

television facilities extend from the Atlantic Ocean to the Pacific, and north to the Arctic Circle. The CBC, created in 1936 to replace the earlier public broadcasting agency that had operated since 1932, is financed mainly by public funds voted annually by Parliament, with supplementary revenue obtained from commercial advertising. The head office is in Ottawa and the main production centres are Toronto for the English networks and Montreal for the French. Regional centres operate across the country.

An applicant for a licence to establish and operate an AM, FM or TV broadcasting station, a community antenna television system (CATV, that is, cable television) or a network files application forms with the Secretary of the CRTC. If found acceptable by the commission, a public notice of the application is issued in the *Canada Gazette* and in one or more newspapers of general circulation within the area served or to be served by such station or system prior to the holding of a public hearing. The same procedure applies to an application for renewal or amendment of an existing licence.

16.2.1 Cable television

Basically, cable television is an antenna system linked to the individual subscriber's set by cable through a series of amplifiers, making it possible to bring in signals he could not otherwise obtain. Cable systems are capable of carrying AM and FM radio as well as VHF and UHF television signals. For this service, the subscriber customarily pays an installation fee and a monthly rental of about \$5. In 1975 there were 440 licensed cable television undertakings operating in Canada. The largest number, 164, was in Quebec with 132 in Ontario and 76 in British Columbia. In September 1975, 41.9% of Canadian homes subscribed to cable television, compared to 40.4% in 1974 and 34.7% in 1973.

Cable television is recognized as an integral part of the Canadian broadcasting system and policies and regulations that concern it must take into account the effect on other aspects of the national system. Cable television systems (CATV) are operated by private companies, each of which must be approved by the Department of Communications and licensed by the CRTC.

In early 1975, the CRTC published proposals for cable regulations, with position papers, which were later discussed at public hearings in Ottawa. These papers dealt with the community channel, radio services, augmented channel service (converter service), special programming channels, and pay television. In December 1975 the CRTC published *Policies respecting broadcasting receiving undertakings (cable television)*. It had released its new Cable Television Regulations in November 1975 which came into force April 1, 1976.

The policies specified that cable television licensees should: make a contribution to the quality and diversity of the Canadian broadcasting and program production industries; assume an increasing responsibility to contribute to the strength of the total broadcasting system; contribute a unique social service in the form of a community programming channel; and improve the quality of cable television service and the relations between the cable television industry and the public it serves.

The community channel. The regulations effective from April 1976 require the cable television licensee to provide a community channel on the basic service as a priority. On this channel only programming produced by the licensee, or by community members served by the licensee, with or without the assistance of the licensee, is permitted. The commission expects that a continuing effort will be made to develop the potential of the community channel. Licensees will be required, in applications for new, renewed, or amended licences, to state the amounts spent or to be spent on the community channel and to make a separate entry for this amount in their annual returns.

Radio services. The licensees of systems of 3,000 or more subscribers are required to carry the signals of certain radio stations licensed by the CRTC, among