

The Corporation's income from all sources was \$10,346,563 higher than the previous year; contributing to this was an increase of \$2,438,200 in net revenue from commercial broadcasting activities of the Television Service. The increase in total revenue was offset by an advance in expenditures of \$10,549,153, attributed to the development of the national television service and to the general rise in costs experienced by all industries.

The cash and investment position as at Mar. 31, 1957, was \$4,829,022 lower than at Mar. 31, 1956. Working capital was \$17,993,620 at the later date as compared with \$22,518,050 at the earlier date. The decrease was partially accounted for by expenditures of \$552,885 for extensions and improvements to broadcasting facilities for the Radio and Integrated Services and \$4,041,261 for the Television Service.

There were no loans during the year from the Government of Canada. Payments on the principal of loans granted previously amounted to \$101,038 for the Radio and Integrated Services and \$36,975 for the Television Service.

Statutory payments to the Corporation representing the equivalent of the excise tax on the sale of radio and television receivers and associated parts amounted to \$18,923,029 compared to \$22,799,955 for the previous year. Parliament extended the grant previously authorized for the five years ended Mar. 31, 1956, to the Radio Broadcasting Service toward the anticipated operating deficit and capital expenditures. A grant for similar purposes was provided for the Television Service.

The International Service's net operating expenditures of \$1,566,087 for the year ended Mar. 31, 1957, are not considered as chargeable to the CBC because grants and payments from the Government of Canada are used to serve only listeners within Canada.

6.—Income and Expenditures of the CBC, Year Ended Mar. 31, 1957

Item	Radio and Integrated Services	Television Service	Total
	\$	\$	\$
Net Income	14,511,082	34,777,883	49,288,965
Grants under Parliamentary Appropriations	6,250,000	12,000,000	18,250,000
Statutory grant under Sect. 14-4 of the Act.....	6,336,840	12,586,189	18,923,029
Commercial broadcasting.....	1,338,302	9,841,638	11,179,940
Broadcasting licence fees.....	308,250	84,000	392,250
Interest on investments.....	78,063	227,477	305,540
Profit on sale of bonds.....	14,480	29,795	44,275
Miscellaneous.....	185,147	8,784	193,931
Expenditure	13,705,415	35,175,007	48,880,422
Programs.....	11,967,530	19,689,784	31,657,314
Engineering.....	3,536,654	5,915,249	9,451,903
Network transmission services.....	1,663,211	1,452,334	3,115,545
Administration.....	1,855,089	—	1,855,089
Commercial division.....	730,625	—	730,625
Press and information.....	920,470	—	920,470
Interest on loans.....	90,322	831,403	921,725
Amortization of improvements to properties held under lease	104,972	122,779	227,751
Integrated services (shared).....	-7,163,458	7,163,458	—
Depreciation.....	603,368	1,366,386	1,969,754
Excess of Income over Expenditure	202,299	—	—
Excess of Expenditure over Income	—	1,763,510	1,561,211

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 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.