

Television broadcasting, 2017

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Total operating revenues for the Canadian television broadcasting sector fell 4.8% from 2016 to \$7.1 billion in 2017. Profits before interest and taxes rose 10.5% to \$940.7 million in 2017.

The increase in profits before interest and taxes is the result of a 6.8% decrease in operating expenses, which fell to \$6.2 billion in 2017.

All revenue categories were down in 2017. Air time sales fell 4.9% to \$3.0 billion in 2017. Subscription revenues fell by 1.3% or \$39 million over the same period. This was the first time that subscription revenues have fallen in the television broadcasting sector. Moreover, public and private subsidies were down 14.2%.

The private conventional television segment's share of operating revenues in the television broadcasting sector edged up in 2017. This segment generated \$1.7 billion in operating revenue, accounting for 24.1% of the total operating revenues for the sector, compared with 23.8% in 2016.

Specialty television accounted for just over half of the market share (50.6%), with \$3.6 billion in operating revenues, while public and non-commercial television (15.7%) and pay television (9.6%) accounted for the remaining share of operating revenues for the television broadcasting sector.

Operating revenues for the public and non-commercial television segment fell 17.3% to \$1.1 billion in 2017. Advertising sales for this segment declined 28.3% to \$200.4 million.

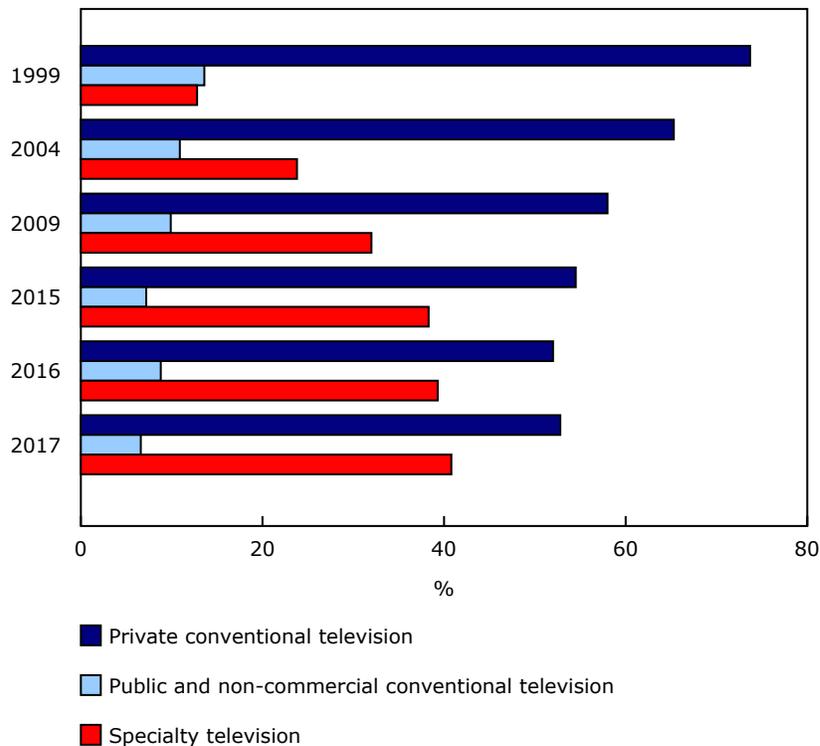
Operating expenses for the public and non-commercial television segment were down 13.8% to \$1.1 billion in 2017. This segment had \$688.1 million in programming expenses in 2017, compared with \$824.6 million in 2016. Sales and promotions fell from \$135.5 million to \$119.3 million.

The operating revenues of the specialty television segment were essentially unchanged from 2016 to 2017. Operating expenses for this segment decreased 0.9% and the profit margin before interest and taxes rose to 26.4%.

The pay television segment generated \$107.7 million in profit before interest and taxes, bringing the gross profit margin to 15.7%.



Chart 1
Market share by type of broadcaster (air time)



Source(s): Radio and Television Broadcasting Survey.

Revenues from air time sales continue to fall

Air time sales for the Canadian television industry, the main component of revenue, fell 4.9% to \$3.0 billion in 2017, continuing a downward trend that started in 2012. The private television (-3.4%) and public and non-commercial television (-28.3%) segments both saw their air time sales decline in 2017. Air time sales for the specialty television segment fell 1.7%, while sales in the pay television segment were up \$1.1 million.

The private conventional television sector accounted for 52.8% of the market share of air time sales in 2017. By comparison, the market share of advertising sales for the specialty television segment was 40.6%, followed by the public and non-commercial television segment at 6.6%.

