



# The Daily

Statistics Canada

**Monday, September 14, 1998**

For release at 8:30 a.m.

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## MAJOR RELEASES

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- **Periodical publishing, 1996/97** 2  
Periodicals published in Canada reported revenues of over \$1 billion in the fiscal year 1996/97, and 62 cents of every dollar earned came from advertising.

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## MAJOR RELEASES

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### Periodical publishing

1996/97

Periodicals published in Canada reported revenues of over \$1 billion in the fiscal year 1996/97, and 62 cents of every dollar earned came from advertising.

Total revenues had passed the \$1 billion mark in 1992/93, but then fell to \$980 million in 1994/95. Operating profits rose from 1.6% of revenues to 7.0% over the same period, according to the Periodical Publishing Survey, a census of all periodicals published in Canada.

Sales of advertising space comprised 62.0% of total revenues in 1996/97. Between 1991/92 and 1994/95, advertising revenues declined from \$633 million to \$592 million. In 1996/97, magazines reported \$647 million in advertising revenues.

#### Fewer magazines reporting higher revenues and profits

Canadian-published periodicals reported higher revenues and profits in 1996/97, despite a continuing decline in the number of titles. In that fiscal year, 1,166 publishers issued 1,552 periodicals and sold 539 million copies. Magazine publishing activity had declined steadily since 1991/92 when 1,292 publishers produced 1,733 titles with a total annual circulation of 575 million copies.

This decline in the numbers of titles did not affect total revenues. Magazines that survived the early 1990s experienced improvements in revenues and profits. The disappearance of unprofitable magazines also accounted for some of the increase in overall profitability.

Business and trade magazines were very successful. They reported a modest 3.8% growth in revenues from 1991/92 to 1996/97, but showed steady gains in profits (from 2.1% of revenues in 1991/92 to 14.6% of revenues in 1996/97) as they kept expenses down.

#### Note to readers

*The Periodical Publishing Survey is a census of all periodicals published in Canada. It does not collect information on periodicals published outside of Canada, specifically, periodicals imported into Canada and foreign "split-run" magazines, which have Canadian editions containing advertising aimed at the Canadian market. A periodical is published more than once a year, but not more than once a week, does not have more than 70% advertising content, and is available to the general public. The survey covers consumer magazines (general, covering a variety of topics; and special interest, on specific topics such as cooking or science; business and trade; and farm, religious and scholarly periodicals).*

*The survey has recently undergone significant revisions to annual data for 1991/92 through 1994/95 as a result of a change in methodology and a thorough review of the survey population. Data now include full estimates for magazines which did not respond to the survey. As a result, the data for these years have been improved and better reflect the activities of the industry. Researchers are cautioned not to compare data in this release with any previously released data. There was no survey for 1995/96.*

*For reasons of confidentiality, the data do not include information on periodicals published in the Northwest Territories and the Yukon.*

Periodicals aimed at the consumer market did not fare so well. General consumer magazines saw profits fall from a high of 5.9% of revenues in 1992/93 to only 4.3% in 1996/97. Special interest consumer magazines, which were particularly successful in the early 1990s, had lost ground by 1996/97. Their average profit margin climbed from a 0.4% loss in 1991/92 to a high of 5.2% in 1994/95, and then fell back to 3.2% in 1996/97. In both cases, profits decreased as revenues failed to keep pace with rising expenses.

## Periodical publishing in Canada

	1991/92	1994/95	1996/97	1991/92 to 1996/97
				% change
Number of publishers	1,292	1,236	1,166	
Number of periodicals	1,733	1,612	1,552	-10.4
	\$ millions			%
Sales of advertising space	633.5	591.5	647.0	2.1
Total revenue	993.0	979.5	1,042.8	5.0
Total expenses	977.4	913.3	969.4	-0.8
				%
Operating profits as a % of total revenue	1.6	6.8	7.0	
	millions			%
Total annual circulation	575.1	548.7	538.6	-6.3

**Note:** There was no survey for 1995/96.

## Advertising revenues improved while sales stagnated

Canadian-published magazines reported higher advertising sales in 1996/97 after a steady decline in the first half of the 1990s. From 1991/92 to 1994/95, sales of advertising space in magazines declined from 63.8% to 60.4% of total revenues, while subscriptions made up the balance.

