2002-2003



CBC/Radio-Canada 2002-2003 annual report CBC/Radio-Canada 2002-2003 annual rep

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Message from the Chair

This year, as Chair of CBC/Radio-Canada's Board of Directors, I have witnessed the great momentum of change that is happening at Canada's national public broadcaster. The Corporation has a firm sense of direction and a surge in confidence that have perhaps not been seen since its early days.

Why would there be such a sense of purpose at the national public broadcaster at a time when there are so many domestic and, mostly, foreign media services available to Canadians? Why do we still need a Canadian public broadcaster?

There are many compelling reasons. CBC/Radio-Canada has a critical role in helping citizens identify with each other from one region of this large country to another. Our networks regularly produce a vast body of regional programming, for local and national broadcast, which explores the realities and aspirations of individuals throughout Canada. We are proud to say that over half of our Canadian programming, across all of our media lines, now has a regional connection. In fact, we are the *only* broadcaster in Canada that can boast of such high regional content. And why is regional reflection so important? Because understanding the concerns of fellow citizens is essential to the building of a civil, tolerant society of people who feel connected to each other and who together make up a country – *our* country.

How else does CBC/Radio-Canada stand out favourably in the media crowd? Our renowned, award-winning News services are peopled by *Canadians* who deliver the story through Canadian eyes. Citizens deserve to hear a homegrown perspective on events, and to have Canadian analysts provide their understanding of how events will affect us. It is simply not good enough for our nation to accept another country's version of events as told by foreign journalists. And Canadians deserve to receive their News from a broadcaster with the flexibility to devote extra resources or entirely change its programming schedule to present breaking News. Our News services deliver all of this, as no other broadcaster does.

CBC/Radio-Canada also has a very important role in promoting Canadian creative industries, showcasing creative expression and developing the next generation of Canadian cultural talent. Encouraging and maintaining a healthy domestic culture is vital to nation-building and national independence, especially now in a "borderless" broadcasting world.



An additional and important role for CBC/Radio-Canada is to feature the dedication and success of Canadian amateur athletes. We have committed ourselves, to both our audiences and the Canadian Radio-television and Telecommunications Commission (CRTC), to increasing and broadening amateur sports coverage, as part of our overall transformation to a more clearly defined public broadcaster. We are providing, in fact, the kind of coverage that only a public broadcaster would offer.

Clearly, Canada needs its own strong and independent national public broadcaster to fulfil all of these roles. An important aspect of strengthening CBC/Radio-Canada for the coming years, I believe, is reaching out to our audiences to reinforce our existing relationships and to build bridges to new audiences. To advance this goal, I have visited many communities since becoming Chair in July 2001. This year, I met with Canadians in Halifax, Montréal, Québec City, Ottawa, Toronto, Regina, Calgary, Banff, and Vancouver, who expressed their very strong feelings about this Corporation. A common element in these conversations was Canadians' wonderful sense of ownership of their national public broadcaster and the importance they accord it in their everyday lives.

We recognise that an equally important step in reaching new audiences is the Corporation's own transformation, in tandem with the increasingly multicultural make-up of Canada. We have made changes to ensure that our programming remains relevant to all Canadians, and we intend to do much more in the coming years.

This Annual Report describes many of the fundamental programming and management changes made by CBC/Radio-Canada this year. This is a new CBC/Radio-Canada. We have strong leadership. We are producing high-quality, high-impact Canadian programming that no other broadcaster offers — Canadian stories, information and viewpoints reflecting our culturally diverse country, in English, French and in eight Aboriginal languages. We absolutely acknowledge that we are using taxpayer's dollars and we must earn them every day. And, we believe that the services we provide, funded by those dollars, make CBC/Radio-Canada an essential part of Canada's present and future.

In closing, I wish to thank the members of the Board of Directors who devote a great deal of time and talent to overseeing this extraordinary Corporation. I also want to express my sincere confidence in the President and CEO, Robert Rabinovitch, and in the skilled and dedicated staff of CBC/Radio-Canada who every day make important contributions to this country.

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

Message from the President and CEO





Message from the President and CEO

The year 2002-2003 has been another benchmark year in CBC/Radio-Canada's history. We are proud of our progress in fundamentally transforming our programming, operations and management as part of our efforts to reshape the Corporation into a true public broadcaster. We know that our audiences are responding to these changes, as 95 per cent of Canadians tell us that it is essential that CBC/Radio-Canada is available to Canadians.

The Government has recently shown its continued confidence in our strategic directions by announcing that \$60 million in new funding will again be allocated to CBC/Radio-Canada for the upcoming fiscal year. These funds will be invested in programming improvements for the benefit of all Canadians.

■ 50 Years of Television in Canada

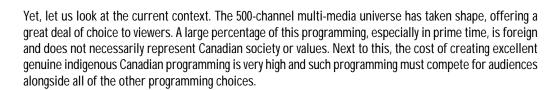
In the Fall of 2002, CBC/Radio-Canada celebrated the 50th anniversary of television in Canada. A multitude of events across the country drew thousands of Canadians who came to express their support for and sense of ownership of their national public broadcaster. It was a wonderful testimonial to Canadians' feeling of belonging, familiarity and connection to CBC/Radio-Canada – a daily mainstay in their communities.

Our Television networks dipped into their extraordinary archives for recordings of many of Canada's great events and ideas, as well as singular stages in the early careers of Canadian artists and journalists who later achieved national and international success. These archives revealed CBC/Radio-Canada's role in marking and reflecting on pivotal moments of celebration and loss, alongside everyday moments in the lives of Canadians throughout the country whose stories describe the character of Canada.

Public Broadcasting — More Important than Ever

When I began my term as President and CEO of CBC/Radio-Canada in November 1999, I had a strong conviction about the importance of public broadcasting in this country. At about midway in my mandate, as rapid change and uncertainty in the world of broadcasting become the norm, I hold this belief more strongly than ever. Canada needs a public space for Canadian News and information, regional stories for local and national audiences, Canadian drama and entertainment, as well as Canadian views, perspectives and values.





These facts point to the need for a strong national public broadcaster in Canada. The proliferation of channels of sameness paves the way for the national public broadcaster to offer distinctive, high-quality, innovative Canadian programming. CBC/Radio-Canada provides a reflection of Canada's cultural diversity and a panoply of perspectives. Whereas we cannot compete with private networks on resources, we can compete on the basis of *quality*, a clear focus on *true Canadian content*, and a new approach to *resource sharing* among our different media for the purpose of producing better programming.

There are other compelling grounds for maintaining the public broadcaster. Public service broadcasting is increasingly seen as the most important tool for fostering nation building, and helping to build a civil society, democratic institutions and an informed public. In the context of globalisation, these strengths are critical to the health of a nation. For this reason, CBC/Radio-Canada has been moving towards becoming a true public broadcaster serving all Canadians.

📕 How Are We Changing?

Our eight strategic priorities, described in the following pages, are guiding our decision-making in programming, operations and management. They are allowing us to invest more money in excellent Canadian programming and helping us to reinforce our role as the national public broadcaster.

In programming, we are strengthening our traditional excellence in journalism, children's programming, sports, arts, drama, and entertainment. We are repositioning French Television and continuing the transformation of English Television. We are undertaking English Radio renewal and seeing the positive results of French Radio renewal. We are increasing cross-media, cross-cultural activities and the sharing of resources and information in order to produce savings and more in-depth programming on a greater variety of subjects. We are developing websites for different ages and interests and seeing significant growth in the use of *CBC.ca* and *radio-canada.ca*.

We are finding business opportunities through the creation of partnerships and strategic alliances in order to extend our reach, optimise our investment, mitigate risk, and create new revenue streams. We are also continuing to leverage our assets in order to re-invest in programming.





We Are Looking to the Future

We intend to remain relevant to Canadians within today's challenging broadcasting sector. We recognise the need to be flexible and open to change and new ways of doing things in order to survive and flourish. We are already investing in new technologies and new work methods in order to generate savings to re-invest in programming. In fact, our real estate consolidation projects in Edmonton, Ottawa and Québec City, which will allow all of our media groups to work together, are pertinent examples of our willingness to initiate fundamental change for improvement.

To achieve our goals and support our strategic directions, however, the Corporation needs adequate funding. Our programming requires extensive planning. Television programming in particular generally requires three years from concept to broadcast. Budget uncertainty from year to year therefore limits our ability to plan resources and programming and to derive the most value from available funds. To alleviate this uncertainty and to allow us to achieve our strategic goals, CBC/Radio-Canada needs a commitment to long-term base funding.

In a competitive marketplace that demands speedy response and certainty, CBC/Radio-Canada also requires increased financial flexibility to allow us to commit quickly to business opportunities. With quaranteed adequate funding and financial flexibility, CBC/Radio-Canada could be more responsive to the changing needs of Canadians.

During my mandate, I will continue my efforts to attain better and more stable funding for CBC/Radio-Canada.

On a Personal Note

Once again this year, I wish to extend my sincere thanks to the Board of Directors of CBC/Radio-Canada for their invaluable support and strategic guidance, and especially to Carole Taylor, Chair of the Board, who has brought her expertise and extraordinary enthusiasm to the job.

On behalf of CBC/Radio-Canada staff, I also want to say farewell to some dear on-air friends whom we lost this year – Chester Duncan, Rube Hornstein, Bob Kerr, Renaude Lapointe, Otto Lowy, Bill McNeil, Harry Mannis, Huquette Paré, and Art Rockwood. Their contributions will be remembered by audiences and colleagues alike.



Many Thanks to Our Talented Employees

Our creative and technical teams daily demonstrate their dedication to the ideals of public broadcasting through the excellence of their work on-air and behind the scenes. The hundreds of national and international awards received by our employees each year attest to their skills.

Without such a talented staff, our goal of transforming CBC/Radio-Canada into a dynamic national public broadcaster for the benefit of all Canadians would not be achievable. Many thanks to our wonderful employees!

In Closing

I believe that the contribution of CBC/Radio-Canada to the development of Canadian culture and society is immeasurably and increasingly important. We have demonstrated our willingness to initiate fundamental change to our programming, operations and management in order to improve our service to Canadians. Over the last three years, we have offered our programming on more platforms, sought advantageous partnerships and alliances, and explored new ways of doing business in an evolving and highly competitive broadcasting environment.

We continue to carry out our duties ever mindful of the central role this public broadcaster plays in sustaining and developing Canadian society. I can assure Canadians that we intend to remain a strong national public broadcaster that speaks *about* and *to* all Canadians.

Robert Rabinovitch President and CEO



Isabelle Richer, Simon Durivage, Yves Boisvert, Justice, French Television

Strategic Priorities

As Canada's national public broadcaster, CBC/Radio-Canada aims to provide high-quality, distinctive Canadian programming through the most efficient technology available and in a fiscally responsible manner.

Three years ago, we launched a new strategic course to strengthen our capacity to serve and connect Canadians through our programming. At the heart of this renewal work are a number of key priorities that reflect our role and responsibilities and guide the way we do business:

High-quality, Distinctive Canadian Programming

1) Ensure distinctive programming of the highest quality.

We are supporting change initiatives in all media lines to enhance our distinctiveness in the new competitive broadcasting environment. We are also reinforcing regional presence and reflection across all media lines; showcasing new talent, 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 high-impact Canadian programming.

English Television is consolidating and extending its transformation, begun two years ago, to become a more clearly defined public service broadcaster. The network will continue to put major emphasis on Current Affairs, documentaries, high-impact drama, children's programming, and regional reflection and production.

French Television this year announced a bold plan for its own transformation in the coming years, in order to better serve Francophone audiences in Canada. In Autumn 2003, our audiences will begin to see the results of this transformation: open, appealing, credible, innovative, and exciting new programs.

English Radio made considerable strides in program development this year, launching new shows and revising others, in order to be more responsive to breaking News stories and reach new audiences and a wider demographic. The combined Radio One and Radio Two audience share for Spring 2002 was a record 13 per cent.

French Radio continued its successful efforts to strengthen its programming in an increasingly competitive environment, receiving its best audience shares since 1984. French Radio also intensified synergies between its network, Radio Canada International and New Media for the purpose of producing more and better programming in an efficient and fiscally responsible manner. New transmitters allowed the Chaîne culturelle to





open three new stations this year, in Vancouver, Matane and Fredericton, and to reach many more Canadians.

Our New Media services continued to enhance the programming of our networks and to present original programming, as well. CBC/Radio-Canada continues to be a leading Canadian provider of News and information online, with an average of over two million visitors (at home users only, aged 2+) per month to *CBC.ca* and *radio-canada.ca*. New Media's numerous partnerships provide brand extension, promotion of our websites and revenue sharing. Its Affiliates Program, which provides free CBC/Radio-Canada headlines, has 895 active affiliates — up 450 per cent in one year.

2) Recognise the importance of regional reflection and of the changing face of Canada.

This year we added a strategic priority to emphasise regional production and reflection and create programming that appeals to Canada's culturally diverse population. Our goal is to help all Canadians connect with each other.

The changing face of Canada was more clearly seen in the subject matter of our programming and in our choice of on-air hosts, actors and journalists. Our programming is developed and produced to allow audiences to see the positive contribution of diverse characters and groups to Canadian society. Regular and special News and Current Affairs programming continued to examine issues such as racism and discrimination, while certain Arts and Entertainment programming explored multicultural situations, featured culturally diverse characters, and broadcast a wider selection of music. On-air and behind-the-scenes, we are attracting more women, Aboriginal people, visible minorities, and persons with disabilities.

Our media lines pursued regional presence and production, and increased the amount of regional programming seen on our national networks. Over half of our Canadian programming, across all of our media lines, has a regional connection. Here are some examples of regional reflection this year: in Autumn 2002, our Atlantic Provinces media lines together produced *Learning Curves* examining why students in Atlantic Canada receive low academic test scores. French Television's Le Garage featured the music of Franco-Ontarians. English Radio's Sounds Like Canada broadcast First Voices, three half-hour programs about Aboriginal culture, history and life in Saskatchewan. The CBC Winnipeg Comedy Festival was a collaboration between our English and French media services for regional and national broadcast. And, English Radio broadcast, regionally and nationally, True North Concert from Fort Smith, as well as the Dawson Music Festival.

3) Ensure the sustainability of CBC/Radio-Canada's 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.

The Government of Canada showed its confidence in our renewal work by providing an additional \$60 million of one-time funding in 2001-2002 and in 2002-2003. With increased production costs and competition, and with a television production cycle that requires adequate and predictable multi-year funding, the continuing success of our strategy can only be maintained if the \$60 million is added permanently to our base budget.





The Canadian Television Fund (CTF) and the independent producers it funds continue to play a critical role in sustaining CBC/Radio-Canada's English and French schedules. In 2002-2003, programs destined for broadcast on CBC/Radio-Canada's airwaves received a total of \$103 million in CTF funding, which translates into more than 500 hours of Canadian programming. While essential to the creation and broadcasting of Canadian programming, that funding is far from guaranteed. CBC/Radio-Canada will continue to advocate for the future a funding model that is more effective, predictable and stable.

Efficiency

4) Demonstrate that CBC/Radio-Canada is a well-managed company and generate cash flow to re-invest in programming.

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

In Ottawa, Edmonton and Québec City, we are bringing all media lines under one roof and achieving savings by optimising our space, dramatically reducing space needs, sharing technological investments, and fundamentally changing the way we produce News programming. These projects are proceeding on schedule and on budget.

We are also examining certain internal processes and activities, such as Information Technology, Human Resources and Financial Administration, to ensure that levels of efficiency are consistent with best business practices. The outcome of this research may result in internal re-engineering, a shared services approach, and/or outsourcing certain activities.

Our new Vision Project, a major undertaking of CBC Technology, English Television and French Television, will bring dramatic improvements to the way we do business and to the quality of information on which key decisions are based. Using new systems and creating new business processes, the Vision Project will provide a single, integrated way to manage contracts and content, program inventory and schedules, broadcast and media management, revenue management, marketing and sales, promotions, and air time analysis. In so doing, the Vision Project will allow us to leverage our assets and pursue efficiencies, and increase our capacity to work as an integrated conglomerate.

In September 2002, we created a Merchandising Division to improve our merchandising and licensing activities in order to extend the CBC/Radio-Canada brand and generate revenues for re-investment in programming. The success of other public broadcasters around the world in this enterprise makes it clear that there is significant opportunity for growth in this area given CBC/Radio-Canada's vast programming resources.

Looking at broadcasting technology this year, we identified several new ways to pursue efficiencies in infrastructure, systems and operations. For instance, we are centralising master control operations in Toronto and Montréal, saving more than \$5 million annually. We are also beginning to feed all of our transmissions via satellite with the expectation of a \$6 million annual reduction in distribution costs. In Windsor, we are using Parker Vision technology to integrate studio production activities under the control of a single operator. The result is a seamless, more efficiently produced on-air product.





Our Centre de l'information, opened just last year in Montréal, is an exciting example of how we are taking advantage of new technology and new work methods to bring greater value to Canadians. By combining and digitising resources for the gathering and production of News for both French Television and RDI, this new facility enables us to leverage maximum value from shared resources.



Creative and Human Resources

5) Strengthen CBC/Radio-Canada's commitment to all its employees – to those who create and those who support them.

In today's competitive environment, we are seeking ways of addressing our business objectives while fulfilling the needs and aspirations of our employees.

We have instituted a number of initiatives to strengthen our commitment to our creative and human resources, including more and better employee communications; employee development; and improved relations with unions.

Employee Communications

Our Employee Communication strategy provides for two-way communication between management and employees. Our revamped Intranet services make information easily accessible and we are providing more information to employees about key events through vehicles such as townhalls, briefing kits, and announcements. In addition, senior management is committed to meeting on a regular basis with small groups of employees in order to provide a forum for the exchange of information and ideas. The Board of Directors now issues a note to staff about decisions taken at its meetings.

Luis Oliva, Tag, French Television.

Employee Development

We are dedicated to the development of employee skills, investing in training, secondments, and employment equity. Training is better linked to performance management and the development and career objectives of employees.

Union-Management Leaders Forum

In Autumn 2002, we held a Union-Management Leaders Forum which was an important first step in terms of sharing information, and initiating and sustaining dialogue between senior management, unions and employees. A prominent element over the two days was everyone's passion for, and commitment to public broadcasting of the highest quality.



Strategic Partnerships

6) Position CBC/Radio-Canada to enhance its ability to fulfil its mandate through selective alliances and partnerships.

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

CBC/Radio-Canada continues to be actively involved in several recent partnerships, such as the specialty channels *ARTV* and *The Documentary Channel*. In 2002, CBC/Radio-Canada acquired 100 per cent of the shares of, and as a result complete control of, the specialty digital channel *Country Canada*, which is aimed at serving Canadians in rural markets. We also continue to supply the US with the *Newsworld International* channel, delivering our News programming and extending the CBC/Radio-Canada brand to over 17 million US households. We contract to provide this service through NWI Networks, which is owned by Vivendi-Universal Entertainment.







The Seán Cullen Show, English Television.

In addition to a number of partnerships, in October 2002, we reached an agreement with Alliance Atlantis Communications to jointly commission and develop Canadian television projects, ranging from dramatic series to children's shows, for broadcast on both Alliance Atlantis and our English Television channels. This agreement strengthens our ability to cultivate these kinds of exceptional Canadian programs.

CBC/Radio-Canada also continued efforts to re-define its relationship with its television affiliates, particularly in the English market, with a view toward increasing Canadians' access to its full schedule. In October 2002, English Television acquired transmission assets in Northern Ontario and Saskatchewan. Acquiring these assets puts CBC/Radio-Canada in a position to reach more Canadians with the full English Television schedule. Discussions are underway with all affiliates in an effort to better serve all Canadians.

Collaboration

7) Reinforce the capacity of CBC/Radio-Canada to work as one integrated company.

Our English and French Radio, Television and New Media services are increasingly working together, sharing resources, skills and ideas, to produce more in-depth, meaningful programming for Canadians. Our News coverage at home and abroad has greatly benefited from this approach, with many of our foreign correspondents reporting in English and French for more than one medium, and allowing the employment of more journalistic resources to cover more stories. This was particularly evident this year in our coverage of the crisis in Iraq, as well as our examination of health care issues and the Romanow Report, in November 2002.

Cross-media sports broadcasting at national and international events also permits us to extend our coverage to more venues. And we have produced exciting high-impact dramas (such as this year's second series of The Last Chapter/Le Dernier chapitre) that have employed the best Canadian actors and technicians, telling Canadian stories and attracting large audiences.

An example of CBC/Radio-Canada employees and services working together as one integrated company will be seen in our Ottawa Broadcast Centre, now under construction. All of our services will move into the new building in Autumn 2004 in order to create improved programming and use space and equipment more efficiently. Digital technology will allow better content management of our News and information programming, and community visibility and interaction will be significantly enhanced by moving into the heart of downtown Ottawa.



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Strong Stakeholder Relations

8) Enhance/strengthen CBC/Radio-Canada's stakeholder relationships.

One of our key priorities is to promote a sustained dialogue with our key stakeholders and to strengthen our stakeholder relationships. We are making concerted efforts to build and maintain strong relations with Canadians, Government, the business and broadcast communities, and cultural agencies.

Once again this year, the Chair of our Board of Directors pursued a comprehensive and successful outreach program in many different regions of the country, meeting with as many people as possible. The President and CEO was invited to address numerous business and media groups this year. Senior representatives of the Corporation contributed to national and international panels. They also participated in many important events such as the outreach activities associated with our 50th anniversary of English and French Television in Canada, and The Museum of Television & Radio's tribute to our history of programming, *O Canada! A Salute to the Canadian Broadcasting Corporation*, held in New York and Los Angeles this year.

Government Relations

We have re-oriented our Government Relations activities to focus more concretely on enhancing the company's accountability and transparency to the public through their representatives — parliamentarians, and their shareholder — the Federal Government. Of particular focus is maintaining a strong relationship with the Standing Committee of Canadian Heritage and its individual members, and with other Committees of the House of Commons and Senate.

Government Relations also emphasises the Corporation's relationships with Members of Parliament in their roles as representatives of the concerns of their constituents related to CBC/Radio-Canada's programming and operations, providing a venue for quick response to their inquiries and an avenue for the relay of their suggestions to media lines.

This year, Government Relations launched its first consultation with MPs and Senators to gauge their views on the Corporation and its issues. The survey was received positively with no negative feedback. It also initiated contact with Members who had no prior awareness of Corporate positions.

Audience Relations

In October 2002, and in line with its commitment to more fully connect Canadians to their public broadcaster, the Corporation introduced a national toll-free telephone service [1-866-306-INFO (4636)], including a special toll-free number for the hearing impaired, providing quick access to our audience services for our English and French Radio and Television networks, specialty channels, and our digital and New Media services.

More Information

We present additional detailed information about how our programming is built around these strategic priorities in the following pages of our 2002-2003 Annual Report.



Chantal Jolis, Bachibouzouk,



Simon Reynolds and Paul Essiembre, Dominion of the Air/La Conquête des ondes, English and French Television.



The 50th Anniversary of Television in Canada

On September 6, 2002, CBC/Radio-Canada celebrated a half-century of television. To mark this achievement, we offered a month of special programming, outreach events, and the CBC/Radio-Canada 50th Anniversary VIA Rail Train which visited communities across the country.

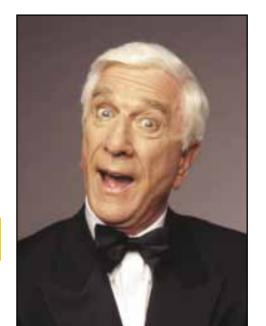
It was a worthy celebration of 50 great years. Television has changed our country immeasurably by enabling the communication of ideas, a Canadian perspective on News and Current Affairs, and a platform for Canadian artists across the country. Testimonials from our audiences have confirmed once again that Canadians highly value their national public broadcaster.

Over 70,000 people visited the CBC/Radio-Canada 50th Anniversary VIA Rail Train and joined in community activities. This specially designed Train, which stopped at 21 communities from Vancouver to Halifax, included a CBC/Radio-Canada museum, production facilities and a broadcast studio. There were interactive displays and New Media kiosks at every stop, and special quests and on-air hosts were on-hand to meet visitors and participate in live tapings of local and national programs. Our production facilities across the country held Open Houses, allowing visitors to meet on-air personalities, enjoy local entertainment and watch live Television and Radio broadcasts. Our websites, CBC.ca and radio-canada.ca, complemented all 50th anniversary activities.

Also for this important anniversary, our English and French Television networks looked back on their years of work and together produced three programs:

 Dominion of the Air/La Conquête des ondes (Mark Starowicz's documentary on Canada's national broadcasting system, detailing the fight led by Graham Spry and Alan Plaunt to establish public broadcasting in Canada in the 1930s; simulcast on our French and English networks, September 15, 2002);









René Lévesque, former CBC/Radio-Canada journalist.



Roger Baulu, Jean Drapeau and Jacques Normand, Les Couche-tard, French Television.



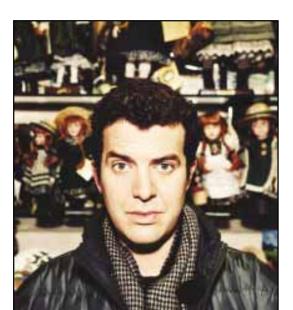
Pépinot et Capucine, French Television. Puppets created by Jean-Paul Ladouceur.

