

LEGISLATION AND REGULATIONS OF BROADCASTING IN CANADA

THE CANADIAN BROADCASTING ACT, 1936

An act respecting Broadcasting (Assented to 23rd June, 1936). Consolidated with amendment, Chapter 33 of 1944. (Assented to 15th August, 1944).

HIS MAJESTY, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. This Act may be cited as The Canadian Broadcasting Act, 1936.

2. In this Act, unless the context otherwise requires,

(a) "broadcasting" means the dissemination of any form of radioelectric communication, including radiotelegraph, radiotelephone, the wireless transmission of writing, signs, signals, pictures and sounds of all kinds by means of Hertzian waves, intended to be received by the public either directly or through the medium of relay stations;

(b) "channel" means a wavelength or frequency authorized to be used for broadcasting;

(a) "Corporation" means the Canadian Broadcasting Corporation;

(d) "Minister" means the Minister of Transport;

(e) "private station" means any broadcasting station licensed to a person other than the Corporation;

(f) "Corporation station" means any broadcasting station owned or operated by the Corporation;

(g) "station" means any station licensed under the Radiotelegraph Act as a broadcasting station.

3. (1) There shall be a Corporation to be known as the Canadian Broadcasting Corporation which shall consist of a board of nine governors appointed by the Governor in Council and chosen to give representation to the principal geographical divisions of Canada.

(2) The Governor in Council shall designate one of the Governors to be the Chairman and one to be the Vice-Chairman of the Corporation.

(3) The Governors shall hold office for three years, provided that of those first appointed one-third shall be appointed to retire in one year, one-third in two years and one-third in three years.

(4) Retiring Governors shall be eligible for re-appointment.

(5) Each Governor shall hold office during good behaviour for the period of his appointment, but may be removed for cause at any time by the Governor in Council.

(6) In the event of a casual vacancy occurring on the board, the Governor in Council shall appoint a person to fill such vacancy for the balance of the term of the Governor replaced.

(7) The Chairman shall be paid such annual salary as may be determined by the Governor in Council and shall devote the whole of his time to the performance of his duties under this Act, and shall not hold any other office or accept any other employment. If an executive committee is established by by-law, each of the other Governors on such executive committee shall receive an honorarium of one thousand dollars per annum; other Governors of the Corporation shall each receive fifty dollars for each meeting they attend, but shall not receive more than five hundred dollars in any one year. (1944, c. 33, s. 1.)

(8) All Governors shall be entitled to receive and be paid their actual disbursements for expenses necessarily incurred by them in connection with the discharge of their duties under this Act.

(9) Four Governors shall constitute a quorum.

(10) Each Governor shall, before acting as such, take

and subscribe before the Clerk of the Privy Council and shall file in the office of the said Clerk, an oath of office in the following form:

"I Do Solemnly Swear that I will faithfully, truly and impartially, to the best of my judgment, skill and ability, execute and perform the office of Governor of the Canadian Broadcasting Corporation, and that, while I continue to hold such office, I will not accept or hold any other office or employment, or have any pecuniary interest, direct or indirect, individually or as a shareholder or partner, or otherwise, in broadcasting or, in the manufacture or distribution of radio apparatus. So help me God."

4. The Corporation shall be a body corporate having capacity to contract and to sue and be sued in the name of the Corporation.

5. The head office of the Corporation shall be at Ottawa in the province of Ontario and the Corporation may establish branch offices elsewhere.

6. There shall be a general manager who shall be chief executive of the Corporation and who shall be appointed by the Governor in Council on the recommendation of the Corporation.

7. There shall be an assistant general manager of the Corporation who shall be appointed by the Governor in Council on the recommendation of the Corporation.