By 1996/97, however, this trend was interrupted and magazines reported advertising revenues of \$647 million or 62.0% of total revenues. Revenues from single copy sales were up slightly and subscription revenues actually declined. This was mirrored in an overall decline in total annual circulation and a shift in distribution patterns.

Advertising has always been the primary source of revenue for most Canadian magazines, but the fight over that advertising dollar is fierce. There is constant competition from other media such as television and newspapers, and now the Internet. Canadian magazines also face competition from the foreign split-run magazines, which are published outside of Canada, but include Canadian advertising in their Canadian regional editions.

## Business and trade magazines relied most heavily on advertising

Business and trade magazines have relied most heavily on advertising, with advertising sales

accounting for 86.2% of revenues in 1996/97. Almost two-thirds of the total circulation of these periodicals is free of charge, with costs covered primarily by advertising.

In contrast, less than half of general consumer magazine revenues came from advertising, and only one in four copies was freely distributed. Farm periodicals, which meet the needs of a rural market, follow a different pattern; although they depend on advertising for revenues, paid subscriptions comprised most of their distribution.

At the other end of the scale, religious magazines and scholarly periodicals rely more on subscriptions and other revenues such as grants, memberships and donations.

## Canadian periodicals by category of periodical 1996/97

	Sales of advertising space	Total revenues	Advertising as % of total revenues	Free circulation as % of total annual circulation
	\$ millions			
General consumer	208.1	429.8	48.4	24.2
Special interest consumer	139.0	220.7	63.0	57.7
Business and trade	251.8	292.2	86.2	62.9
Farm	30.2	38.9	77.6	20.4
Religious	2.6	24.1	10.8	9.9
Scholarly	15.4	37.1	41.5	57.7
<b>Total</b>	<b>647.0</b>	<b>1042.8</b>	<b>62.0</b>	<b>37.1</b>

## French-language magazines less dependent on advertising

There is a noticeable difference between English-language and French-language magazine publishing in Canada. As a group, French magazines are more profitable, with operating profits in 1996/97 of 10.0% of total revenues, compared with 6.7% for English magazines. Moreover, the way they earn money is quite different. While sales of advertising space represented two-thirds of revenues in 1996/97 for English-language magazines, ads never averaged more than half of revenues for French titles during the survey period.

In 1996/97, English titles, which face greater competition at the newsstand from imported magazines, reported only 3.6% of revenues from single copy sales, down from 4.4% in 1991/92. One in four revenue dollars for French titles, however, came from newsstand sales. For both types of magazines,

subscriptions accounted for almost a quarter of revenues.

**Canadian periodicals by language of periodical  
1996/97**

	English	French	English and French (bilingual)	Other	Total
\$ millions					
Sales of advertising space	492.1	104.0	48.6	2.3	647
Single copy sales	26.6	56.0	0.9	0.1	83.6
Subscription sales	176.8	50.1	19.5	0.8	247.1
Total revenues	735.8	221.3	81.9	3.9	1042.8
%					
Operating profits as a % of total revenue	6.7	10.0	2.3	10.0	7.0
millions					
Total annual circulation	377.6	117.3	41.1	2.6	538.6

For further information, or for enquiries on the concepts, methods and data quality of this release, contact Mary K. Allen (613-951-0475; fax: 613-951-9040; [allemar@statcan.ca](mailto:allemar@statcan.ca)), Culture Statistics Program, Culture, Tourism and the Centre for Education Statistics. ■

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## OTHER RELEASES

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### Railway carloadings

July 1998

Carload freight (excluding intermodal traffic) loaded by railways in Canada totalled 18.4 million tonnes in July, down 14.4% from July 1997. The carriers received an additional 1.7 million tonnes from United States connections during July.

