

them all local FM stations. Detailed specifications concerning regional AM and FM stations and optional signals were included in the regulations. A public announcement July 19, 1976 reiterated the CRTC's policy that licensees must carry stations licensed by the CRTC. The announcement also said that stations should complement, not compete with each other.

Augmented channel service. In the 1975 policy proposals, the question of converter service and fees to be charged for it was discussed. Cable television licensees distribute a basic service — received on channels 2 to 13 on the standard VHF television set — but with a device called a converter more signals can be received. This additional service is now called the augmented channel service. In 1972 the CRTC began licensing cable television operators to provide augmented channel service. A number of fee structures evolved for provision of the service, but the commission decided that the so-called combined-tier approach was the most suitable. Here, the licensee charges a single fee to all subscribers covering the reception of all channels distributed by the licensee on its basic service and on its augmented service. The converter devices may be bought or leased and installed at the discretion of the individual subscriber. The commission's view is that "the channels of television service distributed by licensees on their cable television systems should be considered a single service whatever device is required to receive it in the subscriber's home."

Licensees are required to carry, on the augmented channel service received via a converter device, "any priority service they cannot carry on their basic service. Where this has been done, the licensees may be authorized by the commission to distribute other services on the augmented channel service."

Special programming channels. After public discussion of a proposed supplementary programming channel, the CRTC concluded that it "is not a desirable objective at this time and as a consequence . . . favours the present policy of considering proposals for special programming channels on a case-by-case basis."

Pay television. The concept of pay television — payment of a fee to receive television signals, either off-air or via cable — was developed in the 1950s but did not attract much attention until recently. A CRTC paper in February 1975 said that it was questionable whether the Canadian broadcasting system can absorb the impact of pay television service. However, the commission acknowledged "that some form of pay television is highly probable in the future", and that as a result the "over-the-air broadcasters, program producers, and cable television licensees must work together to effect an integrated use of the broadcasting system to assist Canadian production".

The Minister of Communications, in a speech in June 1976, said that pay television must be an integral part of the Canadian broadcasting system. The CRTC in a public announcement June 30, 1976 asked for submissions from the public on how this might be done.

Television broadcasting

16.2.2

Television programming in Canada began in 1952 in Montreal and Toronto, and colour broadcasting in 1966. Of the estimated 6.6 million households in the country, approximately 6.4 million are equipped with one or more television sets. An estimated 61.0% of Canadian households had colour television sets in September 1975 with highest colour ownership in Alberta at approximately 71.9%, and lowest in Newfoundland at 41.2%. Two of the four Canadian television networks are operated by the CBC, one in English and one in French. The other networks are the English-language network of the CTV Television Network Limited which extends across Canada, the French-language network TVA, at present serving only Quebec, and a third private Canadian television network, Global Communications Limited, serving Ontario.

By March 31, 1975 Canada had 742 television undertakings owned and operated by the CBC, private English-language affiliates of the CBC, the CTV