

The Daily

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Releases

Television broadcasting, 2014

The Canadian television broadcasting sector reported a 0.3% decline in total operating revenues to \$7.6 billion in 2014. Profits before interest and taxes fell 22.0% to \$836.8 million in 2014 from \$1.1 billion in 2013.

The decline in 2014 was attributable to a 3.2% increase in operating expenses to \$6.7 billion. The higher expenses were due primarily to programming expenses, which rose 5.3% from \$4.6 billion in 2013 to \$4.8 billion in 2014.

The private conventional television segment's share of revenues within the television broadcasting sector continued to shrink. At \$1.8 billion in 2014, this segment accounted for 24.0% of the sector's revenues compared with 30.4% in 2010. Specialty television's share of the market continued to grow, generating revenues of \$3.4 billion, which represented 45.3% of total revenues in 2014. The public and non-commercial television (19.8%) and pay television (10.9%) segments accounted for the rest of the television broadcasting sector's revenues.

Operating revenues for the public and non-commercial television segment grew 2.1% to \$1.5 billion in 2014, the result of a \$140.6 million increase in advertising sales, which offset a \$106 million decline in government grants. However, a 4.2% increase in operating expenses led to losses of \$22.5 million and a gross profit margin of -1.5% for the public and non-commercial television segment.

Despite a 4.2% increase in operating revenues, the specialty television segment saw its profits before interest and taxes decrease 7.5% in 2014, resulting in a profit margin of 26.6%. Operating expenses grew 9.1% to \$2.5 billion, mainly the result of a \$208 million increase in programming expenses.

The pay television segment earned a profit before interest and taxes of \$97.0 million, leading to a gross profit margin of 11.8%. Pay television and specialty television were the lone segments to report a profit in 2014.

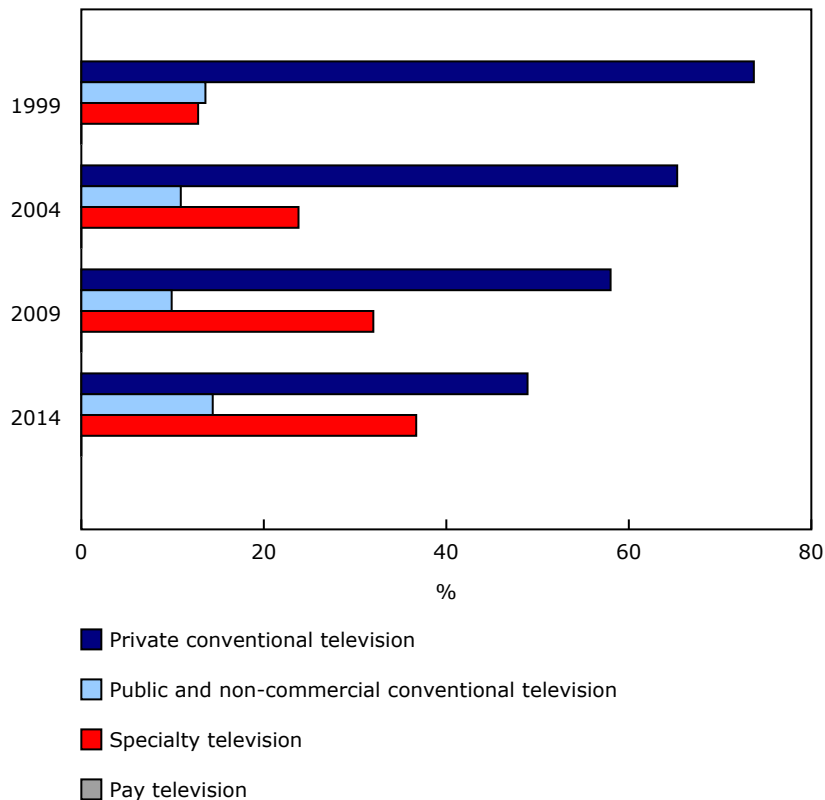
Advertising revenue continues to decline in the Canadian television broadcasting sector

Advertising sales, the largest revenue contributor, fell 0.8% to \$3.4 billion, continuing the decline that started in 2011. From 2011 to 2014, air time sales decreased by \$190.9 million. Recent technological changes, including new broadcasting platforms for television programming such as websites or mobile phones, have had a notable impact on the sector's financial results. Private conventional television was hit the hardest by this phenomenon. Its air time sales have decreased by \$302.5 million since 2011, with revenues totalling \$1.7 billion in 2014.

The decline in advertising sales in 2014 for the television broadcasting sector was offset by an increase in subscription revenues, which rose 5.5% from 2013 to \$2.9 billion in 2014. This growth followed increases of 8.4% in 2012 and 5.3% in 2013.

Private conventional television's share of the advertising sales market fell below the 50% mark for the first time, reaching 48.9% in 2014. In contrast, specialty television held 36.7% of the advertising sales market and public and non-commercial television held 14.4%.

Chart 1
Market share (air time) by type of broadcaster



Source(s): Radio and Television Broadcasting Survey (2724).

Private conventional television in Quebec records its first loss since 1991

Private conventional television in Quebec posted its first loss before interest and taxes since 1991, recording a loss of \$12.3 million in 2014 compared with a profit of \$24.2 million the previous year. The loss was due to an 8.9% decline in operating revenues to \$393.1 million in 2014, while operating expenses fell 0.4% to \$405.4 million. This differs from the last time losses were reported between 1987 and 1991, when the sector posted significant increases in programming costs rather than declines in operating revenues. During that period, programming costs rose 58.1% from \$132.8 million in 1987 to \$209.9 million in 1991.