8. The Corporation shall carry on a national broadcasting service within the Dominion of Canada and for that purpose may:

(a) maintain and operate broadcasting stations;

(b) establish, subject to approval of the Governor in Council, such stations as the Corporation may from time to time consider necessary to give effect to the provisions of this Act;

(c) equip stations with all such plant, machinery and other effects as may be requisite or convenient to permit of the same effectively receiving and transmitting for broadcasting purposes;

(d) make operating agreements with private stations for the broadcasting of programs;

(e) originate programs and secure programs, from within or outside Canada, by purchase or exchange and make arrangements necessary for their transmission;

(f) make contracts with any person or persons, in or outside Canada, in connection with the production or presentation of the programs of the Corporation;

(g) make contracts with any person or persons, in or outside Canada, to perform in connection with the programs of the Corporation;

(h) publish and distribute, whether gratis or otherwise, such papers, periodicals, and other literary matter as may seem conducive to any of the objects of the Corporation;

(i) collect news relating to current events in any part of the world and in any manner that may be thought fit and to establish and subscribe to news agencies;

(j) acquire copyrights in any literary musical or artistic works, plays, songs, gramophone records, news and other matter;

(k) acquire and use any patent, or patent rights, brevets d'invention, licences or concessions which the Corporation may consider useful for the purpose of carrying out its objects;

(l) make arrangements or agreements with any organization for the use of any rights, privileges or concessions which the Corporation may consider useful for the purpose of carrying out its objects;

(m) establish and support a pension fund for the benefit of employees or ex-employees of the Corporation, or the dependents of such persons;

(n) acquire private stations either by lease or subject to the approval of the Governor in Council, by purchase;

(o) subject to the provisions of sections ten and eleven hereof, purchase, lease, or otherwise acquire, any real or personal property which the Corporation may deem necessary or convenient for the purposes of its business;

(p) subject to the provisions of sections ten and eleven hereof, sell, lease, or otherwise dispose of, all or any part of the property of the Corporation;

(q) do all such other things as the Corporation may deem incidental or conducive to the attainment of any of the objects or the exercise of any of the powers of the Corporation.

9. The Corporation shall not seek any concession, right or privilege from, or enter into any negotiations or arrangement with any British or foreign government with regard thereto, without having first obtained the consent in writing of the Minister.

10. Notwithstanding anything contained in this Act, the Corporation shall not, unless the approval of the Governor in Council has first been obtained:

(a) enter into any agreement involving any expenditure in excess of ten thousand dollars;

(b) enter into an agreement or lease for a period exceeding three years;

(c) acquire any personal property, the cost of acquisition of which exceeds the sum of ten thousand dollars, or in any manner dispose of any personal property having an original or book value exceeding the sum of ten thousand dollars.

11. (1) No real property or private station shall be purchased, acquired, sold, exchanged or mortgaged by the Corporation except with the previous consent of the Governor in Council, and if the Corporation is unable to agree with the owner of any real property or private station which it is so authorized to purchase, as to the price to be paid therefor, the Corporation shall have the right to acquire the same without the consent of the owner and the provisions of the Expropriation Act, chapter sixty-four of the Revised Statutes of Canada, 1927, shall mutatis mutandis, be applicable to the acquisition of such property by the Corporation.

(2) Any plan and description deposited under the provisions of the Expropriation Act may be signed by the Chairman or Vice-Chairman of the Corporation or by one of the Governors and the property shown and described in such plan and description so deposited shall thereupon be and become vested in the Corporation for the purposes of the Corporation unless the plan and description indicates that the property taken is required for a limited time only, or that a limited estate or interest therein, is taken; and by the deposit in such latter case, the right of possession for such limited time or such limited estate or interest shall be and become vested in the Corporation.

(3) The compensation payable in respect of the taking of any such real property or private station or of any interest therein, or of lands injuriously affected by the construction of any undertaking or works shall be ascertained in accordance with the provisions of the Expropriation Act, and for that purpose the Attorney-General of Canada may file an information in the Exchequer Court on behalf of the Corporation to all intents and purposes as if such property had been expropriated by His Majesty under the provisions of the said Act. The amount of any judgment upon such proceedings shall be payable out of the funds of the Corporation.