- A Day in the Life of Canada/24 heures dans la vie des Canadiens (a portrait of Canadians from all regions during a typical day; filmed in 60 locations across the country and aired on French Television, September 22, and on English Television, September 29, 2002; average minute audience of 500,000 for English Television); and,
- Concert 2002: 50 Years of CBC Television/ Concert 2002: 50 ans de musique et d'images (a gala concert hosted by Carole Taylor, Chair of the Board of Directors, featuring the Orchestre symphonique de Montréal; simultaneously broadcast live from Montréal, October 6, 2002, on all four of our Radio and Television networks).

English Television prepared 26 hours of anniversary series, documentaries and specials; among them were:

- The Joke's On Us: 50 Years of CBC Satire (over 800,000 viewers per minute);
- Tuning In: Fifty Years on the CBC (a five-part series hosted by Rick Mercer showing how English Television has shaped Canadian life in each of the five decades since 1952; an average of 500,000 viewers each night);
- Landed (a four-part series capturing the experience of becoming Canadian for six new arrivals; filmed across Canada);

- Inside Information (a three-part series about English Television's journalistic activities over 50 years, including Stories from the War Zone, Stories from the Street and Stories from the Hill);
- Cross Country Checkup (live from St. John's, a discussion of the future of public broadcasting; simulcast on English Radio, CBC Newsworld and CBC.ca, October 6, 2002); and,
- Big Picture Town Hall (hosted by Peter Mansbridge, a two-hour special featuring CBC News anchors, correspondents and executives, past and present, answering questions from University of Regina School of Journalism students, September 17, 2002).



Rick Mercer, Tuning In: Fifty Years on the CBC.









CBC/Radio-Canada logo, 1940.

CBC/Radio-Canada logo

CBC/Radio-Canada logo

French Television broadcast a variety of special programs as well, including;

- La Grande Aventure de la télévision (the big moments in Canadian television);
- L'Été de nos 50 ans (drama, variety, youth, sports, and information programs delineating the history of our French Television, as chosen by viewers in a contest; broadcast on Les Beaux Dimanches during the Summer of 2002);
- 50 ans d'information (a chronological anthology of important events during the last 50 years);
- Zone libre: Les 50 ans de la chanson (the 50 most popular French songs from the last 50 years);
- *L'Enfant de la télé* (a fictional drama by Guy Fournier about Thomas, a child born in 1952, the same year television began); and,
- La Fabrique de rêve (50 people relate what television means to them and what they see as its future).

Commemorative books were written and published for the occasion, as well:

- Here's Looking At Us: Fifty Years of CBC-TV (Stephen Cole, McClelland & Stewart, 2002); and,
- Ici Radio-Canada: 50 ans de télévision française (Jean-François Beauchemin in collaboration with Gil Cimon, Les Éditions de l'Homme, 2002).



Don Messer's Jubilee, English Television, 1959-1969



This Hour Has Seven Days, English Television, 1964-1966.











CBC/Radio-Canada logo,

CBC/Radio-Canada logo

CBC/Radio-Canada logo, 1992 – Present.

Finally, two celebratory events this year denote the international recognition accorded to our Television programming:

· Her Majesty Queen Elizabeth II and His Royal Highness The Duke of Edinburgh visited the Canadian Broadcasting Centre in Toronto on October 10, 2002, where they were hosted by Carole Taylor, Chair of the Board of Directors, and met English and French Television personalities from our past and present. This joyous event was broadcast live on English Television, CBC Newsworld and RDI, and directly preceded The Queen's Royal Gala, a two-hour concert at Roy Thomson Hall, broadcast live on English Television, French Television, and Radio Two. CBC/Radio-Canada has covered every visit by the Queen to Canada during her fifty-year reign, starting with Her Majesty's 1957 visit in which she opened Parliament and gave her first live television address.

 The Museum of Television & Radio, in New York and Los Angeles, presented O Canada! A Salute to the Canadian Broadcasting Corporation, a fourteen-week series featuring 40 outstanding Television and Radio programs and representing the accomplishments and particular aesthetics of some of Canada's most well-known actors, directors and journalists.



Denise Filiatrault, Dominique Michel, Roger Joubert, and Réal Béland, Moi et l'autre, French Television.



Veronica Tennant and Earl Kraul, Romeo and Juliet, 1965.



The Queen's Golden Jubilee visit to the CBC Broadcast Centre in Toronto.



The Friendly Giant, 1958-1984, English Television.



Percy Saltzman, *Tabloid*, 1954, English Television.





Ian Hanomansing, Norma Lee MacLeod and Kim D'Eon live from 50th anniversary celebrations

Serving **Canadians**

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 104 CBC/Radio-Canada-owned stations, 1,190 CBC/Radio-Canada rebroadcasters, 19 private affiliates and 272 affiliated or community rebroadcasters.

CBC/Radio-Canada: Annual Cost to Canadians

In 2002-2003, the operating cost of CBC/Radio-Canada per Canadian per year was \$29 (less than eight cents a day). This figure is based on the Main Estimates, including the additional \$60 million which is not part of the base budget.



CBC/Radio-Canada reaches out to Canadians through a multitude of platforms:

CBC Radio One, CBC Radio Two, the Première Chaîne and the Chaîne culturelle: four commercial-free national networks with 81 regional stations, broadcasting coast-to-coastto-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 23 regional stations and 17 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/Radio-Canada's annual Foreign Correspondents: A big hit with Canadians

CBC.ca and **radio-canada.ca**: two of the leading Internet services in Canada carrying CBC/Radio-Canada's Radio and Television content, unique New Media programming and corporate information;

Wireless: New Media has led the way in the development of Wireless WAP & SMS messaging services delivering interactive content to PDAs and cell phones;

Radio 3: English interactive programming for youth on the Internet (120seconds.com, newmusiccanada.com, justconcerts.com, rootsmusiccanada.com, and CBCRadio3.com);

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

Galaxie: a digital pay audio service offering 45 continuous music channels, 24 hours a day without talk or commercials, reaching 3.25 million subscribers;

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

ARTV, **The Documentary Channel** and **Country Canada** (the latter now fully owned by CBC/Radio-Canada), our three specialty Television services launched in partnership with the private sector and extending our reach to Canadians.

CBC Records/Les disques SRC is a leading label in Canada for Canadian classical music. In 2002-2003, this label released 25 new Canadian CDs.



Jacques Rivard and Alain Poirier reporting from Tuktoyaktuk on the Arctic Ocean.



Mira Demontigny, Claude Bellemare and Jean-François Côté brave a chilly winter's night to deliver a December 23rd special broadcast

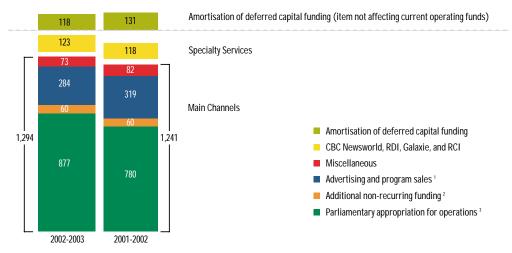


Le Téléjournal/Le Point team at the Centre de l'information (Montréal).



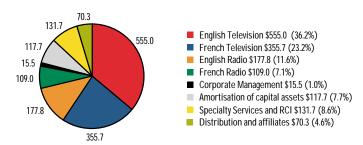
Financial Highlights

Revenues and Operating Sources of Funds - CBC/Radio-Canada (millions of \$)



- 2001-2002 included commercial revenues generated by the Salt Lake City Winter Olympics.
- As in 2001-2002, the federal Government granted CBC/Radio-Canada additional non-recurring funding of \$60 million, in 2002-2003, which was used for developing new programming initiatives.
- 3. 2001-2002 is net of a \$60M re-profiling for future years. 2002-2003 includes \$20M of the re-profiled funds.

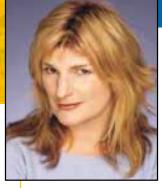
2002-2003 Operating Expenditures – 1,532.7 millions of \$ (millions of \$)

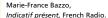


^{*}Excluding recovery of income and large corporations taxes











Normand Latour, Des mots et des maux, French Television



Alison Duke and Neville Ottey on locatio for Witness, English Television.

Awards

Year after year, CBC/Radio-Canada programs, personalities and websites are honoured at home and abroad with hundreds of awards; 2002-2003 was no exception.

French Television

French Television received 52 awards and certificates for its in-house productions.

Craftspeople, producers, journalists, hosts, writers, and performers from or associated with French Television took home a total of 48 *Prix Gémeaux*. A few of these programs won in multiple categories:

- Enjeux, Meilleur magazine à caractère social, Meilleure recherche : magazine à caractère social ou de service, Meilleure animation : magazine à caractère social, and Prix du multiculturalisme;
- Christiane Charette en direct, Meilleur magazine culturel and Meilleure animation, magazine culturel;
- Zone libre, Meilleure série d'information and Meilleure réalisation : émission ou série d'information;
- Le Téléjournal/Le Point, Meilleur journal télévisé;
- Découverte. Meilleure émission d'information:

• Salt Lake 2002, Meilleure animation: émission ou série sportive, Meilleure émission ou série sportive and Meilleure infographie pour une émission ou une série: toutes catégories, for coverage of the Salt Lake City Winter Olympics. The program also won a GoldWorld Medal at the prestigious New York Festivals, in the Sports Program Opener & Titles category.

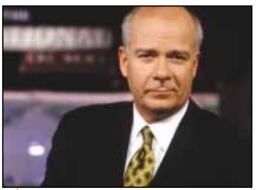
French Television also captured other major awards, including:

- Culture-choc/Culture Shock received a 2002 Gold Ribbon Award from the Canadian Association of Broadcasters;
- The Northeastern Forest Fire Protection Commission honoured La Semaine verte with an Outstanding Service Award,
- Enjeux won a *Judith-Jasmin Award* in the *Presse électronique* category;
- Découverte received the Prize Presented by the Rector of Czech Technical University in Prague for a Foreign Film Presenting New Technologies, and a Canadian Nurses Association Award of Excellence.









Peter Mansbridge, The National, English Television



Stéphan Bureau, Le Téléjournal/Le Point, French Television

A number of reporters and anchors also earned special recognition for their outstanding achievement:

- Le Point reporter Valérie Lesage won a Molson Grand Prize for Recreation Journalism (Television category), for her report Une fête de la pêche très spéciale,
- Reporter Bernard Drainville, also from Le Point, received the Amnesty International Media Award (video and audio category), for his Colombie vie et mort reports;
- · Michaelle Jean, reporter and host of Le Téléjournal/Le Point (weekend edition), received the Ordre de la Pléiade from the Assemblée parlementaire de la Francophonie.

English Television

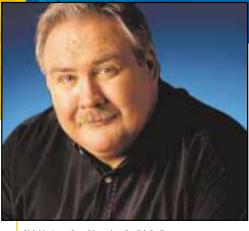
In 2002-2003, English Television productions were screened at more international events and recognised more often than ever in the past, winning 288 awards and certificates from 32 festivals and competitions. Clearly the dominant producer and broadcaster of Canadian English-language television, CBC Television bettered last year's performance at the Geminis, bringing home 159 nominations translating into 45 Geminis.

Among English Television's accolades this year were:

- for Opening Night, awards at Banff, the Dance Screen in Monaco, the Golden Prague (Czech Republic), and the International Emmys in New York;
- for The Nature of Things, the Gold UNESCO Award at the New York Festivals; the program was also named Best Educational Program of the Year by the International Health and Medical Media Award, New York:
- Geminis for Witness (named best documentary series for the third time), Da Vinci's Inquest, and The National's Peter Mansbridge (his ninth Gemini Award);



Yanick Villedieu, Les Années-lumière, French Radio.



Rick MacInnes-Rae, Dispatches, English Radio

- for A CBC News Inquiry into Health Care: Problems and Cures, a 2003 CNA Award of Excellence for Health Care Reporting,
- for Da Vinci's Inquest, a Leo Awards (British Columbia);
- for two stories produced by CBC News: Canada Now in Winnipeg, Gracie Allen Awards from the American Women in Radio and TV; and,
- for CBC Newsworld's Seeing Is Believing, \$25,000 US at the Hamptons International Film Festival (the largest cash prize in the world for documentaries).

🌉 French Radio

Further to the creation of a Working Group on Language Quality on Radio and the *radio-canada.ca* website, French Radio received the *Mérites du français pour la promotion d'une langue de qualité dans les médias et les communications award* from Québec's Office de la langue française.

French Radio also won a number of other awards:

- Les Affaires et la Vie, Merrill Lynch Award,
- Les Années-lumière, Prix de la communication scientifique from l'Association des communicateurs scientifiques du Québec;
- Sans frontières, Grand prix Molson du journalisme en loisir.
- Indicatif présent host Marie-France Bazzo, the Femmes de mérite award given by the Women's Y Foundation of Montréal:
- Two promos (the Chaîne culturelle and C'est bien meilleur le matin), the silver award at the Promax-BDA in Los Angeles;

• Mémoires vives series, Award of Excellence for Best Technical Production for a Radio Program at the Shanghai Music Festival.

Radio Canada International

 Radio Canada International reporter Wojtek Gwiazda received a special mention for his report aired on Canada in the World, as part of an Asia-Pacific Broadcasting Union competition.

🔣 English Radio

English Radio received numerous significant national and international awards, among which were:

- four GoldWorld Medals at The New York Festivals for Dispatches;
- five Gabriel Awards in the Entertainment/Arts, Short Feature, Religious, News/Information and News Story categories;
- Belgrade 2001: Back from the Brink received a Finalist Award at the prestigious Prix Italia;
- an Opera America Spotlight on Opera Award for CBC Radio Music;
- two *Grammy Awards* for two recordings in the *Best Jazz Instrumental Solo* and *Best Jazz Instrumental Album* categories; and,
- two Science in Society Journalism Awards.



Bob McDonald, Quirks & Quarks, English Radio.







Opening Night — Dracula: Pages from a Virgin's Diary. English Television.

New Media

CBC/Radio-Canada websites also earned their fair share of honours during the year. The **radio-canada.ca** site, *Zone Jeunesse*, which attracts over 621,000 visitor sessions and 11.5 million page views per month, won the Boomerangs Award for best youth website for the fourth consecutive year! The site's *World Cup Soccer* section also received a Boomerangs Award for best website – news event category.

Belgrade 2001: Back from the Brink, a site on CBC.ca, won a GoldWorld Medal for Editorial at the New York Festivals New Media Competition as well as an EMMA (Electronic MultiMedia Award) in the Cultural Expression Category.

CBC.ca also received a Grand Award for Best Web Site and a *GoldWorld Medal* for *Best Innovative Feature* at the New York Festivals New Media Competition for tuningtheworld.com. This site was also selected as a winner in the *Communication Arts Interactive Design Annual 8.* As well, newmusiccanada.com and 120seconds.com both received *Creative Excellence Awards* at the *International Web Page Awards* in California.

CBC Records/ Les disques SRC

CBC Records/Les disques SRC has built a solid reputation that now extends well beyond our borders. Once again this year, the music world recognised the excellence of Canada's largest publisher of classical music recordings:

- the Juno Award for Classical Album of the Year (Soloist with Large Ensemble Accompaniment) and the Canadian Music Award for Best Classical Album went to Max Bruch: Concertos 1 & 3 for violin and orchestra, by Canadian violinist James Ehnes, with the Orchestre symphonique de Montréal conducted by Charles Dutoit;
- the Prairie Music Award for Outstanding Classical Recording was won by the album Klezmer Suite: Music of Sid Robinovitch, by Finjan, Saxology Canada and Daniel Koulack (banjo), with the Winnipeg Symphony Orchestra led by Bramwell Tovey;
- the album This Is the Colour of My Dreams, by cellist Shauna Rolston, with the CBC Radio Orchestra conducted by Mario Bernardi, received a Pacific Music Award (Best Classical Release, Instrumental Performance).



Easter Seals Telethon 2003: Matt Rainnie and Sara Fraser join Joel Watts, the 2003 Easter Seals Ambassador.

Community Outreach

CBC/Radio-Canada has been an important member of Canadian communities for over 65 years, covering local and regional stories, sponsoring and partnering with cultural groups, and participating in charity events.

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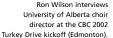
Christmas and the Holiday Season

Each year, CBC/Radio-Canada helps to raise thousands of dollars for food banks, shelters for the homeless, and other local charities during the holiday season. Here is a sampling of the many initiatives in 2002-2003:

- Since 1990, English Radio staff has presented dramatic readings of Charles Dickens' A Christmas Carol. This year, there were 102 readings in communities across the country which raised a total of \$250,000, bringing this event's grand total since 1990 to approximately \$1.5 million.
- English Radio in New Brunswick raised over \$150,000 for local charities.
- French Radio in the Maritimes helped bring in nearly \$900,000 for the Centre d'oncologie régional Dr. Georges-L. Dumont.

- English Radio in Montréal held its 23rd Sing In; over 23 years, this event has brought in nearly \$81,000 for charities.
- French Radio in Montréal, Québec, Chicoutimi, and Ottawa annually participate in La grande guignolée des médias.
- English Radio in Ottawa organised an all-day charity event, bringing in \$70,000 in goods and cash
- English Radio in Toronto held a Christmas Toy Drive with the Toronto Firefighters, and a food drive.
- For food banks, English Radio raised: in Saskatchewan, over \$40,000; in Calgary, in partnership with Petro-Canada, over \$350,000; in British Columbia, \$183,000; and, in Edmonton, staff helped collect 4,000 turkeys (worth over \$80,000).
- CBC Nunavut collected \$1,000 and 20 boxes of food, allowing the Iqaluit food bank to re-open.
 CBC Yukon collected and distributed food and presents for 25 needy families in their area; and in the Northwest Territories, employees collected for the Yellowknife Food Bank.







Dave Murphy captures Easter Sunrise ceremonies (St. John's).



Don Bell reads for CBC's 2002 presentation of A Christmas Carol at Horizon Stage (Spruce Grove).

Other Charity Events

- · CBC Radio Newfoundland gathered athletic equipment for needy children; organised A Time for Badger, a free community concert in Badger for victims of the Badger flood; and in collaboration with English Television produced a live broadcast of Pay It Forward II, a benefit concert for the victims of Badger which raised \$400,000.
- English Radio in Halifax participated in a benefit for mature students who are single parents at Saint Mary's University.
- · English Radio in Winnipeg collected clothing for a homeless shelter in Winnipeg; participated in a fundraiser for drought-affected farmers in Alberta; and was involved with the Teddy Bear's Picnic for the Children's Hospital Research Foundation.

- · English Radio in Edmonton helped collect 5,000 pieces of used sports equipment for needy children.
- · CBC Radio in the Yukon and Yellowknife assisted in launching United Way campaigns.
- · CBC Newsworld donated more than 100 Newsworld items, such as clothing and bags, in support of non-profit organisations and charities.

Outreach

Foreign Correspondents: Bringing Home the World/Correspondants à l'étranger : ils mettent le monde à votre portée was a significant outreach event at the National Gallery on May 26, 2002. Nearly 3,000 visitors interacted with and learned about our foreign correspondents and the many challenges that they face in their jobs every day. Not only do our journalists track down the story in often confusing or dangerous circumstances, they must also concern themselves with survival details like finding safe shelter, food and water - especially in areas of conflict. Their jobs are risky, but they continue to dedicate themselves to delivering News from abroad and a perspective on how Canadians may be affected. During this event, four townhallstyle programs were taped live (for broadcast that day and later), blending Radio and Television correspondents, hosts and production teams in a way unique to CBC/Radio-Canada.

Monique Lacoste at the 2003 Festival du Voyageur (Manitoba).





Our media are involved in numerous other outreach activities in their communities, mounting displays, and broadcasting live from unusual locations such as fairs and festivals. A few examples from 2002-2003 are:

- A live remote CBC Radio broadcast in all Aboriginal languages from the Dene National Assembly, Northwest Territories, in July 2002; a live noon program from Whitehorse, celebrating the 30th anniversary of Land Claims in the Yukon; live coverage of the Inuit Circumpolar Conference from Kuujjuaq, Nunavut, including the production of dramatic renderings of Inuit legends, capturing these for the first time.
- In Vancouver, collaboration between CBC Radio and Chinese-language Radio for two simultaneous morning shows on location in Chinatown to celebrate Chinese New Year.
- The Learn at Lunch series examining issues affecting local communities, organised by English Radio in Winnipeg, Calgary and Edmonton.

Accountability

Each year, English Radio holds well-attended public accountability sessions to hear opinions on its programming and services. Among this year's sessions were those in St. John's, Truro and Halifax, featuring Alex Frame and Adrian Mills.

CBC Newsworld presented Your View, a weekly feature in which management, senior production staff and hosts responded to viewers' questions.



CBC North joins the community for Canada Day celebrations.



CBC North's Annual Food Bank drive reflects its strong place in the community.



Jennifer Doucette operates the all-important toteboard during the Easter Seals Telethon (Prince Edward Island).







The past year was plagued by continuing economic and geo-political uncertainty worldwide. Like many other industries, the Canadian broadcasting industry has felt the impact.

The Canadian media environment also continues to feel the impact of the significant transformation it went through in recent years. Key players have been profoundly reshaped following a series of mergers and acquisitions initiated at the beginning of the new century.

Those who opted for a convergence strategy have either backtracked or were forced to realise that the price paid for a chance of taking the lead in such a tumultuous market remains quite heavy. The debt ratio of major media companies has increased dramatically. Major write-downs, restructuring, divestiture of non-core assets, and streamlining of operations have continued throughout 2001 and 2002.

The overall result has been a higher concentration of ownership of media properties and businesses along the value chain. There are now fewer but bigger players. They exert more control over editorial content and have deeper pockets to bid for program rights. They have more control over the key distribution channels and have the ability to limit expansion possibilities of smaller competing players.

Most of the digital specialty services launched in 2001, many of which are owned by media conglomerates, continued to experience lower than anticipated audiences and still remain non-profitable. Eventually, some of them will be shut down for lack of sufficient demand.

The focus of media companies in 2003 will continue to be the consolidation of their operations. The ability of these companies to realise synergies and reduce cost is key to future growth potential. The anticipated economic recovery in a post-Iraq-conflict era bodes well for the advertising market in general and broadcasters should reap some of the benefits. With time, the bottom line should improve.

In the meantime, the rollout of new services and technologies such as Digital Television (DTV), Video-On-Demand (VOD), Subscription Video on Demand (SVOD), Personal Video Recorders (PVR), and Interactive television (Itv) continues to take place although at a slower pace than what many were expecting at the beginning of year 2000.

In June 2002 the CRTC released a market-driven framework for the transition to digital over-the-air television and broadcasters continue to assess the business case. Digital Audio Broadcasting (DAB) continued in anticipation of a review of the CRTC's digital radio policy in the coming year. Telesat launched Nimiq 2, expanding ExpressVu's channel capacity for its Direct-to-Home (DTH) satellite service. In 2002, Canada also passed the one-third



mark of the total number of households in the number of digital cable and satellite TV households, while it also tried to curb another side of digital technology. The grey and black market satellite industry was estimated to be 700,000 households in Canada and stealing revenue from all players in the broadcasting system.

Internet penetration and high-speed Internet continue to offer an interesting complementary platform for traditional media. They, however, also represent a growing threat to conventional broadcasters as more and more content is being digitised and becomes more easily downloadable. The protection of intellectual property rights will remain a major concern for content producers for quite some time.

The Standing Committee on Canadian Heritage continued its review of the **Broadcasting Act** and is expected to make recommendations in the Spring of 2003. Industry Canada conducted a review of ownership rules in the telecommunications industry, which could be extended into a review of foreign ownership in the television industry (e.g.: cable, satellite, broadcasters).

The Canadian production industry and the policy and regulatory apparatus that supports it saw some activity. A group of Canadian guilds declared a crisis in Canadian drama, while the CRTC commissioned a report on the state of Canadian drama, and the Federal Government initiated a review of the definition of Canadian content. The Government also made some difficult financial changes, choosing to reduce the Canadian Television Fund (CTF) by \$25 million annually.

Editor's Note

On June 5, 2003, the Government announced that it would advance \$12.5 million in funding for the Canadian Television Fund (CTF) for 2003-2004 from next year's allocation. This announcement should help to alleviate some of the pressures resulting from the cut to the CTF, although concerns about funding levels for future years remain.





Culture Shock/Culture-choc CBC Newsworld and RDI.

Building on Our Success

Our media have focused on fundamentally improving their services to Canadians in the last few years. A major goal has been to transform the Corporation into a true public broadcaster offering high-quality programming that cannot be found elsewhere and that brings exceptional value to its audiences. The Corporation has challenged itself to produce more distinctive Canadian programming that is regionally representative and that reflects the increasingly multicultural make-up of this country.

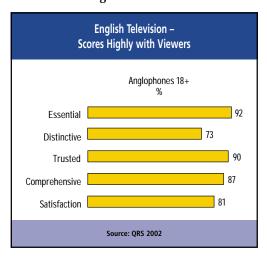
English Television

English Television began a comprehensive transformation of its programming three years ago. The goal is to increase the real and perceived value of English Television to Canadians, by putting the "public" back into public television.

This continuing transformation includes a variety of exciting initiatives such as:

- A complete renovation of the prime-time schedule, organising it around broad themes and introducing hosted segments.
- A revitalisation of **The National** and the creation of an integrated national/local supper hour newscast, CBC News: Canada Now.

