



ANNUAL REPORT  
2001-2002

Valuable Canadian Innovative Complete  
Creative Invigorating Trusted  
Distinctive Relevant News People Trust  
Arts Sports Innovative Efficient  
Complete Excellence People  
Sports Efficient Culture  
Efficient Creative Relevant Canadian  
Arts Renewed Excellence Relevant People  
Canadian Culture Complete  
Complete Trusted Arts Excellence Culture





# 2001-2002 at a Glance

This past year, CBC/Radio-Canada continued to set the standard for broadcasting **excellence** in Canada, while **innovating** and taking risks to deliver even greater **value** to Canadians. Two years ago, we set a new strategic direction and initiated change across all media lines to fortify CBC/Radio-Canada's capacity to **connect** Canadians through **distinctive, high-quality, trusted** Canadian programming. This year, we have made progress and achieved impressive results.

## CONNECTING CANADIANS

CBC/Radio-Canada reflects Canada to Canadians by bringing diverse regional and cultural perspectives into their daily lives, in English and French, on Television, Radio and the Internet.

- CBC English Television has been transformed to enhance distinctiveness and reinforce regional presence and reflection. Our audience successes show we have re-connected with Canadians – almost two-thirds watched CBC English Television each week, delivering 9.4 per cent of prime time and 7.6 per cent share of all-day viewing.
- Through programming renewal, we have reinforced CBC French Television's role as cultural lifeline for French-speakers across Canada. The network captured almost 20 per cent of prime time and over 14 per cent of all-day viewing by Francophones.
- Enhanced reflection of Canada's diverse regions is a major priority for our Television and Radio networks. Over 50 per cent of Canadian programming across all our schedules reflected the regions and about 2,000 programming hours per week were produced in the regions.
- Our four Radio networks were top choice for increasing numbers of Canadians. CBC French Radio achieved its highest market share since 1984. CBC English Radio achieved its highest market share in 10 years. Each captured 10 per cent of radio listening in their respective audiences.
- Our websites, *cbc.ca* and *radio-canada.ca*, continued to be a Canadian top choice among news and information websites. Each month, *cbc.ca* welcomed an average 961,000 visitors, while *radio-canada.ca* hosted 792,000 per month.

## DISTINCTIVELY CANADIAN

CBC/Radio-Canada informs, enlightens and entertains Canadians with unique, high-impact programming BY, FOR and ABOUT Canadians.

- Almost 90 per cent of prime time programming on our English and French Television networks was Canadian. Our CBC Newsworld and RDI schedules were over 95 per cent Canadian.
- The monumental *Canada: A People's History / Le Canada : Une histoire populaire* enthralled 15 million Canadian viewers, nearly half Canada's population.
- *The Last Chapter / Le Dernier chapitre* reached close to 5 million viewers for its first episode.
- *Random Passage*, an historical four-part drama series set in 19<sup>th</sup> century Newfoundland, averaged over one million viewers per episode. CBC French Television will broadcast the series as *Cap Random* in 2002-2003.
- CBC English Television's broadcast of *Trudeau* was watched by almost two million Canadians. *Trudeau* will be presented on CBC French Television in 2002-2003.
- Record numbers of Canadians joined CBC/Radio-Canada to cheer for their talented athletes at the Salt Lake City Winter Olympics. Over 6 million Canadians watched our women's gold medal performance in hockey, while 8.7 million watched the men's final hockey game and an astounding 10.5 million tuned in for the men's gold-medal awards presentation.
- Across all our networks, critical acclaim was again strong. Our Television networks received over 300 awards, including 39 Gemini and 41 Prix Gémeaux. Our Radio networks won more than 100 national and international awards.
- Maximising our use of partnerships and strategic alliances to forward our programming goals, CBC/Radio-Canada launched three specialty services: *ARTV* (first Francophone service in Canada entirely devoted to arts and cultural programming), *The Documentary Channel* and *Country Canada*.



## CANADA'S TRUSTED SOURCE

CBC/Radio-Canada is Canada's largest and most trusted news organisation. It offers uniquely Canadian perspectives on events happening across Canada and around the world. Our exceptional news team of 800 professionals, posted across Canada and around the world, report in English and French, for Radio, Television and New Media.

- On September 11<sup>th</sup> and in the days that followed, we moved quickly to bring Canadians the latest information and analysis – about 16 million tuned in to our English and French Television services, while four million listened to our Radio.
- CBC English Television added more dynamic news and current affairs programming with *CBC News: Disclosure*, *CBC News: Sunday* and with extended regional news coverage.
- CBC French Television launched *5 sur 5*, an innovative weekly magazine, and extended *L'Heure du Midi* to include more regional news. The network's four Western Canada stations extended their supper hour News to include public affairs coverage.
- CBC Newsworld produced over 1,500 live programs and inserts, reaching an average 6.2 million viewers each week. RDI captured the number one spot for French-language specialty news channels, increasing its share from 1.9 to 3.2 per cent. Both networks enhanced their news-gathering capacity in the regions.
- Our new Centre de l'information in Montreal was opened. This state-of-the-art facility combines and digitises resources for the gathering and production of news for French Television and RDI.

CBC/Radio-Canada remains committed to providing high-quality, distinctive Canadian programming to Canadians.

Our strategy for enhancing our capacity to do so is clearly working!

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The Annual Report of CBC/Radio-Canada for the year ended March 31, 2002, is published in accordance with the provisions of the 1991 *Broadcasting Act*, Part III, Section 71.





## Message from the Chair

I am very honoured to have been invited to perform the duties of Chair of CBC/Radio-Canada's Board of Directors. Honoured because I believe profoundly in the public broadcaster's essential role in helping Canada's regions understand each other, while preserving our national cultural sovereignty in the face of overpowering competition from foreign programming.

For over 65 years, CBC/Radio-Canada has been a part of the flow of our daily lives: informing, entertaining and keeping us company through long winters. But it has been there also, or perhaps especially, in moments of celebration and of stillness – in times of triumph and tragedy – those unforgettable moments that bind us as a nation.

This past year we have lived such moments. On September 11<sup>th</sup>, 2001, Canadians stopped in their tracks, silent and unbelieving, by the radio or television, at home, on the street and at work. It was a time of mass bewilderment and unthinkable suffering.

During the dark hours that followed, I, along with millions of Canadians, wanted to know what this international tragedy meant to us. How did it affect our immigration policy or border security? What did our Prime Minister have to say, or our experts, our journalists? Most importantly perhaps, how did this "war on terrorism" mesh with our values as Canadians?

For these answers, Canadians turned to CBC/Radio-Canada in record numbers: French and English, Radio, Television and New Media. Canadians across our nation understood the importance of independent Canadian public broadcasting at a time of crisis.

I am very proud of the service provided by CBC/Radio-Canada's journalists and technicians in those chaotic days and nights. They informed us quickly while vetting information for accuracy at a very turbulent time. Yet, that is what a public broadcaster does: it makes room in its schedule for extraordinary events, provides context that is tailor-made for its national audience, and delivers a valuable public service.

And sometimes those extraordinary events are joyous celebrations such as the final hockey game in the Olympics. Our women had already taken gold and on the Sunday, Canada watched as our men did the same. CBC/Radio-Canada's ratings for that game were the highest in Canadian broadcasting history since the introduction of people meters.

So, at its very best, public broadcasting connects us with our neighbours, cousins and friends across the nation.

Strengthening that kind of understanding and link between Canadians through increased regional reflection on CBC/Radio-Canada is one of my key priorities as Chair. In my own case, I am a Western Canadian, originally from Ontario, who yearns to hear the complexity and diversity of ideas and voices from across this country. I believe that the development and sharing of stories is what will strengthen CBC/Radio-Canada in the short- and long-term.

Message from the Chair



In keeping with this desire to improve the regional reflection in our programming is my effort, already begun, to meet informally with as many citizens as possible from different community sectors to hear their comments on our programming and service, and to solicit their support for CBC/Radio-Canada. I am aware that we need to strengthen our relationships with our audiences and to build bridges to new ones.

I am also meeting with members of our dedicated staff across the country who carry on with their hard work every day, because they too believe passionately in the importance of public broadcasting.

As Chair, I need to ensure that the Board of Directors fulfils its responsibility to oversee the management directions of the Corporation. I am very impressed with the commitment and dedication of our Board members. In March 2002, the Board approved new governance guidelines, bringing its responsibilities and liabilities up to current international standards.

Another of my priorities is to encourage the creation of more cross-cultural programming at CBC/Radio-Canada, for which the Board has now approved a \$10 million budget. In recent years, the Corporation has been producing and airing innovative programming that combines the interests, sensibilities and expertise of our French and English media services. Joint programming initiatives such as *Canada: A People's History / Le Canada : Une histoire populaire*, and this year's *The Last Chapter / Le Dernier chapitre* and the *Trudeau* mini-series reflect Canadians' shared experiences and promote a common understanding amongst Canadians. I believe that devoting a generous budget to programs of this kind is a natural fit for this special organisation and a natural progression in our history.

I want to emphasise the fact that CBC/Radio-Canada is *unique*. There is no other institution that produces excellent programming in English and French and in eight Aboriginal languages, delivered by Canada's most rigorous journalists, creative writers and technicians on an expanding list of media platforms. It broadcasts across the second largest country on the planet using the world's longest and most sophisticated transmission system in the interest of educating, informing and entertaining Canadians.

Given the borderless traffic on the airwaves, it is vital for Canada to strengthen CBC/Radio-Canada as an independent voice for all Canadians – celebrating Canadian values, ideas and talent. Many countries around the world recognise the need to maintain their own public broadcasting system. They feel the effects of world dominance by the American media, and consequently support public broadcasting as a key to preserving their national culture and values. I am proud that Canada does, as well.

In closing, I am very happy to be a part of this energetic, innovative and creative organisation, and I look forward to serving the Board of Directors, the employees, and the public at large over the next five years.

Carole Taylor, O.C.  
Chair, Board of Directors





## Message from the President and CEO

### A year of progress and renewal

The year 2001-2002 was one of progress and renewed vitality at CBC/Radio-Canada. We can be proud of our many accomplishments in support of the fundamental transformation of our programming, operations and management initiated less than two years ago.

As CBC/Radio-Canada prepares to celebrate 50 years of providing unique television programming for Canadians, it has never played a more important role as Canada's national public broadcaster. We live in a globalised, multi-platform world, where new radio, television, satellite and Internet services seem to spring up every day. Under a constant barrage of foreign images, sounds and media choices, Canadians need access to Canadian perspectives and voices. CBC/Radio-Canada delivers!

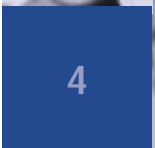
On September 11<sup>th</sup>, for example, our regular programming schedules were shelved so that our audiences could receive the latest information to try to digest the enormity of the situation. Together as a nation, we witnessed the mettle of CBC/Radio-Canada journalists and technicians who provided us with extraordinary service. On that unforgettable day, 16 million Canadians turned to our English and French Television services, and four million to our English and French Radio networks. Rarely has CBC/Radio-Canada's role been more evident.

The changes we have made over the past year have moved us much closer to achieving our overall objective – to clearly define CBC/Radio-Canada as *the source* for distinctive, high-quality Canadian programming found nowhere else in the broadcasting world.

### ... featuring programming changes ...

CBC/Radio-Canada is supporting change initiatives in all media to enhance its distinctiveness in the new competitive environment. We are reinforcing regional presence and reflection across all media lines. We are showcasing new talents, new voices and new faces. We are safeguarding our journalistic leadership with new public affairs and news programming. We continue to deliver a safe, educational and entertaining viewing environment for Canada's children and youth. Taking risks and confronting challenges, we are creating innovative Canadian content, while maintaining balanced programming.

Message from the President and CEO



## ... that are getting results ...

Our strategy for change is working. Canadians are showing that they appreciate the resulting quality and distinctiveness they find in CBC/Radio-Canada programming. More than four in five Canadians indicate they are satisfied or highly satisfied with the programming offered by any one of our Radio or Television services. Four in five Canadians believe we offer programs not available on other radio and television stations.

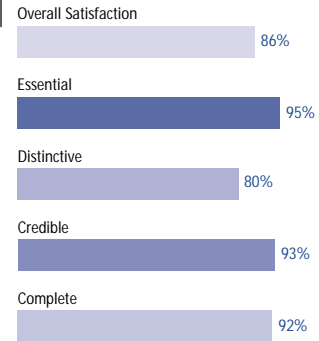
Those opinions are echoed by Canadians' usage of our services. In the Fall of 2001, CBC Radio One achieved its highest share in 10 years and the Première Chaîne marked its highest share since 1984. For the second consecutive year, English Television's audience share increased, particularly remarkable given the proliferation of specialty channels. As well, French Television continued to attract 20 per cent of all television viewing by Francophones in prime time. And, while the Internet universe grew by about 20 per cent over the past year, visitors to the *cbc.ca* and *radio-canada.ca* websites increased by twice that amount.

As Canadians cheered for our talented athletes at the Salt Lake City Winter Olympics in February 2002, they tuned into CBC/Radio-Canada in record-breaking numbers. An astounding 8.7 million Canadians viewed the entire men's final hockey game, while 10.5 million watched during the gold-medal awards presentation!

Proving yet again that Canadians will tune in for high-quality original Canadian programming, CBC/Radio-Canada celebrated its achievements in *Canada: A People's History / Le Canada : Une histoire populaire*, reaching an astounding 15 million Canadians. *Trudeau*, our four-hour dramatic series about one of Canada's most remarkable and controversial Prime Ministers, attracted an average of 1.9 million viewers. French Television will broadcast *Trudeau* in 2002-2003. *The Last Chapter / Le Dernier chapitre*, a six-hour dramatisation of the biker wars in Ontario and Quebec, was broadcast on both English and French Television networks and attracted just under one million viewers per episode. *Random Passage*, about early life in Newfoundland, maintained an average viewing audience of 1.2 million Canadians; its French equivalent, *Cap Random*, will be shown on French Television in 2002-2003. *Music Hall*, a moral fable about money, glory and creativity, attracted 1.5 million viewers in the Francophone market.

This is public broadcasting at its best!

### Success Measures – All Services



Canadians aged 18+ were asked to rate CBC/Radio-Canada services based on five performance indicators.  
October – December 2001  
Source: CBC/Radio-Canada Corporate Research (ORS)



## and operational/management changes ...

To further build CBC/Radio-Canada's capacity to deliver distinctive, Canadian programming of the highest quality, our renewal work has also included significant change to our operations and management.

These changes were undertaken under six key priorities and are described in more detail in the Priorities section of this Annual Report:

- Leverage assets to add value to our programming initiatives.
- Deliver distinctive programming of the highest quality.
- Demonstrate that adequate funding coupled with efficiencies enhances CBC/Radio-Canada's value to Canadians.
- Ensure the sustainability of our Canadian schedules.
- Develop alliances and partnerships to extend CBC/Radio-Canada's value to Canadians.
- Reinforce the capacity of CBC/Radio-Canada to work as *one integrated conglomerate*.

## ... that are making headway.

A clear vote of confidence in the fundamental changes we have been making came in May 2001 when the Government of Canada announced \$60 million in new funding for CBC/Radio-Canada for the current fiscal year. We are very pleased by the Government's subsequent announcement that this level of funding will be renewed for the upcoming fiscal year. This funding is being invested in programming improvements so that we may better serve Canadians.

## But more remains to be done.

In March 2002, the Chair and I appeared before the Standing Committee on Canadian Heritage whose members are conducting a study on the current state of the Canadian broadcasting system. Our messages were clear.

- CBC/Radio-Canada's pivotal role in the Canadian broadcasting system must be reconfirmed and we must have the tools and flexibility to fulfil our mandate and properly serve the Canadian broadcasting system and the Canadian people.
- There must be a rebalancing of policy and funding instruments to provide greater support to broadcasters who have a genuine commitment to Canadian programming.
- The current year-by-year approval of CBC/Radio-Canada's budget should be replaced by a multi-year funding formula to provide the Corporation with greater certainty and flexibility in its operations. This is particularly relevant when one considers that it can take about three years for a television program to go from concept to on-air broadcast.

In the year ahead, CBC/Radio-Canada will continue renewal efforts, building on our core competencies to show Canadians that we deliver clear value for their investment.





## On a personal note

For me personally, one of this year's highlights was the appointment of Carole Taylor as the Chair of CBC/Radio-Canada's Board of Directors in July 2001. Ms. Taylor brings 20 years of broadcasting experience and a solid understanding of both the public and private sectors. I strongly support Ms. Taylor's conviction that CBC/Radio-Canada must be preserved and strengthened in order to protect Canada's cultural sovereignty.

I also wish to extend my personal thanks to the Board of Directors. The Board's support and strategic guidance as we renew CBC/Radio-Canada is invaluable.

Sadly, we have lost some dear on-air friends this year – Peter Gzowski, Ernie Coombs, Maman Fonfon, Frank Shuster and Harry Brown. During their long careers, these people helped define the unique character of CBC/Radio-Canada and were part of our lives. They will be missed.

## Special thanks to the entire CBC/Radio-Canada team

CBC/Radio-Canada would not be the important institution that it is without the dynamic contributions of people who work on-air and behind the scenes.

I want to extend my heartfelt thanks and congratulations to our talented and creative staff. Your dedication to excellence and to public broadcasting is the driving force behind all of the achievements and exciting changes we are making. Together, we are transforming CBC/Radio-Canada into an excellent national public broadcaster for the benefit of all Canadians, and a model for public broadcasting worldwide.

As President and CEO of CBC/Radio-Canada, I am often asked what this country's national broadcaster will look and sound like in five years. The best answer I can provide is distilled in one phrase: Canadian, and even more distinctive.

Robert Rabinovitch  
President and CEO





CBC/Radio-Canada's Priorities for 2001-2002 and Beyond



## CBC/Radio-Canada's Priorities for 2001-2002 and Beyond

As Canada's national public broadcaster, CBC/Radio-Canada must provide Canadians with high-quality, distinctive Canadian programming through the most efficient technology available and in a fiscally responsible manner. Our focus is to strengthen our ability to be a more distinct public service broadcaster and to provide Canadians with a unique experience. In the context of limited resources and an increasingly competitive environment, the Corporation has set out the following priorities to achieve that key objective.

### 1) Leverage assets to add value to our programming initiatives.

Leveraging and efficiently managing our assets are fundamental to our strategy to generate value and new cash flow for re-investment in our programming.

Our Real Estate Division, created last year to manage our property and generate revenue through selling or renting surplus space, has finalised arrangements at our Broadcasting Centres in Toronto and Regina, which will yield \$6 million annually. We are considering other potentially profitable arrangements at four of our other facilities.

Last year we explored the possibility of selling our transmission and distribution assets as a means of gaining new revenue for programming investment. Because the market downturn undermined the ability of interested bidders to follow through, we created a new Transmission Division to manage our assets and generate additional revenues.

We examined our fleet of vehicles this year and identified potential, substantial annual savings by way of an overall reduction in fleet size, clearer plans for acquisition or sale, maintenance, and exchange of vehicles between Corporation locations.

### 2) Deliver distinctive programming of the highest quality.

We are supporting change initiatives in all media to enhance our distinctiveness in the new competitive environment. We are also reinforcing regional presence and reflection across all media lines; showcasing new talents, new voices and new faces; safeguarding our journalistic leadership; creating a dependable, educational and entertaining viewing environment for children; and taking risks and confronting challenges in the creation of innovative Canadian content while maintaining balanced programming.

As part of English Television's transformation plan, in September 2001 we introduced a new visual identity for CBC Television and CBC Newsworld. Along with this, the hosted theme nights and new schedule presenting high-quality Canadian programming are part of our efforts to reposition CBC Television as a true public broadcaster.

In Autumn 2001, Radio-Canada opened its Centre de l'information in Montreal. Resources for the gathering and production of news for French Television and RDI are now combined in the Centre de l'information's entirely digital environment. The result is increased

1	2	3
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6		

1. Carole MacNeil, Evan Solomon, *CBC News: Sunday*, English TV, CBC Newsworld;
2. Monique Giroux, *Les refrains d'abord*, Première Chaîne;
3. David Suzuki, *The Nature of Things*, English TV;
4. Patrick Goyette, Macha Grenon, Denis Bernard, *Mon meilleur ennemi*, French TV;
5. Janet Kidder, Chris William Martin, *Tom Stone*, English TV;
6. Michael Enright, *The Sunday Edition*, Radio One.



efficiency and the redirection of journalistic resources for improved coverage and more in-depth analysis.

On September 11<sup>th</sup> regular programming schedules were shelved and advertising put aside for many days so that our audiences could receive the latest information and have unfettered time to try to digest the enormity of the situation. The importance of having Canadian journalists at home and on the scene to help us comprehend events was highlighted this Autumn: in times of crisis, Canadians want a Canadian perspective.

CBC Radio One will soon announce its plans for revitalising its weekday and Saturday programming, as well as on-air presentation and promotion. Radio One will remain committed to telling Canadian stories to Canadians, presenting regional reflection, and providing excellent news and arts programming and political coverage. As its audience changes, Radio One also needs to change to remain vital and relevant. There is a need for flexibility, nation-sharing programming and increased interactivity with listeners. We expect these innovations to attract a broader audience.

In Autumn 2001, French Radio achieved its highest BBM ratings since 1984, primarily through its coverage of the events of September 11<sup>th</sup> and its series on René Lévesque.

The expansion of the Chaîne culturelle's network of transmitters proposed in Autumn 2001 will soon be a reality with the granting, by the CRTC, of 19 new frequencies. By 2003, the Chaîne culturelle will be available to Canadians in all the provincial capitals. French Radio is especially proud of this important project which will enable it to extend its music network to all parts of the country.

We redesigned our website, *cbc.ca*, to allow viewers to find content and program information more quickly. One of Canada's most frequently visited websites, *cbc.ca* has an average of nearly 50 million page views and nearly one million unique visitors each month.

We are studying our international role, the dissemination of our programs and services, and how to maximise the benefits of international involvement. This year we reorganised our shortwave service, Radio Canada International, merging RCI's support and distribution services with those of the Corporation, and generating enough savings to reinstate weekend newscasts and augment our programming in foreign languages.

### 3) Demonstrate that adequate funding coupled with efficiencies enhances CBC/Radio-Canada's value to Canadians.

We are committed to improving internal productivity and generating new revenues. This strategy, however, is insufficient to meet the rising costs of program production. For Canada to guard its national identity and cultural sovereignty in an increasingly globalised marketplace, there must be a renewed commitment to CBC/Radio-Canada, which should include:

- effective and predictable multi-year funding;
- continuous and equitable access to the Canadian Television Fund (CTF);
- re-balancing of public policies in support of distinctive Canadian television;

- access to the necessary broadcast spectrum to extend the reach of our Radio services; and,
- amendments to the *Broadcasting Act* to reinstate CBC/Radio-Canada's place in the broadcasting system; and to provide the Corporation with the necessary flexibility to leverage our assets to re-invest in our programming and to establish alliances and partnerships.

### 4) Ensure the sustainability of our Canadian schedules.

CBC/Radio-Canada's ability to deliver high-quality, distinctive Canadian programs and to fulfil its legislative mandate is largely linked to its ability to secure appropriate levels of public funding which will remain its primary source of funds.

To maintain and enhance its Canadian schedules, CBC/Radio-Canada needs increased access to the Canadian Television Fund (CTF). We believe that the CTF's resources should be directed as fully and effectively as possible to high-quality, distinctive Canadian programming and that equitable access should apply to both public and private broadcasters.

We also believe that public policies in support of distinctive Canadian television need to be rebalanced to allow broadcasters with a *real* commitment to Canadian programming to benefit from greater access to public funds.

As well, in order for us to meet our commitment to extend our French and English Radio services, the CRTC and the Government need to adopt measures to ensure that we can plan for and have access to available FM frequencies.



## 5) Develop selective alliances and partnerships to extend CBC/Radio-Canada's value to Canadians.

We are extending our audience reach, optimising our investment, mitigating our risk, and creating new revenue streams through strategic partnerships and alliances.

We are proud of the three new specialty Television services that we launched in partnership in September 2001: *ARTV*, with Télé-Québec and BCE among others; *The Documentary Channel*, with the National Film Board, Corus and independent producers; and *Country Canada*, in partnership with Corus. All three services draw substantially on the strengths of CBC/Radio-Canada for their programming and have been a critical success.

We have also reached our first significant partnership involving the print media, with Le Groupe Gesca/*La Presse*, to produce a new Television/Radio guide, *Voilà !*, for 650,000 Quebec households.

Radio-Canada has signed an agreement with Cogeco Radio-Télévision inc. involving affiliated Television stations in Trois-Rivières, Sherbrooke and Chicoutimi/Jonquière. Radio-Canada will produce regional news with independent editorial control, while Cogeco will produce at least 100 hours of local programming per year and will remain the licence holder. Viewers will benefit from receiving a greater diversity of voices and information.

In February 2002, we provided our coverage of the Salt Lake City Winter Olympics to Canadians on not only our own networks but also via TSN and RDS. This unusual partnership provided Canadians with increased viewing choices and was hailed for its valuable service.

In January 2002, we launched a free service for distribution of daily news headlines and late-breaking stories in English and in French to small- and medium-sized companies for use on their own websites, thereby extending our services to more Canadians. This service is in addition to the distribution of our news, with partners, on most large portals such as Yahoo and MSN.

In August 2001, CBC Records/Les disques SRC and Dittybase Inc. announced a new partnership intended to facilitate the licensing of music from CBC Records/Les disques SRC for use in broadcast, film and New Media.

## 6) Reinforce the capacity of CBC/Radio-Canada to work as one integrated conglomerate.

We will ensure synergies are maximised amongst media lines; strengthen cross-promotion amongst media; foster cross-media initiatives; ensure consistent branding throughout the Corporation; develop a cohesive content management system; and ensure that technological decisions support programming priorities and directions.