Intermodal (piggyback) tonnage of 1.5 million tonnes represented an increase of 0.1% compared with July 1997. The year-to-date figures are down 2.5%.

Total traffic, consisting of carload freight and intermodal traffic, decreased by 13.5% during the reference month bringing the year-to-date total to 149.6 million tonnes, down 1.0% from 1997. Receipts from United States connections increased 5.2% during the same period.

Cumulative data for 1997 and 1998 have been revised.

**Available on CANSIM: matrix 1431.**

The July 1998 issue of *Railway carloadings* (52-001-XPB, \$11/\$103) will be available shortly. See *How to order publications*.

For further information on the concepts, methods and data quality of this release, contact Robert Larocque (613-951-2486; fax: 613-951-0009; [laroque@statcan.ca](mailto:laroque@statcan.ca)), Transportation Division. ■

### Oil pipeline transport

June 1998

Net receipts of crude oil and equivalent hydrocarbons totalled 12 559 685 cubic metres in June, up 1.8% from June 1997. Year-to-date receipts to the end of June (77 492 520 cubic metres) rose 7.3% over the same period in 1997. Net receipts of liquefied petroleum gases and refined petroleum products in June (5 905 475 cubic metres) decreased 5.6% from June 1997. Year-to-date receipts increased 2.3% to 38 054 085 cubic metres.

Pipeline exports of crude oil (6 454 769 cubic metres) increased 12.2% from June 1997, and pipeline imports (1 373 163 cubic metres) decreased 14.2%. Year-to-date exports (36 922 275 cubic metres) were up 12.3% from 1997. Year-to-date imports (8 997 328 cubic metres) increased 13.6%. Canadian crude oil has found a ready market in the United States, where indigenous production has been declining in recent years.

June deliveries of crude oil by pipeline to Canadian refineries totalled 5 739 558 cubic metres, an increase of 2.6% from 1997. June deliveries of liquefied petroleum gases and refined petroleum products decreased 20.1% to 442 159 cubic metres. Year-to-date deliveries of crude oil to refineries at the end of June 1998 totalled 33 045 533 cubic metres, up 1.4% from the same period in 1997.

**Available on CANSIM: matrices 181 and 591-595.**

The June 1998 issue of *Oil pipeline transport* (55-001-XPB, \$12/\$114) will be available shortly. See *How to order publications*.

For further information on the concepts, methods and data quality in this release, contact Gérard O'Connor (613-951-3562; [oconger@statcan.ca](mailto:oconger@statcan.ca)), Energy Section, Manufacturing, Construction and Energy Division. ■

## PUBLICATIONS RELEASED

### Steel wire and specified wire products, July 1998 Catalogue number 41-006-XPB

(Canada: \$7/\$62; outside Canada: US\$7/US\$62).

### Industry price indexes, July 1998

#### Catalogue number 62-011-XPB

(Canada: \$22/\$217; outside Canada: US\$22/US\$217).

### Science statistics: Service bulletin Biotechnology Scientific activities in selected federal government departments, and agencies, 1997/98

#### Catalogue number 88-001-XIB

(Canada: \$6/\$59; outside Canada: US\$6/US\$59).

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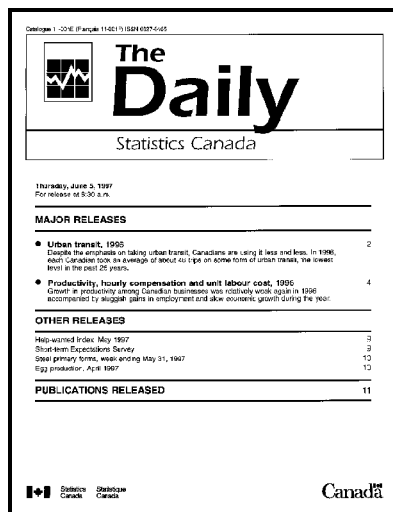
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