

All expenses relating to the International Short-Wave Service are directly chargeable to the Federal Government as appropriated annually by Parliament. These are not considered chargeable to the Canadian Broadcasting Corporation because the fees collected from licences are used only to serve listeners within Canada.

7.—Income and Expenditures of the CBC, Years Ended Mar. 31, 1946-48

Item	1946		1947		1948	
	\$	p.c.	\$	p.c.	\$	p.c.
Income						
Licence fees.....	3,773,285	61.53	3,905,841	58.79	4,798,291	60.40
Commercial.....	1,683,838	27.47	1,781,290	26.82	1,842,558	23.19
Miscellaneous.....	68,441	1.11	73,915	1.11	35,530	0.45
International Short-Wave Service.....	606,700	9.89	881,621	13.28	1,268,073	15.96
Totals, Net Income.....	6,132,264	100.00	6,642,667	100.00	7,944,452	100.00
Expenditures						
Programs.....	2,939,376	47.32	2,933,428	43.98	3,339,624	43.21
Station network.....	971,441	15.65	966,220	14.49	964,702	12.48
Engineering.....	1,160,675	18.69	1,215,233	18.22	1,244,268	16.10
General and administration.....	285,302	4.60	391,323	5.87	398,545	5.16
Press and information.....	145,184	2.34	179,972	2.70	185,543	2.40
Commercial division.....	130,903	2.10	141,853	2.12	160,712	2.08
Depreciation.....	—	—	—	—	172,309	2.23
Interest on loan.....	—	—	2,260	0.03	55,000	0.71
International Short-Wave Service.....	577,809	9.30	839,639	12.59	1,207,689	15.63
Totals, Expenditures.....	6,210,690	100.00	6,669,928	100.00	7,728,392	100.00
Operating deficits(—) or surplus(+)	—78,426	...	—27,261	...	+216,060	...

Section 4.—Privately Owned Radio Broadcasting Stations*

Development.—Privately owned (non-government) broadcasting stations began operations in the early 1920's, about 12 years before any other service was available, and since then have offered regular broadcasting services to communities in every part of Canada. These stations now number 117 with a total wattage of 304,550. Operating mainly in conjunction with A.M. stations, are 20 F.M. stations with a combined power of 18,459 watts. There are in addition eight short-wave stations with a combined power of 6,685 watts. Most of these stations are located in the smaller centres of populations, some of them in remote districts which depend entirely upon privately owned stations for their broadcasting services.

The privately owned stations serve primarily the localities in which they are situated, the community served varying with circumstances. Many such stations are located in very small urban centres where they serve not only the local population but also a larger population scattered throughout the surrounding rural areas. Others may serve a metropolitan area and cities adjacent to it, in addition to the rural audiences and smaller centres lying between or beyond the urban areas.

These privately owned stations have a combined capital investment estimated at about \$20,000,000, employ more than 3,000 persons and disburse in salaries and wages an estimated \$7,000,000 annually. Revenue is obtained entirely from commercial advertising and they receive no part of the licence fee charged against operators of receiving sets. The privately owned stations are required to pay transmitter licence fees to the Canadian Broadcasting Corporation. These totalled approximately \$150,000 for 1949.

* Revised by T. J. Allard, Manager, Radio Bureau, Ottawa.