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Cable and Satellite Television Industry

2008



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- . not available for any reference period
- .. not available for a specific reference period
- ... not applicable
- 0 true zero or a value rounded to zero
- 0^s value rounded to 0 (zero) where there is a meaningful distinction between true zero and the value that was rounded
- p preliminary
- r revised
- x suppressed to meet the confidentiality requirements of the *Statistics Act*
- E use with caution
- F too unreliable to be published

Table of contents

Highlights	4
Analysis	5
Sustained revenue growth for the cable and satellite television industry	5
A more profitable industry	5
Telecommunications services contribute plenty of subscribers	5
A record number of new digital subscribers	5
Some stability in the cable and satellite television market	6
More revenue spent on programming	6
Related products	7
Statistical tables	
1 Cable and satellite television industry, selected supply and demand indicators	9
2 Cable and satellite television industry, financial and operating data, Canada	11
3 Cable television, financial and operating data	12
3-1 Canada	12
3-2 Atlantic provinces	13
3-3 Quebec	14
3-4 Ontario	15
3-5 Western provinces	16
3-6 Yukon, Northwest Territories and Nunavut	17
4 Wireless broadcasting industry, financial and operating data, Canada	18
Data quality, concepts and methodology	
Data quality	19

Highlights

- In 2008, the operating revenues of cable and satellite television companies rose 14.4% to \$10.3 billion (current dollars). It was the third consecutive year that the industry had revenue growth in excess of 10%.
- Each dollar of revenue earned by cable and satellite television companies in 2008 generated 21.6 cents of profit before interest and taxes, the strongest performance since the beginning of the decade. However, profitability varied appreciably across the major segments of the industry.
- Wireless service providers, especially satellite providers, had a profit margin before interest and taxes of 4.1%, compared with 25.9% for cable operators.
- On August 31, 2008, cable operators had almost as many telecommunications subscribers (Internet and telephone) as television subscribers.
- The total number of cable television subscribers, regardless of technology, grew by 2.3% in 2008. It was the largest year-over-year increase since 1993.
- Growing numbers of cable television subscribers are going digital. There were 4 million digital cable subscribers on August 31, 2008, 19.9% more than on August 31, 2007. The absolute year-over-year increase was a record 663,134.
- The growth in the number of cable television subscribers (+2.3%) outpaced the growth in the number of wireless service subscribers (+1.5%) for a second consecutive year. This enabled cable operators to regain a small portion of the ground they lost to competitors in the last 10 years.

Analysis

Sustained revenue growth for the cable and satellite television industry

In 2008, the operating revenues of cable and satellite television companies rose 14.4% to \$10.3 billion (current dollars). It was the third consecutive year that the industry had revenue growth in excess of 10%.

Cable operators were largely responsible for the industry's revenue growth. Revenues were \$8.3 billion in 2008, up 15.3% from 2007. Cable operators enjoyed revenue growth of more than 15% for a third consecutive year, primarily due to substantial gains in the telephony and Internet markets.

Wireless providers also posted higher revenues, though the growth rate was slightly lower than in 2007. Their revenues climbed 10.9% to \$2.1 billion in 2008.

A more profitable industry

Each dollar of revenue earned by cable and satellite television companies in 2008 generated 21.6 cents of profit before interest and taxes, the strongest performance since the beginning of the decade. However, profitability varied appreciably across the major segments of the industry.

Wireless service providers, especially satellite providers, had a profit margin before interest and taxes of 4.1%, compared with 25.9% for cable operators. Nevertheless, it was a positive result for the wireless segment for the second consecutive year, as it had suffered losses before interest and taxes between its emergence in 1997 and 2006.

Profit margin before interest and taxes of cable operators has been above 15% since the beginning of the decade and above 20% since 2004. The diversification of the segment's services that began with the introduction of Internet access services more than 10 years ago and continued with the addition of telephone services in 2005 was a major factor in improving the segment's profitability.

Telecommunications services contribute plenty of subscribers

The total number of subscribers to the main services offered by cable operators (television, Internet access and telephony) was 15.7 million on August 31, 2008, 1.4 million more than in 2007. More than half of the new customers were telephone service subscribers.

On August 31, 2008, cable operators had almost as many telecommunications subscribers (Internet and telephone) as television subscribers. The significant inroads made by cable operators into the telephony and Internet market are the culmination of a strategy designed to ensure the industry's growth by diversifying its services. That diversification has enabled cable operators to offer multi-service bundles, build customer loyalty and increase per-subscriber revenue. In 2008, each basic service subscriber brought in an average of \$1,022 per year, more than double what each subscriber generated at the beginning of the decade.

A record number of new digital subscribers

The rapid transition to digital technology also played an important role in the cable industry's growth. With digital technology, it is possible to offer new services such as video on demand and high-definition television. Those services are helping the industry not only to remain competitive but also to generate new revenues.

Growing numbers of cable television subscribers are going digital. There were 4 million digital cable subscribers on August 31, 2008, 19.9% more than on August 31, 2007. The absolute year-over-year increase was a record 663,134.

The day when a majority of cable subscribers will watch television using digital technology is not far away. On August 31, 2008, 49.3% of cable television subscribers had gone digital.

Some stability in the cable and satellite television market

Market share remained virtually unchanged for a third consecutive year, with cable operators accounting for three out of four subscribers. This relative stability follows an eight-year period during which wireless service providers had steadily increased their market share.

Nevertheless, the number of cable television subscribers grew somewhat faster (+2.3%) than the number of wireless subscribers (+1.5%) for a second consecutive year.

