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RADIO AND TELEVISION BROADCASTING STATISTICS

1956

This report contains the results of a special pilot survey of the Canadian radio and television broadcasting industry. It marks the first attempt by the Dominion Bureau of Statistics to present industry-wide financial statistics on this important and rapidly expanding segment of the communications field. Financial and other statistics of the publicly-owned Canadian Broadcasting Corporation are published each year in the Corporation's annual report and in the Canada Year Book, but data have been lacking on the more numerous privately-owned stations many of which co-operate with the C.B.C. in the production of a national radio-television service. Most of the tables presented herein are therefore concerned with analyses of the operations of independent stations.

Table 1 presents basic financial statistics for the industry as a whole. Data for independent stations apply to varying fiscal years ended nearest to December 31, 1956, while data for the Canadian Broadcasting Corporation, which reported on a system basis, apply to the fiscal year ended March 31, 1957.

All stations were asked to report revenue from network, national and local advertising, separately. Network advertising revenue is revenue received from advertising when a station is attached to a network. Arrangements are generally made by the advertiser or his agency directly with the Canadian Broadcasting Corporation, or, in the case of a non C.B.C. network, with the station originating the program. National advertising revenue is revenue received for the advertisement of a national product on a local or non-network basis. This type of advertising is often solicited by representative agencies for the individual stations. It is sometimes referred to as "national spot" advertising since the national advertiser can "spot" or place his advertisement anywhere in the country instead of being confined to the rigid coverage pattern provided by a network. Local advertising revenue is revenue received usually from firms offering a local product or service.

Broadcast revenues are reported inclusive of fees, commissions, recording and other production charges which although billed to sponsors by the station are in turn paid out to talent, agencies and other organizations. The amounts collected and paid out by the industry are shown in Table 7; also shown are artists' fees chargeable to the station or on which a commission or discount accrues to the station, wages and salaries, and number of employees.

Tables 2-6, inclusive, present income of independent stations by area of location, network affiliation, and revenue group.

Although the response to the survey was very gratifying, some stations failed to report. For these careful estimates were made based on such factors as size of city, whether or not there were other stations in the city, power of the station and the audience rating. Since most of the stations which failed to report were quite small, the estimate portion of total revenues amounted to only 5 p.c. As a result, industry totals are considered to be reasonably accurate. Returns from non-commercial stations and from stations which commenced operations during November or December of 1956 have been excluded.

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TABLE 1. Income of the Radio and Television Broadcasting Industry by System and Type of Service, 1956

Income	Radio			Television		
	Canadian Broadcasting Corporation Stations	Independent Stations (160)	Total	Canadian Broadcasting Corporation Stations	Independent Stations (27)	Total
dollars						
Broadcast revenue:						
Advertising — Network — C.B.C. ..	1,685,744	419,214	2,104,958	14,143,529	2,498,899	16,642,428
Other	32,699	46,750	79,449	—	—	—
National	249,045	15,900,957	16,150,002	3,819,808	5,839,621	9,659,429
Local	48,856	21,252,056	21,300,912	520,883	4,013,799	4,534,682
Other broadcast revenue	308,250	796,409	1,104,659	84,000	289,302	373,302
Total broadcast revenue	2,324,594	38,415,386	40,739,980	18,568,220	12,641,621	31,209,841
Other operating revenue ¹	171,866	410,755	582,621	6,997	367,330	374,327
Total operating revenue	2,496,460	38,826,141	41,322,601	18,575,217	13,008,951	31,584,168
Grants	12,586,840	18,942	12,605,782	24,586,189	—	24,586,189
Other income	105,824	156,412	262,236	259,059	16,538	275,597
Total gross income	15,189,124	39,001,495	54,190,619	43,420,465	13,025,489	56,445,954
Total operating expenses	14,896,504	30,538,950	45,435,454	44,352,573	10,734,138	55,086,711
Other expenses	90,321	1,430,373	1,520,694	831,403	848,798	1,680,201
Total expenses	14,986,825	31,969,323	46,956,148	45,183,976	11,582,936	56,766,912
Net income	202,299	7,032,172	7,234,471	Dr. 1,763,511	1,442,553	Dr. 320,958

1. Revenue from recording service, rental facilities, equipment sales, etc.

TABLE 2. Income of Independent Radio Broadcasting Stations, by Area of Location, 1956