- · New information programs created, such as CBC News: Sunday and CBC News: Disclosure; recently, CBC News: Morning was revitalised and a new noon-hour newscast, CBC News: Today, was added.
- · Building on the phenomenal success of Canada: A People's History/Le Canada: Une histoire populaire, English Television expanded its commitment to the production of original, thoughtful, in-depth documentaries.
- · In entertainment programming, a focus on highimpact programs telling Canadian stories and reaching large audiences: our Trudeau miniseries attracted almost two million viewers; Random Passage drew over a million.







Lisa Taylor, The Docket, CBC Newsworld.

- Our sports programs continue to set ratings records; we are devoting more air-time and resources than ever to high-performance amateur sports.
- An expanded commercial-free morning children's block, now number one in its age group; and a new late-night, interactive program called ZeD for young adults.
- The creation of Opening Night, a weekly, twohour, prime-time, commercial-free showcase for the performing arts.



CBC Newsworld is carried in more than nine million subscriber homes across the country. Between April 2002 and the end of February 2003, its share was one per cent, which remains higher than any other Canadian News network. The average monthly reach was 5.9 million among people two years of age and older.

CBC Newsworld broadcast about 1,500 live events this year, in addition to its regular programming. New programs included CBC News: Inside Media, The Docket, CBC News: World View, and CBC News: Morning, all of which are discussed further in this Annual Report. Other changes included a new host for counterSpin and the launching, in February 2003, of CBC News: Today, a series of weekday half-hour in-depth newscasts at 11:00 a.m., noon, 1:00, 2:00 and 3:00 in the afternoon. As well, the network created an additional Politics program with host Don Newman at 10:30 a.m. weekdays.



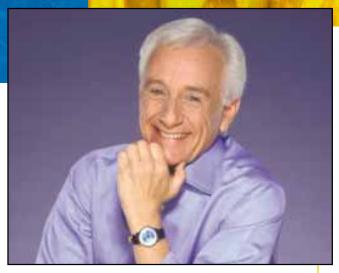
French Television

A New Plan for A New Direction

This year, French Television announced a bold new plan for its own transformation, under the title, **Radio-Canada:** We **explore** with you. With the experience of half-a-century of programming that has shaped our cultural history, French Television now intends to refocus its mission on public service programming in order to become, more than ever before, the network that best serves the country's Francophone population.







Gilles Gougeon, La Facture, French Television.

This transformation will begin in Autumn 2003 and consolidate in 2006. New programs, which will be developed and introduced gradually, will be appealing, credible, innovative, exciting, and open to the world. French Television intends to "do more exploring", take risks and produce high-impact programming that is distinct from other Frenchlanguage private sector programming in Canada. French Television will offer more international and national News and Current Affairs; innovative drama from new writers; promising artists from the arts and cultural sectors; more amateur sports; and high-quality films.

Most of French Television's new programs in 2002-2003 illustrate the future public service direction of the network. For instance:

- **L'Épicerie** and **Justice**, two weekly Current Affairs programs.
- Bunker, le cirque; L'Auberge du chien noir; and Rumeurs; fictional series.
- Adrénaline, a new weekly two-hour sports program.



French Television's plan also includes working more closely with other CBC/Radio-Canada media components; creating stronger regional presence; upgrading production facilities; and efficiently managing physical and financial resources.

Beginning next season, French Television's audiences will begin to see the results of this important transformation.

Regional Improvements this Year

French Television this year opened four new journalistic bureaux in Québec — in Îles-de-la-Madeleine, Drummondville, Carleton, and Abitibi — allowing it to increase its presence and News-gathering in these regions. French Television also inaugurated three regional Newsrooms in Trois-Rivières, Sherbrooke and Jonquière under a partnership with the private sector in which French Television has complete editorial control in its broadcasts and increases its service to these regions.



RDI

RDI continued to provide its audiences with excellent live coverage of breaking stories, as well as regular News and Current Affairs programming with a roster of experienced hosts and journalists.

Among RDI's new programs this year were:

- Le monde, a daily bulletin of international News;
- RDI en direct, a Sunday afternoon program providing a cultural overview of different regions.



Documentaries were an important aspect of RDI's programming, covering a variety of subjects including those related to the conflict in Iraq. Regional coverage remained a priority as well, helped along by the addition of satellite trucks in Toronto, Winnipeg and Saguenay-Lac-Saint-Jean.

Some of RDI's programming this year resulted from partnerships, such as:

- Prince de la guerre, seigneurs de la paix (a film by Canadian filmmaker, Katia Jarjoura, and a co-production with Program 33, France); and,
- Beyrouth, l'histoire d'une reconstruction (a co-production with Canadian filmmaker, Yves Bernard).

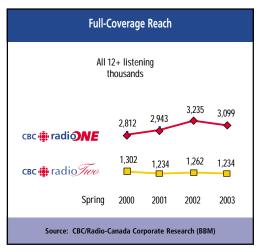
📕 English Radio

English Radio's Program Development initiative, begun in Fall 2001, yielded solid results in 2002-2003. On Radio One, there was strategic redevelopment of the weekday morning schedules at the network and regional levels:

- Sounds Like Canada, a new 10:00 a.m. to noon program hosted by Shelagh Rogers, was launched in October 2002 and will be redesigned and relaunched in September 2003 with Shelagh Rogers hosting from Vancouver. This move will allow increased regional representation.
- The Current, another new program (running from 8:30-10:00 a.m.), with host Anna Maria Tremonti, began in November 2002.

Moming Shows across the country were revised to better address local listeners' interests and changing population needs, and to provide more regional input into the two new network programs. Starting in January 2003, a new ten-minute local information segment was added, to positive feedback. Fall 2002 shares for local morning shows across the country were up one share point overall from last year to 13 per cent.

Toronto and Vancouver morning shows were re-designed to better reflect the diversity and wide range of listener interests in the two largest English-speaking cities. New on-air and production talent from Black, Asian and other communities were given significantly greater on-air prominence. The Fall 2002 share in Vancouver was up two points over last Fall to 12 per cent in the time period. Toronto's morning share was nine per cent which was up over historical levels but down from last Fall's 11 per cent.



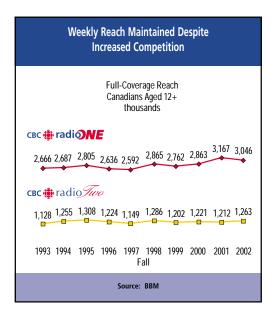


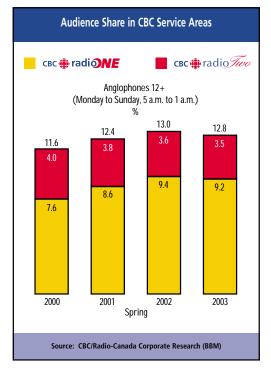
The goals of these program changes have been delivered: to better reflect local listeners' interests, lifestyles and changing population needs; to provide programs featuring improved journalism, and a wider range of content; and to provide more regional input into the two new network programs.

Radio One made other exciting program and host changes this year to reflect the principles of quality, innovation and relevance that are a part of English Radio's program development:

- · There were new Saturday programs: That Saturday Show, with Peter Brown, beginning in October 2002; and Grooveshinny, launched in February 2003 with host Brent Bambury (invited guests compete with professional musicians in their knowledge of music of all genres).
- Definitely Not the Opera (DNTO), Saturday afternoons, gained new host, Sook-Yin Lee.
- Richler on Radio, Friday nights with host Noah Richler, presented a selection of the week's best programming from Radio One and Radio Two.
- · World Watch, an expanded weekday National News broadcast, aired weeknights beginning in February 2003.

In order to be more responsive to events of the day, Radio One's schedule is now pre-empted on a more regular basis, and CBC Radio News has developed the capacity to be live-on-the-air within minutes of a breaking story.







Anna Maria Tremonti, *The Current,* English Radio.

Radio Two also made certain program changes and piloted new approaches such as providing local information, more diverse music, and shared events with Television. A new program was added this year: **The Singer and the Song**, with host Catherine Belyea.

New audio themes were introduced for Radio One and Radio Two in January 2003. These themes both announce the opening of programs and link English Radio programming aurally.

Audience metrics show that audience usage and satisfaction levels were increased or maintained in 2002-2003:

- The combined Radio One and Radio Two share for Spring 2002 was a record 13 per cent; and, in Fall 2002, 12.3 per cent.
- The unduplicated Radio One and Radio Two reach was a record 3.9 million in Spring 2002 and 3.8 million in Fall 2002.
- QRS Satisfaction levels in 2002 remained at 86 per cent+ for listeners to Radio One and Radio Two.

Radio Two coverage was extended significantly in 2002-2003:

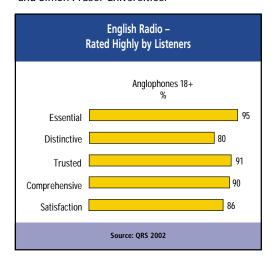
- New transmitters were opened in Mulgrave, Nova Scotia, and Corner Brook, Newfoundland to meet specific CRTC requirements.
- New transmitters were launched in Québec City and Sherbrooke.



- The CRTC gave licensing approval to three new Ontario transmitters in December 2002 (Orillia, Owen Sound and Huntsville), to be implemented in 2003.
- Applications for Red Deer, Alberta, and Chilliwack, British Columbia, are under consideration by the CRTC.

Peter Gzowski Radio Internships

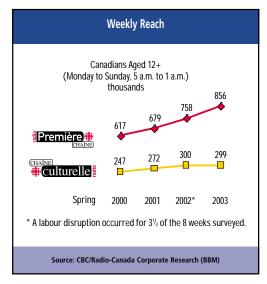
On March 4, 2003, the first four interns for the CBC Radio Peter Gzowski Internships were announced. Interns will receive a week of training in the basics of radio production at the Canadian Broadcasting Centre in Toronto, before moving to a different location to learn about the craft of making great radio. This program is a partnership between CBC Radio and Memorial, McGill, Trent, and Simon Fraser universities.







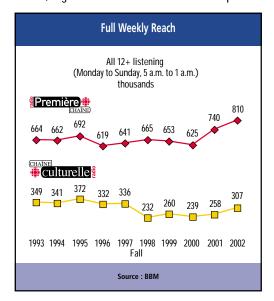
With 1,026,000 listeners each week this Spring, French Radio had its highest listenership since records were kept, starting in the mid-1980s. The Première Chaîne obtained an 11.5 per cent share of French radio audiences, among those Francophones it serves, as compared to 10.0 per cent in Fall 2002. The audience share results for 2002-2003 are 25 per cent higher than those in 2001-2002, and 66 per cent higher than they were 10 years ago in 1992-1993. The Première Chaîne had 856,000 listeners each week in Spring 2003, its highest recorded reach since Spring 1985.



The Chaîne culturelle attracted a 2.2 per cent audience share this year, with 299,000 listeners each week, maintaining its share from the previous Fall.

The Première Chaîne and the Chaîne culturelle are able to reach 98 per cent and 86 per cent, respectively, of Francophones in Canada. Our French Radio is truly a vital link for Francophones. With new transmitters for the Chaîne culturelle in Vancouver, Matane and Fredericton, that link was strongly reinforced this year. Additional transmitters will be in operation in other locations in the near future.

For the last three years, French Radio has focused on three priorities: programming that is open to the world, regional reflection and talent development.





René-Homier Roy, C'est bien meilleur le matin, French Radio.

Distinct, High-quality Programming

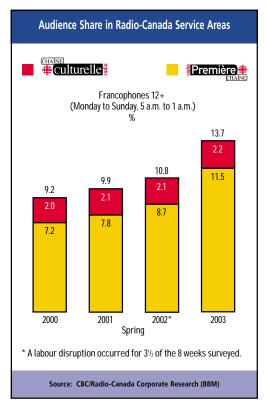
French Radio again this year produced a number of notable programs:

- A remarkable series about René Lévesque in Autumn 2002.
- In March 2002, a live broadcast from Israel of Sans frontières about the Israeli-Palestinean conflict.
- Michel Tremblay's **Au tour de Nana**, in Autumn 2002.

Regional Reflection

Regional stations of French Radio produce more than 42 per cent of their broadcasts. The proportion of regional programming broadcast on the national network is 36 per cent.

There has been an increase in program exchange and partnerships between regional stations in Québec and other provinces. With the expansion of the Chaîne culturelle, there has been an increase in production in the regional stations in Winnipeg and Vancouver for broadcast on the national network.

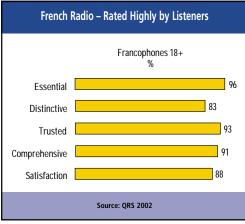


International Partnerships

French Radio maintains a number of international partnerships with French-language radio networks. In 2002-2003, French Radio was involved with producing certain programs with its partners for broadcast at home and abroad:

- La Radio fête Gilles Vigneault, a project initiated by the Radio francophones publiques (RFP), brought together numerous musicians to interpret Vigneault's songs.
- There were exchanges of jazz programs with FIP, one of Radio France's channels.





· Radio Canada International has 300 Radio partners internationally and broadcasts in seven languages, providing a window on Canada for the world.

New Media

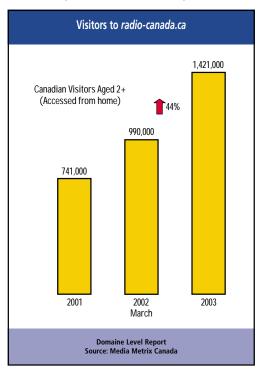
This was a record-breaking year for New Media:

- · CBC.ca is one of the top five broadcast and media websites used by Canadians. Its audience increased by 53 per cent, rising from 1,064,000 unique visitors in March 2002, to 1,632,000 unique visitors in March 2003 (at home users only, aged 2+).
- radio-canada.ca saw the number of its unique visitors grow by 44 per cent, attracting close to 1,500,000 Internet users in March 2003. Moreover, radio-canada.ca reached 30 per cent of French Internet users in Canada (at home users only, aged 2+).

CBC/Radio-Canada Archives website.

The most memorable moments in Canadian Radio and Television coverage over the last seven decades are now accessible online in both English and French. There are nearly 100 dossiers, more than 3,150 clips and 380 hours of audio and video content.

This project represents an important collaboration between New Media, Television, Radio, and Archives. It is funded by the Canadian Culture Online Program of Canadian Heritage.



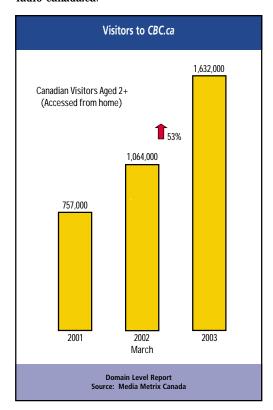


Wireless

Our New Media services have been offering Wireless WAP & SMS messaging services to PDAs and cell phones since the Summer of 2000. We have featured interactive voting via wireless SMS during the Grey Cup and Nokia Brier broadcasts. Our partners include major carriers such as Bell Mobility, Rogers AT&T, Telus Mobility, Fido, Aliant, AvantGo, Zero Gravity, ZIM, and Mazingo.

New Media Partnering

Partnerships account for 20-25 per cent of all traffic to **CBC.ca** and **radio-canada.ca**. There are approximately 30 partners in total. Partnerships provide brand extension and promotion of **CBC.ca** and **radio-canada.ca**.



Affiliates Program

The Affiliates Program has been a great success story. It was launched in January 2002 and, as of February 2003, had 895 active affiliates, up 450 per cent in one year. Sites can self-subscribe for free CBC/Radio-Canada headlines, helping us to extend our brand and bring visitors back to CBC.ca and radio-canada.ca.

Corporate Activities

Two of this year's activities relate to cultural diversity, and a refined measurement of our audiences' response to our programming, in line with the values of a public broadcaster.

Cultural Diversity

Canada's population has a changing multicultural face. We are cognisant that our programming and on-air and behind-the scenes employee membership need to keep pace with this change.





In addition to special programs on issues such as racism and discrimination, our regular News and Current Affairs programs on Television look at the full diversity of Canadian society. A number of French Television's dramas feature multicultural characters and situations, and one-third of the material shown on English Television's ZeD showcases talent or tells stories from Canada's multiethnic communities. Our children's programming also includes multicultural themes.

This year, English Radio in Toronto presented several programs dealing with multicultural issues: The 99.1 Comedy Night: Accent on Toronto (featuring comedians from various ethnic backgrounds); Poetry Night at the Hughes Room (poets from diverse ethnic backgrounds); a special series on the Asian community in Toronto; the Jamaica Connection series; and Underground Toronto (Black history).

People

The multicultural make-up of Canadian society is reflected in our choice of on-air hosts, journalists and actors. Visible minority hosts and actors can be seen on many of our programs and behindthe-scenes of such programs as Hockey Night in Canada and ZeD are directors, creative teams and technicians who also represent the multicultural face of the country.

To support the production of inclusive and unbiased programming, the Corporation undertakes or participates in training and development initiatives, such as:

- · The Corporate Help Fund (on-the-job developmental opportunities for designated group members);
- · Significant investment in training, development and mentoring of Inuit staff for reporter/editor positions in Television by CBC North;
- · Innoversity Summit (bringing together mainstream media with writers and filmmakers from multicultural communities for the purpose of encouraging the creation of new programming reflecting the diverse experiences of a changing Canada).
- · Radio-Canada's Internship Program (a targeted program providing internships in production and support roles).
- The CBC Newsworld Joan Donaldson Scholarships: for 2003, awarded to eight journalism students from across Canada in recognition of their demonstrated commitment to the ideals of public interest journalism, their academic achievement and community involvement; a \$2,000 cash award, special training and an intensive four-month internship with CBC News.
- · English Radio has funded a New Voices initiative for the past five years to develop over 3,000 freelancers, contributors and performers who have enhanced the reflection of Canada's diversity on our airwayes.

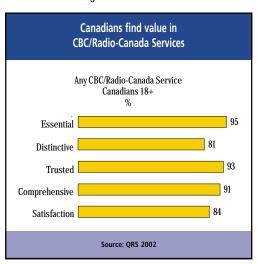


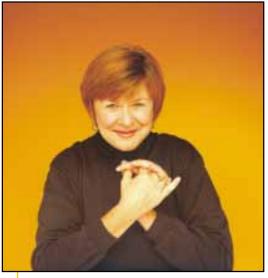




Qualitative Measures

As we are transforming CBC/Radio-Canada into a more clearly defined public service broadcaster, we are measuring our success in this endeavour in two different ways. All public and private networks collect quantitative data. Concurrent with Canadians' increased access to even more viewing choices, this year, usage of our English and French Television services has been affected. Despite increased competition, however, our English Radio services maintained their record-level audiences, while our French Radio services attained record-setting audiences. Growth in the usage of CBC.ca and radio-canada.ca continued to outpace growth in the overall usage of the Internet.





Shelagh Rogers, Sounds Like Canada, English Radio

Our other measurement is in terms of the public value we bring to our audiences. In a high-quality survey, representative of the Canadian population (aged 18 years and older), CBC/Radio-Canada received very high scores. Here are the results:

- 95 per cent say that it is essential that CBC/Radio-Canada Television/Radio is available to Canadians.
- 81 per cent say we provide a **distinctive** service, offering programs that are not on any other television or radio service.
- 93 per cent trust News and information on our services.
- 91 per cent count on our Television/Radio to give complete, **comprehensive**, News coverage.
- 84 per cent are **satisfied** with the programming on our services.

We are very pleased with how Canadians rated us this year. We believe that we are on the right track with our transformation to a more clearly defined national public broadcaster.





Cross-cultural, Cross-media **Initiatives:** Working Together for **Better Programming**

CBC/Radio-Canada is the only broadcaster in Canada with the resources and expertise to truly bring together the strengths of Radio, Television and New Media, as well as Canada's English and French cultures, for the purpose of producing excellent, high-impact, cross-cultural, cross-media programming. An important goal for the Corporation is to utilise technology and resources in such a way as to add value to our programming and to increase cultural understanding for our audiences.

News Services

The production of CBC/Radio-Canada programming is increasingly the result of our media lines working together. Our English and French News services co-operated on specials, such as the coverage of this year's visits of the Queen and the Pope to Canada, the New Democratic Party convention, the friendly fire hearing in Louisiana, and the Washington sniper shootings. Leading up to and during the conflict in Iraq, there was unprecedented collaboration among English and French Television, Radio and New Media units on assignment desks, daily News and Current Affairs programs, and throughout the foreign bureaux and special field units assigned to Iraq, Iran and the Middle East.

Another example of cross-cultural programming and resource-sharing is seen in our Northern services. In the Northwest Territories, English Radio has ongoing shared coverage of regional News and Current Affairs in English, Dogrib, Chipewyan, North Slavey, South Slavey, Gwich'in, and Inuvialuktun. In Nunavut, English Radio produces bilingual programming in English and Inuktitut, Radio-Canada Nord Québec broadcasts Radio programs in Cree and French, and produces a Television program in Cree.

A very extensive cross-media, cross-cultural undertaking was successfully accomplished in November 2002, when our News services demonstrated leadership and innovation in their

release of the report of the Commission on the Future of Health Care in Canada (Romanow Report). In A CBC News Inquiry into Health Care: Problems and Cures. our iournalists examined the key issues in the crucial national

seven-day coverage preceding the



The Last Chapter II: The War Continues/ Le Dernier chapitre II. English and French Television





debate on our health care system. Our unique thematic coverage extended over a series of connected programs, and included analysis, interviews, and documentaries. The week's programming culminated in a two-hour live forum with Mr. Romanow from the Ottawa Hospital. This program won an award of excellence from the Canadian Nurses Association. National Online News on *CBC.ca* had journalists in the lock-up before the Report's release, enabling it to break the story before any other online news organisation and to carry the full text of the Report.

Only CBC/Radio-Canada could – or would – mount such an extensive multimedia initiative about a public issue. Only we could experiment with innovative ways to deliver such important information.



Drama

In recent years, our English and French Television services have combined talents to produce original Canadian dramatic series. CBC/Radio-Canada is in a unique position to tell the stories of our cultures with the help of bilingual actors, directors and technicians. We are proud of our efforts to bridge cultural and linguistic gaps and to present stories important to our country.

Trudeau, our four-hour mini-series starring Colm Feore and an exceptional group of French-and English-speaking actors, aired in March and April 2002 on English Television with an average audience of 1.9 million. The same series was broadcast in French, on our French Television network, in November and December 2002.



Colm Feore, Trudeau, English and French Television.

The Last Chapter II: The War Continues/Le Demier chapitre II, our five-part mini-series, picked up where last season's hard-hitting landmark series left off. This production was filmed simultaneously in English and French and broadcast on both our English and French Television networks this year.

Music Hall: our six-part dramatic mini-series first broadcast on French Television was subsequently shown in prime time on English Television, with subtitles.

English Television and French Television this year announced their joint plans to create a six-part dramatic series in English and French about René Lévesque. Filming will begin in 2004 for broadcast in 2005.

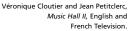


CBC Home Delivery

In February 2003, Radio 3 launched *CBC Home Delivery*, a full-screen multimedia magazine that automatically delivers a digital package of some of the best materials from English Television, CBC Newsworld, English Radio, and New Media to subscribers' computers each week. Audiences can find this magazine at *www.cbchomedelivery.com*.







English and French Radio Joint Ventures

During the Summer of 2002, CBC/Radio-Canada allocated \$1.5 million for cross-media special programming between English and French Radio, and approved an additional \$336,000 in November 2002. These funds are for a range of activities and programming, including French-language training for English Radio reporters, secondments for employees into the other language service units and new programming initiatives such as a single production unit developing 20 documentaries called Ten Meditations for Our Time/Dix questions pour notre temps for Radio One's Ideas and French Radio's *Des idées plein la tête*. Funds also covered unique cultural co-production series such as the following:

- Trans Canada Zen/Une épinette noire nommée Diesel: a ten-part Montréal-produced series in which cultural anthropologist Serge Bouchard, a prominent Québec writer and columnist, takes a road trip along the Trans-Canada Highway on the 40th anniversary of its construction.
- The Creators/Les créateurs: 20 vignettes about Canada's French and English writers, performers and artists, well-known in their own language community but perhaps new to the other.

The Fund also set the groundwork for a major series of multi-year investigative co-productions between the French and English News and Current Affairs units which began with the high-impact documentary reports called:

· Cursed by Riches: The Congo Struggles to Survive/Congo : Une république à la dérive : a special series examining the complexity of the region, tracing the catastrophic effect of the war on people's lives, and identifying Canada's business connections to the conflict.

Our French and English Radio networks also jointly produced broadcasts of concerts in different parts of the country, including, this year, a bilingual program co-hosted by André Rhéaume and David Grierson and recorded at the Vancouver Folk Music Festival.







Trans Canada Comedy Trail, English Television.

Regional Reflection

Our regional programming, on Television, Radio and the Internet, provides audiences with local and regional News and Current Affairs, and reflects, on the national network, the ideas, preoccupations and artistic talents of Canadians to one another across the country. Over half of our Canadian programming, on all of our media lines, now has a regional connection.