On August 31, 2008, wireless television (mainly satellite) had 2.7 million subscribers, compared with 8.1 million for cable television. Thus, cable television surpassed its 1999 record high of 8 million subscribers.

More revenue spent on programming

In 2008, cable operators spent 34.7% of their television subscription revenues on programming (affiliation payments). That proportion has risen every year since 2005. At the beginning of the decade, it was 27.7%.

By comparison, wireless providers put 36.1% of their revenues into programming, much the same as in the previous two years.

Related products

Selected publications from Statistics Canada

56-001-X	Broadcasting and Telecommunications
56-207-X	Television Broadcasting Industries
56-208-X	Radio Broadcasting Industry
56-504-X	Beyond the Information Highway Networked Canada (Information and Communications Technologies (ICT) Compendium)

Selected CANSIM tables from Statistics Canada

353-0003	Operating and financial summary of the cable and other program distribution industry, by North American Industrial Classification System (NAICS), annual
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Selected surveys from Statistics Canada

2728	Annual Cable Television Survey
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Selected summary tables from Statistics Canada

- *Cable and other program distribution industry, financial and operating statistics*

Statistical tables

Table 1
Cable and satellite television industry, selected supply and demand indicators

	2004	2005	2006	2007	2008	2004 to 2005	2005 to 2006	2006 to 2007	2007 to 2008
	thousands					percentage change			
Market share indicators									
Subscribers by type of supplier									
Cable	7,620.8	7,629.3	7,798.6	7,927.5	8,111.4	0.1	2.2	1.7	2.3
Wireless	2,324.9	2,491.5	2,628.8	2,664.4	2,704.9	7.2	5.5	1.4	1.5
Cable and wireless	9,945.8	10,120.9	10,427.3	10,591.9	10,816.2	1.8	3.0	1.6	2.1
Subscribers to digital television									
Cable	1,810.0	2,283.4	2,776.8	3,336.6	3,999.7	26.2	21.6	20.2	19.9
Wireless	2,324.9	2,491.5	2,628.8	2,664.4	2,704.9	7.2	5.5	1.4	1.5
Cable and wireless	4,134.9	4,774.9	5,405.6	6,001.0	6,704.6	15.5	13.2	11.0	11.7
	percent								
Market share by type of supplier									
Cable	76.6	75.4	74.8	74.8	75.0	-1.6	-0.8	0.1	0.2
Wireless	23.4	24.6	25.2	25.2	25.0	5.3	2.4	-0.2	-0.6
Cable and wireless	100.0	100.0	100.0	100.0	100.0
Digital television market share by type of supplier									
Cable	43.8	47.8	51.4	55.6	59.7	9.2	7.4	8.2	7.3
Wireless	56.2	52.2	48.6	44.4	40.3	-7.2	-6.8	-8.7	-9.1
Cable and wireless	100.0	100.0	100.0	100.0	100.0
	thousands								
Cable supply and demand indicators by region									
Basic programming subscribers									
Atlantic provinces	543.1	536.9	537.4	524.7	534.9	-1.1	0.1	-2.4	1.9
Quebec	1,817.5	1,840.8	1,929.9	2,010.4	2,104.1	1.3	4.8	4.2	4.7
Ontario	2,897.3	2,868.7	2,924.5	2,940.6	2,963.4	-1.0	1.9	0.6	0.8
Western provinces	2,348.7	2,366.8	2,390.3	2,435.4	2,492.9	0.8	1.0	1.9	2.4
Yukon, Northwest Territories and Nunavut	14.3	16.1	16.4	16.4	16.1	12.6	1.9	0.0	-1.8
Canada	7,620.8	7,629.3	7,798.6	7,927.5	8,111.4	0.1	2.2	1.7	2.3
Homes with access to basic cable ¹									
Atlantic provinces	847.6	849.6	851.1	860.4	F	0.2	0.2	1.1	F
Quebec	3,081.6	3,132.2	3,189.0	3,243.4	F	1.6	1.8	1.7	F
Ontario	4,309.8	4,350.2	4,527.8	4,605.7	F	0.9	4.1	1.7	F
Western provinces	3,649.5	3,767.3	3,824.7	3,856.3	F	3.2	1.5	0.8	F
Yukon, Northwest Territories and Nunavut	25.7	27.0	26.9	27.1	F	5.1	-0.4	0.7	F
Canada	11,914.1	12,126.3	12,419.5	12,592.8	F	1.8	2.4	1.4	F
	percent								
Cable penetration rate ²									
Atlantic provinces	64.1	63.2	63.1	61.0	F	-1.4	-0.1	-3.4	F
Quebec	59.0	58.8	60.5	62.0	F	-0.4	3.0	2.4	F
Ontario	67.2	65.9	64.6	63.8	F	-1.9	-2.1	-1.2	F
Western provinces	64.4	62.8	62.5	63.2	F	-2.4	-0.5	1.1	F
Yukon, Northwest Territories and Nunavut	55.6	59.6	61.0	60.5	F	7.2	2.2	-0.7	F
Canada	64.0	62.9	62.8	63.0	F	-1.6	-0.2	0.3	F

See notes at the end of the table.

