

No action on the report of the Royal Commission was taken at the regular session of 1930, and it was not until the session of 1932 that the report received parliamentary consideration, following the decision of the Imperial Privy Council which held that radio broadcasting in Canada came within Dominion rather than provincial jurisdiction. Then the House of Commons, on the motion of the Prime Minister, the Right Honourable R. B. Bennett, appointed a committee to consider and advise upon the broadcasting question. This committee, of which the Honourable Raymond D. Morand was chairman, was instructed: (1) "To consider the report of the Aird Commission"; (2) "To advise and recommend a complete technical scheme for radio broadcasting for Canada so designed as to ensure from Canadian sources as complete and satisfactory a service as the present development of radio science will permit"; and (3) "To investigate and report upon the most satisfactory agency for carrying out such a scheme".

In the final report, presented to the House of Commons on May 9, 1932, the committee outlined its conception of the place of radio broadcasting in the national life in the following terms: "Your committee was seized, from the inception, of the national importance and international character of radio broadcasting, and the evidence submitted has served to further consolidate our opinion of the far-reaching scope and benefits of proper, well-regulated broadcasting service throughout Canada as a medium of education, thought-provoking development, and fostering of Canadian ideals and culture, entertainment, news service, and publicity of this country and its products, and as an auxiliary to religious and educational teaching, also as one of the most efficient mediums for developing a great National and Empire consciousness within the Dominion and the British Commonwealth of Nations".

After paying tribute to the existing commercial radio broadcasting stations for the services they had rendered, the committee stated its conviction that the existing system did not ensure the maximum benefits of radio broadcasting. The change that had taken place in the science of radio broadcasting and in the financial condition of the country subsequent to the presentation of the Aird Report was mentioned by the committee in connection with its inability to completely accept the recommendations contained in that report. The committee recommended the creation of a national broadcasting system, including a chain of high-power stations located at suitable intervals across the country with a number of supplementary stations of lower power. It recommended that the national broadcasting system be controlled and operated by a commission to be known as the Canadian Radio Broadcasting Commission and consisting of a chairman, a vice-chairman, and a third commissioner, holding office for ten, nine, and eight years respectively. The committee proposed that this commission should be vested with the necessary powers: to carry on the business of broadcasting in Canada, including power to regulate and control all broadcasting; to own, build and operate stations; to acquire by lease, purchase, expropriation, or otherwise, any or all existing broadcasting stations; to enter into operating agreements with privately-owned stations; to prohibit the establishment of privately-owned chains of stations; to take over, subject to the approval of Parliament, all broadcasting in Canada; and to perform other functions necessary to the creation and operation of a national broadcasting system.

Regarding the financing of the proposed national system the committee recommended that it be self-sustaining and that only the money accruing from transmitters' and receivers' licence fees and advertising income be available for it.