

local advertising increased by 10.3 p.c. and 12.9 p.c., respectively, over 1964; other non-broadcasting revenue increased by 21 p.c. Operating expenses in 1965 at \$249,200,000 were 9 p.c. higher than in 1964. The growth of revenues exceeded the growth of expenses and resulted in an operating profit of \$21,500,000 in 1965 compared with \$15,300,000 in 1964. After adjustment on account of other income and expenses and income taxes, the final net profit of the private sector of the broadcasting industry for 1965 was \$13,942,000 compared with \$10,000,000 in 1964. There are no CBC profits or losses in the figure of net profit because any unexpended balance of the parliamentary grant is treated as an account due to the Government of Canada.

9.—Revenue, Expense and Employee Statistics of the Radio and Television Broadcasting Industry, 1963-65

Item	1963		1964		1965	
	Private Stations	CBC	Private Stations	CBC	Private Stations	CBC
	\$	\$	\$	\$	\$	\$
Operating Revenue and Grants						
Broadcasting revenue from network and national advertising.....	58,192,467	21,860,000	69,425,452	23,051,000	78,413,420	23,581,000
Broadcasting revenue from local advertising.....	47,505,252	1,801,000	51,957,524	1,349,000	58,757,439	1,447,000
Non-broadcasting operating revenue.....	6,075,736	785,000	7,222,291	577,000	8,623,933	794,000
Grants received ¹	—	82,449,000	—	90,391,000	—	99,089,000
Totals, Operating Revenue and Grants.....	111,773,455	106,895,000	128,605,267	115,368,000	145,794,792	124,911,000
Operating Expenses²						
Representative agency commissions.....	5,856,156	26,000	6,952,368	53,000	7,379,878	24,000
Interest charges.....	3,111,740	3,000	3,032,855	377,000	2,647,457	1,009,000
Depreciation and amortization of leasehold improvements.....	7,063,202	4,072,000	7,973,337	4,523,000	9,251,532	4,739,000
Rent, repairs and maintenance, insurance, property taxes, fuel and electricity.....	8,963,678	5,866,000	9,700,782	7,179,000	9,897,891	7,016,000
Salaries and wages.....	43,085,037	44,421,000	46,563,657	48,807,000	49,799,400	52,422,000
Staff benefits.....	1,308,215	3,193,000	1,437,515	3,559,000	1,798,836	3,947,000
Artists' and other talent fees.....	4,299,224	13,738,000	4,870,213	13,912,000	5,253,509	13,692,000
Performing rights.....	2,211,263	5,355,000	2,559,323	5,440,000	2,951,057	7,010,000
Telephone and telegraph and outside services.....	6,512,236	11,199,000	7,197,533	11,897,000	8,360,613	12,254,000
Films, tapes, recordings—rental and purchased.....	7,552,277	11,260,000	9,431,869	11,975,000	11,405,955	14,283,000
Advertising, promotion and travel.....	6,326,607	2,015,000	7,085,511	2,189,000	7,749,728	2,856,000
Taxes and licences (other than income or property).....	1,604,131	—	1,682,818	—	1,892,280	25,000
Office and other operating expenses.....	5,119,617	5,747,000	4,771,149	5,457,000	5,890,871	5,634,000
Totals, Operating Expenses...	103,013,333	106,895,000	113,258,930	115,368,000	124,279,007	124,911,000
Net operating income including grants.....	+8,760,072	—	+15,346,337	—	+21,515,785	—
Net of other income and expenses...	+1,381,192	—	+ 634,243	—	+ 613,030	—
Provision for income taxes.....	4,678,968	—	5,978,907	—	8,186,415	—
Net income after taxes.....	+5,462,296	—	+10,001,673	—	+13,942,400	—
Average monthly number of employees.....	8,395	7,765	8,503	8,121	8,945	7,947

¹ The CBC charges its operations with depreciation, but deducts the charge on its published statements; the charge so made has been added to the government grant. ² Excludes advertising agency commissions, estimated to be \$12,986,238 in 1963, \$14,919,132 in 1964 and \$17,585,786 in 1965.