not too often. We are now in the process in our accounts department of cost accounting C.B.C. Times. Television was first to be cost accounted, and they are finding time to get around to us. C.B.C. Times is now being cost accounted and that is now in process.

Mr. JOHNSON (*Chambly-Rouville*): Do you have a total figure for La Semaine à Radio-Canada or C.B.C. Times?

Mr. FRASER: I would not like to guess that at the moment, because it is being done now.

Mr. JOHNSON (*Chambly-Rouville*): We cannot expect any answer before—

Mr. FRASER: Our accounting people are just swamped, as I think you will appreciate.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, we have received a publication of the Canadian adult education institute for June, 1959. Does the C.B.C. pay for a part of these publications? Are they done in cooperation—are they prepared in cooperation with the C.B.C.?

Mr. FRASER: I would have to get specific information on that particular one. Certainly we would have provided the information. Whether we bought advertising space in that particular publication, or not, I cannot tell you at the moment. I could get that information for you, if you wish.

Mr. MARCEL OUIMET (*Deputy Controller of Broadcasting, Canadian Broadcasting Corporation*): Mr. Chairman, perhaps I could supplement this answer and just say "no"; this report was prepared by the Canadian institute, under the usual entente which we have with them. We sustain, as you know, indirectly a number of these organizations.

This goes for the cost of their publications. They publish their publications themselves.

Mr. FRASER: This specific one was published by the institute.

The INTERPRETER: For the record, Mr. Chairman, Mr. Tremblay asked:

> In the case of what we have here which, of course, is...

and then there was an interruption.

The CHAIRMAN: The next sub item is "value of free time to philanthropic organizations—community and network for most recent year". Are there any questions on this?

Mr. BELL (*Carleton*): Have you any statement from the C.B.C. as to the principles upon which free time is provided on television and radio for the support of community projects? The reason I ask this question is because the general impression among some of the members is that private television stations are inclined to give considerably more time for community projects than the C.B.C.

Mr. FRASER: I think this arose through the fact that the C.B.C. for years has been concentrating on the national and regional scenes, with the private stations concentrating on the community in which they are located. The C.B.C. has done a tremendous amount of work and given its time and facilities to national and regional organizations, which could be called community service, in the very broad sense. There is seldom a week goes by in which the C.B.C. is not engaged in this.

With the advent of television it is more local, if you like, in a sense, than radio was, and we are doing more on a strictly community nature now than we did before. This, plus the fact that in the communities where television stations are located, there are as yet no other television stations. This applies right across the country, and we have accepted this responsibility of providing a community service where we are located. We are doing this to quite an extent. For example, we had a safety award this year for our work in connection with a safety campaign.

Mr. BELL (*Carleton*): Have you any comparison in connection with the amount of time as provided by your local stations and that provided by private local stations?

Mr. FRASER: We can file that. We have asked for those from our supervisor of institutional broadcast in Toronto. However, it does not come under public relations, but program service.

Mr. TAYLOR: The general feeling in my own part of the country is...

Mr. FISHER: You think.

The CHAIRMAN: Gentlemen, let us get the question.

Mr. TAYLOR: Do you operate a Christmas fund in Vancouver? From my experience, the general feeling is that if you people made an appeal you would not compare with some of the other local stations that operate a Christmas fund for orphanages, or some children's fund. Have you operated such a fund in Vancouver?

Mr. FRASER: Well, I do not know about that; there was a Red Feather fund on which we had a campaign.

Mr. TAYLOR: I know you operated that, but have you ever operated a fund in Vancouver where you ask people to send money in to your own station to help a specific project in Vancouver?

Mr. FRASER: I would have to check on that, Mr. Taylor.

Mr. TAYLOR: Well, at the present time, here in Ottawa there is a campaign to help the people of Lanark. Have you ever, here in Ottawa, gone out to help a community by trying to collect money by on-the-spot broadcasts, as CFRA is doing now,—and they are doing a tremendous job?

Mr. FRASER: We had this on television. We had a telethon in connection with the Lanark disaster, and in that connection we raised around $15,000 or $16,000.

Mr. TAYLOR: This was the Lanark campaign, was it?

Mr. FRASER: Yes, this was in connection with the Lanark campaign, in regard to the fire which they had. We carried on a telecast one night from

about 11.30 until three or four o'clock in the morning. We raised around $15,000 or $16,000. This was straight community broadcasting in its strict sense.

Mr. TAYLOR: Can you tell me whether or not you have any Christmas relief fund in any of your major cities?

Mr. FRASER: We have never engaged in that type of broadcast up to this point.

Mr. TAYLOR: Well, it is the feeling that you run a good service, but do not stoop down to get to the community.

Mr. FRASER: This is not a matter of stooping; it has been a matter of general broadcast responsibility. I think the background will show that broadcasting in Canada has always and still falls into three categories, the national, the regional and the community. Because this is so and because Canada is so large, parliament has decided, if you like, that it needs a broadcasting system having the advantage of both public and private enterprise to do these jobs. The C.B.C. has been doing a national and regional job, and I must say that we have done an excellent job in that connection; but the community job has been done by the private station, and many have done an excellent job in that connection.

Mr. TAYLOR: I agree with you on that, but I wish to ask you this further question. I think that is answering what you are doing; but what I am concerned about is that you have such a small audience in Vancouver as a result of that policy. You carry it to the extreme in Vancouver.

The CHAIRMAN: That is your opinion.

Mr. TAYLOR: It is not an opinion.

Mr. FISHER: I just have the one question. Have you considered doing what the B.B.C. does perhaps once a week in connection with a major drive; that is have a personality come on and make the pitch? For example, if it is the lifeboat fund, the honorary patron of the lifeboat fund, lord so-and-so will come on and add a little touch.

Mr. FRASER: I think, Mr. Chairman and Mr. Fisher, we have done a considerable amount of this. One which comes to my mind is still being carried on, using the personality of "Larry" Henderson just after the television national newscast at eleven o'clock. In this case it is the blood donor appeal. We put on special broadcasts in connection with other drives such as the Easter seal campaign, in which we have a whole parade of stars.

Mr. FISHER: But the B.B.C. institutionalized this thing at a basic time after the national news and it comes on once a week. The people accept this and there is a competition between organizations to put forward a good pitch.

Mr. FRASER: We do not do it in quite that form. Ours is spread over the entire broadcast schedule. Something like this might take place once or five or six times every day throughout the week

Mr. OUIMET: We did try this on radio at one point on the French network To all intents and purposes, as a rule, this type of regular appeal did not get anywhere.

Mr. TAYLOR: In order to carry out community work, a number of British Columbia stations have a studio on wheels to get directly to a community project and get behind it. Has the C.B.C. any such mobile radio studio which can be moved on the spot in British Columbia.

Mr. GILMORE: I think our record in respect of the P.N.E. and all the major celebrations in the history of Vancouver is pretty well known, where the Corporation through CBU, CBUT and through CBR, has placed our complete facilities at the disposal of the civic authorities. I know this because I have been involved in it for many years.

Mr. TAYLOR: Have you a mobile studio which can move to the spot?

Mr. GILMORE: We have eight or ten sets of mobile equipment which can be brought into play on any occasion at any location. We have had the P.N.E. tent which I hope you have visited.

Mr. TAYLOR: I have.

Mr. GILMORE: This sort of thing is done on a per occasion basis. We have not gone to the expense of building a trailer studio. I would like to emphasize that we have not been violent in our competition at the community level in this sort of thing.

Mr. TAYLOR: The type of studio I had in mind is one where the audience gets to know the announcer; they know him personally. I want to know whether or not we have that type of a studio.

The CHAIRMAN: He said no.

Mr. CHAMBERS: Have you a policy, on such programs as Tabloid, of inviting celebrities or campaign heads during the time of a campaign?

Mr. FRASER: This is a definite policy. When a campaign comes up it is discussed and the entire procedure is laid out. Mr. Dunlop, our supervisor of institutional broadcasts, is probably a director of every national organization in Canada, and takes a part in each.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, I would like to ask the C.B.C. how they consider the organized workers groups? Do they look upon them as political parties or philanthropic organizations in the widest sense of the word, or what?

Mr. FRASER: I think the labour organizations, the management groups and so on are part of the public of Canada. I do not think there is any other distinction. We do not treat them like the Red Cross, where you have the Red Cross appeals. We do not make appeals for labour. Is that what you mean?

Mr. TREMBLAY (*Interpretation*): When you have these workers' groups which need to make publicity and the like, how do you treat them? Do you treat them as ordinary organizations which can obtain periods of time on the air or can pay for periods of time?

The CHAIRMAN: Again, I might say I cannot see how this fits into truly philanthropic organizations by any means. Can we stick to (c) philanthropic organizations?

Mr. TREMBLAY *(Interpretation)*: Here is the point, Mr. Chairman. This is where we have this question of a group escaping ordinary definitions. They are not political parties; they are not commercial bodies and they really are not philanthropic organizations in the normal meaning of the term. Therefore what is the category under which they have to be considered when being treated for C.B.C. purposes?

The CHAIRMAN: This would be under labour relations, and we have passed that.

Mr. OUIMET: We have sustaining programs on the C.B.C., not on television, but on radio, dealing with labour and business, together or separately. On the English network we have the Labour and Business Review, and on the French network La vie économique and La vie ouvrière which reflect the activities of the labour movement or the business world, generally speaking.

The CHAIRMAN: May we leave public relations, gentlemen?

Mr. JOHNSON *(Chambly-Rouville)*: Just a moment.

The CHAIRMAN: Yes, Mr. Johnson?

Mr. JOHNSON (In French—not interpreted):

The CHAIRMAN: Mr. Johnson, I do not know how Kurt Meyer gets in on a philanthropic group, but let us have the translation.

Mr. JOHNSON *(Chambly-Rouville)* (Interpretation): Mr. Chairman, when you have a religious group, a national group or an ethnic group which considers itself wronged by a C.B.C. program, does this religious or ethnic group obtain the opportunity to express its opinions and launch protests? I am thinking right now of the famous Kurt Meyer program in which a certain ethnic group felt itself—

The INTERPRETER: At this point the chairman interjected.

The CHAIRMAN: What has that to do with a philanthropic organization?

Mr. JOHNSON *(Chambly-Rouville)*: It is a religious organization.

The CHAIRMAN: An ethnic group is a religious organization?

Mr. JOHNSON *(Chambly-Rouville)*: In the particular case of the Jewish people in Canada.

Mr. JOHNSON *(Chambly-Rouville)* (Interpretation): Mr. Chairman, there are many relationships, many links, between the religious and ethnic groups which may feel themselves to be persecuted.

The CHAIRMAN: Is this free time you are talking about, Mr. Johnson?

Mr. JOHNSON *(Chambly-Rouville)*: Yes, since we cannot put the the religious group in its category, I thought, under the general meaning—

The CHAIRMAN: That is out of order here.

Mr. Ouimet, do you have a short answer on that? Then, let us leave it, please.

Mr. OUIMET: When representations of an ethnic or religious group are such that, according to the judgment, let us say, of the management authorities, these groups would have been hurt in their particular beliefs, we have a rule to the effect that, definitely, they would have a right to answer. This is essential in any democratic society.

Mr. JOHNSON *(Chambly-Rouville)*: I know, but being a minority, the Jewish people might have thought this was done on purpose.

The CHAIRMAN: I believe that was all covered at one time before, Mr. Johnson. Any other questions?

Mr. TAYLOR: At the local level it is my understanding the C.B.C. does not wish to compete with private stations in assisting philanthropic organizations.

Mr. FRASER: No, that is not my understanding. That is in the statement—at least, if we left you with that impression we are sorry, because we did not intend that.

What I said was, doing the national job and the regional job with two organizations leaves us with far less time on the local scene than the local stations have.

A good example might be this, if you are dealing with the Red Cross—for example, the C.B.C. would take on the job of doing the national and regional network promotion of the Red Cross campaign, and they would do it thoroughly. A local chapter of the Red Cross in Vancouver might very well work with the local station and get pretty good coverage from the local station as well as from us. We do some local, yes; but we cannot do as much as local community stations because we have not the time and we are using it to do the national and regional coverage. That is what I tried to convey.

Mr. TAYLOR: Yes, I think you did.

The CHAIRMAN: May we go on to Part "F", gentlemen?

Agreed.

The CHAIRMAN: Mr. Richardson? I think we covered engineering very well when Mr. Richardson was with us before, but are there any particular questions on the function of the engineering division?

Mr. BELL (*Carleton*): The statements in each item of the agenda have been filed, and they are being printed in the appendix?

The CHAIRMAN: That is right, they have been.

Any questions on Item 1? If not, we will pass on to 2—comparison by location of (*a*) number of staff, and (*b*) annual costs for last three fiscal years.

That has been filed. Any questions? We will then go on to Item 3—construction undertaken during the last five years. Are there any questions? Material on this has been filed also, gentlemen. Do you have a question on that, Mr. McGrath?

Mr. MCGRATH: I have a question on that, Mr. Richardson.

The CHAIRMAN: Yes, Mr. McGrath?

Mr. MCGRATH: I asked this question earlier in the hearings.

I will read from the transcript of the board of broadcast governors hearings of March 16:

> Dr. STEWART: What about the cost of installation?
>
> Mr. RICHARDSON: Kenora, $95,000 capital.
>
> Dr. STEWART: Is that cost accounting or straight capital?
>
> Mr. RICHARDSON: Straight capital. Moncton, $173,800; Trail, $90,000; St. Boniface, $138,000.

Earlier in the transcript Mr. Bushnell replied, at the same hearing, that the cost of installation of C.B.C. Corner Brook was on a cost accounting basis, and it was not straight capital.

When do you differentiate?

Mr. W. G. RICHARDSON (*Director of Engineering, Canadian Broadcasting Corporation*): In this particular case, Mr. Chairman and Mr. McGrath, the question which we have to answer on the form which is submitted with the application was interpreted to mean the actual cost of the equipment. That is, the dollars that go out to the suppliers of the equipment; whereas, as far as our bookkeeping is concerned, internally, the thing is cost accounted, taking into account engineering time, installation time, and all that sort of thing.

Mr. MCGRATH: What was behind this line of questioning was the fact that a private applicant could put in operation at Corner Brook a television station at less cost than the C.B.C. operation.