(4) If the Minister decides that the cancellation or refusal to renew any licence in the interest of broadcasting generally in Canada is desirable, and if such cancellation or refusal is not on account of any failure to comply with this Act or any regulation hereunder or the Radiotelegraph

Act or regulation thereunder, compensation may be paid to the extent of an amount not exceeding the depreciated value of the licensed radio equipment requisite for the efficient operation of the station together with a reasonable allowance to cover the cost of restoring the premises to a tenable condition for ordinary purposes

(5) In determining the compensation to be paid, no allowance shall be made for the value of a licence terminated by the taking over by the Corporation or the Minister of any private station, and no person shall be deemed to have any proprietary right in any channel heretofore or hereafter assigned, and no person shall be entitled to any compensation by reason of the cancellation of the assignment of a channel or by reason of the assignment of a new channel in substitution therefor.

12. (a) The Corporation may make such by-laws as may be necessary.

(i) to enable it to carry into effect the obligations imposed upon it by this Act;

(ii) to provide for an executive committee of the Board of Governors to exercise such powers as the by-laws may specify;

(iii) to provide for the appointment of advisory councils to advise it as to programs;

(iv) to provide for the employment, dismissal, control and remuneration of such officers, clerks, and employees, technical or otherwise, as may be necessary for the transaction of the business of the Corporation.

(b) No such by-laws shall come into force or effect until approved by the Governor in Council, and no alteration, modification or repeal of any such by-law shall have any force or effect until so approved.

13. (1) Notwithstanding anything in the Civil Service Act, chapter twenty-two of the Revised Statutes of Canada, 1927, the Civil Service Superannuation Act, chapter twenty-four of the Revised Statutes of Canada, 1927, or any other Act of the Parliament of Canada, a civil servant who, at the time of his appointment to the staff of the Corporation under authority in that behalf conferred by any Act of the Parliament of Canada, is a contributor under the provisions of the Civil Service Superannuation Act, shall continue to be a contributor under the said Act; his service on the staff of the Corporation, in virtue of an appointment as aforesaid, shall be counted as service in the civil service for the purposes of the Civil Service Superannuation Act, and he, his widow and children or other dependents, if any, shall be eligible to receive the respective allowances or gratuities provided by the said Act; and in the event of his being retired from his office or position on the staff of the Corporation for any reason other than that of misconduct he shall be eligible, in accordance with the regulations made under the Civil Service Act, for assignment to a position in the civil service of the class from which he was so retired or to any other position for which he may have qualified or, in the alternative, to receive the same benefits under the Civil Service Superannuation Act as he would have been eligible to receive if he had been retired under like circumstances from the position in the civil service which he held immediately prior to his appointment to the staff of the Corporation.

(2) Any employee of the Corporation, who at the time of his appointment or employment under or pursuant to the provisions of this Act, holds a position in the "civil service" or is an "employee" within the meaning of the Civil Service Act, shall continue or retain and be eligible to receive all the benefits, except salary as a civil servant, that he would have been eligible to receive had he remained under that Act.

14. (1) The Minister of Finance shall deposit from time to time in the Bank of Canada or in a chartered bank to be designated by him to the credit of the Corporation:

(a) the moneys received from licence fees in respect of private receiving licences and private station broadcasting licences, after deducting from the gross receipts the cost of collection and administration, such costs being determined by the Minister from time to time;

(b) any appropriation granted by Parliament for the purposes of the Corporation; and

(c) any advances or grants to the Corporation which are authorized to be made from Consolidated Revenue Fund.

(2) The Corporation shall retain for the purposes of this Act all moneys received by it arising out of its business.

15. The Corporation may administer all funds which may be placed to its credit in the Bank of Canada or in a chartered bank in accordance with the provisions of section fourteen hereof, and may administer all other sums and revenues which may be obtained by or given to the Corporation or derived from any other source, exclusively in furtherance of the purpose for which the Corporation is constituted.

16. The Governor in Council, on the recommendation of the Minister, may authorize the Minister of Finance to place to the credit of the Corporation working capital advances from any unappropriated moneys in the Consolidated Revenue Fund, but the aggregate amount of such advances outstanding at any one time shall not exceed one hundred thousand dollars, and such advances shall be repayable to the Minister of Finance on demand.