Private conventional television posts losses in every province

Total operating revenues for the Canadian private conventional television segment fell 3.8% to \$1.7 billion in 2017. Operating expenses were down 4.3% to \$1.8 billion, leading to losses of \$100.8 million and a profit margin before interest and taxes of negative 5.9%.

In the Atlantic provinces, the losses totalled \$14.5 million in 2017, compared with \$16.3 million in 2016. A 4.4% decrease in operating revenues, combined with a 5.6% decline in operating expenses, explains these losses.

In Quebec, losses before interest and taxes totalled \$11.0 million in 2017, compared with losses of \$9.8 million in 2016. This increase in 2017 was attributable to a 3.1% decline in operating revenues to \$352.5 million, and a 2.7% decrease in operating expenses to \$363.5 million.

In Ontario, operating revenues fell 4.1% to \$776.7 million in 2017. Operating expenses declined 4.3% to \$815.0 million, resulting in losses of \$38.2 million.

Private conventional television stations in Western Canada recorded losses before interest and taxes of \$37.0 million in 2017, compared with \$45.8 million in 2016. Operating expenses fell 5.1% to \$561.1 million and operating revenues were down 3.9% to \$524.1 million.

Table 1
Financial indicators: Television broadcasting industries¹

	2016	2017	2016 to 2017
	millions of dollars		% change
Total operating revenues by type of broadcaster	7,485.2	7,123.4	-4.8
Conventional television	3,139.4	2,837.0	-9.6
Private conventional television	1,784.7	1,716.3	-3.8
Public and non-commercial television	1,354.7	1,120.7	-17.3
Pay and specialty television	4,345.8	4,286.4	-1.4
Specialty television	3,600.7	3,601.5	0.0
Pay television	745.1	684.9	-8.1
Total operating revenues by source	7,485.2	7,123.4	-4.8
Air time sales	3,192.5	3,036.8	-4.9
Subscriptions	2,995.9	2,957.2	-1.3
Grants	944.8	810.9	-14.2
Local programming improvement fund	..	0.0	..
Other revenues	352.0	318.5	-9.5
Sale of air time by type of broadcaster	3,192.5	3,036.8	-4.9
Conventional television	1,939.1	1,803.9	-7.0
Private conventional television	1,659.7	1,603.4	-3.4
Public and non-commercial television	279.4	200.5	-28.2
Pay and specialty television	1,253.4	1,233.0	-1.6
Specialty television	1,253.3	1,232.0	-1.7
Pay television	0.0	1.1	...

.. not available for a specific reference period

... not applicable

1. North American Industry Classification System 2012: Television broadcasting (51512) and pay and specialty television (51521).

Source(s): Table 22-10-0004-01.

Table 2
Financial indicators: Television broadcasting industries¹

	2016	2017
	%	
Profit margin (profit margin before interest and taxes) by type of broadcaster (private)	13.3	15.9
Private conventional television	-6.4	-5.9
Pay and specialty television	21.4	24.7
Market share by type of broadcaster (revenue)		
Conventional television	41.9	39.8
Private conventional television	23.8	24.1
Public and non-commercial television	18.1	15.7
Pay and specialty television	58.1	60.2
Specialty television	48.1	50.6
Pay television	10.0	9.6
Market share by type of broadcaster (air time)		
Conventional television	60.7	59.4
Private conventional television	52.0	52.8
Public and non-commercial television	8.8	6.6
Pay and specialty television	39.3	40.6
Specialty television	39.3	40.6
Pay television	0.0	0.0

1. North American Industry Classification System 2012 (51512 – Television Broadcasting and 51521 – Pay and Specialty Television).

Source(s): Table [22-10-0004-01](#).

Note to readers

Until 2012, Statistics Canada published data as provided by the Canadian Radio-television and Telecommunications Commission. Starting with the 2013 reference year, data on the pay and specialty television segments are processed by Statistics Canada.

To ensure comparability between data prior to 2013 and data for 2013 onward, data were subjected to several quality assurance processes. A comparative analysis revealed that data processing—using Statistics Canada's standard processes—resulted in revision differences of less than 2% compared with the data originally published in 2013.

For a detailed explanation of error detection, imputation and quality evaluation, see the Radio and Television Broadcasting Survey ([2724](#)) page on our website.

Available tables: table [22-10-0004-01](#).

Definitions, data sources and methods: survey number [2724](#).

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca).

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