

UPDATE / JULY 7, 2023

**BROADCASTING IN CANADA**  
  
**BY THE NUMBERS**

**MEDIA SPENDING ON THE NEWS**

Estimates of the relative support for journalism by Canadian media in 2022

PREPARED FOR THE  
CANADIAN ASSOCIATION OF BROADCASTERS

BY COMMUNICATIONS MANAGEMENT INC.

## **Introduction**

It is useful to estimate the current spending on journalism by Canadian media, for at least two main reasons:

1. To help understand the relative expenditures by medium; and
2. To provide additional context for proposed assistance programs.

This update focuses on data for 2022, and incorporates the latest information available from Statistics Canada and the CRTC.

## **Sources, methodology, and estimates**

Only one Canadian medium – television (both private and public) – has consistent and accurate data for the amount it spends on the news. Those data come from the CRTC.

For all other media, there is a variety of estimates, or none at all:

1. Partial data for radio, based on CRTC data;
2. Data for newspapers, based on information from Statistics Canada, News Media Canada, historical studies, and “rules of thumb”; and
3. A lack of data for other media, including magazines and recently-established online-only news media.

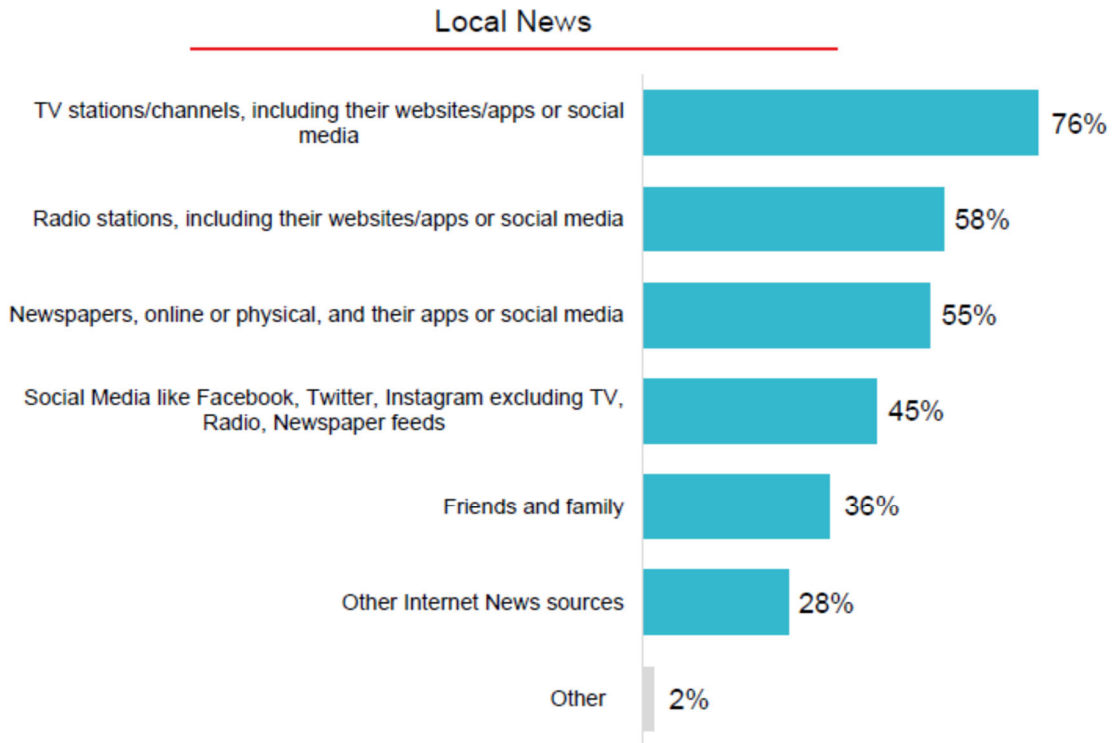
It should also be noted that the data and estimates used here are not purely salary-based. While salaries can be a good approach in the context of some specific assistance programs, the salaries alone do not always represent the total cost of covering, producing, and delivering the news. Thus, some of the reported data and estimates might also include functions that support the journalism.