17. (1) The Governor in Council may authorize the construction, extension or improvement of capital works of the broadcasting facilities of the Corporation in Canada and, on the recommendation of the Minister, may authorize the Minister of Finance to place to the credit of the Corporation from any unappropriated moneys in the Consolidated Revenue Fund such sum or sums as may be necessary to carry out such construction, extension or improvement of capital works: provided that the total amount which may be so authorized for the said purposes shall not exceed five hundred thousand dollars.

(2) Such moneys so advanced shall bear such rate of interest and shall be amortized on such terms and conditions as may be fixed by the Governor in Council.

(3) The interest and amortization charges on the moneys so advanced shall be a first charge on the revenues of the Corporation.

18. For the fiscal year 1936-37 the Minister of Finance shall deposit to the credit of the Corporation the net amount collected in licence fees during such year in accordance with paragraph (a) of subsection one of section fourteen hereof, less an amount equal to the amount or amounts paid out of Appropriation No. 226, 1936-37, for the purposes of the Canadian Radio Broadcasting Commission.

19. The Corporation shall establish and maintain an accounting system satisfactory to the Minister and shall, whenever required by him, render detailed accounts of its receipts and expenditures for such period or to such day as he designates, and all books of account, records, bank books and papers of the Corporation shall at all times be open to the inspection of the Minister or of such person as he may designate.

20. The accounts of the Corporation shall be audited by the Auditor General of Canada and a statement of such accounts shall be included in the annual report of the Corporation.

21. No private station shall operate in Canada as a part of a chain or network of stations except with the permission of, and in accordance with the regulations made by, the Corporation.

22. (1) The Corporation may make regulations:

(a) to control the establishment and operation of chains or networks of stations in Canada;

(b) to prescribe the periods to be reserved periodically by any private station for the broadcasting of programs of the Corporation;

(c) to control the character of any and all programs broadcast by Corporation or private stations;

(d) to determine the proportion of time which may be devoted to advertising in any programs broadcast by the stations of the Corporation or by private stations, and to control the character of such advertising;

(e) to prescribe the proportion of time which may be devoted to political broadcasts by the stations of the Corporation and by private stations, and to assign such time on an equitable basis to all parties and rival candidates.

(2) If the Corporation is unable to agree with the licensee of a private station as to the amount of compensation, if any, to be paid by the Corporation for the use of such station for the broadcasting of programs of the Corporation, the Minister may fix an amount which, in his opinion, is fair and reasonable and such amount shall be paid by the Corporation to the licensee in full settlement of his claim to compensation.

(3) Dramatized political broadcasts are prohibited.

(4) The names of the sponsor or sponsors and the political party, if any, upon whose behalf any political speech or address is broadcast shall be announced immediately preceding and immediately after such broadcast.

(5) Political broadcasts on any dominion, provincial or municipal election day and on the two days immediately preceding any such election day are prohibited.

(6) In case of any violation or non-observance by a private station of the regulations made by the Corporation under this section, the Corporation may order that the licence of such private station be suspended for a period not exceeding three months and any such order shall be forwarded to the Minister who shall forthwith communicate the same to the licensee of the station and shall take such steps as may be necessary to carry out the terms of such order.

(7) The Corporation shall take such action as may be necessary to ensure that stations affected by its regulations shall have reasonable notice thereof.

23. (1) The Governor in Council may make regulations prohibiting or regulating the use of any machinery, apparatus or equipment causing or liable to cause interference with radio reception and to prescribe penalties recoverable on summary conviction for the violation or non-observance of any such regulation, provided, however, that such penalties shall not exceed fifty dollars per day for each day during which such violation or non-observance continues.

(2) Such regulations shall be published in the Canada Gazette, and shall take effect from the date of such publication or from the date specified for such purpose in such regulations, and shall have the same force and effect as if enacted herein.