Is there any attempt—for example, there are in the industry today low power package transmitter facilities, is that correct?

Mr. RICHARDSON: Yes.

Mr. MCGRATH: You do not use those?

Mr. RICHARDSON: Yes, sir.

Mr. MCGRATH: You do not?

Mr. RICHARDSON: Yes, sir we do.

Mr. MCGRATH: For example, how much will it cost to put the television station on the air at Corner Brook?

Mr. RICHARDSON: I could not give that to you offhand but at Corner Brook I can tell you that we did get into—I should not say difficulties—but a problem. The property that we had in Corner Brook for our radio station, we

had planned to put our television station on that property. But the community authorities stated that they did not want this station there. So we had to go and find a different property. And in doing this we decided to move the radio and the television to the same site for ease of operation, management, and all the rest of the problems.

The CHAIRMAN: Are there any further questions?

Mr. MCGRATH: I wonder if later on—we are going to try to get through today—if you could file with the secretary of the committee the cost of the Corner Brook installation?

Mr. RICHARDSON: Yes.

The CHAIRMAN: Yes, that could be done.

Mr. RICHARDSON: With details to explain the cost.

Mr. MCGRATH: Yes.

Mr. TAYLOR: I asked a question earlier and you said to leave it until number 2(f). First, dealing with Toronto, you have 2,300 employees and 22 buildings. What savings do you think you could make if you put all your buildings under one roof, let us say, at North Toronto? What would the actual savings be?

Mr. GILMORE: Mr. Chairman and Mr. Taylor: we have made a pretty rough estimate for the Fowler commission on forecasting and development. This was confirmed within the last few months, and according to our five year forecast we estimate approximately $500,000 a year savings. As to the efficiency we have not found the way to cost that particular type of saving.

The CHAIRMAN: I think that would come under 5, new construction.

Mr. TAYLOR: I was trying to pin point it under one or the other.

The CHAIRMAN: All right, let us have it then.

Mr. TAYLOR: If there is to be a saving of that amount by going to North Toronto, then, why within the last year did the C.B.C. buy on Georgia Street in downtown Vancouver, when you might have chosen property outside the city?

Mr. GILMORE: The saving does not apply to the location of a plant. The saving applies to the consolidation in the plant at any one position in a given city.

Mr. TAYLOR: Georgia Street property is the most expensive property in all Vancouver. That is where you are going to locate. Would it not be better to have your scenery, your props, your staff, your trucks, and your mobile on-site equipment outside the city? Why do you build on Georgia Street in Vancouver?

Mr. GILMORE: Our television location—let me give you just a couple of extra comments—we have our radio and our administration set-up in Vancouver in the Vancouver Hotel. This has been there since the start of radio in Vancouver network-wise.

In the case of television we decided to buy some property near our radio set-up, in order not to have too great a dispersal. This property appeared to have considerable appeal both for the purpose of consolidation and from being in the city centre. So it was decided at the time by the C.B.C. management, the board of Governors that in similar locations—and this does not include Montreal and Toronto, because the pattern of moves with each location has its own specific problems, such as the problem of artists availability and that sort of thing—but in Vancouver and Winnipeg we tried to acquire one in the centre of the city and to develop there.

I might say that this is a pretty happy situation for the city fathers. They would like to have the corporation, where possible, in the centre of activities,

and they probably would like to have us in some of their consolidated plans for civic centres. This particular piece of land was available, and we have bought adjacent property for a long term plan to develop radio and television facilities at that point.

The CHAIRMAN: Would you do it over again if you had to do it?

Mr. GILMORE: In connection with Vancouver you are asking me a terribly biased question, because I am a Vancouverite, and I would have to say yes.

The CHAIRMAN: Very well.

Mr. PRATT: My question has been more or less answered by Mr. Gilmore, but it is this: is it not better to put such a center on the outskirts of a town not too remote from the centre? You have personnel problems, but is it not, generally speaking, cheaper for the personnel to find their way to a plant on the out-skirts than to bring lumber—which used to cost $100.00 a load to bring into downtown New York because of traffic congestion—

Mr. GILMORE: Mr. Chairman, the American networks have done that. I think Mr. Pratt is referring to the principle of consolidation in town versus out of town. Some of the American networks have gone out of town and some have built vertically in town, and there are pros and cons for both. The most important pro for an in-town site is the availability of artists and the centering of artistic activity in the centre of a theatre section. You have to balance that against out-of-town transportation of artists, availability of people, and these points you raise. It is a very complex problem, which must be studied at each location by itself.

Mr. PRATT: I understand there are complications because of the civic aspect. Of course, here we are discussing your internal economy.

Mr. TAYLOR: On a supplementary point that was raised by Mr. Gilmore: Mr. Gilmore said the city fathers wanted it down town—and this was the subject of an editorial. Did the C.B.C. ever consult with the city officials on where that building should be located?

Mr. RICHARDSON: The answer is "yes".

Mr. TAYLOR: In other words, did the city ask you to build there?

Mr. RICHARDSON: They did not specifically ask us to build there; but there were discussions on various places in the city and, as far as I know, there were no objections.

Mr. TAYLOR: Did the city not ask you to build along with their city auditorium in a kind of studio site within the city?

Mr. GILMORE: They did do that. They sent a very excellent delegation to meet with our president about two or three years ago, I think it was. We canvassed the project very thoroughly and had our chief architect visit Vancouver and discuss this with the city architects. It was found—and this figure is the one I have in my mind, and I think Mr. Richardson will substantiate it—that the saving in building where we are now was approximately $1 million, based on being located in the city centre. For that reason we decided to go ahead.

Mr. PRATT: Mr. Chairman, I have a supplementary question. In the city of Montreal there has been some discussion in connection with development in the area of Dorchester, Bleury and St. Catherines Streets. Have there been any further developments in that respect with C.B.C.?

Mr. GILMORE: We are in the position of waiting for various proposals in various areas of the city of Montreal. That is one of them.

Mr. JOHNSON (*Chambly-Rouville*): We are still on "3"?

The CHAIRMAN: We are still on item "3", and yours is the final question on "3", I understand.

Mr. JOHNSON (*Chambly-Rouville*): With regard to television extensions, Radio-Canada building, Montreal, I see extras on the final cost for $82,342. Were the original estimates made by the staff, or independent engineers?

Mr. RICHARDSON: By the staff.

Mr. JOHNSON (*Chambly-Rouville*): What was the general scope of these extras—or if you have a breakdown, it will be satisfactory?

Mr. RICHARDSON: I have not a detailed breakdown; I have some notes. There were some minor structural changes, due to job conditions as we went along, and we changed some of the mechanical work—that is, the plumbing and heating and things of that nature—as we went along.

There were some electrical changes to meet requirements of the city by-laws. There was an increase in wage rates during construction. In the construction there was an escalator clause, because we specify the minimum wages as put out by the Department of Labour.

We had to change some of the steel in the structure to meet city requirements. Then we left out of our original estimate the completion details for our control rooms, because at the time the building was designed and constructed we did not have the tenders in for the particular control equipment, so we could not finish that aspect of the building until we knew what equipment was going in, because different manufacturers' equipment requires ducts and things like that in different locations in the floor, walls, and so on.

Mr. JOHNSON (*Chambly-Rouville*): You referred to city requirements. Were not these requirements checked originally when the estimates were done?

Mr. RICHARDSON: That is right. We thought we had complied, but city inspectors came along at various times and we discussed these problems with them. Maybe it was not a mandatory requirement, but they thought that for better efficiency we should do it this way rather than that way.

Mr. JOHNSON (*Chambly-Rouville*): Were these requirements checked by personnel from Montreal, or from outside—originally?

Mr. RICHARDSON: Some were. The structural steel, for example—we do not design our own structural steel; it is done by outside consulting engineers.

Mr. JOHNSON (*Chambly-Rouville*): Were they Montreal engineers?

Mr. RICHARDSON: In this particular case, yes.

Mr. JOHNSON (*Chambly-Rouville*): Were the extras billed by the contractors, or sub-contractors, and accepted by C.B.C.?

Mr. RICHARDSON: We do not deal with subcontractors directly; we deal with the general contractor.

The CHAIRMAN: Gentlemen, may we reconvene right after orders of the day, please.

The CHAIRMAN: Gentlemen, we have a quorum. Inasmuch as Mr. Taylor is leaving for Vancouver in ten minutes, and I know we are all sorry about that, he has one or two questions to ask, and we will give him a special dispensation.

Mr. TAYLOR: Mr. Chairman, I just wanted to comment on an editorial and ask one question on that very important matter.

It is in reference to the fact that the C.B.C. have not as yet built a new building on Georgia street. It says:

> C.B.C.'s new permanent centre would still be welcome alongside the new city auditorium where a civic theatre was planned. Planners' hopes for the theatre are now very low. Unless C.B.C. fills in the site, the pattern formed by the new post office and the auditorium will be off balance.

> The federal cabinet minister and M.P.'s from Vancouver should demand an inquiry into C.B.C. plans here before it is too late for C.B.C. to cooperate with city planning.

My question is this, Mr. Chairman: before they do proceed to build on that site, would they reconsider and deal with the city planning?

Mr. RICHARDSON: I see no objection, Mr. Taylor, to having further discussions with the city, if it is desirable, so we can look at all the cost factors of various sites.

Mr. TAYLOR: Perhaps it might be tied in somewhat with our centennial plans, or something like that.

It is my understanding when studios are being planned in the United States, in Great Britain and elsewhere, that they build outside the city and they build horizontally instead of vertically. They do this because they are carrying props, equipment, film and cameras. Now it would appear that if you build in downtown Vancouver you would build vertically instead of on a studio set-up.

Mr. RICHARDSON: No, we would build the television studios particularly, because they are the ones that have to have high ceilings, on a horizontal basis.

Mr. TAYLOR: I think Mr. Pratt may have a question on this point.

Mr. PRATT: Mr. Chairman, I asked a question earlier which Mr. Gilmore answered. I understand the feeling to be that where possible the horizontal factors will be used rather than the vertical.

Mr. RICHARDSON: Right.

The CHAIRMAN: Bon voyage, Mr. Taylor. Gentlemen, are there any further questions in connection with this?

Mr. JOHNSON (*Chambly-Rouville*): Mr. Chairman, could we carry on from where we adjourned?

The CHAIRMAN: Proceed.

Mr. JOHNSON (*Chambly-Rouville*): I was asking about extras in connection with the T.V. extensions on the Radio Canada building in Montreal. I would like to ask Mr. Richardson if the extras were agreed to by C.B.C. before the works were performed, or were they only built by the contractors after the job was done?

Mr. RICHARDSON: They were all accepted by the corporation before the contractor made any change in the construction; in other words, we use a system whereby if a change is required it has to be accepted by both the contractor and the C.B.C., whichever one originates it.

Mr. JOHNSON (*Chambly-Rouville*): I do not see here the breakdown of the price of the land for this building. Was part of the land on which the building was built purchased for the construction?

The CHAIRMAN: Do you have that information Mr. Richardson?

Mr. RICHARDSON: I think it was purchased at the same time as the Radio Canada building. This was built on the site where the annex, the offices of the hotel were, and that had been purchased at the time.

Mr. JOHNSON (*Chambly-Rouville*): It was already purchased?

Mr. RICHARDSON: Yes. It was part of the hotel site, as I recall it.

Mr. JOHNSON (*Chambly-Rouville*): The land where the extension was built recently was also part of the site.

Mr. RICHARDSON: Yes, part of it, but not all was part of the hotel property, and we used the old houses a year or two as offices.

Mr. JOHNSON (*Chambly-Rouville*): Now, is the C.B.C. giving consideration to buying the adjoining land, which is now occupied by a restaurant, for their extension? I believe the restaurant is the Desjardins sea food restaurant.

Mr. RICHARDSON: We have not considered it very seriously. It has been mentioned, but we have not considered it very seriously.

Mr. JOHNSON (*Chambly-Rouville*): Was there any discussion with the owners of the Desjardins sea food restaurant?

Mr. RICHARDSON: Not by me. I do not know whether or not any of our management people had actual discussions in connection with it.

Mr. PRATT: Mr. Chairman, I have a supplementary question. Aside from the present site of C.B.C. on Dorchester and the site under discussion further down on Dorchester at Bleury, are there any other sites at present under discussion for the proposed erection of a television centre?

Mr. RICHARDSON: There are many sites that have been brought to our attention. Some have been brought to our attention by real estate people, some by the city, and these are all under consideration.

Mr. PRATT: Have you any idea, roughly speaking, when any decision might be taken by the C.B.C.?

Mr. RICHARDSON: No, I have not.

Mr. JOHNSON (*Chambly-Rouville*): Coming back to the Radio Canada building, were public tenders called for the construction of this building?

Mr. RICHARDSON: It has not been our practice to call for public tenders, if you mean by "public tenders", advertising in the press?

Mr. JOHNSON (*Chambly-Rouville*): Do I understand that there were tenders called?

Mr. RICHARDSON: We always call tenders for any construction.

Mr. JOHNSON (*Chambly-Rouville*): Was the number limited of those who were asked to tender?

Mr. RICHARDSON: No, we usually start off—and this is actually covered by a different item—by having a list, and we endeavour to use local contractors wherever possible, that is, contractors in the community in which we propose to build. We invite a number, and this number varies; it may be six, three, or may be ten. Then, anyone else who wants to tender on it, applies for the drawings, specifications, and so on. If he appears to be a reliable contractor who is capable of carrying out the work, we never have any objections to that.

Mr. JOHNSON (*Chambly-Rouville*): Before 1957 did you have any protest from ministers of the crown or members of parliament against the way in which contracts were awarded, that is, without asking for public tenders by advertising in the papers?

Mr. RICHARDSON: I do not recall any such objections.

Mr. JOHNSON (*Chambly-Rouville*): Do you receive any recommendations for contractors to be asked to bid?

Mr. RICHARDSON: I do not recall any. Usually what happens is that a contractor comes to see us, and usually they come to see our chief architect in Montreal, who is our contact for construction. Building people, supplies of electronic equipment, come and talk to our engineers and ask that they be included in this business.

Mr. JOHNSON (*Chambly-Rouville*): Now, would the chief architect or the chief engineer have to submit his decision to higher bracket officials, as to the number and limitation of contracts?

