

for \$81,700,000 or 42.5 p.c. and television broadcasting for \$110,700,000 or 57.5 p.c.; in 1965 radio received \$72,800,000 or 42.4 p.c. and television \$98,800,000 or 57.6 p.c. Revenue from network and national advertising represented 63.4 p.c. of the total broadcasting revenue and revenue from local advertising 36.6 p.c.; network and national advertising increased by 12.2 p.c., local advertising by 9.7 p.c. and other non-broadcasting revenue by 26.8 p.c. over 1965. Operating expenses in 1966 at \$285,100,000 were 14.4 p.c. higher than in 1965. The growth of revenues exceeded the growth of expenses and resulted in an operating profit of \$25,400,000 in 1966 compared with one of \$21,500,000 in 1965. 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 1966 was \$15,050,000 compared with \$13,942,000 in 1965. 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, 1964-66**

Item	1964		1965		1966	
	Private Stations	CBC	Private Stations	CBC	Private Stations	CBC
	\$	\$	\$	\$	\$	\$
<b>Operating Revenue and Grants</b>						
Broadcasting revenue from network and national advertising.....	69,425,452	23,051,000	78,413,420	23,581,000	89,584,326	24,827,000
Broadcasting revenue from local advertising.....	51,957,524	1,349,000	58,757,439	1,447,000	64,847,218	1,180,000
Non-broadcasting operating revenue.....	7,222,291	577,000	8,623,933	794,000	10,906,766	1,035,000
Grants received <sup>1</sup> .....	—	90,391,000	—	99,089,000	—	118,044,000
<b>Totals, Operating Revenue and Grants.....</b>	<b>128,605,267</b>	<b>115,368,000</b>	<b>145,794,792</b>	<b>124,911,000</b>	<b>165,338,310</b>	<b>145,086,000</b>
<b>Operating Expenses<sup>2</sup></b>						
Representative agency commissions.....	6,952,368	53,000	7,379,878	24,000	8,008,549	177,000
Interest charges.....	3,032,855	377,000	2,647,457	1,009,000	2,424,737	2,203,000
Depreciation and amortization of leasehold improvements.....	7,973,337	4,523,000	9,251,532	4,739,000	10,202,319	7,013,000
Rent, repairs and maintenance, insurance, property taxes, fuel and electricity.....	9,700,782	7,179,000	9,897,891	7,016,000	11,659,374	7,171,000
Salaries and wages.....	46,563,657	48,807,000	49,799,400	52,422,000	56,144,694	60,223,000
Staff benefits.....	1,437,515	3,559,000	1,798,836	3,947,000	2,328,897	4,425,000
Artists' and other talent fees.....	4,870,213	13,912,000	5,253,509	13,692,000	5,399,451	17,002,000
Performing rights.....	2,559,323	5,440,000	2,951,057	7,010,000	3,380,116	4,500,000
Telephone and telegraph and outside services.....	7,197,533	11,897,000	8,360,613	12,254,000	9,730,493	17,690,000
Films, tapes, recordings—rental and purchased.....	9,431,869	11,975,000	11,405,955	14,283,000	13,490,458	12,333,000
Advertising, promotion and travel.....	7,085,511	2,189,000	7,749,728	2,856,000	8,048,921	6,433,000
Taxes and licences (other than income or property).....	1,682,818	—	1,892,280	25,000	2,273,377	—
Office and other operating expenses.....	4,771,149	5,457,000	5,890,871	5,634,000	6,873,516	5,916,000
<b>Totals, Operating Expenses.....</b>	<b>113,258,930</b>	<b>115,368,000</b>	<b>124,279,007</b>	<b>124,911,000</b>	<b>139,964,902</b>	<b>145,086,000</b>
Net operating income including grants.....	15,346,337	—	21,515,785	—	25,373,408	—
Net of other income and expenses.....	634,243	—	613,030	—	1,055,756	—
Less: provision for income taxes.....	5,978,907	—	8,186,415	—	11,378,220	—
Net income after taxes.....	10,001,673	—	13,942,400	—	15,050,944	—
Average monthly number of employees.....	8,503	8,121	8,945	7,947	9,450	8,475

<sup>1</sup> 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. <sup>2</sup> Excludes advertising agency commissions, estimated to be \$14,919,132 in 1964, \$17,585,786 in 1965 and \$20,298,498 in 1966.