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7. The projection in Table C would provide for a more general development of the service. It would make possible a considerable improvement in the quality and number of Canadian programs. It would also make possible wider extension of coverage. It would provide toward the end of the period for the beginning of some colour television.

TABLE C
(000 omitted)

	<u>1953-54</u>	<u>1954-55</u>	<u>1955-56</u>	<u>1956-57</u>	<u>1957-58</u>
Net Expenditure	7,364	17,300	30,000	40,000	48,000
Less: Net Commercial Income	1,334	3,800	4,600	5,600	6,500
	<u>6,030</u>	<u>13,500</u>	<u>25,400</u>	<u>34,400</u>	<u>41,500</u>
Income from Excise	11,703	16,000	15,600	11,500	9,500
Income at \$15/TV Home	7,500	20,000	25,500	34,000	39,000

Commercial Factors

8. It should be noted that amounts given in the tables above for commercial income are net figures. They do not include amounts which sponsors pay which are directly offset by out of pocket expenditures, or amounts which go to the private stations through the CBC for the carrying of commercial network programs (and which provide a way for recompensing the affiliates for carrying CBC sustaining programs). They do not include the large amounts which sponsors pay for program material or for their advertising messages. It is estimated that through the years advertisers as a whole will be paying out in connection with national system television several times the net figures above, and that the total will probably approach in itself an amount of \$15 per year per television home.