24. (1) The Minister shall, before dealing with any application for licence to establish a new private station or for increase in power, change of channel, or change of location of any existing private station, or making any regulations or changes in regulations governing the activities of private stations, refer such application or regulation to the Corporation, and the Corporation shall make such recommendations to the Minister as it may deem fit. The approval of the Governor in Council shall be obtained before any licence for any new private station is issued.

(2) The Corporation shall, each year, prior to the renewal or issue of the licences for private stations by the Minister, review the activities of such private stations, and shall make such recommendations to the Minister in regard to their working, broadcasting or any other matter concerning such stations as it may deem desirable.

25. The Corporation shall, from the date of the coming into force of this Act, take possession of all property and assets and assume all the obligations and liabilities of the Canadian Radio Broadcasting Commission.

26. The Corporation shall through the Minister submit an annual report to Parliament in such form as the Minister may prescribe.

27. The Canadian Radio Broadcasting Act, 1932, chapter fifty-one of the statutes of 1932 is repealed.

28. This Act in whole or in part shall come into force on a date or dates to be fixed by proclamation of the Governor in Council.

REGULATIONS FOR BROADCASTING STATIONS IN CANADA

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The following regulations, as revised and numbered 1 to 22, were made under authority of subsection one of section twenty-two of The Canadian Broadcasting Act, Chapter twenty-four of the Statutes of 1936, which reads as follows:

The Corporation may make regulations

(a) to control the establishment and operation of chains or networks of stations in Canada;

(b) to prescribe the periods to be reserved periodically by any private station for the broadcasting of programs of the Corporation;

(c) to control the character of any and all programs broadcast by Corporation or private stations;

(d) to determine the proportion of time which may be devoted to advertising in any programs broadcast by the stations of the Corporation or by private stations and to control the character of such advertising;

(e) to prescribe the proportion of time which may be devoted to political broadcasts by the stations of the Corporation and by private stations, and to assign such time on an equitable basis to all parties and rival candidates.

1. In these regulations, unless the context otherwise requires,

(a) The "Act" means The Canadian Broadcasting Act, chapter twenty-four of the Statutes of 1936;

(b) "Corporation" means the Canadian Broadcasting Corporation;

(c) "licence" means a licence issued to a broadcasting station under the Radiotelegraph Act; and "licensee" means the holder of such licence;

(d) "private station" means any broadcasting station licensed to a person other than the Corporation;

(e) "regulations" means these regulations;

(f) "representatives of the Corporation" means the General Manager of the Corporation, the Assistant General Manager of the Corporation or persons authorized in writing by the General Manager of the Corporation;

(g) "station" refers to stations owned or operated by the Corporation as well as by others and it may also refer to the owner or licensee of a station.

2. These regulations apply to all stations in Canada and to all matter broadcast by such stations.

3. (1) Each station shall maintain a program log in a form acceptable to the Corporation and shall cause entries to be made therein as follows:—

(a) date, call letters, location, frequency;

(b) the time at which each station identification announcement is made;

(c) the title and brief description of each program broadcast, with the time of the beginning and ending so as to give a continuous record of each day's broadcast. If a mechanical reproduction is used, that fact shall be noted, together with a statement whether or not announcement thereof was made. In the case of a talk or speech, the name of the speaker and the auspices under which the talk or speech was given shall be entered. If the speech is made by a political candidate or on behalf of a political candidate or political party, the political affiliation of the candidate or party shall also be entered;

(d) the duration of each spot or other similar announcement and the broadcast hour during which it was transmitted;

(e) the name of the sponsor of any program or announcement for which the station is paid.

(2) Key letters or abbreviations may be used if the explanation of each is plainly given in the log. The logs shall be produced for the inspection of the representatives of the Corporation upon the request of such representatives.

(3) Each station shall keep on file a copy of

(a) the continuity used for any program;

(b) all programs or other announcements containing advertising matter;

(c) the manuscript of addresses or talks.

(4) In the case of chain broadcasts these records shall be kept by the originating station.

(5) Such records shall be retained by the station for a period of one year and shall be open for inspection by representatives of the Corporation upon request of such representatives.

4. The time mentioned in all program logs and contracts used in connection with broadcasting shall be local standard time (or local daylight saving time if that is in force) unless otherwise specified or agreed.