Mr. RICHARDSON: Yes, they always send a list to me of the people they propose to invite to tender on any specific job.

Mr. JOHNSON (*Chambly-Rouville*): There is a list sent to you directly or to some regional official?

Mr. RICHARDSON: No, it is sent to me.

Mr. JOHNSON (*Chambly-Rouville*): It is sent to you directly by the chief engineer or architect?

Mr. RICHARDSON: Yes. Practically all large construction is carried out by the engineering headquarters staff, and not regional.

The CHAIRMAN: Gentlemen, Item No. 4 is next—costs of microwave and conditions of rental contracts. Are there any questions?

Mr FRASER: Could I have a copy of the contract you have with the Bell Telephone, at least for that link with the west? Have you filed it?

Mr. RICHARDSON: No, I have not filed it.

The CHAIRMAN: I imagine, Mr. Fisher, you would have to get permission from the Bell Telephone.

Mr. FISHER: Is that true?

Mr. RICHARDSON: I do not know what the legal status is on this. These contracts are signed by a private company and the C.B.C.

The CHAIRMAN: Perhaps we could get the costs.

Mr. MCGRATH: You would have to get in touch with the Bell Telephone.

Mr. RICHARDSON: I do not know.

Mr. FISHER: Could I explain why I want it, Mr. Chairman?

The CHAIRMAN: Proceed.

Mr. FISHER: On several occasions in our particular area there have been announcements or stories floated in the press that Bell Telephone is investigating the use of microwave facilities to fit in with the C.B.C.'s interest in establishing satellite stations. As a matter of fact, there was one public announcement by a certain politician and I wanted to look at the terms in the contract to see how this type of thing was covered and what the relationship was.

Mr. RICHARDSON: The contract would not give you that information. The contract just sets out the terms and conditions for service to these points which are listed in the contract, and then there is provision made for dickering between the C.B.C. and the other party to our contract, for any extensions.

Mr. FISHER: Is it possible the Bell Telephone Company could release or be a party to a release of information that is not available to public representatives through the C.B.C.?

Mr. RICHARDSON: Well, I would expect so.

Mr. FISHER: Well, is not this rather a unilateral situation?

Mr. RICHARDSON: Well, I do not know whether or not the telephone company has ever publicly released any of the details of the prices which they have quoted to us. I have never seen any such public release.

Mr. FISHER: This is a minor point, but as far as I am concerned, it is an inequitable area. If the Bell Telephone Company's regional manager is going to release information of possible developments and at the same time we meet a stone wall from the C.B.C., then I think we have an objectionable situation.

Mr. RICHARDSON: I do not want to put up any stone walls.

Mr. FISHER: You have presented to this committee, have you not, that you are going to have some 20 LPRT's and 9 possible television extensions. I am quite willing to go along with that, but if other people such as the

Bell Telephone Company, with whom you are in relationship perhaps in the planning of these things, are going to have the power to release the information, then it is a different thing.

Mr. RICHARDSON: I might say that we have not yet asked for quotations from any of the network suppliers for prices on any of these extensions to any of the places. I cannot do that until our board of directors say it is O.K. to go ahead with this one, this one, and this.

Mr. FISHER: Does the Bell Telephone Company have any idea as to where you put those stations?

Mr. RICHARDSON: No.

Mr. FISHER: Is it pure speculation?

Mr. RICHARDSON: Yes, and rumour on their part.

Mr. MCGRATH: What is the value of the contract with the Bell Telephone Company?

Mr. RICHARDSON: Which one?

Mr. MCGRATH: The total. I presume there are two.

The CHAIRMAN: Do you have the copy of material tabled for item F.4 there?

Mr. MCGRATH: It is awfully difficult to find.

Mr. RICHARDSON: There are three contracts with the Bell Telephone Company.

The CHAIRMAN: Four.

Mr. RICHARDSON: I am sorry; there are four. Could I have a moment to do a little manipulation with figures?

The CHAIRMAN: I do not think that is quite what he means.

Mr. FISHER: It sounds like Fleming on bonds.

Mr. BELL (*Carleton*): Let us keep it politically clean.

Mr. RICHARDSON: $2,750,954, unless my arithmetic is wrong. That includes all existing plus some extensions which have been authorized.

Mr. MCGRATH: That is just the Bell Telephone Company. It does not include the C.N.R. or the C.P.R.?

Mr. RICHARDSON: That is right.

Mr. MCGRATH: When the Bell Telephone Company decided they were going to build the microwave network did they know exactly the amount they were going to receive from the C.B.C. before they undertook the construction?

Mr. RICHARDSON: Not to that extent. When we wrote the tender specifications, in which we laid down all the technical requirements, we also listed those places where television stations existed at that time and also listed the cities and towns where it was apparent other television stations would come into being some time in the future. All these places were included in the basic contract.

In addition to that, there have been stations established in places where we did not foresee them. These were asked for by tender on the same basic principles, but for the particular extension.

Mr. MCGRATH: You mentioned tender specifications. Do you mean that the C.B.C. calls for tenders?

Mr. RICHARDSON: Yes.

Mr. MCGRATH: From whom?

Mr. RICHARDSON: From the Bell Telephone Company and from the railways, jointly. The C.N.R. and the C.P.R. always work as one unit on tenders for network services.

Mr. McGRATH: And the Bell Telephone Company had the low tender?

Mr. RICHARDSON: That is right. Even on the extensions we have asked both parties to tender. Quite often, if it happened to be out in the prairies where the telephone companies have the network in existence, the railways come back and say they do not want to tender on this. That has happened on several occasions.

Mr. McGRATH: Was there ever any intention on the part of the corporation to undertake this construction itself?

Mr. RICHARDSON: No.

Mr. McGRATH: Why?

Mr. RICHARDSON: Primarily we are charged with broadcasting. We felt we should use the facilities of common carriers wherever it is possible to use them. It would be extremely costly for the corporation to set up a microwave network which is strictly for network use. On non-network hours these facilities are used for other traffic by these people. Actually, I believe it would cost a great deal more for us to build and operate these ourselves than by going to the common carriers. We would have no other use for these facilities, whereas they would make other use of them in many instances.

Mr. McGRATH: Would the cost of these facilities to the Bell Telephone Company be prohibitive without the C.B.C. contract?

Mr. RICHARDSON: I am afraid you would have to ask the Bell Telephone Company. I do not know what other business they have.

Mr. McGRATH: How do you, yourself, feel about the cost of the Bell Telephone Company portion of the microwave network?

Mr. RICHARDSON: I think we get a good deal, and are getting good value. I base the statement on the fact that in the United States of America they have the American Telephone and Telegraph Company tariff for this sort of thing. We have copies of the American Telephone and Telegraph Company tariff and by and large our prices from the railways and the Bell Telephone Company are lower than theirs.

Mr. McGRATH: In places where the Bell Telephone Company does not operate and the C.N.R. provides the microwave facilities, how does the cost compare?

Mr. RICHARDSON: We take the lower of the two tenders.

Mr. McGRATH: For example, there was only one tender, I believe, to push the network from Sydney to St. John's.

Mr. RICHARDSON: No; there were two.

Mr. McGRATH: Who were they?

Mr. RICHARDSON: The Bell Telephone Company and the Canadian National Railways. The C.P.R. did not enter into that field.

The CHAIRMAN: May we go on to Item 5, new construction planned.

Mr. BELL (*Carleton*): What is the time-table in connection with the construction of the national headquarters building in Ottawa.

Mr. RICHARDSON: There is no time-table.

Mr. BELL (*Carleton*): Is there any forecast at all?

Mr. RICHARDSON: Not at this stage.

Mr. BELL (*Carleton*): What would you anticipate would be the total cost of the building which is to be built? I am only asking for a rough estimate.

Mr. RICHARDSON: Somewhere between $2½ million and $3 million, but that is a pure guess at this time without making any further study of the problems involved.

Mr. McGRATH: When the C.B.C. started the television network, what effort was made to house the operations of radio and television under one roof at the main production centres such as Toronto and Montreal.

Mr. RICHARDSON: In Toronto and Montreal the effort was made in this respect, that we built our first television studios on premises which existed. However, as a need developed for additional studios as well as for auxiliary services, such as shops and so on, we had to move out into other premises. There was just not enough space available.

Mr. McGRATH: At that time why did you not move outside the city of Toronto and outside of the city of Montreal and build one large facility capable of housing the whole operation which, on the surface, would appear to be much more economical.

The CHAIRMAN: No. 5 is new construction.

Mr. McGRATH: Precisely. This refers to new construction, Mr. Chairman.

The CHAIRMAN: How?

Mr. McGRATH: In respect of building new facilities at those main production centres in Toronto and Montreal. I was going to ask a supplementary question.

Mr. RICHARDSON: I think the last part of the answer is that when we started in Montreal and in Toronto, the instructions which I received in engineering were that these were experimental. They were not experimental by the time they were built. But we did have space on our existing property of the radio establishments to build these first studios.

Mr. McGRATH: In your opinion, Mr. Richardson, it would be much more economical, much more practical to have the entire operation in both studios under one roof?

Mr. RICHARDSON: Certainly from the construction standpoint it would ease our problem greatly in engineering, and perhaps Mr. Gilmore could say—but I think I could answer for Mr. Gilmore and say it makes for more efficient operation.

Mr. McGRATH: It would save the corporation money?

Mr. RICHARDSON: Yes, I am sure it would.

Mr. McGRATH: Do you have any plans at present, in this regard, with respect to new facilities at Toronto and Montreal?

Mr. RICHARDSON: Yes, we have plans. We are formulating a study now, which will form part and parcel of the five-year plan we will be submitting.

Mr. PRATT: I would like to ask Mr. Richardson: does he not, in his opinion, think it is bad, from the point of view of engineering or architectural planning, to take over a building such as the Ford hotel on Dorchester Street, which was designed for hotel purposes and which has small bays, for the purpose of television broadcasting, which requires a much larger basis?

The CHAIRMAN: We are getting away from new construction planned.

Mr. PRATT: This is a supplementary question to the question you allowed Mr. McGrath to ask.

Mr. RICHARDSON: The Radio Canada building was bought in the days of radio. We had not, at that time, envisaged television studios at that point because we were not thinking very seriously of television then.

Mr. PRATT: You were not considering television when that building was bought?

Mr. RICHARDSON: It was purchased in 1947. I would not say we were not considering television, because we had been thinking of television since 1935 or 1936, onwards; but we had no concrete plans in effect. We did not know when television was going to break.

Mr. KUCHEREPA: I would like to ask one question of Mr. Richardson. What is the present plan, the existing time-table of your plans for the new construction in Toronto, specifically?

Mr. RICHARDSON: We have no time-table at the present time; and this is one of the things under consideration which will form part of the five-year forecast we are obliged to submit under the Broadcasting Act.

The CHAIRMAN: Getting on to item 6—policy re calling public tenders—Mr. Johnson had asked quite a number of questions on it. Have you some more questions, Mr. Johnson?

Mr. JOHNSON (*Chambly-Rouville*): I will not be very long.

I read on the statement that: "formal tenders are not invited by advertising in the public press for any work."

Are there any special reasons why that is not being done?

Mr. RICHARDSON: We have to go back into the history of the corporation to answer this.

When the corporation was set up, since we were a crown corporation, I think it was decided by the then board of governors and management, we should try, in every way possible, to conduct our business in the same way as private business, taking due account of our responsibility to parliament, and so on.

Mr. JOHNSON (*Chambly-Rouville*): This is the main reason?

Mr. RICHARDSON: There is one other point I think I should make here, that under the 1936 legislation any contract for $10,000 or over—or maybe it was for over $10,000, and only a dollar's difference one way or the other—had to go for order in council approval before the contract was let. So in submitting a particular contract for council approval we submitted all the tenders. This figure was later raised to $25,000; and, I think, later still, to $100,000.

Mr. JOHNSON (*Chambly-Rouville*): When was it raised the first time?

Mr. RICHARDSON: The first time was in 1951.

Mr. JOHNSON (*Chambly-Rouville*): That was before the TV station was built?

Mr. RICHARDSON: It was just when we were starting to get rolling in television.

Mr. JOHNSON (*Chambly-Rouville*): Right before the television system was organized?

Mr. RICHARDSON: Before the system was started, but we were planning at that time for various projects.

Mr. JOHNSON (*Chambly-Rouville*): You say here: "sealed tenders are invited from those who are considered qualified to perform the work."

Who is in charge of determining the qualification of the contractors, if they have the necessary qualifications?

Mr. RICHARDSON: This depends on what we are building. If it is for the purchase and installation of technical equipment we have to look at the suppliers of technical equipment. If it is a building we wish to try with a new contractor that we do not know, we go around and see some of the work that he has done, and we might even talk to some of the people who had work done by him. We can also check on his financial responsibility.

The CHAIRMAN: The same as in private enterprise?

Mr. RICHARDSON: Yes, the same as in private enterprise.

Mr. CHAMBERS: Do you not think, Mr. Richardson, in view of the very large amount of money you probably will be spending in capital in building, at any rate, in the construction of new buildings, you might consider public tenders in future, because there is great competition in the industry now?

Mr. RICHARDSON: They have been considered from time to time. We have talked about it, but with the time factors involved—and I do not want this to be thought of as a complaint—but by the time the engineering division gets authorization to build something the people who want it built say they wanted it last week, so we are always under a great deal of pressure.

Mr. CHAMBERS: You do consult more than one contractor?

Mr. RICHARDSON: On some jobs between 8 and 20 bid, and rarely do we drop below 6 or 8.

Mr. CHAMBERS: Is there a difference in time?

Mr. RICHARDSON: You have to advertise for a certain period. I do not know whether there is a legal requirement there or not, Mr. Chambers.

Mr. CHAMBERS: Another question. There was a project in Montreal to build an audience participation studio, which was then to be rented by the C.B.C. Does this come under your department?

Mr. RICHARDSON: The construction part would come under my department; and we would be consulted, supposing someone came over and said, "We want to rent a certain hall for a certain purpose". We would look at it from an architectural and engineering standpoint.

Mr. CHAMBERS: I am talking about the specific one mentioned by the minister here the other day. There was a proposal that someone in Montreal would build a facility, and I think that approval was asked for the moneys to do it.

