

CBC REVIEWS ACTIVITIES

Development of Canada's national broadcasting system last year continued under a heavy demand for increased services, the Canadian Broadcasting Corporation said last week in its 21st annual report.

The report, for the year ended last March 31, said this demand was felt particularly in television services, as shown by the fact that some 2,490,000 Canadian homes--representing 62 per cent of all those in Canada--had bought television sets by last March. During the year sales of radio sets also increased.

At the same time, public and privately-owned stations, working together within the national system, developed coverage to a point where approximately 86 per cent of all Canadians were brought within range of a Canadian TV station. Five new stations came into operation during the year, bringing the total number in Canada to 40, of which eight are CBC stations. All carried the national programme service provided by CBC, with the privately-owned stations using an average of 38 hours a week.

"Progress continued to be made in the development of Canadian programme content", the report said. "English television network services totalled about 48 hours a week of which just over half was Canadian. In the French language the network service--about 53 hours a week--was about three-quarters Canadian."

CANADIAN PROGRAMME CONTENT

"The CBC continued to emphasize the development of Canadian programmes. A great deal of effort, and inevitably increasing costs, during the year went into the improvement of Canadian productions. With tastes stimulated in part by familiarity with expensive productions done south of the border, the Canadian public continued to demand an ever higher standard of output in Canadian programmes."

The improved programme fare and extended coverage in both languages in 1956-57 brought the operating cost of the television services to \$35,175,007. This compared with \$25,274,260 in the previous fiscal year.

Meanwhile radio services on the three national networks--Trans-Canada, French and Dominion--were undiminished. Total radio expenditures rose slightly to \$13,705,415 from \$13,298,252 the previous year.

Increased participation by advertisers brought combined net income from that source to \$11,179,940 compared with \$9,134,945, despite a decrease of almost \$400,000 in commercial radio revenue.

The report outlined the aims laid down for the CBC by Parliamentary Committees and Royal Commissions as developing "...a service which is predominantly Canadian, while bringing in much that is liked from other countries; which helps to unite Canada by

being available equitably to the greatest number of Canadians possible from coast to coast. In doing so the CBC had as always to deal with the challenges of Canadian conditions; great areas, and relatively small population; and the need for two distinct services in two languages."

Tribute was paid to Canadian talent: "The Corporation would like to make special mention of the contributions made to the relatively new medium of television by Canadian artists. This report covers the period marking the fourth anniversary of Canadian television. In these few years our native talent has developed its standards to a point where Canadian performers in many fields rank with the best of any broadcasting service in the world. The CBC is proud of this achievement by Canadian artists and writers..."

"Efforts to maintain and improve the quality of programme services were reflected in awards received at the American Exhibition of Radio and Television Programmes at Ohio State University, where CBC won more awards than any other network; in the increasing number of advertisers' participations in CBC-TV programmes; and in programmes sold abroad, in the well-deserved gaining of international reputations by many Canadian performers, and, most important, in a high degree of acceptance from the Canadian public."

On CBC's financial outlook, the report noted that its main source of revenue--the excise tax on sets and parts--was diminishing as major markets approached set saturation, as the Corporation had forecast. Actually it was \$3,876,926 lower than in 1955-56. It quoted a statement made in the 1955-56 annual report, still largely true:

"Pending decisions by Parliament regarding the future financing of the national broadcasting system... the Corporation was planning to maintain services and carry out essential developments within the limits of resources available... in television it faced a situation as the year began in which it would have to reduce television service considerably unless some special provision for funds was made."

The report's foreword concluded: "During the 1956-57 fiscal year expenditures were largely confined to operations with only limited amounts spent on capital needs. The CBC had to continue to carry on main operations in a miscellaneous collection of quarters. In Montreal, Ottawa and Toronto alone, CBC at March 31 was housed in 50 different locations, of which 45 were leased premises although some consolidation was in progress when feasible."

"The Corporation's financial position was affected by the general rise in costs common to all industries in Canada as well as factors arising from the development of national