

BROADCASTING PROFITS

But the most significant benefits of bigness can be seen in the profitability figures. Table 19 tells the story. As with newspapers, we've expressed profits in various ways: as a percentage of equity, before taxes; as a percentage of assets before taxes; and as a percentage of sales before taxes. The figures were compiled for the Committee by D.B.S. and the C.R.T.C. from the balance sheets of individual private stations. The figures for "radio" refer to companies which operate radio stations but do not also own TV stations. The TV figures are for companies which do not also own radio stations. The combined figures are for those companies owning both radio and TV stations.

TABLE 19. RATES OF PROFITS IN PRIVATE BROADCASTING,
CANADA 1964-1968

Type of Broadcaster by Revenue Group	1964	1965	1966	1967	1968
BEFORE TAX RETURN ON EQUITY					
<i>Radio*</i>					
Less than \$100,000.....	-11.0	- 9.2	-17.3	- 8.0	-32.3
\$100,000 to 249,999.....	10.3	12.4	15.6	8.3	6.9
\$250,000 to 499,999.....	13.8	28.0	11.8	11.8	12.8
\$500,000 to 999,999.....	60.5	22.6	27.8	31.5	28.4
\$1,000,000 and over.....	33.2	37.0	37.9	39.6	43.1
All Stations.....	22.1	21.1	22.8	23.9	25.8
<i>Television†</i>					
Less than \$250,000.....	-27.3	-31.2	- 0.9	+ 7.0	- 5.8
\$250,000 to 499,999.....	3.4	22.3	9.4	8.3	11.7
\$500,000 to 999,999.....	32.7	16.7	3.3	19.9	27.5
\$1,000,000 to 1,499,999.....	31.4	42.0	9.5	35.4	23.3
\$1,500,000 and over.....	98.5	91.0	56.3	40.1	60.8
All Stations.....	56.0	64.4	42.3	36.3	50.7
Combined Radio and Television‡.....	29.9	50.2		56.8	29.6
All Stations.....	42.1	48.1	49.1	47.4	21.1
BEFORE TAX RETURN ON ASSETS					
<i>Radio*</i>					
Less than \$100,000.....	- 0.7	- 1.5	- 2.7	- 1.2	- 7.0
\$100,000 to 249,999.....	8.2	7.7	9.9	6.1	5.4
\$250,000 to 499,999.....	7.9	4.6	6.8	6.9	8.1
\$500,000 to 999,999.....	14.9	9.3	10.5	18.5	14.3
\$1,000,000 and over.....	21.8	27.5	26.0	25.0	25.6
All Stations.....	12.0	11.6	12.6	14.2	14.3
<i>Television†</i>					
Less than \$250,000.....	- 5.9	- 8.4	- 0.6	+ 6.5	- 1.6
\$250,000 to 499,999.....	4.6	11.2	5.6	4.8	6.5
\$500,000 to 999,999.....	25.3	10.0	2.0	13.2	18.3
\$1,000,000 to 1,499,999.....	16.7	39.9	5.7	30.7	21.4
\$1,500,000 and over.....	22.6	31.2	26.0	21.1	31.9
All Stations.....	18.5	25.5	19.4	19.6	27.9