Mr. RICHARDSON: I was trying to explain where engineering fitted into that picture. We would take a look at the existing building, or at the building proposed, and assess it from the C.B.C. engineering standpoint—are the floors going to be strong enough to carry the load; is heating going to be adequate, and ventilation and lighting, and all that sort of thing. We would be asked to pass an opinion on the building.

Mr. CHAMBERS: How many people were approached for this project?

Mr. RICHARDSON: Oh, in the corporation—

Mr. CHAMBERS: No, you were asking outside contractors.

Mr. RICHARDSON: Yes.

Mr. CHAMBERS: There is a phrase for it—"lease", something?

Mr. RICHARDSON: "Lease back space".

Mr. CHAMBERS: Yes, "lease back space".

Mr. RICHARDSON: Four, I think.

Mr. CHAMBERS: Four people?

Mr. RICHARDSON: Yes.

Mr. GILMORE: Mr. Chairman, four people's propositions were entertained on this particular project.

Mr. FISHER: Referring to your remark that under time pressure it would be a good practice not to call public tenders by advertising in the papers—do you consider that a sound general practice, this way of carrying on with limited tenders?

Mr. RICHARDSON: I think so.

The CHAIRMAN: May we go on to 7—architectural staff maintained, (*a*) number, (*b*) duties, and (*c*) costs. Any questions?

Mr. McGRATH: Is there a sheet filed?

Mr. RICHARDSON: Yes, No. F-7.

The CHAIRMAN: There is a sheet filed, F-7. It shows ten architects, three engineers, three architectural draftsmen, eleven electrical draftsmen, four mechanical draftsmen, two construction supervisors, and eight clerical—41 altogether.

Mr. McGRATH: It shows total staff in the architectural department of 41, and a total vote for the year ending March 31, 1958 of $265,426.

My question is: would it not be much more economical for the corporation to avail itself of the architectural facilities of Central Mortgage and Housing Corporation, or the Department of Public Works rather than maintain your own?

Mr. RICHARDSON: I do not think I can answer that question at the present time. I would say this, that when it comes to building radio and television studios it is a highly specialized job, and I think we would have to maintain some architects and some engineers on our own staff to set out in very detailed form the requirements.

Mr. McGRATH: I realize that, but the fundamental architecture—and I am quite sure that with the facilities of Central Mortgage and Housing Corporation and the Department of Public Works, the required technical consultants could be brought in on it. I offer that as an observation. It is not a question.

Mr. LAMBERT: On that particular point have you considered dispensing entirely with this staff? Do you feel you could maintain this staff completely occupied year in and year out?

Mr. RICHARDSON: If we were not occupied, there would certainly be layoffs. The other thing is that this number of people is not always concerned with new construction. For example, this year they are doing a great deal of work on these planning problems so we can get down to an estimated cost, and time tables, and that sort of thing.

The CHAIRMAN: This cost here is $265,426. Does it include not only salaries but the overhead, the lighting, the heat, the power, and so on?

Mr. BELL (*Carleton*): In addition to this how many private architects do you retain?

Mr. RICHARDSON: We have retained private architects on a per occasion basis. I can think of two instances: one, many years ago when we retained an architectural firm in Montreal to draft some general plans, sort of an architect's view of what might be done with a certain piece of property in Montreal; and in another case in Toronto where we had an existing building to which we thought we might add one or two stories to give us more space.

Mr. BELL (*Carleton*): It is only on the rare occasion then?

Mr. RICHARDSON: Yes, because our work load has been such that we have been able to carry it out with our own staff.

Mr. KUCHEREPA: How do you pay these architects that you retain? On what basis?

Mr. RICHARDSON: They get paid for the work they do.

Mr. KUCHEREPA: Is it done as a percentage of the entire cost of the building, or on a fee basis?

Mr. RICHARDSON: In neither case when we hired an architect were the buildings ever built, so we could not do it on a percentage of the cost. Therefore they were paid a fee. But if we had been doing it, we would have abided by the published fees of the various provincial architectural associations.

Mr. PRATT: Have you any comparison as to the costs of your organization as it is set up, compared to what the costs would be if a regular percentage fee for a private architect was charged?

Mr. RICHARDSON: Yes, and we have compared it with other broadcasting organizations.

Mr. PRATT: And you are still ahead by using your staff?

Mr. RICHARDSON: That is right.

The CHAIRMAN: May we now pass on to item 8. There has been data submitted on that under F-8. Are there any questions on eight?

Mr. JOHNSON (*Chambly-Rouville*): I see on page 2 that you give the cost per annum. Is there a breakdown showing the cost per square foot?

The CHAIRMAN: Where? On St. Catherine Street or where?

Mr. JOHNSON (*Chambly-Rouville*): As an average.

Mr. RICHARDSON: I do not have it, but we could calculate the average.

The CHAIRMAN: We could obtain that information for you privately if you wish.

Mr. JOHNSON (*Chambly-Rouville*): As long as we know the number of square feet rented.

Mr. PRATT: Might I ask a supplementary question: Could we have tables showing the cost of the alternate subsidiary studio at Dorchester and Stanley Street?

The CHAIRMAN: Yes, that could be obtained. Are there any further questions? Does the item carry?

Now, on Part G—Network Relations we have with us Mr. George Young. Mr. Young is in charge of the network relations with private stations and the different associations to which the C.B.C. belongs, together with the private stations.

Mr. MCGRATH: In the light of the new legislation, would Mr. Young please explain to us his position?

Mr. GEORGE YOUNG (*Assistant Controller of Broadcasting Station Relations*): My position has to do with station relations, and I am still operating under station relations. You are speaking about broadcast regulations.

Mr. MCGRATH: Yes.

Mr. YOUNG: I have nothing to do with broadcast regulations now at all. It is straight station relations.

The CHAIRMAN: That has all gone over to the B.B.G.

Mr. YOUNG: Yes.

The CHAIRMAN: Do they still use your staff?

Mr. YOUNG: Yes.

Mr. MCGRATH: How many of a staff do you have?

Mr. YOUNG: Twelve.

Mr. MCGRATH: What will happen to your staff when the B.B.G. takes over the regulatory powers?

Mr. YOUNG: That would depend on just how many of my staff will be required by the B.B.G. It has not been decided yet by the B.B.G., as to what they are going to do.

The CHAIRMAN: I think possibly we should stick to the agenda if we can. Is there anything under "(a) rules"?

Mr. LAMBERT: Have you a statement, Mr. Young?

Mr. YOUNG: I have no statement in connection with this. There was a statement issued covering all these various items in here, and that statement was submitted to each member, as I understand it. It all deals with network and program distribution.

The CHAIRMAN: Yes. That statement was filed on the first day of our hearings. It is called "Radio and Television network: 1 general; 2 stations; 3, networks."

Mr. MCGRATH: I am not quite satisfied.

The CHAIRMAN: All right.

Mr. MCGRATH: What is going to become of the staff when the regulatory functions of your department are taken over by the B.B.G.?

Mr. YOUNG: There will be a certain number of my staff who will be required probably by the B.B.G.

Mr. MCGRATH: A certain number of them may be transferred to the B.B.G.?

Mr. YOUNG: That is right.

Mr. MCGRATH: Will your functions be such that you will still require a large staff?

Mr. YOUNG: No.

Mr. MCGRATH: How many would you require?

Mr. YOUNG: I would actually require in Ottawa six people. But then of course, do not forget there is another staff in Toronto and in Montreal.

Mr. MCGRATH: Under your jurisdiction?

Mr. YOUNG: Yes.

Mr. MCGRATH: This includes the overall 18?

Mr. YOUNG: No. When I said twelve, I meant in Ottawa.

Mr. MCGRATH: And how many are there in Montreal and Toronto?

Mr. YOUNG: In Montreal there are two, and in Toronto there are 8.

Mr. MCGRATH: And how many are there in Halifax?

Mr. YOUNG: There are none in Halifax.

Mr. MCGRATH: That makes a grand total of 22?

Mr. YOUNG: Yes.

Mr. MCGRATH: Do you foresee the majority of these being required by the B.B.G.?

Mr. YOUNG: Yes, the regulatory section.

Mr. BELL (*Carleton*): How big is it?

Mr. YOUNG: At Ottawa?

The CHAIRMAN: How big was it when you had it?

Mr. YOUNG: Right now I have 12 employees in Ottawa, and they include the regulatory people, and the station relations people as well.

Mr. CHAMBERS: How many are there in the regulatory section?

Mr. YOUNG: Twelve.

Mr. MCGRATH: In other words, there is no definite plan for your department yet with respect to the regulatory division?

Mr. YOUNG: As far as regulations are concerned they are now handled by the B.B.G. But the staff in my office now is working for the B.B.G. on the compilation of such information as the B.B.G. may require from the logs. The logs of private stations are submitted to our office here at Ottawa.

Mr. McGRATH: Yes, I realize that. I was trying to ascertain what you had in mind as to what would become of these people when the B.B.G. takes them over. Will there be a vacuum there?

Mr. YOUNG: Will there be a vacuum in my office?

Mr. McGRATH: Within the corporation, yes. There are no more regulatory powers by the C.B.C. under the new regulations.

Mr. YOUNG: There will be no vacuum.

Mr. McGRATH: The jobs will be abolished?

Mr. YOUNG: Yes.

Mr. CHAMBERS: On page 477 of the evidence Mr. Stewart of the B.B.G. was asked about this question and he said:

> Through the courtesy of the C.B.C., the staff who are scrutinizing the program logs are still occupying space there, but as soon as we have space we shall then acquire the necessary staff to handle the regulatory aspects of the board's work.
>
> Mr. PICKERSGILL: Is it contemplated that some of the experienced staff that was with the C.B.C. will be transferred?
>
> Dr. STEWART: No, it is not contemplated.

So you are going to have twelve people in your regulatory staff? What is going to become of them?

Mr. YOUNG: I am sorry but I do not know.

The CHAIRMAN: Dr. Stewart said it was not contemplated that he would take over their staff of 12 when they had their own headquarters.

Mr. CHAMBERS: He said when Mr. Pickersgill asked him.

> Is it contemplated that some of the experienced staff that was with the C.B.C. will be transferred?
>
> Dr. STEWART: No, it is not contemplated.

The CHAIRMAN: Then their jobs will be void?

Mr. YOUNG: I think he meant the senior staff there, because there has been some discussion as to the staff moving over to the B.B.G.

Mr. CHAMBERS: If I could just go on a little bit—

Mr. YOUNG: I think he meant the senior staff.

Mr. CHAMBERS: This is on pages 477-478. At the top of page 478 Mr. Pickersgill goes on:

> Mr. PICKERSGILL: Why is that? Are these people needed for other functions of the C.B.C., or does the board not think it desirable?
>
> Dr. STEWART: In the main, I do not think it is necessary for us to raid the C.B.C. We have discussed the matter of the regulatory staff with them, and our understanding, in fact, is that many of the people there will probably not wish to come to the board.

The CHAIRMAN: Then he goes on:

> But we have not yet really grappled with the problem of who is going to handle the regulatory matters.

So I do not think it is decided, either, by Dr. Stewart—definitely decided—whether he is going to take the staff over or not.

Mr. YOUNG: That is going to be discussed, I know that, and it has been discussed briefly.

The CHAIRMAN: So as to be able to conclude this: if Dr. Stewart does not take them over, then you will not require them either?

Mr. YOUNG: That is right.

The CHAIRMAN: I have a question on subitem (b), financial arrangements with private stations, and there will be some other questions on that, I think. When you submit an American program—when an American program is piped in to you and you in turn pipe it out to private stations, do you charge them for that privilege?

Mr. JOHNSTON: Charge the private stations?

The CHAIRMAN: Yes.

Mr. JOHNSTON: No, we do not.

The CHAIRMAN: They get that free of charge?

Mr. JOHNSTON: No. I think I could perhaps cover this very quickly, Mr. Chairman, if I may just read from a note or two that I have. The situation is somewhat different in television than it is in radio. First of all, as you know—

The CHAIRMAN: Will you keep your remarks down to an absolute minimum, please.

Mr. JOHNSTON: There is a network rate set for every station in radio and in television. The arrangement that has obtained in radio down through the years is this, that the station gets paid 50 per cent of its published network rate after frequency discount has been deducted. The other 50 per cent accrues first to the corporation; but out of that we pay the regional discounts, the agency commission and, if it is a United States network program, the commission that is paid to the United States network—which also is 15 per cent.

In television the situation is different. We have three different bases of payments, depending upon the type of program involved. If it is a Canadian package—a C.B.C. package, which could be either a live show or a film program which we own and control, on that basis the station gets paid 50 per cent of its applicable network rate after frequency discount has been deducted, and also after annual continuity discount has been deducted, if that latter discount applies.

Mr. BELL (*Carleton*): I did not catch that last phrase.

Mr. JOHNSTON: Annual continuity discount. These are special discounts that apply for a 52-weeks series. This is in addition to the normal frequency discount.

The CHAIRMAN: The normal frequency discount is for a 13, 26 or 39-week series, say; but the annual is on 52 weeks?

Mr. JOHNSTON: That is right. If the program is on film, the station remuneration is 60 per cent rather than 50 per cent.

The CHAIRMAN: That is a C.B.C. package film?

Mr. JOHNSTON: No, it is not a C.B.C. package film. If the program is on film, the remuneration is 60 per cent instead of 50 per cent.

A third category relates to United States networks programs of any kind, whether they come in live or on film. The station gets paid 30 per cent of its applicable network rate before any discounts are involved; 28 per cent if there is annual continuity discount involved. These arrangements have all been worked out with the affiliates in our meetings with them.

The CHAIRMAN: What about if there is a national advertiser on a strictly Canadian, C.B.C. package? Who gets all the money from the national advertiser?

Mr. JOHNSTON: It is paid first to the C.B.C., and out of that, for the station time—

The CHAIRMAN: You still pay only 50 per cent?

Mr. JOHNSTON: We pay the station 50 per cent of its applicable rate; but we also pay the agency commission and the regional discount.

The CHAIRMAN: Can they sell the odd half minute or minute ident?

Mr. JOHNSTON: This would occur in the network breaks that occur between programs.

The CHAIRMAN: And the local private station sells his own time there?

