

A short term loan of \$650,000, negotiated in 1950-51 to finance the Corporation's deficit, was repaid in 1951-52. In addition, a second loan amounting to \$1,500,000 for the development of the Television Service was negotiated during the year.

All International Service capital and operating expenditure are recoverable from the Government of Canada. This expenditure is not considered chargeable to the Canadian Broadcasting Corporation because the statutory grant and the licence fees collected are used only to serve listeners in Canada.

#### 8.—Income and Expenditure of the CBC, Years Ended Mar. 31, 1950-52

Item	1950		1951		1952	
	\$	p.c.	\$	p.c.	\$	p.c.
<b>Income</b>						
Statutory grant.....	—	—	—	—	6,250,000	37.52
Licence fees.....	5,481,488	57.84	5,571,991	56.28	5,841,318	35.06
Commercial.....	2,366,401	24.97	2,463,345	24.88	2,456,432	14.75
Miscellaneous.....	73,465	0.77	187,151	1.89	173,004	1.04
International Service.....	1,556,157	16.42	1,677,584	16.95	1,937,557	11.63
<b>Totals, Net Income.....</b>	<b>9,477,511</b>	<b>100.00</b>	<b>9,900,071</b>	<b>100.00</b>	<b>16,658,311</b>	<b>100.00</b>
<b>Expenditure</b>						
Programs.....	4,261,153	43.83	4,843,451	43.35	5,774,141	43.29
Engineering.....	1,678,660	17.27	1,958,130	17.53	2,193,015	16.44
Station networks.....	1,094,540	11.26	1,161,252	10.40	1,270,322	9.53
Administration.....	417,512	4.30	540,981	4.84	628,645	4.72
Press and information.....	227,734	2.34	271,476	2.43	321,023	2.41
Commercial.....	200,241	2.06	208,709	1.87	243,916	1.83
Interest on loans.....	94,802	0.98	230,627	2.06	243,353	1.82
Depreciation.....	211,149	2.17	235,848	2.11	447,408	3.36
Television (preliminary expenses).....	55,571	0.57	122,780	1.10	369,225	2.77
International Service.....	1,479,896	15.22	1,598,691	14.31	1,844,713	13.83
<b>Totals, Expenditure.....</b>	<b>9,721,258</b>	<b>100.00</b>	<b>11,171,945</b>	<b>100.00</b>	<b>13,335,756</b>	<b>100.00</b>
Operating deficit or surplus.....	-243,747	—	-1,271,874	—	3,322,555	—

### 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 service to communities in every part of Canada. In 1951, these stations numbered 135 with a total wattage of 378,600 daytime and 349,850 night-time. Operating mainly in conjunction with AM stations are 31 FM stations, with a combined power of 50,647 watts. There are, in addition, eight 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 commercial advertising and they receive no part of the licence fee charged against

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