Regional reflection has two main purposes: informing residents of happenings in their community; and contributing to common understanding among Canadians by exploring the lives and interests of people in other regions across the country. Regional broadcasting goes hand-in-hand with our outreach activities, with both providing important and related services. Regional reflection plays a key role in recognising homegrown talent and giving it exposure across the country. We take great pride in fulfilling our regional broadcasting mandate, recognising its role in connecting Canadians and helping citizens understand current issues so that they may make informed decisions and contribute to the building of a civilised democratic society.

We highlight a sampling of the extensive regional programming on CBC/Radio-Canada this year.

From Across the Country

- Trans Canada Comedy Trail: a six-part series on English Television showcasing the comedic talents and perspectives in British Columbia, the Prairies, Ontario, Québec, and the Atlantic Provinces.
- Opening Night: Cross-Canada Candlelight Christmas – holiday music by local musicians, produced by eight English Television regional production centres: Vancouver, Yellowknife, Alberta, Winnipeg, Ottawa, Montréal, Indian River (Prince Edward Island) and St. John's.
- Entrée côté « court »: during Summer 2002, French Television aired short documentaries and fictional films from Moncton, Saguenay, Rimouski, Québec, Sherbrooke, Montréal, Rouyn-Noranda, and Vancouver.
- An eight-week series of documentaries about different regions, programmed and broadcast by regional English Television, Summer 2002.





Atlantic Provinces

- Learning Curves: in Autumn 2002, English Radio, English Television, CBC Newsworld, and CBC.ca together produced the region's largest-ever journalistic project, examining why students in Atlantic Canada receive low academic test scores; public response was very enthusiastic, with numerous e-mails and telephone calls.
- From Newfoundland, Singers and Songwriters (six live concerts); Fisheries Broadcast Public Forum (February 2003); and programming to celebrate the 70th anniversary of public broadcasting in Newfoundland in November 2002. including Seventy Years to the Day, a unique ten-hour special recreating a day in the life of Newfoundland public radio from 1932-2002, segments of which were broadcast nationally.
- The CBC Radio Maritimes Performance Department covers the arts in that region, focusing on all genres of music but particularly on Celtic, Acadian, First Nations, and African Nova Scotian. The mobile recording truck is one of the busiest in the country, traveling to concerts in each Atlantic province.
- L'Acadie, plein écran!: French Television recorded a September 2002 performance in Moncton by Acadian artists for national broadcast in December 2002. French Television in Moncton also broadcast performances taped during the Festival acadien de Caraquet.
- 10 ans après la tragédie de la mine Westray. on RDI, a one-hour documentary on the tenth anniversary of the mining disaster in Nova Scotia.

Québec

- Tout d'un coup!: a series of short films created by Québec filmmakers for French Television.
- Histoires oubliées: produced in Matane for RDI, this series looked at important but forgotten moments in history.
- 1.888. Oiseaux: a magazine about birds, produced in Rimouski for RDI.
- CBC Blue/Radio-Canada Bleu. English Radio and French Radio hosted and broadcast a series of panel discussions and readings recorded for broadcast locally and nationally in partnership with Blue Metropolis International Literary Festival/Metropolis Bleu.
- Montreal Matters: English Radio, in partnership with English Television, CBC.ca, and a variety of Montréal institutions, held a unique month-long programming and outreach project entitled Money: Taking Stock.









Ontario

- Making Peace: Ending the Violence a major townhall organised by English Radio and held in Regent Park, Toronto, in June 2002, concerning Black on Black violence; followed up in the Autumn with the series Family Ties: Toronto Gangs and their Feuds.
- English Radio in Toronto broadcast live from all major local Summer music festivals.
- Le Garage: a weekly variety series taped before live audiences and broadcast on French Television, featuring music from l'Ontario français.

The Western Provinces and British Columbia

- First Voices: three half-hour programs about Aboriginal culture, history and life in Saskatchewan, broadcast nationally on Sounds Like Canada.
- Aboriginal Day. a CBC Radio forum on Aboriginal issues in Winnipeg, June 2002; and a series documenting, in their own voices, the thirtyyear history of Aboriginal migration to Winnipeg (a one-hour special from this series aired nationally on Sounds Like Canada).



Some 12,000 gather at the Colisée de Québec for La Méga Fureur, the season opener of the highly popular La Fureur.

- Outlook from Outlook, Saskatchewan. a production involving English Radio, English Television (CBC News: Canada Now) and CBC Newsworld, looking at drought in that province; also extensive coverage on national English Radio.
- A regional drama, Life on the Farm, about water shortages; followed by an open forum with Saskatchewan youth.
- The CBC Winnipeg Comedy Festival. a collaboration between English and French services, Radio, Television and New Media, for regional and network broadcast.
- The State of French in Manitoba: a multi-part English and French Radio series.
- · French Radio and French Television, official broadcasters for the Festival du Voyageur de Saint-Boniface, presented nearly 30 hours of programming, including a one-week series on French Television entitled Télé-relais for the four Western Provinces.









The French Radio team in Windsor.

- · Learning Curves: a joint project between our Atlantic and Edmonton/Calgary networks examining, on Radio and Television, students' national and international test results.
- 2010: The Cost of a Dream. a two-part special on CBC News: Canada Now and CBC Newsworld looked at the range of viewpoints on Whistler/ Vancouver's bid for the 2010 Winter Olympics.

The North

- · Living Hope: A one-hour regional special in Inuktitut broadcast in Nunavut. Live and interactive, the show used video conferencing technology to connect Pangnirtung, Pond Inlet, Rankin Inlet and Igaluit to bring hope to Nunavut around the issue of suicide.
- · Inuit Legends: aired nationally on English Radio's Ideas.

- First Voice: a series about Aboriginal achievers in Canada, produced and aired in Yellowknife and, subsequently, broadcast nationally on Sounds Like Canada.
- True North Concert: from Fort Smith, English Radio showcased new Northern artists for the region and the nation.
- · Dawson Music Festival. broadcasts for regional and national English Radio.
- Northern Mystery Theatre: Mystery of Fort Despair: live English Radio comedy recorded for regional play and for national broadcast on Richardson's Roundup.





Wendy Mesley and Erica Johnson, Marketplace, English Television.



News and Current Affairs

CBC/Radio-Canada is Canada's trusted source for News and Current Affairs, bringing a uniquely Canadian perspective to regional, national and international happenings that affect our lives.

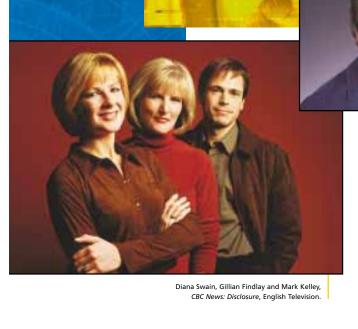
CBC/Radio-Canada is Canada's largest News organisation. It is the only News organisation with a presence throughout the country, operating in both official languages, and the only broadcaster to place French-language journalists west of Ottawa. CBC/Radio-Canada's regional operations provide Canadians in all parts of the country with News about events throughout Canada.

CBC/Radio-Canada operates 12 international bureaux: in New York, Washington and Mexico, covering the Americas; in London, Paris and Moscow, covering Europe; in Dakar, covering Africa; and in Jerusalem, Cairo, Amman, Bangkok, and Beijing, covering the Far and Middle East. Most of our foreign correspondents file in both official languages for our 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 conflict in Iraq this year.

In 2002-2003, our networks provided regular as well as special News and Current Affairs services.

English Television delivered 19 hours of regularly scheduled newscasts each week on the main Television network:

- CBC News: Morning (relaunched in January 2003, with Alison Smith and, on Fridays, Harry Forestell; from the studio and on location);
- CBC News: Today (a new half-hour noon newscast);
- CBC News: Canada Now (with Ian Hanomansing co-hosting a half-hour of national news from Vancouver, paired with 14 anchors bringing together the work of journalists in 30 locations throughout the country);
- The National (a comprehensive hour of nightly News and Current Affairs; trusted by Canadians for its authoritative coverage of national and international events and issues; with English Television's chief correspondent and Gemini winner Peter Mansbridge);
- National Update (an abridged version of The National);



- Saturday Report (with Ben Chin); and,
- Sunday Report (with Alison Smith, senior correspondent for The National).

English Television presented other News and Current Affairs programs regularly each week, as well:

 Life and Times (Canada's premier biography series in its seventh season, with Ann-Marie MacDonald; this season's line-up included Joni Mitchell, Sarah McLachlan, Paul Anka,

and Wayne Gretzky);

 Marketplace (for 30 years, awardwinning investigative consumer reports; Wendy Mesley joined Erica Johnson, Jacquie Perrin, Jim Nunn, Susan Ormiston, and Clifton Joseph this season);



· CBC News: Disclosure (a weekly investigative

Jean-François Lépine, Zone libre, French Television.

- the fifth estate (in its 28th season, hour-long reports on significant subjects; with Linden MacIntyre, Hana Gartner and Bob McKeown);
- CBC News: Sunday (Current Affairs and information, with Carole MacNeil and Evan Solomon);
- Country Canada (our longest-running awardwinning series explores rural concerns, with Reg Sherren);
- Land & Sea (Current Affairs from the Atlantic Provinces; a tradition for over 30 years);
- Venture (an 18th season of this pioneering, award-winning business program, with Dianne Buckner); and,
- *Mansbridge One-On-One* (Peter Mansbridge and high-profile newsmakers).

Among English Television's many News specials this year were:

- the Premiers' annual conference, in Halifax;
- A Canadian Olympic Celebration (live from the Canadian the Museum of Civilization).

English Television, along with CBC Newsworld, English Radio and New Media, presented *CBC News: Big Picture* again this year. *Big Picture* focuses on subjects of broad interest to Canadians through documentaries, special reports, interviews, and panel discussions. Topics this season included:

- Ultimatum Iraq (broadcast just days before the weapons' inspectors' first report to the United Nations; reports from correspondents in Iraq, London and New York);
- Obese Nation,







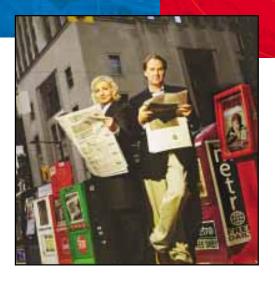
Antonia Zerbisias and Matthew Fraser, CBC News: Inside Media, CBC Newsworld.

- Who's Watching You? (the growing invasion of Canadian privacy); and,
- Remembrance Day (coverage from the National War Memorial in Ottawa, a forum of students and veterans and a documentary on Canadian peacekeepers in Croatia).

CBC Newsworld, CBC/Radio-Canada's 24-hour English-language News network, provides a unique, in-depth national News and information service. No other specialty network is as rooted in Canada's regions, and no other specialty network has embarked on more cross-cultural, bilingual programming. As well, no other specialty network supports Canadian independent documentary makers to the same extent as CBC Newsworld.

In 2002-2003, CBC Newsworld delivered regularly scheduled newscasts each week:

- CBC News: Morning (relaunched January 2003, with Alison Smith and, on Fridays, Harry Forestell; Colleen Jones delivers weather and sports from Halifax; and Anita Sharmas covers business);
- Newsworld Business News (key events of the business day and how they affect Canadians, with Jeannie Lee and Fred Langan);
- Newsworld Live Today (with Nancy Wilson in Toronto and Kathleen Petty in Calgary);
- CBC News: Canada Now (the national News half-hour with Ian Hanomansing, from Vancouver);
- The National (for a full hour at 9:00 p.m., and for a half-hour at midnight and 3:00 a.m., with Peter Mansbridge);

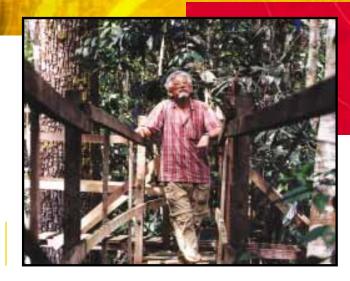


- Newsworld Live Saturday, Saturday Report and Newsworld Live Sunday (all with Ben Chin);
- Sunday Report (with Alison Smith); and,
- BBC World News.

CBC Newsworld presented other News and Current Affairs programs regularly each week, as well:

- *Politics* (the day's top political stories, with Don Newman live from Ottawa);
- Newsworld Business News: Money Weekly (a summary of the week's business news, with Fred Langan);
- Foreign Assignment (News and issues affecting world affairs, with Joe Schlesinger in Toronto, lan Hanomansing in Vancouver, reports from our foreign correspondents, and the best documentaries from around the globe);
- and, from English Television, Mansbridge One-On-One, the fifth estate, CBC News: Disclosure, CBC News: Sunday, Venture, Marketplace, and Life & Times.





David Suzuki. The Sacred Balance **Enalish Television**

CBC Newsworld produced exciting and pertinent new programs and featured some new hosts for returning programs in 2002-2003:

- · CBC News: Today (five weekday half-hour in-depth newscasts with Nancy Wilson; simulcast on English Television at noon local; and three extra half-hour newscasts on Saturdays);
- CBC News: Inside Media (since November 2002, Antonia Zerbisias and Matthew Fraser in a dynamic weekly one-hour media analysis program, looking at the standards, ethics and practices of media: the first program of its kind, and the type of program only a public broadcaster would produce);
- The Docket (a thought-provoking ten-part series informing Canadians of legal policies affecting their everyday lives and encouraging discussion across the country; with journalist Lisa Taylor, LL.B in Halifax);
- · CBC News: World View (Brian Stewart, one of Canada's most respected journalists, with national and international foreign affairs experts, weekly); and,
- · counterSpin (Carol Off, award-winning documentary reporter with The National, was the new host for our prime-time debate program with guest panels and live studio audiences).

CBC Newsworld broadcast about 1,500 live events in 2002-2003, including major specials unmatched in scope by any other network:

- the Funeral for Elizabeth, the Queen Mother; and the Commemorative Service (also on English Television);
- · the Golden Jubilee celebrations of the Queen from London and her visit to Canada;
- the visit of the Pope to Canada for World Youth Day, July 23-29, 2002 (CBC/Radio-Canada was host broadcaster for the event; our pictures were sent around the world; also on English Television);
- the funeral of the four Canadian soldiers killed in Afghanistan in April 2002 (the only television coverage of the event); and for two weeks in January 2003, extensive coverage of the American Military Inquiry into the incident;
- · the lying-in-state and funeral of former Governor General Ray Hnatyshyn, December 2002 (the only television pictures of the event);
- Remembering September 11, 19 commercial-free hours; hosted by Peter Mansbridge; including a documentary entitled Untold Stories which made News itself with the candid recollections of the Prime Minister and stories of Canadian Government actions and attitudes (also on English Television); and,
- the Columbia Space Shuttle explosion, 15 hours commercial-free on February 1, 2003 (also on English Television); and,





 exclusive coverage of two NDP leadership debates, and 13 hours of commercial-free coverage of the NDP leadership convention.

French Television delivered 28 hours of regularly scheduled newscasts each week:

- Matin express (national and international News, sports and weather reports, with Michel Viens);
- L'Heure du Midi (regional, national and international News, with Pierre Craig in Montréal and Sébastien Bovet in Québec);
- Ce soir (a daily newscast produced by each regional French Television newsroom and hosted by distinguished anchors in each region, including Raymond Saint-Pierre in Montréal); and,
- · Le Téléjournal/Le Point (News, information, reports and interviews with Stéphan Bureau, weekdays; and Michaëlle Jean, weekends).

French Television presented other News and Current Affairs programs regularly each week, as well:

- · La Facture (consumer issues with Gilles Gougeon);
- Enjeux (important social questions with Alain Gravel);

- Zone libre (investigative stories on important topics, with Jean-François Lépine);
- · Second Regard (spiritual issues with Alain Crevier);
- 5 sur 5 (Bernard Derome and his guests answer questions on a variety of current topics, posed by viewers via telephone, e-mail and a network of cameras installed by French Television throughout Canada); and,
- Parlez-moi des hommes, parlez-moi des femmes (with Denise Bombardier, a discussion of relations between women and men).

French Television introduced new programs this vear, as well:

- L'Épicerie (a weekly magazine about food and health); and,
- Justice (weekly reports and interviews about the legal system, with Simon Durivage).

The Réseau de l'information (RDI), CBC/Radio-Canada's French-language News network, offers unique, in-depth News and information services 24 hours a day.

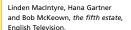
In 2002-2003, RDI delivered regularly scheduled newscasts:

- · News every 30 minutes, 24 hours a day, seven days a week;
- five full-edition newscasts every night;
- live reporting from the regions: the Atlantic, Québec, Ontario, and the Western Provinces;
- two European information programming blocks: Le Journal de France 2 and Euronews.



Carol Off, counterSpin, CBC Newsworld







- Le Journal RDI (national and international News, sports and weather, daily);
- RDI Aujourd'hui (News and live conversations with journalists);
- L'Atlantique en direct, Le Québec en direct, L'Ontario en direct, L'Ouest en direct (regional News);
- Le Journal RDI (a 60-minute complete newscast weekdays with Pascale Nadeau; 30 minutes, weekends with Marie-Claude Lavallée);
- Le Journal de l'Atlantique, Le Journal de l'Ontario, Le Journal de l'Ouest, Le Journal du Pacifique (a summary of the extended regional newscast, Ce soir);
- and, from French Television, *Matin express*, *L'Heure du Midi*, *Le Téléjournal/Le Point*.

RDI presented other News and Current Affairs programs regularly each week, as well:

- Affaires express (business News six times daily, weekdays);
- En santé (health information with France Beaudoin);
- Capital actions (business and the markets, with Claude Beauchamps);
- Maisonneuve (current social issues, with Pierre Maisonneuve);
- Circuit PME (stories of Québec entrepreneurs);
- Impact (economic, social and political issues in Ontario, weekly); and,
- L'Accent (the lives of Francophones outside of Québec).

RDI produced exciting and pertinent new programs and presented some new hosts for returning programs in 2002-2003:

- Le Monde (international News with Bernard Derome, weekdays; and Jean Bédard, weekends);
- RDI en direct (Sundays, Louis Lemieux looks at life and culture in different regions of Canada);
- America (documentaries covering different aspects of life in the United States, including organised crime, cities and cinema; Friday and Saturday nights); and,
- La vie... rien d'autre (from December 21, 2002 to January 5, 2003, a series highlighting people at a critical point in their lives).

RDI broadcast more than 1,000 special events in 2002-2003, including:

- the Golden Jubilee of Queen Elizabeth II and the Royal Visit to Canada;
- the G8 Summit in Kananaskis, Alberta;
- Québec motocycle gangs on trial;
- the 60th anniversary of the landing at Dieppe;
- September 11th, one year later;
- the Ice Storm, five years after, and the recent ice storm in New Brunswick; and,
- · the Columbia Space Shuttle disaster.

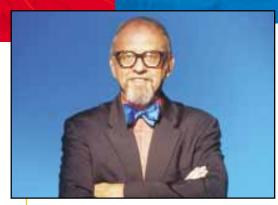




English Radio delivered over 900 hours of unique newscasts, documentaries, current affairs interviews and discussion, and commentary *each week*. CBC National Radio News, on Radio One and Radio Two, is heard by nearly three million Canadians every week. Twenty-four hours a day, seven days a week, reporters from nine domestic bureaux, a dedicated Parliamentary bureau, five foreign bureaux (in Washington, London, Moscow, the Middle East and Bangkok), plus the largest system of regional reporters of any media outlet in Canada, deliver journalism that is distinguished by its immediacy, range, originality, depth, and fairness.

In 2002-2003, English Radio offered the following regular News programs on both Radio One and Radio Two:

- CBC Radio Hourly News (national, international and local News at the top of each hour, 24 hours a day, seven days a week);
- World Report (with Judy Maddren weekdays, and Dwight Smith, weekends);
- Canada At Five (the top Canadian News of the day reflecting the diverse regions of the country from a national perspective and concentrating on issues and people of interest to all Canadians, plus economic News and closing numbers on major stock markets in North America; weekdays with Bernie McNamee);
- The World At Six (a cornerstone of the CBC Radio network for more than 30 years, covering world and national events; rebroadcast around the world on Radio Canada International and in Europe, to the Canadian Armed Forces through the Canadian Armed Forces Network; audio reports are available on the program's website; with Barbara Smith);

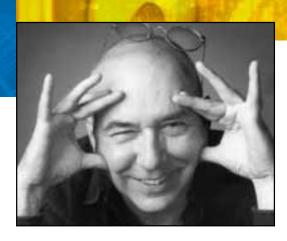


Michael Enright, The Sunday Edition, English Radio.

 The World This Weekend (News and information followed by documentaries by the best journalists in Canada and around the world; also available on our website; with Lorna Jackson).

English Radio's regular Current Affairs programs on Radio One this year were:

- As It Happens (for more than 30 years, this weekday evening program has delivered the story behind the story via telephone interviews; with Mary Lou Finlay and Barbara Budd);
- *Dispatches* (Wednesdays, Rick MacInnes-Rae presents reports, mostly in documentary form, about world events and global issues);
- The House (national politics with Anthony Germain and Jennifer Fry, more than halfa-million listeners each Saturday);
- The Sunday Edition (Michael Enright brings insight to issues affecting Canadians, through in-depth interviews accompanied by music);
- Cross Country Checkup (Canada's only national open-line Radio program, hosted by Rex Murphy; about 5,000 try to reach us each week; on Radio One and Country Canada);
- CBC Radio Ovemight (from 1:00-6:00 a.m. every morning, CBC Radio News on the hour plus information programs from public broadcasters around the world: Radio Netherlands, Radio Sweden, Radio Australia, Channel Africa, BBC World Service, Deutsche Welle, Radio Polonia, Radio Prague, and Voice of Russia).





François Dompierre, Ici tout est permis, French Radio

English Radio also presented new Current Affairs and News programs this year:

- World Watch an expanded weeknight newscast launched February 2003 as tensions increased around Iraq; with Tracy Seeley;
- The Current: reports and interviews on issues affecting Canadians; weekday mornings on Radio One with Anna Maria Tremonti; Jim Brown hosts Fridays;
- Sounds Like Canada: stories and voices from across the country with Shelagh Rogers and her team, weekdays; and,
- Richler on Radio. Friday nights since September 2002, the week's most intriguing sounds and stories from Radio One and Radio Two combined with Noah Richler's commentary.

French Radio provided numerous regional and national newscasts throughout the day on both its networks in 2002-2003. The Première Chaîne also presented regular News and Current Affairs programs:

- Les Affaires et la Vie (economic issues);
- 100 % pas pressé (horticulture, food and wine);
- *C'est bien meilleur le matin* (information with René-Homier Roy);
- *Dimanche magazine* (in-depth reports);
- L'Heure du hibou (meditations with Jacques Languirand);

- Indicatif présent (with Marie-France Bazzo);
- J'ai souvenir encore (Québec history);
- Macadam tribus (an informative and entertaining program with Jacques Bertrand);
- *Montréal-express* (with Simon Durivage);
- Ouvert le samedi (News and ideas);
- Par 4 chemins (a forum on life and our times);
- Plaisirs de la nuit;
- Samedi et rien d'autre (News and culture);
- Sans frontières (Michel Désautels examines current events); and,
- La Tribune du Québec (with Jean Dussault).

Eighteen of the Première Chaîne's 20 stations produced their own morning information programs this year. French Radio enriched its regional News gathering and presented various specials, including:

- Le Pape, l'Église et les Jeunes (during the Pope's visit to Canada, July 2002); and,
- a two-hour broadcast in October 2002 covering the exploitation of children throughout the world: in North America, sexual exploitation via the Internet; in Cambodia, juvenile prostitution; in the Congo, child soldiers; in Mali, working children; and in Brazil, street children.





Marie-Josée Taillefer and Denis Gagné, *L'Épicerie*, French Television

Our New Media services provide up-to-date News and Current Affairs, 24-hours-a-day, on our websites, *radio-canada.ca* and *CBC.ca*. New Media also partners with other entities, offering our News through various Web portals, wireless devices, affiliates program, and licensing agreements.

In 2002-2003, New Media's extensive accomplishments included:

- record-breaking audiences for News online (close to 380,000 visits each day in March 2003 for News content on CBC.ca and radio-canada.ca combined); more Canadians are consulting our News sections for reliable and timely information;
- special sections on CBC.ca and radio-canada.ca
 on the conflict in Iraq which were very successful, drawing a large number of visitors to the
 News sites. These sections contained a great
 deal of information on the situation, maps indicating troop deployment, and reports on the
 latest developments. There was great synergy
 among Television, Radio and New Media for the
 coverage of this event.
- the provision of topical information related to such events as memorials on September 11, 2002; the Federal budget in January 2003; the visits of Queen Elizabeth and the Pope to Canada; and snipers in Washington; and,
- radio-canada.ca launched an adapted News site for the visually impaired.

Documentaries

In 2002-2003, CBC Newsworld and RDI regularly presented documentaries:

- CBC Newsworld increased its coverage of Canadian and international issues with the telecast of 92 documentaries, a record number. In addition to offering *The Passionate Eye* and *Rough Cuts*, CBC Newsworld reacted to the turbulent events of the year and created three special series, including the ten-part *Iraq on the Brink*;
- RDI's Grands Reportages featured documentaries each night, including L'Empire de la mafia;
 Au mépris de la réalité; Diana (five years after her death); Proche-Orient: des rêves brisés;
 Plus grand qu'Enron; La Guerre contre la drogue;
 Retrouver Sara; Visages de l'Islam; Venezuela: autopsie d'un coup d'État, and, Squat (a co-production with the Première Chaîne).