Nevertheless, even that imperfect combination can still give us a general sense of the annual spending on journalism in Canada.

## Where do Canadians get their news?

In a study for the Canadian Association of Broadcasters, completed in early 2021, Solutions Research Group found that Canadians stated that television, radio, and newspapers were the three highest-ranking sources for local news.

**Figure 1.**  
Sources for local news, Canadians 12+, December 2020 - January 2021:



SOURCE: Solutions Research Group.

The following sections will deal with the media in the order shown above – television, radio, and newspapers.

## Television

Within the television category, there are two important sub-divisions:

1. Privately-owned and CBC-owned; and
2. Conventional television and discretionary television.

Table 1 summarizes those data:

**Table 1.**  
Spending on 'News' by Canadian television services, 2022:\*

### CONVENTIONAL TELEVISION:

(In \$ million)	Private conventional television	CBC/SRC conventional television	Total
British Columbia**	68.6	10.0	78.6
Prairie provinces	102.7	14.8	117.5
Ontario	140.2	32.6	172.8
Quebec	57.5	45.5	103.0
Atlantic provinces	20.0	12.1	32.1
<b>CANADA</b>	<b>388.9</b>	<b>115.0</b>	<b>504.0</b>

\*\* B.C. includes the Territories

### DISCRETIONARY TELEVISION:

(In \$ million)	Private television	CBC/SRC television	Total
<b>CANADA</b>	<b>152.5</b>	<b>93.4</b>	<b>245.9</b>

### TOTAL TELEVISION:

(In \$ million)	Private television	CBC/SRC television	Total
<b>CANADA</b>	<b>541.4</b>	<b>208.4</b>	<b>749.8</b>

\* Note: The amounts shown above are based on the 'Canadian programming expenses' within the 'News' category. In addition to these amounts, a further amount of about \$1.6 million was reported as 'non-Canadian programming expenses' within the 'News' category.

SOURCE: CRTC; Statistics Canada; Communications Management Inc.

As indicated in Table 1, private conventional television outspends the CBC by a significant margin, and that is particularly so for conventional television, which would contain the local news category.

## **Radio**

While the CRTC reports annually on the spending by television on News, the reporting for radio appears to cover only part of the spending on News, and does not cover all stations.

In early 2021, the Canadian Association of Broadcasters conducted a survey that yielded results for 573 private radio stations.

We have been able to use the results of the CAB survey, along with a custom tabulation of data from Statistics Canada, to estimate the spending by private radio stations on news and information.

We know that news and information on radio extend beyond scheduled newscasts, and make up a significant part of radio's overall spoken word content. In the CAB survey, respondents were asked to estimate the percentage of their spoken word content that could be considered news and information. The answer: 47 per cent.

And, according to a custom tabulation from Statistics Canada, in 2022, private radio in Canada paid out remuneration of \$291.2 million in the Programming function.

If we accept the broader definition of news and information outlined above, then we believe it is not unreasonable to suggest that 47 per cent of that total could be attributed to news – news in formal newscasts, and news and community information within other spoken word programming.

Thus, an approximate estimate of private radio's economic contribution to news and information in 2022 would be 47 per cent of \$291.2 million, or \$136.9 million.

Clearly, that is an estimate, but we believe it is a fair indicator of private radio's economic contribution to providing news and community information to its listeners.

A similar methodology has been used for CBC/SRC radio, and it produces an estimate of \$110 million for 2022.

### **Summary data for Canadian broadcasting**

Table 2 combines the data for television and radio, to present a summary of spending on News by Canadian broadcasting in 2022.

