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5. Table A below is a projection of figures covering only the continuation of the present service with present program standards and coverage through existing stations together with stations under construction. The increases in expenditures provided for are chiefly: unavoidable increases in salaries; increasing costs to the CBC of rights and fees because of increased television circulation; extension of coast to coast network service; re-enforcement of organization necessary to meet over strain and lessen faults; minimum technical to avoid falling too far behind; increased costs of servicing loans and starting repayment of principal; development of minimum regional operations and programming.

TABLE A  
(000 omitted)

|                                | <u>1953-54</u> | <u>1954-55</u> | <u>1955-56</u> | <u>1956-57</u> | <u>1957-58</u> |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|
| Net Expenditures               | 7,364          | 17,300         | 25,300         | 30,000         | 35,000         |
| Less: Net Commercial<br>Income | <u>1,334</u>   | <u>3,800</u>   | <u>4,600</u>   | <u>5,300</u>   | <u>6,000</u>   |
|                                | 6,030          | 13,500         | 20,700         | 24,700         | 29,000         |
| Income from Excise             | 11,703         | 16,000         | 15,600         | 9,000          | 7,000          |
| Income at \$15/TV Home         | 7,500          | 20,000         | 25,500         | 32,500         | 36,000         |