

PRESIDENT AND CEO'S MESSAGE

The broadcasting industry thrives on creativity, renewal and risk-taking, and 2005–2006 offered plenty of each. From new programs and personalities, to new technologies and platforms, the past year was one of tremendous change and I am very proud to say that CBC | Radio-Canada was at the forefront of much of the most exciting broadcasting news for Canadians.

- ▶ In December we launched the satellite radio service Sirius Canada, expanding our reach to audiences in the US and to all Canadians, no matter where they live in this country. Of the 10 Canadian channels carried by the service, six are provided by CBC | Radio-Canada;
- ▶ In February, our Television services provided more than 1,300 hours of coverage of the 2006 Turin Winter Olympic Games including, for the first time in Canada, content that was available for viewing on cell phones;
- ▶ Our Radio services maintained their leadership positions in markets across Canada and, as in the case of CBC Radio One, we enhanced our presence in a number of local markets, providing more Canadians with the local information service they require. In May 2005, Radio de Radio-Canada's BBM results marked the first time that the Première Chaîne's audience reached one million listeners;
- ▶ Our French Radio service Espace musique had a remarkable first year on air with Fall BBM results of 2.5 per cent, confirming the appetite Canadians have for the kind and range of musical diversity that only a public broadcaster can deliver;
- ▶ While *CBC.ca* and *Radio-Canada.ca* remained among the country's top news and information websites, they also became one of the places Canadians go to download some of their favourite programs for listening to on their iPods or MP3 players. These devices are attracting large new audiences to CBC | Radio-Canada. In fact, this year there were one million individual podcast downloads of CBC Radio information and music programming, primarily from the 18-to-34-year-old group.



While these are just a few of the things we have to be proud of this year, they serve to reflect our efforts to evolve with – if not ahead of – the changing needs and interests of our audiences. To stay relevant we must continue to provide them not just with more of the Canadian News, information and entertainment programming they want, but also to provide it to them when, where and how they want it.

Our ability to do that, of course, is in part linked to the resources we have. Securing stable, multi-year funding for CBC | Radio-Canada remains one of our greatest challenges. Unfortunately, this comes at a time when the Corporation is faced with uncertainty around a number of key revenue sources. In 2005–2006, we continued to do our part to find funding internally through operating efficiencies and new revenues. But it is not enough.

While efficiencies and adequate funding are just two of the conditions required for our future success we must also renew the ways in which we operate. To that end, in February 2006, CBC Television announced a new approach to program development and commissioning with the objective of making

CBC Television the most important and popular video platform for Canadian News, Current Affairs, and entertainment programming in English Canada.

In September 2005, we brought the leadership for our French services under the auspices of a single office. Creating an integrated management structure allows us to develop an overall vision for our French services and to optimise our production resources. This will result in a stronger, more comprehensive and consistent public broadcaster for our audiences.

While we had much to celebrate, we were faced also with a number of challenges. Beyond inflation we continued to be faced with rising production costs, among other financial pressures. Audience fragmentation remains an issue not just for CBC | Radio-Canada, but for all broadcasters. I also cannot neglect to mention the labour dispute with the Canadian Media Guild (CMG). While it was difficult, the end result is a collective agreement that positions the Corporation for the coming years to recruit the best and the brightest creative talent in Canada and to challenge and inspire our employees, matching their talents to the task at hand. The real beneficiaries, though, are Canadians who will see and hear more diverse and improved programming on our airwaves and online, as a result. We are also pleased that we reached agreements with our two major Unions in the French file, STARF and SCRC, as well as with the Association of Professionals and Supervisors (APS).

Looking to the future, it is clear that we have work to do across all of our services in order to succeed. We need to take more risks and break down the structures that slow down decision-making, limit our access to the best talent and diminish our ability to innovate. As this year has shown, new technologies will continue to emerge and audiences will be presented with even more ways of receiving, accessing and interacting with programming content. These are reasons for, not against, a strong vibrant public broadcaster and we will continue our efforts to reinvigorate and renew CBC | Radio-Canada so that its future is as bright as its past.

Over the course of the next year there will be numerous opportunities for a discussion — with the Government, the CRTC and with Canadians — on the role, place and needs of the country's national public broadcaster. We will participate fully and actively in any discussion that allows us to articulate our thoughts on these important questions.

Finally, it is my pleasure to offer sincere thanks to our employees who have contributed to CBC | Radio-Canada's success over the past year. I also thank the Board of Directors for its ongoing support of our strategic directions and objectives. In today's multi-channel world, the road for a public broadcaster is not always an easy one and the Board's commitment, passion and creativity instills in me a confidence that we are equipped to take on whatever challenges and opportunities lie ahead.



ROBERT RABINOVITCH
PRESIDENT AND CEO

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MILLION CITIZENS

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SERVICES

1
VISION