Mr. JOHNSTON: Yes, indeed; and so do our own C.B.C. stations. If you talk of a half hour program, the actual running time of that is 29 minutes, 25 seconds; there is a five seconds break for a network cue and 30 seconds clear before the next network program starts. Every station on the network, including C.B.C., sells that.

The CHAIRMAN: Take the Ed Sullivan show, on which the station gets only 30 per cent on "A" time, and they get a minute break there: the local station would get anywhere from what—$100 to $200 for that time?

Mr. JOHNSTON: I would not like to quote individual figures; they just do not come to mind.

The CHAIRMAN: What I am trying to get at is this: are you people getting enough from private stations? I mean, are they actually paying their way, or are you subsidizing private stations to a great degree?

Mr. JOHNSTON: No, I do not think I would like to say that we are. I think it is the way in which the network dollar is distributed.

The CHAIRMAN: Did you have something to add, Mr. Gilmore?

Mr. GILMORE: I think I see your question, Mr. Chairman. The private station pays us nothing per se. We remunerate them for carrying the sponsor's program. I think that is the way it is.

Mr. BELL (*Carleton*): Are these rates ones which were negotiated between the B.C.C. and the C.A.B.?

Mr. JOHNSTON: No, not C.A.B.

Mr. BELL (*Carleton*): Then who would have acted on behalf of the private stations?

Mr. JOHNSTON: First of all, the formula—as I mentioned the other day—on which we develop, or have developed our television network rates has been developed in consultation with a committee representing the private affiliates. We set our rates on that basis at the present time. Also we are studying right now—at their request—alternative methods of setting network rates. But at the present time we set our rates based on the formula which is related to the coverage of each individual station.

Mr. BELL (*Carleton*): It has been a matter of negotiation. Have you had many complaints?

Mr. JOHNSTON: I do not suppose there is a network anywhere in the world where all its affiliates feel they are getting as much money as they should.

The CHAIRMAN: Are there any other questions on financial arrangements, gentlemen? May we move to sub-item (o)? Are there any network relations problems? Mr. Young, do you meet with the affiliates quite often and settle these problems—or how do you work these out?

Mr. YOUNG: We have daily contact with all our affiliates and we are dealing with problems—as you might call them—every day. I mean, we assist them on some of their problems. In some, we cannot assist them. But it is fair to say that there are problems coming up all the time. Naturally, when you have 41 private stations working with you on the television network, you will have problems. So I cannot give any specific problem—no major problem as such, because they are settled by the committees and

at our meetings that are held with the affiliates. If there is any major problem which comes up, it is dealt with there with all the affiliates, who meet twice a year.

The CHAIRMAN: Did you wish to say something, Mr. Ouimet?

Mr. OUIMET: I was going to say, Mr. Chairman, that we meet twice a year with all the affiliates; and from the affiliates and the C.B.C. two committees function one called the commercial subcommittee, the other the program advisory committee, which also meet at the same time as the group as a whole.

Mr. FISHER: How big is the group that looks after the log check?

The CHAIRMAN: That is getting back to another group—

Mr. FISHER: No; this is leading up to a problem about which I have heard.

Mr. YOUNG: My reason for being hesitant is the fact that we have worked for so many years in station relations and regulations, and these people have integrated in both jobs. When you ask me for specifics like this, I have to sit and think, because these people working on logs may work for us—they do; they work on a distribution check-up of our programs and work specifically on—

Mr. FISHER: I am thinking of checking logs.

Mr. YOUNG: Six or seven.

Mr. FISHER: Now, how many or what kind of sample or spot checks have you to make sure the logs you do get or have been getting are not doctored?

Mr. YOUNG: Over the years we have monitored stations and I must say that in our monitoring efforts we have found just negligible mistakes in the logs in some stations. I would say of the whole group there might be about six stations that have been bad boys, and that is about all.

Mr. FISHER: This then has never been a serious problem—or, is it possible that if you had taken at random a larger sample you might have uncovered more that was doctored?

Mr. YOUNG: I would go so far as to say that the logs which come in to us are factual logs. As I said before we have got nothing out of our air checking, and that is checking 65 stations.

Mr. FISHER: Have you noticed any contrast between radio and television?

Mr. YOUNG: No.

Mr. FISHER: There is approximately the same pattern?

Mr. YOUNG: Yes.

Mr. FISHER: There is one other problem that I have heard about and that is the question of short range shifts on the part of local stations from network programs to something that may have blown up in a hurry in local regions, and the arrangements to untrack or get out of the network responsibility. How do you handle something like that?

Mr. YOUNG: They immediately get in touch with us. That would be in the case of something of local importance. Where they have a contractual period and want to do something, such as in the case of a flood or a fire, they immediately get in touch with us, and immediately get a release.

Mr. FISHER: During the recent election campaigns of the last three years did you have many problems in this particular field in so far as ditching network shows in order to put on local television?

The CHAIRMAN: Local television on what?

Mr. FISHER: I mean local local television on political campaigns.

Mr. YOUNG: I do not recall any in television; there are very, very few. As you know, we issue to our affiliates the free time periods that have been allotted

to the various parties and they are not permitted in those free time periods to put on a local broadcast of their own—a local political broadcast of their own. There have been minor contraventions in that respect, but not very many.

Mr. FISHER: What happens when you get a contravention?

Mr. YOUNG: We immediately get after them. What happens is that we can get the majority of them, inasmuch as before they have booked any political periods they submit them to the office, and they are checked. If we see where they are contravening any one of these periods, they are contacted and told they cannot do it.

Mr. CHAMBERS: Mr. Chairman, I may have missed this in a previous item. In connection with the sustaining programs and non-sponsored programs produced by the C.B.C., I wanted to know whether the financial arrangements with the station for carrying them are the same as for sponsored ones?

Mr. YOUNG: No.

Mr. GILMORE: If I may say a word on that, Mr. Chairman, we provide the programs and the stations provide the time, and that is their contribution in the partnership of distributing the national program system. I think it is fair to say it is just that way.

Mr. CHAMBERS: Who provides the bit in between?—the carrying charges?

Mr. GILMORE: The network system—the Canadian Broadcasting Corporation.

Mr. CHAMBERS: Do you feel this is a fair distribution?

Mr. GILMORE: Under the terms of our act, in carrying on the national broadcasting system in Canada, our board has felt that is the proper approach.

Mr. CHAMBERS: A private broadcaster provides the audience with the same program at relatively little cost or much less cost than does the C.B.C. station.

Mr. GILMORE: I think perhaps there is another way to look at it. The corporation produces a program of broad national interest and has it distributed in this fashion through the cooperation of its affiliates in partnership.

The CHAIRMAN: You are being charitable to the private stations?

Mr. GILMORE: We think it is a pretty good arrangement.

Mr. MCGRATH: Under the new legislation do you feel, in your opinion, that the relations between the corporation and the private stations have improved considerably? If so, would you explain. I am not suggesting that they were exceptionally poor, but I assume there is always room for improvement.

The CHAIRMAN: Do you mean since the formation of the B.B.G.?

Mr. MCGRATH: Since you lost your regulatory powers.

Mr. YOUNG: I have not noticed any differences yet.

Mr. OUIMET: The relationships in television have been excellent from the very beginning. I think this would be confirmed by everybody involved.

The CHAIRMAN: Number 2 item is analysis of possible regional networks. Are there any questions on this. If not, I know there will be questions on 3. We will pass on to 3, cost and justification of Dominion network.

Mr. FISHER: What are you going to do about the Dominion network?

Mr. GILMORE: On our operational forecast for the five-year period of the corporation, we, of course, have to take into consideration the new face of radio in Canada—the effect of television, etc. Among the considerations are those concerning the most efficient way of providing total radio coverage. Obviously, that will require study of the Dominion network. We are keeping

in mind what the Fowler commission has recommended and are trying, at the same time, to provide the maximum service possible through Dominion and Trans-Canada without too much duplication.

Mr. FISHER: Mr. Chairman, I never ridicule anyone's answer, but I think Mr. Gilmore would agree that that really does not tell us much.

Mr. GILMORE: I am sorry if I have not answered it. I am only trying to say we have not made a final declaration on that yet, but it is being studied. It is one of the recognized problems.

Mr. FISHER: Is there any strong feeling among the management group of the C.B.C. that the Dominion network should be retained?

Mr. GILMORE: You put it in terms of strong feeling. We believe there is great feeling that the Dominion network is doing a job. We are speaking about a service of some 25-odd hours of network time in the case of approximately 31 basic stations and some other supplementary A. and B. stations. We are speaking about such programs as Assignment. The network facilities also are used for other purposes such as feeding closed circuit special facilities. For both Trans-Canada and the international service, there is definitely a feeling it does serve a purpose.

The CHAIRMAN: If you add those few areas which are not covered by Trans-Canada and are now covered by Dominion and took those out of Dominion and put them into Trans-Canada in one network, how much money would you save?

Mr. GILMORE: The net saving when last calculated, taking into consideration that also we are using these lines for other than broadcasting distribution to Dominion—that is pretty important—was something between $300,000 and $350,000 a year.

The CHAIRMAN: Was that also taking into consideration the second Toronto station?

Mr. GILMORE: I cannot answer that without looking it up.

The CHAIRMAN: Mr. Richardson says no.

Mr. RICHARDSON: I do not think so. I was on the committee.

Mr. CHAMBERS: Particularly in the United States there is a trend away from the network, as in radio, in respect of that being important in holding the audience. Is that not so.

Mr. GILMORE: That is true during night-time; but radio network and radio local, both, are pretty important facets, particularly in the day-time hours.

Mr. CHAMBERS: Is there not a trend in the United States for many radio stations to go off the air about seven or eight o'clock at night?

Mr. GILMORE: I do not know of any network outlets that are doing this sort of thing.

The CHAIRMAN: Is that the reason why Mutual failed, because they did not?

Mr. GILMORE: If you want an opinion why Mutual failed—

The CHAIRMAN: Yes.

Mr. GILMORE: There was probably only room in the United States for three major networks and not four.

Mr. FISHER: I have to make an observation, at least to balance the record. There are eight low-power relay stations in my constituency which do not get TV, and it is almost impossible to get any other type of radio. If you wiped out network programming it may be fine for Toronto and Montreal, but where are we going to be?

The CHAIRMAN: We were talking of the possibility of discontinuance of Dominion-network.

Mr. GILMORE: Yes.

Mr. FISHER: I gathered the intention of the question was to do away with network broadcasting.

Mr. CHAMBERS: No, at night in urban areas.

Mr. MCGRATH: I did not hear the reply to the cost of the dominion network to the corporation.

Mr. GILMORE: I think I gave it. It is a net cost—or a net saving, if you discontinued the service, taking everything into consideration, of somewhere between $300,000 and $350,000.

Mr. MCGRATH: I am sorry, I should have been listening more closely.

The CHAIRMAN: Any more questions on dominion network.

Thank you very much, gentlemen.

You have a question of privilege, Mr. Johnson?

Mr. JOHNSON (*Chambly-Rouville*): I do not want to delay the committee too much, so I will read a little statement here.

(*Mr. Johnson continuing in French.*)

The CHAIRMAN: May I have the translation, please, and then Mr. Brassard.

Mr. JOHNSON (*Chambly-Rouville*) (*Interpretation*): Mr. Chairman, I wish to refer, on a question of privilege, to something that has arisen, an incident that has arisen in the newspapers. This incident which, furthermore, is unimportant, seems to have been unfortunate for my colleagues, Mr. Brassard and Mr. Tremblay, and myself. It arises from what proceeded on Tuesday, July 7, 1959, and it was implied in the *Canadian Press* despatch of July 8, 1959.

The facts are as follows: at a certain moment, while the committee was discussing item C, examination of general principles in connection with political and discussion programs, I put a question which the chairman of the committee considered out of order, pointing out to me that I could raise the question under a subsequent item.

Subsequently I objected to a question put by Mr. Brassard, as the question struck me as another supplementary to my own. There followed a cross fire of remarks between Mr. Brassard and myself. They were carried on in a jovial, humorous and gentlemanly spirit, and all this, incidentally, in the French language. It being in French, I am under the impression that the chairman of the committee thought that we were carrying on a discussion which was out of order.

Mr. Tremblay then put another question which gave rise to some laughter, notwithstanding the serious nature of his question. It was at this point that the chairman, who seemed to be addressing Mr. Tremblay more than Mr. Brassard and myself, made the remarks which are reported in the newspapers to the effect that we did not seem to take the work of the committee seriously, and in which case we should resign.

At this point I made a remark in English, this time to the effect that I in no way considered the committee's work as lacking in seriousness.

After the meeting was adjourned the chairman explained to me that his remarks had resulted from a misunderstanding, which was complicated by the language barrier.

I want this statement of mine to be put in the file or on the record because I am still receiving charitable comments from my colleagues in this committee.

The CHAIRMAN: Is it agreed to have this statement in the record?

Agreed.

The CHAIRMAN: The chairman says "Mea Culpa".

Mr. PRATT: You should say it three times.

Mr. TREMBLAY (*Interpretation*): Mr. Chairman, on a question of privilege, could you agree to put on the record of the committee's proceedings the letter which you received from Mr. Pierre Chalout, considering that this letter from Mr. Chalout stated that before 1957 he had felt himself obliged to refuse to take part in a C.B.C. program, inasmuch as he was asked to make a certain statement in favour of the federal government then in power?

The CHAIRMAN: I shall be glad to take that up with the steering committee.

Mr. RICHARDSON: At this stage of our proceedings I want to express to you and to the committee the thanks of the C.B.C., particularly on behalf of Mr. Bushnell and Mr. Landry who cannot be here today, and also on behalf of all those who have had the pleasure of working with you in your deliberations in connection with these various matters. Thank you very much.

Mr. BELL (*Carleton*): The pleasant words which Mr. Richardson has used are very much appreciated by the members of the committee, and I think we should express our very deep sense of gratitude to all the officers of the C.B.C. I know that all the members of the committee have been very favourably impressed by the competence of the officers when they appeared before us and in the articulate manner in which they presented the facts to us. It has been more than helpful to the members of the committee and I am sure it has given us a new conception of the real capacity of these dedicated public servants. To them I am sure we are really grateful, and I may add that—perhaps the chairman should not be listening to this—but I think all the members of the committee would like to have it put on the record that our chairman has presided with remarkable skill, businesslike efficiency and good humour.