	Atlantic Provinces (22 stations)	Quebec (37 stations)	Ontario (52 stations)	Prairie Provinces (31 stations)	British Columbia (18 stations)	Total (160 stations)
dollars						
Broadcast revenue:						
Advertising — Network — C.B.C.	48,035	64,941	159,085	116,835	30,318	419,214
Other	—	6,931	17,287	19,841	2,691	46,750
National	1,248,787	4,535,595	5,149,963	3,187,213	1,779,399	15,900,957
Local	2,187,729	4,359,062	6,663,586	5,201,461	2,840,218	21,252,056
Other broadcast revenue	85,939	162,646	111,013	267,320	169,491	796,409
Total broadcast revenue	3,570,490	9,129,175	12,100,934	8,792,670	4,822,117	38,415,386
Other operating revenue	27,776	39,699	166,318	108,364	68,598	410,755
Total operating revenue	3,598,266	9,168,874	12,267,252	8,901,034	4,890,715	38,826,141
Grants	—	—	942	18,000	—	18,942
Other income	20,792	34,594	56,833	24,968	19,225	156,412
Total gross income	3,619,058	9,203,468	12,325,027	8,944,002	4,909,940	39,001,495
Total operating expenses	3,012,494	7,234,701	9,221,845	7,032,471	4,037,439	30,538,950
Other expenses	99,050	525,239	272,886	340,329	192,869	1,430,373
Total expenses	3,111,544	7,759,940	9,494,731	7,372,800	4,230,308	31,969,323
Net income	507,514	1,443,528	2,830,296	1,571,202	679,632	7,032,172

TABLE 3. Income of Independent Television Broadcasting Stations, by Area of Location, 1956

	Atlantic Provinces (5 stations)	Quebec (4 stations)	Ontario (13 stations)	Prairie Provinces (5 stations)	British Columbia —	Total (27 stations)
	dollars					
Broadcast revenue:						
Advertising — Network — C.B.C.	347,449	265,203	1,347,542	538,705		2,498,899
Other	—	—	—	—		—
National	632,725	755,786	3,089,509	1,361,601		5,839,621
Local	580,819	419,147	1,881,894	1,131,939		4,013,799
Other broadcast revenue	126,906	34,033	117,437	10,926		289,302
Total broadcast revenue	1,687,899	1,474,169	6,436,382	3,043,171		12,641,621
Other operating revenue	28,207	155,195	18,431	165,497		367,330
Total operating revenue	1,716,106	1,629,364	6,454,813	3,208,668		13,008,951
Grants	—	—	—	—		—
Other income	7,627	—	8,911	—		16,538
Total gross income	1,723,733	1,629,364	6,463,724	3,208,668		13,025,489
Total operating expenses	1,452,799	1,288,867	5,693,110	2,299,362		10,734,138
Other expenses	208,234	205,172	271,881	163,511		848,798
Total expenses	1,661,033	1,494,039	5,964,991	2,462,873		11,582,936
Net income	62,700	135,325	498,733	745,795		1,442,553

TABLE 4. Income of Independent Radio Broadcasting Stations, by Network Affiliation, 1956

Income	C.B.C. network affiliation			Non-network (64 stations)	Total (160 stations)
	Trans Canada (28 stations)	Dominion (46 stations)	French (22 stations)		
	dollars				
Broadcast revenue:					
Advertising — Network — C.B.C.	201,912	131,306	64,359	21,637	419,214
Other	18,647	16,365	3,533	8,205	46,750
National	2,169,271	4,631,379	836,141	8,264,166	15,900,957
Local	3,634,196	6,643,472	1,366,569	9,607,819	21,252,056
Other broadcast revenue	166,195	156,177	68,168	405,869	796,409
Total broadcast revenue	6,190,221	11,578,699	2,338,770	18,307,696	38,415,386
Other operating revenue	46,963	248,805	25,769	89,218	410,755
Total operating revenue	6,237,184	11,827,504	2,364,539	18,396,914	38,826,141
Grants	—	942	18,000	—	18,942
Other income	23,576	66,917	12,474	53,445	156,412
Total gross income	6,260,760	11,895,363	2,395,013	18,450,359	39,001,495
Total operating expenses	4,909,563	9,528,225	1,889,438	14,211,724	30,538,950
Other expenses	213,232	282,635	146,694	787,812	1,430,373
Total expenses	5,122,795	9,810,860	2,036,132	14,999,536	31,969,323
Net income	1,137,965	2,084,503	358,881	3,450,823	7,032,172