Table 1 – continued

Cable and satellite television industry, selected supply and demand indicators

	2004	2005	2006	2007	2008	2004 to 2005	2005 to 2006	2006 to 2007	2007 to 2008
	thousands					percentage change			
High speed Internet subscribers									
Atlantic provinces	142.5	180.4	206.2	231.2	258.7	26.6	14.3	12.1	11.9
Quebec	525.3	648.8	851.8	1,007.8	1,198.7	23.5	31.3	18.3	18.9
Ontario	1,098.9	1,330.5	1,553.3	1,784.7	1,951.2	21.1	16.7	14.9	9.3
Western provinces	1,066.7	1,216.1	1,344.0	1,500.5	1,611.3	14.0	10.5	11.6	7.4
Yukon, Northwest Territories and Nunavut	5.9	6.4	7.3	8.1	8.1	8.5	14.1	11.0	0.0
Canada	2,839.3	3,382.1	3,962.6	4,532.4	5,028.1	19.1	17.2	14.4	10.9
Homes with access to high speed Internet ¹									
Atlantic provinces	650.5	662.6	704.3	785.7	F	1.9	6.3	11.6	F
Quebec	2,786.1	2,992.2	3,085.2	3,147.3	F	7.4	3.1	2.0	F
Ontario	4,191.1	4,244.9	4,438.0	4,544.3	F	1.3	4.5	2.4	F
Western provinces	3,478.1	3,602.3	3,671.4	3,705.7	F	3.6	1.9	0.9	F
Yukon, Northwest Territories and Nunavut	15.5	16.6	16.6	16.8	F	7.1	0.0	1.2	F
Canada	11,121.3	11,518.7	11,915.5	12,199.7	F	3.6	3.4	2.4	F
	percent								
High speed Internet penetration rate ³									
Atlantic provinces	21.9	27.2	29.3	29.4	F	24.3	7.5	0.5	F
Quebec	18.9	21.7	27.6	32.0	F	15.0	27.3	16.0	F
Ontario	26.2	31.3	35.0	39.3	F	19.5	11.7	12.2	F
Western provinces	30.7	33.8	36.6	40.5	F	10.1	8.4	10.6	F
Yukon, Northwest Territories and Nunavut	38.1	38.6	44.0	48.2	F	1.3	14.1	9.6	F
Canada	25.5	29.4	33.3	37.2	F	15.0	13.3	11.7	F
High speed Internet footprint ⁴									
Atlantic provinces	76.7	78.0	82.8	91.3	F	1.6	6.1	10.4	F
Quebec	90.4	95.5	96.7	97.0	F	5.7	1.3	0.3	F
Ontario	97.2	97.6	98.0	98.7	F	0.3	0.4	0.7	F
Western provinces	95.3	95.6	96.0	96.1	F	0.3	0.4	0.1	F
Yukon, Northwest Territories and Nunavut	60.3	61.5	61.7	62.0	F	1.9	0.4	0.5	F
Canada	93.3	95.0	95.9	96.9	F	1.8	1.0	1.0	F
	thousands								
Cable telephony subscribers	..	211.7	927.5	1,784.7	2,547.7	..	338.1	92.4	42.8
Homes with access to cable telephony	..	4,346.2	8,371.9	10,095.1	F	..	92.6	20.6	F
	percent								
Cable telephony penetration rate ⁵	..	4.9	11.1	17.7	F	..	127.4	59.6	F

1. These statistics are not always comparable from year-to-year. Cable operators conduct occasional audits that lead to revisions and it is not always possible to make adjustments back in time.
 2. Cable subscribers as a percentage of homes with access to cable.
 3. High speed Internet subscribers as a percentage of homes with access to high speed Internet.
 4. Homes with access to high speed Internet as a percentage of homes with access to cable.
 5. Cable telephony subscribers as a percentage of homes with access to cable telephony.
Note(s): North American Industry Classification System (NAICS 2007) - 517112. Totals may not add due to rounding.

Table 2
Cable and satellite television industry, financial and operating data, Canada

	2004	2005	2006	2007	2008
	thousands of dollars				
Revenue					
Subscriptions	6,067,448	6,548,631	7,572,969	8,670,736	9,916,662
Connection (installation and re-connect)	33,572	24,143	41,768	37,500	36,943
Community channel sponsorship	5,544	6,056	5,144	5,291	9,861
Other revenue	246,891	253,978	241,705	321,298	374,719
Operating revenues, total	6,353,454	6,832,808	7,861,586	9,034,826	10,338,183
Expenses					
Programming (basic tier)	85,555	95,256	122,681	125,883	134,739
Affiliation payments	1,601,052	1,666,148	1,897,279	2,107,164	2,295,930
Technical services	1,038,498	1,101,387	1,219,225	1,415,340	1,531,939
Sales and promotion	558,361	575,268	643,320	765,029	758,725
Administration and general	811,202	918,219	1,066,225	1,383,385	1,528,097
Depreciation	1,154,079	1,161,822	1,456,897	1,625,647	1,859,572
Operating expenses, total	5,248,746	5,518,100	6,405,626	7,422,448	8,109,002
Profit before interest and taxes	1,104,708	1,314,708	1,455,960	1,612,378	2,229,182
Interest expenses	529,393	464,787	637,744	710,322	1,002,584
Expenses, total	5,778,139	5,982,887	7,043,370	8,132,770	9,111,585
Net operating income	575,315	849,921	818,216	902,056	1,226,598
Salaries and other staff benefits	768,894	869,449	1,075,362	1,277,993	1,440,059
	number				
Employees (weekly average)	15,288	17,023	19,909	21,287	23,149
	thousands				
Subscribers					
Basic programming subscribers	9,945.8	10,120.9	10,427.3	10,591.9	10,816.2
Digital cable subscribers	3,298.5	4,769.2	5,403.6	6,000.2	6,703.8
	2004	2005	2006	2007	2008
	percent ¹				
Revenue					
Subscriptions	95.5	95.8	96.3	96.0	95.9
Connection (installation and re-connect)	0.5	0.4	0.5	0.4	0.4
Community channel sponsorship	0.1	0.1	0.1	0.1	0.1
Other revenue	3.9	3.7	3.1	3.6	3.6
Operating revenues, total	100.0	100.0	100.0	100.0	100.0
Expenses					
Programming (basic tier)	1.3	1.4	1.6	1.4	1.3
Affiliation payments	25.2	24.4	24.1	23.3	22.2
Technical services	16.3	16.1	15.5	15.7	14.8
Sales and promotion	8.8	8.4	8.2	8.5	7.3
Administration and general	12.8	13.4	13.6	15.3	14.8
Depreciation	18.2	17.0	18.5	18.0	18.0
Operating expenses, total	82.6	80.8	81.5	82.2	78.4
Profit before interest and taxes	17.4	19.2	18.5	17.8	21.6
Interest expenses	8.3	6.8	8.1	7.9	9.7
Expenses, total	90.9	87.6	89.6	90.0	88.1
Net operating income	9.1	12.4	10.4	10.0	11.9
Salaries and other staff benefits	12.1	12.7	13.7	14.1	13.9