Losses in other Canadian regions

The private conventional television segment in three other Canadian regions—the Atlantic provinces, Ontario and the western provinces—also recorded losses before interest and taxes in 2014. The Atlantic provinces reported losses of \$15.5 million in 2014, following losses of \$12.7 million in 2013. The losses in 2014 were due to a 3.4% decrease in operating revenues combined with a 0.5% increase in operating expenses.

In Ontario, operating revenues fell 5.9% from \$828.3 million in 2013 to \$779.4 million in 2014. Operating expenses rose 0.9% to \$846.6 million, resulting in losses of \$67.2 million. Ontario's private conventional television stations had not recorded such losses since the 2008-2009 recession.

Private conventional television stations in western Canada reported a loss in profits before interest and taxes of \$53.5 million in 2014, mainly as a result of a decline in advertising sale revenues, which fell 8.4% to \$528.5 million. The 1.8% decrease in operating expenses to \$629.6 million was not enough to offset the decline in revenue.

Total operating revenues for private conventional television in Canada fell 7.2% in 2014 to \$1.8 billion. Operating expenses edged down 0.3% to \$2.0 billion, leading to losses of \$148.5 million and a gross profit margin of -8.2%.

Table 1
Financial indicators: Television broadcasting industries¹

	2013	2014	2013 to 2014
	millions of dollars		% change
Total operating revenues by type of broadcaster	7,591.4	7,567.4	-0.3
Conventional television	3,427.6	3,316.6	-3.2
Private conventional television	1,958.0	1,816.2	-7.2
Public and non-commercial television	1,469.6	1,500.4	2.1
Pay and specialty television	4,163.8	4,250.8	2.1
Specialty television	3,292.0	3,428.7	4.2
Pay television	871.7	822.1	-5.7
Total operating revenues by source	7,591.4	7,567.4	-0.3
Air time sales	3,414.4	3,386.9	-0.8
Subscriptions	2,762.7	2,915.0	5.5
Grants	964.8	858.8	-11.0
Local programming improvement fund	75.3	38.1	-49.5
Other revenues	374.2	368.6	-1.5
Sale of air time by type of broadcaster	3,414.4	3,386.9	-0.8
Conventional television	2,117.4	2,142.7	1.2
Private conventional television	1,771.7	1,656.5	-6.5
Public and non-commercial television	345.7	486.3	40.7
Pay and specialty television	1,296.9	1,244.2	-4.1
Specialty television	1,296.6	1,244.1	-4.0
Pay television	0.4	0.1	-75.4

1. North American Industry Classification System 2007: Television broadcasting (51512) and pay and specialty television (51521).

Source(s): CANSIM table [357-0001](#).

Table 2
Financial indicators: Television broadcasting industries¹

	2013	2014
	%	
Profit margin (before interest and taxes) by type of broadcaster (private)	17.4	14.2
Private conventional television	-0.6	-8.2
Pay and specialty television	25.9	23.7
Market share (revenue) by type of broadcaster		
Conventional television	45.2	43.8
Private conventional television	25.8	24.0
Public and non-commercial television	19.4	19.8
Pay and specialty television	54.8	56.2
Specialty television	43.4	45.3
Pay television	11.5	10.9
Market share (air time) by type of broadcaster		
Conventional television	62.0	63.3
Private conventional television	51.9	48.9
Public and non-commercial television	10.1	14.4
Pay and specialty television	38.0	36.7
Specialty television	38.0	36.7
Pay television	0.0	0.0

1. North American Industry Classification System 2007: Television broadcasting (51512) and pay and specialty television (51521).

Source(s): Tableau CANSIM [357-0001](#).

Note to readers

Until 2012, Statistics Canada published data as provided by the Canadian Radio-television and Telecommunications Commission. Starting with the 2013 reference year, data on the pay and specialty television segment are processed by Statistics Canada.

To ensure comparability between data prior to 2013 and data for 2013 onward, data were subjected to several quality assurance processes. A comparative analysis revealed that data processing—using Statistics Canada's standard processes—resulted in revision differences of less than 2% compared with the data originally published in 2013.

For a detailed explanation of error detection, imputation and quality evaluation, see the Radio and Television Broadcasting Survey (2724) page on our website.

Available in CANSIM: table [357-0001](#).

Definitions, data sources and methods: survey number [2724](#).

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Dany Gravel (613-864-1350; dany.gravel@statcan.gc.ca), Investment, Science and Technology Division.

Large urban transit, June 2015

In June, total operating revenue (excluding subsidies) for 10 of Canada's largest urban transit systems rose 1.0% from the same month in 2014 to \$296.1 million.

Over the same period, ridership fell 0.1% to 139.7 million passenger trips.

Note to readers

This survey collects operating revenue (excluding subsidies) and passenger trip data from 10 urban transit companies across Canada. These companies represent approximately 80% of urban transit activity revenue across Canada.

Data aggregations are available for Canada.

The aggregations in this release are not seasonally adjusted.

Available in CANSIM: table [408-0004](#).

Definitions, data sources and methods: survey number [2745](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Obesity among children and adolescents, 1978, 2004 and 2009–2013

Data for 1978 and 2004 and combined data for 2009 and 2013 on obesity rates among Canadian children and adolescents, by age group and sex, are now available upon request.

Data are based on three cross-sectional surveys: the 1978/1979 Canada Health Survey, the 2004 Canadian Community Health Survey – Nutrition, and cycles 2 and 3 of the Canadian Health Measures Survey (2009 and 2013 combined).

Note to readers

An analytical article based on these data will be released on August 26.

Definitions, data sources and methods: survey numbers [3217](#), [5049](#) and [5071](#).

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