Science, Technology and Health

Our networks explored science, technology and health matters in 2002-2003:

- *The Nature of Things* (English Television's award-winning series with David Suzuki);
- The Sacred Balance (a four-part documentary by David Suzuki, filmed on five continents over two years);
- *Découverte* (French Television's science program with Charles Tisseyre);
- La Semaine verte (on French Television, with Errol Duchaine);



Jean Dussault. La Tribune du Québec French Radio.



- · Quirks & Quarks (on Radio One with Bob McDonald); and,
- · D'un soleil l'autre (concerning the environment); Les Années-lumière (science); and Techno (technology bulletins), all on the Première Chaîne.

The Conflict in Iraq

The importance of having independent News services to tell the story from a Canadian perspective was illustrated this year in the period leading up to and during the conflict in Iraq. Our journalists provided an accurate unfiltered account of events from different locations throughout the Middle East as well as from Washington, London, Paris, Ottawa, and the United Nations.

Even before open hostilities, our correspondents were on the scene, covering the area. For more than 18 years, we have had a permanent News bureau in Jerusalem; last year, we opened a bureau in Cairo and this year, in Amman. To cover the Iraq story, we deployed 100 personnel at home and abroad whose working languages included English, French and Arabic. We are very proud of the job our News teams do in covering developments in the Middle East – on a regular basis and in times of crisis.

Canadians appreciated our services. English Television, which commissions several report cards of its programming each year, received high marks from Canadians who said that English Television and CBC Newsworld were the best Canadian networks covering the Iraq war. When asked which network provided the best Canadian perspective on events in Iraq, 45 per cent of respondents named CBC. They ranked our programming as having the most balanced and objective stories about the war, and our network as being the most likely to be believed by them; in fact they valued our programming over that of CNN. Canadians trust us to connect them to what's happening in their communities, across the country and around the world. They turn to us to make sense of events and to understand how they will be affected.

Leading up to and during the conflict in Iraq, we were there - prepared, informed and impartial: the first Canadian network to break the story on March 19, 2003. We devoted considerable resources and changed our programming schedule to broadcast up-to-date information, uninterrupted and commercial-free over many days.



Daughters of Afghanistan, CBC Newsworld







Dave Thomas, Jackson Davies and Graham Greene, The New Beachcombers, English Television.

Arts and Entertainment

CBC/Radio-Canada promotes and showcases Canadian creative expression and helps develop the next generation of Canadian cultural talent.

CBC/Radio-Canada is the country's most important vehicle for nurturing and showcasing Canadian arts and culture. Our programming brings Canadians the art of seasoned and emerging actors, writers, composers, musicians, dancers, and comedians, as well as orchestras, theatre and film companies, year round. The Corporation strongly contributes to Canada's cultural community, providing direct payments to artists and independent producers in the range of \$126 million per year.

Arts and Culture

Regular programming

English Television's *Opening Night* presented the finest in Canadian and international cultural performances in a weekly two-hour, commercial-free program, again this year, with rebroadcast on *Sunday Encore*. Exciting productions this season included:

- Mordecai Richler: A Celebration (one year after the author's death);
- Claude Jutra: An Unfinished Story (a portrait of the avant-garde film director); and,
- Offstage, Onstage: Inside the Stratford Festival (celebrating the Festival's 50th anniversary).

English Television regularly presented *Artspots* – 30-second introductions to living Canadian artists. Since 1998, more than 200 *Artspots* have been created in partnership with Canada Council for the Arts and the Canadian Conference for the Arts. Nearly 1,000 broadcasts of *Artspots* appear annually during commercial breaks in regular English Television programming and at film festivals.

English Television also featured *Open Book*, in which Mary Walsh discussed literature with high-profile Canadian guests each week.

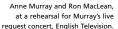
CBC Newsworld's *>PLAY*, a weekly live magazine/ talk show hosted by Jian Ghomeshi, looked at the hottest cultural happenings in Canada and around the world. The network also broadcast the weekly **Hot Type**, an exploration of the ideas found in all forms of contemporary print culture. **Hot Type** was hosted by Evan Solomon.



Johane Despins, *Aux arts, etc.*,
French Radio.





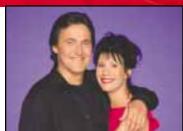




France Castel, Rita Lafontaine, Sophie Clément and Louisette Dussault, Les Super Mamies, French Television



Vincent Walsh and Carly Pope, Hemingway vs. Callaghan, **English Television**



Guy A. Lepage and Sylvie Léonard, Un gars, une fille, French Television.

French Television's Les Beaux Dimanches is an immensely popular weekly performing arts program. Among this year's productions were:

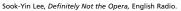
- Galas celebrating cultural and artistic excellence:
 - Gala des Prix Gémeaux (television; also broadcast on RDI);
 - Gala de l'ADISQ (song and spectacle);
 - Prix du Gouverneur général pour les arts de la scène 2002 (broadcast annually from the National Arts Centre, and recognising six outstanding Canadian performers; a co-production with English Television);
 - La Soirée des Masques (the 9th annual celebration of theatre, featuring individuals and troupes from Montréal, Moncton, Sudbury, Québec, Le Bic, Jonquière, and Gatineau; this year the Soirée was broadcast on both **ARTV** and French Television); and,
 - La Soirée des Jutra (Québec cinema; a new production for French Television).
- Les Beaux Dimanches also featured:
 - television adaptations of Canadian theatre, such as Bilan (by Marcel Dubé); Durocher le milliardaire (by Robert Gravel); and Exils, les jumelles inconnues (a co-production of theatre companies in Sudbury, Moncton and Québec, dealing with the cultural identity of Francophones in Canada);

- thematic musical performances such as Chansons du 7e art (music from Québec cinema);
- broadcasts displaying the cultural vitality found outside of Montréal, such as L'OSQ -100 ans! (marking the centennial of the Orchestre symphonique de Québec); and,
- documentaries: Gauvreau ou L'obligation de la liberté (concerning Pierre Gauvreau, painter, author of Le Temps d'une paix and signatory of the Refus global); Contre vents, contre marées (Zachary Richard on the history of Acadians).

French Television also carried the following regular cultural programs:

- Christiane Charette en direct (a 90-minute talk show discussing culture and society with guests from all walks of life);
- Brio (covering the cultural life of the Atlantic Provinces, taped before a live audience at the University of Moncton); and,
- L'Île de Gilidor (a variety show hosted by Gildor Roy: an hour of entertainment, comedy and song).







Mario Girard and Marie-Louise Arsenault, Le mélange des genres, French Radio

RDI's regular arts programs this year were:

- Millén'art (a cultural calendar presented daily);
- **Entrée des artistes** (key performing artists spoke about their lives, careers and aspirations); and,
- Griffe (contemporary fashion) and Griffe 100% québécoise (a special about Québec fashion designers, September 2002).

English Radio again presented this year:

- The Arts Report (coverage of the arts in Canada and abroad; Radio Two weekdays);
- The Arts Today (Radio One, daily, with Eleanor Wachtel); and,
- Writers & Company (its 13th season, with Eleanor Wachtel on Radio One).

French Radio carried regular cultural programming in 2002-2003:

- · Graffiti (cultural and community information, six days a week on the Première Chaîne);
- Info-culture (weekdays on the Première Chaîne);
- Aux arts, etc. (the cultural scene, weekdays on the Chaîne culturelle); and,
- Chassé-croisé (a cultural magazine from the Radios francophones publiques (RFP), partners with French Radio).

New Media launched a new cultural quide (radio-canada.ca/culture) in collaboration with Voir, which provides a calendar and reviews by Radio and Television columnists.

Special programming

To commemorate the 70th anniversary of Glenn Gould's birth, and the 20th anniversary of his death, English Television, Radio Two and CBC.ca presented two days of music, documentaries, commentary, disc features, concerts, radio drama, and direct audience participation in September 2002. Radio Two broadcast the 14-hour Variations on Gould: Artscanada.cbc.ca offered special Web content; and English Television carried Glenn Gould: The Russian Journey on its regular program, Opening Night. Glenn Gould figures prominently in CBC/Radio-Canada's history, having appeared in the first English Television broadcast, September 8, 1952.

English Television celebrated Stratford Festival's 50th anniversary with Stratford Gold, a thirteen-part series of 50 interviews with prominent Festival players.

French Television brought the circus arts to our audiences via the specials Cirque du Soleil: Alegria, Excentricus du Cirque Éloize, and Varekaï: Making of an Angel.



English Radio launched the second Canada Reads, following last season's great success. The 2002 Canada Reads winner, In the Skin of a Lion by Michael Ondaatje, was chosen by a panel of prominent Canadians. After the announcement of its win, In the Skin of a Lion topped the Canadian bestseller lists for 23 weeks and sold 70,000 copies. Canada Reads' website received more than 16,000 visitors on the day of the announcement and more than 100,000 over the course of the 2002 campaign. The 2003 Canada Reads panel and their suggested books are: Justin Trudeau (The Colony of Unrequited Dreams, Wayne Johnston), Denise Bombardier (Next Episode, Hubert Aquin; originally published as **Prochain Épisode**; translated by Sheila Fischman), Will Ferguson (Sarah Binks, Paul Hiebert), Mag Ruffman (The Lost Garden, Helen Humphreys), and Nancy Lee (Life of Pi, Yann Martel). At the request of CBC Radio, publishers of these works will donate more than 400 books to libraries across Canada, and the publisher of the winning title will donate a percentage of sale proceeds to Frontier College, a national literacy organisation.

In November 2002, English Radio presented the annual Massey Lectures, this year by Margaret Visser whose topic was Beyond Fate. In previous years, the lectures have been studio-produced, with an opening public lecture at Massey College in Toronto. For 2002-2003, there were new venues and new partners: McGill University, King's College (Halifax), the University of Manitoba, and the University of British Columbia. Each lecture drew sold-out houses.

In January and February 2003, Radio One presented Worldplay, a festival of radio drama promoting cultural exchange between English-language public broadcasters and providing worldwide exposure for playwrights, including those from Canada. This year, Canadian audiences heard plays from Ireland, Canada, Australia, Hong Kong, the United Kingdom, New Zealand, and the United States.

Radio One also aired its first annual National Poetry Face-off this year. Poets from 12 cities across Canada participated, with the winning competitor from each city appearing in a special one-day broadcast on Richardson's Roundup.

Music and Variety

Music and variety productions are an important part of the Arts and Entertainment programming at CBC/Radio-Canada, and an important aspect of the Corporation's support for Canadian performers. Here are examples of the many exciting programs offered this year:

English Television:

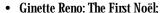
- On the Road Again (for a 16th season, Wayne Rostad traveled the country to tell stories of ordinary Canadians with extraordinary pastimes);
- · It's A Living (an amusing look at the world of work across Canada);
- · Live From Rideau Hall (an open-air concert by Canadian musicians, celebrating half a century of Canadian governors general);
- The Governor General's Performing Arts Awards Gala (from the National Arts Centre, the 11th annual Gala honoured six outstanding Canadian performers);
- Tommy Hunter: Talk About the Good Times (the singer's return after more than 10 years);
- Anne Murray: RSVP (a live special during which viewers telephoned with their musical requests; 919,000 viewers and 3,500 requests from across the country);







Tommy Hunter: Talk About the Good Times, English Television.



- Shania Twain: Catchin' Up (over one million viewers);
- Aselin Debison: Sweet is the Melody (the Cape Breton singer's first network special; over 500,000 viewers);
- Songwriters' Circle (a week of Canadian songwriters in performance and conversation with Bruce Guthro);
- **Gemini Awards** (the 17th annual tribute to Canadian television);
- Genie Awards (the 23rd annual celebration of Canadian film);
- The National Aboriginal Achievement Awards (its 10th anniversary, from the National Arts Centre);
- Canon SK8 with Elvis (Elvis Stojko with fellow skating champions and a DJ); and,
- Party at the Palace (a pop concert staged as part of the Queen's Golden Jubilee); and a classical music concert. Prom at the Palace.

English Television and Radio Two presented the **Queen's Royal Gala at Roy Thomson Hall**, on October 10, 2002. Some of Canada's finest artists and musicians performed live for the Queen. Colm Feore hosted onstage, while Radio Two's Eric Friesen and Radio One's Shelagh Rogers hosted from the Roy Thomson lobby for the broadcasts.



English Television and Radio Two also teamed up to broadcast the **East Coast Music Awards**, live from Halifax. Rick Mercer hosted from the stage, while English Radio's Sook-Yin Lee (from **Definitely Not the Opera**) hosted the Radio Two broadcast.

In addition to a wide variety of music programs presented as part of **Les Beaux Dimanches**, and concerts from top music festivals rebroadcast on **L'Été de la musique**, French Television offered:

- Angèle Dubeau...la fête de la musique! (a Summer program featuring taped concert highlights, solo performances, artist profiles, and reports on the music scene);
- La Fureur (the most popular musical game show in television history, hosted by Véronique Cloutier);
- Ginette Reno chante Noël;
- Le Temps des fêtes (a Christmas special); and,
- Messe de la Nuit (December 24th and 25th, from St. Peter's Basilica in Rome).

A large part of English Radio's regular programming is comprised of music, both popular and classical, as well as variety programming. Here is a sampling of this year's offerings:

- Popular music and variety
 - Definitely Not the Opera; Richardson's Roundup; The Vinyl Café; Finkleman's 45s; Pearls of Wisdom; Saturday Night Blues; A Propos; Jazz Beat.



Josée Deschênes, Vincent Graton and Beethoven, L'Auberge du chien noir. French Television.









· Classical music

• Say It with Music; I Hear Music; In Performance; Music and Company; Music Around Us; Symphony Hall; Sound Advice: Take Five; After Hours; Choral Concert; DiscDrive; OnStage; Saturday Afternoon At the Opera; Two New Hours.

English Radio also presented special musical programming during 2002-2003.

The CBC Radio Choral 2002 Competition provided an exciting cross-country live-to-air competition in April 2002. Since 1975, Radio Two has challenged Canadian amateur choirs to compete, and this year, 22 finalists performed before audiences in CBC/Radio-Canada broadcasting centres across the country. In co-operation with the Canada Council for the Arts, winners in 10 categories shared \$57,000 in prize money. These, and other CBC Radio competitions, foster a sense of community that enlightens, reflects and connects Canadians.

Radio Two, in partnership with CBC Records/ Les disgues SRC, Universal Music and Canadian Music Centre, produced the Great Canadian Composers Series, a ten-part documentary series exploring relatively unknown Canadian composers, for In Performance in May and November 2002.

On January 28, 2003, Radio Two featured A New Day – a full day of programming from the Winnipeg New Music Festival.



Awards Gala, English and French Television

French Radio offered a wide variety of regular music programs this year, among which the Chaîne culturelle broadcast five radio concerts each week and a total of 400 concerts during the year. The Chaîne culturelle also broadcast the finals of the Festival de la chanson de Granby as well as producing a CD honoring the prizewinners. Concerts were held in Vancouver, Matane, and Fredericton celebrating the inauguration of the Chaîne culturelle's new transmitters.

Among French Radio's regular music programs this year were:

- On the Première Chaîne:
 - Allez, c'est le retour; Au Détroit de la nuit; Bachibouzouk: Des Airs de toi: Libre comme l'air; La Nuit, la vie; Les Refrains; Le temps d'une nuit.
- On the Chaîne culturelle:
 - L'Air d'aller: Chansons en liberté: Le Club de minuit; Concerts sans mesure; Les Décrocheurs... d'étoiles; Des musiques en mémoire; L'Échappée belle; L'Engoulevent; Escale jazz; Espaces 'Navire night'; Géo-musiques; La Grande fugue; Ici tout est permis; Ici Vancouver, Les Matinales; Les Musiciens du dimanche; Nicholson; Nymphéas; L'opéra du samedi/L'opéra du Metropolitan; L'Opéra de quat'siècles (a production of French Radio's partner, Radios francophones publiques); Radioconcerts; Rayon musique; Silence... on jazz!; Trame sonore: Les Voix du monde.





Sylvie Moreau, La Soirée des Jutra, French Television

Radio Canada International also broadcast concerts and weekly thematic cultural programs during the year.

New Media provided a number of music-related services this year, among them:

- the launching of a site for the opera, Don
- · a live broadcast of the Concours international de Montréal des Jeunesses Musicales 2002:
- on French Television's website, coverage of the Gala de l'ADISQ, including exclusive live interviews that night;
- the launching of two new Internet Radio websites promoting Canadian independent music (folk, Celtic, bluegrass, Aboriginal, Francophone, country, world, jazz, blues): rootsmusiccanada.com and jazzmusiccanada.com;
- the relaunching of the cbcradio3.com website in November 2002. In an innovative weekly online magazine format, CBC Radio 3 offered stories from across the country with a stylish look at Canadian art and music, plus highlights from CBC Radio 3's national Radio programs and award-winning websites.



Drama, Movies and Miniseries

CBC/Radio-Canada presents high-quality distinctive Canadian stories offered by no other network. Our dramas, movies and miniseries offer a platform for innovation and risk-taking throughout the year. English Television broadcast two regular dramas, as well as numerous movies and miniseries this year:

- Da Vinci's Inquest (Nicholas Campbell returned for the fifth season of Canada's most popular dramatic television series, filmed in Vancouver and seen in 45 countries on five continents: national and international awards);
- **Tom Stone** (from Calgary);
- The Many Trials of One Jane Doe (based on the true story of a rape victim who took legal action against the Toronto police department);
- Scar Tissue (Michael Ignatieff's 1993 Booker Prize-nominated novel followed a woman's descent into Alzheimer's disease and its effect on her family; filmed in-house using innovative low-cost production methods, including a special multi-high-definition camera; over 429,000 viewers);
- Hemingway vs. Callaghan (a four-hour, two-part mini-series chronicling the friendship and rivalry between Ernest Hemingway and Morley Callaghan);
- · Betrayed (inspired by deadly occurrences of water contamination in Canada and around the world);
- The New Beachcombers (original characters from English Television's long-running series as well as new ones; over 700,000 viewers);
- · Jinnah on Crime: White Knight, Black Widow (a follow-up to last year's popular mystery movie based on a Vancouver crime reporter, Salim Jiwa):

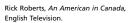


anet Kidder, Chris William Martin and Kim Coates, Tom Stone, Enalish Television.









- North of 60: Another Country (the series' fourth film, featuring the program's original cast); and,
- Chasing Cain II: Face (set in Toronto's Caribbean neighbourhood).

French Television brought their audiences a number of continuing dramas this year:

- Virginie (a very popular téléroman);
- Mon meilleur ennemi;
- · Les Super Mamies (a téléroman about four middle-aged women);
- Le Monde de Charlotte (a family drama);
- · Tag (an award-winning program dealing with intercultural relations);
- Catherine: and.
- Fred-Dy.

French Television also introduced new dramas this year as part of their programming renewal:

- L'Auberge du chien noir (a téléroman situated in an auberge in which well- and lesser-known performers entertained);
- · Le Cœur découvert (Michel Tremblay's first téléroman); and,
- · Bunker, le cirque (a satire concerning the corridors of power: political, media, finance, and personal).

English Radio again presented this year:

- Sunday Showcase (radio drama on both Radio One and Radio Two);
- Monday Night Playhouse (Radio Two's additional drama slot);



- · The Mystery Project (Radio One's updated Canadian take on traditional serialised radio mysteries); and
- · Between the Covers (excerpts from contemporary novels, short stories and poetry read by Canadian actors on Radio One).

French Radio's Chaîne culturelle provided Devine qui vient nous voir?, a weekly look at theatre.

Comedy

CBC/Radio-Canada has a strong tradition of presenting the best in Canadian comedy.

English Television offered new and returning shows in 2002-2003:

- · Royal Canadian Air Farce (Canada's top-rated comedy series on television; in its 10th regular season); and the troupe's New Year's special (1.16 million viewers); followed by their countdown to New Year's the same night (734,000 viewers);
- This Hour Has 22 Minutes (a 10th season of award-winning, biting satire); and This Hour Has 22 Minutes New Year's Special (941,000 viewers);
- · Made in Canada (the fifth season of the awardwinning series about a fictional Canadian television and film company; with Rick Mercer);
- The Red Green Show (in its sixth season);
- An American in Canada (a quirky look at Canadians through an American's eyes; last year's pilot received an overwhelmingly positive response and a Gemini Award);





Jarvis Hall, Dakota House and Marty Antonini, North of 60: Another Country, English Television.

- Rideau Hall (a former Disco Queen is appointed Governor General; a first season after last year's successful pilot);
- Jonathan Cross's Canada (Jonathan Torrens plays a vain investigative journalist covering the ordinary stories of ordinary Canadians);
- The Seán Cullen Show (taped live, featuring music, sitcom and guests);
- The CBC Winnipeg Comedy Festival 2002 (40 of Canada's top comedians on English Television and Radio One);
- The 2002 Halifax Comedy Fest (humour from the Atlantic Provinces on English Television and English Radio);
- Dave Broadfoot's First Farewell Tour (celebrating the comedian's 50-year career);
- Dave Foley's The True Meaning of Christmas Specials (a send up of Yuletide clichés; over one million viewers); and,
- Escape From the Newsroom (Ken Finkleman's darkly witty look at the television news industry).

On French Television, the popular comedy **Un gars, une fille**, the concept of which has been sold worldwide, concluded in March 2003, after seven seasons and 130 episodes. It attracted an enormous following in its final season with an average audience of 1,255,000 viewers.

In 2002-2003, French Television also aired two new series:

- Le Plateau (a situation comedy set in Mont-Royal); and,
- Rumeurs (a modern urban comedy about employees at a magazine entitled Rumeurs).





Henri Chassé, Marie-Thérèse Fortin, Émile Mailhiot, Catherine Brunet and Bianca Gervais, Le Monde de Charlotte, French Television.



Raoul Trujillo, Kari Matchett, Michael Hogan, and Janet Wright, *Betrayed*, English Television.

French Television again carried popular comedy programs:

- Ce soiron joue... (showcasing the multiple talents of hosts, André Robitaille, Martin Drainville and Luc Guérin); and,
- The second season of **Chick'n Swell** (surreal sketches performed by three young comedians from Victoriaville).

English Radio's main comedic offering each week is **Madly Off in All Directions** on Radio One and Radio Two. Hosted in different communities across the country by Canadian stand-up comedian Lorne Elliott, this program showcases local comedians and entertainers and is taped live before an audience. English Radio also ran a number of special comedy series this year, including **CBC Winnipeg Comedy Festival Presents** in January, February and March 2003.





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 2002-2003, CBC Records/Les disques SRC released 25 new CDs. This label has received critical acclaim for its recordings both internationally and nationally, and has 19 Junos to its credit.

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, Take Five, Symphony Hall, and West Coast Performance. The Orchestra makes appearances regularly on CBC Radio's disc shows as well.

Galaxie

Galaxie is CBC/Radio-Canada's digital pay audio service, available through satellite, cable and microwave digital distribution systems. Galaxie provides continuous music 24 hours a day without talk or commercials and, through paid subscriptions, contributes to the Corporation's net income. Galaxie also helps to fulfill CBC/Radio-Canada's cultural mandate by promoting Canadian artists and, as required by the CRTC, contributes money directly to indigenous musical talent development with the CBC Galaxie Rising Stars Program. Launched in

1998, this Program stimulates and develops new talent in Canada by presenting cash awards to emerging artists and by encouraging the 50 corporate Rising Star Partners across the country to devise new ways to showcase these artists.

In 2002-2003, Galaxie:

- celebrated its fifth anniversary;
- augmented its subscribers' base across the country to 3.25 million;
- increased its revenue contribution to the Corporation by almost 50 per cent compared to the previous fiscal year;
- developed and launched 15 new channels in 2002-2003, bringing its total to 45 channels;
- continued to recruit the best freelance programmers across the country, thus preserving Galaxie's lean and flexible infrastructure;
- prepared the subscription-based distribution of the network on the computer platform; in partnership with Aliant Telecom and Telus, Galaxie developed Galaxie On My Computer, to be launched in late May 2003;
- through its Rising Stars Program, contributed \$400,000 to young Canadian artists and music organisations in 2002-2003; and,
- received a licence renewal from the CRTC for a full seven-year term.







Joseph Motiki, POV Sports on CBC, English Television and CBC.ca.



Children and Young Adults

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

CBC/Radio-Canada has always considered excellent programming for Canadian children and young adults a priority in its schedule. We are proud of our traditions and role in contributing to the social growth and enlightenment of the next generation. In recent years, we have branched out with innovative multi-platform programming focusing on the interests of young adults.

The provision of excellent programming for Canada's young people is one aspect of our strategic priority for 2002-2003 to deliver distinctive programming of the highest quality. This year again, our media services provided thoughtful, respectful, non-violent, and entertaining programming for young people, much of it commercial-free. Featured actors and hosts, representing Canada's diverse cultural population, provided a mirror to their audiences and a sense of welcome inclusion.



Programming for Children

In 2002-2003, English Television provided 43 hours per week of regular programming for children and youth (over 2,000 hours per year), 38 hours per week of which were commercial-free.