1. As a percentage of operating revenues.

Note(s): North American Industry Classification System (NAICS 2007) - 517112. Totals may not add due to rounding. The financial statistics for 2006 and 2007 (Wireless broadcasting industry) have been restated to be comparable to the 2008 statistics.

**Table 3-1
Cable television, financial and operating data — Canada**

	2004	2005	2006	2007	2008
	thousands of dollars				
Revenue					
Subscriptions	4,739,932	5,109,557	5,922,639	6,824,908	7,869,682
Programming (basic and non-basic)	3,476,682	3,617,345	3,891,315	4,138,734	4,481,420
Non-programming	1,263,250	1,492,212	2,031,324	2,686,175	3,388,262
Connection (installation and re-connect)	33,539	24,068	41,488	37,276	36,767
Community channel sponsorship	5,544	6,010	5,098	5,245	9,814
Other revenue	219,804	222,782	233,435	316,535	370,226
Operating revenues, total	4,998,820	5,362,417	6,202,661	7,183,964	8,286,490
Expenses					
Programming (basic tier)	85,479	95,252	122,668	125,588	134,722
Affiliation payments	1,077,107	1,118,030	1,276,868	1,410,302	1,556,363
Technical services	786,198	836,846	907,663	1,081,199	1,177,771
Sales and promotion	232,721	236,320	380,535	493,503	530,164
Administration and general	609,805	735,303	861,238	1,146,864	1,187,340
Depreciation	1,009,856	1,006,339	1,165,692	1,331,061	1,554,232
Operating expenses, total	3,801,166	4,028,090	4,714,664	5,588,517	6,140,592
Profit before interest and taxes	1,197,653	1,334,326	1,487,998	1,595,447	2,145,899
Interest expenses	487,354	417,788	593,104	667,567	963,852
Expenses, total	4,288,520	4,445,879	5,307,768	6,256,084	7,104,444
Net operating income	710,299	916,538	894,893	927,880	1,182,046
Salaries and other staff benefits	657,738	732,012	937,146	1,086,258	1,246,055
	number				
Employees (weekly average)	12,445	14,144	17,095	18,385	20,157
	thousands				
Subscribers					
Basic programming subscribers	7,620.8	7,629.3	7,798.6	7,927.5	8,111.4
Digital cable subscribers	1,810.0	2,283.4	2,776.8	3,336.6	3,999.7
High speed Internet subscribers	2,839.3	3,382.1	3,962.6	4,532.4	5,028.1
Cable telephony subscribers	..	211.7	927.5	1,784.7	2,547.7
Access					
Homes with access to basic cable ¹	11,914.1	12,126.3	12,419.5	12,592.8	F
Homes with access to digital cable	11,177.1	11,561.1	11,851.8	12,186.1	F
Homes with access to high speed Internet	11,121.3	11,518.7	11,915.5	12,199.7	F
Homes with access to cable telephony	..	4,346.2	8,371.9	10,095.1	F
Households in licenced area ¹	12,082.4	12,300.7	12,547.9	12,721.8	F
	percent ²				
Revenue					
Subscriptions	94.8	95.3	95.5	95.0	95.0
Programming (basic and non-basic)	69.6	67.5	62.7	57.6	54.1
Non-programming	25.3	27.8	32.7	37.4	40.9
Connection (installation and re-connect)	0.7	0.4	0.7	0.5	0.4
Community channel sponsorship	0.1	0.1	0.1	0.1	0.1
Other revenue	4.4	4.2	3.8	4.4	4.5
Operating revenues, total	100.0	100.0	100.0	100.0	100.0
Expenses					
Programming (basic tier)	1.7	1.8	2.0	1.7	1.6
Affiliation payments	21.5	20.8	20.6	19.6	18.8
Technical services	15.7	15.6	14.6	15.1	14.2
Sales and promotion	4.7	4.4	6.1	6.9	6.4
Administration and general	12.2	13.7	13.9	16.0	14.3
Depreciation	20.2	18.8	18.8	18.5	18.8
Operating expenses, total	76.0	75.1	76.0	77.8	74.1
Profit before interest and taxes	24.0	24.9	24.0	22.2	25.9
Interest expenses	9.7	7.8	9.6	9.3	11.6
Expenses, total	85.8	82.9	85.6	87.1	85.7
Net operating income	14.2	17.1	14.4	12.9	14.3
Salaries and other staff benefits	13.2	13.7	15.1	15.1	15.0

1. These statistics are not always comparable from year-to-year. Cable operators conduct occasional audits that lead to revisions and it is not always possible to make adjustments back in time.