Some Hon. MEMBERS: Hear, hear.

Mr. PICKERSGILL: Mr. Chairman, I would like to say that I agree with what Mr. Bell said about the witnesses who have appeared before us from the Canadian Broadcasting Corporation. I think that their outstanding quality has been their patience—for which I certainly commend them. I will not go so far as to say that the outstanding quality of our chairman has been his impatience; but despite some regrettable lapses, he has not done badly.

Mr. FISHER: I am sorry, Mr. Chairman; I can go along with the remarks about you and the remarks about the C.B.C.; but I cannot go along with the remarks that this committee has been sort of unanimous in its appreciation—real appreciation—of the C.B.C. I am very much afraid that there are some people in the committee who are neither friendly nor fair to the C.B.C.

Mr. PRATT: Mr. Chairman, in view of the fact that we are all so very fond of each other, may I express the hope that we may meet more often?

The CHAIRMAN: May we leave on that note, gentlemen? Mr. Johnson, I think you have one statement to make.

Mr. JOHNSON (*Chambly-Rouville*): We from this group are very satisfied with your performance.

Mr. FISHER: I move we adjourn.

Mr. PICKERSGILL: The minority group.

Mr. CHAMBERS: Are you speaking for the opposition?

Mr. JOHNSON (*Chambly-Rouville*): Mr. Chairman, I am still waiting for answers to my question of June 9, 1959, reported in No. 10, page 376, about the amount paid to each company—film distributors—by the C.B.C.

The CHAIRMAN: That was taken up in the steering committee once, and we shall take it up again. If it is their decision to give you the information, you will get it personally.

Mr. CHAMBERS: When is the steering committee going to meet?

Mr. PICKERSGILL: Mr. Chairman, what is the understanding? I apologize for having been away most of the time since—

The CHAIRMAN: I know you could not help it; you were up in the chamber. We will have a steering committee meeting this afternoon, if it is agreeable to the steering committee and we shall reconvene—in camera on Tuesday morning at 9.30.

Mr. CHAMBERS: At what time is the steering committee meeting?

The CHAIRMAN: Three-thirty, this afternoon. Then we will reconvene at 9.30 Tuesday morning.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DE LA RADIODIFFUSION—10 juillet 1959

(Page 814)

M. JOHNSON: Au sujet du personnel de l'organisation commerciale à Montréal, est-ce qu'il arrive que Radio-Canada impose un programme à un commanditaire plutôt que de lui laisser choisir tel ou tel programme ou de lui laisser organiser tel ou tel programme.

* * *

(Page 814)

M. JOHNSON: Maintenant, monsieur Ouimet peut peut-être m'éclairer là-dessus. Est-ce qu'il peut arriver, par exemple, à Montréal au réseau français, que Radio-Canada, entre deux programmes du même genre, en impose un plutôt que l'autre au commanditaire, de sorte que, par exemple, un programme très intéressant qui quitte les ondes, comme "Point de mire", le cède à un programme un peu du même genre, de la même catégorie, "Pays et merveilles", qui est à l'horaire depuis plusieurs années?

Je pose cet exemple, parce que je crois sincèrement que Radio-Canada a comme politique générale,—et l'on me corrigera si l'on veut,—de ne pas laisser les programmes à l'horaire trop longtemps et de faire de la variété.

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(Page 814)

Maintenant, monsieur Ouimet, si un commanditaire ou une agence offre à Radio-Canada de commanditer un programme à condition que Radio-Canada prenne tel ou tel artiste, est-ce que vos représentants commerciaux, à Montréal, vont accepter cette proposition d'un commanditaire ou d'une agence?

* * *

(Page 816)

M. DORION: Si j'ai bien compris le témoin, il nous a dit que, lorsqu'il s'agissait de faire écho à une opinion publique, il se servait en particulier des opinions exprimées par la presse.

* * *

(Page 816)

Mais quand vous parlez, n'est-ce-pas, des opinions de la presse, est-ce que c'est l'opinion d'une certaine presse ou si vous tenez compte des nuances d'opinions de toute la presse, en général, y compris les hebdomadaires?

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(Page 818)

M. TREMBLAY: Monsieur le président, pour faire suite à la question de M. Pickersgill relativement à votre appréciation des opinions de la presse, est-ce que vous tenez compte de l'opinion d'un pseudo journal comme "La Réforme"?

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(Page 818)

M. DORION: Monsieur Fraser, est-ce que vous avez, à chaque semaine, une revue de la presse et des hebdomadaires?

* * *

(Page 818)

M. DORION: Le dimanche.

* * *

(Page 818)

Je tiens à dire que ce programme est très bien fait et j'exprime l'espoir qu'il s'étende aux différentes régions de la province et qu'il produise des opinions locales, autant que possible?

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(Page 820)

M. JOHNSON: En posant ma question, monsieur Fraser, je prends pour admis que c'est bien ce service d'information qui a charge de ces problèmes. Quelles sont les coutumes de Radio-Canada,—et je réfère surtout au réseau français à Montréal,—quant à la distribution des annonces achetées des journaux, en somme, placées par les journaux pour faire de la publicité à un programme? Je songe, par exemple, à une annonce très bien faite au sujet du programme très populaire qui s'appelle: "Chez Miville", annonce que je n'ai pas vue moi-même ailleurs que dans un hebdomadaire, ou quotidien à tirage très limité à Montréal?

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(Page 823)

M. TREMBLAY: Nous avons reçu une publication de l'Institut canadien d'éducation pour les adultes, en date de juin 1959. Est-ce que Radio-Canada paie une partie de ces publications-là qui sont préparées en collaboration avec Radio-Canada?

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(Page 823)

Dans le cas de celle que nous avons reçue dont le coût est...

* * *

(Page 826)

Monsieur le président, je voudrais demander à la société Radio-Canada comment elle considère les syndicats, les mouvements ouvriers organisés? Est-ce que Radio-Canada les considère comme des partis politiques ou des sociétés philanthropiques, dans un sens très large du mot?

* * *

(Page 826)

Dans les cas où ces sociétés, ces groupements ouvriers ont besoin de faire de la publicité, comment les traitez-vous? Les traitez-vous comme des organismes ordinaires qui doivent payer pour leur période de temps?

* * *

(Page 826)

Monsieur le président, c'est justement là, nous avons un groupe qui échappe aux catégories ordinaires ou définitions ordinaires. Ce ne sont pas des partis politiques, ce ne sont pas des organismes commerciaux, ce ne sont pas vraiment des organismes philanthropiques dans le sens que l'on entend généralement. Alors, dans quelle catégorie peut-on les placer, lorsqu'ils ont à traiter avec Radio-Canada?

* * *

(Page 827)

M. JOHNSON: Lorsqu'un groupe religieux, en général, un groupe ethnique se sent lésé, bafoué par un programme de Radio-Canada, est-ce qu'on donne la chance à ce groupe religieux ou ethnique de venir exposer son opinion ou ses protestations? Je songe présentement au fameux programme sur le général Kurtmeyer?

* * *

(Page 827)

Il y a, monsieur le président, beaucoup de relation entre la religion et les groupes ethniques. Il s'était senti persécuté...

* * *

(Page 849)

M. JOHNSON: Dans les journaux il s'est passé un événement qui me semble injuste à l'égard de mes collègues, MM. Brassard, Tremblay et de moi-même.

Cet incident est rapporté dans les journaux du mardi 7 juillet 1959 par la Canadian Press. A la séance du mardi 7 juillet 1959, cet incident d'ailleurs sans importance, a été amplifié dans le rapport de la Canadian Press, paru le 8 juillet 1959. Voici les faits:

A un moment donné, alors que le comité discutait l'item (c), soit des principes généraux relatifs aux émissions politiques et de discussions, j'ai posé une question que le président du comité a jugé irrégulière, me signifiant que je pourrais poser cette question lors de l'étude d'un item subséquent.

En conséquence, je me suis opposé à une question de M. Brassard, qui me semblait être une "sous question" par rapport à la mienne. Il s'en est suivi un échange de remarques entre M. Brassard et moi-même sur un ton plaisant, comme deux gentilshommes savent le faire.

La discussion se déroulant en français, le président du comité me semble avoir eu l'impression qu'à ce moment-là nous avions entammé une conversation irrégulière.

M. Tremblay a alors posé une autre question, qui a soulevé quelques rires, malgré son caractère sérieux.

C'est alors que le président, qui semblait s'adresser à M. Tremblay, à M. Brassard et à moi-même, a fait la remarque qui a été rapportée par les journaux, à l'effet que nous ne semblions pas prendre le travail de ce comité au sérieux et que nous devrions démissionner.

C'est alors que j'ai ajouté, en anglais cette fois, une remarque à l'effet que je ne considérais pas du tout le travail du comité comme manquant de sérieux.

Après l'ajournement de la séance, le président m'a expliqué que sa remarque résultait d'un malentendu compliqué d'une difficulté de langage.

Je veux que cette déclaration soit inscrite au dossier, parce que je suis encore la cible de commentaires par des collègues très charitables.

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(Page 850)

M. TREMBLAY: Sur une question de privilège, monsieur le président, pourriez-vous consigner au compte rendu des délibérations du comité la lettre que vous avez reçue de M. Pierre Chaloult, étant donné que, dans cette lettre, M. Chaloult déclare qu'il a dû, avant 1959, refuser de participer à des émissions de Radio-Canada, parce qu'on lui demandait de faire des commentaires qui puissent être favorables au gouvernement fédéral alors au pouvoir?

APPENDIX "A"

LETTER FROM PIERRE CHALOULT

Mr. G. E. Halpenny, M.P.

Chairman, Special Committee on Broadcasting,

As you suggested me few minutes ago, may I protest the way my name has been quoted at this comitee yesturday. I sould like to state:

Je n'ai jamais sollicité le privilège d'obtenir des émissions à Radio-Canada. Je suis ancien fonctionnaire et j'ai quitté le fonctionnarisme pour pouvoir dire librement ce que je pensais. Je ne veux pas redevenir fonctionnaire par la petite porte.

On m'a, par le passé, offert des émissions à Radio-Canada. J'ai parfois accepté et parfois refusé spécifiquement dans un cas où l'on exigeait que je dise aux auditeurs ce qui n'était pas, à mon sens, exact. On m'a déjà laissé entendre (du temps des libéraux) qu'il fallait être en bons termes avec le pouvoir pour obtenir des émissions à Radio-Canada. Mais comme je représente un journal indépendant en politique, un journal dont il ne m'appartient naturellement pas de déterminer la conduite, je n'ai jamais accepté de faire des émissions à Radio-Canada où mes paroles contrediraient les attitudes prises dans le journal pour lequel je travaille.

On m'a souvent suggéré de demander des émissions à Radio-Canada, me disant que j'en obtiendrait. J'ai clairement répondu que je n'en demanderais jamais et je ne l'ai jamais fait.

Ces jours derniers, un employé de Radio-Canada m'a dit que mon nom était sur une liste noire. Je ne demandais rien. On m'a dit cela gratuitement. Je n'ai guère fait plus que répéter ce que l'on m'avait dit d'où, j'imagine, les questions d'hier à mon sujet.

Ce matin, on m'a offert de participer à une émission de Radio-Canada. Il va de soi que je n'ai pas accepté. Je n'ai pas l'intention que l'on me juge comme je juge moi même M. Peers et ses pareils.

Pierre Chaloult.

TRANSLATION OF FRENCH TEXT
LETTER FROM PIERRE CHALOULT

I never asked the C.B.C. for the privilege of getting on the air. I am a former civil servant who gave up the civil service in order to be able to give free expression to his thoughts. I am not trying to find a roundabout method of getting back into the civil service.

In the past, I was offered air on the C.B.C. Sometimes I accepted; other times I refused in specific cases where I was required to tell listeners what I considered inaccurate. It has even been hinted to me (when the Liberals were in power) that you have to be on good terms with the powers-that-be in order to get on the C.B.C. air. But as I represent a politically independent newspaper—and it is not for me, of course, to decide on the line that newspaper takes—I never agreed to make C.B.C. broadcasts in which my utterances would run counter to the stands taken by the newspaper for which I work.

It has often been suggested to me that I should request C.B.C. air; I was told it would be allowed to me. I made it clear that never would I ask for this; and I have never done so.

During the last few days, a C.B.C employee told me my name was on the black list. I did not ask for this information, it was volunteered. I hardly did anything more than to reiterate what I have already stated—hence, presumably, yesterday's questions regarding me.

This morning, I was offered C.B.C. air. Needless to say, I declined. I have no intention of being judged as I myself judge Mr. Peers and like-minded persons.

Pierre Chaloult.

APPENDIX "B"

LETTER FROM ROLLAND D'AMOUR

Montréal, le 9 juillet 1959.

Monsieur G. E. Halpenny, député,
Président du Comité de la Radio-Télévision,
Chambre des Communes,
Ottawa.

Cher Monsieur,

Permettez-moi de vous faire part de la mise au point suivante, au sujet des déclarations qui viennent d'être faites au Comité Parlementaire de la radio et de la télévision, le 9 juin dernier, en vous priant de l'inclure au procès-verbal d'une prochaine séance:

1. Je n'ai jamais donné ni prétendu avoir donné de cadeaux à aucun de mes employeurs, à Radio-Canada ou ailleurs, *en vue d'obtenir du travail.*
2. La déposition dont il a été question n'a pas eu lieu en 1955, mais exactement en février 1952, et au sujet des déclarations d'impôt des années 1949-50; années où il n'y avait pas encore de télévision d'ailleurs;
3. A cette occasion, j'ai déclaré avoir une quarantaine d'employeurs, tant à la radio privée, qu'à la radio d'état, et de plus un certain nombre d'interprètes à titre de compositeur.
4. A la même occasion, j'ai fait mentio nde *frais de représentation,* que j'ai détaillé comme suit: Paiement de certains repas occasionnels et achat de spiritueux ou de parfums, etc...., pour féliciter et remercier les interprètes de mes chansons, ou pour maintenir des relations de bonne compagnie avec mes propres employeurs: réalisateurs de radio, agences de publicité, scripteurs, gérants de poste, etc....
5. Le juge Fabio Monette, après avoir entendu mon témoignage, a approuvé toutes et chacunes des dépenses encourues comme étant normales et constituant a usens de la loi d'honnêtes "frais de représentation".