5. Each station shall, each week, file with the Corporation in a form acceptable to the Corporation

(a) an advance copy of its program schedule for the following week, showing the exact hours and how they are to be occupied each day;

(b) a true and complete copy of its program logs not later than seven days following the operations the said logs record.

6. Each station shall announce its call letters not less than once nor more than four times an hour, during hours of operation.

- *7.** No one shall broadcast
- (a) anything contrary to law;
 - (b) the actual proceeding at any trial in a Canadian Court;
 - (c) abusive comment on any race, religion or creed;
 - (d) obscene, indecent or profane language;
 - (e) malicious, scandalous, or defamatory matter;
 - (f) advertising matter containing false or deceptive statements;
 - (g) false or misleading news;
 - (h) upon the subject of birth control;
 - (i) upon the subject of venereal disease, or other subjects relating to public health which the Corporation may from time to time designate, unless such subjects be presented in a manner and at a time approved by the General Manager as appropriate to the medium of broadcasting;
 - (j) (i) programs presenting a person who claims supernatural or psychic powers, or a fortune-teller, character analyst, crystal-gazer or the like, or programs which lead or may lead the listening public to believe that the person presented claims to possess or possesses supernatural or psychic powers or is or claims to be a fortune-teller, character analyst, crystal-gazer or the like;
 - (ii) programs in which a person answers or solves or purports to answer or solve questions or problems submitted by listeners or members of the public unless such programs prior to being broadcast shall have been approved in writing by a representative of the Corporation;
 - (k) advertising content in the body of a news broadcast.
- (l) any appeal for donations or subscriptions in money or in kind without having first obtained the consent in writing of the General Manager except an appeal on behalf of a war charity fund registered under the War Charities Act, 1939, or a joint appeal on behalf of two or more charities made with the approval of the municipality or other local authority in which the appeal is made.

(m) any program or speech by means of mechanical reproductions or in any other manner, so as to achieve indirectly or by an evasion that which a regulation or ruling of the Corporation prohibits, and the General Manager of the Corporation shall be the sole judge of what constitutes an evasion under this regulation and his ruling shall be final and binding with respect to any such matter.

8. (1) Political broadcasts are governed by subsections (3), (4) and (5) of section 22 of The Canadian Broadcasting Act, 1936, which read as follows:—

- (3) Dramatized political broadcasts are prohibited.
- (4) The names of the sponsor or sponsors and the political party, if any, upon whose behalf any political speech or address is broadcast shall be announced immediately preceding and immediately after such broadcasts.
- (5) Political broadcasts on any dominion, provincial or municipal election day and on the two days immediately preceding any such election day are prohibited.

(2) Each station shall allocate time for political broadcasts as fairly as possible between the different parties or candidates desiring to purchase or obtain time for such broadcasts.

9. (1) The advertising content of any program shall not exceed in time ten per cent of any program period.

(2) Notwithstanding the provisions of subsection (1) any station shall upon instructions in writing from the Corporation reduce the total daily advertising content of its programs if the said total daily advertising content in the opinion of the Corporation occupies an undue proportion of the daily broadcast time.

(3) Upon notice in writing from the Corporation any station shall change the quality or nature of its advertising broadcasts.

*Note to Section 7.—It is not the intention of the Corporation to restrict freedom of speech nor the fair presentation of controversial material. On the contrary, the policy of the Corporation is to encourage the fair presentation of controversial questions. At the same time, it should be realized that the message of broadcasting is received at the fireside in the relatively unguarded atmosphere of the home, reaching old and young alike. Certain subjects, while meriting discussion elsewhere in the public interest, are not necessarily suitable for this intimate medium.

