

REVENUES

Revenue increases presume the maintenance of current schedules over the forecast period and relate to rate increases anticipated for the period. Revenue losses that might occur as a result of new programming introduced into prime time and other program changes are reflected under the Program Improvement section. Average % increase is 4.1% per annum.

II. 1970/71 CAPITAL REQUIREMENTS (Refer to Schedule 1 for Operating Impact)

Total capital requirements are \$35,425,000. The major categories are:

Coverage Improvements	\$ 8,521,000
Additions and Replacements	7,347,000
Consolidation	19,487,000
Emergency Broadcast Facilities	70,000
	<u>\$35,425,000</u>

A. Coverage Improvements

The policy of the Corporation is to extend television service to communities of 2,000 or more and radio service to communities of 500 or more with priority based on cost per capita.

1. Coverage Improvements - Television \$8,048,000

Provides for the following main items:

a) Isolated Unserved Areas: \$127,000

Completion of Frontier Coverage Packages to provide English television service to Fort McMurray, Alta., and commencement of construction at Rainbow Lake, Alta., Faro, Y.T., and Falher, Alta. (French).

b) Other Unserved Areas: \$6,241,000

i) Completion of television rebroadcast or network relay transmitters to provide English service to Baie Verte, Bonne Bay, Buchans, Englee, St. Anthony and Irishtown, Nfld.; Golden, Granisle, McKenzie, Port Alice, Salmo and Invermere, B.C.; and commencement of construction at Forrests' Point, Musgrave Harbour, St. Mary's Bay, Battle Harbour, Nfld.; Antigonish, Inverness, Sydney and Truro, N.S.; Moosonee, Ont.; McCreary and Sprague, Man.; Etzikom, Alta.; Campbell River, Newcastle Ridge, Port Hardy, Fernie, Fruitvale/Montrose, and Holberg, B.C. (\$1,761,000).

ii) Completion of television rebroadcasting or network relay transmitters to provide French service to Chapais/Chibougamau, Rochebaucourt and Lebel sur Quevillon, P.Q., and commence construction at Newcastle, N.B.; Megantic, P.Q.; Espanola, Chapleau, and Sault Ste. Marie, Ont. (\$676,000).

iii) Extension of English language service to areas now served in French:
Sherbrooke and Shawinigan Falls, P.Q. (\$560,000)

iv) Extension of French language service to areas now served in English:
Boisdale, Halifax, Yarmouth, N.S.;
Fredericton and Saint John, N.B.;
Pembroke, Windsor and Toronto, Ont. (\$3,244,000)