2. As a percentage of operating revenues.

Note(s): This table does not include the results of wireless broadcasting distribution. Totals may not add due to rounding.

Table 3-2
Cable television, financial and operating data — Atlantic provinces

	2004	2005	2006	2007	2008
thousands of dollars					
Revenue					
Subscriptions	343,620	383,934	420,556	460,237	511,708
Connection (installation and re-connect)	2,629	921	1,553	1,927	1,771
Community channel sponsorship	482	505	473	415	379
Other revenue	35,451	36,223	51,375	36,155	44,906
Operating revenues, total	382,182	421,583	473,957	498,734	558,764
Expenses					
Programming (basic tier)	7,655	7,465	8,407	8,880	9,201
Affiliation payments	83,847	87,764	101,922	107,455	119,700
Technical services	44,972	56,681	63,159	65,969	71,475
Sales and promotion	15,261	18,785	31,043	36,431	38,836
Administration and general	47,618	57,589	75,156	64,692	63,932
Depreciation	90,585	91,230	97,155	101,893	131,461
Operating expenses, total	289,938	319,514	376,841	385,319	434,604
Profit before interest and taxes	92,244	102,069	97,115	113,415	124,159
Interest expenses	62,281	81,745	56,335	40,458	96,687
Expenses, total	352,220	401,259	433,177	425,777	531,291
Net operating income	29,963	20,324	40,780	72,957	27,473
Salaries and other staff benefits	46,113	52,367	65,122	71,563	82,233
number					
Employees (weekly average)	1,139	1,216	1,320	1,386	1,485
thousands					
Subscribers					
Basic programming subscribers	543.1	536.9	537.4	524.7	534.9
High speed Internet subscribers	142.5	180.4	206.2	231.2	258.7
Access					
Homes with access to basic cable ¹	847.6	849.6	851.1	860.4	F
Homes with access to high speed Internet	650.5	662.6	704.3	785.7	F
Households in licenced area ¹	865.2	867.5	868.0	877.3	F
	2004	2005	2006	2007	2008
percent ²					
Revenue					
Subscriptions	89.9	91.1	88.7	92.3	91.6
Connection (installation and re-connect)	0.7	0.2	0.3	0.4	0.3
Community channel sponsorship	0.1	0.1	0.1	0.1	0.1
Other revenue	9.3	8.6	10.8	7.2	8.0
Operating revenues, total	100.0	100.0	100.0	100.0	100.0
Expenses					
Programming (basic tier)	2.0	1.8	1.8	1.8	1.6
Affiliation payments	21.9	20.8	21.5	21.5	21.4
Technical services	11.8	13.4	13.3	13.2	12.8
Sales and promotion	4.0	4.5	6.5	7.3	7.0
Administration and general	12.5	13.7	15.9	13.0	11.4
Depreciation	23.7	21.6	20.5	20.4	23.5
Operating expenses, total	75.9	75.8	79.5	77.3	77.8
Profit before interest and taxes	24.1	24.2	20.5	22.7	22.2
Interest expenses	16.3	19.4	11.9	8.1	17.3
Expenses, total	92.2	95.2	91.4	85.4	95.1
Net operating income	7.8	4.8	8.6	14.6	4.9
Salaries and other staff benefits	12.1	12.4	13.7	14.3	14.7

1. These statistics are not always comparable from year-to-year. Cable operators conduct occasional audits that lead to revisions and it is not always possible to make adjustments back in time.

2. As a percentage of operating revenues.

Note(s): This table does not include the results of wireless broadcasting distribution. Totals may not add due to rounding.

**Table 3-3
Cable television, financial and operating data — Quebec**

	2004	2005	2006	2007	2008
thousands of dollars					
Revenue					
Subscriptions	904,724	1,012,461	1,297,733	1,529,045	1,822,870
Connection (installation and re-connect)	4,524	7,747	13,913	12,727	13,511
Community channel sponsorship	1,141	1,358	545	700	918
Other revenue	56,463	52,938	63,758	117,101	127,802
Operating revenues, total	966,852	1,074,505	1,375,949	1,659,572	1,965,102
Expenses					
Programming (basic tier)	17,601	19,396	41,346	44,726	47,433
Affiliation payments	220,742	222,118	265,115	311,951	353,173
Technical services	207,007	231,947	253,452	289,301	332,363
Sales and promotion	44,544	34,329	110,007	130,966	159,756
Administration and general	90,131	122,177	179,982	228,570	231,202
Depreciation	155,647	144,784	215,232	240,968	252,870
Operating expenses, total	735,673	774,751	1,065,134	1,246,482	1,376,797
Profit before interest and taxes	231,180	299,754	310,815	413,090	588,304
Interest expenses	67,336	43,596	70,375	148,965	275,369
Expenses, total	803,009	818,347	1,135,508	1,395,447	1,652,166
Net operating income	163,843	256,159	240,441	264,125	312,936
Salaries and other staff benefits	163,097	169,515	250,741	275,767	305,808
number					
Employees (weekly average)	2,907	3,034	4,404	4,464	4,916
thousands					
Subscribers					
Basic programming subscribers	1,817.5	1,840.8	1,929.9	2,010.4	2,104.1
High speed Internet subscribers	525.3	648.8	851.8	1,007.8	1,198.7
Access					
Homes with access to basic cable ¹	3,081.6	3,132.2	3,189.0	3,243.4	F
Homes with access to high speed Internet	2,786.1	2,992.2	3,085.2	3,147.3	F
Households in licenced area ¹	3,122.3	3,170.9	3,215.0	3,279.0	F
percent ²					
Revenue					
Subscriptions	93.6	94.2	94.3	92.1	92.8
Connection (installation and re-connect)	0.5	0.7	1.0	0.8	0.7
Community channel sponsorship	0.1	0.1	0.0	0.0	0.0
Other revenue	5.8	4.9	4.6	7.1	6.5
Operating revenues, total	100.0	100.0	100.0	100.0	100.0
Expenses					
Programming (basic tier)	1.8	1.8	3.0	2.7	2.4
Affiliation payments	22.8	20.7	19.3	18.8	18.0
Technical services	21.4	21.6	18.4	17.4	16.9
Sales and promotion	4.6	3.2	8.0	7.9	8.1
Administration and general	9.3	11.4	13.1	13.8	11.8
Depreciation	16.1	13.5	15.6	14.5	12.9
Operating expenses, total	76.1	72.1	77.4	75.1	70.1
Profit before interest and taxes	23.9	27.9	22.6	24.9	29.9
Interest expenses	7.0	4.1	5.1	9.0	14.0
Expenses, total	83.1	76.2	82.5	84.1	84.1
Net operating income	16.9	23.8	17.5	15.9	15.9
Salaries and other staff benefits	16.9	15.8	18.2	16.6	15.6

