

million for 1971, a 2.3% decrease from the net operating profit of \$30.8 million earned in 1970.

In 1971, there were 19,789 employees engaged in the broadcasting industry, an increase of 213 or 1.1% over 1970. Salaries and wages paid by the industry totalled \$189.5 million, an increase of \$17.7 million or 10.3% over 1970. Fringe benefits, including such expenses as staff pensions and hospitalization insurance, totalled \$11.4 million, a rise of 8.9% from 1970. After adjustment on account of other income and expenses and income taxes, the final net profit of the private sector of the broadcasting industry in 1971 was \$28.2 million compared with \$13.8 million in 1970.

Statistics of the cable television industry. Table 16.7 presents financial statistics of an annual series dealing with the Canadian cable television industry. This industry, comprising 326 operating systems, reported an increase of 23% in total operating revenue for the year ended August 31, 1971, rising to \$66.6 million from \$54.9 million for the previous year. Subscription revenue from individual subscribers and multi-outlet contracts accounted for \$62.8 million or 94.3% of the total. Operating expenses rose from \$30.3 million (adjusted to exclude interest and depreciation for purposes of comparability) to \$35.2 million in 1971, resulting in an operating profit of \$31.4 million compared with one of \$24.7 million in the previous year. After deducting interest, depreciation and provision for income taxes, the industry achieved a net profit to August 31, 1971 of \$6.6 million compared with \$5.0 million earned in the previous year.

16.3 Federal film agencies

16.3.1 National Film Board

The National Film Board, an agency of the federal government, was established by Act of Parliament in 1939 and reconstituted by the National Film Act in 1950 "to initiate and promote the production and distribution of films in the national interest". The Board's films are produced in Canada's two official languages and have made a considerable contribution to the country's culture and to the national identity. In addition to 35mm and 16mm films, the Board produces and distributes other visual aids material — filmstrips, 8mm loop films, slide sets, overhead projectuals, multi-media kits and photo stories.

The growing sophistication of film audiences and the increasing importance of film as a means of communication are reflected in the nature of the films produced — features, documentaries, informational films, films for the specific needs of government departments, and films designed for particular social purposes. The Board strives to serve as innovator of new cinema techniques, as well as a recorder of the nation's day-to-day evolution. Thus, new needs and greater public sensitivity have encouraged the Board's film-makers to explore new film styles and to experiment in new areas of film production, and there have been corresponding new departures in the distribution and use of films as more people turn to films as a matter of course for information and assistance in many activities.

In Canada, the Board's productions are distributed through community outlets, schools and universities, television stations, theatres and commercial sales. In all these areas annual figures show a steady and, in some instances, a marked increase. A large part of the 16mm community film audience is reached through film libraries, film councils and special-interest groups. The growing demand for films can be attributed to the wide range of subject matter available; the Board's catalogue lists 60 main and sub-categories. Original films are shown regularly over English- and French-language television networks in Canada as well as in theatres.

The scope of activity in Canada continues to grow with approximately 12,000 theatrical bookings in 1972, along with 5,369 telecasts of NFB films, and three quarters of a million screenings of films borrowed from NFB regional libraries. Sales of audio-visual educational aids including filmstrips, slide sets, 8mm loops, etc., numbered 67,820.

NFB film distribution outside Canada also continues to increase. The Board's films are seen at most of the world's international film festivals with gratifying response from judges, film critics and audiences. Film distribution abroad is promoted by the Board's offices in New York, London, Paris, Buenos Aires, New Delhi and Tokyo, and by posts of the Departments of External Affairs and of Industry, Trade and Commerce. NFB films are shown in theatres of more than 100 countries and the aggregate audience of films loaned by the Department of External Affairs in about 80 countries in 1972 was in excess of 70 million people. To increase the usefulness of films about Canada abroad, the Board makes foreign-language versions of