

by 8.2% to \$71.6 million in 1972 from \$66.1 million in 1970. Revenue from the rental of films for theatrical use amounted to \$49.8 million, representing 70% of total receipts. Revenue from the rental of films for television accounted for 25%. The remaining 5% came from the rental of film for other uses. In 1972, 801 new films were distributed, compared with 948 in 1970. New feature films numbered 719 and included 404 English, 212 French, and 103 films in other languages. Of the 719 new feature films, 294 came from the US, 134 from France, 116 from Italy, 71 from Britain, 35 from Canada and 69 from other countries.

Motion picture production in 1972 was undertaken by 150 private firms reporting a gross revenue of \$22.9 million. A total of 5,823 original motion picture films were reported by private firms (5,542) and government agencies (281); of these, 2,226 were motion picture and television commercials. In total, 3,038 television and theatrical motion pictures other than commercials were produced — 330 for theatre showing and 2,708 for television. The remaining 559 films were for instruction, training, tourism and information.

**Advertising agencies.** In 1972, 189 advertising agencies reported gross billings of \$535.1 million (Table 18.17). This does not represent the total expenditure on advertising in the country since much advertising is not produced or placed by and through advertising agencies. Among the expenditures not generally channelled through advertising agencies are classified advertisements in newspapers, and a certain amount of catalogue and direct mail advertising. Of the total gross billings, \$172.0 million was in print media (newspapers, weekend roto magazines, consumer magazines, trade papers, yellow pages, farm publications, etc.), \$171.4 million in television, \$58.4 million in radio, \$13.5 million for outdoor and transportation, \$20.8 million for direct mail and \$2.9 million for other media.

Total media billings amounted to \$415.3 million, production charges accounted for another \$108.0 million and \$11.9 million was for market research surveys and other services. From 1969 to 1972 gross billings increased by 17.3%. Total advertising billings, which comprise the expenditure on time and space as well as production costs, increased by 16.2%; total media billings, i.e. expenditure on space and time alone, increased by 14.0%; production costs by 25.5%; and expenditures on market research surveys and other expenditures more than doubled, increasing by 104.2%. During this time, the share of total media billings of print media dropped from 43.6% to 41.7%, while that of television increased from 37.9% to 41.3%; radio declined from 15.1% to 14.1% and outdoor media almost maintained their share showing a decline from 3.4% to 3.2%.

**Computer service industry.** In 1972 a pilot survey of the computer service industry revealed that 309 companies in Canada provided computer services involving 661 computers of various capacities, 637 terminals and 1,445 access ports. Total operating revenue amounted to almost \$535 million of which "hardware" sales and rentals accounted for \$370 million, processing for \$119 million, "software" for \$27.5 million and equipment maintenance, education and other services for \$18.6 million.

Of the total operating revenue, \$106 million or 19.8% was generated from computer services provided to financial institutions, \$76 million or 14.2% from manufacturing firms, \$75 million or 14.1% for wholesalers and retailers and \$69 million or 12.9% for federal government agencies. A variety of other businesses and institutions account for the remainder.

### 18.1.4 Wholesale trade

Wholesalers are primarily engaged in buying merchandise for resale to retailers; to industrial, commercial, institutional and professional users; or to other wholesalers. They also act as agents in connection with such transactions. Firms engaged both in wholesaling and retailing and other mixed-activity businesses are considered to be primarily in wholesale trade whenever they derive a larger gross margin (the difference between the total sales and the cost of goods sold) from wholesale than from any other activity.

Wholesale statistics measure the total volume of Canadian wholesale trade, i.e. the aggregate business conducted by all wholesalers operating in Canada, whether Canadian or foreign and whether sales are domestic or abroad. The total volume of trade measured by statistics is not identical with the value of goods passing through the wholesale sector of the economy; at times wholesale firms sell to each other and thus the value of the same merchandise may be recorded twice or more in the total volume of wholesale trade. No attempt has been made to eliminate such duplications.