

million to \$152.7 million, resulting in net operating revenues of some \$120.5 million compared with \$106.0 million the previous year. After deducting interest, depreciation and making other adjustments, the industry achieved a net profit before taxes, to August 31, 1978, of \$52.8 million compared with \$45.1 million in 1977.

## Postal service

16.6

The basic function of the Canadian Postal Service is to receive, convey and deliver postal matter. It maintains thousands of post offices and uses air, rail, road and water transportation facilities. Associated functions include sales of stamps and other articles of postage, registration of letters and other mail for dispatch, parcel insurance, accounting for COD articles and transaction of money-order business. Because of its transcontinental facilities, the post office assists other government departments with such tasks as selling hunting permits, collecting annuity payments, distributing income tax forms and public service employment application forms, and displaying official posters.

Post offices are established wherever the population warrants. In rural areas and small urban centres they transact all the functions of a city office. In larger urban areas, postal stations have functions similar to the main post office, including general delivery service, lock-box delivery and letter-carrier delivery. Canada's larger postal installations are semi- or fully-automated plants with optical character reading machines capable of reading printed or typed addresses; machines which automatically and at high speed cull, face and cancel stamps; letter sorting machines capable of handling 26,000 pieces of mail an hour; conveyors and chutes, parcel and bag sorting machines, wrapomatic parcel sealing machines, photo-electric counters and intercom systems. Outside some regular post office buildings there are stamp-vending machines and curbside mail boxes.

The operating service of Canada Post is organized into four regions divided into districts. The operating and support functions required to provide postal service are the responsibility of local postmasters who receive technical and administrative assistance from district and regional offices at strategic points.

Postal service is provided throughout Canada. The country's airmail system utilizes most transcontinental flights, supported by many branch and connecting lines, and links up with United States domestic and other international airmail systems. First-class domestic mail is carried by air between Canadian points whenever this expedites delivery. Air stage routes provide an all-class mail service to many northern areas which can be served only by air. There are over 74 030 km (kilometres) of airmail and air stage routes.

By the end of the fiscal year 1977-78 there were 8,289 postal facilities in operation in Canada. This was made up of 283 postal stations, 440 staff post offices, 1,975 semi-staff post offices and 2,033 sub-post offices. Letter carrier routes numbering 13,750 served 5,755,033 points of call. Rural and suburban services (5,036) served 1,036,694 customers.

Post office revenue increased from \$774.9 million to \$945.8 million during the 1977-78 fiscal year. Expenses increased from \$1.4 billion to \$1.5 billion. The deficit decreased by \$19.5 million from \$578.8 million to \$559.3 million. Gross revenue receipts were received mainly from postage, either in the form of postage stamps and stamped stationery, postage meter and postage register machine impressions, or in cash. During the year 34 million money orders were issued, valued at nearly \$1.1 billion.

## The press

16.7

Daily newspapers published in Canada in 1978 numbered 122, counting morning and evening editions separately. Combined circulation was about 5.3 million — about 82% in English and 18% in French (Table 16.8). Publishers' surveys show that each newspaper is read by an average of three persons.

Daily newspaper advertising net revenue in 1976 was \$661.0 million. In 1978, there were 19 daily newspapers with a circulation in excess of 100,000, accounting for 63% of total circulation. There were 12 dailies published in French, 10 of them located in