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TABLE 5. Income of Independent Radio Broadcasting Stations by Revenue Group, 1956

	Under \$100,000 (50 stations)	\$100,000 to 200,000 (55 stations)	\$200,000 to 300,000 (20 stations)	\$300,000 to 400,000 (10 stations)	\$400,000 to 500,000 (9 stations)	\$500,000 to 1,000,000 (10 stations)	Over \$1,000,000 (6 stations)
	dollars						
Broadcast revenue:							
Advertising — Network — C.B.C.	29,082	151,451	104,409	23,098	37,997	73,167	—
Other	15,941	10,589	—	—	17,429	2,691	—
National	707,446	2,253,944	1,814,980	1,090,808	1,590,526	3,377,990	5,065,263
Local	2,491,734	5,480,444	2,910,355	2,325,742	2,160,675	3,482,732	2,400,374
Other broadcast revenue	40,201	84,743	102,855	130,626	174,666	207,573	55,745
Total broadcast revenue	3,284,404	7,981,281	4,932,599	3,570,274	3,981,293	7,144,153	7,521,382
Other operating revenue	30,553	23,501	71,359	9,806	77,293	183,860	14,383
Total operating revenue	3,314,957	8,004,782	5,003,958	3,580,080	4,058,586	7,328,013	7,535,765
Grants	18,000	942	—	—	—	—	—
Other income	5,685	24,430	21,457	10,886	26,234	38,358	28,362
Total gross income	3,339,642	8,030,154	5,025,415	3,590,966	4,084,820	7,366,371	7,564,127
Total operating expenses	2,918,588	6,691,883	4,043,400	3,021,596	3,309,420	5,619,981	4,934,082
Other expenses	244,451	245,777	240,073	—	14,423	356,275	329,374
Total expenses	3,163,039	6,937,660	4,283,473	3,021,596	3,323,843	5,976,256	5,263,456
Net income	176,603	1,092,494	741,942	569,370	760,977	1,390,115	2,300,671

TABLE 6. Income of Independent Television Broadcasting Stations by Revenue Group, 1956

	Under \$200,000 (5 stations)	\$200,000 to 400,000 (10 stations)	\$400,000 to 700,000 (5 stations)	\$700,000 to 1,000,000 (4 stations)	Over \$1,000,000 (3 stations)
	dollars				
Broadcast revenue:					
Advertising — Network — C.B.C.	184,900	888,122	429,761	633,006	363,110
Other	—	—	—	—	—
National	211,016	1,213,134	975,492	1,740,000	1,699,979
Local	153,755	763,103	970,379	999,807	1,126,755
Other broadcast revenue	2,171	68,786	103,079	52,032	63,234
Total broadcast revenue	551,842	2,933,145	2,478,711	3,424,845	3,253,078
Other operating revenue	9,404	54,126	41,098	129,885	132,817
Total operating revenue	561,246	2,987,271	2,519,809	3,554,730	3,385,895
Grants	—	—	—	—	—
Other income	890	—	6,737	3,853	5,058
Total gross income	562,136	2,987,271	2,526,546	3,558,583	3,390,953
Total operating expenses	426,831	2,915,838	1,899,572	2,688,696	2,803,151
Other expenses	224,285	316,023	42,460	139,416	126,614
Total expenses	651,166	3,231,861	1,942,032	2,828,112	2,929,765
Net income	Dr. 89,030	Dr. 244,590	584,514	730,471	461,188

TABLE 7. Fees, Commissions and Employee Statistics of the Radio and Television Broadcasting Industry, 1956

	Radio	Television	Total
Total broadcast revenue (table 1) includes:			
1. Artists and other talent fees billed to sponsors and paid out	\$ 1,243,427	3,732,755	4,976,182
2. Line fees, recording and other production charges billed to sponsors and paid out	\$ 719,524	1,950,530	2,670,054
3. Commissions paid to representative agencies	\$ 1,675,339	457,820	2,133,159
4. Commissions paid to advertising agencies	\$ 1,919,949	4,145,452	6,065,401
Total operating expenses (table 1) include:			
5. Artists' fees (either paid by station or on which a commission or discount accrues to the station)	\$ 4,235,098	6,290,162	10,525,260
6. Wages and salaries (exclusive of all artists' fees and other talent fees reported in items 1 or 5)	\$ 25,124,338	14,991,351	40,115,689
Average monthly number of employees engaged during year (whose earnings are reported in item 6)	No. 6,796	3,702	10,498