- 10.** In any program no one shall advertise
- (a) any act or thing prohibited by law;
 - (b) the prices of goods or services, except
 - (i) the prices of publications auxiliary to the information services of the Corporation;
 - (ii) where the terms of a "premium-merchandising offer" include the payment of a sum of money either as a nominal charge or as a price for the premium, the amount of the charge or price may be stated provided:

A. that the amount of the charge or price does not exceed the unit cost of the premium, including costs of handling and distribution, to the program sponsor;

B. that full details of the cost are disclosed to the Corporation;

C. that the premium offered is not of the class or kind of product the sale of which comprises the principal business of the program sponsor;

D. that the premium offered is a product not normally available through competitive trade channels;

E. that the amount of the charge or price does not exceed \$1.00;

F. that the broadcast of any such offer is authorized in writing in advance by a representative of the Corporation.

(c) any insurance corporation not registered to do business in Canada;

(d) bonds, shares, or other securities or mining or oil properties or royalties or other interests in mining or oil properties other than the securities of the Dominion or Provincial governments or municipalities or other public authorities, provided nothing herein shall prevent anyone from sponsoring a program giving quotations of market prices without comment;

(e) spirituous liquors;

(f) wine and beer except that programs sponsored by breweries or wine companies will be temporarily allowed in the Province of Quebec subject to the following conditions:

(i) The only announcements of sponsorship allowed shall be two in number—one at the beginning of each program and one at the end.

(ii) The form of such announcements shall be:

"This program is presented with the compliments of the ABC Brewery."

"This program has been presented with the compliments of the ABC Brewery," or some suitable and necessary variation of these forms.

(iii) No other announcement shall be made or devices used in any such program to advertise the product of the sponsor.

(iv) All continuities and programs shall be approved by the General Manager before they are broadcast.

11. (1) "Spot" announcements shall not exceed two minutes for each broadcasting hour, subject always to the provisions of subsection (2) of this regulation.

(2) No "spot" announcement shall be broadcast on week-days between 7.30 p.m. and 11 p.m. nor on Sundays at any time, provided that where exceptional conditions prevail owing to the geographic situation stations may be given permission by the Corporation to broadcast "spot" announcements on week-days during the hours prohibited in this section.

(3) Subsections (1) and (2) of this regulation shall not apply to:

(a) Time signals or weather reports provided that no advertising other than the name of the sponsor is mentioned;

(b) Non-sponsored spot announcements made by stations for the sole purpose of testing coverage, the details of which have been authorized in writing by a representative of the Corporation and, notwithstanding Regulation 10 (b), stations may, with the permission of the Corporation, mention a sum not exceeding twenty-five (25 cents) when such procedure is necessary effectively to execute the intent of this subsection.

12. (1) No continuity advertising an article marketed under the Proprietary or Patent Medicine Act or the Food and Drugs Act may be broadcast until it has been approved

by the Department of Pensions and National Health. Continuities submitted for approval shall be forwarded, in duplicate, to the Canadian Broadcasting Corporation at least two weeks in advance of intended use.

(2) The formula for any article bearing a distinctive or trade name distinguishing it from any other product, and marketed under the Food and Drugs Act, shall be submitted with each pertinent continuity.

(3) No electrical transcription advertising an article marketed under the Proprietary or Patent Medicine Act or the Food and Drugs Act shall be broadcast by any station unless certified by an affidavit that the advertising continuity has been approved by the Department of Pensions and National Health.

(4) No announcer may broadcast any statement concerning any article marketed under the Food and Drugs Act or the Proprietary or Patent Medicine Act that is not contained in the continuity approved by the Department of Pensions and National Health.

(5) Testimonials referring to an article marketed under the Food and Drugs Act or the Proprietary or Patent Medicine Act shall be regarded as constituting a part of the advertising continuity.

(6) No continuity recommending any treatment for any ailment shall be broadcast until it has been approved by the Department of Pensions and National Health.

(7) Inspectors of Food and Drugs, Department of Pensions and National Health, are authorized to act as representatives of the Corporation for the purpose of enforcing this regulation.