1. These statistics are not always comparable from year-to-year. Cable operators conduct occasional audits that lead to revisions and it is not always possible to make adjustments back in time.

2. As a percentage of operating revenues.

Note(s): This table does not include the results of wireless broadcasting distribution. Totals may not add due to rounding.

Table 3-4
Cable television, financial and operating data — Ontario

	2004	2005	2006	2007	2008
thousands of dollars					
Revenue					
Subscriptions	1,952,981	2,062,824	2,345,412	2,746,929	3,136,272
Connection (installation and re-connect)	9,546	11,208	11,899	13,603	14,293
Community channel sponsorship	3,555	4,026	3,843	3,883	3,482
Other revenue	88,493	96,168	80,185	110,959	156,703
Operating revenues, total	2,054,575	2,174,227	2,441,339	2,875,374	3,310,750
Expenses					
Programming (basic tier)	36,447	39,051	42,484	46,270	46,328
Affiliation payments	450,372	459,511	533,891	578,689	635,302
Technical services	326,311	344,421	328,281	401,395	435,811
Sales and promotion	133,586	136,657	189,672	254,396	252,023
Administration and general	263,227	313,573	359,198	545,198	534,241
Depreciation	445,993	463,174	576,305	665,475	768,147
Operating expenses, total	1,655,936	1,756,387	2,029,832	2,491,424	2,671,851
Profit before interest and taxes	398,639	417,840	411,508	383,950	638,898
Interest expenses	253,200	214,871	289,470	159,189	154,300
Expenses, total	1,909,136	1,971,258	2,319,301	2,650,613	2,826,151
Net operating income	145,439	202,968	122,038	224,761	484,598
Salaries and other staff benefits	237,450	269,755	320,276	376,299	457,042
number					
Employees (weekly average)	4,165	4,814	5,362	5,765	6,758
thousands					
Subscribers					
Basic programming subscribers	2,897.3	2,868.7	2,924.5	2,940.6	2,963.4
High speed Internet subscribers	1,098.9	1,330.5	1,553.3	1,784.7	1,951.2
Access					
Homes with access to basic cable ¹	4,309.8	4,350.2	4,527.8	4,605.7	F
Homes with access to high speed Internet	4,191.1	4,244.9	4,438.0	4,544.3	F
Households in licenced area ¹	4,368.5	4,419.8	4,576.9	4,674.4	F
percent ²					
Revenue					
Subscriptions	95.1	94.9	96.1	95.5	94.7
Connection (installation and re-connect)	0.5	0.5	0.5	0.5	0.4
Community channel sponsorship	0.2	0.2	0.2	0.1	0.1
Other revenue	4.3	4.4	3.3	3.9	4.7
Operating revenues, total	100.0	100.0	100.0	100.0	100.0
Expenses					
Programming (basic tier)	1.8	1.8	1.7	1.6	1.4
Affiliation payments	21.9	21.1	21.9	20.1	19.2
Technical services	15.9	15.8	13.4	14.0	13.2
Sales and promotion	6.5	6.3	7.8	8.8	7.6
Administration and general	12.8	14.4	14.7	19.0	16.1
Depreciation	21.7	21.3	23.6	23.1	23.2
Operating expenses, total	80.6	80.8	83.1	86.6	80.7
Profit before interest and taxes	19.4	19.2	16.9	13.4	19.3
Interest expenses	12.3	9.9	11.9	5.5	4.7
Expenses, total	92.9	90.7	95.0	92.2	85.4
Net operating income	7.1	9.3	5.0	7.8	14.6
Salaries and other staff benefits	11.6	12.4	13.1	13.1	13.8

1. These statistics are not always comparable from year-to-year. Cable operators conduct occasional audits that lead to revisions and it is not always possible to make adjustments back in time.

2. As a percentage of operating revenues.

Note(s): This table does not include the results of wireless broadcasting distribution. Totals may not add due to rounding.

