

many countries in their areas—the Commonwealth, Europe, Africa, Latin America and the United States. In return, International Service received a wealth of transcribed material from all parts of the world for use by domestic CBC networks. An unusual feature of the year was the assistance given by the International Service to the Easter Island scientific expedition. A technician was detailed to the expedition with equipment for a daily two-way radio link between Easter Island and Montreal. As there was no other means of communication with the Island, this shortwave link was very important to members of the expedition in communicating with their headquarters at McGill University and with their families.

**International Relations.**—The CBC in 1964-65 continued activity in the field of international exchange and export sales of programs. Programs such as *The 700 Million*, *The Open Grave*, *The Dark Did Not Conquer*, *Caribou Mystery*, *The Living Sea*, *The Nature of Things*, *Parade*, *Through the Looking Glass*, *Wayne and Shuster*, and several programs in the Festival series were sold to broadcasting organizations in Australia, Germany, Hungary, New Zealand, Sweden, Britain and the United States. Intertel, of which CBC is a founding member, continued production of hour-long documentaries for a world-wide audience of between 40,000,000 and 50,000,000 viewers. Since the founding of the Federation, the CBC has telecast a total of 20 Intertel documentaries.

CBC personnel seconded from their positions in Canada have continued to assist in the development of television and radio broadcasting service in the newly emerging nations of Asia, Africa and the West Indies. Technical and executive staff have been made available to these countries to assess their requirements and advise on the establishment of broadcast service. Much of this work has been undertaken in co-operation with the External Aid Office of the Canadian Government. Trainees have come from Norway, Greece, Pakistan, France, Indonesia, Japan, Burma, Colombia, Sarawak, Morocco, Malaya, Turkey, the West Indies and many other countries for on-the-job training at CBC production points across Canada in various functions applicable to broadcasting—news services, farm and school broadcasts, press relations, financial operations, administration, technical and programming matters, production, audience research and station management.

**Finance.**—The CBC, being a Crown corporation, is financed through public funds authorized by Parliament and through commercial advertising. In the year ended Mar. 31, 1965, commercial revenue accounted for about 27.5 p.c. of the Corporation's income. It is recognized that such revenue cannot be expected to grow significantly beyond this level, since there are no large untapped sources of advertising revenue available to television and the CBC continues to follow a policy whereby certain programs are not available to sponsorship (including news, talks and public affairs, farm and fisheries broadcasts, school broadcasts, religious and institutional broadcasts) and also deliberately restricts the quantity of commercial messages. The Corporation's efforts to increase commercial revenues are at no time allowed to influence its program decisions.

The following statement of operations shows a 7.1-p.c. increase in expenditures in 1964-65 over the previous year to the amount of \$119,318,000. Increases for the previous four years were: 1963-64, 6.5 p.c.; 1962-63, 0.7 p.c.; 1961-62, 6.6 p.c.; 1960-61, 7.4 p.c. The small increase in 1962-63, as compared with other years, is attributable to the austerity program which caused postponement of planned extensions and improvements to the national broadcasting service. The 1964-65 grant of \$85,900,000 voted by Parliament to discharge the responsibilities of the national broadcasting service was under-expended by \$30,778.