On September 11<sup>th</sup>, and afterwards, our news teams from Radio, Television and New Media worked together in an unprecedented fashion to bring Canadians timely information. No other network can count on a pool

of high-calibre journalists, working in both English and French on Radio and Television, thereby reducing costs and enhancing the breadth of our reporting.

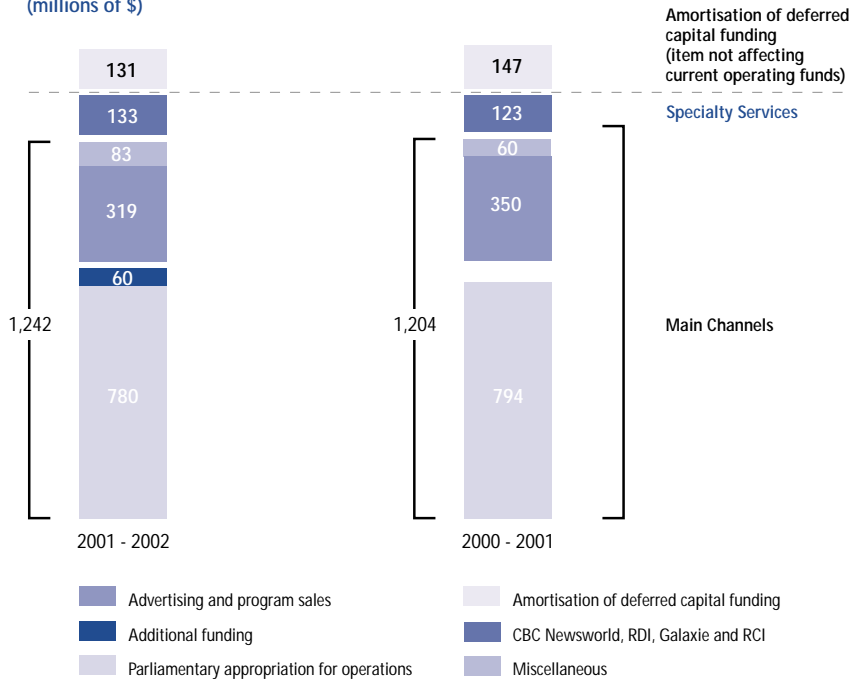
As part of our Content Management Strategy, we are developing a business plan for managing and using the Corporation's vast archives with the goal of maximising the value of these assets. Among other important pan-corporate projects are an improved rights management process, New Media content management and new content development.

This year, the local news and current affairs team at Radio One in Toronto began its move into new offices within the CBC Broadcasting Centre, integrating more with National Radio News. In Winnipeg, our Radio and Television News services were integrated. Both moves produce efficiency, savings and greater coverage. In Vancouver, young program developers are experimenting and combining the strengths of different media to bring exciting new services to their audiences.



## Financial Highlights

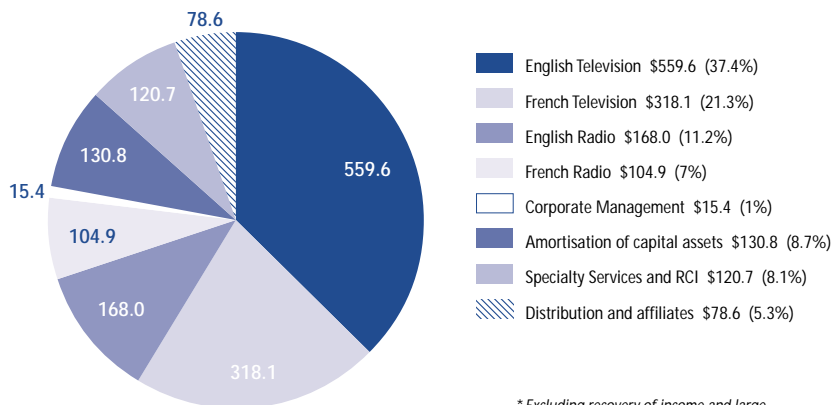
REVENUES AND OPERATING SOURCES OF FUNDS – CBC/RADIO-CANADA  
(millions of \$)



During fiscal year 2001-2002, the federal government granted CBC/Radio-Canada additional non-recurring funding of \$60 million, which was used for developing new programming initiatives.

In 2001-2002, CBC/Radio-Canada suffered a loss in advertising revenues owing, in part, to its strategy to decommercialise certain programs and, in part, to ongoing market fragmentation and increased competition.

2001 - 2002 OPERATING EXPENDITURES – 1,496.1 millions of \$  
(millions of \$)

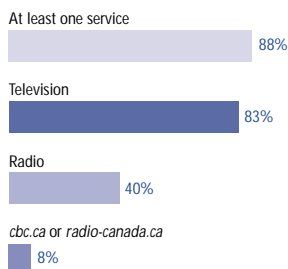


\* Excluding recovery of income and large corporations taxes.





### Most Canadians use CBC/Radio-Canada



Canadians aged 18+ were asked if they used CBC/Radio-Canada services within the past month.  
October – December 2001  
Source: CBC/Radio-Canada Corporate Research (CRS)

## CBC/Radio-Canada reaches Canadians in many different ways:

**CBC Radio One, CBC Radio Two, the Première Chaîne and the Chaîne culturelle:** four commercial-free national networks with 73 regional stations, broadcasting coast-to-coast-to-coast, in English and in French, offering a unique mix of information, general-interest, music and cultural Radio programs;

**CBC Television and Radio-Canada's Télévision française:** two national networks with 24 regional stations and 24 affiliated stations, delivering general and special-interest programming in English and in French across the country;

**Radio and Television services to northern Canada,** in English, French and eight Aboriginal languages;

**CBC Newsworld and the Réseau de l'information (RDI):** Canada's leading all-news Television services, offering 24-hour news and information, financed entirely by cable subscriptions and advertising revenue;

**cbc.ca and radio-canada.ca:** two multi-layered websites carrying CBC/Radio-Canada's Radio and Television productions, unique New Media programming and corporate information;

**Radio Three:** English interactive programming for youth on the Internet (*120seconds.com*, *newmusiccanada.com*, *justconcerts.com*);

**Bandeapart.fm:** French interactive programming for youth on the Internet (*bandeapart.fm*);

**Galaxie:** a digital pay audio service offering 30 continuous music channels, 24 hours a day without talk or commercials, reaching 2.5 million subscribers;

The Canadian Broadcasting Corporation, Canada's national public broadcaster, was created by an Act of Parliament on November 2, 1936, and now operates under the 1991 *Broadcasting Act*. It is accountable to the Parliament of Canada, reporting annually through the Minister of Canadian Heritage. CBC/Radio-Canada is financed mainly through public funds, supplemented by revenue from various sources including television advertising. CBC/Radio-Canada distributes its programs via satellite, microwave and landline to 103 CBC/Radio-Canada-owned stations, 1,164 CBC/Radio-Canada rebroadcasters, 26 private affiliates and 282 affiliated or community rebroadcasters.

**Radio Canada International (RCI),** one of the most respected shortwave radio services in the world, broadcasting internationally in seven languages; and,

**ARTV, Country Canada, and The Documentary Channel,** our three specialty Television services launched in partnership with the private sector and extending our reach to Canadians.

## CBC Records/ Les disques SRC

**CBC Records/Les disques SRC** is a leading label in Canada for Canadian classical music. In 2001-2002, this label released 25 new Canadian CDs.



## A More Challenging Media Environment

The Canadian media environment has seen unparalleled transformation in recent years.

Market fragmentation, the introduction of digital services and acquisitions and mergers involving key players have reshaped the media landscape.

While 2001 did not see the same level of consolidation activity as 2000, there was still close to \$1.8 billion of mergers and acquisitions in the broadcasting sector. Examples include Alliance Atlantis' purchase of Salter Street and Quebecor's divestiture of TQS to Cogeco/Bell Globemedia. The reversal of the CRTC rule regarding cable company ownership of specialty channels allowed cross-ownership of assets including Rogers' purchase of the balance of Sportsnet. Arguably the most significant transaction, though, was Télémedia's sale of its radio properties to Astral, Rogers and Standard Broadcasting. The transaction represented Télémedia's wholesale exit from the radio business and fuelled concern over concentration in the radio market, particularly in Quebec.

The focus for media companies in 2001 was to digest their acquisitions, as the ability of these companies to realise synergies is key to their future growth potential. Media companies continued to seek out opportunities from cross-promotion, cross-selling and consolidation of administrative resources to strengthen their positions and exert pressure on audiences and advertising dollars. Efforts amongst the largest media conglomerates to enact their convergence strategies continued unabated, but were overshadowed by an unexpected economic downturn that saw them streamline their operations

rather than aggressively pursue the top-line revenue growth from new services that was the rationale for their acquisitions.

Despite a dampening economy, many new services did rollout in 2001. Perhaps the most significant was the launch of over 50 licensed digital specialty services – the single largest launch of new specialty services in Canadian history. These channels were made available across Canada to digital cable and satellite subscribers. Although audience viewing numbers were low, in comparison to conventional and other analog services, both cable operators and channel owners expect to see increased penetration of these services in the future. This will inevitably lead to further audience fragmentation.

In addition to the new digital specialty services, we saw new “on-demand” television technologies emerge in the broadcasting system. Bell ExpressVu launched a new set-top box with an integrated personal video recorder (PVR) – the first in Canada. The PVR, which is essentially a computer hard-drive, allows the viewer to pause and rewind live television as well as record programs with the click of the remote. In the future, other Broadcasting Undertaking Units (BDUs, i.e., cable operators or satellite service providers) hope to use the PVR capacity to download movies and offer advanced interactive television services. Cable companies have also begun to deploy “on-demand” television technologies. Rogers was the first cable company in Canada to launch

video-on-demand, a service that allows its consumers to order movies over their remote control with full VCR-like functionality. Other cable companies in Canada have similar plans. As cable and satellite companies embrace services that deliver programming on-demand, the broadcasters' traditional advertising model will face challenges as consumers learn to bypass commercials.

Advances in digital audio services also expanded in 2001, creating a more dynamic environment. Digital Audio Broadcasting (DAB) continued to expand in Canada, with 55 DAB stations in four major markets and additional planned expansion in 2002.

The impact of consolidation and technological change on the broadcasting system continues to be monitored and managed. In 2001, the Canadian Radio-television and Telecommunications Commission (CRTC) conducted hearings on the rollout of digital television (or DTV) to develop a sustainable policy framework for the conversion to digital. The Commission also initiated a fact-finding process for interactive television, or new services enabled by the conversion to digital. The Department of Canadian Heritage also weighed in on important issues this year – the question of what is Canadian content being one.

We expect that next year, like this and the one before, the media landscape will continue to change and transform. Canadian broadcasters are continually challenged to meet the demands of such a dynamic environment.

A More Challenging Media Environment



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1. Céline Galipeau, Foreign News Correspondent; 2. François Dompierre,  *Ici tout est permis* , Chaîne culturelle; 3. Anthony Germain,  *The House* , Radio One; 4. Ian Hanomansing,  *CBC News: Canada Now* , English TV; 5. Alison Smith,  *Sunday Report* , English TV,  *CBC Newsworld* ; 6. Patrice L'Ecuyer,  *L'Ecuyer* , French TV.



## Building On Our Success

CBC/Radio-Canada continues its 65-year tradition of broadcasting excellence, while innovating to build on past successes and to respond to today's challenges.

Two years ago, CBC/Radio-Canada began a major renewal exercise across all media lines. Our goal continues to be to produce even more high-quality, distinctive Canadian programming – programming that will help strengthen Canadians' sense of their nation and of the Canadian way of life. To ensure that the regions are well reflected across all of our programming, we have increased our reach and production activities in Canada's diverse regions. As one of Canada's most important cultural institutions, we continue to find innovative ways to support and showcase new talent, new voices and new faces. To preserve our leadership position and reputation for excellence and integrity in journalism, we have introduced new programs and increased our emphasis on providing Canadians with a platform for public discourse on the issues facing Canada. Out of recognition of the importance of Canada's next generation, we are delivering more and more safe, educational, commercial-free programming each year.

The importance of this work was endorsed by the Government of Canada with the provision of an additional \$60 million of funding for 2001-2002. In December 2001, the Government announced an additional \$60 million for 2002-2003. These new resources are being wholly invested in programming to deliver greater value to Canadians.

This year, English Television pursued the next steps in its major transformation plan and reinforced its distinct position in the Canadian television landscape by offering more innovative high-quality Canadian programming found nowhere else. French Television revamped a considerable part of its schedule, continuing to develop, support and promote talent and culture in French throughout Canada. English Radio's audience figures soared to record heights, and the network began a process of redesigning and renewing its services for Canadians. French Radio, a vital link for Francophones across the country, also had record audience figures this year. French Radio sped up its plan to extend dramatically its services across Canada by applying to the CRTC for new transmitters. All of our media lines worked in concert to provide superior coverage of the Salt Lake City Winter Olympics.

Our renewal work also included significant change to our operations and management in order to achieve savings to re-invest in programming.

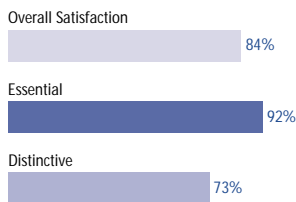
### English Television and CBC Newsworld

English Television continued to implement its transformation plan to change significantly the face of Canadian public television, dramatically alter the way it is organised, and improve the way it operates. The goal of transformation is

Building On Our Success



#### Success Measures – CBC English Television



Viewers aged 18+ were asked to rate CBC English Television.  
October – December 2001  
Source: CBC/Radio-Canada Corporate Research (QRS)

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1. Rick Mercer, *Made in Canada*, English TV;
2. Johanne Despins, *Aux arts, etc.*, Chaine culturelle;
3. Karl Pruner, *Marina Orsini*, L'Or, French TV;
4. Rex Murphy, *Cross Country Checkup*, Radio One;
5. Michèle Barbara Pelletier, Serge Postigo, *Music Hall*, French TV;
6. Steve Smith, *The Red Green Show*, English TV.





to increase the real and perceived value of English Television to Canadians, and to accomplish this in a way that is financially responsible.

Now in its second year, the plan has had some demonstrable success. Ratings have reached the highest levels in years, Canadians tell us they value CBC/Radio-Canada more, and the changes have won critical favour in the media.

English Television is the only conventional television broadcaster consistently delivering Canadian content in prime time: 75 per cent of its daytime programming is Canadian, increasing to 90 per cent during prime time. Having already produced an almost totally Canadian programming schedule, English Television is now emphasising the public service aspect of the Corporation's mandate and the provision of a "public space" for shared discourse contributing to informed citizenship. There is a renewed emphasis on arts, children and youth, amateur sports, documentaries and public affairs programming. There is more production from more parts of the country, and enhanced reflection of all regions on the national network.

In the earlier phases of the plan, local and network English Television News and CBC Newsworld services were integrated and streamlined across the country in order to better use resources to cover more stories and provide more in-depth analysis. *CBC News: Canada Now* was created and *The National* was revitalised. The commercial time for both programs was cut in half. There were 750 hours of commercial-free new programming added for children and youth. The arts program, *Opening Night*, also commercial-free, was introduced, and *Canada: A People's History / Le Canada : Une histoire populaire* received critical acclaim and garnered an impressive audience of 15 million (nearly half the population of Canada).

The third transformation phase began this year with the introduction of hosted, themed evenings: Sunday and Monday nights feature drama and high-impact programs; Tuesday and Wednesday nights, information programs; Thursday nights, performing arts programs; Friday nights, comedy; and on Saturdays, sports. *CBC Sports Saturday* details amateur and professional sports. Also this year, CBC current affairs was revitalised with the launch of *CBC News: Disclosure*, a program of investigative journalism and *CBC News: Sunday*, which focuses on media, ethics and spirituality.

A much greater priority was given to high-impact, high-profile dramatic series like *Random Passage*, *The Last Chapter* and *Trudeau*, programs which drew critical approval and audiences comparable to American blockbuster movies. CBC/Radio-Canada has demonstrated that outstanding Canadian productions can attract large audiences.

Another major theme in the transformation plan is creativity and this year English Television launched *ZeD*, an experimental program for younger adults on late-night television, showcasing emerging Canadian talent.

Even with market fragmentation and the proliferation of specialty channels, English Television was the only conventional television broadcaster to increase its share this year (9.4 per cent in prime time, up from 9 per cent last year; and 7.6 per cent full day, up from 7.3 per cent). English Television shares reached their highest level in four years. In terms of reach, almost two-thirds of Canadians watch English Television each week. The increases are an impressive confirmation of English Television's transformation strategy.

English Television instituted a comprehensive qualitative survey this year to measure Canadian attitudes towards CBC Television. CBC Television Audience Report Cards consistently confirm that 90 per cent of English-speaking Canadians believe that it is "essential" that CBC Television is available to Canadians. Seven out of 10 Canadians tell us they believe that CBC Television is distinctive, providing programs unavailable on other stations.

This year, CBC Television and CBC Newsworld launched a new visual identity that brought the two networks into the same visual family. The networks also unveiled new descriptive mottos closely related to the core attributes of Canada's public broadcaster. The mottos are more than mere phrases; they are promises of performance: for CBC Television, *Canada's Own*; and, for CBC Newsworld, *Trusted. Connected. Canadian*.

CBC Newsworld is available in more than nine million subscriber homes via cable television, direct-to-home and microwave distribution systems – more than any other specialty service.

Despite the launch of new digital channels and continued fragmentation of the television market, CBC Newsworld's 2+ share for English television viewers held strong over the fiscal year (April 1, 2001 up to February 24, 2002) at 1.1 per cent, matching the level of the previous fiscal year. CBC Newsworld continued to be Canada's highest rated News network, with almost twice the share of CTV Newsnet. The average weekly reach for the fiscal year was 6.2 million among people two years of age and older. CBC Newsworld's highest weekly share was 2.8 per cent, the week of September 10-16, with a reach of 9.4 million.



As part of its growing reflection of the country, CBC Newsworld this year created five new Canadian News bureaus with video journalists in Kelowna, British Columbia; Bathurst, New Brunswick; Kitchener, Ontario; Thompson, Manitoba; and Inuvik, Northwest Territories. These journalists allow CBC Newsworld to better serve the regions of Canada from places that no other networks cover on a regular basis.

CBC Newsworld has expanded its industry-leading ability to provide immediate live coverage of breaking news and special events with the addition of new state-of-the-art equipment. New satellite trucks in Calgary and Edmonton augment the service of those in Vancouver, Winnipeg, Toronto, Ottawa, Montreal, Quebec City, Moncton and Halifax. A new, full-time satellite transponder enables CBC Newsworld to move video images from the field to its many production centres 24 hours a day, seven days a week.

CBC Newsworld is proud to be the exclusive carrier of Voiceprint, the national reading service for the visually impaired.

## French Television and RDI

French Television is a public, general interest, popular television service with roots in every region of the country and a commitment to reflect the culture of all Francophones. With 14.7 per cent of the Francophone market share, it plays a fundamental role for French-speaking Canadians throughout the country.

French Television's mission is to produce and broadcast high-quality programming in French for as many people as possible. It develops, supports and promotes talent and culture in French, throughout Canada; serves the specific needs of the various Francophone communities across the

country; and contributes to the influence and accessibility of their products and culture around the world. French Television aims to contribute directly to the evolution of Canadian culture and society; to create production partnerships and enable a better use of resources; and to enrich Canada's audiovisual heritage for the future.

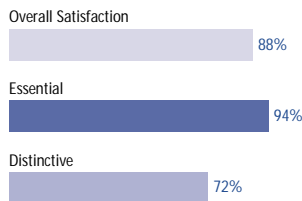
This year, French Television focused on three important projects: the opening of Radio-Canada's Centre de l'information, in Montreal; the launching of the French-language arts specialty channel, *ARTV*, in September, 2001; and the signing of a new agreement with Cogeco to expand the reach of CBC/Radio-Canada's services for Canadians.

Underlining these projects is the clear objective of positioning French Television in the evolving fragmented television market and enabling it to continue to offer diverse high-quality programming in its areas of excellence: information, drama, youth, culture, cross-cultural programs, and amateur sports.

This year, journalistic teams were enriched across the country. A renewed emphasis on drama was witnessed in the introduction of six new series – *Rivière-des-Jérémie*, *Les Super Mamies*, *L'Or*, *Asbestos*, *Music Hall*, and *Le Dernier chapitre* – many of which were based in the regions. Youth programming was revitalised with the launching of, among other programs, a new téléroman for eight-to-fourteen-year-olds – *Ayoye !*

The number of original Canadian cultural programs was also increased; *La Vie la vie*, which was launched last year, continued to gain attention from critics and audiences for its innovative content and style. Amateur sport occupied an important place in

### Success Measures – CBC French Television



Viewers aged 18+ were asked to rate CBC French Television.  
October – December 2001  
Source: CBC/Radio-Canada Corporate Research (QRS)



the schedule, especially with the Jeux de la Francophonie, the 8<sup>th</sup> IAAF (International Amateur Athletic Federation) World Championships, and the Winter Olympics in Salt Lake City.

The integration of the news-gathering facilities for French Television and RDI into Radio-Canada's new, entirely digital Centre de l'information brought French Television closer to its goal of making all of its operations digital. Among the objectives of this integration are the following: to free up resources in order to improve news coverage and analysis; and to facilitate exchanges with other media. In 2002-2003 French Television's drama facilities will also be made digital.

RDI serves 8.7 million households across the country: 2.3 million in Quebec and 6.4 million outside Quebec. Its mission is to inform the public quickly, and in depth, of the most significant regional, national and international news, and to provide context to help audiences understand the news. RDI is a reliable, relevant and high-quality network serving the public interest. During the regular 2001-2002 season (September to March), RDI topped the ranks of French-language specialty channels among Francophones with cable television. With a share of 3.2 per cent, the network considerably improved its audience share of 1.9 per cent for the previous year. RDI is also the specialty channel watched by the largest number of viewers (relative reach of 49 per cent of Francophones with cable television).

This year's launching of ARTV represented a unique opportunity to expand the availability of arts programming in the French-language television market. Being the first Francophone service in Canada entirely devoted to arts and cultural programming, it allows CBC/Radio-Canada and its partners to promote Canadian art and artists through programming that

focuses on creative and experimental expression. It also represents a unique partnership between the public and private sectors and between Canadian and international organisations.

Another innovative partnership between French Television and the private sector is the redefined agreement with Cogeco Radio-Télévision inc. (CRTI) that will allow Radio-Canada to produce regional News with independent editorial control to be broadcast on affiliated stations owned by Cogeco in Trois-Rivières, Sherbrooke and Chicoutimi/Jonquière. This agreement provides a broader diversity of voices and information for viewers in these regions, and will give French Television a greater presence in these communities.

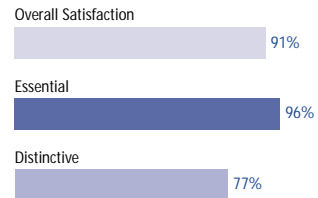
## English Radio

English Radio provides high-quality information, cultural and music programming on Radio One and Radio Two, originating programming from 48 communities across Canada, and broadcasting on a network of over 430 AM and FM transmitters.

Radio One and Radio Two experienced historically high audience shares with a combined share of 12.7 per cent according to BBM in Fall 2001. The reach for the two Radio services combined, at its highest in over 10 years, is approximately four million Canadians each week. Weekday morning shows ranked first or second in nine markets across Canada in Fall 2001. In fact, CBC Radio has some of the highest user satisfaction levels for any media in the country, with over 95 per cent of listeners to both Radio One and Radio Two expressing themselves as being "satisfied" or "very satisfied" (QRS 2000).

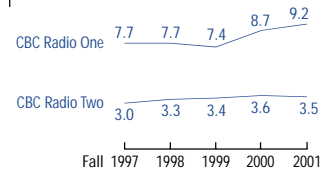
Radio One can be received by 98 per cent of English-speaking Canadians. Radio Two is expanding its coverage to 75 per cent of the English-speaking population in most

### CBC English Radio "distinctive" for 8 in 10 listeners



Listeners aged 18+ were asked to rate CBC English Radio. October - December 2001. Source: CBC/Radio-Canada Corporate Research (QRS)

### CBC English Radio shares return to historic heights



Share of Anglophone 12+ listening in CBC service areas. Source: CBC/Radio-Canada Corporate Research (BBM)



provinces by 2007. Kamloops Radio Two was opened in October 2001, and openings are planned for new Radio Two transmitters in 2002 in Corner Brook; Mulgrave (Nova Scotia); Quebec City; and Sherbrooke.

Radio Three's websites – *120seconds.com* (multimedia storytelling, all-Canadian), *newmusiccanada.com* (featuring new and emerging Canadian bands), *justconcerts.com* (concert and studio sessions recorded live across Canada) – launched in 2000, are being expanded to attract more young Canadians.

In 2001-2002, CBC Radio, through commissions and rights payments, directly invested more than \$6 million in Canadian writers, composers and performers.

CBC Radio continued to demonstrate its commitment to the highest quality of Radio programming this year, while beginning a process to fundamentally re-develop and update its relevance to all Canadians. Initiatives were undertaken to improve on-air presentation on Radio One and Radio Two. Radio One began a major re-examination of its program schedules for Saturdays and weekday mornings with the intention of providing new and innovative programming in the Fall of 2002. This program development is based on extensive audience research and the best ideas from Radio producers across the country.

This past year CBC Radio was awarded a record number of major national and international awards – well over 100 in 2001 alone.

## French Radio

CBC/Radio-Canada's unique French Radio service has always been at the heart of the Canadian broadcasting system, providing a voice and a reflection of Canadians across the country.

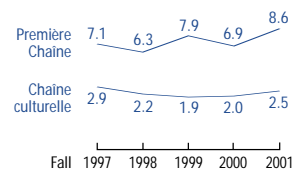
French Radio's role in protecting and developing a public space for Francophones in Canada has become even more important in the context of increased competition from large media conglomerates and rapidly changing, sophisticated technology. This has meant the need for French Radio to improve its services and to target its activities in terms of programming and the promotion of its services.

In Autumn 2001, French Radio had its highest audience ratings (BBM) since 1984. With 740,000 listeners per week, the Première Chaîne accounted for 8.6 per cent of all listening by Francophones, up from 6.9 per cent the previous Autumn, which is a 25 per cent increase; while the Chaîne culturelle, with 258,000 listeners per week, accounted for 2.5 per cent of all listening by Francophones, that share being its highest in three years.

The Première Chaîne and the Chaîne culturelle are currently available to 98 per cent and 80 per cent of Francophones, respectively.

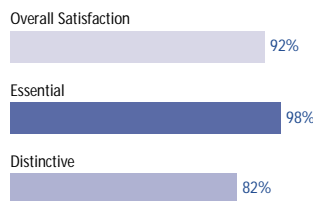
Extension of French Radio services to all parts of Canada is a top priority. In 2001 alone, new transmitters began operation in the Gaspé, Sudbury and Winnipeg, and our Rouyn affiliate became a full rebroadcaster of the Première Chaîne service. In October 2001, CBC/Radio-Canada filed applications with the CRTC for new transmitters in order to extend the Chaîne culturelle's programming to an additional 18 communities from Newfoundland and Labrador to Alberta over the next 24 months, making this programming available to over 90 per cent of all French-speaking Canadians. If approved, this extension would be well ahead of the schedule promised to the CRTC in the Corporation's January 2000 licence renewal.

### CBC French Radio shares return to historic heights



Share of Francophone 12+ listening to French stations in Radio-Canada areas.  
Source: CBC/Radio-Canada Corporate Research (BBM)

### Success Measures – CBC French Radio



Listeners aged 18+ were asked to rate CBC French Radio.  
October – December 2001  
Source: CBC/Radio-Canada Corporate Research (ORS)



Technical changes were made in 2001 in order to improve the quality of signal of the Première Chaîne. New transmitters were installed, allowing the extension of the Première Chaîne's services to Témiscaming, in December 2001, and to Fermont, in February 2002. Two new journalistic bureaus in Ontario and Newfoundland and Labrador have reinforced French Radio's journalistic coverage and presence in the regions. Early in 2002, French Radio also opened bureaus in Rio de Janeiro and Jerusalem.

French Radio's *bandeapart.fm*, launched for young people last year on the Internet and Galaxie as a place for emerging talent and new musical styles, this year added a Television component, *bandeapart.tv*, for broadcast on ARTV. As well, in March 2002, *bandeapart.fm* was officially launched in Paris. Since its beginnings, the *bandeapart.fm* initiative has won awards and garnered loyal audiences.

## Radio Canada International

Radio Canada International (RCI) is an integral part of CBC/Radio-Canada's public service mandate. CBC/Radio-Canada is firmly committed to the future of RCI and is determined to continue to enhance its programming content. Not only does RCI provide services to its international listeners, but it also "brands" Canada abroad by presenting Canadian culture, values and perspectives worldwide through its programming.

This year, RCI continued to broadcast its regular shortwave Radio services internationally in seven languages. In the aftermath of September 11<sup>th</sup>, RCI significantly strengthened its Arabic and Russian programming to ensure better

international service, particularly to the Middle East. RCI proved to be a major source of international information for its listeners, provided by a team of veteran correspondents from English Radio and French Radio who demonstrated the complementary nature of the two networks with respect to gathering and broadcasting international news.

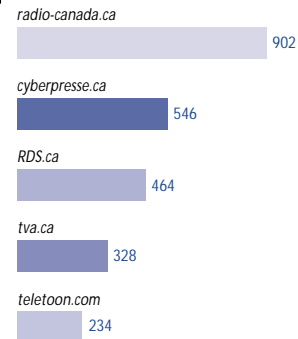
## New Media

This year, CBC/Radio-Canada demonstrated beyond a doubt that its websites provide essential service of a very high editorial, cultural and technical quality. The regrettable events of September 11<sup>th</sup> illustrated the fact that CBC/Radio-Canada is the principal supplier of Canadian non-commercial, impartial content on the Web. In fact, our English and French websites combined are ranked number one amongst Canadian media sites, ahead of CTV, *The Globe and Mail*, and TVA. They are also ahead of CNN for Canadian browsers.

Our Salt Lake City Winter Olympics websites received 2.4 million individual visitors this year – a remarkable performance. The combination of complementary Television, Radio and Internet services as well as chat rooms and forums allowed Canadians to enjoy a unique collective experience.

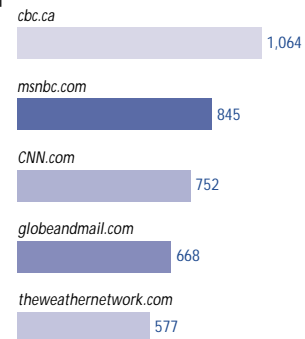
The close integration of production teams from New Media, Radio and Television has also allowed us to improve our services, especially those aimed at the audiences which are more difficult to reach through traditional media – young people, for instance. Radio Three, *bandeapart.fm* and youth websites fulfil a need for information, entertainment and interactivity in this group.

### radio-canada.ca Most Popular French-language Website\*



\* Among broadcasters and news/information websites. Based on number of unique visitors to broadcasters' websites by Francophones aged 2+, at home. March 2002. Source: Jupiter Media Metrix

### cbc.ca Most Popular English-language Website\*



\* Among broadcasters and news/information websites. Based on number of unique visitors to broadcasters' websites by Anglophones aged 2+, at home. March 2002. Source: Jupiter Media Metrix





## High-impact Uniquely Canadian

CBC/Radio-Canada continues to make meaningful contributions to Canadian awareness and identity through innovative, nation-binding programming not available anywhere else.

High-impact Uniquely Canadian



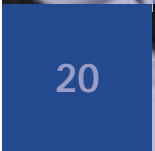
In recent years, CBC/Radio-Canada has produced various Television and Radio programs for broadcast on both our English and French networks. These programs are intended to appeal to all Canadians and to reflect their shared experiences. Our cross-cultural programming allows our networks to pool resources and expertise to produce more high-quality programming, and allows us to utilise our distribution platforms more efficiently to promote exchanges between the linguistic communities and to reach more audiences. As well, it is natural that the public broadcaster of a bilingual country would undertake such programming, and our viewers and listeners have endorsed this point of view through their enthusiastic audience response.

CBC/Radio-Canada has formally embraced the notion of producing and airing more cross-cultural programming on our different media platforms by dedicating a generous budget to such initiatives.

We are proud of the cross-cultural programming that we delivered to Canadians this year. A prime example was the second year of episodes in our landmark documentary series, *Canada: A People's History / Le Canada : Une histoire populaire*. This series

establishes a new model of cooperation between our English and French Television services, and we believe that it also serves as an exemplar for public broadcasting at its best, delivering distinctive, high-quality, high-impact programming. The 17-part series, broadcast over two years, comprises 32 hours of stunning documentary programming produced using entirely digital technology. Audience and critical reactions have been extraordinary, and an astounding 15 million Canadians – nearly half of the population of Canada – watched the series. The home videos and companion book are bestsellers. Nearly 80 per cent of Canadian schools have access to the series' educational materials and the 500-page, fully bilingual website continues to be popular with students and viewers.

In Spring 2002, English Television aired *Trudeau*, a four-hour dramatic series that took a candid look at one of Canada's most remarkable and controversial Prime Ministers. Starring Colm Feore in the lead role, the series showcased an exceptional group of French- and English-speaking actors. Audience figures were very good. The programs attracted an average of 1.9 million viewers. French Television will air *Trudeau* in the 2002-2003 broadcast year.



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1. Michael Ironside, Roy Dupuis, *The Last Chapter / Le Dernier chapitre*, English and French TV;
2. Peter Anderson, *The Overcoat / Le Manteau*, English and French TV;
3. Polly Shannon, Colm Feore, *Trudeau*, English and French TV;
4. *Canada: A People's History / Le Canada : Une histoire populaire*, English and French TV;
5. Deborah Pollitt, Colm Meaney, *Random Passage / Cap Random*, English and French TV;
6. Sonia Rodriguez, Aleksander Antonijevic, *Les Sylphides, Opening Night*, English TV.

*The Last Chapter / Le Dernier chapitre* is a high-powered dramatisation of the biker wars in Ontario and Quebec. Co-produced by our English and French Television services, this six-hour series was filmed simultaneously in French and English and broadcast on both networks. About 4.7 million Canadians watched at least some part of the first episode of the series on either English Television or French Television.

*Random Passage*, a tale of survival and love in 19<sup>th</sup> century Newfoundland, is an Irish-Canadian co-production involving our English and French Television networks and RTE Ireland, CBC/Radio-Canada's Irish national public broadcasting counterpart. Based on the novels of Newfoundland writer Bernice Morgan, this eight-hour mini-series was broadcast over two weeks on English Television, attracting an average audience of 1.2 million across four Sunday and Monday evenings, even opposite the Super Bowl. It was also broadcast on RTE Ireland. *Random Passage* will be shown on French Television in 2002-2003 as *Cap Random*.

*The Overcoat / Le manteau*, an innovative theatre piece produced by Vancouver Playhouse Theatre, and conceived by Morris Panych based on a Gogol short story, was shown this year on French Television's *Les Beaux Dimanches* and on English Television's *Opening Night*. This wordless production is set to music by Shostakovich performed by Angela Cheng, Jens Lindemann and the CBC Radio Orchestra under Mario Bernardi. A CD of the musical performance was recorded by CBC Records/Les disques SRC and was nominated for a West Coast Music Award.

The close spirit of cooperation seen in previous years between CBC Newsworld and RDI continued to grow this year with the joint commissioning of 10 independent documentaries to be shown in English and French on both networks. The documentary *From Russia for Love*, commissioned by CBC Newsworld, was also presented under the title *De la Russie par amour* on French Television's *Enjeux*, where it received critical acclaim, thus demonstrating the universal appeal of the programs that appear on CBC Newsworld's *The Passionate Eye* and *Rough Cuts*.

CBC Newsworld and RDI also jointly commissioned 22 new episodes of *Culture Shock/Culture-choc*, the only regular program on Canadian television seen simultaneously in English and French Canada. *Culture Shock/Culture-choc* follows the cross-country travels of young video journalists as they explore the different traditions and lifestyles of Canadians.

Our English and French Radio networks also collaborate to bring the best programming to their audiences. This year, *Ideas*, hosted by Paul Kennedy, and *Des idées plein la tête*, hosted by Bernard Derome, co-produced three Radio documentaries with a Montreal freelance producer.

Another joint initiative by our English and French Radio services was *Imagine.ca*, a writer-in-residence project which has become a community outreach, Radio programming and extensive online initiative, featuring two authors, five high schools and a writing project. Funded in part by Canada Council for the Arts, *Imagine.ca* ran for a month in Autumn 2001.

The *CBC/Radio-Canada-En Route Literary Competition* (May 2001-May 2002) was funded by CBC/Radio-Canada, Canada Council for the Arts and *En Route Magazine*. Winning entries were broadcast on our English and French Radio services and printed in *En Route Magazine* every month from February to July 2002.

Radio Two and the Chaîne culturelle each year record concerts for broadcast on both networks. Examples this year were a concert gala at the Canadian Centre for Architecture in Montreal, and the Louis Lortie Beethoven concert series. The networks also collaborate in presenting the results of three major music talent competitions, which we discuss later in this Annual Report.

Radio One devotes two weekly programs to cross-cultural programming to provide a window on French Canada for its listeners. *C'est La Vie*, hosted by Bernard St-Laurent, looks at French-language media, literature, humour and ideas among Francophone Canadians. *À Propos*, hosted by Jim Corcoran, features recordings and discussion about contemporary French music, with special emphasis on the Quebec popular music scene.





News and Current Affairs



## News and Current Affairs

CBC/Radio-Canada continues to be Canada's trusted source for news and current affairs, bringing a uniquely Canadian perspective to regional, national and international happenings that affect our lives.

CBC/Radio-Canada is Canada's largest news organisation, employing over 800 people in different journalistic functions, in Canada and abroad. It is the only news organisation with a presence throughout the country, operating in both official languages, and the only journalistic institution to place French-language journalists west of Ottawa. CBC/Radio-Canada's regional operations provide Canadians in all parts of the country with news about events throughout Canada.

CBC/Radio-Canada Radio and Television reporters are located in nearly 70 locations across Canada. In 2001, English Television opened nine News bureaus, including those in Bathurst, Inuvik, Kelowna, Kitchener and Thompson opened by CBC Newsworld. French Television also opened 10 new bureaus, notably in Caraquet, the Magdalen Islands, Kingston, Sudbury and Whitehorse. Additional mobile News trucks were purchased for RDI operations in Ontario, the West and in the Jonquière region.

CBC/Radio-Canada operates 11 international bureaus: in New York, Washington and Mexico, covering the Americas; in London, Paris and Moscow, covering Europe; in the Ivory Coast, covering Africa; and in Jerusalem, Cairo, Bangkok and Beijing, covering the Far and

Middle East. Most of the foreign correspondents in these bureaus file in both official languages for CBC/Radio-Canada's Radio and Television services. This resource capacity significantly boosted our ability to deliver more value and a broader range of stories and background context to Canadians during the crisis in Afghanistan this year when four of our foreign correspondents filed for both English and French Television and Radio networks.

This year, CBC Newsworld produced over 1,500 live programs and live inserts including those covering Nelson Mandela's visit to Canada to become an honorary citizen; Canadian troops and ships leaving for Afghanistan; the final Walkerton water report; and, the death of Princess Margaret. These and other topics were also covered by RDI this year in programs such as *Le Téléjournal / Le Point* and *Grands Reportages*.

In 2001-2002, CBC Radio provided Canadians with 900 hours of unique newscasts, documentaries, current affairs interviews and discussion, and commentary each week. This year, *World Report* reached almost two million Canadians in its weekly and weekend reports on Radio One and Radio Two; *The World at Six* reached 900,000 on Radio One and 300,000 on Radio Two

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1. Stéphan Bureau, *Le Téléjournal / Le Point*, French TV, RDI; 2. Wendy Mesley, Diana Swain, *CBC News: Disclosure*, English TV, CBC Newsworld; 3. Jean Dussault, *La Tribune du Québec*, Première Chaîne; 4. Judy Maddren, *World Report*, Radio One, Radio Two; 5. Peter Mansbridge, *The National*, English TV, CBC Newsworld; 6. Michaëlle Jean, *Grands Reportages*, RDI; *The Passionate Eye*, *Rough Cuts*, CBC Newsworld.





(BBM Fall 2001). Local Morning shows such as *The Early Edition* (Vancouver), *Information Radio* (Winnipeg), *Metro Morning* (Toronto), and *Island Morning* (Charlottetown) together were heard by over two million Canadians each week (BBM, Fall 2001). *This Morning*, with host Shelagh Rogers, reached over 1.4 million Canadians each week (BBM Fall 2001).

CBC Radio began to integrate its regional and network information resources through greater operational consolidation where the needs of the regional audiences could be fully addressed, as in Toronto. There were also experiments in greater cooperation with English Television to provide more comprehensive regional and content coverage in shared bureaus and, as in Winnipeg, with integrated Radio-Television newsrooms.

French Radio's News services continued to enjoy an excellent reputation for the quality of their information, the credibility of their journalists, and the relevance of the stories presented. The creation of a Radio current affairs department made it possible to integrate over 300 hours of new content into broadcasts.

French Radio opened two new journalistic bureaus in 2001, in Rio de Janeiro and Jerusalem, which will expand coverage of events considerably.

*Sans frontières* again this year presented national and international information and in-depth analysis in order to provide listeners with extensive detail for an understanding of current events. *Sans frontières* was awarded the 2001 Radio Prize for best special (hosting and information) for its September 11<sup>th</sup>, 2001, program.

Radio Canada International (RCI) this year added 365 hours of original programming in Russian and 810 hours of programming in Arabic, in the wake of the events of September 11<sup>th</sup>.

Our Corporate websites, *cbc.ca* and *radio-canada.ca*, continued to deliver up-to-date information on local, regional, national, and international events, 24-hours a day, with access from any part of the country. These websites were the top media News sites used by Canadians in September 2001 (Media Metrix). The average monthly unique home audience (2+) between August 2001 and February 2002 (with home excluding work and school) was: *radio-canada.ca*, 792,000; and *cbc.ca*, 961,000. The average monthly unique home audience (2+) in September 2001 had a combined total of 1,831,000. News and information can also be received instantly on wireless devices through various media partnerships.

Early in 2002, CBC/Radio-Canada New Media launched its affiliates program to create a network of partners. New Media continued to exploit the benefits of convergence and further the integration between our traditional media and New Media. New Media also developed Wink interactive Television services for CBC News, as well as current affairs multimedia projects involving Radio, Television and New Media.

## New Programs and Hosts

As part of its transformation to a more public broadcaster, CBC News launched two programs this year. *CBC News: Sunday* (on CBC Television Sunday mornings and on CBC Newsworld Sunday evenings) is a two-hour weekly current affairs and information magazine hosted by Carole MacNeil and Evan Solomon. Focusing on politics, media, ethics, and spirituality through interviews and documentary-style field pieces, the program goes beyond reporting events to examine the personal motivation and values of the people in the news. *CBC News: Disclosure* (on CBC Television

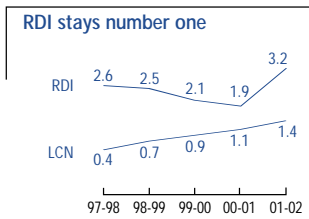
Tuesday evenings and on CBC Newsworld Sunday afternoons), hosted by Wendy Mesley in Toronto and Diana Swain in Winnipeg, brings a contemporary edge and style to CBC's proud tradition of investigative journalism. Past episodes of both programs can be seen on the *CBC News: Sunday* and *CBC News: Disclosure* websites on *cbc.ca* whenever a viewer chooses.

Sharon Lewis became the new host of CBC Newsworld's current affairs debate program, *counterSpin*, now in its fourth season. Sharon Lewis moderates an hour of passionate, knowledgeable argument about the big political and cultural issues facing Canada and the world.

French Television's noon News program was revised this year. Renamed *L'Heure du Midi*, the bulletin was extended by a half-hour to include regional News produced in Montreal and Quebec City for a Quebec audience and in Ottawa and Moncton for other audiences. The four French Television stations in Western Canada extended their supper hour News bulletins to include public affairs coverage.

This year, a new innovative weekly magazine, *5 sur 5*, hosted by Bernard Derome, was launched as a collaborative effort between New Media and Radio-Canada Information services. This program examines subjects suggested by its audiences who pose their questions to a network of cameras in public places from Carrefour to St-Boniface. Television and multimedia teams work together in the same locations. Among the objectives of the program are the construction of a platform permitting the public to express itself and to influence the content of the program; and the creation of an instrument for the democratisation of information.

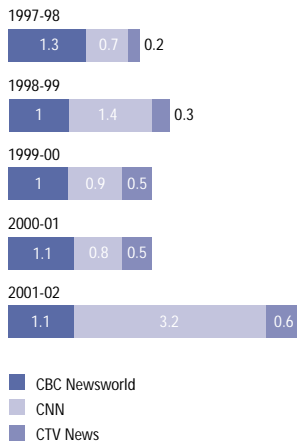




September – March  
Source: Nielsen Media Research

**CBC Newsworld, leader among Canadian News Services**

Audience Share (per cent) 24 Hours



September – March  
Source: Nielsen Media Research



The Chaîne culturelle also introduced new programs and hosts in 2001, including *Salut Garneau !*, with Richard Garneau, a morning program notable for its originality and unique musical content. Also, the cultural program, *Aux arts, etc.*, with Johane Despins, informed its listeners about happenings in music, the performing arts, films, and literature.

On the Première Chaîne, the program *C'est bien meilleur le matin* with host René Homier-Roy, offered its listeners something out of the ordinary, where rigorous information was provided with humour by a truly unusual team. The network program *Indicatif présent* with Marie-France Bazzo is a socio-cultural program covering society's major trends. Finally, *Sans frontières*, an afternoon information program, provided an accurate picture of the daily news.

**Special Programming**

Now in its second season, *CBC News Big Picture* focuses on a subject of broad interest to Canadians and deals with it through documentaries, special reports, interviews, and panel discussions on CBC News, Current Affairs, CBC Newsworld and on-line programming over one or more days. Topics this season have included: *Inside Canada's Prisons*; *Sky Blues* (the problems in Canada's airline industry); *The Kindness of Strangers* (why volunteering is on the decline); *Coping With Uncertainty* (the Canadian economic outlook); and *Four Months Later* (the aftermath of September 11<sup>th</sup>).

*continued on page 26*

**The Big News Events of the Year**

**September 11<sup>th</sup>**

Rarely has the role of CBC/Radio-Canada been more evident than on September 11<sup>th</sup> and in the weeks that followed. Canadians turned to our services in phenomenal numbers, as they usually do in times of crisis, because they want a Canadian perspective on events. Canadians know the importance of having respected Canadian journalists on the scene and around the world to help everyone understand.

Our coverage has been praised both at home and abroad for its informed, respectful and balanced treatment. The figures speak for themselves. On September 11<sup>th</sup>, the reach for English Television, French Television, CBC Newsworld, and RDI combined was 16 million, while the reach for Radio One, Radio Two, the Première Chaîne, and the Chaîne culturelle combined was four million. RCI's journalistic coverage, which aired on every continent, had impressive audience figures around the world. English Television's coverage was picked up by the USA Cable Network and carried to 80 million homes throughout the United States. CBC News also provided the pool coverage of the Canadian memorial service on Parliament Hill, which was picked up by every Canadian broadcaster, including those not generally airing news. Radio-Canada's signal was available on TV5 Monde as well, which quadrupled its audience during these events.



English Television began live full coverage shortly after the events on the morning of September 11<sup>th</sup> and stayed on the air continuously for the next two days with special programming and extended editions of *Canada Now*, *CBC Morning*, and *The National*. In the days following, the network continued with extended news programming and *CBC News Specials*, broadcast without commercial breaks. Overall audiences to *The National* in the weeks following September 11<sup>th</sup> jumped 36 per cent (compared to the weeks before), proving that Canadians trust and seek out CBC/Radio-Canada for important information.

Coverage on CBC Newsworld was continuous from 0845ET Tuesday, September 11<sup>th</sup>, to 2300ET Sunday. The first 91 hours were commercial-free. CBC Newsworld reached 9.4 million viewers the week of September 10-16, receiving its highest weekly share of the year, of 2.8 per cent. A second high occurred a few weeks later, during the week of October 8-14, when U.S. bombing began in Afghanistan. The reach that week was 7.4 million.

A *CBC News Special* documentary by Terence McKenna revealed new information on the Canadian connection to the bin Laden network. In a remarkable special documentary report, *Inside CBC News: Voices of War*, English Television News foreign correspondents went beyond the military aspects of the campaign to offer intimate anecdotes and impressions of a ravaged country and desperate people.

French Television also began live coverage of the events shortly after they occurred and carried special uninterrupted coverage for two days simultaneously with RDI. In all, French Television presented close to 60 hours of special programming describing the impact of the terrorist attacks and the beginning of the American retaliation in Afghanistan. RDI provided exhaustive coverage of the events, in addition to offering programs and documentaries that looked for answers to the big questions raised by these events. During the week of September 10-16, RDI achieved a historical audience share of 9.9 per cent, a record for a Francophone specialty channel.

CBC Radio's and French Radio's feed was carried by National Public Radio in the U.S. and by Radio France at one point or another. During the week of September 10-16, CBC Radio (One and Two combined) had a share of 14.5 per cent (compared with 12.7 per cent over the rest of the Fall survey period). The combined reach of the English Radio service was 4,475,000 for that week (compared with an average 3,888,300).

CBC Radio One was preempted with continuous live coverage on September 11<sup>th</sup> and for much of the remainder of the week. Hosts Michael Enright, Judy Maddren, Shelagh Rogers, and Bernie McNamee were on air in the morning. *Cross Country Check Up* with Rex Murphy provided Canadians with one of the few national forums to react and share for two days running after

the events. Throughout the Autumn, CBC Radio continued to provide thoughtful coverage of the events and issues.

On French Radio, the events of September 11<sup>th</sup> generated the broadcast of 750 stories, to which were added 478 reports by foreign correspondents, hundreds of stories from the regional stations and 212 stories by freelance journalists. Worth noting are the specials *Sans frontières* aired on September 11<sup>th</sup> and in the days following. Journalistic coverage by French Radio was distinguished by its rigorous and relevant analysis of current affairs.

Audience shares for the weeks that followed the events showed a clear advance in audience numbers for French Radio in relation to those for their competitors.

On September 11<sup>th</sup>, the *Zone Nouvelles* of *radio-canada.ca* was the most consulted French-language website in Canada. Both *cbc.ca* and *radio-canada.ca* presented exclusive multimedia documents to aid their audiences in understanding the history of the conflict and current events. Traffic on *cbc.ca* has more than doubled since September 11<sup>th</sup>, reaching 3.3 million page views in October 2001, for an average length of visit of approximately 23 minutes.

Canadians can be proud of their public broadcaster. Through CBC/Radio-Canada, a Canadian voice and point of view were heard at home and around the world.



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CBC Newsworld produced its second annual *Generations* program on Remembrance Day as part of The Memory Project partnership, an educational outreach program that unites students with war veterans to tell and preserve their stories.

CBC Newsworld partnered with The Dominion Institute for exclusive Television coverage of the third annual Lafontaine-Baldwin Symposium, this year delivered by Georges Erasmus.

### Summit of the Americas

In April 2001, Quebec City hosted the Summit of the Americas. Before the opening of the event, French Television showed *La Marche des Amériques*, an exhaustive analysis of the relevant issues and implications. French Television and RDI presented complete coverage of the actual Summit and the happenings on the street outside of it as well. CBC News also provided comprehensive coverage of the Quebec City gathering, including broadcasting of the closing gala, *Rhythm of the Americas*, presented on French Television under the title *Amérythmes*.



### Science, Technology, Health

In 2001-2002, RDI introduced a new daily program produced in Quebec, *Bulletin de santé*. Shown Monday to Friday from 11:30 a.m. to noon, *Bulletin de santé* looks at all aspects of health.

For the 14<sup>th</sup> season, French Television presented the program *Découverte*, a complete magazine program dealing not only with scientific questions, but also with their social, political and even moral impact. This program had a weekly average of 550,000 viewers in 2001-2002. The program on January 20, 2002, which presented special features on Ecstasy and Parkinson's disease, peaked with close to 800,000 viewers.

The Première Chaîne broadcasts a weekend program entitled, *Les Années lumière*. Twice daily during the week, two *Info-science* bulletins are also offered to listeners.

As part of the *CBC News Big Picture* series, English Television, CBC Newsworld and *cbc.ca* presented *Curing Health Care*. This presentation combined live coverage of the first day of the inquiry into health care in Canada with live reports from hospitals in Sudbury and Halifax, and taped reports from the health front across the country.

Evan Solomon this year looked at the extraordinary ideas and lives of some of the most influential contemporary innovators in a special series co-produced by CBC Newsworld and PBS. *Health Matters* with Norma Lee MacLeod, also on CBC Newsworld, focused on health news and issues.

On English Television, the award-winning science program, *The Nature of Things* with David Suzuki, now in its 42<sup>nd</sup> season, broadcast sometimes controversial stories about technology, the environment and the world of science.

Now in its 26<sup>th</sup> year, CBC Radio's *Quirks and Quarks* continued to provide the highest quality in provocative and entertaining science journalism in Canada. *Quirks and Quarks* has an 11 per cent share of Radio listening and reaches close to 500,000 Canadians each week (BBM Fall 2001).

Scientific, technology and health issues are a regular part of CBC Radio regional and network programs, including *This Morning*, *As It Happens*, and *The World at Six*. *to.dradio.com*, which returned for a summer run in 2001, is an interactive live program about new technology and Canadians, hosted out of Vancouver simultaneously on Radio and via the Internet by futurist Tod Maffin.





## Arts and Entertainment

CBC/Radio-Canada is Canada's most important vehicle for supporting Canadian arts and culture.

CBC/Radio-Canada is the country's most important vehicle for developing and showcasing Canadian arts and culture, including orchestras, composers and performers, theatre, comedy and literature, and dance ensembles on both national and regional levels. It is strongly committed to the commissioning, production and broadcast of original works by Canadian artists. Our services also help to discover and promote future generations of Canadian talent by organising important competitions throughout the year.

This year, in partnership with the private sector, CBC/Radio-Canada launched ARTV, a new French-language specialty Television service devoted entirely to the promotion of all forms of art.

CBC/Radio-Canada contributes greatly to Canada's cultural community, providing direct payments to artists and independent producers in the range of \$100 million per year.

CBC/Radio-Canada's Corporate websites, *cbc.ca* and *radio-canada.ca*, also promote Canadian talent in literature, visual arts, theatre, films, and music.

In a Spring 2001, survey conducted by Canadian Facts (which questioned 1,800 Canadians aged 18 and over), three in four Canadians agreed that CBC/Radio-Canada is a vital part of Canadian culture.

### Outstanding Performing Arts Programming

English Television's *Opening Night* returned this year for its first full season. *Opening Night* is a two-hour, commercial-free, prime-time performing arts program that offers Canadians the finest cultural programming and performances from Canada and around the globe. This program confirms English Television's strong commitment to the arts in Canada. Among this year's outstanding productions were: *Don Giovanni Unmasked*; *Cross-Canada Christmas*; *The Overcoat* (with the CBC Radio Orchestra and based on the Vancouver Playhouse Theatre production); and, *Dracula: Pages from a Virgin's Diary* (with The Royal Winnipeg Ballet).

French Television's *Les Beaux Dimanches* continued its tradition of presenting exceptional cultural performances each Sunday night. In December, the program celebrated the Théâtre du Nouveau Monde with *Les 50 ans du TNM*. On another evening, *Les Beaux Dimanches* focused on the oldest theatre troupe in Canada, Le Cercle Molière de Winnipeg, which celebrated its 75<sup>th</sup> anniversary at the heart of Franco-Manitoban life. This program was produced by Radio-Canada Manitoba.

French song was celebrated in numerous programs, including the live broadcast of the opening ceremonies on Parliament Hill of the IV<sup>es</sup> Jeux de la Francophonie in Ottawa and the concert given on that

occasion, *La Francophonie chante Plamondon*; as well as *Je vous parle d'un temps*, a program reviving French song from 1950 to 1980. There was also *Les refrains d'abord*, a French Radio program from which *Le cabaret des refrains* was produced for French Television in Autumn 2001, with great success.

ARTV, the new specialty arts channel in which CBC/Radio-Canada is a major shareholder, further affirms CBC/Radio-Canada's mission to promote the arts and artists of French-speaking Canada with strong Canadian content and a commitment to all forms of creative expression. The channel's broadcasting schedule includes specials, documentaries, news, new programs from Europe and features music of all types, dance, theatre, the visual arts, literature, film and more. While presenting established artists and their works, ARTV's programming distinguishes itself by featuring new talent and experimental art. ARTV's program, *Silence, on Court !*, featuring the best Canadian short films, is supplemented by an Internet site devoted exclusively to the short films on the program.

### Specials

In 2001, French Radio produced several specials. In the series *Radio-concerts*, there was a performance by Louis Lortie; for French song, there were programs concerning Félix Leclerc and

Arts and Entertainment



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1. Véronique Cloutier, *La Fureur*, French TV; 2. Marie-France Bazzo, *Indicatif présent*, Première Chaîne; 3. Don Ferguson, Luba Goy, Roger Abbott, *Royal Canadian Air Farce*, English TV; 4. Sylvie Léonard, Guy A. Lepage, *Un gars, une fille*, French TV; 5. Arthur Black, *Basic Black*, Radio One; 6. Mary Walsh, Greg Thomey, Cathy Jones, Colin Mochrie, *This Hour Has 22 Minutes*, English TV.

Raymond Lévesque; and in current affairs, there were program series dealing with René Lévesque, and *Les femmes et la guerre*.

To celebrate the inauguration of a new antenna for CBC/Radio-Canada's Chaîne culturelle in Winnipeg, in January 2002, French Radio broadcast live a jazz concert featuring Sylvain Lelièvre in one of his last appearances before his untimely death. This event was particularly significant as it marked the launching of the Chaîne culturelle in Manitoba (the network's first to be heard in the West).

In March 2002, CBC Radio launched *Canada Reads* to search for a book Canadians could read together. Comedian Mary Walsh led a panel made up of former Prime Minister Kim Campbell, actor Megan Follows, writers Leon Rooke and Nalo Hopkinson, and musician Steven Page, each of whom proposed a Canadian book. After much debate, the panel chose the winning book: Michael Ondaatje's *In the Skin of a Lion*. In addition to intense outside media attention, *Canada Reads* captured the imagination of Canadians, including many who had never listened to CBC Radio before.

English Television and English Radio placed high priority on working together in the recording and presentation of performance programs, including these three musical specials: *Easter Sunrise Concert*; *Natalie MacMaster – My Roots are Showing*; and, *Anne Murray: What a Wonderful Christmas*. English Television also broadcast a

special entitled, *Lara Fabian: From Lara With Love*, featuring the Montreal singer in her first Canadian television special.

CBC/Radio-Canada presented special tributes to important Canadians who died last year: Peter Gzowski, Ernie Coombs, Mordecai Richler, and Al Waxman. *A Celebration of Peter Gzowski* was held at the University of Toronto's Convocation Hall in February 2002. The event was aired live across the country on Radio One and CBC Newsworld, and rebroadcast the following day on Radio One and English Television.

Our English and French Television networks both broadcast award shows this year. French Television again presented the Prix Gémeaux, the *Gala de l'ADISQ* dedicated to music and humour, and *La Soirée des Masques*, celebrating theatre craftspersons. English Television broadcast the 16<sup>th</sup> Gemini Awards, the Genie Awards, the East Coast Music Awards (heard also on Radio Two), the National Aboriginal Achievement Awards, and the Canadian Country Music Awards. For the last two years the East Coast Music Awards has won the Gemini Award for the Best Music Variety Program. Both Television networks aired the prestigious Governor General's Performing Arts Awards in 2001.

In its special programming this year, French Television offered a tour of artistic life in our country: *Danse dans les flammes* by the Acadian group, Le Grand Dérangement; Canadian performers in Montreal's *Francofolies 2001*; *De Fête et de fierté* from the Festival Franco-ontarien; the *Festival d'été international de Québec*; and, *Solstice 2000*, the closing ceremony of the *Présence autochtone Festival*.

In order to promote French song, French Radio crisscrosses the country seeking new talent. Whether taping

concerts and performances, or participating financially in various major music events, such as the Festival d'été de Québec, the Festival de la chanson de Petite-Vallée in the Gaspé, or the Festival Franco-Ontarien, French Radio supports the emergence of new Francophone talent in both minority communities and in Quebec.

CBC Newsworld had the honour of co-producing the first visit to Canada of BBC's *Antiques Roadshow*. More than 5,000 people received free tickets to the two Canadian tapings made at the National Gallery of Canada and Casa Loma in Toronto. These editions of the regularly programmed *Antiques Roadshow* aired on CBC Newsworld during the winter along with a behind-the-scenes documentary about the making of the *Antiques Roadshow in Canada*. The project garnered unprecedented success in publicity and audience ratings.

## Drama

This year, English Television presented several new series. Ken Finkleman's *Foreign Objects* featured six short stories about love, betrayal, intrigue, tragedy and song, and was broadcast over three consecutive nights in September. *Tom Stone* is a new prime-time Television drama set in Calgary about an ex-cop who is recruited to work undercover for the RCMP. *Jinnah On Crime*, the first of a projected series of movies of the week, was set in Vancouver's East Asian community. Among the returning series was *Da Vinci's Inquest*. Now in its fourth season, the gritty reality-based series, set largely in Vancouver, has gained a huge following, won numerous awards, and was voted the favourite drama series by *TV Guide* readers.



**Top 10 CBC English Television Canadian entertainment programs or specials**

PROGRAM	AMA (000)
Trudeau	1,879
Céline Dion	1,635
Royal Canadian Air Farce: Best of 2001	1,388
Anne Murray	1,206
Random Passage	1,198
Talking To Americans (repeat)	1,155
Royal Canadian Air Farce: Season Premiere	1,112
Royal Canadian Air Farce	997
Royal Canadian Air Farce: Season Finale	995
Just For Laughs NWYR	992

**Top 10 CBC French Television Canadian entertainment programs or specials**

PROGRAM	AMA (000)
Music Hall	1,561
Gala de L'ADISQ	1,217
L'Or	1,130
La Fureur : Jour de l'an	1,125
Un gars, une fille	1,104
Ici... La rentrée	1,010
La Fureur	997
Mon meilleur ennemi	995
La Vie la vie	990
Le Dernier chapitre	989

September 30, 2001 to April 14, 2002  
(2001-2002 regular season of entertainment programs or specials).  
Source: Nielsen Media Research

English Television also aired numerous special movies and mini-series this year, including *Dream Storm* (a *North of 60* story), *Harry's Case*, *A Wind at My Back Christmas Special*, and *Chasing Cain*. Also broadcast were three cross-cultural films made in collaboration with CBC/Radio-Canada's French Television: *The Last Chapter / Le Dernier chapitre*, *Random Passage / Cap Random*, and *Trudeau*.

French Television has initiated a thorough revamping of its program schedule. This exercise, which began in 2000-2001, will be spread over three years, until 2002-2003, and will result in the replacement of nearly 90 per cent of drama programs in prime time. French Television introduced seven new Canadian drama series in 2000-2001 and six new drama series in 2001-2002.

Several new programs on French Television this year were set outside of Montreal: *Asbestos*, which takes place in small-town Quebec after the war; *Rivière-des-Jérémie*, a téléroman set in the Outaouais; and *L'Or*, a story of love and adventure in Abitibi, Vancouver and China. Other new programs included: *Music Hall*, a new genre, a type of moral fable about money, glory and creativity; and, *Les Super Mamies*, a téléroman about four middle-aged women.

In April 2001, a special 30-minute program reprising the highlights of *4 et demi...* was aired just before the door closed for the last time on its likeable tenants. This broadcast received a Prix Gémeaux 2001 for best téléroman. The innovative form and content of *La Vie la vie* were also recognised with three Prix Gémeaux.

On English Radio, drama and spoken word performance of literature and comedy are presented in a range of weekly programs, including *The Mystery Project*, *Sunday Showcase*, *Monday Night Playhouse*, *Between the Covers*, and *Madly Off in All Directions*.

As part of the international English-language radio drama exchange, CBC Radio Drama and Canadian playwrights and actors are heard in half a dozen countries around the world with a potential audience of tens of millions. This exchange also brings drama to Canadians from the BBC, Australian Broadcasting Corporation and Radio Television Hong Kong, among others.

French Radio caters to opera fans with the program *L'opéra du samedi / L'opéra du Metropolitan*. English Radio offers parallel programs, *Saturday Afternoon at the Opera / The Metropolitan Opera*.

CBC/Radio-Canada's websites, containing original material, accompany our drama series. The popularity of these sites indicates our browsers' appreciation for our New Media content: for instance, there were thousands of visitors a week for the *Virginie* website.

## Comedy

This year, Friday nights were comedy nights on English Television and four very successful programs returned to delight audiences. *Royal Canadian Air Farce*, now in its ninth year, added a regular line-up of guest stars to complement its regular cast of Roger Abbott, Don Ferguson and Luba Goy. *Royal Canadian Air Farce* was one of the first two inductees into the new Canadian Comedy Hall of Fame. For the second year in a row, the program won the Viewer's Choice Award. *This Hour Has 22 Minutes* has won 19 Gemini Awards over its nine seasons on English Television, and is a five-time winner of the Best Comedy Series. This year Colin Mochrie joined the regular cast of *This Hour Has 22 Minutes* for satire aimed at Canada's newsmakers. *The Red Green Show*, one of the most popular comedy series on television, returned for a fourth year in 2001-2002.



*Made in Canada*, a smartly written series, is about the inner workings of a fictional film and television production company. Now in its fourth season, the series stars Rick Mercer, formerly of *This Hour Has 22 Minutes*. *Made in Canada* won this year's Gemini award as Best Comedy Series.

On April 1, 2001, Rick Mercer's outstanding special, *Talking to Americans*, achieved the highest audience rating ever for a CBC comedy show or series – an astounding 2.7 million.

French Television's situation comedies, *Un gars, une fille*; *Catherine*; *Le monde de Charlotte*; and *La Vie la vie* returned this season, as did *Infoman*, with its piercing look at daily affairs.

French Television also launched a new series, *Chick'n Swell*, highlighting a trio of comedians who present surreal and absurd sketches in an innovative format each week.

## Culture and Variety

This season, CBC Newsworld launched >PLAY, a fresh new, live weekly magazine talk show featuring news, reviews, views and interviews from the hottest cultural happenings in Canada and around the world. Broadcast live from Toronto, >PLAY is hosted by Jian Ghomeshi, arts journalist and lead singer and songwriter with folk-rock group Moxxy Fruvous. >PLAY also features a weekly report from Vancouver and, with locally based reporters, scours Canada's many other cultural centres for new arts developments.

This year, French Television's daily arts magazine, *Tam Tam*, discussed the cultural life in summer, and broadcast from the Festival d'été de Québec and from the region of Ottawa-Hull during the IV<sup>es</sup> Jeux de la Francophonie. *Christiane Charette en direct*, broadcast live from a bar in Montreal, met with popular artists, intellectuals, and artists from the alternative art scene, and offered live performances. The weekly magazines, *Expresso* in Ottawa and *Brio* in Moncton, continued to reflect the cultural and artistic scene of their regions. *Jamais sans mon livre* added other forms of artistic expression to its literary focus this year.

Among French Television's new culture and variety broadcasts was *L'Été... c'est péché !*, a morning program dedicated to the pleasures of summer and "inspired" by the seven deadly sins.

This past year CBC Radio continued to distinguish itself with a range of performance programming and arts coverage on both CBC Radio One and Radio Two. CBC Radio now provides a nightly arts magazine on Radio One, *The Arts Today*, as well as national and regional *Arts Updates* and *Arts Reports* on Radio Two. The highly acclaimed *Writers & Company* with host Eleanor Wachtel provides a weekly in-depth exploration of the leading authors from Canada and around the world.

On the Chaîne culturelle, French Radio airs the program *Aux arts, etc.*, an arts and culture magazine show. On the Première Chaîne, *info culture* inserts review the various cultural activities and concerts taking place in the areas served by the regional stations.

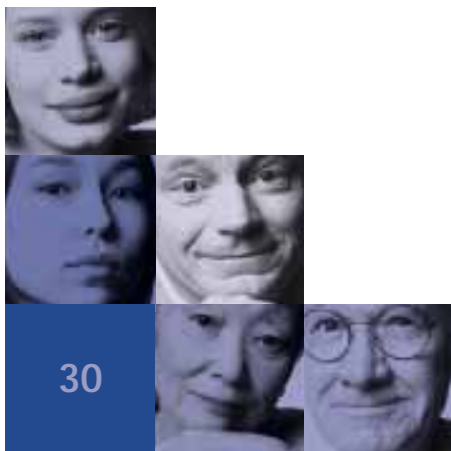
*ArtsCanada* was launched in November 2001 replacing the Entertainment link on the *cbc.ca* home page. A joint English Television, Radio and New Media initiative, *ArtsCanada* includes daily arts news headlines, special reports focusing on arts events across the country, and full in-depth, animated stories produced in collaboration with original CBC Radio and English Television productions.

## Documentaries

English Television this year presented a variety of documentaries such as *The Big Show* (on the 25<sup>th</sup> anniversary of the Toronto International Film Festival); *Niagara Falls* (a six-part series); and *Trudeau* (a new two-hour documentary by Terence McKenna).

*Witness*, English Television's award-winning weekly anthology series of hour-long documentaries, is the premier national showcase for Canadian independent films.

CBC Newsworld's investment in the independent production community continued this year with 30 compelling and provocative documentaries commissioned for *Rough Cuts* and *The Passionate Eye*. This investment is part of CBC Newsworld's commitment to the CRTC and to the future of independent production in Canada. Viewers enjoyed the second season of the CBC Newsworld Documentary Festival in 2001-2002. The festival traveled to St. John's, Vancouver, Toronto, Halifax, Calgary and Edmonton. The diverse film lineup included world premieres of powerful films with local, Canadian and international flavour.





CBC Newsworld opened up its schedule for documentaries following the events of September 11<sup>th</sup>. More than 12 documentaries provided insight and understanding for the remarkably large audiences that tuned in daily. RDI's *Grands Reportages* was replaced by documentaries at this time as well, and French Television's *Zone libre* totally revised its broadcast schedule to accommodate documentaries on key figures in the conflict, the military forces involved and the unfolding events. *Zone libre* also broadcast an in-depth French Television and English Television co-production on the terrorist networks. High audience figures demonstrated Canadians' need for complete information and analysis.

The events of September 11<sup>th</sup> positioned French Radio as a source to turn to for in-depth analysis of the events: for gathering and sharing peoples' reactions; and for an understanding of the present and future impact of these events on society and on the world in general. The events showed that while television was the spontaneous medium, with its shocking images, radio, with its in-depth coverage and interviews, played a dominant role in analysing the facts and contributing to an understanding of the events.

The two Francophone media demonstrated their collaboration and complementarity in the coverage of these events.

CBC Newsworld was a partner in an unprecedented international co-production dealing with Africa and AIDS called *Steps for the Future*. This partnership involving 20 international broadcasters produced 30 documentaries, four of which appeared on

CBC Newsworld. The documentaries will be translated into local dialects and used as educational tools throughout Africa.

CBC Newsworld documentaries were award-winners. *My Left Breast*, directed by Gerry Rogers and produced by Paul Pope, won six different awards across North America, including two Gemini Awards. CBC Newsworld continued to collaborate with the National Film Board in its Reel Diversity competition for filmmakers of colour. Last year the network telecast two Reel Diversity winners, *Film Club* and *Speakers for the Dead*.

This year also marked the integration of the CBC Newsworld and English Television documentary units, with a new Director of Independent Documentaries.

CBC Newsworld and French Television collaborated in the commissioning and broadcast of 10 independent documentaries to be seen in both languages on both networks. This spirit of cooperation continues to grow.

French Television featured Canadian documentaries in prime time again this year. Among them was *Il parle avec les loups*, which won the jury prize at the XX<sup>th</sup> Festival of International Cinema in Abitibi-Témiscamingue.

CBC Radio is the only source for consistent radio documentary production in Canada. Documentary production occurs largely in network and regional current affairs programming, but is also featured in sports and arts programming. *Ideas*, hosted by Paul Kennedy, is broadcast nationally weekday evenings on Radio One. The program covers the humanities, social and physical sciences, popular culture and the arts. *Ideas* also produces the Massey Lectures, this year delivered by University of Toronto

Professor Janice Stein who spoke of *The Cult of Efficiency*. *Ideas* reaches 400,000 Canadians each week (BBM, Fall 2001).

Among the documentaries produced by French Radio was a program discussing the status of women in Pakistan. It depicted the daily lives of four women living in cities in the south and north of Pakistan through on-site interviews.

## Music

Broadcasts of all types of music have an important place in French Television's schedule. Some examples of this year's offerings are: *Angèle Dubeau... la fête de la musique !* (presenting a variety of musical styles); *Au Cabaret des refrains* (a collaboration between French Radio and French Television, featuring artists interpreting French song); and *Pour l'amour du country* (taped in Moncton and featuring players from all regions of Canada).

French Television also broadcast several concerts by the Orchestre symphonique de Montréal including: *OSM Branché - Ravel : Boléro*, and *L'Enfant et les Sortilèges*; *OSM Branché - Le Violon rouge*; *Festival international de Lanaudière 2001* (Solveign Kringelborn, soprano, and the OSM). There was also a special program celebrating the 20<sup>th</sup> anniversary of the Orchestre Métropolitain du Grand Montréal.

*Opening Night*, the premier prime-time performing arts program on English Television, offers Canadians a high-profile showcase for the finest cultural programming and performances from Canada and around the world. Among this year's productions were: *Don Giovanni Unmasked* and



*Buried Treasures*, archival footage of some of the great popular musicians who performed on CBC/Radio-Canada in the 1950s.

In January 2002 English Radio and English Television launched *The Great Canadian Music Dream*, a cross-Canada talent search and competition. The competition acknowledges our place as Canada's own public broadcaster while demonstrating our unique strengths as a showcase for the enormous range of musical talent in Canada. Auditions will lead to the selection of five contestants from each of five regions by the beginning of June 2002. The competition is open to all new and emerging singers and musicians, and the prize is the ultimate Great Canadian Music Dream – their own Television and Radio special in January 2003.

Programming of classical, jazz, world, and popular music by Canadian composers and performers is heard throughout the schedules of Radio One and Radio Two, with Radio Two a prime showcase for music performance in Canada. Approximately 80 orchestral broadcasts were produced last year representing almost every major orchestra in Canada. In total, Radio One and Radio Two produced approximately 50 hours of original music and spoken word performance programming each week in 2001-2002.

Radio Two presents two full-length classical music concerts each weekday from a range of Canadian stages

and orchestras, on *Take Five* and *In Performance*. Other programs include *Saturday Afternoon at the Opera* (from Canadian stages and New York's Metropolitan Opera), *Choral Concert* (featuring Canadian choirs and choral ensembles) and *Two New Hours* (contemporary Canadian classical composition).

Radio Two takes a leadership role in jazz and blues in Canada, with *Jazz Beat* out of Montreal, *After Hours* out of Winnipeg, and *Saturday Night Blues* out of Edmonton. This past year CBC Radio hosted the first ever national Jazz Awards, in which *After Hours* host Ross Porter was named Jazz Broadcaster of the Year.

The Chaîne culturelle is French Radio's specialty music network, dedicating 80 per cent of its content to music. This network helps acquaint audiences with different types of music – through the production of shows and the broadcast of concerts featuring classical, jazz and other musical genres, and through the promotion of emerging artists, with the organisation and financial support of various competitions, and the production and recording of musical material.

As in previous years English Radio and French Radio and their partners were involved in three major music talent competitions involving thousands of Canadian artists and providing invaluable encouragement and exposure for the participants, as well as more than \$150,000 in prizes. The National Competition for Young Performers, held every two years, is organised jointly by our English and French Radio networks in collaboration with Canada Council for the Arts, the National Arts Centre, the University of Montreal, the Orchestre Métropolitain du Grand Montréal, and Hôtel Renaissance. In 2001, 130 performers entered and the

winners were featured on *In Performance* and *Take Five* and on concert features on the Chaîne culturelle. The National Competition for Young Composers is jointly presented by our English and French Radio services with the participation of Canada Council for the Arts. In 2001, 171 Canadians entered. Winners shared over \$40,000 in cash prizes, as well as public performances, broadcasts and recordings of their work. The National Competition for Amateur Choirs, the country's major choral showcase, is another biennial event organised jointly by our English and French Radio networks, with the help of Canada Council for the Arts. There were 98 Canadian choirs entered in the last competition, which offers prizes totaling almost \$60,000, plus national broadcast exposure for the winning ensembles.

Our French Radio services reflect the vitality of French-language song and artistic creation in Canada and nurture the emerging artistic potential in all of Canada's various Francophone communities. This is achieved, in part, through participation in various music festivals annually.

The Chaîne culturelle produced and broadcast 58 concerts in 2001-2002. During 2001, 15 hours of music production were created in conjunction with the Rouyn, Gaspé and Sudbury stations. We expect to increase that production to 25 hours next year.

Once its new antennas are set up, by 2003, the Chaîne culturelle will enjoy greater visibility and will be in a position to offer a broad selection of musical works to listeners. With its new production centres in Halifax, Calgary and Vancouver, the network will offer more content and will increase its participation in various music events across the country.



## CBC Records/ Les disques SRC

CBC Records/Les disques SRC is Canada's premier independent classical music label, supporting CBC/Radio-Canada's cultural leadership role through the production of compact disc recordings featuring Canadian composers and performers. In 2001-2002, CBC Records/Les disques SRC released 25 new CDs. This label has received critical acclaim for its recordings both internationally and nationally, and has 17 Junos to its credit.

Partnering with both internal and external production and musical organisations has proven to be a very successful strategy, as CBC Records/Les disques SRC has produced discs as diverse as the soundtrack for *The Overcoat*, to the very first recording of the Montreal Symphony Orchestra outside of its major record label contract – *Bruch Violin Concertos Nos. 1 and 3* with James Ehnes. The latter disc won the Canadian Music Week's INDIE for Best Classical Album and is nominated for a 2002 Juno award.

## CBC Radio Orchestra

The CBC Radio Orchestra is the only radio orchestra in North America. The work of the Orchestra is divided into three parts – preparing radio programs in a studio setting, presenting public concerts for radio broadcast, and recording as the “house orchestra” for the CBC Records/Les disques SRC label. The Orchestra also commissions and performs works by Canadian composers and showcases Canadian performers and conductors. The music the Orchestra records in live concert and in the studio is heard regularly on many CBC/Radio-Canada programs, including *In Performance* (weekday nights at

8:00 p.m.); *Take Five* (weekdays from 10:05 a.m. to 3:00 p.m.); *Symphony Hall* (Sundays at 10 a.m.); and *West Coast Performance* (Sundays at noon in British Columbia). The Orchestra makes appearances regularly on CBC Radio's disc shows as well.

## Galaxie

Galaxie, CBC/Radio-Canada's continuous music network, is progressively establishing itself as a reference in the world of music programming. In operation for just under five years, Galaxie has become *the* provider of musical content in Canada. With its 30 channels of uninterrupted music in as many genres, soon to grow to 45, Galaxie provides over two-and-a-half million Canadian homes with high-quality music, programmed by an array of professionals working from different parts of the country. For the third year in a row, Galaxie has received an astonishing 97 per cent satisfaction index from its subscribers.

Galaxie's mission is to produce low-cost, high-quality audio programming that contributes to CBC/Radio-Canada's net income and to offer this programming to customers through many different devices. The service is made available through satellite, cable and microwave digital distribution systems.

In addition to its commercial, for-profit objectives, Galaxie is helping to fulfil CBC/Radio-Canada's cultural mandate by promoting Canadian artists alongside the best in the world and by extending the CBC/Radio-Canada brand and values to this important field of Canadian cultural expression. Yet Galaxie is much more than a mere revenue-generating operation for the Corporation. It provides an important

and ever-growing platform on which to expose Canadian artists: with its comprehensive line-up of channels, Galaxie presents more Canadian artists and more music produced here than all Canadian commercial radio stations put together.

Galaxie's commitment to the exposure and development of Canadian musical talent does not stop there. To fulfil the CRTC's requirement that it contribute money directly to indigenous musical talent development, Galaxie has set up the Rising Stars Program. Launched in August 1998 at the end of the continuous music network's first operating year, Galaxie's Rising Stars Program sets out to stimulate and develop new musical talent in Canada through partnerships between the Continuous Music Network and a host of organisations from the music and entertainment industry nationwide. The Program currently has 40 such partners across the land, and this year it will spend close to \$400,000 in two sectors: a promotional (or sponsorship) system that encourages organisations (called Rising Star Partners) to devise new ways to showcase up-and-coming artists; and cash awards (called Rising Stars) presented to artists on the rise and managed by the Rising Star Partners, in line with CRTC requirements.





## Children and Youth

CBC/Radio-Canada is Canada's leading source of commercial-free, safe and educational content for Canada's next generation.

CBC/Radio-Canada is proud of its long tradition of excellence in Canadian children's programming. We recognise the need to provide children with respectful programming that values their learning and entertainment needs and offers a Canadian perspective on daily life. CBC/Radio-Canada offers non-violent programming for children, much of which is presented without commercials.

English Television again this year improved and expanded its services for young people as part of its transformation to a true public broadcaster. Last year, we reported that English Television had added 750 hours of programming, an increase of one-third to its existing schedule for children and youth. Continuing this year were the programming blocks, *Get Set for Life*, providing educational commercial-free programming focusing on the social, intellectual and emotional development of children aged 2-5; and *CBC4Kids*, offering entertaining, challenging, provocative programs for school-aged children. *CBC4Kids* is linked to and complemented by our award-winning website, *cbc4kids.ca* which presents original content plus re-versioned youth programming from English Television and CBC Radio. This year's redevelopment of *cbc4kids.ca* was a joint initiative of the two networks.

Following on last year's dynamic changes, English Television introduced additional innovative commercial-free programming for young viewers. In February 2002,

*CBC Infomatrix* was launched in the 4:00-5:00 p.m. after-school block, along with a website for 8-12-year-olds. *CBC Infomatrix* combines a hip host with a graphic interface to allow viewers to learn about current culture across the country. Included in this programming block are: *Spy Net*, a combined Television and Web-based series (*cbcSpyNet.ca* for an interactive adventure game) where the viewer experiences the action through the eyes of the program's spy heroes; *MythQuest*, a fantasy series that follows two contemporary teens to places where mythology and folk tales are "real"; *Incredible Story Studio*; *CBC News.Real*, a daily five-minute newscast; *Crash Zone*; Scholastic's *Horrible Histories*; and *Radio Active*.

In another joint venture, English Television also introduced *Smart Ask!*, a new quiz show featuring high school students from across the country competing in a high-energy game show. This is the first integrated, multi-platform program involving CBC Radio, English Television and the Internet. *Smart Ask!* began airing on CBC Radio in September 2001 with eight weeks of regional playoffs among 128 Canadian high schools. Winners moved on to national finals on English Television starting in December 2001.

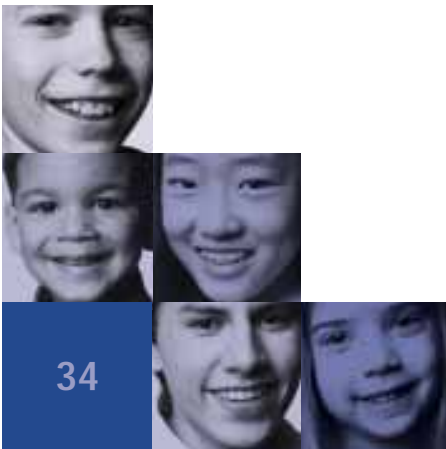
English Television continued to broadcast its most popular program series this year. *Street Cents*, in its 13<sup>th</sup> season, is the only

Children and Youth



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1. Katerine-Lune Rollet, *0340*, French TV;
2. Martin, Chris Kratt, *Zoboomafoo*, English TV;
3. *Arthur*, English and French TV;
4. Martin Héroux, Isabelle Brouillette, *Ayoye !*, French TV;
5. Michie Mee, Justin Landry, *Smart Ask!*, English TV;
6. *Dragon Tales*, English TV.



television consumer show for young people in North America. This year *Street Cents* won both a Gemini Award for the Best Children's or Youth Program and a prestigious International Emmy Award. *Edgemont*, a realistic drama series in its second season, follows the lives of teens in Vancouver. Other returning series included *Pit Pony*; *Emily of New Moon*; and *Our Hero*.

In September 2001, English Television presented *Ice Beyond Cool*, a special documentary about teenage suicide, prepared in Vancouver. This program included a panel discussion and on-line chat.

In March 2002, English Television and *cbc.ca* launched a month-long pilot of *ZeD*, a new late-night innovative and interactive program from Vancouver showcasing emerging Canadian film and performance talent and content from interesting sources including the audience itself. The full series will return in Autumn 2002.

CBC Newsworld was also active in youth programming this year, presenting exclusive live coverage of the Governor General's Youth Forum from Ottawa. CBC Newsworld and RDI again jointly commissioned 22 new episodes of *Culture Shock/Culture-choc*, an award-winning independent production seen simultaneously in English and French on our networks and featuring young bilingual video journalists exploring different customs, traditions and lifestyles of Canadians.

French Television this year presented more than 1,200 hours of high-quality programming for children and youth. All programs were presented by friendly hosts in different contexts in order that children could recognise themselves in

these programs. Among the new programs this year was *Bric-à-Brac*; and *Ayoye !*, which looks at the world of 8-14-year-olds and focuses on a family of extraterrestrials who attempt to adapt to life on Earth.

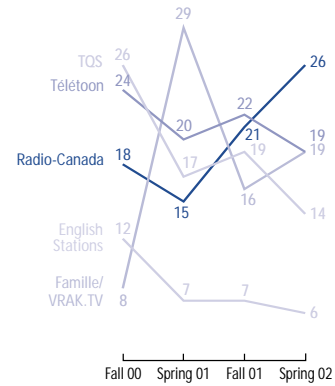
French Television brought back numerous successful series this year: *0340*, *Au m@x*, *La Boîte à lunch*, *Bouledogue bazar*, *Bêtes pas bêtes +*, *Les Chatouilles*, *Sciences point com*, *Tohu-bohu*, *Watatatow* (in its 11<sup>th</sup> season), and *Zoolympiques*.

Once again this year, RDI offered two information programs designed specially for young people aged eight to 12: the daily newscast *RDI Junior* (the first daily information program designed specifically for this audience) and the weekly magazine show *Bulletin des jeunes*. The host of *RDI Junior*, François Étienne Paré, won the Prix Gémeaux for best hosting of a youth program.

Since the inception of *radio-canada.ca*, we have put a special focus on our *Zone Jeunesse*. There, viewers can find a great deal of original content developed expressly for the site. In 2001, for example, young people could follow Bernard Voyer's Antarctic expedition via both telephone messages on the site and a logbook by Nico, a virtual character from one of Radio-Canada's most popular youth websites, *Fd6* (Filière des 6) who "accompanied" the voyage.

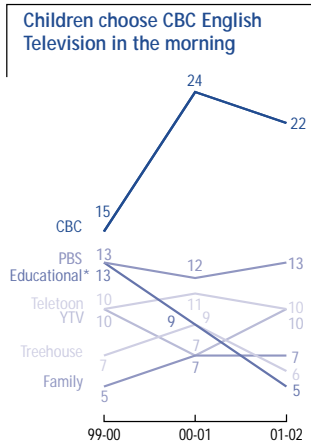
A prime illustration of convergence between our Internet and Television services was seen in *Habille Katerine-Lune* on *radio-canada.ca*, where young Web browsers could become involved directly in the content of our French Television program by choosing the host's clothing

CBC French Television first among children in the afternoon



Between 3 p.m. and 5 p.m.  
Source: CBC/Radio-Canada Corporate Research (BBM)





No other broadcaster accounts for more than 5 per cent.  
 \*Educational Networks are: Access, Knowledge, TVO and Saskatchewan Ed. Network.  
 Weeks 6 to 32 for 1999-2000, 2000-2001  
 Weeks 1 to 30 for 2001-2002  
 Source: Nielsen Media Research

from amongst a suggested selection. Viewers were able to see the impact of such participation by subsequently tuning in to discover which pieces of clothing were chosen by vote. There have been 10,000 participants since the launch of this project.

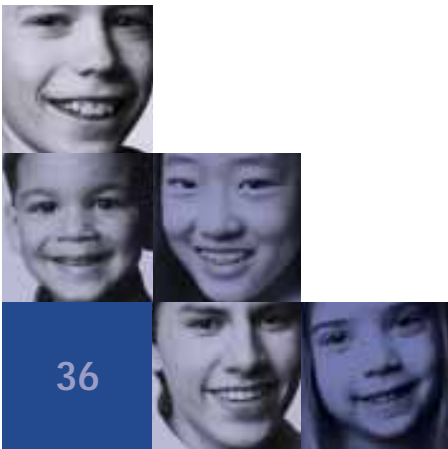
Other *Zone Jeunesse* initiatives have been very popular as well. The website complementing French Television's *Bouledogue Bazar*, which receives 20,000 visitors a week, had 74,000 participants in its contest this year. The regular cyberletter of *Zone Jeunesse* can boast of its 55,000 subscribers. *Zone Jeunesse*, which received a Prix Gêmeaux 2001 and a Prix Boomerangs 2001, has other impressive numbers, as well: nearly 10 million page views and nearly 600,000 visits per month which is a 100 per cent increase to the former and a 75 per cent increase to the latter (from October 2000 to October 2001). In fact, *radio-canada.ca* is the most popular site of young people between 2 and 11 years old (Media Metrix).

French Radio's Première Chaîne again this year broadcast its regular weekday programs, *275-Allô* and *ADOS-radio*. Hosted by Dominique Payette, *275-Allô* responds to the need amongst young people to know and to ask questions. In 2001, this host won the international "Jean-Pierre Goretta" prize given by Radio Suisse Romande for a very moving interview aired on *275-Allô*. The website, *Africado*, accompanied the special program of *ADOS-radio* entitled *Afrique-Ados*.

In 2000-2001, French Radio launched *bandeapart.fm* (for 13-21-year-olds) on the Internet and Galaxie (our pay-audio service), as a place for emerging talent and new musical styles. This is an exciting multi-platform initiative involving

Radio and the Internet. It is also an innovative tool for the development and promotion of new music and homegrown talent. This year, *bandeapart.tv* was created for broadcast on ARTV, one of CBC/Radio-Canada's new specialty channels, in partnership with the private sector. ARTV will carry 26 one-hour programs from this initiative. In March 2002, *bandeapart.fm* was officially launched in Paris during the international week of the Francophonie. The *bandeapart.fm* initiative encourages new Canadian talent and allows CBC/Radio-Canada to extend its reach to new audiences at home and abroad.

Also in 2000-2001, English Radio launched three new websites, *120seconds.com*, *justconcerts.com* and *newmusiccanada.com*, as part of the Radio Three youth initiative. Since their beginnings, these sites have been very successful with their loyal audiences and have received widespread acclaim, including, this past year, the Prix Italia for *120seconds.com*. Also this year, Radio Two launched *Just Concerts* 10-11:00 p.m. Saturday) and *New Music Canada* (11:00 p.m. to midnight Saturday) leveraging content from the Radio Three websites. As part of the Radio Three initiative, CBC Radio recorded and featured over 10,000 recordings by new Canadian bands.





## Sports

CBC/Radio-Canada continues to provide Canadians with opportunities to cheer their athletes as they take on the world's best... and win!

Since its beginnings, CBC/Radio-Canada's programming has reflected the special place held by sports in the Canadian imagination. Watching or listening to broadcast games and getting to know our Canadian athletes has helped to bind Canadians to one another across the country. Sports such as hockey and curling, which are played and loved by so many Canadians, have undoubtedly increased in popularity as a result of the shared audience experience provided by CBC/Radio-Canada's broadcasts.

As part of its overall transformation into a more clearly defined public broadcaster, CBC/Radio-Canada made an important commitment to the CRTC and to Canadians to emphasise its coverage of amateur sports over that of professional sports. That commitment was reinforced this year. We significantly increased and broadened our televised coverage of amateur sports, looking at a greater variety of sports and increasing our focus on women's sports, such as the Synchronized Swimming Championships in Japan, the Women's Softball Challenge in Saskatoon, and the Rhythmic Gymnastic Championships in Toronto. At the same time, fewer hours of professional sports were shown.

English Radio continued to provide regular sports updates on its national newscasts as well as regional and local coverage on regional morning and afternoon programming. Radio One's

weekly program, *The Inside Track*, now in its 17<sup>th</sup> season, provided listeners with in-depth analysis and documentaries about all aspects of sports in Canada. Likewise, *Sports Journal*, on CBC Newsworld and English Television, provided a weekly look at the people and the happenings behind the sporting events.

Audience figures for our New Media services were very impressive this year. Page views on *Zone Sports*, on *radio-canada.ca*, increased by 150 per cent. A full 60 per cent of *Zone Sports* visitors consulted the amateur sports content, making this website the premier reference for such information in the Francophone market. This website offers complete, original, exclusive coverage, and multimedia applications. Since September 2001, one of *radio-canada.ca*'s Web journalists has contributed a live weekly report on amateur sports to French Television's regular sports bulletin.

### Olympics

In February 2002, CBC/Radio-Canada brought the Salt Lake City Winter Olympics to Canadians with complete, balanced and informed coverage across all of its media platforms. Audience numbers for our Olympic coverage were extraordinary, a third greater than those for the Nagano Olympics.



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1. Richard Garneau, *Salut Garneau !*, Chaine culturelle;
2. Colleen Jones, *Newsworld Morning*, CBC Newsworld;
3. Brian Williams, CBC Sports, English TV;
4. Ron MacLean, *Hockey Night in Canada*, English TV;
5. Marie-Josée Turcotte, French TV;
6. John Hancock, CBC Radio Sports, Radio One.

For the 16 days of competition, CBC/Radio-Canada significantly reorganised its programming schedule to accommodate Olympic programming. Only a public broadcaster would invest both the time and resources to bring this extraordinary level of quality and distinctiveness to its programming schedule. The level of coverage of these Games required the cooperation of all of our media lines, English and French Television, CBC Newsworld and RDI, English and French Radio, and New Media, along with our partners, TSN and RDS. Our partners generally presented events alternative to those being shown by CBC/Radio-Canada, with the unique feature that the networks informed their viewers of the programming being presented simultaneously by their partners.

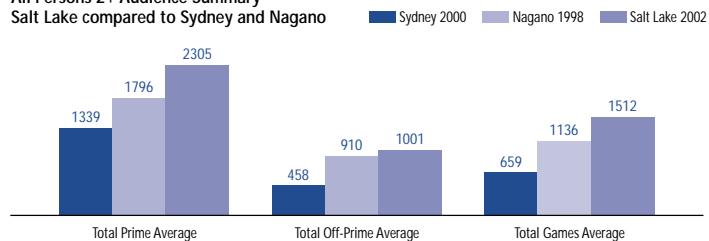
Canadian audiences came through for their athletes during these Games. The prime-time audience for English Television averaged 2.3 million, and the full-day audience averaged 1.5 million. French Television attracted an average prime-time audience of 838,000 viewers, and an average full-day audience of 585,000 viewers.

Up to 6.2 million watched the women's gold-medal hockey game on English Television. The men's hockey gold-medal triumph drew the largest audience in Canadian television history since the introduction of people meters: 8.7 million watched the whole game on



#### CBC English Television's coverage of Winter Olympic Games a tremendous success

All Persons 2+ Audience Summary  
Salt Lake compared to Sydney and Nagano



Audience summary comparing Salt Lake City coverage with Sydney and Nagano.  
Note: Audience averages do not include opening/closing ceremonies and concerts.  
Source: Nielsen Media Research

English Television, and 10.5 million watched the medals presentation! Even then, the numbers do not include those who watched the games in public places. On French Television, the game reached 56 per cent of the Francophone audience, or 1,596,000 viewers. English Radio provided a live broadcast of both the men's and the women's gold-medal hockey games in their entirety for thousands of Canadians in their cars, homes, offices and over the Internet. The broadcasting of these hockey games was truly nation-binding! In fact, these games were so popular and so seminal to Canadian sports history that CBC/Radio-Canada rebroadcast them shortly after the close of the Olympics.

CBC/Radio-Canada also provided unparalleled coverage of the Paralympic Games in March 2002. For the first time Canadians could see their paralympic athletes in same-day competition coverage.

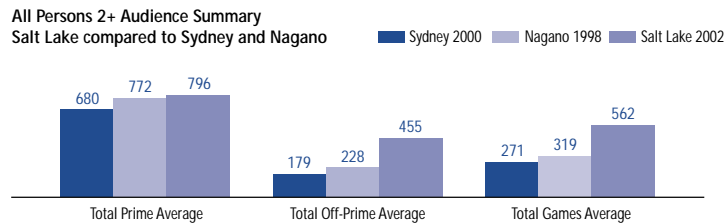
During the Olympics, our New Media services offered innovative technological applications and more Television-Web convergence. Dedicated websites on *cbc.ca* and *radio-canada.ca* (*Allô Salt Lake*), compiled by Web journalists reporting from Salt Lake City, provided browsers with news and results,

broadcast schedules, and unique Web features on athletes. There were interactive and multimedia quizzes, games and competitions for young people as well as information for teachers. *Allô Salt Lake* received more than one million visitors, with seven million page views. The *cbc.ca* website attracted approximately 32 million page views throughout the Olympics with no technical interruptions. These websites also delivered excellent coverage of the Paralympic Games, in fact offering a special adapted version and a daily audio résumé for visually impaired people.

CBC/Radio-Canada employed new technology for its Olympic Television broadcasts, sending live uncompressed video on Bell Canada's Digital Video service. This was the first time that CBC/Radio-Canada broadcast a major television event using end-to-end digital technology entirely on fibre optics. While viewers enjoyed sharper video coverage, CBC/Radio-Canada significantly reduced the cost per video channel. This technology also allowed CBC/Radio-Canada to add an additional News channel from Salt Lake City, giving viewers more Olympic Game coverage.



### CBC French Television's coverage of Winter Olympic Games a tremendous success



Audience summary comparing Salt Lake City coverage with Sydney and Nagano.  
Note: Audience averages do not include opening/closing ceremonies and concerts.  
Source: Nielsen Media Research

## Hockey

CBC/Radio-Canada's English and French Television this year celebrated their 50<sup>th</sup> year of *Hockey Night in Canada / La Soirée du hockey*. The first NHL game to be televised by CBC/Radio-Canada was from Montreal on October 11, 1952, between the Montreal Canadiens and the Detroit Red Wings. The first game broadcast from Toronto was three weeks later on November 1<sup>st</sup>.

To commemorate this occasion, French Television's *Les Beaux Dimanches* presented *La Soirée du hockey... 50 ans d'émotions*, a program combining documentary, humour and nostalgia.

English Television this year signed a new five-year broadcast agreement to carry NHL games through the 2007 Stanley Cup finals. A new made-in-Canada option for the playoffs will ensure that hockey fans can see all the games they want while those viewers interested in the News will experience far fewer delays.

English Television's long association with hockey and its emphasis on amateur sports came together in the third annual *Hockey Day in Canada: Celebrating the Game* on January 5, 2002. There were 10 live remotes from across the country

as local CBC reporters examined hockey's place in their communities and recognised individuals who have dedicated themselves to teaching, maintaining and improving the game. Also featured were documentaries, panel discussions, and a special edition of the pre-game show *Labatt Saturday Night* with Don Cherry and Ron MacLean answering questions from across Canada. The day concluded with an all-Canadian triple-header on *Hockey Night in Canada* during which the games averaged over a million viewers a minute.

## Grey Cup

In November 2001, 2.7 million Canadians watched English Television for the 89<sup>th</sup> *Grey Cup Championship Game* live from Montreal. This was the 50<sup>th</sup> consecutive broadcast of the Grey Cup finals on English Television. *Grey Cup Sunday* also presented live interviews, analysis, panel discussions and feature stories.

The Grey Cup *radio-canada.ca* website contained exclusive, original multimedia reports as well as innovative multimedia activities, including a virtual football field.

## Other Sports

For 10 days in August 2001, CBC/Radio-Canada televised the 8<sup>th</sup> IAAF (International Amateur Athletic Federation) World Championships from Edmonton, bringing Canadians 36 hours of top-level international competition involving 1,800 athletes from 200 countries. As host broadcaster, English Television fed 263 hours of coverage to broadcasters around the world. Earlier in July 2001, from Ottawa/Hull, CBC/Radio-Canada televised the IV<sup>es</sup> Jeux de la Francophonie featuring athletes from 50 countries. Our New Media services created a hybrid Radio/Television Web page for cultural and sports coverage of the competition.

New Media was also involved in the coverage of the 2001 Formula 1 Grand Prix of Canada. *Zone Sports* of *radio-canada.ca* doubled the number of its visitors during the week of the event by offering multimedia and interactive activities including a virtual race on board an F1, videos, and a virtual pit stop.

CBC Sports has been named the host broadcaster for the upcoming *Pan-American Games* to be held in Santo Domingo, Dominican Republic, in August 2003.





## Connecting Canadians

CBC/Radio-Canada reaches out to all Canadians, bringing regional issues and perspectives to national audiences and playing an important role in communities.

Connecting Canadians



CBC/Radio-Canada is rooted in the communities and regions of Canada, reflecting them to themselves and to the country as a whole. CBC/Radio-Canada provides Canadians with a variety of platforms on which to discuss and illuminate regional issues and concerns. This is one of CBC/Radio-Canada's greatest strengths and most distinctive features. In addition to programming activities, CBC/Radio-Canada's outreach activities help ensure that we maintain strong contacts within our local communities, and allow the Corporation to engage in annual charitable activities directly benefiting the people in the regions in which we operate.

CBC/Radio-Canada spends approximately 40 per cent of the total operating budget in the regions or in support of regional activities. Across CBC/Radio-Canada as a whole, regional production accounts for approximately 2,000 hours per week of programming. Fifty per cent of the total amount of Canadian programming on CBC/Radio-Canada's schedules reflects the regions.

The Première Chaîne is a network firmly anchored in all regions of the country, with its 20 regional stations and 149 transmitters distributed across Canada. Thanks to this infrastructure, the regions have a major role to play through their contribution of 643 hours of programming

weekly. This translates to 42 per cent of network programming being produced in the regions.

The Chaîne culturelle, with its nine regional stations and nine transmitters, will be expanded considerably in the future, becoming available in all provincial capitals by 2003 under the expansion project authorised by the CRTC in May 2002. The Chaîne culturelle will gain three new regional stations and 17 new transmitters, to be installed in various parts of the country. Here too, regional stations make a significant contribution to the Chaîne culturelle, providing some 20 per cent of its programming.

French Radio accords an importance to the regions, with regard to both infrastructure and programming. French Radio is convinced that greater involvement by the regional stations in network programming is a guarantee of success amongst listeners and a way to ensure representation of all regions of the country.

In English Television, enhanced reflection of all parts of the country in the national network service is a fundamental goal of the transformation plan. This year, English Television demonstrated its commitment to the regions in a variety of ways. Production in all areas was



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1. Bernard Derome, *5 sur 5*, French TV; 2. Gregory Charles, *Culture Shock / Culture-choc*, CBC Newsworld, RDI; 3. Dianne Buckner, *Venture*, English TV; *Venture Files*, CBC Newsworld; 4. Wayne Rostad, *On the Road Again*, English TV; 5. Shelagh Rogers, *This Morning*, Radio One; 6. Suhana Meharchand, *Newsworld Today*, CBC Newsworld.

decentralised, with the result that the national portion of *CBC News: Canada Now* was produced in Vancouver; *CBC News: Disclosure* came out of Winnipeg and Toronto; the new drama, *Tom Stone*, from Calgary; *Random Passage*, from Newfoundland; *This Hour Has 22 Minutes*, from Halifax; and the new late-night show, *ZeD*, was produced in Vancouver, to mention just a few.

Integrating CBC News and CBC Newsworld News operations across the country, and creating content units to serve all programs, meant that more stories from more places across the country appeared on the national network this year. Re-investment in regional production also allowed News bureaus to be created and staff and resources to be added to existing bureaus. Consistent emphasis on regional stories is being implemented across all network News programming.

In addition to its extensive regional News and sports coverage, each year about 75 regionally based independent production companies make documentaries, dramas and children's programs for English Television.

CBC's TransCanada Fund has contributed an additional \$5 million for the development of new regional programs over five years.

Decision-making was also decentralised this year; senior regional managers now have specific management roles at the network level.

English Television was involved in numerous charitable events this year, including, for example, *Music Without Borders*, a Canadian all-star benefit concert in Toronto, with all money raised from ticket sales

going to the United Nations Donor Alert Appeal and victims of the September 11<sup>th</sup> terrorist attacks; and the 11<sup>th</sup> Heart Institute Telethon in Ottawa.

English Television utilised a novel form of accountability this year, inviting its viewers to "vote" on whether or not two comedy pilot series should be developed and continued next year. Voter "turnout" was outstanding.

CBC/Radio-Canada's French Television service is the only source of French-language regional television News in the Atlantic Provinces, Ontario and Western Canada. French Television this year increased investment in its journalistic resources throughout the country, reinforcing existing teams in several regions and opening 10 new journalistic bureaus from Caraquet to Whitehorse.

Each year, French Television broadcasts more than 300 hours of network programming produced outside of Montreal, in addition to regional reports carried on regular information and current affairs programming. This year Saturday afternoons were given over to regional reflection: *Des mots et des maux* from Ottawa; *Brio* from the Atlantic Provinces, and *Expresso* from Ontario; *L'Accent francophone*, about Francophone communities outside Quebec; and *Culture-choc* (produced by young bilingual video journalists who cross the country collecting stories shown in both languages on our English and French Television networks). French Television also broadcast special programs delineating the cultural vitality of the regions, such as seen at the *Festival Franco-ontarien*, *Ontario Pop*, the *Festival d'été de Québec*, and the *Fête nationale des Acadiens*.



French Television invests in the regional independent production industry through such series as *Un air de famille*, *Pour l'amour du country*, and *Sciences point com*. French Television relies heavily on regionally based independent production companies, broadcasting around 80 hours of independently produced regional programs each year.

Among charitable contributions to the community this year was the tenth annual *La grande guignolée* organised in December 2001 by French Television and French Radio in collaboration with various partners. The event raised nearly \$303,000 and collected over 10,000 bags of unperishable food for the needy.

English Radio maintains its journalistic presence in 48 communities across Canada, in every province and territory and works with English Television News to provide additional journalistic coverage and sharing of resources in smaller centres.

In 2001-2002 over three-quarters of the Radio One schedule consisted of some form of regional reflection or regional production. In total, regional and sub-regional programming represented over 1,100 hours of programming produced for CBC Radio listeners each and every week. For Radio Two, 58 per cent of programming was produced in the regions.

Regional morning, noon and afternoon current affairs shows are broadcast from almost 40 locations across Canada, representing over 25 per cent of air time on the Radio One schedule. Respectively they attract 2 million, 1.2 million and 1.4 million listeners each week to Radio One (BBM, Fall 2001).

This year regional stations covered topics such as: new pipeline projects in the Yukon and Northwest Territories; Manitoba's provincial drainage system; PEI's potato industry; contaminated water in North Battleford, Saskatchewan; *True North Concert 2001*, Iqaluit (a showcase for new Northern talent); the Dene National Assembly (coverage in five Aboriginal languages); the Ottawa Folk Festival, Ottawa Jazz Festival, Ottawa Writers Festival, and the Doctors Without Borders' mock refugee camp; September 11<sup>th</sup> coverage from Newfoundland where international passengers were caught in the crisis; *Community Dialogue: The Cost of Fear*, a Winnipeg forum following September 11<sup>th</sup>; and, the Canada-U.S. softwood lumber story seen from Vancouver Island.

Each year CBC Radio organises charitable gatherings. Tens of thousands of Canadians participate in Christmas Open Houses, raising thousands of dollars and gathering tonnes of food for charities and food banks in most CBC Radio locations. Among this year's examples: CBC Radio Ottawa raised over \$75,000, more than 1,000 pounds of food, plus clothes and snowsuits. In Saint John, the Harbour Lights Campaign raised over \$103,000 for food banks in southwestern New Brunswick. And in Edmonton, CBC Radio's annual "turkey drive" garnered 3,000 turkeys for the needy, while the food bank drive raised \$425,000.

Readings of Dickens' *A Christmas Carol* are now a very successful ten-year CBC tradition started by National News Host Judy Maddren. This year there were 70 readings involving 110 CBC Radio hosts teamed up with community groups from across the country to raise money for local charities.



CBC Radio held over a dozen public meetings with listeners and stakeholders across Canada, this year. Noon Radio phone-in programs invited calls directly to CBC Radio Vice-President Alex Frame. Accountability and stakeholder sessions were held in Halifax, Ottawa, Toronto, Sudbury, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Kamloops, Vancouver and Iqaluit.

On French Radio's Première Chaîne and the Chaîne culturelle combined, 60 per cent of the network programming comes from the regions. Several regular network programs are produced by regional stations, including, this year: from Vancouver,  *Ici Vancouver*  and  *Le Monde à l'envers* ; from Winnipeg,  *Escapades* ; and from Moncton,  *Bande à part* . In information programming, the regions helped to produce more than 3,000 regional inserts for the Première Chaîne's network programming.

The regional stations of the Première Chaîne and the Chaîne culturelle were very active in program production this year, contributing 643 hours and 24 hours, respectively, of programming each week. A number of these regional productions were broadcast on the national network, enriching programming and intensifying regional reflection across the country. Programs such as  *Au cœur du monde*  and  *D'un soleil à l'autre*  were produced in Quebec;  *Le Diable à quatre*  involved stations in Winnipeg, Toronto, Rimouski and Moncton;  *La nuit, la vie*  was out of Vancouver;  *La Grande Traversée* , from Ottawa; and  *Au détroit de la nuit*  was produced in Windsor.

Regional stations collaborated to produce programs this year as well. Three daily programs were developed out of Quebec

and Vancouver; and six weekly programs had contributions from Moncton, Toronto, Winnipeg, Rimouski, Ottawa, Trois-Rivières, Windsor and Quebec. There were also regular contributions from regional stations to current affairs and information programs such as  *La Tribune du Québec* ,  *Sans frontières* ,  *D'un soleil à l'autre* ,  *Les affaires et la vie*  and  *Dimanche magazine* . Regional coverage of cultural events such as various Salons du livre and festivals was included in programs such as  *Au cœur du monde* ,  *Indicatif présent* ,  *D'un soleil à l'autre*  and  *Bachibouzouk* , all confirming French Radio's commitment to regional reflection of all parts of the country.

There was also the twinning of regional stations in Canada with stations in Francophone countries such as France and Belgium, and in Africa, thus further opening up our Radio to the world and enabling us to diversify and enrich our programming for the benefit of our listeners.

The Première Chaîne extended its service this year by opening new transmitters, in Témiscaming in December 2001 and in Fermont in February 2002.

In Spring 2002, the CRTC authorised our project to expand the Chaîne culturelle and install a large number of transmitters throughout Canada, in order to reach 85 per cent of the Francophone population. This major infrastructure undertaking will enable the network to set up in all the provincial capitals, in addition to several other regions that do not yet enjoy this service. Besides allowing CBC/Radio-Canada to complete the infrastructure of a network that will now be pan-Canadian, this colossal project enables the Corporation to meet the requirements issued by the CRTC in its license renewal decision in 2000.

CBC/Radio-Canada's Internet service provides 13 English and 10 French regional sites that feature regional News, information about local Television and Radio programs and, in many cases, information about and links to the community. Live streaming and on-demand regional News from 15 English and eight French regional Radio stations are available as well as supper hour Television News on demand from 10 English and five French locations. This allows Canadians to receive their regional News and to listen to their local CBC/Radio-Canada station, whenever they want, and from wherever they may be in the world.



## Awards

Success for any broadcaster rests on the quality of its programming and its talented workforce.

During the past year, CBC/Radio-Canada programs and personalities were again honoured at home and abroad with hundreds of awards.

English Television and French Television combined received over 300 awards and certificates, including 39 Geminis and 41 Prix Gémeaux.

English Radio won over 100 major awards, while French Radio brought home many prestigious national and international awards.

Many award-winners were selected from our News services: *The National* received the Gemini Award for Best Newscast while, for the sixth time, Peter Mansbridge was recognised as Best News Anchor. English Television also picked up Emmy Awards for *The National* and *Witness*, an English Television documentary program.

CBC News also took the Gemini for Best Live Special Event Coverage for *Pierre Elliot Trudeau: A Nation Mourns*, while Wendy Mesley, new co-host of *CBC News: Disclosure*, received the award as Best Host or Interviewer for her work on *Undercurrents*. *Canada Now* (Winnipeg) received the Canadian Journalism Foundation's Excellence in Journalism Award.

Now in its 27<sup>th</sup> season, *the fifth estate* received the Michener Award for meritorious public service journalism, the Canadian Association of Journalists'

top investigative award for *His Word Against History*, a Justicia Award for *The Scandal of the Century*, along with a Gemini Award.

*The Nature of Things* received a Canadian Nurses Association Award of Excellence, a Gemini Award, along with a Gracie Allen Award in the Public Affairs category for *Amanda's Choice*.

*Da Vinci's Inquest* won four Gemini awards for Best Dramatic Series, Best Lead Actor, Best Writing and Best Direction. *Street Cents* won a Gemini and an International Emmy, one of the most highly regarded awards for excellence in television programming, for Best Program for Children and Youth. CBC/Radio-Canada also received a Gemini for its live coverage of *The Scott Tournament of Hearts* curling championships.

*Le Téléjournal / Le Point* won a number of awards, including a Prix Gémeaux for Meilleur journal télévisé and Meilleur reportage-topo.

Michaëlle Jean won a Prix Gémeaux for best interview on *RDI à l'Écoute*. *Zone Libre* won six awards, including four Prix Gémeaux for Meilleure série d'information, Meilleure émission d'information, Meilleure réalisation : émission ou série d'information, and Meilleure animation : émission ou série d'information.

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1. Dominique Payette, *275-Allô/ADOS-radio*, Première Chaîne; 2. Patrick Labbé, Julie McClemens, Normand Daneau, Macha Limonchik, Vincent Graton, *La Vie la vie*, French TV; 3. Bob McDonald, *Quirks and Quarks*, Radio One; 4. Darryl Kyte, Kim D'Eon, Connie Walker, *Street Cents*, English TV, CBC Newsworld; 5. Nicholas Campbell, *Da Vinci's Inquest*, English TV; 6. Hana Gartner, Linden MacIntyre, Anna Maria Tremonti, *the fifth estate*, English TV, CBC Newsworld.

Awards



*Découverte* captured two Canadian Science Writer's Association Awards, a Prix Gémeaux, two Molson Awards, and a Canadian Nurses Association award.

French Television produced a number of award-winning programs, such as *4 et demi...*, the winner of the Prix Gémeaux for drama. The dramatic series *La Vie la vie* captured three Prix Gémeaux, including Best Production. French Television also won seven design awards for outstanding design contributions in the broadcast media industries.

English Radio received 18 awards at the prestigious New York Festivals 2001 Awards, including Gold Medal Winners Karen Levine, in the History category for her story *Hana's Suitcase* and Sandra Bartlett and Michael McAuliffe for Best Investigative Report for their story, *The Road To Racak*.

*Quirks & Quarks*, now in its 26<sup>th</sup> year on Radio One, and *Global Village*, on the same network, have been listed among the world's top 10 English-language programs in the Passport to World Band Radio 2002 Edition.

*Quirks & Quarks'* host Bob McDonald received the Sandford Fleming Medal for outstanding contributions to public understanding of Science in Canada while the program also captured a Canadian Science Writers' Association Science in Society Journalism Award.

Stuart McLean, host of *Vinyl Café* on Radio One, captured his second Stephen Leacock Award for Humour for his book *Vinyl Café Unplugged*.

French Radio's Yvan Cloutier received an award for best news story for his coverage of President George W. Bush's September 14<sup>th</sup> visit to New York City, while Pierre Trottier, Producer of *Sans frontières*, was recognised for best

news special for his coverage of the September 11<sup>th</sup> terrorist attacks.

Dominique Payette received the prestigious Jean-Pierre Goretta award from Radio Suisse Romande for her very moving interview with an 11-year-old boy who had recently lost his mother. Jacques Languirand, host of *Par 4 chemins*, was awarded a special prize from the Onassis Foundation for his play *Faust et les radicaux libres*.

Among national prizes awarded to French Radio, Dominique Payette, host of *ADOS-radio*, won the Molson Grand Prize for Recreation Journalism for the Quebec finals of "Expos-sciences du loisir scientifique." *bandeapart.fm* won the Boomerangs Grand Prize in the media website category. The Chaîne culturelle received the Mnémo award for its recording *Chants et plaintes maritimes des Terres françaises d'Amérique*.

CBC/Radio-Canada engineers have long been recognised for their technological innovations that have improved the transmission of programming to our Canadian audiences. This year, CBC Technology, Network Services, was presented with a Gemini Award for Outstanding Technical Achievement.

CBC/Radio-Canada's French and English websites are recognised nationally and internationally for the quality of their programming. The *0340* French website for children won the first Prix Gémeaux ever awarded for a website, while Boomerangs awards were presented to *bandeapart.fm*, *radio-canada.ca/jeunesse* and *radio-canada.ca/sports*. Radio Three's *120seconds.com*, winner of the prestigious Prix Italia for its rich and original use of language, sound, animation and graphic design, also won a creative excellence award at the International Web Page Awards in California, as did *newmusiccanada.com*.





## Strengthening Our Team

### Re-engineering Task Force

The CBC/Radio-Canada Re-engineering Task Force, created in December 1999 to examine business and programming practices, has become an ongoing means of achieving efficiencies and improvements. Over the past year, the Task Force completed a number of reviews ranging from increased cross-cultural programming to managing the CBC/Radio-Canada fleet. The Task Force has also become an effective vehicle for developing mid-level managers by teaming them with colleagues from other parts of the Corporation to address pan-Corporate improvement projects. As such, the Task Force is a key part of reinforcing the Corporation's philosophy of continuous improvements.

### Labour Relations

During 2001-2002, CBC/Radio-Canada completed its case before the Canada Industrial Relations Board for the consolidation of its three industrial bargaining units in the English Networks. The case to consolidate four industrial bargaining units in Radio-Canada is still at the hearing stage. If these cases are successful, it will enable the networks to produce programming differently and improve the labour relations instability inherent in the current structure.

### Learning and Development

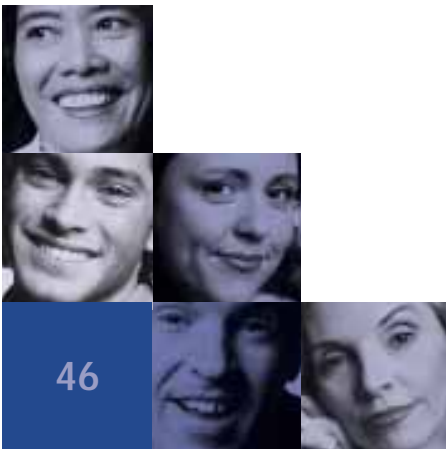
CBC/Radio-Canada has continued to provide leadership training to current and future leaders within the organisation. We have also continued to provide core skills training to employees throughout the organisation and to provide comprehensive organisational development and change management expertise to guide culture change throughout CBC/Radio-Canada.

### Human Resources

Human Resources continued to provide comprehensive services to the organisation. An employee opinion survey was conducted and we are involved in several initiatives to respond to the feedback our employees provided. One of these major initiatives is the implementation of a comprehensive performance management and staff development program for all employees (unionised and management) in the English Networks.

### Employment Equity

CBC/Radio-Canada's Help Fund was renewed and supported another 30 projects to enable designated group members to find jobs or receive on-the-job developmental assignments and internships in production, technical or journalism areas. The partnership with English Radio's *New Voices*, aimed at attracting new and diverse talents,





was renewed for another year. The French Services internship program was maintained and continued to work with the Help Fund to optimise resources.

The Corporation was active in participating, with other Federal enterprises, in the review of the *Employment Equity Act*.

The *CBC Equity Newsletter*, promoting the Corporation's portrayal of designated group members on air, continued to be published three times a year. Though originally meant for employees, it enjoys a wide external readership of interested individuals, groups and institutions.

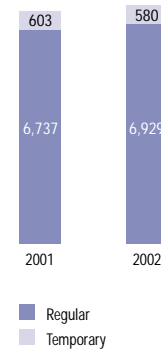
## Official Languages

CBC/Radio-Canada maintained its commitment to the development and enhancement of linguistic minority communities. French Television created a Regions' Panel made up of concerned citizens from minority communities across the country. Two meetings were held.

CBC/Radio-Canada renewed its commitment to the cultural communities of the country by signing, for a period of five years, a Multipartite Agreement with the Fédération culturelle canadienne-française (FCCF), Canadian Heritage and other federal cultural institutions.

Finally, CBC/Radio-Canada signed an agreement with Canadian Heritage and Telefilm Canada to proceed with two major projects under the IPOLC program (Interdepartmental Program with Official Language Communities), one for French Television to develop independent producers, directors and writers and the other for French Radio to create a Réseau des galas de la Chanson to promote Francophone songs and songwriting across the country and to assist in developing Francophone talent from outside Quebec.

CBC/Radio-Canada Workforce – As of March 31, 2002



## Public Accountability

### Accountability Mechanisms

As in the past, CBC/Radio-Canada continued to report to Canadians on the fulfilment of its commitments. It accounted for its activities to the Minister of Canadian Heritage and Parliament through its Annual Report and Corporate Plan; to the Canadian Radio-television and Telecommunications Commission (CRTC) through year-end reports and annual financial returns; and to stakeholders through townhall meetings and CBC/Radio-Canada websites.

In 2001-2002, the Office of the Ombudsman (English and French Services combined) handled a total of 2,317 complaints, expressions of concern and other communications. There were 941 concerning English programming and 1,376 concerning French programming. On the English side, 499 communications fell within the mandate of the Ombudsman (information programming), while there were 802 on the French side. Communications not relating directly to CBC information programming were acknowledged and forwarded to the programming departments concerned.

### The Ombudsman

The Office of the Ombudsman provides viewers and listeners with an opportunity to have investigated serious, unresolved complaints pertaining to CBC/Radio-Canada journalism. An impartial and independent body, the Office of the Ombudsman investigates the complaint and provides a written report which helps to ensure the excellence of the Corporation's news and information programs.

The Office has two Ombudsmen, one for English-language Services and the other for French-language Services. Both Ombudsmen report directly to the President and are completely independent from the Corporation's media management.

### Where to Write

The Ombudsman, English Services  
Canadian Broadcasting Corporation  
PO Box 500, Station A  
Toronto, Ontario M5W 1E6  
[ombudsman@cbc.ca](mailto:ombudsman@cbc.ca)

Bureau de l'ombudsman, Services français  
Société Radio-Canada  
C.P. 6000  
Montréal, Québec H3C 3A8  
[ombudsman@radio-canada.ca](mailto:ombudsman@radio-canada.ca)



## Board of Directors 2001-2002

The CBC/Radio-Canada Board of Directors has completed a thorough revision of the Corporation's By-Laws, and also the mandate of the Chair of the Board, the President and CEO, and the various Board committees.

The primary purpose of revising the By-Laws was to bring CBC/Radio-Canada corporate governance practices up to date. Responsibilities have been clearly identified. The roles of both the Chair and the President and CEO have been clearly defined. The number of mandatory committees has been reduced to three. All other committees must be approved by a Board resolution. The mandate of each committee, in addition to the provisions contained in the Act, has been redesigned to ensure that it is consistent with the latest governance practices.

CBC/Radio-Canada has also amended its provisions respecting indemnities for directors, officers and employees of the Corporation, with a view to ensuring compliance with current corporate practices.

The same approach was adopted for settling conflicts of interest. CBC/Radio-Canada has modelled its approach on the recent amendments made to the *Canada Business Corporations Act*.

Finally, CBC/Radio-Canada has approved a grid profiling the chief characteristics sought in members of the Board of Directors. The Corporation thus plans to play a larger role in the appointment of members to its Board by guiding the government in the choice of members.

**Carole Taylor, O.C.**  
Chair, Board of Directors  
(since July 2001)  
Vancouver, British Columbia

**Robert Rabinovitch**  
President and CEO  
Ottawa, Ontario

**John Kim Bell, O.C.**  
Founder and President  
National Aboriginal Achievement  
Foundation  
Toronto, Ontario

**Dr. Val H. Conway**  
Ophthalmologist  
St. John's, Newfoundland and Labrador

**Marie Giguère**  
Senior Vice-President  
Chief Legal Officer and Secretary  
Molson Inc.  
Montreal, Quebec

**Roy L. Heenan, O.C.**  
Chairman and Senior Partner  
Heenan Blaikie Barristers and Solicitors  
Montreal, Quebec

**Jane Heffelfinger**  
Actress and Broadcaster  
Monday Publishing  
Victoria, British Columbia

**Robert Lantos, C.M.**  
Producer  
Serendipity Point Films  
Toronto, Ontario

**Clarence LeBreton**  
Assistant Deputy Minister  
Training and Employment Development  
Government of New Brunswick  
Caraquet, New Brunswick

**L. Richard O'Hagan**  
Principal  
Richard O'Hagan Associates  
Toronto, Ontario

**James S. Palmer, C.M., Q.C.**  
Lawyer and Chairman  
Burnet, Duckworth & Palmer  
Barristers and Solicitors  
Calgary, Alberta

**W. Thomas R. Wilson**  
President and CEO  
Oceanic Adventures International  
Toronto, Ontario





## Management Discussion and Analysis

### Government funding

On a net basis, government funding increased by \$46.3 million in fiscal 2001-2002.

The bulk of this increase can be attributed to a federal government grant of non-recurring funding of \$60 million. This additional funding was distributed among the media and was used to increase cross-cultural productions and coproductions, develop new talent and enhance programming initiatives.

### Results

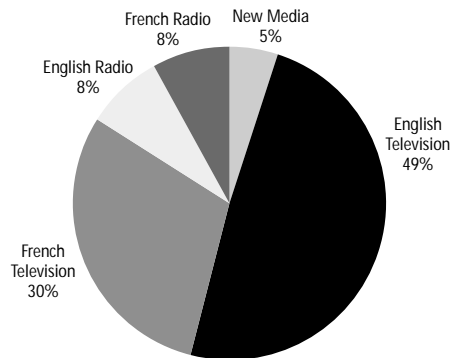
According to Canadian generally accepted accounting principles, the net results for the fiscal year is \$11.4 million.

CBC/Radio-Canada receives part of its funding from the Canadian government. The elements figuring in the operating statement may be funded by the Canadian government during different fiscal years. CBC/Radio-Canada, therefore, shows different net operating results – a deficit for the year of \$14.9 million in government funding terms (a cumulative surplus of \$23.8 million, if the surplus carried over from the previous year is included) – whereas according to Canadian generally accepted accounting principles, the net results reflect a net surplus for the year of \$11.4 million. Reconciliation of this variance is found in Note 3b).

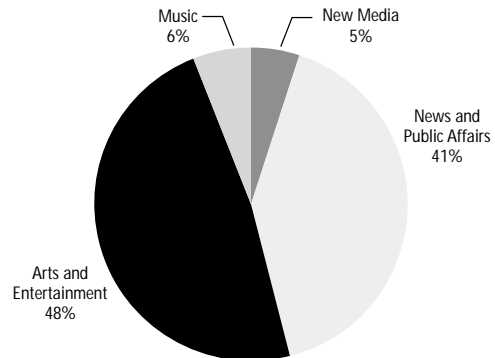


### ALLOCATION OF ADDITIONAL \$60 MILLION

2001 - 2002 Allocation by medium



2001 - 2002 Allocation by category



## Revenues

**Advertising revenues decreased by \$31 million from the previous year. Miscellaneous revenues, however, increased by \$21.9 million.**

Advertising revenues were down by \$31 million, compared to the previous year, because of the strategy to decommercialise certain programs, market fragmentation, increased competition and the effects of the September 11<sup>th</sup> attacks on the market.

CBC/Radio-Canada nevertheless experienced an increase in its miscellaneous revenues. This is linked in large part to the host-broadcaster activities of CBC/Radio-Canada during the 8<sup>th</sup> IAAF (International Amateur Athletic Federation) World Championships in Edmonton.

## Expenses

**Expenses according to Canadian generally accepted accounting principles increased by \$103.3 million.**

With additional temporary funding granted by the federal government, CBC/Radio-Canada was able to inject additional funds into operations in 2001-2002, and thus continue its commitment to offer distinctive top-quality programming. All the additional funds received were invested in Radio, Television programming and New Media.

The increase in specialty services expenses may be attributed to additional revenues that were reinvested in the programming of these services.

The net surplus linked to the application of the Canadian Institute of Chartered Accountants (CICA) rules respecting employee future benefits decreased by \$43.2 million from last year (\$25.7 million in 2002 versus \$68.9 million in 2001).

## Balance sheet items

**Increase in assets of \$49.5 million.**

The item "cash and short-term investment" consists of cash and securities from the short-term money market fully insured by the Government of Canada.

The decrease in program inventory is attributed to the broadcast of the second part of the series *Canada: A People's History / Le Canada : Une histoire populaire*.

The item "deferred charges and other assets" increased further to the initiatives by CBC/Radio-Canada, creating new partnerships with the private sector, notably by investing in new specialty channels such as *ARTV*, *The Documentary Channel* and *Country Canada*.

The items "pension plan assets" and "employee-related liabilities (long-term)" reflect the application of CICA rules respecting employee future benefits.



## Management's Responsibility for the Financial Statements

The financial statements and all other information presented in the Annual Report are the responsibility of management and have been reviewed and approved by the Board of Directors of the Corporation. These financial statements, which include amounts based on management's best estimates as determined through experience and judgment, have been properly prepared within reasonable limits of materiality and are in accordance with Canadian generally accepted accounting principles.

Management of the Corporation maintains books of account, records, financial and management control, and information systems, which are designed for the provision of reliable and accurate financial information on a timely basis. These controls provide reasonable assurance that assets are safeguarded, that resources are managed economically and efficiently in the attainment of corporate objectives, that operations are carried out effectively and that transactions are in accordance with the *Broadcasting Act* and the by-laws of the Corporation.

The Corporation's Internal Auditor has the responsibility for assessing the Corporation's systems, procedures and practices. The Auditor General of Canada conducts an independent audit of the annual financial statements and reports on her audit to the Canadian Broadcasting Corporation and the Minister of Canadian Heritage.

The Board of Directors' Audit Committee, which consists of five members, none of whom is an officer of the Corporation, reviews and advises the Board on the financial statements and the Auditor General's report thereto. The Audit Committee oversees the activities of Internal Audit and meets with management, the Internal Auditor and the Auditor General on a regular basis to discuss the financial reporting process as well as auditing, accounting and reporting issues.

Ottawa, Canada  
May 17, 2002

President and CEO

Vice-President and Chief Financial Officer



## Auditor's Report

To the Board of Directors of the  
Canadian Broadcasting Corporation  
and the Minister of Canadian Heritage

I have audited the balance sheet of the Canadian Broadcasting Corporation as at March 31, 2002 and the statements of operations and equity and cash flow for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the *Broadcasting Act*, I report that, in my opinion, these principles have been applied on a basis consistent with that of the preceding year.

Further, in my opinion, the transactions of the Corporation that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with Part III of the *Broadcasting Act* and the by-laws of the Corporation.



Sheila Fraser, FCA  
Auditor General of Canada

Ottawa, Canada  
May 17, 2002

Auditor's Report



## Statement of Operations and Equity

For the year ended March 31	2002	2001
	(thousands of dollars)	
<b>Revenue</b>		
Advertising and program sales	319,257	350,259
Specialty services (Note 5)	117,722	107,672
Miscellaneous	82,383	60,461
	<b>519,362</b>	<b>518,392</b>
<b>Expense</b>		
Television and radio service costs	1,150,557	1,046,266
Specialty services (Note 5)	104,076	93,423
Transmission, distribution and collection	61,850	57,838
Radio Canada International	16,626	15,774
Payments to private stations	16,760	14,282
Corporate Management	15,402	15,907
Amortisation of capital assets	130,806	149,294
	<b>1,496,077</b>	<b>1,392,784</b>
<b>Operating loss before government funding, non-operating revenue and taxes</b>	<b>(976,715)</b>	<b>(874,392)</b>
<b>Government Funding</b>		
Parliamentary appropriation for operating expenditures (Note 3)	840,404	794,058
Funding reserved for Radio Canada International (Note 4)	15,418	15,520
Amortisation of deferred capital funding (Note 9)	130,953	147,301
	<b>986,775</b>	<b>956,879</b>
<b>Operating results before non-operating revenue and taxes</b>	<b>10,060</b>	<b>82,487</b>
<b>Non-operating revenue</b>		
Gain on disposal of joint business ventures	–	68,145
<b>Net results before taxes</b>	<b>10,060</b>	<b>150,632</b>
Provision for (recovery of) income and large corporations taxes (Note 6)	(1,332)	2,688
<b>Net results for the year</b>	<b>11,392</b>	<b>147,944</b>
Equity, beginning of year	108,660	(43,284)
Working Capital Funding (Note 3)	4,000	4,000
<b>Equity, end of year</b>	<b>124,052</b>	<b>108,660</b>

The accompanying notes form an integral part of the financial statements.





## Balance Sheet

As at March 31	2002	2001
	(thousands of dollars)	
<b>ASSETS</b>		
<b>Current</b>		
Cash and short-term investments (Note 16)	154,730	174,029
Accounts receivable	188,009	116,096
Program inventory	102,541	121,933
Prepaid expenses	37,814	47,208
	<b>483,094</b>	<b>459,266</b>
Capital assets (Note 7)	1,016,465	1,022,927
Deferred charges, investments and others	18,476	11,841
Pension plans asset (Note 10)	25,495	–
	<b>1,543,530</b>	<b>1,494,034</b>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	167,215	148,319
Employee-related liabilities (Note 10)	128,091	115,569
Obligations under capital leases (Note 11)	5,111	4,747
	<b>300,417</b>	<b>268,635</b>
<b>Long-term</b>		
Employee-related liabilities (Note 10)	97,578	97,774
Obligations under capital leases (Note 11)	367,026	372,138
Deferred capital funding (Note 9)	654,457	646,827
	<b>1,119,061</b>	<b>1,116,739</b>
<b>EQUITY</b>		
Equity	124,052	108,660
	<b>1,543,530</b>	<b>1,494,034</b>

Commitments and contingencies (Notes 12 and 13)

The accompanying notes form an integral part of the financial statements.

Approved on behalf of the Board of Directors:

Director

Director

Balance Sheet



## Statement of Cash Flow

For the year ended March 31	2002	2001
	(thousands of dollars)	
<b>Cash Flow from (used in)</b>		
<b>Operating Activities</b>		
Net results for the year	11,392	147,944
(Gain) on disposal of joint business ventures	–	(68,145)
Loss on disposal of capital assets	1,849	66
Items not involving cash:		
Amortisation of capital assets	130,806	149,294
Amortisation of deferred charges and other	1,276	5,119
Amortisation of deferred capital funding	(130,953)	(147,301)
Pension plans asset	(25,495)	–
Employee-related liabilities [current]	(3,932)	(6,352)
Employee-related liabilities [long-term]	(196)	(63,469)
Share of joint business ventures	–	(8,504)
Net change in working capital balances excluding cash and short-term investments (Note 15)	(12,218)	2,363
	<b>(27,471)</b>	<b>11,015</b>
<b>Financing Activities</b>		
Parliamentary appropriations (Note 3):		
Capital funding	138,481	104,017
Working capital funding	4,000	4,000
Government funding for capital purchases for RCI	102	5,000
Capital portion of lease payments	(4,747)	(4,459)
	<b>137,836</b>	<b>108,558</b>
<b>Investing Activities</b>		
Proceeds on disposal of capital assets	7,463	2,368
Acquisition of capital assets	(129,216)	(103,658)
Acquisition of long-term investments (Note 8)	(4,257)	–
Deferred charges	(3,654)	(2,402)
Proceeds on disposal of joint business ventures	–	76,649
	<b>(129,664)</b>	<b>(27,043)</b>
Increase (Decrease) in cash and short-term investments	<b>(19,299)</b>	<b>92,530</b>
Cash and short-term investments, beginning of year	174,029	81,499
<b>Cash and short-term investments, end of year</b>	<b>154,730</b>	<b>174,029</b>

The accompanying notes form an integral part of the financial statements.



## Notes to the Financial Statements

### For the year ended March 31, 2002

#### 1. AUTHORITY AND OBJECTIVE

CBC/Radio-Canada was first established by the 1936 *Canadian Broadcasting Act* and continued by the 1958, 1968 and 1991 Broadcasting Acts. The Corporation is an agent of Her Majesty and all property acquired by the Corporation is the property of Her Majesty.

As the national public broadcaster, CBC/Radio-Canada provides Radio and Television services in both official languages incorporating predominantly and distinctively Canadian programs to reflect Canada and its regions to national and regional audiences.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Corporation have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies.

##### a. Parliamentary Appropriations and Deferred Capital Funding

The Corporation receives most of its funding from the Government of Canada. Parliamentary appropriations for operating expenditures are recorded on the Statement of Operations and Equity. Parliamentary appropriations for depreciable capital expenditures are recorded as deferred capital funding on the Balance Sheet, and are amortised on the same basis and over the same periods as the related capital assets. Parliamentary appropriations for working capital and non-depreciable capital assets are credited to Equity.

##### b. Short-term Investments

Short-term investments consisting of marketable securities and bonds are carried at cost as they are intended to be held to maturity.

##### c. Program Inventory, Film and Script Rights

###### (i) Program Inventory

Programs completed and in process of production or available for sale are recorded at cost. Cost includes the cost of materials and services, and labour and overhead expenses applicable to programs.

Program costs are charged to operations as the programs are broadcast, deemed unusable, or sold.

###### (ii) Film and Script Rights

The Corporation enters into contracts for film and script rights. The payments made under the terms of each contract are recorded as assets in the accounts. The cost of film and script rights is charged to operations in accordance with the approved program schedule or when deemed unusable.

##### d. Capital Assets

Capital assets are recorded at cost, less accumulated amortisation. The cost of assets constructed by the Corporation includes material, direct labour and related overhead. Assets acquired under capital leases are initially recorded at the present value of the minimum lease payments at the inception of the lease. Amortisation is calculated on the straight-line method using rates based on the estimated useful life of the assets as follows:

• Buildings	33 years
• Technical equipment	
Transmitters and towers	20 years
Other	5 years
• Furnishings and office equipment	10 years
• Computers	5 years
• Automotive	5 years

Leasehold improvements are capitalised and amortised over the remaining terms of the respective leases to a maximum period of five years. Amounts included in uncompleted capital projects are transferred to the appropriate capital asset classification upon completion, and are then amortised according to the Corporation's policy.



**e. Deferred Charges**

Deferred charges incurred in the development of specialty channels are amortised over the license period. Initial costs incurred as a result of an operating lease are amortised over the period of the lease. Other deferred charges are amortised over the period of the respective agreements.

**f. Long-term Investments**

Investments in entities over which the Corporation exercises significant influence are accounted for using the equity method. Under this method, CBC/Radio-Canada's investment is increased or decreased according to the undistributed net income or loss since acquisition. The cost method of accounting is used to account for investments in businesses over which CBC/Radio-Canada does not have the ability to exercise significant influence. Under this method, dividends received are recorded as income. Investments in entities over which the Corporation exercises a joint control are accounted for using the proportionate consolidation method. Under this method, the pro-rata share of assets, liabilities, revenues and expenses that are subject to joint control are combined with the Corporation's results.

**g. Pension Cost and Obligation**

The Corporation provides pensions based on length of service and final average earnings as classified under defined benefit retirement pension arrangements.

The cost of pension benefits earned by employees is determined on an actuarial basis using the projected benefit method pro-rated on service and management's best assumptions such as the expected long-term rate of return on plan assets, rate of compensation, inflation, retirement ages of employees and mortality of members.

The pension cost is determined using the cost of employee pension benefits for the current year's service, the interest expense on the accrued benefit obligation, the expected investment return on the actuarial value of plan assets, the amortisation of the transitional asset/obligation, the amortisation of net actuarial gains and losses and the amortisation of past service costs. The market related value of plan assets is used for the purpose of calculating the expected return on plan assets.

The transition asset/liability, the net actuarial gains and losses and the adjustments arising from plan amendments are amortised over the estimated average remaining service life of the employee group (13.5 years).

The difference between the accumulated pension expense and the employer's contributions to the Pension Fund is reflected in the balance sheet as an employee-related asset (liability).

**h. Employee Future Benefits other than Pension**

The Corporation provides employee future benefits such as severance pay and other benefits such as vacation pay, continuation of benefits coverage for employees on long-term disability, post-retirement life insurance and workers' compensation.

The cost of these benefits, other than vacation pay, is determined on an actuarial basis using the projected benefit method pro-rated on years of service and management's best assumptions such as salary increases, inflation, retirement ages of employees, mortality of members and expected health care costs.

For severance pay, the transitional obligation and the net actuarial gains or losses are amortised over the average remaining service life of the employee group (13.5 years). The transitional obligations and the net actuarial gains or losses for post-retirement life insurance, continuation of benefits for employees on long-term disability and workers' compensation are amortised over the applicable remaining service lifetime of the plan members.



Vacation pay is calculated at the salary levels in effect at the end of the year for all unused vacation pay benefits accruing to employees.

Since a major portion of the liabilities for these items represents costs which will be funded mainly from appropriations received from the Government of Canada in the future, these items do not have an impact on the Corporation's current net results of operations on a government funding basis.

#### i. Income Taxes

The Corporation follows the tax allocation method of providing for income taxes. The cumulative differences between taxes calculated on such a basis and taxes currently payable are essentially timing differences and result in deferred income taxes. The Corporation has unrecorded deferred income tax benefits which will be recognised in the accounts when they are realised.

#### j. Measurement Uncertainty

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses for the year. Employee-related liabilities, estimated useful lives of capital assets and contingent liabilities are the most significant items where estimates are used. Actual results could differ from those estimated.

### 3. PARLIAMENTARY APPROPRIATIONS

#### a. Parliamentary Appropriations Approved and Received

Parliamentary appropriations approved and the amounts received by the Corporation during the year are as follows:

	2002	2001
	(thousands of dollars)	
<b>Operating Funding</b>		
Annual Funding	855,574	807,356
One-time funding for programming initiatives (Note 3d)	60,000	–
Transfer from (to) capital funding – Supplementary Estimates B <sup>1</sup>	(15,170)	(13,298)
Frozen allotment to be reprofiled in future years	(60,000)	–
	<b>840,404</b>	<b>794,058</b>
<b>Capital Funding</b>		
Annual funding	100,311	113,719
Transfer from (to) operating funding – Supplementary Estimates B <sup>1</sup>	15,170	13,298
Frozen allotment to be reprofiled in future years	23,000	(23,000)
	<b>138,481</b>	<b>104,017</b>
<b>Working Capital Funding</b>	<b>4,000</b>	<b>4,000</b>

1. In the event that significant changes in current year requirements occur, appropriations are transferred from one vote to another or reprofiled from one fiscal year to the next through Appropriation Acts tabled in the House of Commons.



**b. Reconciliation of Net Results of Operations to Government Funding Basis**

The Corporation receives a significant portion of its funding through Parliamentary appropriations, which is based primarily on cash flow requirements. Expenses recognised in the Statement of Operations and Equity

in one year may be funded through Parliamentary appropriations in different years. Accordingly, the Corporation's net results of operations for the year on a government funding basis differ from those on a Canadian generally accepted accounting principles basis. The differences are outlined below:

	2002	2001
	(thousands of dollars)	
Net results for the year	11,392	147,944
Items not generating operating funds:		
Amortisation of deferred capital funding	(130,953)	(147,301)
Income items relating to capital assets	1,849	66
Other	184	(213)
	(128,920)	(147,448)
Items not requiring operating funds:		
Amortisation of capital assets	130,806	149,294
CBC/Radio-Canada Pension Plans and other employee future benefits	(25,664)	(54,690)
Vacation Pay	(3,932)	(6,352)
Program inventory costs	8,139	(1,546)
Other	(3,728)	(4,333)
	105,621	82,373
Net results of operations on a government funding basis (including impact of disposal of joint business ventures)	(11,907)	82,869
Less: Net proceeds from the disposal of joint business ventures	–	(64,624)
Less: Interest generated from the disposal of joint business ventures	(3,011)	(3,816)
	(3,011)	(68,440)
Net results of operations on a government funding basis (excluding impact of disposal of joint business ventures)	(14,918)	14,429
Government funding surplus, beginning of year	38,687	24,258
Government funding surplus, end of year	23,769	38,687



**c. Net Results for Capital**

The purchase of capital assets is financed by Parliamentary appropriation. Additions to capital assets recorded in the current year under Canadian

generally accepted accounting principles may be funded by Parliamentary appropriation in different years. The differences are outlined below:

	2002	2001
	(thousands of dollars)	
Parliamentary appropriations and transfers	138,481	104,017
Capital funding for Radio Canada International	102	5,000
<b>Capital funding (Note 3a)</b>	<b>138,583</b>	<b>109,017</b>
Proceeds on disposal of capital assets	7,463	2,368
<b>Total capital funding for the year</b>	<b>146,046</b>	<b>111,385</b>
Acquisition of capital assets	(129,216)	(103,658)
Capital portion of lease payments	(4,747)	(3,082)
<b>Capital funding surplus for the year</b>	<b>12,083</b>	<b>4,645</b>
Change in proportionate share of joint venture assets	–	(166)
<b>Net results for capital for the year, government funding basis</b>	<b>12,083</b>	<b>4,479</b>
Capital funding surplus, beginning of year	7,393	2,914
<b>Capital funding surplus, end of year</b>	<b>19,476</b>	<b>7,393</b>

**d. One-time Funding for Programming Initiatives**

In May 2001, the Government of Canada announced additional, one-time funding for CBC/Radio-Canada, in the amount of \$60 million for fiscal 2001-2002. These funds are being used across all media particularly for the enhancement of programming initiatives.

**4. FUNDING FOR RADIO CANADA INTERNATIONAL**

Radio Canada International is funded under the terms of a contribution agreement with the Government of Canada.

	2002	2001
	(thousands of dollars)	
Operating funding	15,418	15,520
Capital funding	102	5,000
	<b>15,520</b>	<b>20,520</b>



## 5. SPECIALTY SERVICES

The Corporation operates CBC Newsworld, the Réseau de l'information (RDI) and Galaxie under license conditions that require the reporting of incremental costs and revenues. CBC Newsworld and RDI use

previous years' accumulated excess revenues over expenses to fund current year activities. At March 31, 2002, the accumulated excess revenues over expenses carried forward to future years' activities for CBC Newsworld totalled \$11.7 million (\$10.2 million for 2001), \$274,000 for RDI (\$59,000 for 2001).

	2002				2001			
	Revenue	Expenses	Repayments to CBC Main Service <sup>1</sup>	Net	Revenue	Expenses	Repayments to CBC Main Service <sup>1</sup>	Net
	(thousands of dollars)							
CBC Newsworld	66,592	62,565	2,509	1,518	61,945	54,562	2,387	4,996
RDI	40,308	36,587	3,506	215	38,159	35,203	2,921	35
Galaxie	10,822	4,924	775	5,123	7,568	3,658	1,405	2,505
	<b>117,722</b>	<b>104,076</b>	<b>6,790</b>	<b>6,856</b>	<b>107,672</b>	<b>93,423</b>	<b>6,713</b>	<b>7,536</b>

1. Capital expenditures for the acquisition of equipment to introduce, maintain and expand the Specialty Services are made by CBC/Radio-Canada from its capital appropriation with an approved corporate repayment plan for recovery from the Specialty Services' revenues. Those repayments are funded from the accumulated excess revenues over expenses.

## 6. INCOME TAX AND TAX ON LARGE CORPORATIONS

The Corporation is a prescribed federal Crown Corporation under Part LXXI of the Income Tax Regulations and is subject to the provisions of the *Income Tax Act* (Canada). The Corporation is not subject to provincial income taxes on its own activities. The Corporation's 2002 recovery of income and large corporations taxes relates solely to the large corporations tax. The Corporation's expected income tax rate is the net federal statutory rate (including surtax) of 37.96 per cent (2001 – 39.27 per cent). The 2002 and 2001 effective tax rates are zero, exclusive of the large corporations taxes, due to the utilisation of previously unrecognised losses and timing differences.

The Corporation has a loss carryforward for tax purposes of \$20.8 million (2001 – \$9.8 million), the benefit of which has not been recognised in the financial statements and which begins to expire in 2007. The Corporation also has net timing differences of \$16.9 million (2001 – \$35.3 million) resulting from items reported for tax purposes in different periods than for accounting purposes, the benefit of which has not been recognised in the financial statements. These timing differences generally result from the accrual of pension and severance pay costs, and the capital cost allowance on its long-term capital lease where funding for the lease obligation is provided over several years. Capital cost allowance is generally not claimed on other capital assets because acquisitions are substantially funded by the Government of Canada (Note 3).





## 7. CAPITAL ASSETS

			2002	2001
	Cost	Accumulated Amortisation	Net Book Value	
	(thousands of dollars)			
Land	34,685	–	34,685	34,772
Buildings	387,449	217,263	170,186	184,310
Technical equipment	1,188,439	895,675	292,764	296,878
Furnishings, office equipment and computers	104,997	72,781	32,216	40,798
Automotive	40,558	29,713	10,845	12,116
Leasehold improvements	7,162	4,307	2,855	2,306
Property under capital lease	512,178	137,935	374,243	389,624
Uncompleted capital projects	98,671	–	98,671	62,123
	<b>2,374,139</b>	<b>1,357,674</b>	<b>1,016,465</b>	<b>1,022,927</b>

Current year amortisation expense of \$15.4 million (2001 – \$15.4 million) relating to the property under capital lease is included in the amortisation of capital assets on the Statement of Operations and Equity.

## 8. LONG-TERM INVESTMENTS

During the fiscal year 2002, the Corporation acquired ownership interests in three specialty channels:

	\$	%
Cost:		
Country Canada	30	30
Equity:		
ARTV	4,070,000	37
The Documentary Channel	29	29

CBC/Radio-Canada has also entered into a partnership with Publications Gesca ltée in which CBC/Radio-Canada acquired a 50 per cent interest in *Voilà !* At March 31, 2002, the Corporation has net equity of \$136 in this joint venture which is accounted for using the proportionate consolidation method.

## 9. DEFERRED CAPITAL FUNDING

	2002	2001
	(thousands of dollars)	
Balance, beginning of year	646,827	685,111
Government funding for capital expenditures (Note 3c)	138,583	109,017
Amortisation of deferred capital funding	(130,953)	(147,301)
<b>Balance, end of year</b>	<b>654,457</b>	<b>646,827</b>



## 10. PENSION PLANS ASSET AND EMPLOYEE-RELATED LIABILITIES

Employee-related liabilities are as follows:

	2002	2001	2002	2001
	Current		Long-term	
	(thousands of dollars)			
Pension plans (Note 10a)	–	–	– <sup>1</sup>	10,742
Employee future benefits other than pension	11,330	–	97,300	86,727
Vacation pay	38,035	41,967	–	–
Workforce reduction (Note 10b)	2,910	12,701	–	–
Other <sup>2</sup>	75,816	60,901	278	305
	<b>128,091</b>	<b>115,569</b>	<b>97,578</b>	<b>97,774</b>

1. The value of the pension plan represents an asset of \$25.5 million as of March 31, 2002 (Note 10a).

2. Including salary-related liabilities.

### a. CBC/Radio-Canada Pension Plans and Other Employee Future Benefits

The Corporation maintains a contributory defined benefit pension plan, the CBC/Radio-Canada Pension Plan, covering substantially all employees of the Corporation. Retirement benefits are based on the length of pensionable service and on the average of the best five consecutive years of pensionable salary

in the last ten years of employment. Employees are required to contribute a percentage of their pensionable salary to the plan, with the Corporation providing the balance of the funding, as required, based on actuarial valuations, which are made at least on a triennial basis. The Corporation also maintains unfunded non-contributory defined benefit pension arrangements.



#### Assumptions – annual rates:

	2002	2001
Expected long-term rate of return on plan assets	6.75%	6.75%
Discount rate – beginning of year	6.00%	6.50%
Discount rate – end of year	6.00%	6.00%
Long-term rate of compensation increase, excluding merit and promotion	4.00%	4.00%
Health care trend	8.5% for 4 years; 4.5% thereafter	8.5% for 5 years; 4.5% thereafter

#### Annual amounts:

	2002	2001
	(thousands of dollars)	
Employee contributions	22,848	21,439
Benefit payments for the year – pension plans	167,678	173,730
Benefit payments for the year – other employee future benefits	7,987	13,300

	2002		2001	
	CBC/Radio-Canada Pension Plans	Other Employee Future Benefits	CBC/Radio-Canada Pension Plans	Other Employee Future Benefits
	(thousands of dollars)			
Fair-market value of plan assets – end of year	3,657,481	–	3,683,301	–
Accrued benefit obligation – end of year	3,330,698	140,063	3,226,583	133,096
<b>Surplus (deficit) – end of year</b>	<b>326,783</b>	<b>(140,063)</b>	<b>456,718</b>	<b>(133,096)</b>
Accrued benefit liability at beginning of year	10,742	86,727	83,964	82,451
Employee future benefits expenses (revenues):				
Current service cost	57,714	6,331	47,816	5,817
Interest on accrued benefit obligation	190,995	8,128	187,924	8,141
Expected return on actuarial value of assets	(232,188)	–	(224,801)	–
Amortisation of past service costs	9,597	–	9,597	–
Amortisation of transitional obligation (asset)	(92,996)	3,618	(92,996)	3,618
Amortisation of actuarial losses	31,415	483	–	–
<b>Employee future benefits expenses (revenues) for the year</b>	<b>(35,463)</b>	<b>18,560</b>	<b>(72,460)</b>	<b>17,576</b>
Corporation pension plan contributions	–	–	–	–
Benefit payments of unfunded plans	(774)	(7,987)	(762)	(13,300)
<b>Accrued benefit liability (asset) at end of year</b>	<b>(25,495)</b>	<b>97,300</b>	<b>10,742</b>	<b>86,727</b>

At March 31, 2002, the accrued benefit obligation for the CBC/Radio-Canada Pension Plan and for the unfunded benefit pension arrangements represents respectively \$3,296.5 million (2001 – \$3,195.7 million) and \$34.2 million (2001 – \$30.9 million).

The amortisation of past service costs is due to an amendment to the CBC/Radio-Canada Pension Plan, which has resulted in a refund of a portion of contributions to plan members. As of March 31, 2002, the unamortised amount of past service costs is \$110.4 million (2001 – \$120 million).

The unamortised portion of the actuarial losses represents, as of March 31, 2002, \$658.6 million for CBC/Radio-Canada Pension Plans and \$6.5 million for other employee future benefits.

The unamortised portion of the transitional asset as of March 31, 2002 is \$1,070.3 million (2001 – \$1,163.2 million) for the CBC/Radio-Canada Pension Plan and \$(36.3) million (2001 – \$(40) million) for other employee future benefits.

#### b. Workforce Reduction

Since 2000-2001, the Corporation is implementing a workforce reduction plan. The results are in line with the plan.

#### 11. OBLIGATIONS UNDER CAPITAL LEASES

The capital lease consists of premises occupied by the Corporation in Toronto. Future minimum lease payments and obligations are as follows:

	(thousands of dollars)
2003	33,039
2004	33,039
2005	33,039
2006	33,039
2007	33,039
2008 to 2027	677,295
<b>Total future minimum payments</b>	<b>842,490</b>
Deduct: imputed interest (7.53%) and executory costs	470,353
<b>Obligation under capital lease</b>	<b>372,137</b>
Less: current portion	5,111
<b>Long-term portion</b>	<b>367,026</b>



The Corporation owns the land on which the Canadian Broadcasting Centre in Toronto is located. Interest expense relating to the Canadian Broadcasting Centre lease, which is included in current year expenditures, is \$28.1 million. At the end of the lease, the Corporation will own the building.

## 12. COMMITMENTS

### a. Program-related and Other

As at March 31, 2002, commitments for sports rights amounted to \$368.4 million; procured programs, film rights and co-productions amounted to \$34.2 million and capital assets amounted to \$21 million for total commitments of \$423.6 million.

### b. Operating Leases

The operating leases consist mainly of property leases, network distribution leases and equipment leases. Future annual payments related to operating leases are as follows:

	(thousands of dollars)
2003	53,841
2004	25,998
2005	27,228
2006	23,653
2007 – 2024	241,766
<b>Total future payments</b>	<b>372,486</b>

## 13. CONTINGENCIES

Various claims and legal proceedings have been asserted or instituted against the Corporation. Some demand large monetary damages or other relief and they could result in significant expenditures. Litigation is subject to many uncertainties and the outcome of individual matters is not predictable. A provision for these expenditures has been recorded based on management's best estimate. It is reasonably possible that the Corporation may have to settle some of these claims for amounts in excess of established provisions in the near term. Any such costs will be charged to operations as incurred.

## 14. RELATED PARTY TRANSACTIONS

The Corporation is related in terms of common ownership with other Government departments, agencies and Crown Corporations and with private

companies. The Corporation enters into transactions with these related parties in the normal course of business on normal trade terms applicable to all individuals and enterprises. Transactions with the Government of Canada are outlined in Note 3.

## 15. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES

	2002	2001
	(thousands of dollars)	
Cash flows provided by (used for):		
Accounts receivable	(71,913)	(7,169)
Program inventory*	14,951	22,437
Prepaid expenses	9,394	(3,746)
Accounts payable and accrued liabilities	18,896	(7,315)
Employee-related liabilities	16,454	(1,844)
	<b>(12,218)</b>	<b>2,363</b>

\* Excluding \$4.4 million of amortisation of capital assets in 2002 (2001 – \$2.1 million).

## 16. FINANCIAL INSTRUMENTS

Short-term investments, accounts receivable, accounts payable and accrued liabilities, and obligations under capital leases are valued at cost, which approximates fair value.

Cash and short-term investments consist of \$(5.8) million of cash (2001- \$(8.7) million) and \$160.5 million (2001 – \$182.7 million) of short-term investments. The Corporation invests in the short-term money market and all securities are limited to those that are 100 per cent guaranteed by the Government of Canada. The average yield of the portfolio, as of March 31, 2002, is 3.55 per cent (2001 – 5.44 per cent) and the average term to maturity is 19 days (2001 – 16 days).

The Corporation uses financial instruments such as options to reduce the risk of loss due to adverse movements in foreign exchange. Foreign exchange forward options worth \$8 million were outstanding at the end of the year. Gains or losses on financial instruments are recognised in earnings over the period the hedged items are recognised in earnings.

## 17. COMPARATIVE FIGURES

Some of the prior year's comparative figures have been reclassified to conform to the current year's presentation.



## Five Year Financial Review

### SUMMARY – SOURCE AND USE OF FUNDS\*

For the year ended March 31

	2001-2002	2000-2001	1999-2000	1998-1999	1997-1998
	(millions of dollars)				
<b>Sources of funds</b>					
Parliamentary appropriation for operating expenditures	840.4	794.0	764.7	759.5	759.7
<b>Self-generated revenues</b>					
Advertising and program sales	319.3	350.3	328.7	329.7	383.3
Miscellaneous	82.4	60.5	78.8	63.9	54.6
<b>Total self-generated revenues</b>	<b>401.7</b>	<b>410.8</b>	<b>407.5</b>	<b>393.6</b>	<b>437.9</b>
<b>Total sources of funds</b>	<b>1,242.1</b>	<b>1,204.8</b>	<b>1,172.2</b>	<b>1,153.1</b>	<b>1,197.6</b>
<b>Application of funds</b>					
Television and radio services	1,150.6	1,046.3	1,051.7	1,072.1	1,083.3
Transmission, distribution and collection	61.9	57.8	63.3	62.2	64.1
Payment to private stations	16.8	14.3	13.0	12.5	12.3
Corporate Management	15.4	15.9	15.3	16.2	15.1
Income taxes and taxes on large corporations	(1.3)	2.7	2.8	2.7	2.7
<b>Total applications of funds</b>	<b>1,243.4</b>	<b>1,137.0</b>	<b>1,146.1</b>	<b>1,165.7</b>	<b>1,177.5</b>

\* Excluding Specialty Services, amortisation of capital assets, amortisation of deferred capital funding and non-operating revenue.





## Main Addresses

### HEAD OFFICE

250 Lanark Avenue  
PO Box 3220, Station C  
Ottawa, Ontario K1Y 1E4  
(613) 724-1200  
(613) 724-5173 (TDD\*)  
[commho@ottawa.cbc.ca](mailto:commho@ottawa.cbc.ca)

### CBC/RADIO-CANADA OMBUDSMEN

**English Services:**  
David Bazay  
Canadian Broadcasting Centre  
PO Box 500, Station A  
Toronto, Ontario M5W 1E6  
(416) 205-2978  
[ombudsman@cbc.ca](mailto:ombudsman@cbc.ca)

### French Services:

Renaud Gilbert  
PO Box 6000  
Montreal, Quebec H3C 3A8  
(514) 597-4757  
[ombudsman@radio-canada.ca](mailto:ombudsman@radio-canada.ca)

### ENGLISH NETWORKS

Canadian Broadcasting Centre  
PO Box 500, Station A  
Toronto, Ontario M5W 1E6  
1-866-306-4636  
1-866-220-6045 (TDD\*)  
[cbcinput@toronto.cbc.ca](mailto:cbcinput@toronto.cbc.ca)

### CBC NEWSWORLD

Canadian Broadcasting Centre  
PO Box 500, Station A  
Toronto, Ontario M5W 1E6  
(416) 205-6300  
1-866-220-6045 (TDD\*)  
[newsworld@toronto.cbc.ca](mailto:newsworld@toronto.cbc.ca)

### FRENCH NETWORKS

1400 René-Lévesque Blvd. East  
PO Box 6000  
Montreal, Quebec H2L 2M2  
(514) 597-6000  
(514) 597-6013 (TDD\*)  
[auditoire@fr.radio-canada.ca](mailto:auditoire@fr.radio-canada.ca)

### RÉSEAU DE L'INFORMATION

1400 René-Lévesque Blvd. East  
Montreal, Quebec H2L 2M2  
(514) 597-7734  
[rdi@montreal.radio-canada.ca](mailto:rdi@montreal.radio-canada.ca)

### RADIO CANADA INTERNATIONAL

1400 René-Lévesque Blvd. East  
PO Box 6000  
Montreal, Quebec H3C 3A8  
(514) 597-7500

### GALAXIE

PO Box 3220, Station C  
Ottawa, Ontario K1Y 1E4  
1-877-GALAXIE (425-2943)  
[information@galaxie.ca](mailto:information@galaxie.ca)

### CBC/RADIO-CANADA PENSION FUND

99 Metcalfe Street, Suite 1204  
Ottawa, Ontario K1P 6L7  
(613) 724-5529

## Regional Offices

### NEWFOUNDLAND (English)

**Radio:** 25 Henry Street  
**Television:** 95 University Street

PO Box 12010, Station A  
St. John's, Newfoundland A1B 3T8  
(709) 576-5000

### MARITIMES (English)

**Radio:** 5600 Sackville Street  
**Television:** 1840 Bell Road

PO Box 3000  
Halifax, Nova Scotia B3J 3E9  
(902) 420-8311

### ATLANTIC PROVINCES (French)

250 Université Avenue  
PO Box 950  
Moncton, New Brunswick E1C 8N8  
(506) 853-6666

### PROVINCE OF QUEBEC (English)

1400 René-Lévesque Blvd. East  
PO Box 6000  
Montreal, Quebec H2L 2M2  
(514) 597-5970

### QUEBEC CITY AND EASTERN QUEBEC (French)

2505 Laurier Blvd.  
PO Box 10400  
Sainte-Foy, Quebec G1V 2X2  
(418) 654-1341

### ONTARIO (English)

Canadian Broadcasting Centre  
205 Wellington Street West  
PO Box 500, Station A  
Toronto, Ontario M5W 1E6  
1-866-306-4636

### ONTARIO (French)

**Radio:** Château Laurier Hotel  
**Television:** 250 Lanark Avenue

PO Box 3220, Station C  
Ottawa, Ontario K1Y 1E4  
(613) 724-1200

### MANITOBA (English and French)

541 Portage Avenue  
PO Box 160  
Winnipeg, Manitoba R3C 2H1  
(204) 788-3222

### SASKATCHEWAN (English and French)

2440 Broad Street  
PO Box 540  
Regina, Saskatchewan S4P 4A1  
(306) 347-9540

### ALBERTA (English and French)

**Radio:** 7909 - 51<sup>st</sup> Avenue  
**Television:** 8861 - 75<sup>th</sup> Street

PO Box 555  
Edmonton, Alberta T5J 2P4  
(780) 468-7500

### BRITISH COLUMBIA (English and French)

700 Hamilton Street  
PO Box 4600  
Vancouver, British Columbia V6B 4A2  
(604) 662-6000

### CBC NORTH

5002 Forrest Drive  
PO Box 160  
Yellowknife, Northwest Territories X1A 2N2  
(867) 920-5400

## Main Websites

[www.cbc.ca](http://www.cbc.ca)  
[www.radio-canada.ca](http://www.radio-canada.ca)  
[www.cbc.radio-canada.ca](http://www.cbc.radio-canada.ca)

\* TDD: Telephone Device for the Deaf

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### Publication and Distribution

Corporate Communications and  
Public Affairs  
CBC/Radio-Canada  
250 Lanark Avenue  
PO Box 3220, Station C  
Ottawa, Ontario K1Y 1E4  
(613) 724-5721  
[commho@ottawa.cbc.ca](mailto:commho@ottawa.cbc.ca)  
Website: [cbc.radio-canada.ca](http://cbc.radio-canada.ca)



As of March 31, 2002 / Au 31 mars 2002

**ENGLISH TELEVISION /  
LA TÉLÉVISION ANGLAISE**CHANNEL /  
CANAL**Newfoundland and Labrador / Terre-Neuve et Labrador**

Owned stations / Stations de base

Corner Brook ..... CBYT 5  
St. John's ..... CBNT 8**Prince Edward Island / Île-du-Prince-Édouard**

Owned station / Station de base

Charlottetown ..... CBCT 13

**Nova Scotia / Nouvelle-Écosse**

Owned stations / Stations de base

Halifax ..... CBHT 3  
Sydney ..... CBIT 5**New Brunswick / Nouveau-Brunswick**

Owned station / Station de base

Fredericton ..... CBAT-TV 4

**Québec**

Owned station / Station de base

Montréal ..... CBMT 6

**Ontario**

Owned stations / Stations de base

Ottawa ..... CBOT 4  
Toronto ..... CBLT 5  
Windsor ..... CBET 9

Private affiliated stations / Stations privées affiliées

Kingston ..... CKWS-TV 11  
North Bay ..... CHNB-TV 4  
Peterborough ..... CHEX-TV 12  
Sault Ste. Marie ..... CJIC-TV 5  
Sudbury ..... CKNC-TV 9  
Thunder Bay ..... CKPR-TV 2  
Timmins ..... CFCL-TV 6**Manitoba**

Owned station / Station de base

Winnipeg ..... CBWT 6

Private affiliated station / Station privée affiliée

Brandon ..... CKX-TV 5

**Saskatchewan**

Owned stations / Stations de base

Regina ..... CBKT 9  
Saskatoon ..... CBKST 11

Private affiliated stations / Stations privées affiliées

Prince Albert ..... CKBI-TV 5  
Swift Current ..... CJFB-TV 5  
Yorkton ..... CKOS-TV 5**Alberta**

Owned stations / Stations de base

Calgary ..... CBRT 9  
Edmonton ..... CBXT 5

Private affiliated stations / Stations privées affiliées

Lloydminster ..... CKSA-TV 2  
Medicine Hat ..... CHAT-TV 6  
Red Deer ..... CKRD-TV 6**British Columbia / Colombie-Britannique**

Owned station / Station de base

Vancouver ..... CBUT 2

Private affiliated stations / Stations privées affiliées

Dawson Creek ..... CJDC-TV 5  
Kamloops ..... CFJC-TV 4  
Kelowna ..... CHBC-TV 2  
Prince George ..... CKPG-TV 2  
Terrace ..... CFTK-TV 3**FRENCH TELEVISION /  
LA TÉLÉVISION FRANÇAISE**CHANNEL/  
CANAL**New Brunswick / Nouveau-Brunswick**

Owned station / Station de base

Moncton ..... CBAFT 11

**Québec**

Owned stations / Stations de base

Montréal ..... CBFT 2  
Québec ..... CBVT 11

Private affiliated stations / Stations privées affiliées

Jonquière ..... CKTV-TV 12  
Rivière-du-Loup ..... CKRT-TV 7  
Rouyn ..... CKRN-TV 4  
Sherbrooke ..... CKSH-TV 9  
Trois-Rivières ..... CKTM-TV 13**Ontario**

Owned station / Station de base

Ottawa ..... CBOFT 9

**Manitoba**

Owned station / Station de base

Winnipeg ..... CBWFT 3

**Saskatchewan**

Owned station / Station de base

Regina ..... CBKFT 13

**Alberta**

Owned station / Station de base

Edmonton ..... CBXFT 11

**British Columbia / Colombie-Britannique**

Owned station / Station de base

Vancouver ..... CBUFT 26

**CBC RADIO ONE**FREQUENCY /  
FRÉQUENCE**Newfoundland and Labrador / Terre-Neuve et Labrador**

Owned stations / Stations de base

Corner Brook ..... CBY 990 KHz  
Gander ..... CBG 1400 KHz  
Goose Bay ..... CFGB-FM 89.5 MHz  
Grand Falls ..... CBT 540 KHz  
Labrador City ..... CBDQ-FM 96.3 MHz  
St. John's ..... CBN 640 KHz**Prince Edward Island / Île-du-Prince-Édouard**

Owned station / Station de base

Charlottetown ..... CBCT-FM 96.1 MHz

**Nova Scotia / Nouvelle-Écosse**

Owned stations / Stations de base

Halifax ..... CBHA-FM 90.5 MHz  
Sydney ..... CBI 1140 KHz**CBC Owned and Affiliated Stations/  
Stations de base de Radio-Canada et stations affiliées**



### New Brunswick / Nouveau-Brunswick

Owned stations / Stations de base

Fredericton	CBZ 970 KHz
Saint John	CBD-FM 91.3 MHz
Moncton	CBA 1070KHz

### Québec

Owned stations / Stations de base

Montréal	CBME-FM 88.5 MHz
Québec	CBVE-FM 104.7 MHz

### Ontario

Owned stations / Stations de base

London	CBCL-FM 93.5 MHz
Ottawa	CBO-FM 91.5 MHz
Sudbury	CBCS-FM 99.9 MHz
Thunder Bay	CBQT-FM 88.3 MHz
Toronto	CBLA-FM 99.1 MHz
Windsor	CBE 1550 KHz

### Manitoba

Owned stations / Stations de base

Thompson	CBWK-FM 100.9 MHz
Winnipeg	CBW 990 KHz

### Saskatchewan

Owned stations / Stations de base

La Ronge	CBKA-FM 105.9 MHz
Regina	CBK 540 KHz

### Alberta

Owned stations / Stations de base

Calgary	CBR 1010 KHz
Edmonton	CBX 740 KHz

### British Columbia / Colombie-Britannique

Owned stations / Stations de base

Kelowna	CBTK-FM 88.9 MHz
Prince George	CBYG-FM 91.5 MHz
Prince Rupert	CFPR 860 KHz
Vancouver	CBU 690 KHz
Victoria	CBCV-FM 90.5 MHz

### Yukon

Owned station / Station de base

Whitehorse	CFWH 570 KHz
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### Northwest Territories / Territoires du Nord-Ouest

Owned stations / Stations de base

Inuvik	CHAK 860 KHz
Yellowknife	CFYK 1340 KHz

### Nunavut

Owned stations / Stations de base

Iqaluit	CFFB 1230 KHz
Rankin Inlet	CBQR-FM 105.1 MHz

### LA PREMIÈRE CHAÎNE

#### Prince Edward Island / Île-du-Prince-Édouard

Owned station / Station de base

Charlottetown	CBAF-FM-15 88,1 MHz
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#### Nova Scotia / Nouvelle-Écosse

Owned station / Station de base

Halifax	CBAF-FM-5 92,3 MHz
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#### New Brunswick / Nouveau-Brunswick

Owned station / Station de base

Moncton	CBAF-FM 88,5 MHz
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#### Québec

Owned stations / Stations de base

Chicoutimi	CBJ-FM 93,7 MHz
Matane	CBGA 1250 KHz
Montréal	CBF-FM 95,1 MHz
Québec	CBV-FM 106,3 MHz
Rimouski	CJBR-FM 89,1 MHz
Rouyn-Noranda	CHLM-FM 90,7 MHz
Sept-Îles	CBSI-FM 98,1 MHz
Sherbrooke	CBF-FM-10 101,1 MHz
Trois-Rivières	CBF-FM-8 88,1 MHz

Private affiliated stations / Stations privées affiliées

La Tuque	CFLM 1240 KHz
Ville-Marie	CKVM 710 KHz

#### Ontario

Owned stations / Stations de base

Ottawa	CBOF-FM 90,7 MHz
Sudbury	CBON-FM 98,1 MHz
Toronto	CJBC 860 KHz
Windsor	CBEF 540 KHz

### Manitoba

Owned station / Station de base

St-Boniface	CKSB 1050 KHz
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### Saskatchewan

Owned station / Station de base

Regina	CBKF-FM 97,7 MHz
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### Alberta

Owned station / Station de base

Edmonton	CHFA 680 KHz
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### British Columbia / Colombie-Britannique

Owned station / Station de base

Vancouver	CBUF-FM 97,7 MHz
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### CBC RADIO TWO

#### Newfoundland and Labrador / Terre-Neuve et Labrador

Owned station / Station de base

St. John's	CBN-FM 106.9 MHz
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#### Nova Scotia / Nouvelle-Écosse

Owned stations / Stations de base

Halifax	CBH-FM 102.7 MHz
Sydney	CBI-FM 105.1 MHz

#### Québec

Owned station / Station de base

Montréal	CBM-FM 93.5 MHz
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#### Ontario

Owned stations / Stations de base

Ottawa	CBOQ-FM 103.3 MHz
Sudbury	CBBS-FM 90.1 MHz
Thunder Bay	CBQ-FM 101.7 MHz
Toronto	CBL-FM 94.1 MHz
Windsor	CBE-FM 89.9 MHz

### Manitoba

Owned station / Station de base

Winnipeg	CBW-FM 98.3 MHz
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**Saskatchewan**

Owned station / Station de base

Regina . . . . . CBK-FM 96.9 MHz

**Alberta**

Owned stations / Stations de base

Calgary . . . . . CBR-FM 102.1 MHz

Edmonton . . . . . CBX-FM 90.9 MHz

**British Columbia / Colombie-Britannique**

Owned station / Station de base

Vancouver . . . . . CBU-FM 105.7 MHz

**LA CHAÎNE CULTURELLE****New Brunswick / Nouveau-Brunswick**

Owned station / Station de base

Moncton . . . . . CBAL-FM 98,3 MHz

**Québec**

Owned stations / Stations de base

Chicoutimi . . . . . CBJX-FM 100,9 MHz

Montréal . . . . . CBFX-FM 100,7 MHz

Québec . . . . . CBVX-FM 95,3 MHz

Rimouski . . . . . CBRX-FM 101,5 MHz

**Ontario**

Owned stations / Stations de base

Ottawa . . . . . CBOX-FM 102,5 MHz

Sudbury . . . . . CBBX-FM 90,9 MHz

Toronto . . . . . CJBC-FM 90,3 MHz

**Manitoba**

Owned station / Station de base

Winnipeg . . . . . CKSB-FM 89,9 MHz

**ON-AIR STATIONS AND REBROADCASTERS, BASIC NETWORKS / TOTAL DES STATIONS ET RÉÉMETTEURS, RÉSEAUX DE BASE**

As of March 31, 2002 / Au 31 mars 2002

	Television Networks / Réseaux de télévision			Radio Networks / Réseaux de radio					
	English / Anglais	French / Français	Total TV / télé	English / Anglais		French / Français		Total Radio	Grd Tot. / Tot. gén.
			Radio One	Radio Two	Premiere Chaîne	Chaîne culturelle			
Owned stations / Stations de base	16	8	24	36	14	20	9	79	103
Rebroadcasters / Réémetteurs	437	174	611	380	15	149	9	553	1,164
Private affiliated stations / Stations privées affiliées	19	5	24	0	0	2	0	2	26
Private affiliated rebroadcasters / Réémetteurs affiliée privés	50	13	63	0	0	1	0	1	64
Community owned stations / Stations communautaires	0	0	0	1	1	0	0	2	2
Community owned rebroadcasters / Réémetteurs communautaires	145	10	155	45	8	8	0	61	216
<b>Total</b>	<b>667</b>	<b>210</b>	<b>877</b>	<b>462</b>	<b>38</b>	<b>180</b>	<b>18</b>	<b>698</b>	<b>1,575</b>





Senior Management Committee /  
Comité supérieur de direction

**Robert Rabinovitch**

President and CEO /  
Président-directeur général

**Harold Redekopp**

Executive Vice-President, English Television /  
Vice-président principal, Télévision anglaise

**Michèle Fortin**

Executive Vice-President, French Television /  
Vice-présidente principale, Télévision française

**Alex Frame**

Vice-President, English Radio /  
Vice-président, Radio anglaise

**Sylvain Lafrance**

Vice-President, French Radio and New Media /  
Vice-président, Radio française et Nouveaux Médias

**George C.B. Smith**

Senior Vice-President, Human Resources  
and Organisation /  
Premier vice-président, Ressources humaines  
et Organisation

**Pierre Nollet**

Vice-President, General Counsel and  
Corporate Secretary /  
Vice-président, avocat-conseil et secrétaire général

**Michel Tremblay**

Vice-President, Strategy and Business Development /  
Vice-président, Stratégie et Développement  
commercial

**Johanne Charbonneau**

Vice-President and Chief Financial Officer /  
Vice-présidente et chef de la direction financière

**Ray J. Carnovale**

Vice-President and Chief Technology Officer /  
Vice-président et chef de la direction technologique

**Michel Saint-Cyr**

President, Real Estate Division /  
Président, Division immobilière

---

**David Bazay**

Ombudsman, English Networks /  
Ombudsman, Services anglais

**Renaud Gilbert**

Ombudsman, French Networks /  
Ombudsman, Services français