**Table 2.**  
 Spending on 'News' by Canadian broadcasting, 2022:\*

**CONVENTIONAL TELEVISION:**

(In \$ million)	Private conventional television	CBC/SRC conventional television	Total
British Columbia**	68.6	10.0	78.6
Prairie provinces	102.7	14.8	117.5
Ontario	140.2	32.6	172.8
Quebec	57.5	45.5	103.0
Atlantic provinces	20.0	12.1	32.1
<b>CANADA</b>	<b>388.9</b>	<b>115.0</b>	<b>504.0</b>

\*\* B.C. includes the Territories

**DISCRETIONARY TELEVISION:**

(In \$ million)	Private television	CBC/SRC television	Total
<b>CANADA</b>	<b>152.5</b>	<b>93.4</b>	<b>245.9</b>

**TOTAL TELEVISION:**

(In \$ million)	Private television	CBC/SRC television	Total
<b>CANADA</b>	<b>541.4</b>	<b>208.4</b>	<b>749.8</b>

**RADIO:**

(In \$ million)	Private radio	CBC/SRC radio	Total
<b>CANADA</b>	<b>136.9</b>	<b>110.0</b>	<b>246.9</b>

**TOTAL TELEVISION+RADIO:**

(In \$ million)	Privately-owned	CBC/SRC	Total
<b>CANADA</b>	<b>678.3</b>	<b>318.4</b>	<b>996.8</b>

\* Note: The amounts shown above are based on the 'Canadian programming expenses' within the 'News' category. In addition to these amounts, a further amount of about \$1.6 million was reported as 'non-Canadian programming expenses' within the 'News' category.

SOURCE: CRTC; Statistics Canada; Communications Management Inc.

## Newspapers

For many years, it was common to refer to “rules of thumb” for the amount of daily newspaper revenue spent on the editorial function. Many of those estimates originated with the Inland Press Association in the U.S.

In 2009, that association posted an article, based on its 2002 data, which indicated that “newsroom expenses should be 12-13% of total revenues”.<sup>1</sup>

In 1981, in Canada, the Royal Commission on Newspapers reported that, for 1978-1980, “editorial expense was 15 per cent of revenues”.<sup>2</sup>

However, those percentages may no longer be as valid as they once were. They appear to have been based mainly on daily newspapers, and they reflected operating structures which may have changed in the last decade.

Nevertheless, the percentages still provide a starting point for estimating.

According to Statistics Canada, the total revenue of Canadian newspapers (daily and community) in 2020 was \$2.1 billion. More recent data indicate that the figure for 2022 was likely slightly lower.

If we apply the 15 per cent factor to that total revenue, we get an estimate of editorial costs in the range of about \$300 million in 2022.

In December 2021, a source in the Canadian newspaper industry estimated that payments from Google and Facebook to publishers could total between \$100 million and \$150 million per year, and that that would represent 30 per cent of annual newsroom costs.<sup>3</sup>

That would yield an estimate for the cost of journalism for Canadian newspapers in the range of \$333 million to \$500 million.

Based on all of the data, we have estimated that the “spending on news” by Canada’s newspaper industry in 2022 was about \$400 million.

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<sup>1</sup> Accessed at: <http://inlandpress.org/stories/financial-management-rules-of-thumb-2002,6953>.

<sup>2</sup> Canada, *Royal Commission on Newspapers*, page 221.

<sup>3</sup> William Turvill, “Canada’s news industry expects up to \$150m annual windfall from Australia-style big tech crackdown”, *PressGazette*, December 2, 2021. Accessed at: <https://pressgazette.co.uk/canada-google-facebook-regulation-news-industry/>.

## **Other media**

In addition to television, newspapers, and radio, there are, of course, magazines, Internet-based media (including a number of start-ups) and, likely, a small number of media that do not fit neatly into any of the traditional categories. Unfortunately, consistent data or estimates are not available for those other media.

