

Operating expenditures in 1954-55 which exceeded those of the previous year by \$122,306, are shown in Table 8. The value of Crown assets in the custody of the Corporation increased \$50,789 during the year after write-offs amounting to \$2,637.

**8.—Income and Expenditure of the CBC, Year Ended Mar. 31, 1955**

Item	Sound Broadcasting and Integrated Services		Television Service		Total	
	\$	p.c.	\$	p.c.	\$	p.c.
<b>Net Income</b> .....	<b>15,561,844</b>	<b>100-00</b>	<b>21,275,805</b>	<b>100-00</b>	<b>36,837,649</b>	<b>100-00</b>
Statutory grant under Sect. 14-3 of the Act.....	6,250,000	40-16	—	—	6,250,000	16-97
Statutory grant under Sect. 14-4 of the Act.....	4,509,982	28-98	16,959,965	79-72	21,469,947	58-29
Commercial broadcasting.....	2,105,864	13-53	4,157,325	19-54	6,263,189	17-00
Broadcasting licence fees.....	284,500	1-83	9,000	0-04	293,500	0-79
Miscellaneous.....	203,242	1-31	149,515	0-70	352,757	0-96
International service.....	2,208,256	14-19	—	—	2,208,256	5-99
<b>Expenditure</b> .....	<b>15,773,597</b>	<b>100-00</b>	<b>16,796,334</b>	<b>100-00</b>	<b>32,569,981</b>	<b>100-00</b>
Programs.....	8,822,016	55-93	9,016,849	53-68	17,838,865	54-77
Engineering.....	3,099,132	19-65	3,152,454	18-77	6,251,586	19-19
Station networks.....	1,659,666	10-52	672,490	4-01	2,332,156	7-16
Administration.....	1,096,517	6-95	36,736	0-22	1,133,253	3-48
Press and information.....	483,258	3-06	114,340	0-68	597,598	1-84
Commercial.....	293,397	1-86	109,277	0-65	402,674	1-24
Interest on loans.....	94,063	0-60	453,392	2-70	547,455	1-68
Depreciation.....	484,049	3-07	880,483	5-24	1,364,532	4-19
Integrated services, shared.....	-2,360,363	-14-96	2,360,363	14-05	—	—
International service.....	2,101,862	13-32	—	—	2,101,862	6-45
<b>Operating Surplus</b> .....	<b>-211,753</b>	<b>...</b>	<b>4,479,421</b>	<b>...</b>	<b>4,267,668</b>	<b>...</b>

**Privately Owned Stations.**—As stated previously, privately owned broadcasting stations are subject to the Radio Act, the Canadian Broadcasting Act and Regulations made thereunder, and to the provisions of the Radio Regulations annexed to the International Telecommunication Convention and Regional Agreements for the time being in effect in Canada. Since Mar. 31, 1923 private commercial broadcasting station licences have been required by Government regulation and both sound and television broadcasting stations are now authorized by this class of licence.

Any application for a licence to establish a new private station or for an increase in power, change of channel, or change of location of any existing private station must be referred by the Minister of Transport to the Canadian Broadcasting Corporation; the Corporation after giving public notice thereof in the *Canada Gazette* will make such recommendations to the Minister of Transport as it may deem fit. The approval of the Governor in Council must be obtained before any licence for a new private station is issued. Private commercial broadcasting station licences are conditional upon the ownership or control of the stations, and the shares of capital stock of licensed companies in certain instances, may not be transferred without the permission of the Minister of Transport having been first obtained upon the recommendation of the Canadian Broadcasting Corporation. Proof of performance statements showing public service, community service and light activity are filed annually with the Canadian Broadcasting Corporation. Organizational and financial statements are filed annually, on a confidential basis, with the Department of Transport.

The first sound broadcasting in Canada took place when a privately owned communications company in Montreal was authorized to transmit programs on an experimental basis during the latter part of 1918 and in the winter evenings of 1919 over its Station XWA. Under the first licencing regulations in the year ended Mar. 31, 1923, 34 licences were issued. By November 1955 the number had increased to 191, of which 156 were AM standard band stations, 27 were frequency modulated stations and eight were shortwave stations. Of the 156 standard band stations, two were operating with a power of 50,000 watts, five with 10,000 watts, 47 with 5,000 watts, 57 with 1,000 watts, 43 with 250 watts and two with 100 watts.