J'ose espérer que ces quelques précisions vous seront utiles et que vous voudriez bien concourir, pour votre part, à rétablir les doutes qu'on a fait planer sur ma propre honnKteté et sur celle de vos réalisateurs.

Cordialement vôtre,
Roland D'Amour,
7611, Louis Hébert, Montréal.

(*Translation*)

Montreal, July 9, 1959

Mr. G. E. Halpenny, M.P.,
Chairman, Committee on Broadcasting,
House of Commons,
Ottawa.

Dear Sir,

With your permission, there are a few points I would like to clear up in connection with statements made during the meeting of the Parliamentary Committee on Broadcasting held on June 9th last. Would you therefore be good enough to include the following in the Proceedings of one of your next meetings:

1. I have never made or claimed to have made any gifts to my employers, at the Canadian Broadcasting Corporation or elsewhere, *for the purpose of obtaining work.*
2. The evidence in question was not given in 1955 but, very precisely, in February 1952, and it concerned income tax returns for the years 1949-50 when, in fact, there was as yet no television;
3. On that occasion I stated that I had about forty employers both in private and government radio and also, being a composer, a number of performers.
4. On the same occasion I mentioned my *entertainment expenses,* explaining them in detail as follows: Cost of occasional meals and purchase of liquor or perfume, etc., as a token of appreciation to the artists who sang my songs and to maintain courteous relations with my own employers, i.e., radio producers, publicity agencies, script writers, station managers, etc....
5. After hearing my evidence, Judge Fabio Monette approved each and every one of the expenses incurred as being normal and constituting equitable "entertainment expenses" within the meaning of the Act.

I trust the foregoing particulars may be of use to you and that you for your part will help to dispel the doubts that have been raised regarding my honesty and that of your producers.

Cordially yours,

(sgd.) Roland D'Amour,
7611, Louis Hébert, Montreal.

APPENDIX "C"

COST OF RENTAL OF STUDIOS AND REHEARSAL HALLS

Supplement to Appendix "J" Page 803, Thursday, July 9, 1959

Location	Address	Cost/Annum	Area	Radio Studio	TV Studio	Rehearsal Hall
		NEWFOUNDLAND REGION				
Grand Falls	High & Mill Road	$11,200.00	4,000	X	—	—
St. John's	Duckworth Street	$13,412.50	6,340	X	—	—
		MARITIMES REGION				
Halifax, N.S.	100 Sackville St.	$24,168.00	8,056	X	—	—
Halifax, N.S.	Nova Scotian Hotel	$ 3,110.00	2,049	X	—	—
Halifax, N.S.	7–11 Argyle	$ 3,200.00	4,300	—	X	X
Sydney, N.S.	247–251 Charlotte St.	$ 3,900.00	2,200	X	—	—
Moncton, N.B.	232 St. George St.	$10,000.00	4,500	X	—	—
		QUEBEC REGION				
Montreal	1244 St. Catherine St.	$22,122.00	18,600	—	—	X
Montreal	1173 Drummond St.	$ 4,200.00	6,150	—	—	X
Montreal	1425 Dorchester St.	$34,261.20	11,052	X	—	—
		$10,974.00	3,540	—	X	—
Montreal	3710 Calixa Lavallee (Stage 40'x40' (1600sq.ft.) plus audience seating capacity for 1300 people)	$ 1.00 ($10.00/day for stage only) ($75.00/ occasion with audience)	see column "2"	X	—	—
Montreal	3510 Cote des Neiges Rd.	$12,000.00	12,000	X	—	—
Montreal	Saint Croix Blvd	$36,000.00	14,693	—	X	—
Montreal	1137 Stanley St.	$48,000.00	29,479	—	X	X
Montreal	1482 Guy St. (4 halls)	$22,826.00	11,300	—	—	X
Montreal	1162 Crescent St.	$20,352.00	8,300	—	—	X
Montreal	1231 St. Catherine St.	$12,975.00	6,057	—	—	X
Chicoutimi	121 East Racine St.	$ 4,405.05	3,476	X	—	—
Quebec	Palais Montcalm	$ 8,000.00	5,858	X	—	—
		ONTARIO REGION				
Toronto	9 McGill St.	$12,000.00	9,134	X	—	—
Toronto	90 Sumach St.	$48,372.00	40,310	—	—	X
Ottawa	Chateau Laurier	$ 5,625.00	4,500	X	—	—
Windsor	Security Bldg.	$ 7,350.00	2,975	X	—	—
		PRAIRIE REGION				
Winnipeg	444 St. Mary's Ave.	$10,620.00	18,790	X	X	—
Regina	1840 MacIntyre St.	$ 9,275.00	3,500	X	—	—
Edmonton	100th Street & Jasper Avenue	$ 8,500.00	2,770	X	—	—
		BRITISH COLUMBIA REGION				
Vancouver	701 Hornby St.	$24,923.60	11,541	X	—	—
Vancouver	660 Howe St.	$14,293.56	5,500	X	—	—
Prince Rupert	336 2nd Ave. W.	$ 900.00	760	X	—	—

APPENDIX "D"

COMPARISON OF STAFF YEARS 1957-58 AND 1958-59

	1958	1959	Increase
Radio and Integrated Services			
Program	686	731	45
Engineering	714	825	111 (1)
Audience Research	22	23	1
Commercial	57	59	2
Press and Information	109	135	26
Station Relations	3	4	1
Administrative and Clerical	1,612	1,681	69
	3,203	3,458	255
Television			
Program, Film and News	836	921	85
Design and Staging	981	1,065	84
Engineering	879	1,017	138
Admin. and Clerical	363	418	55
	3,059	3,421	362
International Service	171	172	1
TOTAL	6,433	7,051	618

NOTE (1): Of the 111 new positions in Engineering, 84 were added in Toronto, on the regular establishment as a result of a collective agreement negotiated during the fiscal year. These employees were formerly employed on a weekly basis and not included in reports covering regular staff.

Ottawa, July 13, 1959.

APPENDIX "E"

CORNER BROOK TV STATION COSTS

At the Friday July 10th meeting of the Special Committee on Broadcasting, Mr. McGrath requested the costs of establishing our Corner Brook TV Station.

The application form filed with Department of Transport, when application was made for this licence, showed the following...

"Initial Capital Costs

Land including road and municipal services (road, water, sewage)	$ 17,000
Building	133,500
Equipment	87,700
Tower, antenna and transmission line	6,700
	$244,900

NOTE: This does not include engineering, administrative and overhead charges or contingency allowances.

NOTE: Building, equipment, tower, antenna and transmission line costs are estimates only based on the equipment listed above. It is Corporation policy to call for tenders for all construction and equipment of this kind. The acceptance of any tender is based on compliance with specifications, technical considerations, prices, delivery and service. Therefore, costs are not known until tenders have been received, analyzed and one selected."

At the Public Hearing held by the BBG on March 16, 17 and 18, 1959, it was explained to the BBG that the establishment at Corner Brook would be a combined Radio - TV operation because we had not been granted permission to expand our "in town" facilities, but had to move to new property. It was also explained that the combined cost including engineering, overhead, i.e., on a cost accounting basis, would be "around $300,000 and the TV portion about $260,000."

In May 1959 when engineering and planning had been completed, the estimated cost of this project was calculated to be...

Land, including road	$ 2,000
Building, including city services	171,700
Equipment	96,500
Engineering, administration, overhead	31,800
Total	$302,000

of which $25,000 is chargeable to Radio and $247,000 chargeable to TV

Ottawa, July 13, 1959.

APPENDIX "F"

CANADIAN BROADCASTING CORPORATION

Stanley Street TV Studios—Montreal

The Stanley Street Studios, formerly known as the YWCA building, was leased from the Laurentian Hotel Company for a period of seven years from September 1, 1953, at a rental of $4,000 per month.

A five storey brick and stone building, with a floor area of 29,479 sq. ft., the Stanley Street Studios now house two TV studios, five dry rehearsal halls, control rooms and some storage space.

The conversion was carried out in three stages:

1. The original conversion, under which one TV studio with dressing and costume rooms and six dry rehearsal areas were constructed. Equipment included three TV camera chains, associated audio, video and lighting control equipment and the necessary scenery and lighting fixtures. The total cost of this work was $452,577.80.
2. Experience proved that the existing hoist at this location was inadequate for handling the scenery and prop items used there. Consequently it was decided to install a new freight elevator. This was done at a total cost of $27,835.14.
3. One of the rehearsal areas was converted to a second TV Studio and equipped with two camera chains, video switching, audio and intercom facilities, lighting and lighting control all similar to those in the first studio. The total cost of this work was $310,994.97.

A fourth minor change was made to allow another rehearsal area to be used as a temporary TV studio at a total cost of $2,802.13.
July 14, 1959.

APPENDIX "G"

Query by Mr. Egan Chambers re International Service Budget item "Printing of Publications."

The principal item under "Printing of Publications" is the International Service schedule which is distributed free to listeners upon request. It contains program information in the various languages of the service including frequencies of broadcasts. The mailing list comprises nearly 200,000 addresses. The schedule is issued seven times a year at a cost per issue of somewhat under $4,000.

In some years six issues are charged and in other years eight issues are charged depending on the date of printing and consequently the date that the invoice is received. This explains part of the difference between 1956/57 and 1957/58. A further increase of $8,000 in 1957/58 was necessary to provide copies of the schedule for distribution at the Canadian booth of the Brussels International Fair. This is in keeping with our practice to distribute the schedule at major International Fairs where the Department of Trade and Commerce is represented and where such publicity can promote our audience.

In addition, several years' supply of the External Affairs' booklet "Canada from Sea to Sea" (15,000 English, 5,000 French) was purchased in 1958/59 at a cost of $3,400. Such publicity material is used for mailing to groups among our listeners such as teachers, study groups, etc., where the information will serve to answer authoritatively the range of questions from such listeners.

Ottawa, July 13, 1959.

APPENDIX "H"

Television Producer

Duties and Responsibilities

The PRODUCER, under the supervision of the SUPERVISING PRODUCER and/or the PROGRAM DIRECTOR may contribute to program planning by development of original ideas, by refining and developing ideas submitted by others or by formulating program patterns and plans on formats provided to him; he is directly responsible for the overall quality of the program; he may commission writers to prepare scripts; he selects the performers who are to appear on the program. Through the appropriate channels, he specifies and arranges for services from design, staging, film and from other areas common to both radio and television. Through the technical producer, he arranges for technical personnel and facilities to meet the requirements for his program. He plans and schedules rehearsals. He deals himself, or arranges for others to deal, with problems related to collective agreements with performers' and staff unions. He administers, with the assistance of a unit administrator or unit manager as assigned, the budget allocated to his program subject to regulations and limitations established by the office of the director of the television station. On sponsored programs, he may consult with agency representatives or other representatives of the sponsor. He is the senior Corporation representative at the time his program is produced and is responsible to handle any emergency situation. He ensures that the policies of the Corporation are followed in such matters as good taste, quality of performance and maintenance of production standards.

Qualifications

As indicated to the Committee, we do not have a formal job specification for TELEVISION PRODUCER. When the Corporation began telecasts in the Fall of 1952, a number of RADIO PRODUCERS on staff were offered the opportunity to produce television shows by moving to the television side on a probationary period of two years. During that time, an assessment was made of their ability in the visual field and after the two-year period, those successful were offered television contracts.

At that time also, producers were hired from outside, and the Corporation endeavoured to secure persons who had experience as producers or directors in the legitimate stage or in the cinema industry.

Since then, we have endeavoured mainly to hire persons experienced in various areas of the arts as production assistants and floor managers, and as they became familiar with the medium of television and proved their capabilities, they were given the opportunity of moving into production. Some producers are also hired directly as such after some experience and training abroad. Generally speaking, these applicants are expected to have qualities equivalent to those we require of radio producers for whom job specification is attached, plus proven ability to produce in the visual medium.

Supervising Producer

Job specification attached.

Ottawa, July 13, 1959.

JOB SPECIFICATION

Salary Group No. G-H-I

Position: Producer

Division: Program

Regular working hours: Not limited.

Functions:

Under the general supervision of appropriate program directing officer, is responsible for devising, planning, directing and presenting programs and for seeing that the highest possible program standards are maintained and that the canons of good taste and CBC policies are observed.

Job content:

1. On every program is responsible for the assignment of tasks and for the efficiency and discipline of all personnel connected with the program, including artists, announcers, operators, and sound effects men, which may mean anything from a group of three to a hundred or more. The producer of any program is in charge in the studio and is responsible for directing and coordinating the work of operators, sound effects men and announcers, as well as all non-staff personnel connected with the broadcast.

1. He is held accountable for the successful execution of the program idea and the quality of performance both artistic and technical, for the observance of C.B.C. policy and regulations, for production faults and errors.

2. Responsible for creating and planning new program ideas and/or for appraising ideas submitted.

3. Planning the general lines and detailed procedure by which program ideas may best be presented on the air.

4. Planning and devising suitable studio and microphone technique and pick-ups.

5. Planning the most efficient and economical use of rehearsal time.

6. Planning the most efficient spending of money allocated to assigned program.

7. Keeping up to date on the existence and availability of talent, and on recent developments in his particular field or fields of entertainment, education or information.

8. Analyze scripts and suggestions as to production possibilities.

9. Write or arrange for the writing of script or continuity for programs, edit and approve scripts and select writers.

10. Edit, cut and re-assemble into program form recordings made on an actuality basis.

11. Select, negotiate with and direct musical, dramatic or other talent.

12. Select, in cooperation with orchestra leader when necessary, musical numbers, background music, and gramophone records; arrange for original music or arrangements with composer; plan and arrange for sound effects.

13. In consultation with operators and Program Clearance or Presentation Officer, consider and decide on equipment, pick-up, studios, etc., needed for broadcast.

14. On outside broadcasts to travel, survey, select points of vantage for pick-ups requisition facilities needed for pick-up of program (outside pick-up points, loops, lines, etc.)