13. (1) Stations shall not transmit in the form of newscasts, news commentaries or in any manner any news or information of any kind published in any newspaper or obtained, collected, collated or co-ordinated by any newspaper or association of newspapers or any news agency or service except the following:—

(a) Such news bulletins, free from sponsorship, as are released by the Corporation for the express use of broadcasting stations, broadcasts of which shall be subject to such conditions as the Corporation may prescribe;

(b) Local and sports news under written arrangements to be made by each station individually with its local newspaper or newspapers or collected through its own employees. Copies of all such written arrangements shall be filed with the Corporation immediately upon completion thereof;

(c) News from sources other than those provided for in clauses (a) and (b) hereof with the prior permission in writing from the Corporation and subject to such conditions as the Corporation may specify.

(2) The only announcements of sponsorship allowed for news from the sources as defined in clause (c) hereof shall be two in number, one at the beginning and one at the end of newscasts of ten minutes or more and shall be as follows:—

Opening announcement: "The (name of sponsor) now brings you the (name of news source, if desired) news. (Advertising matter relating to sponsor's product, if desired). And now here is the (name of news source, if desired) news."

Closing announcement: "The (name of sponsor) has just brought you the (name of news source, if desired) news."

(3) The Corporation news bulletins as defined in subsection (1) clause (a) hereof shall be broadcast in the manner and by such stations as the Corporation may designate.

14. Representatives of the Corporation may require the production of material to be broadcast before any broadcast is arranged to take place.

15. Time reserved for the broadcasting of Corporation programs shall be used only for such programs unless approval to the contrary has been received in writing from the Corporation in each specific case.

16. Stations shall upon request of the Corporation give right of way to such Corporation or other programs as the Corporation shall designate. In such event neither the

station nor the Corporation shall incur any liability for compensation or damages.

17. No station shall "pick up" and rebroadcast any program unless permission in writing has first been obtained from the Corporation.

18. (1) No station shall use a mechanical reproduction (except when its use is merely incidental as for an identification or background) between the hours of 7.30 and 11 p.m. except with the previous consent of the Corporation in writing. (This subsection was revised and became effective April 18, 1942.)

(2) A mechanical reproduction shall be announced as such immediately before and after the program concerned, except when its use is merely incidental as for an identification or background or as a transcribed commercial "spot" announcement with no musical theme or content. The exact form of announcement is not prescribed, but the language shall be clear and in terms commonly used and understood. The following are examples of statements sufficient for the purpose:—

(a) "This is a recorded program."

(b) "This is a program of electrical transcription."

(3) No program of mechanical reproductions shall contain any reference to the name of any person, firm or corporation connected with the manufacture, sale, hire or ownership of the said mechanical reproductions used in the said program.

19. Unless permission in writing is first obtained from the Corporation

(a) no station shall continue to be a part or shall form a part of a chain or network originating outside of Canada;

(b) no chain or network of two or more stations shall continue to be operated within Canada or shall be set up or operated within Canada;

(c) no station shall continue to be or become an outlet for any station, chain or network existing or originating outside of Canada;

(d) no station shall continue to be or become an associate station of or with any station, chain or network existing or originating outside of Canada.

20. Every station shall file with the Corporation a copy of the forms of contract used by it and a statement of its charges. Every such contract shall expressly make the enjoyment of the privilege to broadcast conditional upon the observance of these regulations. The licensee of each station shall see that a copy of these regulations is available at the station and that the station employees and sons broadcasting are familiar with them.

21. The Corporation may send a written or telegraph notice to the licensee of any station informing him of any alleged violation of these regulations and he shall have a delay of six days within which to answer in writing, giving in full his reply to the notice. The Corporation may make such investigation of the facts as it shall consider appropriate and for this purpose its representatives may examine the records and question the employees of any station.

22. These regulations shall have full force and effect as of the 1st day of April, 1941; and on and after that date all regulations inconsistent therewith shall be deemed to have been repealed.

23. Note.—The penalty for violation of these regulations is provided for under Section 22 (6) of the Act which reads:

(6) In case of any violation or non-observance by a private station of the regulations made by the Corporation under this section, the Corporation may order that the licence of such private station be suspended for a period not exceeding three months and any such order shall be forwarded to the Minister who shall forthwith communicate the same to the licensee of the station and shall take such steps as may be necessary to carry out the terms of such order.