**Table 3-5
Cable television, financial and operating data — Western provinces**

	2004	2005	2006	2007	2008
thousands of dollars					
Revenue					
Subscriptions	1,526,656	1,635,132	1,842,815	2,067,298	2,377,806
Connection (installation and re-connect)	16,564	3,988	13,813	8,579	6,750
Community channel sponsorship	125	118	199	235	5,024
Other revenue	38,049	36,542	37,032	51,003	39,498
Operating revenues, total	1,581,394	1,675,780	1,893,858	2,127,115	2,429,078
Expenses					
Programming (basic tier)	23,725	29,327	30,419	25,700	31,749
Affiliation payments	319,255	344,151	371,643	406,397	442,413
Technical services	206,220	201,448	260,897	322,049	335,636
Sales and promotion	39,265	46,452	48,165	68,342	76,181
Administration and general	203,738	235,559	241,350	300,952	350,605
Depreciation	316,347	305,433	275,118	320,381	399,385
Operating expenses, total	1,108,550	1,162,371	1,227,592	1,443,821	1,635,970
Profit before interest and taxes	472,844	513,409	666,267	683,295	793,109
Interest expenses	104,326	77,203	176,233	318,750	437,292
Expenses, total	1,212,876	1,239,573	1,403,825	1,762,571	2,073,261
Net operating income	368,518	436,206	490,033	364,545	355,817
Salaries and other staff benefits	208,613	237,936	298,193	358,012	396,332
number					
Employees (weekly average)	4,201	5,042	5,961	6,697	6,925
thousands					
Subscribers					
Basic programming subscribers	2,348.7	2,366.8	2,390.3	2,435.4	2,492.9
High speed Internet subscribers	1,066.7	1,216.1	1,344.0	1,500.5	1,611.3
Access					
Homes with access to basic cable ¹	3,649.5	3,767.3	3,824.7	3,856.3	F
Homes with access to high speed Internet	3,478.1	3,602.3	3,671.4	3,705.7	F
Households in licenced area ¹	3,700.5	3,815.4	3,859.2	3,862.1	F
percent ²					
Revenue					
Subscriptions	96.5	97.6	97.3	97.2	97.9
Connection (installation and re-connect)	1.0	0.2	0.7	0.4	0.3
Community channel sponsorship	0.0	0.0	0.0	0.0	0.2
Other revenue	2.4	2.2	2.0	2.4	1.6
Operating revenues, total	100.0	100.0	100.0	100.0	100.0
Expenses					
Programming (basic tier)	1.5	1.8	1.6	1.2	1.3
Affiliation payments	20.2	20.5	19.6	19.1	18.2
Technical services	13.0	12.0	13.8	15.1	13.8
Sales and promotion	2.5	2.8	2.5	3.2	3.1
Administration and general	12.9	14.1	12.7	14.1	14.4
Depreciation	20.0	18.2	14.5	15.1	16.4
Operating expenses, total	70.1	69.4	64.8	67.9	67.3
Profit before interest and taxes	29.9	30.6	35.2	32.1	32.7
Interest expenses	6.6	4.6	9.3	15.0	18.0
Expenses, total	76.7	74.0	74.1	82.9	85.4
Net operating income	23.3	26.0	25.9	17.1	14.6
Salaries and other staff benefits	13.2	14.2	15.7	16.8	16.3

1. These statistics are not always comparable from year-to-year. Cable operators conduct occasional audits that lead to revisions and it is not always possible to make adjustments back in time.

2. As a percentage of operating revenues.

Note(s): This table does not include the results of wireless broadcasting distribution. Totals may not add due to rounding.

Table 3-6
Cable television, financial and operating data — Yukon, Northwest Territories and Nunavut

	2004	2005	2006	2007	2008
thousands of dollars					
Revenue					
Subscriptions	11,951	15,205	16,124	21,400	21,026
Connection (installation and re-connect)	276	204	309	440	442
Community channel sponsorship	241	3	39	12	12
Other revenue	1,348	911	1,085	1,317	1,317
Operating revenues, total	13,816	16,323	17,558	23,169	22,797
Expenses					
Programming (basic tier)	51	14	12	12	12
Affiliation payments	2,890	4,486	4,297	5,809	5,774
Technical services	1,687	2,349	1,874	2,486	2,486
Sales and promotion	66	97	1,648	3,368	3,368
Administration and general	5,092	6,404	5,553	7,452	7,359
Depreciation	1,283	1,719	1,882	2,345	2,369
Operating expenses, total	11,069	15,068	15,265	21,472	21,369
Profit before interest and taxes	2,747	1,254	2,293	1,697	1,428
Interest expenses	211	373	692	205	205
Expenses, total	11,280	15,442	15,957	21,676	21,574
Net operating income	2,536	881	1,601	1,493	1,223
Salaries and other staff benefits	2,466	2,438	2,814	4,616	4,640
number					
Employees (weekly average)	34	39	48	73	73
thousands					
Subscribers					
Basic programming subscribers	14.3	16.1	16.4	16.4	16.1
High speed Internet subscribers	5.9	6.4	7.3	8.1	8.1
Access					
Homes with access to basic cable ¹	25.7	27.0	26.9	27.1	F
Homes with access to high speed Internet	15.5	16.6	16.6	16.8	F
Households in licenced area ¹	25.8	27.1	28.8	28.9	F
	2004	2005	2006	2007	2008
percent ²					
Revenue					
Subscriptions	86.5	93.2	91.8	92.4	92.2
Connection (installation and re-connect)	2.0	1.2	1.8	1.9	1.9
Community channel sponsorship	1.7	0.0	0.2	0.1	0.1
Other revenue	9.8	5.6	6.2	5.7	5.8
Operating revenues, total	100.0	100.0	100.0	100.0	100.0
Expenses					
Programming (basic tier)	0.4	0.1	0.1	0.1	0.1
Affiliation payments	20.9	27.5	24.5	25.1	25.3
Technical services	12.2	14.4	10.7	10.7	10.9
Sales and promotion	0.5	0.6	9.4	14.5	14.8
Administration and general	36.9	39.2	31.6	32.2	32.3
Depreciation	9.3	10.5	10.7	10.1	10.4
Operating expenses, total	80.1	92.3	86.9	92.7	93.7
Profit before interest and taxes	19.9	7.7	13.1	7.3	6.3
Interest expenses	1.5	2.3	3.9	0.9	0.9
Expenses, total	81.6	94.6	90.9	93.6	94.6
Net operating income	18.4	5.4	9.1	6.4	5.4
Salaries and other staff benefits	17.8	14.9	16.0	19.9	20.4

