

There was an increase of \$632,212 in fixed assets. During the year capital expenditures were made in connection with 3 new 50-kw. transmitters at Lacombe, Alta., Carman, Man., and Hornby, Ont. These, together with other improvements, amounted to approximately \$410,000.

All International Service capital and operating expenditures are recoverable from the Government of Canada. These expenditures are not considered chargeable to the Canadian Broadcasting Corporation because the licence fees collected are used only to serve listeners within Canada.

7.—Income and Expenditures of the CBC, Years Ended Mar. 31, 1947-49

Item	1947		1948		1949	
	\$	p.c.	\$	p.c.	\$	p.c.
Income						
Licence fees	3,905,841	58.79	4,798,291	60.40	5,135,375	57.54
Commercial	1,781,290	26.82	1,842,558	23.19	2,217,130	24.84
Miscellaneous	73,915	1.11	35,530	0.45	131,265	1.47
International Service	881,621	13.28	1,268,073	15.96	1,441,772	16.15
Totals, Net Income	6,642,667	100.00	7,944,452	100.00	8,925,542	100.00
Expenditures						
Programs	2,933,428	43.98	3,339,624	43.21	3,817,993	42.57
Station network	966,220	14.49	964,702	12.48	1,030,841	11.49
Engineering	1,215,233	18.22	1,244,268	16.10	1,682,340	18.76
General and administration	391,323	5.87	398,545	5.16	368,700	4.11
Press and information	179,972	2.70	185,543	2.40	245,353	2.74
Commercial Division	141,853	2.12	160,712	2.08	195,805	2.18
Depreciation	—	—	172,309	2.23	196,843	2.19
Interest on loan	2,260	0.03	55,000	0.71	58,789	0.66
International Service	839,639	12.59	1,207,689	15.63	1,372,327	15.30
Totals, Expenditures	6,669,928	100.00	7,728,392	100.00	8,968,991	100.00
Operating deficit or surplus	-27,261	...	+216,060	...	-43,449	...

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 broadcasting service was available, and since then have offered regular broadcasting services to communities in every part of Canada. In 1949 these stations numbered 130 with a total wattage of 337,400. Operating mainly in conjunction with AM stations are 31 FM stations, with a combined power of 60,368 watts. There are, in addition, 8 short-wave stations with a combined power of 6,685 watts.

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 \$26,938,282, employ more than 3,700 persons and disburse in salaries and wages an estimated \$8,500,000 annually. Revenue is obtained entirely from com-

*Revised by T. J. Allard, General Manager, Canadian Association of Broadcasters, Ottawa.