## **The total media spending on journalism in Canada**

Based on the foregoing data and estimates, we believe that it would be reasonable to estimate the total spending on News by Canada's media at approximately \$1.75 billion.

Within that total, the two largest spenders (based on the 2022 data) are:

- Privately-owned television, at \$541.4 million; and
- Newspapers, at an estimated \$400 million.

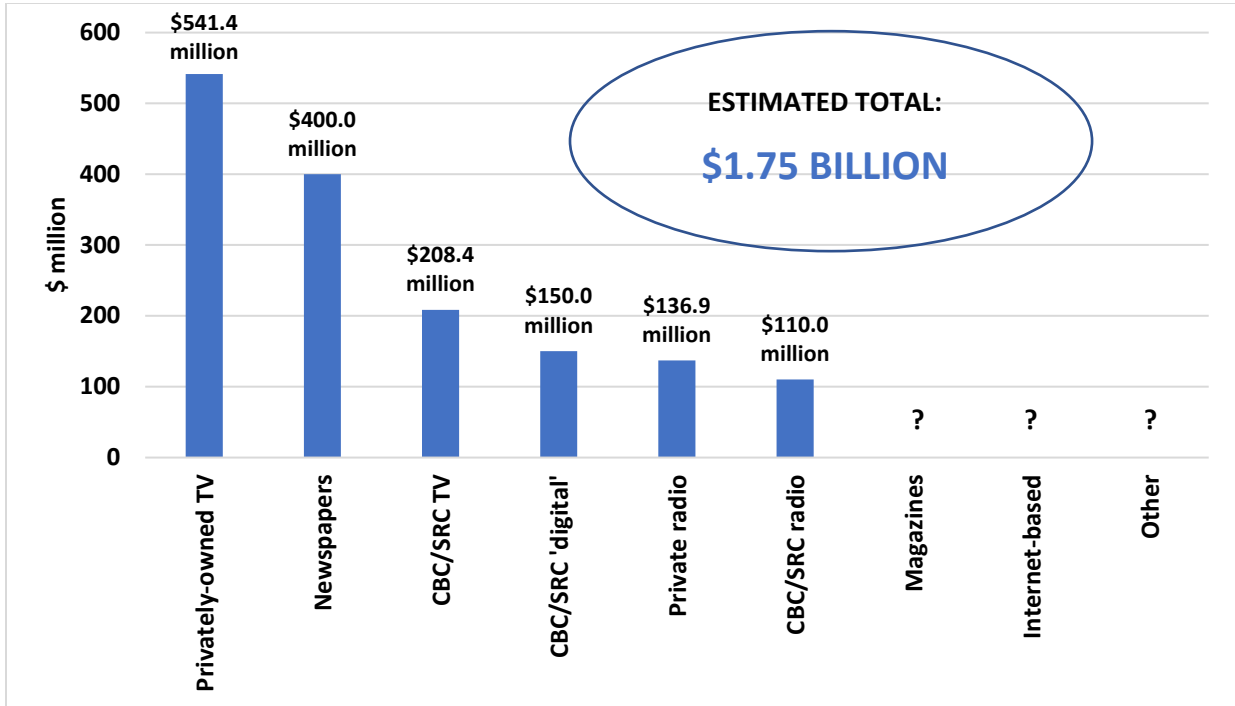
The data are summarized in Figure 2.<sup>4</sup>

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<sup>4</sup> For the legacy media, there may be some variance in the degree to which online activities are included in the data and estimates used in Figure 4.



**Figure 2.**  
 Estimated spending on 'News', Canadian media, 2022:



NOTES:

1. Privately-owned TV – includes conventional and discretionary services.
2. Newspapers – includes daily and community newspapers.
3. CBC/SRC TV – includes conventional and discretionary services.
4. CBC/SRC 'digital' – estimated.
5. Private radio – see description of methodology in text.
6. CBC/SRC radio – see description of methodology in text.

SOURCE: CRTC; Statistics Canada; Communications Management Inc.