Get Set for Life, weekday mornings, focused on the social, intellectual and emotional development of children aged 2-5. It is a commercial-free block with popular hosts, Alyson and Michael. Programs include:

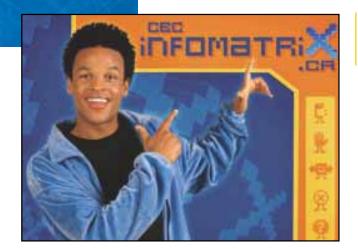
 Arthur, Babaloos, Clifford the Big Red Dog, Dragon Tales, Franklin, Inuk, Little Bear, Mr. Dressup, Mumble Bumble, Rolie Polie Olie, The Hippo Tub, Co., Tiny Planets, and Zoboomafoo.

Get Set for Life also introduced new programs:

- The Save-Ums!: Three-dimensional animated super heroes help prepare preschoolers for their role in the 21st century while teaching them the principles of cause and effect, co-operative play and critical thinking.
- Me Too!: Preschool protagonists live out their daily adventures with family, friends and neighbours, exploring such experiences as a first haircut, clean-up time and an argument with a friend. This program is also seen on French Television under the title, Moi.

English Television relaunched **CBC InfomatriX**, its innovative, commercial-free after-school and Saturday morning programming block for 8-12-year-olds. Anthony McLean hosts programs concerning current culture across the country, and





Anthony McLean CBC InfomatriX. English Television and CBC.ca

invites his audience to explore CBC InfomatriX's websites on CBC.ca. Programs on CBC InfomatriX include:

 CBC News.Real, CrashZone, Daring and Grace, Incredible Story Studio, MythQuest, Reboot and Worst Witch.

CBC InfomatriX introduced several new and exclusive programs in 2002-2003:

- · Ace Lightning: A comedy series combining live action with CGI animation in which a video game hero "comes to life" and teams up with a 13-year-old boy to battle evil.
- POV Sports on CBC: Host Joseph Motiki presents Canada's amateur athletes.
- CBC SPYNet: Viewers follow a fictional super spy on her top-secret adventures, and can join Spy School on the program's interactive website.

CBC InfomatriX and CBC English Radio drama this year co-produced Ice, a fantasy set in a futuristic world of conflict between human and robotic hockey players, for broadcast on Hockey Night in Canada.

English Television continued its outstanding regular programs for teenagers:

 Street Cents, in its 14th season, is the only television consumer program for young people in North America. Produced in Halifax with field reports from across the country, Street Cents won its sixth Gemini award in 2002-2003.

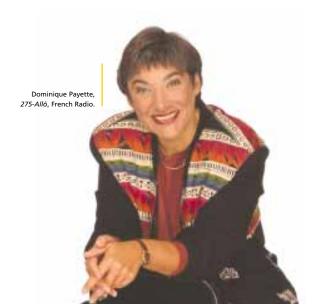
- · Edgemont, a critically acclaimed teen drama series set in Vancouver, returned for its third season.
- · Other continuing programs included: Pelswick, Music Works and The Simpsons.

This year, New Media launched an improved online CBC.ca zone for children and youth, integrating all existing online content for these groups. Websites offer games, contests, program information, and resources for parents.

French Television offered 26 hours of programming for children each week, in 2002-2003, 23 of which were commercial-free. Over the course of this year, French Television offered a total of 1,272 hours of children's programming.

French Television broadcast a variety of children's programs this season, including:

• 0340, Amandine Malabul, La Cour de récré, La Princesse Astronaute. Les Chatouilles. Les enfants du feu, Les Frimousses, Les Hoobs, Petite étoile, Rouli-roulotte, Sagwa, Sciences point com and Titi & Grosminet mènent l'enquête.







One of its very popular programs, returning for its second season, was **Ayoye!**, about a family of extra-terrestrials adapting to life on Earth.

The children's program, **Clan destin**, produced by French Television in Edmonton in conjunction with teams in Saskatchewan and Manitoba, results from an interprovincial partnership that enriched the lives of hundreds of young people attending French schools in the four Western Provinces. In 2003, it won the Alberta Motion Picture Industries Association (AMPIA) award for Best Children's Program.

French Television also presented new programs this year:

- Sofa gives the floor to young viewers across the country to speak their mind via webcams in Moncton, Ottawa, Winnipeg, and Vancouver.
- Moi, designed for preschoolers, explores daily lives and experiences with family, friends and neighbours. This program is also seen on English Television under the title, Me Too!

French Television also presented special programming for children, including:

- 1 000 fois Watatatow: in March 2003, Les Beaux Dimanches celebrated the 1,000th episode of Watatatow – a daily téléroman for adolescents. For the occasion, French Television staged a spectacular variety show combining archival material from the program's 12 years on air, music and dance.
- Spéciale 0340: Intimidation, hosted by Katerine-Lune Rollet, explored ideas on how to prevent or stop intimidation among young people.

French Television's programs for children are complemented by New Media's **Zone Jeunesse** websites on **radio-canada.ca**. The **Zone Jeunesse** has maintained its position in French Canada as leader among children aged six to 12. Our websites offer parent and teacher resources, contests and games, as well as adventures with a virtual band of friends called **Fd6 (Filière des six)**.

RDI's programs for youth this year included:

 RDI junior (6:00 p.m. weekdays) and Bulletin des jeunes (Saturday mornings), tailored to the age of their audiences, explain Current Events and invite children to learn about cultural diversity throughout Canada as well as life in different countries.

French Radio offers approximately five hours of commercial-free programming for children each week. Some examples are:

- 275-Allô and Ados-Radio autour du monde, weekday evenings on the Première Chaîne, are hosted by Dominique Payette. 275-Allô provides a platform for young people to ask questions and exchange ideas. Ados-Radio autour du monde looks at life in Tunisia, Lebanon and Morocco.
- French- and English-language courses for children, incorporating Canadian stories, are produced and broadcast by Radio Canada International and made available by our New Media services on RCI's website, rcinet.ca.







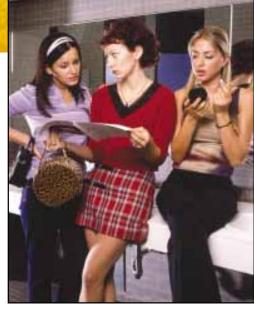
Edgemont, English Television.

New Media enables our networks to create intriguing, educational websites that support and add value to our programming for children and young adults. Some examples of New Media's unique contributions for these groups this year are:

- Several new games, Habille la Fd6, Cauchemars, La Foire aux mystères (which incorporates animation, voice and interactivity) and a special feature. Coupe du monde de soccer.
- · A new column, For the Kids, giving an experienced hockey Dad's perspective on the world of children's hockey.
- The launching of a partnership with PetitMonde, family and youth's portal.

Programming for Young Adults

- SmartAsk!, a joint venture involving English Television, English Radio and CBC.ca, is a multimedia quiz show for high-school students. For its second season, SmartAsk! invited 128 teams from across the country to compete live in regional playoffs on English Radio in September 2002. The 64 winning schools competed in the national championships on English Television beginning in December 2002. The show's interactive website featured audience forums, a web version of the game and an opportunity for teens to suggest questions for the show.
- ZeD: English Television and CBC.ca relaunched ZeD, a late-night innovative and interactive program from Vancouver showcasing emerging Canadian film and performance talent and content from interesting sources including the audience itself. This series was piloted to great success last year. The new host of ZeD is Sharon Lewis.



- Culture Shock/Culture-choc: CBC Newsworld and RDI again jointly commissioned 22 new episodes of this Saturday evening program – an award-winning independent production seen simultaneously in English and French on our Television networks, hosted by Gregory Charles and featuring young bilingual video journalists exploring different customs, traditions and lifestyles of Canadians.
- · Radio 3 presented all-Canadian programming without commercials on our free Internet Radio websites:
 - CBCRadio3: Canadian music and modern media.
 - 120seconds.com: Canadian fiction, true stories, music, and film.



Ayoye!, French Television







Catherine Pogonat, bandeapart.fm, French Radio.

- justconcerts.com: interviews, photos and audio and video coverage of Canada's best studio and onstage performances from clubs, concerts and festivals across Canada; also heard on Radio Two, Saturday nights.
- newmusiccanada.com: Canadian independent music (hip hop, rock, pop, soul, electronic, dance).
- rootsmusiccanada.com: folk, Celtic, bluegrass, Aboriginal, Francophone, country, and world beat independent music.
- bandeapart.fm: French Radio's highly successful platform for alternative and emerging Canadian music talent, is available on the Première Chaîne, Galaxie, ARTV, and the Internet (including on a bandeapart.fm website in France where no equivalent exists).
- Radio Two broadcast regular programs this year:
 - Brave New Waves: Canada's underground music and culture.
 - RadioSonic: new music and voices recorded live, on-location, and in exclusive studio sessions.

- Up and Coming a Radio One and Radio Two series hosted by Jon Kimura Parker and featuring Canadian classical musicians under the age of 19; live concerts were held in Wolfville, Montréal, Toronto, Edmonton, and Langley.
- The Big Break: In partnership with five campus radio stations in Halifax, Montréal, Ottawa, Winnipeg, and Vancouver, Radio One auditioned youth bands from across Canada for the chance to appear in live segments on Definitely Not the Opera.
- The Great Canadian Music Dream: This was a very successful joint venture between English Television and Radio Two, and the biggest cross-Canada music talent search in the Corporation's history. After five regional qualifying one-hour shows aired in January and February 2003 (recorded in Halifax, Montréal, Toronto, Winnipeg, and Vancouver), audiences voted for their favourite act by ballot in person, online or via telephone. Semifinalists performed in a live-to-air finale in February 2003, with all programs being hosted by Jian Ghomeshi. Painted Daisies won the great Canadian music dream a one-hour special on English Television and Radio Two next year.









The Hockey Night in Canada Team, CBC Sports.

Sports

CBC/Radio-Canada celebrates Canada's up-and-coming amateur athletes and presents the best in professional sports.

In line with our strategic priority of delivering distinctive, high-quality programming, as well as placing an emphasis on amateur sports, CBC/Radio-Canada features Canada's aspiring athletes as they rise through national and international competition on their way to the Olympics. No other broadcaster devotes so much airtime to familiarising Canadians with their own athletes, while continuing to present NHL Games and the Grey Cup. Our sports coverage provides a shared experience for Canadians and helps build pride in our homegrown talent.

Sports broadcasts are offered on our Television, Radio and New Media services all year round. English Television increased and broadened its coverage of amateur sports, again this year, giving special emphasis to women's sports. French Television added a new, comprehensive magazine on the sporting world, Adrénaline. English Radio and French Radio provided regular sports updates, and New Media created informative and interactive sports content on our websites, providing Canadians with the latest scores and top stories and special events coverage.



2003 Canada Winter Games

The 2003 Canada Winter Games, in Bathurst, Campbellton and surrounding communities in New Brunswick, drew 2,300 athletes competing in 21 sports. CBC/Radio-Canada's coverage involved our Sports, News and Children's units from our regions and networks, providing stories on our English Television, French Television, CBC Newsworld, RDI, English Radio, French Radio, CBC.ca and radio-canada.ca.

CBC/Radio-Canada covered the Opening and Closing Ceremonies, highlights from the Games and the men's and women's final hockey games.

- English Television provided over 20 hours' coverage each week.
- French Television presented each day's highlights in a nightly sportscast and in the Adrénaline magazine program.





- English Radio offered live bulletins to regional programming throughout the day, focusing on each province's athletes.
- The Première Chaîne devoted over 50 hours' coverage.
- New Media's CBC.ca and radio-canada.ca carried day-to-day coverage, standings, biographies, discussion fora, and regional content.

CBC/Radio-Canada will cover the Regina Summer Games in 2005 and the Whitehorse Winter Games in 2007.



Hockey

CBC/Radio-Canada's **Hockey Night in Canada** and **La Soirée du hockey** have been an important part of Canadian culture for over half a century.

In 2002-2003, French Television concluded a new broadcasting agreement with the Réseau des Sports (RDS), allowing for coverage of Montréal Canadiens' games every Saturday night.

On English Television, audiences for the first two rounds of the playoffs averaged 1,671,000.

During the regular season, English Television also offered:

- After Hours answers to viewers' e-mails and results of the daily poll on CBC.ca.
- Hockey Night in Canada Replay a 60-minute version of the weekly doubleheaders.
- Hockey Night in Canada Classics 14 historic NHL games rebroadcast throughout the season.
- NHL All-Star Weekend the NHL Young Stars Game, the NHL Super Skills Competition and the 53rd NHL All-Star Game which attracted over 900,000 viewers, a 35 per cent increase over figures for last year.
- · The NHL Awards Show from Toronto.
- The fourth annual Hockey Day in Canada: Celebrating Our Game in collaboration with CBC Radio and hosted from Iqaluit, English Television offered 15.5 hours of live stories from Summerside, Québec City, New Liskeard, London, and Port Alberni about hockey's importance in these communities, capped off with three NHL games played by the six Canadian teams. New Media offered information on local communities, Canadian hockey facts, documentaries, and full game coverage. Hockey Day in Canada brings together CBC/Radio-Canada's long association with hockey and our emphasis on amateur sports.



- The Circus is in Town: 50 Years of Hockey Night in Canada - a behind-the-scenes glimpse at our popular program during the Stanley Cup Finals, hosted by Nicholas Campbell from Da Vinci's Inquest.
- · Two hockey documentaries: Hockey Night In Canada: Part of Our Lives; and Tropic of Hockey a worldwide search for pick-up hockey games.

New Media's CBC.ca launched new Hockey Night In Canada coverage and a new Ice section. Zone sports on radio-canada.ca introduced a new hockey "pool", drawing 6,000 registrations by mid-November 2002.

Canadian Football and the Grey Cup

English Television this year carried 13 regularseason CFL games.

The most popular Canadian sports event on the network was the 90th Grey Cup, carried live from Edmonton on November 24, 2002, and watched by 3.7 million Canadians. This was the 51st consecutive Grey Cup broadcast on English Television. For Grey Cup Sunday, New Media created a website with a virtual football field, photos, a quiz, football history, and exclusive reports from our Web journalists.

Other Sports

2002 FIFA World Cup

- · For the first time since 1986, CBC/Radio-Canada broadcast this soccer championship.
- French Television aired 66 hours of the competition, including exclusive live coverage of several games. RDI provided a daily update.
- · English Television carried more than 65 hours of competition.



Adrénaline, French Television





- English Radio broadcast the final game; leading up to the final, updates were played during regional morning shows, along with cultural profiles on local international communities in Canadian cities cheering for their teams.
- New Media launched English and French sections, featuring player profiles, a look at soccer communities in Canada, and a history of the World Cup. The site featured unique multilingual discussion forums, in English, French, Spanish, Portuguese, Arabic, Russian, Chinese, and Italian.

Curling

 English Television broadcast The Scott Tournament of Hearts, the Nokia Brier, the Ford World Curling Championships, and The Karcher Junior Curling Championships.

XXVII Commonwealth Games

- From Manchester, the 2002 Commonwealth Games were the largest ever, with athletes from 72 nations competing.
- English Television, the domestic rights holder for the Games, began its 30 hours of coverage with the Queen's Jubilee Opening Ceremony.

- French Television broadcast highlights each night throughout the Games.
- New Media devoted an area on its websites to cover the Games.

Formula 1 Grand Prix of Montréal

 RDI, in partnership with the Première Chaîne and RDS, presented special programming during the week preceding the Grand Prix which included reports relating to the economic, technical, technological, and human aspects of Formula 1 autoracing.

English Television and French Television presented **Tennis Masters Canada**; and the **Rogers AT&T Cup** for women's tennis. English Television carried **Rogers Blue Jays Baseball**; **Show Jumping** at Spruce Meadows, Alberta; and **The GMC Calgary Stampede** (highlights, finals and the parade).

French Television broadcast nationally the opening and closing ceremonies of the Jeux de l'Acadie, along with a half-hour highlights program. Our Atlantic French Television services provided viewers with comprehensive coverage of the Games.

New Media covered numerous events and produced unique audio-visual reports for CBC.ca and radio-canada.ca, including an exclusive interview with the French skating judge, Francis Betsch, about the controversial Salé-Pelletier decision; the Coupe du monde de vélo; the International Beach Volleyball Championship; the Molson Indy; the Bromont International equestrian competition; and the Tour de France. Our position as Canada's leader in online amateur sports coverage has been unsurpassed.

Regular Sports Programming

In addition to daily sports bulletins, our networks presented regularly scheduled sports programs throughout the year:

- French Television: Les Nouvelles du sport, every night, offered information and commentary from a variety of experts; and, Adrénaline, a new two-hour program Saturday afternoons, covered amateur and professional sports and outdoor activities, bringing together the skills of the whole Radio-Canada sports unit.
- Radio One presented Inside Track, Canada's oldest national radio sports program. In January 2003, the program began its series, The Inside Track Road Trip, introducing listeners to sports strongly associated with the culture of each province.
- English Television carried entire afternoons of sports on CBC Sports Saturday.
- CBC Newsworld offered Sports Journal (also seen on English Television), a Gemini Awardwinning documentary-style program.



Accountability



Accountability Mechanisms

As in the past, CBC/Radio-Canada continued to report to Canadians on the fulfillment of its commitments. It accounted for its activities through the Minister of Canadian Heritage to 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.



Office of 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 such complaints and provides written reports which help ensure the excellence of the Corporation's News and information programs.

The Office has two Ombudsmen, one for Englishlanguage Networks and the other for Frenchlanguage Networks. Both Ombudsmen report directly to the President and CEO and are completely independent from the Corporation's media management. In 2002-2003, the Office of the Ombudsman (English and French Networks combined) handled a total of 3,239 complaints, expressions of concern and other communications. There were 1,648 concerning English programming and 1,591 concerning French programming. On the English side, 1,272 communications fell within the mandate of the Ombudsman (information programming), while there were 936 on the French side. Communications not directly related to CBC/Radio-Canada information programming were acknowledged and forwarded to the programming departments concerned.



Where to Write

The Ombudsman, English Networks CBC/Radio-Canada PO Box 500, Station A Toronto ON M5W 1E6 ombudsman@cbc.ca

Bureau de l'ombudsman, Services français CBC/Radio-Canada CP 6000 Montréal QC H3C 3A8 ombudsman@radio-canada.ca







(Front) Hélène Aubin, Suzie Pelletier, Françoise Guénette, Karen Pouliot, Denis Langlois (Back) Michel Lamarche, David Gentile, French Radio (Québec).

Strengthening our Team

Labour Relations

In competing with today's increasingly challenging and competitive environment, CBC/Radio-Canada has sought ways to address its business objectives while respecting the needs and aspirations of its employees.

During this past year, the Canada Industrial Relations Board ruled in favour of the Corporation's application under Section 18 of the Canada Labour Code to consolidate its bargaining units in all areas of Canada with the exception of Québec and Moncton. As a result, CBC/Radio-Canada is now working with representatives of the three bargaining units in English Canada to find ways to amalgamate its unions and better support the everchanging work environment. Progress has also been made on consolidating the four bargaining units in Québec and Moncton. These initiatives provide an opportunity for CBC/Radio-Canada to renew its industrial relations from an organisational and negotiating standpoint.





Alain Crevier and Daniel Imbeault working on a piece for Second Regard. French Television (Vancouver).

The Corporation remains committed to looking at ways to improve the relationship with its unions by pursuing a more collaborative and productive association with its workforce. Last September, the first Union-Management Leaders Forum was introduced offering everyone an opportunity to share information, as well as initiate and sustain important dialogue. Another Forum is planned for May 2003.

Communicating effectively with its workforce on issues of major importance remained a key priority for the Corporation, as employees saw a significant increase in the level of information coming from the President's Office and Senior Management, along with detailed accounts of all Board of Directors meetings. A number of consultations were also organised to allow for employee input while keeping everyone informed on major corporate initiatives.



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Optimisation Initiatives

Pace of change has significantly increased at CBC/Radio-Canada over previous years. Operating in a continuously evolving and very challenging broadcasting environment, the Corporation has sought to solidify its place in Canada's broadcasting system by introducing new and innovative ways of maximising its resources. For instance, in Ottawa, Edmonton and Québec City, we're bringing all media lines under one roof to optimise space; share resources, expertise and technology; increase our visibility in these cities; and fundamentally change the way we produce News programming. We have also introduced the Alternative Service Delivery Project (ASD) to review operations and processes in three areas of the Corporation (Human Resources, Finance and Information Technology), to help identify service improvements, and to make our infrastructure, systems and operations more efficient. In addition, the Vision Project has integrated new software systems and business processes across our English and French Television Networks, helping the Corporation achieve its objectives of being a well-managed company and working as an integrated conglomerate. Our ability to fully realise the intended benefits of these changes remains a constant preoccupation for the Corporation. To ensure our continued success, a strategy for institutionalising Change Management methodology across CBC/Radio-Canada will be implemented, along with associated training requirements. Finally, a company-wide employee survey was conducted in 2001, to provide input about current workplace values and culture. A second survey will be undertaken in the Fall of 2003 as a follow-up and to provide employees with an opportunity to express their views about the Corporation, its priorities and strategic directions.



Sonia Boisvert and Alain-Julien Godbout, French Radio (Windsor).



Learning and Development

The Corporation's success is fully dependent upon the dedication, talent and creativity of its highly committed workforce. It is therefore important that they remain at the forefront of any new advances within their respective fields of expertise.

To this end, in 2002-2003, CBC/Radio-Canada provided employees with formal training and development opportunities in a broad range of operations and technical areas, as well as a full roster of leadership, management and interpersonal skills training. We increased the use of action-learning opportunities by creating work teams to acquire new skills while addressing current opportunities, issues and problem areas. We extended the use of our succession planning process and performance management to include employees at all levels of the Corporation. We piloted a change management methodology and started training line leaders and their teams in its use, while continuing to provide comprehensive organisation development support across the Corporation using internal CBC/Radio-Canada consultants. With expenditures of \$10 million on internal and external training, CBC/Radio-Canada maintained its commitment to helping the professional development of its dedicated workforce.





CBC/Radio-Canada's Help Fund was once again renewed, thereby supporting approximately 30 projects to enable designated group members to receive on-the-job developmental assignments, and/or internships in production, technical or journalism areas. Such projects also included those run in partnership with English Radio's New Voices. The French Services internship program was also maintained and continues to work with the Help Fund to optimise resources.

CBC/Radio-Canada is developing a global Employment Equity Census designed to get an up-to-date picture of its current workforce. Planned for early April 2003, the Census will represent a first step toward strengthening our commitment to improving the representation of designated group members and helping the Corporation achieve a workforce that better reflects the diversity of Canadian society.

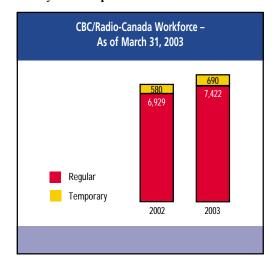
The CBC Equity Newsletter, promoting the Corporation's portrayal of designated group members on-air, continued to be published three times a year. Though originally meant for employees, it now enjoys a wide external readership of interested individuals, groups and institutions, and is also available immediately upon publication through the Intranet and our corporate website.

Official Languages

CBC/Radio-Canada strengthened its commitment to develop and enhance linguistic minority communities. The Regions' Panel, made up of concerned citizens from minority communities across the country, was created last year by French Television to provide CBC/Radio-Canada with valuable input to ensure our programming adequately reflects regional perspectives and differences.

With the renewal of a Multipartite Agreement, CBC/Radio-Canada, the Fédération culturelle canadienne-française (FCCF), Canadian Heritage and other federal cultural institutions met to review some of their achievements from the first year in terms of their commitment to this country's cultural communities. The Corporation was pleased to report the tremendous success of two projects under the Interdepartmental Program with Official Languages Communities (IPOLC), namely: the formal creation of the Réseau des galas de la chanson designed to promote Francophone songs and songwriters across the country and assist in developing Francophone talent from outside Québec; and the organisation of two seminars in Montréal to help develop independent producers, directors and writers for Television.

Finally, the Corporation continued to increase the number of cross-cultural initiatives between French and English Radio and Television, and to be a key player in the expansion and sustained vitality of Francophonie worldwide.





Board of Directors

The Broadcasting Act and the By-laws of the Corporation govern the CBC/Radio-Canada Board of Directors. The Directors are responsible for overseeing the conduct of the business, supervising management and endeavouring to ensure that all major issues affecting the business and affairs of the Corporation are given proper consideration.

Certain oversight functions have been delegated to Committees including the English and French Language Broadcasting Committee (required by the Broadcasting Act), the Audit Committee, the Human Resources and Compensation Committee, and the Governance and Nominating Committee. Most members of the Board serve on at least two committees.

The English and French Language Broadcasting Committee ensures that the Board monitors fulfillment by the Corporation of its French- and English-language broadcasting responsibilities and its overall mandate. The Committee consists of all members of the Board.

The purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing the financial information that will be provided to Parliament and other stakeholders, the systems of corporate controls and risk management, which management and the Board have established, and the audit process. The Committee is composed of no more than six Directors, none of whom may be officers or employees of the Corporation.

The purpose of the Human Resources and Compensation Committee is to review, report and, when appropriate, provide recommendations to the Board of Directors regarding human resource strategies. These strategies include, among others, significant human resource policies, industrial relations issues, executive management compensation programs, succession planning, recruitment, and development. The Committee is composed of no more than four Directors.

The purpose of the Governance and Nominating Committee is to provide a focus on Board governance that will enhance corporate performance; to assess and make recommendations regarding Board effectiveness; and to establish a process for developing Director criteria and communicating those criteria to the Minister for consideration by the Governor in Council.





Members of the Board of Directors

Carole Taylor, O.C. (5)

Chair, Board of Directors Vancouver, British Columbia

Robert Rabinovitch (4)

President and CEO Ottawa, Ontario

John Kim Bell, O.C. (Not Shown)

Founder and President National Aboriginal Achievement Foundation Toronto, Ontario

Dr. Val H. Conway (Not Shown)

(until September 2002) Ophthalmologist St. John's, Newfoundland and Labrador

Howard McNutt (6)

(since September 2002) Principal HM Consulting Inc. Halifax, Nova Scotia

Marie Giguère (8)

Senior Vice-President Chief Legal Officer and Secretary Molson Inc. Montréal, Québec

Roy L. Heenan, O.C. (10)

Chairman and Founding Partner Heenan Blaikie, L.L.P., Barristers and Solicitors Montréal, Québec

Jane Heffelfinger (9)

Actress and Broadcaster Monday Publishing Victoria, British Columbia

Robert Lantos, C.M. (Not Shown)

Producer Serendipity Point Films Toronto, Ontario

Clarence LeBreton (3)

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

L. Richard O'Hagan (1)

Principal Richard O'Hagan Associates Toronto, Ontario

James S. Palmer, C.M., Q.C. (7)

Lawyer and Chairman Burnet, Duckworth & Palmer **Barristers and Solicitors** Calgary, Alberta

W. Thomas R. Wilson (Not Shown)

(until February 2003) President and CEO Oceanic Adventures International Toronto, Ontario

Hélène Fortin (2)

(since February 2003) Associate Hébert, Lussier & Associés, Chartered Accountants Longueuil, Québec





Senior Management Committee

Robert Rabinovitch (5)

President and CEO

Harold Redekopp (2)

Executive Vice-President, English Television

Michèle Fortin (Not Shown)

(until July 2002)

Executive Vice-President, French Television

Daniel Gourd (1)

(since November 2002)

Executive Vice-President, French Television

Alex Frame (Not shown)

(until December 2002)

Vice-President, English Radio

Jane Chalmers (4)

(since November 2002)

Vice-President, English Radio

Sylvain Lafrance (3)

Vice-President, French Radio and New Media

George C.B. Smith (9)

Senior Vice-President, Human Resources and Organisation

Pierre Nollet (6)

Vice-President, General Counsel and Corporate Secretary

Michel Tremblay (7)

Vice-President, Strategy and Business Development

Johanne Charbonneau (8)

Vice-President and Chief Financial Officer

Ray J. Carnovale (12)

Vice-President and Chief Technology Officer

Michel Saint-Cyr (11)

President, Real Estate Division

William B. Chambers (10)

(since January 2003)

Vice-President, Communications

David Bazay (Not Shown)

Ombudsman, English Networks

Renaud Gilbert (Not Shown)

Ombudsman, French Networks







Management Discussion and **Analysis**

STRATEGIC ORIENTATIONS

As Canada's national public broadcaster, CBC/Radio-Canada must provide Canadians with high-quality, distinctive Canadian programming in a fiscally responsible manner. To fulfill its mandate more effectively, the Corporation is leveraging existing assets in order to realise savings and generate revenues for re-investment in programming. These changes have led to corporate-wide cooperative action in the areas of real estate, transmission, affiliate relations, operations and maintenance, and technology. The following is an overview of these initiatives.

Real Estate

Through more efficient management of corporate real estate across the country, CBC/Radio-Canada's new Real Estate Division is already showing impressive results.

CBC/Radio-Canada has initiated a major amalgamation of its services in Ottawa, Edmonton and Québec City. By consolidating operations in these cities, the Corporation will be able to significantly reduce space requirements while increasing overall efficiency.

The Real Estate Division is renting out surplus space to third parties, which will help the Corporation generate additional cash flow over the next 15 years.

Transmission

The Corporation created a Transmission Division. One of its objectives is to generate new revenues by leasing CBC/Radio-Canada transmission facilities to other broadcasters and telecommunications providers.

Affiliate Relations

To provide regional audiences with greater access to CBC/Radio-Canada programming, the Corporation has begun to review all affiliate agreements and their underlying financial arrangements.

As part of this review, it entered into a new agreement with Cogeco Radio-Télévision inc., involving television affiliates in Trois-Rivières, Sherbrooke and Chicoutimi/Jonquière. In the same vein, CBC/Radio-Canada signed an agreement with CTV, whereby it acquired the transmission facilities of seven affiliate stations in Northern Ontario and Saskatchewan; the Corporation now provides full CBC/Radio-Canada service in these two areas.

Alternative Service Delivery Solutions

To optimise management of its operations and support activities, CBC/Radio-Canada is considering various solutions for guaranteeing delivery of its support services (Human Resources, Finance and Administration, and Information Technology). With this initiative, the Corporation wants to provide quality service while increasing productivity and bringing costs under control.



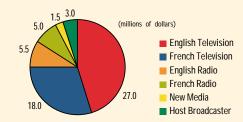
Technology

As a result of more strategic tracking and assessment of emerging technologies and their implications for its broadcasting operations, the Corporation continues to identify new ways to pursue efficiencies in infrastructure, systems and operations.

For example, by phasing out ground-based microwave and fibre-optic circuits and feeding all of our transmissions via satellite, CBC/Radio-Canada expects to reduce annual transmission costs by millions of dollars. Centralising master control operations in Toronto and Montréal will also save the Corporation millions of dollars each year.

2002-2003 HIGHLIGHTS

• On December 1, 2001, the Government of Canada granted CBC/Radio-Canada additional non-recurring funding of \$60 million in 2002-2003, for the second year in a row. The funds were earmarked for program enhancement in CBC/Radio-Canada's various media components, and were allocated as follows in fiscal 2002-2003:



- On October 24, 2002, CBC/Radio-Canada was authorised by the Canadian Radio-television and Telecommunications Commission (CRTC) to acquire Corus Entertainment's 70 per cent stake in the Country Canada specialty channel. This makes CBC/Radio-Canada the sole shareholder of Country Canada. The consolidated financial statements include Country Canada results as of November 1, 2002.
- Effective April 1, 2002, the Corporation adopted the new recommendations of the Canadian Institute of Chartered Accountants (CICA) on corporate income tax. The impact of adopting these new rules is discussed in Note 2.
- The Corporation reviewed its estimation practices for the amortisation of vehicles and computers. The estimated useful life of these two asset categories was also revised. The effects of these changes are described in Note 8.

ANALYSIS OF FINANCIAL RESULTS

REVENUES

Compared to the previous year, advertising revenues and miscellaneous revenues decreased by \$35 million and \$9 million respectively.

Advertising revenues in fiscal 2001-2002 included revenue generated during the Salt Lake City Winter Olympics, which largely explains the drop in advertising revenues this year. On the other hand, English Television posted higher revenues owing to a more favourable economic climate than in 2001-2002.

Specialty channels saw an increase in cable revenues as a result of a growing subscriber base.

Miscellaneous revenues in 2001-2002 included revenues generated through CBC/Radio-Canada's host broadcasting activities during the 8th IAAF (International Amateur Athletic Federation) World Championships in Edmonton, which accounts mainly for the variation with fiscal 2002-2003.



EXPENSES

Expenses according to Canadian generally accepted accounting principles increased by \$37 million.

With additional temporary funding granted in 2002-2003, CBC/Radio-Canada was able to revitalise programming in all of its media lines, and thus maintain its commitment to offer distinctive, top-quality Canadian programming.

The increase in Specialty Services expenses may be attributed to increased coverage of international events, particularly the conflict in Iraq.

The reduction in payments to affiliates reflects the Corporation's affiliation strategy. This year, CBC/Radio-Canada successfully terminated agreements with a number of affiliates, which accounts for the decrease in expenses.



BALANCE SHEET ITEMS

Increase in assets of \$13 million.

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

The decrease in accounts receivable is attributable to the increased receivables in 2001-2002 resulting from the Salt Lake City Winter Olympics in February 2002.

The item "deferred charges and long-term investments" includes CBC/Radio-Canada's share of the following Specialty Services: ARTV and The Documentary Channel. These Specialty Services were created in partnership with key industry players and other leading agencies in order to provide Canadian viewers with a new and innovative television experience. Details of these investments can be found in Note 10.

The items "pension plans asset" and "employee-related liabilities" reflect the application of CICA rules respecting employee future benefits. Under these rules, actuarial accounting must be used to determine the Pension Fund's assets and liabilities. The sharp drop in market value that occurred in 2002 will thus be amortised over many years as a result of these rules.

FISCAL 2003-2004 AND SUBSEQUENT YEARS

- CBC/Radio-Canada received Governor in Council authorisation to include, in its approved parliamentary appropriation, a sum of \$15.5 million for Radio Canada International (RCI). In recent years, CBC/Radio-Canada had received separate funding for RCI through a contribution agreement with the Government of Canada.
- The Government of Canada has confirmed that CBC/Radio-Canada will receive \$60 million in additional funding over the next two fiscal years (2003-2004 and 2004-2005). These funds will be invested in programming by our Radio, Television and Web components.



Management's

Responsibility for the Consolidated Financial Statements

The consolidated 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 consolidated 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 to provide 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 the operations of the Corporation and of its wholly owned subsidiary are carried out effectively and that transactions are in accordance with the *Broadcasting Act* and the by-laws of the Corporation and with the charter and the by-laws of its wholly owned subsidiary.

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 consolidated 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 six members, none of whom is an officer of the Corporation, reviews and advises the Board on the consolidated 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 June 4, 2003

President and CEO



Auditor's Report

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

I have audited the consolidated balance sheet of the Canadian Broadcasting Corporation as at March 31, 2003 and the consolidated 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 misstatement. 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 consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2003 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, except for the change in the method of accounting for income taxes as explained in note 2 to the financial statements, on a basis consistent with that of the preceding year.

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

Sheila Fraser, FCA

Auditor General of Canada

Ottawa, Canada June 4, 2003



Consolidated

Balance Sheet

As at March 31		
	2003 2002	
	(thousands	of dollars)
ASSETS		
Current		
Cash, cash equivalents and short-term investments (Note 18)	192,180	154,730
Accounts receivable	138,147	188,195
Program inventory	92,176	102,541
Prepaid expenses	42,134	37,814
	464,637	483,280
Capital assets (Note 8)	1,007,448	1,016,465
Deferred charges and long-term investments	35,262	18,290
Pension Plans asset (Note 12)	49,005	25,495
	1,556,352	1,543,530
LIABILITIES		
Current		
Accounts payable and accrued liabilities	157,381	167,215
Employee-related liabilities (Note 12)	136,715	128,091
Obligations under capital leases (Note 13)	5,503	5,111
	299,599	300,417
Long-term		·
Employee-related liabilities (Note 12)	105,562	97,578
Obligations under capital leases (Note 13)	361,523	367,026
Deferred capital funding (Note 11)	641,517	654,457
	1,108,602	1,119,061
EQUITY		· ·
Equity	148,151	124,052
	1,556,352	1,543,530

Commitments and contingencies (Notes 14 and 15)

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

Approved on behalf of the Board of Directors:





Consolidated Statement of **Operations and Equity**

For the year ended March 31		
	2003 2002	
	(thousands	of dollars)
REVENUE		
Advertising and program sales	284,410	319,257
Specialty Services (Note 6)	123,271	117,722
Miscellaneous	73,154	82,383
	480,835	519,362
EXPENSE		
Television and Radio service costs	1,197,501	1,150,557
Specialty Services (Note 6)	117,277	104,076
Transmission, distribution and collection	59,176	61,850
Radio Canada International	14,470	16,626
Payments to private stations	11,140	16,760
Corporate Management	15,461	15,402
Amortisation of capital assets	117,695	130,806
	1,532,720	1,496,077
Operating loss before Government funding and taxes	(1,051,885)	(976,715)
Government funding		
Parliamentary appropriation for operating expenditures (Note 4)	937,432	840,404
Funding reserved for Radio Canada International (Note 5)	15,501	15,418
Amortisation of deferred capital funding (Note 11)	118,049	130,953
	1,070,982	986,775
Net results before taxes	19,097	10,060
Recovery of income and large corporations taxes (Note 7)	(1,002)	(1,332)
Net results for the year	20,099	11,392
Equity, beginning of year	124,052	108,660
Working Capital Funding (Note 4)	4,000	4,000
Equity, end of year	148,151	124,052

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



Consolidated Statement of Cash Flow

For the year ended March 31

Cash Flow from (used in) (thousands of ollars) Operating Activities 20,099 11,392 Loss on disposal of capital assets 757 1,849 Items not involving cash: 1117,695 130,806 Equity in income of companies subject to significant influence (7) 695 Variance of deferred charges (8,340) 580 Amortisation of deferred capital funding (118,049) (130,953) Pension plans asset (23,510) (25,495) Employee-related liabilities [current] 1,542 (3932) Employee-related liabilities [current] 7,984 (196) Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) 50,827 (12,404) Parliamentary appropriations (Note 4) 48,998 (27,658) Financing Activities 105,090 138,481 Parliamentary appropriations (Note 4) 19 102 Capital funding 4,000 4,000 Government funding for capital purchases for RCI 19 10 Capital portion of lease payments (51,11) (4,747)		2003	2002
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Net results for the year 20,099 11,392 Loss on disposal of capital assets 757 1,849 Items not involving cash:	Cash Flow from (used in)		
Loss on disposal of capital assets 757 1,849 Items not involving cash:	Operating Activities		
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Amortisation of capital assets 117,695 130,806 Equity in income of companies subject to significant influence (7) 695 Variance of deferred charges (8,340) 580 Amortisation of deferred capital funding (118,049) (130,953) Pension plans asset (23,510) (25,495) Employee-related liabilities [current] 1,542 (3,932) Employee-related liabilities [long-term] 7,984 (196) Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) 50,827 (12,404) Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) 50,827 (12,404) Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) 50,827 (12,404) Net change in working capital balances excluding cash, cash equivalents and short-term investments 105,092 138,481 Working capital funding 105,090 138,481 102,090 102 Capital funding 105,090 138,481 103,998 137,836 Investing Activities (123,976) (129,216) <td< td=""><td>Loss on disposal of capital assets</td><td>757</td><td>1,849</td></td<>	Loss on disposal of capital assets	757	1,849
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Variance of deferred charges (8,340) 580 Amortisation of deferred capital funding (118,049) (130,953) Pension plans asset (23,510) (25,495) Employee-related liabilities [current] 1,542 (3,932) Employee-related liabilities [long-term] 7,984 (196) Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) 50,827 (12,404) Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) 50,827 (12,404) Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) 50,827 (12,404) Net change in working capital balances excluding cash, cash equivalents and short-term investments 50,827 (12,404) 48,998 (27,658) (12,404) 48,998 (27,658) Financing Activities 105,090 138,481 100,000 4,000 4,000 4,000 4,000 4,000 4,000 6,000 1,000 6,111 (4,747) 103,998 137,836 117,836 117,836 117,836 117,955 7,463	Amortisation of capital assets	117,695	130,806
Amortisation of deferred capital funding (118,049) (130,953) Pension plans asset (23,510) (25,495) Employee-related liabilities [current] 1,542 (3,932) Employee-related liabilities [long-term] 7,984 (196) Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) 50,827 (12,404) Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) 48,998 (27,658) Financing Activities 2 48,998 (27,658) Parliamentary appropriations (Note 4) 30,000 4,000 4,000 4,000 4,000 4,000 4,000 4,000 6,000	Equity in income of companies subject to significant influence	(7)	695
Pension plans asset (23,510) (25,495) Employee-related liabilities [current] 1,542 (3,932) Employee-related liabilities [long-term] 7,984 (196) Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) 50,827 (12,404) Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) 50,827 (12,404) Ak 998 (27,658) (27,658) Financing Activities 4,000 4,000 Government funding 105,090 138,481 Working capital funding 4,000 4,000 Government funding for capital purchases for RCI 19 102 Capital portion of lease payments (5,111) (4,747) Investing Activities (5,111) (4,747) Acquisition of capital assets (123,976) (129,216) Proceeds on disposal of capital assets (7,425) (3,654) Business acquisition (Note 9) (1,200) - Long-term investment - (4,070) Increase (Decrease) in cash, cash equivalents and short-term	Variance of deferred charges	(8,340)	580
Employee-related liabilities [current] 1,542 (3,932) Employee-related liabilities [long-term] 7,984 (196) Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) 50,827 (12,404) Financing Activities 48,998 (27,658) Parliamentary appropriations (Note 4) 2 2 Capital funding 105,090 138,481 Working capital funding 4,000 4,000 Government funding for capital purchases for RCI 19 102 Capital portion of lease payments (5,111) (4,747) Loughting Activities 4 103,998 137,836 Investing Activities 4 103,998 137,836 Investing Activities 4 103,998 137,836 Investing Activities 4 17,055 7,463 Proceeds on disposal of capital assets (123,976) (129,216) Proceeds on disposal of capital assets 17,055 7,463 Deferred charges (7,425) (3,654) Business acquisition (Note 9) (1,200)	Amortisation of deferred capital funding	(118,049)	(130,953)
Employee-related liabilities [long-term] 7,984 (196) Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) 50,827 (12,404) 48,998 (27,658) Financing Activities Parliamentary appropriations (Note 4)	Pension plans asset	(23,510)	(25,495)
Net change in working capital balances excluding cash, cash equivalents and short-term investments (Note 17) Financing Activities Parliamentary appropriations (Note 4) Capital funding Working capital funding Government funding for capital purchases for RCI Capital portion of lease payments Acquisition of capital assets Acquisition of capital assets Acquisition of capital assets Deferred charges Business acquisition (Note 9) Long-term investment Cash, cash equivalents and short-term investments, beginning of year 154,730 (12,404) 48,998 (27,658) 105,090 138,481 105,090 138,481 105,090 138,481 107,090 108,000 4,000 4,000 4,000 4,000 4,000 109,111 103,998 137,836 1103,998 137,836	Employee-related liabilities [current]	1,542	(3,932)
Solution	Employee-related liabilities [long-term]	7,984	(196)
A8,998 (27,658)			
Financing Activities Parliamentary appropriations (Note 4) 105,090 138,481 Capital funding 4,000 4,000 Government funding for capital purchases for RCI 19 102 Capital portion of lease payments (5,111) (4,747) 103,998 137,836 Investing Activities (123,976) (129,216) Acquisition of capital assets (123,976) (129,216) Proceeds on disposal of capital assets 17,055 7,463 Deferred charges (7,425) (3,654) Business acquisition (Note 9) (1,200) - Long-term investment - (4,070) Increase (Decrease) in cash, cash equivalents and short-term investments, beginning of year 37,450 (19,299) Cash, cash equivalents and short-term investments, beginning of year 154,730 174,029	and short-term investments (Note 17)		(12,404)
Parliamentary appropriations (Note 4) 105,090 138,481 Capital funding 4,000 4,000 Government funding for capital purchases for RCI 19 102 Capital portion of lease payments (5,111) (4,747) Investing Activities 103,998 137,836 Investing Activities (123,976) (129,216) Proceeds on disposal of capital assets 17,055 7,463 Deferred charges (7,425) (3,654) Business acquisition (Note 9) (1,200) - Long-term investment - (4,070) Increase (Decrease) in cash, cash equivalents and short-term investments 37,450 (19,299) Cash, cash equivalents and short-term investments, beginning of year 154,730 174,029		48,998	(27,658)
Capital funding 105,090 138,481 Working capital funding 4,000 4,000 Government funding for capital purchases for RCI 19 102 Capital portion of lease payments (5,111) (4,747) Capital portion of lease payments (5,111) (4,747) Investing Activities Value Value Value Acquisition of capital assets (123,976) (129,216) Value Value <t< td=""><td>-</td><td></td><td></td></t<>	-		
Working capital funding 4,000 4,000 Government funding for capital purchases for RCI 19 102 Capital portion of lease payments (5,111) (4,747) Investing Activities 103,998 137,836 Investing Activities (123,976) (129,216) Proceeds on disposal of capital assets 17,055 7,463 Deferred charges (7,425) (3,654) Business acquisition (Note 9) (1,200) - Long-term investment - (4,070) Increase (Decrease) in cash, cash equivalents and short-term investments 37,450 (19,299) Cash, cash equivalents and short-term investments, beginning of year 154,730 174,029	2 11 1		
Government funding for capital purchases for RCI 19 102 Capital portion of lease payments (5,111) (4,747) 103,998 137,836 Investing Activities (123,976) (129,216) Acquisition of capital assets 17,055 7,463 Deferred charges (7,425) (3,654) Business acquisition (Note 9) (1,200) - Long-term investment - (4,070) Increase (Decrease) in cash, cash equivalents and short-term investments 37,450 (19,299) Cash, cash equivalents and short-term investments, beginning of year 154,730 174,029			
Capital portion of lease payments (5,111) (4,747) 103,998 137,836 Investing Activities (123,976) (129,216) Acquisition of capital assets (17,055) 7,463 Proceeds on disposal of capital assets 17,055 7,463 Deferred charges (7,425) (3,654) Business acquisition (Note 9) (1,200) - Long-term investment - (4,070) Increase (Decrease) in cash, cash equivalents and short-term investments 37,450 (19,299) Cash, cash equivalents and short-term investments, beginning of year 154,730 174,029	· .		
Investing Activities Acquisition of capital assets Acquisition of capital assets Proceeds on disposal of capital assets Deferred charges Business acquisition (Note 9) Long-term investment Cash, cash equivalents and short-term investments, beginning of year 103,998 137,836 (129,216) (129,216) (17,055 7,463 (7,425) (3,654) (1,200) - (4,070) (115,546) (129,477) (19,299) 154,730 174,029			102
Investing Activities Acquisition of capital assets Proceeds on disposal of capital assets Deferred charges Unique to the series of the ser	Capital portion of lease payments		
Acquisition of capital assets Proceeds on disposal of capital assets 17,055 7,463 Deferred charges (7,425) Business acquisition (Note 9) Long-term investment - (4,070) Increase (Decrease) in cash, cash equivalents and short-term investments 37,450 Cash, cash equivalents and short-term investments, beginning of year 154,730 174,029		103,998	137,836
Proceeds on disposal of capital assets Deferred charges (7,425) Business acquisition (Note 9) Long-term investment (1,200) (115,546) (129,477) Increase (Decrease) in cash, cash equivalents and short-term investments 37,450 (19,299) Cash, cash equivalents and short-term investments, beginning of year	-		
Deferred charges (7,425) (3,654) Business acquisition (Note 9) (1,200) - Long-term investment - (4,070) Increase (Decrease) in cash, cash equivalents and short-term investments 37,450 (19,299) Cash, cash equivalents and short-term investments, beginning of year 154,730 174,029	·		
Business acquisition (Note 9) Long-term investment Congular investment			
Long-term investment — (4,070) (115,546) (129,477) Increase (Decrease) in cash, cash equivalents and short-term investments 37,450 (19,299) Cash, cash equivalents and short-term investments, beginning of year 154,730 174,029	ű		(3,654)
Increase (Decrease) in cash, cash equivalents and short-term investments Cash, cash equivalents and short-term investments, beginning of year (19,299)	•	(1,200)	-
Increase (Decrease) in cash, cash equivalents and short-term investments 37,450 (19,299) Cash, cash equivalents and short-term investments, beginning of year 154,730 174,029	Long-term investment	_	
short-term investments 37,450 (19,299) Cash, cash equivalents and short-term investments, beginning of year 154,730 174,029		(115,546)	(129,477)
Cash, cash equivalents and short-term investments, beginning of year 154,730 174,029		37,450	(19,299)
	Cash, cash equivalents and short-term investments, beginning of year		
Cash, cash equivalents and short-term investments, end of year 192,180 154,730			



Notes to the **Consolidated Financial Statements**

for the Year Ended March 31, 2003

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. CHANGE IN ACCOUNTING POLICY

Effective April 1, 2002, the Corporation adopted, prospectively, the new recommendations of the Canadian Institute of Chartered Accountants with respect to accounting for income taxes. The adoption of the asset and liability method of tax allocation had no effect on the financial statements.

Under the new recommendations, the asset and liability method of tax allocation is used in accounting for income taxes. Under this method, future tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities, and are measured using the substantively enacted tax rates and laws that will be in effect when the differences are expected to reverse. Prior to the adoption of the new recommendations, income tax expense was determined using the deferral method of tax allocation. Future tax expense was based on items of income and expense that were reported in different years in the consolidated financial statements and tax returns and measured at the tax rate in effect in the year the difference originated.

3. SIGNIFICANT ACCOUNTING POLICIES

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

a. Consolidation

The consolidated financial statements include the accounts of CBC/Radio-Canada and its wholly owned subsidiary, 3899071 Canada Inc. (Country Canada), from the date of its acquisition.

b. 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 in the Consolidated Statement of Operations and Equity. Parliamentary appropriations for depreciable capital expenditures are recorded as deferred capital funding on the Consolidated 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.



c. Cash Equivalents and Short-term Investments

Cash equivalents, which are carried at cost as they are intended to be held to maturity, are comprised of marketable securities and bonds with original maturity dates of less than 90 days. Short-term investments, which are carried at cost as they are intended to be held to maturity, consist of marketable securities and bonds with original maturity dates in excess of three months and current maturities of less than 12 months from the balance sheet date.

d. 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.

e. 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:

• Bu	ildings	33 years
 Ter 	chnical equipment	•
	Transmitters and towers	20 years
	Other	5 years
• Fu	rnishings and office equipment	10 years
• Co	mputers	
	Mainframe computers (hardware and software)	5 years
	Microcomputers (hardware and software)	3 years
• Au	tomotive	
	Automobiles, cars and minivans	5 years
	Snowmobiles, all-terrain vehicles	8 years
	Utility vehicles, vans	10 years
	Television and Radio News trucks, 5-ton and 10-ton heavy trucks	12 years
	Specialised vehicles	20 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.



f. Deferred Charges

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.

g. Long-term Investments

Investments in entities over which the Corporation exercises significant influence are accounted for using the equity method. Under this method, the Corporation's investment is increased or decreased according to the undistributed net income or loss since acquisition. Investments in entities over which the Corporation exercises 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.

h. 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 costs are 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 gain and the employer's contributions to the Pension Fund is reflected in the Consolidated Balance Sheet as an employee-related asset (liability).

i. 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.



i. Employee Future Benefits other than Pension (continued)

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 longterm 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.

j. Income Taxes

The Corporation follows the asset and liability method of accounting for income taxes. Future income tax assets and liabilities are recognised for the estimated future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The rates used to calculate the future income tax assets and liabilities are the enacted or substantively enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. If realisation of future income tax assets is considered more likely than not, a valuation allowance is provided.

k. Miscellaneous Revenue

The Corporation generates revenue other than revenue derived from advertising or program sales. These revenues are recorded as miscellaneous revenue in the Consolidated Statement of Operations and Equity. These revenues include revenue from leasing of space, facilities and services; activities as host broadcaster; commercial productions; banking activities; disposal of capital assets; and other miscellaneous activities.

I. Measurement Uncertainty

The preparation of consolidated 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 consolidated 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.



4. PARLIAMENTARY APPROPRIATIONS

a. Parliamentary Appropriations Approved and Received

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

	2003	2002
	(thousands	of dollars)
Operating Funding		
Approved annual funding	864,891	855,574
Additional non-recurring funding for programming initiatives (Note 4d)	60,000	60,000
Transfer to capital funding – Supplementary Estimates B ¹	(7,459)	(15,170)
Frozen allotment used (reprofiled in future years)	20,000	(60,000)
Operating Funding Received	937,432	840,404
Capital Funding		
Approved annual funding	97,631	100,311
Transfer from operating funding – Supplementary Estimates B ¹	7,459	15,170
Frozen allotment used (re-profiled in future years)	-	23,000
Capital Funding Received	105,090	138,481
Working Capital Funding	4,000	4,000

^{1.} In the event that significant changes in current year requirements occur, appropriations are transferred from one vote to another or re-profiled from one fiscal year to another 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 Consolidated 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:

	2003	2002
	(thousands	
Net results for the year	20,099	11,392
Items not generating operating funds:	20/077	,072
Amortisation of deferred capital funding	(118,049)	(130,953)
Income items relating to capital assets	757	1,849
Other	(1,829)	184
	(119,121)	(128,920)
Items not requiring operating funds:		
Amortisation of capital assets	117,695	130,806
CBC/Radio-Canada Pension Plans and other employee future benefits	(15,526)	(25,664)
Vacation Pay	1,542	(3,932)
Program inventory costs	3,864	8,139
Other	2,061	(3,728)
	109,636	105,621
Net results of operations on a Government funding basis		
(including interest generated from the disposal of joint business ventures)	10,614	(11,907)
Less: Interest generated from the disposal of joint business ventures	(2,493)	(3,011)
Net results of operations on a Government funding basis		
(excluding interest from the disposal of joint business ventures)	8,121	(14,918)
Government funding surplus, beginning of year	23,769	38,687
Government funding surplus, end of year	31,890	23,769



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:

	2003	2002	
	(thousands of dollars)		
Capital funding received (Note 4a)	105,090	138,481	
Capital funding for Radio Canada International	19	102	
Capital funding	105,109	138,583	
Proceeds on disposal of capital assets	17,055	7,463	
Total capital funding for the year	122,164	146,046	
Acquisition of capital assets	(123,976) (129,216)		
Capital portion of lease payments	(5,111)	(4,747)	
Capital funding surplus (deficit) for the year	(6,923)	12,083	
Less: Proceeds generated from the disposal of a building	(7,500)	_	
Capital funding surplus (deficit) for the year			
(excluding proceeds generated from the disposal of a building)	(14,423)	12,083	
Capital funding surplus, beginning of year, Government funding basis	19,476	7,393	
Capital funding surplus, end of year, Government funding basis	5,053	19,476	

d. Additional Non-recurring Funding for Programming Initiatives

On December 10, 2001, the Government of Canada announced additional non-recurring funding of \$60 million for CBC/Radio-Canada for the 2002-2003 fiscal year (2002 – \$60 million). These funds are being used across all media particularly for the enhancement of programming initiatives.

5. FUNDING FOR RADIO CANADA INTERNATIONAL

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

	2003	2002
	(thousands	of dollars)
Operating funding	15,501	15,418
Capital funding	19	102
	15,520	15,520



6. 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. As stipulated in their license agreement, CBC Newsworld and RDI use previous years' accumulated excess revenues over expenses to fund current year activities. At March 31, 2003, the accumulated excess revenues over expenses carried forward to future years' activities for CBC Newsworld totalled \$2.2 million (\$11.7 million for 2002) and \$321,000 for RDI (\$274,000 for 2002).

		20	003			20		
	Revenue	Expenses	Repayments	Net	Revenue	Expenses	Repayments	Net
			to CBC Main				to CBC Main	
			Service ¹				Service ¹	
			(1	thousands	of dollars)			
CBC Newsworld	69,172	(73,125)	(5,515)	(9,468)	66,592	(62,565)	(2,509)	1,518
RDI	40,824	(38,507)	(2,270)	47	40,308	(36,587)	(3,506)	215
Galaxie	13,275	(5,645)	(130)	7,500	10,822	(4,924)	(775)	5,123
	123,271	(117,277)	(7,915)	(1,921)	117,722	(104,076)	(6,790)	6,856

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.



7. 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's activities are not subject to provincial taxes.

The recovery of income and large corporations taxes is comprised of:

	2003	2002
	(thousands	of dollars)
Current income tax recovery	(1,002)	(1,332)
Future income tax	_	-
	(1,002)	(1,332)





7. INCOME TAX AND TAX ON LARGE CORPORATIONS (continued)

Recovery of income and large corporations taxes differs from the amount that would be computed by applying the Federal statutory income tax rate of 36.02 per cent (2002 – 38.02 per cent) to net results before taxes. The reasons for the differences are as follows:

	2003 (thousands	2002 of dollars)
Income tax expense at Federal statutory rate	6,879	3,825
Increase (decrease) resulting from:		
Adjustment to future tax assets and liabilities for enacted changes in tax laws and rates	(554)	(1,168)
Other net amounts	(726)	555
Change in valuation allowance	(5,599)	(3,212)
Large Corporations Tax recovery	(1,002)	(1,332)
	(1,002)	(1,332)

The tax effects of temporary differences that give rise to significant portions of the future tax assets and future liabilities at March 31, 2003 and 2002 are presented below:

	2003	2002
	(thousands	of dollars)
Future tax assets:		
Accrued liabilities	7,268	6,584
Employee-related liabilities	34,329	31,732
Loss carry-forward	7,825	8,532
	49,422	46,848
Less: valuation allowance	(5,874)	(11,472)
	43,548	35,376
Future tax liabilities:		
Program inventory	801	1,073
Pension plan	15,936	8,291
Capital assets	26,552	25,613
Other	259	399
	43,548	35,376
Net future tax assets (liabilities)	-	-

At March 31, 2003, the Corporation has a loss carry-forward for tax purposes of \$20.0 million (2002 – \$23.7 million), which begins to expire in 2007.



8. CAPITAL ASSETS

			2003	2002
	Cost	Accumulated	Net Book Value	
		Amortisation		
		(thousands	of dollars)	
Land	34,161	-	34,161	34,685
Buildings	364,276	(208,379)	155,897	170,186
Technical equipment	1,156,621	(861,652)	294,969	292,764
Furnishings, office equipment and computers ¹	110,189	(74,329)	35,860	32,216
Automotive ¹	47,481	(34,501)	12,980	10,845
Leasehold improvements	8,021	(4,952)	3,069	2,855
Property under capital lease ²	512,178	(153,315)	358,863	374,243
Uncompleted capital projects	111,649	-	111,649	98,671
	2,344,576	(1,337,128)	1,007,448	1,016,465

^{1.} A change in the estimated useful life of certain categories of vehicles from 5 years to 8, 10, 12 or 20 years and from 5 years to 3 years for computers has had no significant impact on amortisation expenses in 2003.

9. BUSINESS ACQUISITION

On November 1, 2002, the Corporation acquired an additional 70 per cent interest in 3899071 Canada Inc. (Country Canada), a Canadian digital specialty television service, for \$1,200,000. The Corporation now has 100 per cent interest in Country Canada. This transaction has been accounted for using the purchase method. The Consolidated Financial Statements include the accounts of **Country Canada** and its operating results since November 1, 2002.

T1				
IhΔ	acquisition	1 nrica	CONCIC	tc nt.
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	(thousands of dollars)
Acquisition price	1,200
Accounts receivable	299
Program inventory	623
Deferred charges	391
Accounts payable	(413)
Goodwill	300
	1,200

Current year amortisation expenses of \$15.4 million (2002 – \$15.4 million) relating to the property under capital lease is included in the amortisation of capital assets on the Consolidated Statement of Operations and Equity.



10. LONG-TERM INVESTMENTS

a. Long-term Investments - Equity Method

The Corporation has the following interest in two specialty channels:

ARTV – participation at 37%
The Documentary Channel – participation at 29% ¹

2002		
(dollars)		
3,616,000		
29		

^{1.} CBC/Radio-Canada has not recorded a portion of The Documentary Channel's losses since the Corporation will not assume any financial risk relating to The Documentary Channel.

b. Long-term Investments - Joint Venture

CBC/Radio-Canada also has a partnership with Publications Gesca Itée, whereby CBC/Radio-Canada has a 50 per cent interest in Voilà ! At March 31, 2003, the Corporation has net equity of \$(225,000) in 2003 (2002 – \$136) in this joint venture which is accounted for using the proportionate consolidation method.

11. DEFERRED CAPITAL FUNDING

	2003	2002
	(thousands	of dollars)
Balance, beginning of year	654,457	646,827
Government funding for capital expenditures (Note 4c)	105,109	138,583
Amortisation of deferred capital funding	(118,049)	(130,953)
Balance, end of year	641,517	654,457



12. PENSION PLANS ASSET AND EMPLOYEE-RELATED LIABILITIES

Employee-related liabilities are as follows:

	2003	2002	2003	2002
	Curr	ent	Long-	term
		(thousands	s of dollars)	
Employee future benefits other than pension	2,806	11,330	105,284	97,300
Vacation pay	39,577	38,035	-	_
Workforce reduction (Note 12b)	910	2,910	-	_
Salary-related liabilities	93,422	75,816	278	278
	136,715	128,091	105,562	97,578



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 10 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 (latest evaluation made in December 2002). The Corporation also maintains unfunded non-contributory defined benefit pension arrangements.

Assumptions – annual rates:

Expected long-term rate of return on plan assets

Discount rate – beginning of year

Discount rate - end of year

Long-term rate of compensation increase, excluding merit and promotion

Health care trend

2003	2002
6.75%	6.75%
6.00%	6.00%
5.75%	6.00%
4.00%	4.00%
8.5% for	8.5% for
5 years;	4 years;
4.5%	4.5%
thereafter	thereafter

Annual amount:

Employee contributions

Benefit payments for the year – pension plans

Benefit payments for the year – other employee future benefits

2003	2002
(thousands	of dollars)
22,991	22,848
163,351	167,678
11 20/	7 087



a. CBC/Radio-Canada Pension Plans and Other **Employee Future Benefits (continued)**

	2003		2002	
	CBC/ Other		CBC/	Other
	Radio-Canada	Employee	Radio-Canada	Employee
	Pension	Future	Pension	Future
	Plans	Benefits	Plans	Benefits
		(thousand	s of dollars)	
Fair-market value of plan assets, end of year	3,139,218	-	3,657,481	-
Accrued benefit obligation, end of year	3,557,003	153,409	3,330,698	140,063
Surplus (deficit), end of year	(417,785)	(153,409)	326,783	(140,063)
Assumed home St liability (agest)				
Accrued benefit liability (asset), beginning of year	(25,495)	97,300	10,742	86,727
Employee future benefits expenses				
(revenues):				
Current service cost	62,458	6,669	57,714	6,331
Interest on accrued benefit obligation	197,505	8,471	190,995	8,128
Expected return on actuarial value of assets	(241,340)	-	(232,188)	_
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	42,112	520	31,415	483
Employee future benefits expenses				
(revenues) for the year	(22,664)	19,278	(35,463)	18,560
Corporation pension plan contributions		_	_	_
Benefit payments of unfunded plans	(846)	(11,294)	(774)	(7,987)
Accrued benefit liability (asset), end of year	(49,005)	105,284	(25,495)	97,300

At March 31, 2003, the accrued benefit obligation for the CBC/Radio-Canada Pension Plan and for the unfunded benefit pension arrangements represents respectively \$3,519.9 million (2002 – \$3,296.5 million) and \$37.1 million (2002 – \$34.2 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, 2003, the unamortised amount of past service costs is \$100.8 million (2002 – \$110.4 million).

The unamortised portion of the actuarial losses represents, as of March 31, 2003, \$1,343.3 million (2002 – \$658.6 million) for CBC/Radio-Canada Pension Plans and \$15.4 million (2002 - \$6.5 million) for other employee future benefits.

The unamortised portion of the transitional asset as of March 31, 2003 is \$977.3 million (2002 – \$1,070.3 million) for the CBC/Radio-Canada Pension Plans and (\$32.7) million (2002 – (\$36.3) million) for other employee future benefits.



b. Workforce Reduction

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

13. 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)
2004	33,039
2005	33,039
2006	33,039
2007	33,039
2008	33,039
2009 to 2027	644,256
Total future minimum payments	809,451
Deduct: imputed interest (7.53%) and executory costs	442,425
Obligation under capital lease	367,026
Less: current portion	5,503
Long-term portion	361,523

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 \$27.7 million. At the end of the lease, the Corporation will own the building.



14. COMMITMENTS

a. Program-related and Other

As at March 31, 2003, commitments for sports rights amounted to \$417.7 million; procured programs, film rights and co-productions amounted to \$36.8 million and capital assets amounted to \$2.8 million for total commitments of \$457.3 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)
2004	58,931
2005	58,285
2006	55,001
2007	49,890
2008	48,408
2009 to 2024	185,154
Total future payments	455,669

15. 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.

16. 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. Funding received from the Government of Canada is outlined in Note 4.



17. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES

Cash flows provided by (used for):	
Accounts receivable	
Program inventory ¹	

Prepaid expenses

Accounts payable and accrued liabilities

Employee-related liabilities

2003	2002					
(thousands of dollars)						
50,048	(72,099)					
9,848	14,951					
(2,635)	9,394					
(13,516)	18,896					
7,082	16,454					
50,827	(12,404)					

18. FINANCIAL INSTRUMENTS

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

Cash, cash equivalents and short-term investments consist of \$5.2 million of cash (2002 – \$(5.8) million), \$110.4 million of cash equivalents (2002 - \$93.9 million) and \$76.6 million of short-term investments (2002 – \$66.6 million). 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 held as of March 31, 2003, is 2.81 per cent (2002 – 1.98 per cent) for cash equivalents and 3.10 per cent (2002 – 2.06 per cent) for short-term investments. The average term to maturity is 22 days (2002 – 14 days) and 87 days (2002 – 55 days), respectively.

The Corporation uses financial instruments such as forward contracts to reduce the risk of loss due to adverse movements in foreign exchange. Foreign exchange forward contracts worth \$22 million (2002 – \$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.

19. COMPARATIVE FIGURES

Certain of the 2002 comparative figures have been reclassified to conform to the current year's presentation.

^{1.} Excluding \$0.5 million (2002 – 4.4 million) of amortisation of capital assets in 2003.



FIVE YEAR FINANCIAL REVIEW

Summary – Source and Use of Funds*

For the year ended March 31

	2002-2003	2001-2002	2000-2001	1999-2000	1998-1999				
	2002-2003				1770-1777				
0		(millions of dollars)							
Sources of funds									
Parliamentary appropriation									
for operating expenditures	937.4	840.4	794.0	764.7	759.5				
Self-generated revenues									
Advertising and program sales	284.4	319.3	350.3	328.7	329.7				
Miscellaneous	73.2	82.4	60.5	78.8	63.9				
Total self-generated									
revenues	357.6	401.7	410.8	407.5	393.6				
Total sources of funds	1,295.0	1,242.1	1,204.8	1,172.2	1,153.1				
Application of funds									
Television and radio services	1,197.5	1,150.6	1,046.3	1,051.7	1,072.1				
Transmission, distribution									
and collection	59.2	61.9	57.8	63.3	62.2				
Payment to private stations	11.1	16.8	14.3	13.0	12.5				
Corporate Management	15.5	15.4	15.9	15.3	16.2				
Income taxes and taxes on									
large corporations	(1.0)	(1.3)	2.7	2.8	2.7				
Total application of funds	1,282.3	1,243.4	1,137.0	1,146.1	1,165.7				

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

CBC/Radio-Canada Owned and Affiliated Stations

ENGLISH TELEVISION / CHANNEL /
LA TÉLÉVISION ANGLAISE CANAL
Newfoundland and Labrador /
Terre-Neuve et Labrador
Owned station / Station de base
St. John's
Prince Edward Island / Île-du-Prince-Édouard
Owned station / Station de base
Charlottetown
Nova Scotia / Nouvelle-Écosse
Owned stations / Stations de base
HalifaxCBHT 3
Sydney
New Brunswick / Nouveau-Brunswick
Owned station / Station de base
Fredericton
Québec
Owned station / Station de base
Montréal
Ontario
Owned stations / Stations de base
Ottawa
Toronto
Windsor
Private affiliated stations /
Stations privées affiliées
KingstonCKWS-TV 11
PeterboroughCHEX-TV 12
Thunder BayCKPR-TV 2
Manitoba
Owned station / Station de base
Winnipeg
Private affiliated station /
Station privée affiliée
Brandon
Saskatchewan
Owned stations / Stations de base
Regina

FRENCH TELEVISION / CHANNEL /
LA TÉLÉVISION FRANÇAISE CANAL
New Brunswick / Nouveau-Brunswick
Owned station / Station de base
Moncton
Ouébec
Owned stations / Stations de base
MontréalCBFT 2
Québec
Private affiliated stations /
Stations privées affiliées
Jonquière
Rivière-du-Loup
Rouyn
Sherbrooke
Trois-Rivières
Ontario
Owned station / Station de base
Ottawa
Manitoba
Owned station / Station de base
Winnipeg
Saskatchewan
Owned station / Station de base
ReginaCBKFT 13
Alberta
Owned station / Station de base
Edmonton
British Columbia / Colombie-Britannique
Owned station / Station de base
Vancouver
CBC RADIO ONE FREQUENCY /
FRÉQUENCE
Newfoundland and Labrador /
Terre-Neuve et Labrador
Owned stations / Stations de base
Corner Brook
Gander
Goose Bay
Grand Falls
Labrador City CBDQ-FM 96.3 MHz
St. John's

Manitoba
Owned stations / Stations de base
ThompsonCBWK-FM 100.9 MHz
Winnipeg
Saskatchewan
Owned stations / Stations de base
La Ronge CBKA-FM 105.9 MHz
ReginaCBK 540 KHz
Alberta
Owned stations / Stations de base
CalgaryCBR 1010 KHz
EdmontonCBX 740 KHz
British Columbia / Colombie-Britannique
Owned stations / Stations de base
Kelowna CBTK-FM 88.9 MHz
Prince GeorgeCBYG-FM 91.5 MHz
Prince RupertCFPR 860 KHz
VancouverCBU 690 KHz
VictoriaCBCV-FM 90.5 MHz
Yukon
Owned station / Station de base
WhitehorseCFWH 570 KHz
Northwest Territories /
Territoires du Nord-Ouest
Owned stations / Stations de base
Inuvik
YellowknifeCFYK 1340 KHz
Nunavut
Owned stations / Stations de base
Iqaluit
Rankin InletCBQR-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
Nova Scotia / Nouvelle-Écosse
Owned station / Station de base
HalifaxCBAF-FM-5 92,3 MHz
New Brunswick / Nouveau-Brunswick
Owned station / Station de base
MonctonCBAF-FM 88,5 MHz

Saskatchewan
Owned station / Station de base
ReginaCBKF-FM 97,7 MHz
Alberta
Owned station / Station de base
Edmonton
British Columbia / Colombie-Britannique
Owned station / Station de base
VancouverCBUF-FM 97,7 MHz
CDC DADIO TMO
CBC RADIO TWO
Newfoundland and Labrador /
Terre-Neuve et Labrador
Owned station / Station de base
St. John's
Nova Scotia / Nouvelle-Écosse
Owned stations / Stations de base
Halifax
Sydney
Québec
Owned station / Station de base
Montréal
Ontario
Owned stations / Stations de base
Ottawa
Sudbury
Thunder BayCBQ-FM 101.7 MHz TorontoCBL-FM 94.1 MHz
Windsor CBE-FM 89.9 MHz
Manitoba
Owned station / Station de base
Winnipeg
Saskatchewan
Owned station / Station de base
ReginaCBK-FM 96.9 MHz
Alberta
Owned stations / Stations de base
Calgary
Edmonton
British Columbia / Colombie-Britannique
Owned station / Station de base
VancouverCBU-FM 105.7 MHz
Varicouver

Alberta
Owned stations / Stations de base
Calgary
Edmonton
Private affiliated stations /
Stations privées affiliées
Lloydminster
Medicine Hat
Red Deer
British Columbia / Colombie-Britannique
Owned station / Station de base
Vancouver
Private affiliated stations /
Stations privées affiliées
Dawson Creek
Kamloops
Kelowna
Prince George

Prince Edward Island / Île-du-Prince-Édouard
Owned station / Station de base
Charlottetown
Nova Scotia / Nouvelle-Écosse
Owned stations / Stations de base
Halifax
SydneyCBI 1140 KHz
New Brunswick / Nouveau-Brunswick
Owned stations / Stations de base
Fredericton
Saint John
Moncton
Québec
Owned stations / Stations de base
MontréalCBME-FM 88.5 MHz
QuébecCBVE-FM 104.7 MHz
Ontario
Owned stations / Stations de base
London
Ottawa
SudburyCBCS-FM 99.9 MHz
Thunder BayCBQT-FM 88.3 MHz

WindsorCBE 1550 KHz

Québec
Owned stations / Stations de base
ChicoutimiCBJ-FM 93,7 MHz
Matane
Montréal
Québec
Rimouski
Rouyn-NorandaCHLM-FM 90,7 MHz
Sept-Îles CBSI-FM 98,1 MHz
SherbrookeCBF-FM-10 101,1 MHz
Trois-RivièresCBF-FM-8 88,1 MHz
Private affiliated stations /
Stations privées affiliées
La Tuque
Ville-MarieCKVM 710 KHz
Ontario
Owned stations / Stations de base
Ottawa
SudburyCBON-FM 98,1 MHz
Toronto
Windsor
Manitoba
Owned station / Station de base
St-BonifaceCKSB 1050 KHz

LA CHAÎNE CULTURELLE
New Brunswick / Nouveau-Brunswick
Owned station / Station de base
MonctonCBAL-FM 98,3 MHz
Québec
Owned stations / Stations de base
ChicoutimiCBJX-FM 100,9 MHz
MontréalCBFX-FM 100,7 MHz
QuébecCBVX-FM 95,3 MHz
Rimouski
Ontario
Owned stations / Stations de base
Ottawa
SudburyCBBX-FM 90,9 MHz
Toronto
Manitoba
Owned station / Station de base
Winnipeg
Alberta
Owned station / Station de base
Calgary CBCX-FM 89,7 MHz
British Columbia / Colombie-Britannique
Owned station / Station de base
VancouverCBUX-FM 90,9 MHz

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

As of March 31, 2003 / Au 31 mars 2003

	Television Networks / Réseaux de télévision			Ra	Radio Networks / Réseaux de radio				
				English	English / anglais		French / français		
	English / anglais	French / français	Total TV / Total télé.	Radio One	Radio Two	Première Chaîne	Chaîne culturelle	Total Radio	Grd tot. / Tot. gén.
Owned stations / Stations de base	15	8	23	36	14	20	11	81	104
Rebroadcasters / Réémetteurs	456	174	630	381	19	148	12	560	1,190
Private affiliated stations / Stations privées affiliées	12	5	17	0	0	2	0	2	19
Private affiliated rebroadcasters / Réémetteurs affiliés privés	38	13	51	0	0	1	0	1	52
Community owned stations / Stations communautaires	0	0	0	1	1	0	0	2	2
Community owned rebroadcasters / Réémetteurs communautaires	145	10	155	46	9	8	0	63	218
Total	666	210	876	464	43	179	23	709	1,585