1. These statistics are not always comparable from year-to-year. Cable operators conduct occasional audits that lead to revisions and it is not always possible to make adjustments back in time.

2. As a percentage of operating revenues.

Note(s): This table does not include the results of wireless broadcasting distribution. Totals may not add due to rounding.

Table 4
Wireless broadcasting industry, financial and operating data, Canada

	2004	2005	2006	2007	2008
	thousands of dollars				
Revenue					
Subscriptions	1,327,515	1,439,074	1,650,330	1,845,828	2,046,979
Connection (installation and re-connect)	32	75	280	224	176
Community channel sponsorship	0	46	46	46	46
Other revenue	27,087	31,196	8,269	4,763	4,492
Operating revenues, total	1,354,634	1,470,391	1,658,925	1,850,861	2,051,693
Expenses					
Programming (basic tier)	76	4	13	296	17
Affiliation payments	523,945	548,118	620,411	696,862	739,568
Technical services	252,299	264,541	311,562	334,141	354,168
Sales and promotion	325,640	338,948	262,785	271,526	228,560
Administration and general	201,396	182,917	204,987	236,521	340,757
Depreciation	144,223	155,483	291,204	294,586	305,340
Operating expenses, total	1,447,579	1,490,009	1,690,962	1,833,931	1,968,410
Profit before interest and taxes	-92,945	-19,618	-32,038	16,931	83,283
Interest expenses	42,039	46,999	44,640	42,755	38,731
Expenses, total	1,489,618	1,537,009	1,735,602	1,876,686	2,007,142
Net operating income	-134,984	-66,617	-76,677	-25,824	44,552
Salaries and other staff benefits	111,155	137,438	138,216	191,736	194,003
	number				
Employees (weekly average)	2,843	2,879	2,814	2,902	2,992
	thousands				
Subscribers					
Basic programming subscribers	2,324.9	2,491.5	2,628.8	2,664.4	2,704.9
	2004	2005	2006	2007	2008
	percent ¹				
Revenue					
Subscriptions	98.0	97.9	99.5	99.7	99.8
Connection (installation and re-connect)	0.0	0.0	0.0	0.0	0.0
Community channel sponsorship	0.0	0.0	0.0	0.0	0.0
Other revenue	2.0	2.1	0.5	0.3	0.2
Operating revenues, total	100.0	100.0	100.0	100.0	100.0
Expenses					
Programming (basic tier)	0.0	0.0	0.0	0.0	0.0
Affiliation payments	38.7	37.3	37.4	37.7	36.0
Technical services	18.6	18.0	18.8	18.1	17.3
Sales and promotion	24.0	23.1	15.8	14.7	11.1
Administration and general	14.9	12.4	12.4	12.8	16.6
Depreciation	10.6	10.6	17.6	15.9	14.9
Operating expenses, total	106.9	101.3	101.9	99.1	95.9
Profit before interest and taxes	-6.9	-1.3	-1.9	0.9	4.1
Interest expenses	3.1	3.2	2.7	2.3	1.9
Expenses, total	110.0	104.5	104.6	101.4	97.8
Net operating income	-10.0	-4.5	-4.6	-1.4	2.2
Salaries and other staff benefits	8.2	9.3	8.3	10.4	9.5

1. As percentage of operating revenues.

Note(s): Satellite, Multi-point distribution system and subscription television. Totals may not add due to rounding. The financial statistics for 2006 and 2007 have been restated to be comparable to the 2008 statistics.

Data quality

The data presented in this publication are of good quality and can be used with confidence. This assessment is based on available data accuracy measures and the judgement of the analysts involved in this survey.

That said, these statistics are subject to revision. Revisions are usually the result of late receipt of information, of re-filing by respondents of previously submitted data, or of detection of errors after publication of data. They typically do not have a material impact on the results. Past revisions have generally accounted for less than 1% of the value for key variables such as total revenues, total expenses, salaries and wages and subscribers. Revisions can be larger for more detailed variables such as expense by type.

This publication provides statistics on the number of homes with access to the different types of services provided by the industry. These data should be used with care. Cable operators conduct occasional audits that lead to revisions and it is not always possible to make adjustments back in time. These statistics are therefore not always comparable from year-to-year. The imputation and revision rates for this variable are also higher than for others.

Beginning with the 2002 reference year, the CRTC exempted a number of small cable undertakings from completing the Annual Return for the purpose of licensing. In order to continue providing total industry estimates, Statistics Canada continued surveying some of these smaller operators, but with a much simplified questionnaire. Some of the variables for these smaller operators are estimated and may be of lesser quality. These estimates do not have a material impact on the overall national statistics presented here.

Users interested in learning more about the concepts, methodology and data quality of the broadcasting surveys can visit Statistics Canada's web site at www.statcan.gc.ca. Definitions, data sources and methods are available for most surveys. The survey title is **Annual Cable Television Survey** (ID 2728).