

Periodical Publishing in Canada 2003-2004

(in thousands of dollars)

Source: Statistics Canada Survey of periodical publishing 2003/2004 and Periodical Publishing data tables June 2005

| | General/Special <u>Interest Consumer</u> | Specialized Business, <u>Trade and Farm</u> | Religious <u>and Scholarly</u> | <u>Total</u> |
|---|---|--|-----------------------------------|------------------|
| Advertising Revenues | 585,776 | 370,660 | 37,153 | 993,590 |
| Subscriptions/Single Copies | 319,306 | 33,740 | 56,030 | 409,077 |
| Government Grants (does not include PAP) | 21,282 | 7,681 | 6,132 | 35,096 |
| Websites / E-commerce | 8,295 | 3,186 | 375 | 11,857 |
| Other Revenues | 55,031 | 29,389 | 19,161 | 103,582 |
| Total Revenues | <u>989,690</u> | <u>444,656</u> | <u>118,851</u> | <u>1,553,202</u> |
| Expenses | 906,143 | 388,647 | 107,113 | 1,401,904 |
| EBITDA | 83,547 8.44% | 56,009 12.60% | 11,738 9.88% | 151,293 |
| Total # of Publications | 1,085 | 739 | 559 | 2,383 |
| Profitable Publications | 669 | 492 | 329 | 1,490 |
| Unprofitable Publications | 416 | 247 | 230 | 894 |
| Not-for-profit Publications | | | | 926 |
| Full-time Employees | 3,526 | 2,333 | 603 | 6,462 |
| Part-time Employees | 1,401 | 890 | 735 | 3,027 |
| | <u>4,927</u> 51.92% | <u>3,223</u> 33.97% | <u>1,338</u> 14.10% | <u>9,489</u> |
| Total Remuneration (in thousands of dollars) | 235,270 57.14% | 139,870 33.98% | 36,576 8.88% | 411,717 |
| Volunteers and Unpaid Staff | 2,510 47.72% | 536 10.19% | 2,214 42.08% | 5,261 |

Publications Assistance Program (PAP) 2004/2005

Source: Department of Canadian Heritage

(in thousands of dollars)

| Consumer Magazines | Business Magazines | Community Newspap. | |
|--------------------|--------------------|--------------------|--------|
| 40,882 81.45% | 4,331 8.63% | 4,823 9.61% | 50,192 |

(Continued overleaf)

| Comparisons | <u>General/Special Interest Consumer</u> | <u>Specialized Business, Trade and Farm</u> | <u>Religious and Scholarly</u> | |
|---------------------------------------|--|---|------------------------------------|---------------|
| Percentage of Sector Revenues | 63.72% | 28.63% | 7.65% | |
| Percentage of Sector Expenses | 64.64% | 27.72% | 7.64% | |
| Average Profit (EBITDA) | 8.44% | 12.60% | 9.88% | |
| Percentage of Total Publications | 45.53% | 31.00% | 23.45% | |
| Percentage of Paid Employees | 51.92% | 33.97% | 14.10% | |
| Percentage of Volunteers/Unpaid Staff | 47.72% | 10.19% | 42.08% | |
| Government Grants 2003/04 (incl. CMF) | 21,282 | 7,681 | 6,132 | 35,096 |
| PAP Funding 2004-05 | <u>40,882</u> | <u>4,331</u> | | <u>50,192</u> |
| | 62,164 72.89% | 12,012 14.08% | | 85,288 |

Observations

In 2003/2004 specialized business, trade and farm publications represented 31% of publications in the sector, 33.97% of paid employment, but only 21.88% of Government Funding (excluding PAP), and that percentage dropped dramatically in 2005 when all controlled circulation publications in this group lost CMF funding.

In addition, specialized business, trade and farm publications received \$4.3 million in PAP assistance in 2004-05 compared to the consumer magazine total of almost \$41 million.

We know that 926 (38.86%) of the total 2,383 periodicals are not for profit and few of them are in the business-to-business sector. Note the high percentage of volunteers and unpaid staff in the general and special interest consumer group.

Questions

How many not-for-profit magazines are contained in the general and special interest consumer totals causing the average EBITDA for the group to be significantly lower than that of the specialized business, trade and farm group?

How has the growth in consumer and business-to-business titles compared since 1992 when controlled circulation magazines lost what is now called Publications Assistance Program (PAP) funding?

Is the business-to-business publishing sector in Canada receiving funding support from the Department of Canadian Heritage relative to its size, need and importance to the Canadian economy?