

During the fiscal year 1949-50, terminated on March 31, last, a total of 2,177,445 licences were issued, resulting in a gross revenue of \$4,989,354.33. In addition to this revenue, the Canadian Broadcasting Corporation was paid \$331,652.20, being the amount of commissions deducted by issuers.

Also, the amount of \$153,700.00—Commercial Broadcasting Licence fees—was paid to the C.B.C., making a grand total of \$5,474,706.53.

A comparison of these figures with the previous year shows an increase of 119,646 Private Receiving Station Licences issued, and an increase in total moneys paid to the Canadian Broadcasting Corporation of \$337,081.88. This amount is only slightly less than the amount of \$339,333.50 which was the increase in revenue paid to the C.B.C. in 1948-49. It should be noted in this regard that since the full \$2.50 became payable to the C.B.C., in 1947-48, there has been a total increase in revenue, to date, of \$1,568,865.46.

In 1949-50 it cost the Department \$305,729.07 for the operation of the organization involving the distribution and the recording of receiving licences. This represents an increase of \$35,792.31 over the year 1948-49, being principally due to rise in salaries over the period. At the same time, the amount of commissions paid issuers in 1949-50, namely \$331,652.20, was \$10,329.80 less than in 1948-49, resulting in a total expenditure of appropriation of 637,381.27. The decrease in commissions was chiefly due to the fact that some 1,300 post offices were changed over to staff offices and the commission reduced from 15c to 5c for licences sold through them.

It will be noted that the increase in licences for the year, amounting to 5.5 per cent, follows the trend of past increases. At the same time, the actual cost of issue of licences is very close to that of previous years.

The attached statistics have been prepared in the form of appendices to this statement. Appendix 1 comprises a summary of Receiving Licence issues; Appendix 2 and 3 being the breakdown, by provinces, of licences and revenue. These are followed by Appendix 4 showing the moneys received and paid to the Canadian Broadcasting Corporation. Appendix 5 gives a breakdown of the costs of collecting licences. Appendix 6 shows details of the cost of mechanization in connection with the recording of licences. Appendix 7 gives further breakdowns showing total commissions paid, classes of issuers, rates of commission and percentages of licences issued, by classes of issuers. Appendix 8 contains figures with respect to licences issued without fee and licences issued to cover the operation of radio broadcasting receivers in automobiles. Appendix 9 is a breakdown, by provinces, of the number of prosecutions under The Radio Act, of persons found operating receiving sets without licences. It will be noted that there is a decrease over the past three years and I may say that this is primarily due to the fact that we issued specific instructions to our Inspectors to concentrate on the more outlying districts: therefore, it was not possible to obtain the same number of cases with the time at their disposal. Also, included with the appendices is the final statement of issue of receiving licences for the fiscal years 1948-49 and 1949-50 by provinces and principal cities and towns.

Pursuant to the recommendations contained in the report of the Special Committee on Radio Broadcasting of the 1947 Session of the House of Commons, action was taken to examine into the fees charged for Private Commercial Broadcasting Station Licences. As a result of this examination, Regulation 1, Part I of the Radio Regulations made by the Governor in Council was amended, effective April 1, 1948. The final basis arrived at for the fees, estimated to average slightly over one per cent of the aggregate gross income, resulted in the classification of stations into seven categories according to their individual gross revenues. The regulation prescribes as follows: