

MANAGEMENT DISCUSSION AND ANALYSIS →→



KEY PERFORMANCE INDICATORS →→

CBC | Radio-Canada uses programming performance indicators to ensure that it is continuing to provide Canadians value for the money they have invested in their national public broadcaster.

Specifically, CBC | Radio-Canada monitors and evaluates the views and viewing, listening and surfing habits of Canadians to ensure that it is providing them with programming to their satisfaction and that meets their needs.

MEASURING PERFORMANCE

The Auditor General of Canada's report on the Special Examination of CBC | Radio-Canada, released in 2005, suggested improvements in the ability of CBC | Radio-Canada's Board of Directors, the Government and the public to assess CBC | Radio-Canada's performance on a year-to-year basis. As a result, we have enhanced the strategic planning process by developing performance indicators for each of our Corporate priorities and linked them to the Corporation's main Television and Radio networks, or to individual media operations, as appropriate.

The incorporation of these performance indicators into the Corporation's planning process began in 2006 and they will be fully integrated into that process within two years.

Data collection and measurement commenced April 2006 and data for all measures are reported in this year's Annual Report. By April 2008, the performance indicator system will be fully operational and it will then be possible to examine annual performance results, performance against targets, as well as performance trends.

These changes have already enhanced the planning process and, in the longer term, should significantly increase the effectiveness of the Corporation's overall operations.

Photos page 29, left to right:

Manon Roy, *Zig Zag*,
Télévision de Radio-Canada.
Alain Gravel, *Enjeux*,
Télévision de Radio-Canada.
China Rises/La Chine s'éveille,
CBC Television, RDI.

CORPORATE MEASURES OF PERFORMANCE →→

CORPORATE PRIORITY	INDICATOR	2006-2007 RESULT
CONTENT	CANADIAN CONTENT	
	→ CBC Television*	
	All day	81%
	Prime time (Monday-Sunday, 7:00-11:00 p.m.)	80%
	→ Télévision de Radio-Canada*	
	All day	82%
	Prime time (Monday-Sunday, 7:00-11:00 p.m.)	88%
	→ CBC Radio	
	All day	99%
	Prime time (Monday-Friday, 6:00-9:00 a.m.)	100%
	→ Radio de Radio-Canada	
	All day	100%
	Prime time (Monday-Friday, 6:00-9:00 a.m.)	100%
	NUMBER OF AWARDS	
	CBC Television	288
	Télévision de Radio-Canada†	29
	CBC Radio	121
	Radio de Radio-Canada	6
DISTINCTIVENESS		
→ Main Television and Radio networks		90%

* Based on previous broadcast year, September 2005-August 2006.
† Internal productions only.





CORPORATE PRIORITY	INDICATOR	2006-2007 RESULT
REGIONAL REFLECTION AND THE CHANGING FACE OF CANADA	Programs produced in regions for regions	83,775 hours
	Programs produced in regions for network	12,642 hours
	CBC Radio-Canada usage by visible minority [18+]	87%
	Visible minority staff CBC Radio-Canada	Number of staff 528 (excludes short-term employees)
SUSTAINABILITY OF CANADIAN SCHEDULES	Television advertising revenue	\$315 million*
	Expenditures on Canadian programming	95% of programming budget
EFFICIENCY	Self-generated revenues	\$110 million†
	Programming expenditures	82% of total budget
CREATIVE HUMAN RESOURCES	Commitment to training and development CBC Radio-Canada	\$ per employee 1,013
	Employee satisfaction (periodic) CBC Radio-Canada	Index 85% (2004 employee survey)

* Only the main networks; excluding Internet revenues.
 † Includes primarily Galaxie, CBC Country Canada, Internet, and program sales, but not advertising revenues.



CORPORATE PRIORITY	INDICATOR	2006-2007 RESULT
STRATEGIC PARTNERSHIPS	Joint ventures/partnerships CBC Radio-Canada	6
COLLABORATION	Expenditures on cross-media programming	\$10,335,070
STRONG STAKEHOLDER RELATIONSHIPS	Opinion leaders' overall impression of CBC Radio-Canada*	77% favourable
	Opinion leaders' general impression of CBC Radio-Canada as being an essential service*	78% agreement
	Canadians' satisfaction levels with main Television and Radio networks	89%
	Relevance to stakeholders	Percentage of Canadians using our services† 86%

* CBC | Radio-Canada Opinion Leader Survey, April 2006, conducted by Phoenix Strategic Perspectives Inc.
† Usage of main Television, Radio and websites.



Photos, top left to bottom right:
 Heather Hiscox, *CBC News: Morning*, CBC Television, CBC Newsworld.
 Errol Duchaine, *La semaine verte*, Première Chaîne, Télévision de Radio-Canada, *Radio-Canada.ca*, Sirius 187.
The Doodlebops, CBC Television.
 René Simard, *L'heure de gloire*, Télévision de Radio-Canada.
Kif-Kif, Télévision de Radio-Canada.
Grandmothers' Gathering, International AIDS Conference, Toronto, CBC | Radio-Canada.
Lunar Jim, CBC Television.

Photo, bottom of page:
Kathleen Petty, *Ottawa Morning, The House*, CBC Radio One, Sirius 137.

Photos page 33, top to bottom:
Les hauts et les bas de Sophie Paquin, Télévision de Radio-Canada.
Providence, Télévision de Radio-Canada.
Peter Mansbridge, *CBC News: The National*, CBC Television, CBC Newsworld.
Joane Arcand, *Dimanche Magazine*, Première Chaîne, Sirius 138.
War of the Sexes, CBC Television.

MEDIA LINES' GOALS AND ACHIEVEMENTS →→

CBC | Radio-Canada delivers a comprehensive range of News, information, entertainment, and sports programs via 28 services. It is the only Canadian broadcaster delivering Radio, Television, Internet, and satellite-based services, in both English and French plus eight Aboriginal languages, to all Canadians. The Corporation's broadcasting reach extends across Canada and around the world, offering high-quality, distinctive content by, for and about Canadians, however and wherever they want it.

ENGLISH SERVICES →→

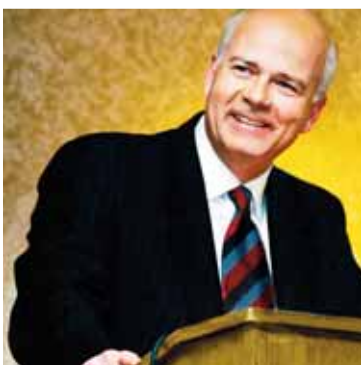
CBC Television encompasses 16 conventional, over-the-air stations across the country, and our wholly owned Specialty Services, CBC Newsworld and CBC Country Canada. All of these services report to the Executive Vice-President of CBC Television. The Corporation is also a partner in The Documentary Channel.

CBC Radio comprises CBC Radio One, CBC Radio 2 and CBC Radio 3. CBC Radio One and CBC Radio 2 are terrestrial, over-the-air services that reach more than 97 per cent of Canadian homes on AM or FM. CBC Radio 3 is a music channel delivered by Sirius Satellite Radio Channel 94 and the Internet.

CBC.ca is an English-language Internet service carrying our Radio and Television content, unique New Media and Corporate information. More than three million Canadians visit *CBC.ca* each month, making it among the most popular Canadian news and information websites.

Our English services are described in detail on pages 14–15.







CBC TELEVISION →→

CBC TELEVISION 2006-2007 GOALS		CBC TELEVISION 2006-2007 ACHIEVEMENTS
AUDIENCE GROWTH	→ Increase prime-time share to 8.5%.	→ Average prime-time share is 7.4%.
ENTERTAINMENT STRATEGY	→ Increase prime-time entertainment from 150 to 175 hours. → Establish two hit series.	→ Exceeded target with prime-time entertainment increasing to 223.5 hours, with an additional 19.5 hours of factual entertainment programming for a total of 243 hours. → <i>Little Mosque on the Prairie</i> a bona fide hit. <i>Dragons' Den</i> performed well.
NEWS STRATEGY	→ Continue implementing CBC News Integration and the CBC News Study.	→ Significant progress, including the creation of an integrated world affairs unit and the launch of <i>myCBC</i> in Vancouver.
REGIONAL STRATEGY	→ Launch development projects in four markets. → Renew our commitment to broadcasting in the regions by presenting authentic regional voices on social, political and cultural matters.	→ An overhaul of broadcasting in the regions is underway. Nine regional lifestyle programs, 14 daily regional breaks and sixty-minute regional supper hour programs were launched, as well as <i>myCBC</i> . → Increase to 100 minutes, from 30 minutes, per day of regional programming.
MULTI-PLATFORM STRATEGY	→ Integrate approach to commissioning and creating content for all platforms.	→ Negotiations continued with independent producers and content providers for broadcast content for all platforms. → Multiple platforms are a key aim of <i>myCBC</i> .

Photo left:
George Stroumboulopoulos,
The Hour, CBC Television,
CBC Newsworld.

Photo right:
What It's Like Being Alone,
CBC Television.



**CBC TELEVISION
2006-2007 GOALS**

**CBC TELEVISION
2006-2007 ACHIEVEMENTS**

**SOUND FINANCIAL
MANAGEMENT
AND CULTURE OF
ACCOUNTABILITY**

- Do not exceed CBC Television budget of \$517.5 million.
- Achieve revenue target of \$210 million.
- Redirect resources to top priorities (e.g.: Entertainment Strategy).
- Establish and use metrics, targets and regular reporting.
- Engender a culture that is accountable for delivering brilliant programming to audiences.
- Reward risk-taking and success.
- Give programmers the tools they need.

- Achieved, as actual results of \$522.3 million are below final budget of \$522.4 million.
N.B.: The original target was subsequently increased with further budget releases to \$522.4 million. Actual final costs are \$522.3 million.
- Achieved \$205 million in revenues.
- In 2006-2007, resources were redirected to the top priority, adding more than 60 hours of Canadian entertainment programming to the schedule.
- Metrics and targets have been established. Performance is measured on a continuous basis in all programming areas.

**TWO-WAY
COMMITMENT
WITH EMPLOYEES**

- Encourage dialogue, engagement, creativity, and loyalty.
- Promote wellness, civility and diversity in the workplace.
- Ensure consistent performance management and succession planning.

- Continued *Town Hall* discussions between executive management and employees.
- First of the wellness initiatives rolled out across the country (stress workshop).
- Full compliance with the performance management program.

PUBLIC VALUE

- Differentiation target: maintain ratio.

- Achieved.



CBC TELEVISION FUTURE DIRECTIONS

ENTERTAINMENT (DRAMA, COMEDY, FACTUAL ENTERTAINMENT, PERFORMING ARTS)

- Develop more programs that reflect the current strategy.
- Focus on more series-based programs that appeal to a broader range and number of Canadians.

CBC: WHEN, WHERE AND HOW YOU WANT IT

- Build a multi-platform strategy focusing on programming and functionality.
- Content: we are channeling our efforts into News, Entertainment and Sports.
- Technical: moving towards a Web 2.0 environment, providing audiences with the ability to comment on items, rate them, and link to them from their blog or website, to subscribe to specific types of content, to search for specific video content, and to submit user-generated content.

CBC NEWS: MAKING AN OUTSTANDING SERVICE EVEN BETTER

- Build a fully integrated News service that is deeply local, embraces the principles of civic journalism and provides Canadians with the News and information they want via whatever medium they choose.



Photos page 36, top to bottom:
Little Mosque on the Prairie,
 CBC Television.
 Jaeny Baik, *Living Winnipeg*,
 CBC Television.
Photo right:
 Wab Kinew, *Shaken Not Stirred*,
 CBC Radio One.



CBC RADIO →→

CBC RADIO 2006-2007 GOALS

CBC RADIO 2006-2007 ACHIEVEMENTS

<p>EXPANDED REGIONAL PROGRAMMING</p>	<p>→ CBC Radio will deliver the authentic social, political and cultural voice of each region, and service to places currently unserved.</p>	<p>→ Increase of over 500 hours of local programming, compared to last year. → Hundreds of hours of network programming decentralised out of Toronto into the regions. → Expanded afternoon coverage in Ottawa and Montréal.</p>
<p>ENSURING PROGRAMMING RELEVANCE</p>	<p>→ CBC Radio is committed to airing inspiring, innovative and excellent programming. National and international awards target: 100. → CBC Radio is committed to growing audiences. Audience reach target: 3.8 million. Audience share target: 12.2%. → CBC Radio is committed to reflecting the diversity of contemporary Canadian society.</p>	<p>→ More than 100 major national and international programming awards, including Broadcaster of the Year (New York Festivals). → Audience reach target achieved: 3.8 million. Audience share target exceeded: at least 13%. → Diversity targets established and met.</p>
<p>RENEWAL AND RE-INVENTION</p>	<p>→ CBC Radio will produce cultural content reflecting the needs of the Canadian public, based on results of the Corporation's Arts and Culture Study; launch a new strategy for Arts and Entertainment programming for CBC Radio One, CBC Radio 2 and CBC Radio 3; redevelop CBC Radio 2 to preserve its valued past while expanding the breadth of emerging talent on its airwaves; and deliver CBC Radio on satellite radio and through podcasting and downloading.</p>	<p>→ Phase One of CBC Radio 2 redevelopment launched with expanded opportunity for new Canadian composers, more regional live performance on the schedule while maintaining strong commitment to the existing classical audience. → New high-profile Arts journalism program introduced. → High-profile dramatic productions launched, to audience acclaim. → Podcasting program expanded to more than 20 shows.</p>
<p>HIGH LEVELS OF LISTENER SATISFACTION FOR CBC RADIO ONE</p>	<p>→ Satisfaction target: 67%. → Essential target: 85%. → Ethnically/culturally diverse target: 65%.</p>	<p>→ Satisfaction achieved: 59%. → Essential achieved: 83%. → Ethnically/culturally diverse achieved: 64%.</p>



CBC RADIO 2007–2008 FUTURE DIRECTIONS

PROGRAM DEVELOPMENT AND REDEVELOPMENT OF CBC RADIO 2

- Continued renewal and rebirth. Redevelopment of CBC Radio 2 as a music network reflecting the breadth of Canadian music and musicians, targeting adult music audiences. CBC Radio One will refocus as the primary source for News, talk and culture with values of intellectual engagement and context. CBC Radio 3 will further develop its niche as the source for adventurous contemporary Canadian music on all platforms.

NEWS INTEGRATION AND *myCBC*

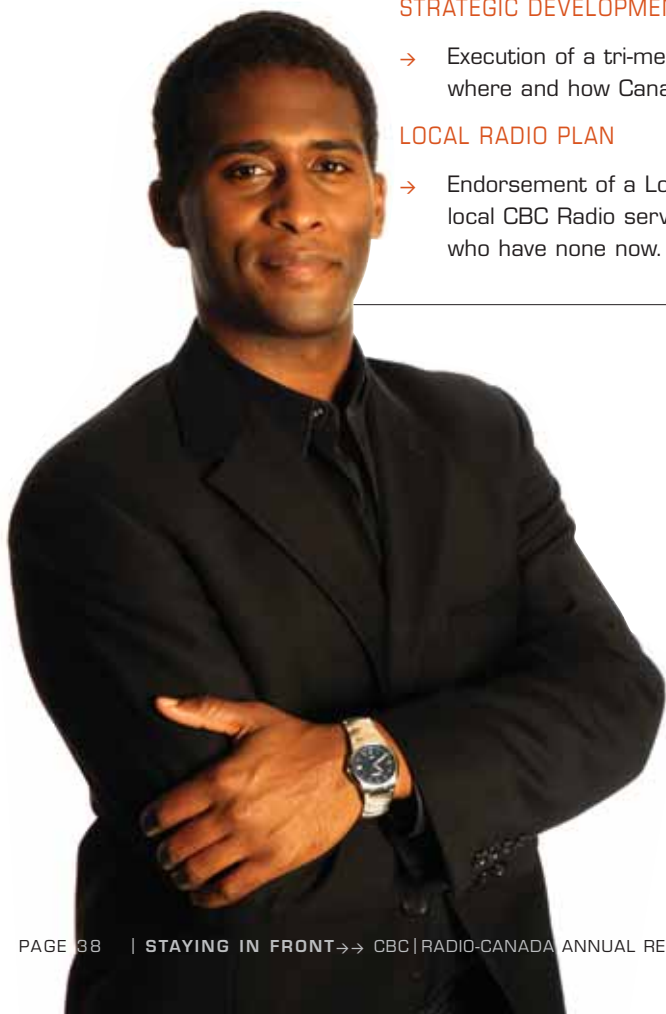
- Implementation of a tri-medial strategy strongly rooted in the regions to serve Canadians with relevant News and information informed by local perspectives.

STRATEGIC DEVELOPMENT ON NEW PLATFORMS

- Execution of a tri-medial plan to deliver programming when, where and how Canadians want to receive it.

LOCAL RADIO PLAN

- Endorsement of a Local Radio Plan; 12 new stations to bring local CBC Radio service to six million English-speaking Canadians who have none now.



Photos page 38, top left to bottom:
 Anna Maria Tremonti, *The Current*,
 CBC Radio One, Sirius 137.
 Adrian Harewood, *All In A Day*,
 CBC Radio One.



CBC.CA →→

CBC.CA 2006-2007 GOALS

CBC.CA 2006-2007 ACHIEVEMENTS

<p>→ Continue growing <i>CBC.ca</i>'s audience.</p>	<p>→ <i>CBC.ca</i> continues to attract new audiences among new and established Internet users and was the number one news/media website used by Canadians between April 2006 and January 2007. The average audience to <i>CBC.ca</i> grew by 30 per cent in 2006-2007, well ahead of the growth to the Canadian Internet population and growth targets.</p>
<p>→ Focus on core strengths: relevant and popular content.</p>	<p>→ In September 2006, <i>CBC.ca</i> launched new journalistic sections focused on technology and consumer information. Both have attracted large audiences, exceeding their targets by 95% and 263%, respectively. <i>CBC.ca</i> also revamped its health section, increasing traffic by 29% since relaunching.</p> <p>→ <i>CBC.ca</i> launched a new video section prominently on the front page of <i>www.CBC.ca</i>. This significantly improved video quality and increased viewing of video content by 150%, to more than two million streams per month.</p>
<p>→ Continue improving the user experience.</p>	<p>→ <i>CBC.ca</i> relaunched its website in June 2006 with a new, user-friendly design, resulting in improved performance, better access to content, better usability, improved brand consistency, and increased visitor traffic. In the annual Total Audience Survey conducted in 2006, 91% of the 10,000 <i>CBC.ca</i> users polled rated it as excellent or very good.</p>
<p>→ Increase revenues.</p>	<p>→ As of January 2007, <i>CBC.ca</i> had already brought in double the revenue targeted for the full fiscal year. Compared with 2005-2006, revenues to the website were up 350%.</p>



**CBC.CA
2006-2007 GOALS**

- Promote CBC Television and CBC Radio programs.

**CBC.CA
2006-2007 ACHIEVEMENTS**

- *CBC.ca* designed and built websites for several new Television and Radio programs, including *Dragons' Den*, *Test the Nation*, *The Greatest Canadian Invention*, and *Hockey: A People's History*. *CBC.ca* also developed a new website for the relaunch of CBC Radio 2. Traffic to CBC Television and CBC Radio program pages on *CBC.ca* have grown by 19% and 13%, respectively, since 2005-2006.

CBC.CA FUTURE DIRECTIONS

INCREASE *CBC.CA* TRAFFIC BY CONTINUING TO FOCUS ON CORE STRENGTHS: IMPORTANT AND POPULAR PROGRAMMING.

IMPLEMENT WEB 2.0 AND THE MEDIA PLAYER.

- Increase the amount of Television and Radio programming available online through streaming.
- Continue to improve *CBC.ca's* ability to target and measure audience.
- Improve the audience's ability to engage with *CBC.ca* content through commenting, voting and submitting content.

INCREASE REVENUES.

SUPPORT THE DEVELOPMENT AND IMPLEMENTATION OF A MULTI-PLATFORM STRATEGY.

INCREASE SITE STABILITY AND RELIABILITY.

Photos, top to bottom:
 Michel Cormier,
 Télévision de Radio-Canada,
 CBC News.
 Carole Trahan, Espace musique.



FRENCH SERVICES →→

CBC|Radio-Canada's French Services comprise Télévision de Radio-Canada, Réseau de l'information de Radio-Canada (RDI), Première Chaîne, Espace musique, Bande à part, Radio Canada International (RCI), RCI viva, and *Radio-Canada.ca*. All of these services report to the Executive Vice-President for French Services. This integrated approach facilitates the development of a global vision of French Services that recognises the individual strengths and distinctive character of each media line while promoting the overarching goal of improving the quality of the democratic and cultural life of Canadians. The Corporation is also a partner in ARTV and TV5Monde.

French Services are described in detail on pages 14–15.

FRENCH SERVICES 2006–2007 GOALS

A GLOBAL VISION → Integrate services to enrich offerings on all platforms and to ensure that activities are managed consistently and responsibly.

FRENCH SERVICES 2006–2007 ACHIEVEMENTS

- Several inter-media projects came together successfully. For example, *La semaine verte*, the popular Television program on the environment, food, agriculture, fishing, and forests, is now featured on Première Chaîne and *Radio-Canada.ca*.
- Several administrative services were integrated, including Finance, Operations and Communications, to ensure greater consistency.





**FRENCH SERVICES
2006–2007 GOALS**

**FRENCH SERVICES
2006–2007 ACHIEVEMENTS**

**A RASSEMBLEUR
PUBLIC
BROADCASTER**

- Reach Télévision de Radio-Canada audience appreciation target of 6.7 (out of 10).
- Reach combined audience share target for Télévision de Radio-Canada and RDI of 15%–20%.
- Reach combined audience share target for Première Chaîne and Espace musique of 14%–16%.

- Target achieved: 6.6 (out of 10).
- Target achieved: 15.9%.
- Target achieved: 15.2% in Fall 2006. Exceeded in Spring 2007, at 16.7%.
- *Radio-Canada.ca* remained among the country's most popular French-language media websites. From April to December 2006, the site received an average of 1.5 million unique visitors among Francophones with Internet service at home (comScore Media Metrix), up 2% from last year. The site broke a record for hits with 1,974,000 unique visitors (37.5%) of Francophones with Internet service at home.

**RELIABLE,
HIGH-QUALITY
INFORMATION**

- Strengthen information on our airwaves.

- In June 2006, Radio-Canada integrated its information services with the aim of ensuring that the strategies, editorial directions and major operations would enhance the credibility and quality of information at Radio-Canada, in keeping with the personality of the networks.
- Since the Fall of 2006, Télévision de Radio-Canada has offered a new forum for News, *Le téléjournal/Matin*, weekdays at 8:00 a.m.
- Since August 2006, RDI has changed direction and offers all-News programming live. Under the guidance of our three anchors, our News teams across Canada create a dynamic force that has made RDI *the* French-language News source throughout the day.

Photo left:
La galère, Télévision de Radio-Canada.

Photo right:
Les pieds dans la marge,
 Télévision de Radio-Canada.



**FRENCH SERVICES
 2006-2007 GOALS**

**FRENCH SERVICES
 2006-2007 ACHIEVEMENTS**

RELIABLE,
 HIGH-QUALITY
 INFORMATION
 (CONTINUED)

→ Strengthen information on our airwaves. (Continued)

→ Première Chaîne presents a revamped version of *Désautels*, airing 3:00-5:00 p.m. in the Montréal market, and going national thereafter.
 → At *Radio-Canada.ca*, users can view or hear most News and Current Affairs programs (Radio and Television) in a new section called *Radio-Canada sur demande*.

RICH, DIVERSE
 CULTURAL
 PROGRAMMING

→ Improve our cultural programming.

→ Télévision de Radio-Canada presented 17 original dramas this year, including 11 new shows, more than any other broadcaster in Canada. A new weekly prime-time cultural magazine, *Prochaine Sortie*, was launched in Fall 2006.
 → Christiane Charette returned to Première Chaîne with a new talk show concerning culture and society. Première Chaîne continues to air prestigious series and contemporary-idea programming in its late evening time slot.

ROOTED IN
 THE REGIONS

→ Create stronger regional roots for our services.

→ In June 2006, French Services proceeded with the first phase of integrating all regional Radio, Television and Internet services within one general management structure. The primary purpose of this restructuring is to strengthen CBC|Radio-Canada's roots in the regions by highlighting regional expertise and realities within our national programming and to improve services to the public in the regions. The first mission of this new structure was to develop a strategic plan, the impact of which will really begin to be felt in Fall 2007.



**FRENCH SERVICES
2006-2007 GOALS**

**FRENCH SERVICES
2006-2007 ACHIEVEMENTS**

<p>ROOTED IN THE REGIONS (CONTINUED)</p>	<ul style="list-style-type: none"> → Télévision de Radio-Canada – produce weekly hours of regional programs for network, averaged annually: target of 7. → Radio de Radio-Canada – maintain level of investment in regional production: target of 45%. 	<ul style="list-style-type: none"> → On target. → Achieved: 50%. → Since the Fall of 2006, Première Chaîne has offered a new program on Sunday afternoons for each of the country's major regions. → Of the concerts recorded by Espace musique, a large number are in the regions. Indeed, 70% of the 108 concerts recorded during Summer 2006 were in the regions. Among Espace musique listeners, 30% live outside Québec and 67% live outside Metropolitan Montréal.
<p>A MEETING PLACE FOR YOUNG PEOPLE</p>	<ul style="list-style-type: none"> → Continue implementation of the youth strategy. 	<ul style="list-style-type: none"> → Télévision de Radio-Canada developed an approach for children and youth audiences based on the interests, availability and needs of the different age groups. Of note are two new programs for teens: <i>Kif-Kif</i>, a daily serial, and <i>Les pieds dans la marge</i>, a weekly comedy.
<p>A STAGE FOR CANADIAN PERFORMERS</p>	<ul style="list-style-type: none"> → Promote Canada's music talent across all our platforms. → Radio de Radio-Canada – record concerts and shows: target of 350. 	<ul style="list-style-type: none"> → Espace musique's <i>Sacré talent!</i>, which introduces a promising Francophone singer every month, last Fall joined with Télévision de Radio-Canada's <i>L'heure de gloire</i>, a new music show hosted by René Simard, to feature a performance by the singer of the month. → 310 concerts and shows recorded.



Photo right:
Normand Brathwaite,
Le match des étoiles,
Télévision de Radio-Canada.

**FRENCH SERVICES
2006–2007 GOALS**

**FRENCH SERVICES
2006–2007 ACHIEVEMENTS**

AT THE FOREFRONT OF NEW TECHNOLOGIES	<ul style="list-style-type: none"> → Remain at the forefront of new technologies. 	<ul style="list-style-type: none"> → Since Fall 2006, nearly 30% of prime-time programs on Télévision de Radio-Canada have been in high definition, making the public broadcaster Canada’s biggest producer of HD programming in French.
FINANCIAL	<ul style="list-style-type: none"> → Télévision de Radio-Canada – invest percentage of financial resources in programming: target of 82%. → Télévision de Radio-Canada and RDI – meet advertising revenue target of \$120 million. → Maintain the Canadian Television Fund envelope for CBC Radio-Canada French Services at level of previous years (approximately \$23 million). 	<ul style="list-style-type: none"> → On target. → On target. → Achieved: \$25.2 million.

FRENCH SERVICES FUTURE DIRECTIONS

STRATEGIC PRIORITY: CONTINUE TO OFFER PROGRAMMING THAT IS INNOVATIVE, RASSEMBLEUR, HIGHLY DISTINCTIVE, AND TOP QUALITY.

- Strengthen Télévision de Radio-Canada’s positioning.
- Pursue the Radio development strategy.
- Showcase an original, innovative Web offering.
- Consolidate French Services’ regional roots.
- Revitalise the Radio-Canada Sports brand.
- Strengthen Radio-Canada’s impact as a News source.
- Propose intermedia projects that capitalise on the group’s strength nationally and in the regions.



GALAXIE →→

GALAXIE 2006-2007 GOALS

- Optimise and ensure the long-term profitability of Galaxie.
- Position Galaxie as Canada's premier audio programmer and the reference production company for niche music formats.
- Contribute to the public broadcaster's cultural mandate by promoting and extending the CBC | Radio-Canada brand and values.

GALAXIE 2006-2007 ACHIEVEMENTS

- Galaxie is available to nearly six million subscribers, with up to 51% using the service at least once per month.
- A broadband service has been developed and plans are underway to launch with several partners.
- Increased penetration to commercial customers.
- Latest survey indicates that Galaxie consistently delivers in excess of 90% satisfaction levels.
- International-language channels have been developed that will be launched in 2007.
- Consistently delivering Canadian content levels at 35% or more across the total Galaxie channels.
- Focus on new artists through the Rising Stars Program as a part of the Canadian Talent Development.

GALAXIE FUTURE DIRECTIONS

INCREASE THE NUMBER OF SUBSCRIBERS THROUGH NEW PLATFORMS AND RENEWAL OF EXPIRING AFFILIATION DEALS.

INTRODUCE SERVICE ENHANCEMENTS SUCH AS ON-SCREEN DISPLAYS, THAT MAY BE REVENUE-GENERATING.

ATTRACT NEW AUDIENCES THROUGH THE LAUNCH OF AN INTERNET SERVICE AND THE DELIVERY OF MUSIC THROUGH NEW PLATFORMS.

GROW THE COMMERCIAL BACKGROUND MUSIC BUSINESS TO INCREASE GALAXIE'S FINANCIAL PROFITABILITY.

CONTINUE TO DELIVER HIGH-QUALITY PROGRAMMING AND ENSURE THAT AUDIENCE SATISFACTION LEVELS CONTINUE TO EXCEED 90 PER CENT.



RADIO CANADA INTERNATIONAL →→

Radio Canada International (RCI), CBC/Radio-Canada’s international Radio service, broadcasts in nine languages via the Internet, digital and analogue shortwave, satellite, and some 400 partner stations worldwide.

RCI 2006–2007 GOALS	RCI 2006–2007 ACHIEVEMENTS
<ul style="list-style-type: none"> → Offer programming designed for newcomers to educate them about Canada, its values and its social, economic and cultural life. 	<ul style="list-style-type: none"> → Enriched programming in the languages common to RCI and these communities. → RCI plus broadcast on Sirius Satellite Radio Channel 188. → Launch of RCI viva, the new RCI Internet service aimed at recent and aspiring immigrants to Canada.
<ul style="list-style-type: none"> → Solidify partnerships with local radio stations abroad. 	<ul style="list-style-type: none"> → Co-productions with: Radio Cadena Nacional (Colombia) and <i>Zone libre</i>; Radio Netherlands in Cuba; Radio Nacional de Argentina; Radio Cultura de Sao Paulo (Brazil); Radio Oxyjeunes (Dakar, Senegal); and four stations in China (China National Radio, Chongqing Radio, Radio Beijing, Hainan Radio). → 400 partner stations rebroadcast RCI content worldwide.
<ul style="list-style-type: none"> → Use emerging technologies to attract new audiences. 	<ul style="list-style-type: none"> → RCI programs now offered as podcasts.

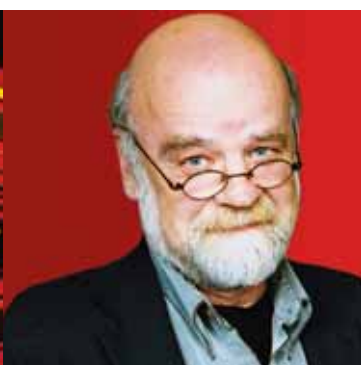
RCI FUTURE DIRECTIONS

PURSUE RCI'S MISSION WORLDWIDE.

HELP RCI VIVA TAKE ROOT IN CANADA'S CULTURAL COMMUNITIES BY STRENGTHENING NEW PROGRAMMING; INCREASING AWARENESS ABOUT RCI VIVA; AND NURTURING NEW TALENT FROM THESE COMMUNITIES.

CBC | RADIO-CANADA ON THE INTERNATIONAL SCENE

CBC | Radio-Canada has an international mission to increase understanding of Canadian values, culture and social and economic life. This year, in addition to broadcasting via Radio Canada International and RCI viva, CBC | Radio-Canada helped public broadcasters in developing countries, providing a one-year strategic support program with the Broadcasting Corporation of the Bahamas; public broadcasting training in Haiti and Algeria; and courses on journalistic ethics (Democratic Republic of Congo), election coverage (Haiti, Ivory Coast) and health journalism for public broadcasters attending the International AIDS Conference in Toronto.



REGIONAL REFLECTION, DIVERSITY AND SERVING THE COMMUNITY →→

As Canada's national public broadcaster, CBC | Radio-Canada creates and broadcasts high-quality programming that reflects the country's different regions and its increasing diversity and evolving culture. The Corporation also maintains a strong presence in communities. CBC | Radio-Canada's strategic priorities support this emphasis.

CBC | Radio-Canada invests in the regions by posting journalists in nearly 70 Canadian communities and covering, in-depth, the local and regional stories that matter to audiences; featuring local speakers and perspective; and sharing stories with national audiences, to connect citizens across the country.

We are the only Canadian broadcaster to air programs in English and French across the country, in eight Aboriginal languages in the North, in nine languages around the world on Radio Canada International, and in eight languages on RCI viva for new and aspiring Canadians.

We continually evaluate our programming to ensure that it meets Canadians' expectations, and we innovate and improve when funding allows. For instance, in January 2007, CBC Television launched nine regional, daytime, lifestyle programs across the country, each exploring and showcasing communities and putting a regional focus on better living for Canadians. CBC Radio added 500 hours of local programming to the schedule this year by expanding drive-home programs to accommodate different needs in different cities. To round out its Arts and Entertainment coverage on regional newscasts, Télévision de Radio-Canada aired *Art circuit*, a magazine devoted to cultural life across the country, live out of Ottawa. Since the Fall of 2006, Première Chaîne has aired a new Sunday afternoon show for listeners in each of the country's main regions. It aims to couple the information citizens need (News, traffic and weather) with a musical line-up that both entertains and expands their horizons.

Photos page 48, top to bottom:

49th and Main, CBC Television.

Francoeur,
Télévision de Radio-Canada.

Serge Bouchard,
Des idées plein la tête,
Première Chaîne, Sirius 138.

Grandmothers' Gathering,
International AIDS Conference,
Toronto, CBC | Radio-Canada.



Photos, top left to bottom right:

Yves-G rard M hou-Loko, *Caf -show*, Premi re Cha ne.
Grandmothers' Gathering,
 International AIDS Conference,
 Toronto, CBC|Radio-Canada.
 Jacques Bertrand, *Macadam Tribus*,
 Premi re Cha ne, Sirius 138.
the fifth estate, CBC Television,
 CBC Newsworld.
 Sheila Rogers, *Sounds Like Canada*,
 CBC Radio One, Sirius 137.
 Jian Ghomeshi, *Q*, CBC Radio One,
 Sirius 137.

To ensure that we reflect contemporary Canada on-screen and behind-the-scenes, we have a number of initiatives, including the following:

- In early 2007, CBC Television's *Express Diversity*, CBC Radio's *Diversity: Reflecting Canada Today* and Human Resources' *Diversity* plan were joined to create *Diversity Advantage*, which describes the strategic projects and collaborative effort aimed at making CBC Radio and CBC Television the most relevant broadcaster to the most diverse public in Canada's history. Next steps include strategic hiring, programming, community outreach, promotions, and audience growth. Local newsrooms are transforming to better reflect the visible and audible diversity of audiences; while at a network level, Arts and Entertainment and Documentaries are coordinating training and mentoring opportunities for emerging writers and producers of diverse backgrounds. Strides are being made at measuring the on-air reflection of visible diversity, Aboriginal peoples and people with disabilities. A coordinated network and Human Resources plan aimed at increasing Aboriginal coverage and employees is currently in development and considerable efforts will be made towards improving retention of Aboriginal employees.
- CBC Radio's Redevelopment of CBC Radio 2 is designed to accurately reflect Canadian music and musicians for an adult audience, increasing the diversity of artists and musical selections while maintaining a strong commitment to the core classical and jazz audiences.
- Over 30 cross-cultural initiatives involve CBC|Radio-Canada's English and French services, helping to create synergy and foster productive inter-media exchanges while bringing communities closer together and raising awareness of their respective realities. Some of these initiatives take the form of special programming centred on specific themes. For example, the *Canadian Songwriters Hall of Fame* special is an annual bilingual presentation honouring both French- and English-Canadian songwriters, airing on both Espace musique and CBC Radio 2, with hosts from both networks. Other significant initiatives this year included *Hockey: A People's History*; the mini-series, *Ren *; the production and telecast of English versions of Radio-Canada drama series; and arts programming, including the co-produced Governor General's Performing Arts Awards.



- This year, Télévision de Radio-Canada strengthened its reflection of Canada's myriad regional perspectives and characteristics in its News and information service.
- Espace musique brought audiences an even more musically diverse environment through partnerships with cultural communities for events like Le festival du monde arabe and Nuits d'Afrique, and through support for homegrown talent via programs like *Sacré talent!*
- As part of our diversity initiatives, hundreds of CBC|Radio-Canada managers were trained in *Leading Diversity*. Programs will be developed on *Recruiting and Managing for Diversity* and *Chasing Diversity*. All of these initiatives are critical in helping the Corporation to more effectively serve a changing Canada.

For 70 years, CBC|Radio-Canada has been a vital member of the communities we serve. Every day, we are part of Canada's experience, and not just on our airwaves. We seek out programming opportunities by playing an active role in hundreds of community events, festivals, literary and artistic competitions, and fundraising events all over the country. During the 2006 holiday season alone, CBC|Radio-Canada helped collect donations of cash and food for local communities, with a value exceeding \$2.5 million.

In recent years, we have worked to strengthen our integration into the community even more fully, and to boost professional collaboration, resource-sharing and efficiency, by bringing together all of our media lines under one roof in the heart of three communities: Edmonton, Québec City and Ottawa. Our Vancouver and St. John's facilities are being consolidated this year to achieve the same successes, and similar downtown moves for our media lines in other communities are being considered.

We will continue to build strategic partnerships to extend our reach and enhance the range of our services to Canadians. We will also continue to listen to citizens across the country to strengthen relationships with our audiences and to offer programming that remains relevant to them.

Over 30 cross-cultural initiatives involve CBC | Radio-Canada's English and French services, helping to create synergy and foster productive inter-media exchanges while bringing communities closer together and raising awareness of their respective realities.





BEHIND THE SCENES →→

Supporting thousands of programs that reflect Canada’s diverse regions and communities is a complex and challenging task. Here’s how CBC | Radio-Canada efficiently achieves it every day.



In the challenging context of a limited budget, steadily increasing production costs, fragmented audiences, and intense competition, CBC | Radio-Canada is continually reviewing its business approaches and production technologies to identify savings and leverage assets that can be re-invested in programming.

Since 2000–2001, we have achieved one-time productivity savings and revenue increases of \$120 million and ongoing annual savings and revenues of \$78 million. We will continue to work towards our strategic priority: *Demonstrate that CBC | Radio-Canada is a well-managed company and generate cash flow to re-invest in programming.*

REAL ESTATE

The mission of the Real Estate Division is to optimise revenues by selling or renting surplus assets and to generate savings by managing CBC | Radio-Canada real estate more efficiently. The Division frees up funds that can be invested in programming while ensuring that all CBC | Radio-Canada business units have the facilities they need.

In 2006–2007, CBC | Radio-Canada’s incremental revenues, savings and avoided costs totalled more than \$22.3 million. Energy reduction measures, cost reviews, lease

audits, consolidations, and contract renegotiations generated \$12.4 million in savings and avoided costs. Sales of excess space provided \$4.6 million. Leasing and other revenues provided \$5.5 million.

Operational highlights included advancing projects to consolidate our media operations and upgrade our facilities in St. John’s and Vancouver to integrate our Radio, Television and New Media networks and newsrooms, to increase journalistic collaboration and make better use of assets. In Montréal and Toronto, we are working with staff to find innovative approaches

to enhancing the functionality of our spaces, and in Toronto, we are examining a new approach that will give staff improved, updated workspaces. Future work will be self-funded, possibly through leasing excess space. In Montréal, more than 1,200 employees responded to a survey and provided their space-use priorities. Consultation is also being carried out with the community.

This year, the Canadian Broadcasting Centre in Toronto received a second Certificate of Building Excellence from the Building Owners and Managers Association (BOMA) of Greater



Toronto for its efficient operations management. Maison de Radio-Canada in Montréal was certified Go Green Plus for its environmental practices. And the 181 Queen Street, Ottawa, building won the Ottawa TOBY (Office Building of The Year) award from the Building Owners and Managers Association.

MERCHANDISING

CBC|Radio-Canada is one of the most widely recognised brands in the country. The Merchandising Division, created in 2002, generates revenues by licensing, selling and distributing CBC|Radio-Canada CDs, DVDs, digital downloads, books, clothing, and licensed merchandise nationally and internationally. In 2006–2007, the Division's revenues reached more than \$10 million.

Merchandise may be found online at cbcshop.ca.

TECHNOLOGY

CBC|Radio-Canada continues to invest in state-of-the-art technology to increase efficiency and quality in the Corporation's production and business processes.

Last year, CBC Technology began to implement new telecom and broadcast technologies, resulting in \$3.3 million in annual savings. This year, the Distribution Relay Optimisation Project achieved \$6.3 million in savings for our Television networks – \$1.1 million more than last year. The Division increased Transmission revenue by one million dollars by renting space on the Corporation's towers, sites and buildings, and renewed a \$620,000 annual shortwave transmission contract with an overseas broadcaster.

In response to a request from the CRTC, CBC|Radio-Canada developed a plan for emergency alert services using our transmission towers located across the country, with backup generators, to inform Canadians of catastrophic events such as severe weather disturbances. In February 2007, the CRTC endorsed the proposal and the Corporation will now discuss how to fund it with various levels of government.

DIGITAL AND HIGH DEFINITION TELEVISION

CBC|Radio-Canada HD transmitters offer digital and HD services in Montréal, Toronto, Québec City, Vancouver, and Ottawa. This year, we put three new HDTV studios into production in both Toronto and Montréal, with another three to be in service by Fall 2007.

CBC Television's Video Syndication (VS) unit is meeting the growing demand for content on new digital platforms through sales to distribution partners.



MOBILE DIVISION

The Mobile Division ensures that programs have access to mobile production equipment and also generates revenue for investing in programming by selling excess capacity. This year, our second high definition mobile truck was built for coverage of the 2007 NHL playoffs.

CONTENT MANAGEMENT / ARCHIVES

Again in 2006–2007, the Corporation expanded use of programming and increased revenue from our archives, and made progress in obtaining and exploiting rights for program content.

Photo page 52, top left:

Daniel Lessard,
Les coulisses du pouvoir,
Télévision de Radio-Canada.



HUMAN RESOURCES: BUILDING AND STRENGTHENING OUR TEAM

One of the Corporation's eight strategic priorities is to: *Strengthen CBC | Radio-Canada's commitment to all its employees – to those who create and those who support them.*

This year, the Corporation focused on improving internal communications to enable employees to understand the Corporate direction and to equip them to meet current and future challenges. As well, professional development and training continued to be a top priority. Employment equity, official languages, health and safety, workforce diversity, and business continuity planning were other priorities.

CBC | Radio-Canada maintained its commitment to foster an environment that is inclusive and promotes open dialogue between managers and employees. The theme of our sixth annual Leaders' Forum in November 2006 was "Leading the Way: Working Together to Strengthen CBC | Radio-Canada."

Management and Union leaders also met for the fifth Union-Management Leaders' Forum in December 2006.

To improve relations between Management and the Canadian Media Guild in the wake of the 2005 lockout, the Corporation embarked upon a relationship-building process with the Union. As well, hundreds of managers and program leaders were trained to manage the new collective agreement. Negotiations continued with ACTRA and AFM throughout the year.

ORGANISATIONAL HEALTH AND WELLNESS

For the last two years, creating a healthier workplace has been a priority for the Corporation. CBC | Radio-Canada Management and Unions continue to act on employee-related wellness issues cited in employee survey findings over the last six years.

This year, we

established personal call rooms to address privacy issues; introduced a more robust flu education and prevention program; rolled out new seminars for stress management; and piloted employee workshops on respect in the workplace and on employee recognition.

For crisis management, we planned for a potential pandemic, focussing on protecting employees while keeping Canadians informed during a public health emergency.

Photos page 54, top to bottom:

Michael Enright, *The Sunday Edition*, CBC Radio One, Sirius 137.

Minuit le soir, Télévision de Radio-Canada.

Wilbur, CBC Television.

Paule Therrien, *Beau temps, mauvais temps!*, Première Chaîne.

Photos page 55, top to bottom:

Stuart McLean, *Vinyl Café*, CBC Radio One, CBC Radio 2, Sirius 137.

Hockey: A People's History/Hockey : la fierté d'un peuple, CBC Television/ Télévision de Radio-Canada.

Anais Favron, *RDI junior*, RDI.

Dominique Poirier, *Dominique Poirier en direct*, RDI.

Ian Hanomansing, *CBC News: Vancouver*, CBC Television.

Photos page 56, top to bottom:

Marie-Josée Taillefer, Denis Gagné, *L'épicerie*, Télévision de Radio-Canada.

Bernie MacNamee, *The World at Six*, CBC Radio One, CBC Radio 2.

Découverte, Télévision de Radio-Canada.

Marie-Claude Lavallée, *Les rendez-vous de Marie-Claude*, RDI.