15. Establish cost of programs and confer with responsible budget officer.

16. Arrange, schedule and conduct rehearsals; time show for conformity to broadcast period.

17. Confer with commercial department and/or agency on commercial programs; certify attendance sheets.

18. Keep P & I informed of program plans and personalities.

19. Audition or be present at audition of artists.

20. Study and appraise music or scripts and prepare reports for national department supervisors, Program Directors or other program authorities.

21. Perform such other related duties as may be assigned or as the nature of a program may make necessary.

Summary of responsibilities:

1. Important responsibility for outside public relations; this may be exercised indirectly through his presentation of programs and also through contact with the public at all levels from distinguished conductors, established writers, important guests on programs, or officials and representative, Government, churches, societies such as the Red Cross, etc. to inexperienced artists or writers and ordinary listeners. May often be called upon to address meetings, or advise or lecture to schools, institutions, etc., on broadcast matters. Must exercise tact and self-discipline in dealing with artists of all degrees of experience and temperament.

2. Responsible for efficient and economical use of money allocated to individual programs, amounts which may vary from $50. to $5000. or more. Must be prepared to use discretion and keep confidential fees and negotiations with artists, writers, etc.

3. Producer is immediately responsible for content of programs. Therefore performance of his work directly affects favorably or adversely the standing and reputation of the Corporation. Errors of taste or judgment may result in severe investigation by the Parliamentary Radio Committee or other public bodies. Further, irresponsibility or errors of judgment on the part of a producer may subject the Corporation to legal proceedings for libel or slander, for breach of contract, for copyright infringement, etc., possibly involving large sums of money for costs and damages.

4. Tact and ability to get along with other people most important if the producer is to exercise full and smooth control over employees engaged in a program and to make sure that deadlines are met by scriptwriters, studio operators, announcers, typists, and other employees concerned with the preliminaries of a program. Responsible for keeping in touch with members of engineering staff in order to keep up to date with new technical broadcasting developments and for discussing the best ways of making use of them for program purposes.

5. Equipment and supplies.

6. Confidential reports and information concerning auditions, fees, contracts, etc.

Working conditions:

Normal studio and office conditions, frequent outside assignments, sometimes involving hazard and discomfort.

Personal qualities:

Acute hearing and accurate ear for music, speech and sound. Good memory. Tact. Self-discipline. Good taste. Showmanship. Creative imagination.

Minimum starting requirements

Education and general knowledge:

It is impossible to lay down specific requirements. There is room for specialization; the knowledge and aptitudes required for producing a humorous variety show or the coverage of a regatta or track-meet are quite different from those necessary for producing an opera or a classical tragedy. Preferably university degree in arts and science, drama or music, etc. Broadly speaking a good general education, reinforced by training in one or more of the fields of entertainment and information and experience.

Specific working knowledge:

Practical experience of some field of entertainment education, information or business desirable; plus general working knowledge of studio and microphone characteristics. Appreciation of suitable standards of speech.

Where and how acquired:

May be acquired by previous experience or during trainee period.

Age limits and other physical factors:

25-45 years of age.

Minimum additional working knowledge to be acquired on job

Minimum time to learn:

Practice time to reach minimum proficiency: 6-9 months. 1-2 years. } Very difficult to define time limits depends on previous experience and individual ability.

JOB SPECIFICATION

Position: Supervising Producer

Salary Group No. I

Division: Program (TV)

Regular working hours: Not Limited

Functions:

Under direction of the TV Program Director and in consultation with the appropriate National Program representatives, plan and organize the production of television programs within his field, e.g., drama, variety, public affairs, sports, features, etc., and on occasion direct programs personally.

Job content:

1. Plan and organize television productions within assigned field.

2. Supervise the production staff and apportion budgets for programs from allocation received from the Program Director.

3. Plan and co-ordinate internal and external arrangements for programming within the assigned field, in consultation with local TV Program Director and National Program representatives.

4. Control program expenditures and other costs affecting programs under his jurisdiction.

5. Act as liaison between producers in assigned field and other television officials on the local establishment.

6. Generally approve selection of artists and script material and work with producers, artists, and writers in his supervisory capacity.

7. Advise on hiring of new production staff assigned to his section.

8. Participate in program schedule planning with local TV Program Director and other supervisory Producers.

9. Keep up with trends and developments particularly in the assigned field.

Summary of responsibilities:

Under direction of the Program Director to be responsible for production of programs within his field as to policy and quality and to be responsible for the proper training of producers assigned to such work. Responsible also for application of various union working conditions and regulations as they affect programs under his direction.

Working conditions:

Normal office work, except when personally supervising or directing a given production; considerable concentration generally.

Personal qualities:

Organization abilities; imagination and showmanship; ability to achieve co-operation among others; tact; self-assurance; well-developed critical faculty; good judgment of people and programs.

Minimum starting requirements

Education and general knowledge:

University graduation or equivalent, plus considerable experience in entertainment or communications media.

Specific working knowledge:

Should be an expert in his field (e.g., drama, variety, sports, public affairs, etc.) with actual experience in production in the theatre, radio, film or television media, (preferably as a producer or director). Knowledge of C.B.C. aims and policies.

Where and how acquired:

In the above mentioned fields, production experience with the C.B.C. desirable.

Age limits and other physical factors:

25-50, excellent health, male or female.

Minimum additional working knowledge to be acquired on job

Minimum time to learn:

6 months.

Practice time to reach minimum proficiency:

1 year.

APPENDIX "I"

STATEMENT OF INCOME AND EXPENDITURES CBC OWNED RADIO STATION 2 MONTHS ENDING MAY 31st, 1959

BUDGET COMPARISON							ACTUAL COMPARISON					
CUMULATIVE YEAR TO DATE			THIS MONTH				THIS MONTH			CUMULATIVE YEAR TO DATE		
Actual	Budget	Increase or (Decrease)	Actual	Budget	Increase or (Decrease)	PARTICULARS	Actual	Last Year	Increase or (Decrease)	Actual	Last Year	Increase or (Decrease)
						BROADCASTING						
						Output						
37	30	7	20	15	5	Local Live	20	15	5	37	30	7
411	400	11	203	200	3	Delivered to Network	203	210	(7)	411	409	2
587	560	27	301	280	21	Received from Network	301	287	14	587	569	18
1,035	990	45	524	495	29	TOTAL HOURS	524	512	12	1,035	1,008	27
						Income						
1,000	800	200	—	400	(400)	Network Station Time	—	1,200	(1,200)	1,000	3,000	(2,000)
700	—	700	300	—	300	Local—Station Time	300	—	300	700	200	500
4,900	9,300	(4,400)	2,700	4,700	(2,000)	—Spots	2,700	1,100	1,600	4,900	2,000	2,900
						—Program Content						
6,600	10,100	(3,500)	3,000	5,100	(2,100)	TOTAL INCOME	3,000	2,300	700	6,600	5,200	1,400
						Deduct:						
100	—	100	100	—	100	Cost of Local Programs—Sold	100	—	100	100	200	(100)
900	600	300	600	300	300	—Unsold	600	1,300	(700)	900	1,700	(800)
5,600	9,500	(3,900)	2,300	4,800	(2,500)	NET COMMERCIAL	2,300	1,000	1,300	5,600	3,300	2,300
						Deduct: Other expenses						
13,000	15,400	(2,400)	6,500	7,700	(1,200)	Transmission Cost—Salaries	6,500	7,300	(800)	13,000	14,500	(1,500)
9,400	9,200	200	5,500	4,600	900	—Other Expenses	5,500	3,600	1,900	9,400	6,800	2,600
500	800	(300)	300	400	(100)	Selling Expenses —Salaries	300	300	—	500	500	—
—	100	(100)	—	100	(100)	—Travelling	—	—	—	—	—	—
100	100	—	—	100	(100)	—Other Expenses	—	100	(100)	100	100	—
1,500	1,600	(100)	800	800	—	Local Supervision —Salaries	800	800	—	1,500	1,500	—
—	—	—	—	—	—	—Travelling	—	—	—	—	100	(100)
100	100	—	—	—	—	—Other Expenses	—	—	—	100	—	100

(19,000)	(17,800)	1,200	(10,800)	(8,900)	1,900	EXCESS OF INCOME OVER EXPENSES BEFORE SERVICE PROGRAMS.....	(10,800)	(11,100)	(300)	(19,000)	(20,200)	(1,200)
200	—	200	100	—	100	Deduct: Cost of local service programs.	100	—	100	200	100	100
(19,200)	(17,800)	1,400	(10,900)	(8,900)	2,000	EXCESS OF INCOME OVER EXPENSES**...	(10,900)	(11,100)	(200)	(19,200)	(20,300)	(1,100)
						MEMO						
						No. of Employees.....	21	23	(2)			

** Bracketed figures indicate excess of expenses over income.

Ottawa, July 13, 1959.

APPENDIX "I"—Concluded

STATEMENT OF INCOME AND EXPENDITURES CBC OWNED TELEVISION STATION 2 MONTHS ENDING MAY 31st, 1959

BUDGET COMPARISON							ACTUAL COMPARISON					
CUMULATIVE YEAR TO DATE			THIS MONTH				THIS MONTH			CUMULATIVE YEAR TO DATE		
Actual	Budget	Increase or (Decrease)	Actual	Budget	Increase or (Decrease)	PARTICULARS	Actual	Last Year	Increase or (Decrease)	Actual	Last Year	Increase or (Decrease)
						BROADCASTING						
						Output						
15	24	(9)	8	12	(4)	Local Live	8	4	4	15	8	7
177	138	39	90	69	21	Local Film	90	65	25	177	131	46
9	10	(1)	4	5	(1)	Delivered to Network	4	5	(1)	9	8	1
483	470	13	244	235	9	Received from Network	244	228	16	483	437	46
684	642	42	346	321	25	TOTAL HOURS	346	302	44	684	584	100
						Income						
47,400	43,600	3,800	26,500	21,800	4,700	Network Station Time	26,500	23,200	3,300	47,400	42,500	4,900
15,400	11,100	4,300	8,000	5,500	2,500	Local—Station Time	8,000	4,000	4,000	15,400	9,000	6,400
95,100	70,800	24,300	48,900	35,400	13,500	—Spots	48,900	42,000	6,900	95,100	78,900	16,200
3,600	—	3,600	1,800	—	1,800	—Program Content	1,800	—	1,800	3,600	—	3,600
1,000	3,200	(2,200)	500	1,600	(1,100)	—Commercial Messages	500	400	100	1,000	900	100
162,500	128,700	33,800	85,700	64,300	21,400	TOTAL INCOME	85,700	69,600	16,100	162,500	131,300	31,200
3,600	2,400	1,200	1,700	1,200	500	Deduct: Cost of Local Program—Sold	1,700	—	1,700	3,600	—	3,600
13,900	20,500	(6,600)	7,600	10,200	(2,600)	—Unsold	7,600	18,600	(11,000)	13,900	35,500	(21,600)
18,400	13,000	5,400	8,600	6,500	2,100	Spot Carriers	8,600	—	8,600	18,400	—	18,400
2,200	800	1,400	1,200	400	800	Commercial Messages	1,200	1,800	(600)	2,200	3,200	(1,000)
124,400	92,000	32,400	66,600	46,000	20,600	NET COMMERCIAL	66,600	49,200	17,400	124,400	92,600	31,800
						Deduct: Other Expenses						
2,600	2,500	100	1,300	1,300	—	Transmission Cost—Salaries	1,300	1,300	—	2,600	2,600	—
33,200	20,200	13,000	20,200	10,100	10,100	—Other Expense	20,200	17,200	3,000	33,200	33,400	(200)
4,000	4,300	(300)	2,100	2,100	—	Selling Expenses —Salaries	2,100	1,100	1,000	4,000	2,400	1,600
—	—	—	—	—	—	—Travelling	—	—	—	—	—	—
700	900	(200)	300	500	(200)	—Other Expense	300	100	200	700	300	400
1,200	1,300	(100)	600	600	—	Local Supervision —Salaries	600	600	—	1,200	1,200	—
—	100	(100)	—	—	—	—Travelling	—	—	—	—	—	—
500	400	100	400	200	200	—Other Expense	400	400	—	500	800	(300)

82,200	62,300	19,900	41,700	31,200	10,500	EXCESS OF INCOME OVER EXPENSES BEFORE SERVICE PROGRAMS	41,700	28,500	13,200	82,200	51,900	30,300
41,300	55,500	(14,200)	22,500	27,800	(5,300)	Deduct: Cost of Local Service Programs	22,500	6,900	15,600	41,300	13,200	28,100
40,900	6,800	34,100	19,200	3,400	15,800	EXCESS OF INCOME OVER EXPENSES**	19,200	21,600	(2,400)	40,900	38,700	2,200
						MEMO						
						No. of Employees	12	9	3			

**Bracketed figures indicate excess of expenses over income.

Ottawa, July 13, 1959.

APPENDIX "J"

CANADIAN BROADCASTING CORPORATION
INTERNATIONAL SERVICE

Cost per Language Section—1957/58
as per Annual Report

(Replaces sheet distributed 7/7/59)

	$
Central & Eastern Europe	231,688.
Western Europe	131,148.
Latin American	114,083.
*English	80,825.
*French	63,395.
Sub-Total	621,139.
General Service and Administration	1,099,092.
	1,720,231.

**Note:*

The International Service broadcasts news and topical items in English to Great Britain and Western Europe and repeats the same programs with minor adjustments as necessary for the Caribbean area and later for Australia and New Zealand.

Similarly news and topical items are prepared in French for broadcast to France, Belgium and Switzerland with modification for later release to the Caribbean area.

Ottawa, July 13, 1959.

APPENDIX "K"

Following information on local community service provided in Vancouver by the C.B.C. as requested by Mr. Taylor:

In the fiscal year 1958/59 C.B.C. Vancouver donated 737 announcements in radio and 2,067 in television to local community service. Their total value was about $130,000.

In the course of an average week C.B.C. Vancouver stations C.B.U. and C.B.U.T. broadcast about 100 programs which present community causes and service or discuss issues of special local or regional interest.

During the past year C.B.C. Vancouver also staged a 3½ hour telethon to help the Vancouver Community Chest campaign go over the top; a one-hour preview of the first Vancouver International Festival, and the Centennial Magazine—all on television— and the Centennial Show on Radio which ran for 13 weeks.

All of the foregoing is, of course, in addition to the many national and regional community services carried out by the Corporation on its network.