

6 November 2015

John Traversy Secretary General CRTC Ottawa, ON K1A 0N2

Dear Secretary General,

Re: *A review of the policy framework for local and community television programming,* Broadcasting Notice of Consultation CRTC 2015-421 (Ottawa, 14 September 2015)

- 1 The Forum for Research and Policy in Communications (FRPC) is a non-profit and nonpartisan organization established to undertake research and policy analysis about communications, including telecommunications. We request the opportunity to appear before the Commission at its 25 January 2016 public hearing in this proceeding, to address the submissions of other parties and to respond to evidence and questions from the CRTC.
- 2 The Forum supports a strong Canadian communications system that serves the public interest. We welcome the opportunity to respond to the questions raised by the CRTC in its review of the policy framework for local and community television programming, and look forward to reviewing other parties' submissions. We may seek the right to respond to evidence set out by the CRTC and others after 5 November 2015.

3 Our comments are attached.

If you have any questions, please do not hesitate to contact the undersigned. Sincerely yours,

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Putting the 'local' back into local TV

Comments by

Forum for Research and Policy in Communications (FRPC)

on

A review of the policy framework for

local and community television programming

Broadcasting Notice of Consultation CRTC 2015-421 (Ottawa, 14 September 2015)

6 November 2015

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Synopsis of FRPC's submission

Despite an array of Internet-based media, local television remains an important and popular source of news and information for communities across Canada. Until Parliament changes the *Broadcasting Act*, Canadians are entitled to local programming.

Private television has the experience and resources to provide high quality local programming that informs, enlightens and entertains – but no longer does so in large part because the CRTC began dropping requirements for local programming in 1991.

The Commission now faces three challenges in regulating local television programming: highly concentrated ownership, centralcasting and imprecise regulatory definitions.

Ownership: billions of dollars' worth of ownership transactions (\$14 billion since 2000) have left control of Canada's private television stations in the hands of 17 companies. Concentrated control has all but eliminated diversity in local television: of the 57 communities served by private local television stations, just three were served by one or more of the top 5 private broadcasters and an independent television broadcaster. Of the remaining communities 40 were served by one or more of the five largest broadcasters; and 13 were served only by independent television broadcasters.

Almost all the resources in private local television are controlled by the five largest television broadcasters: in 2014 they controlled 85% or more of private television's local advertising, revenues, local programming expenditures and employees.

Centralcasting: technology has enabled Canada's largest broadcasters to move control of local television stations' programming and transmitters to central hubs. Many local television stations are now little more than rebroadcasters, because they do not control their own programming, and/or they do not control their own broadcast transmitters.

Regulatory definitions: The CRTC's current definition of local television programming – "programming produced by local stations with local personnel or programming produced by locally-based independent producers that reflects the particular needs and interests of the market's residents" – permits a Vancouver private television station to count a program that has minimal Vancouver content, is assembled and produced by staff in Halifax, and is transmitted from Halifax, as an original local program produced and broadcast by the Vancouver station. The definition also permits local television stations to count radio programs as original local television programs (as is the case of CIVI-DT Victoria, 35% of whose original local news consists of the programming from CFAX-AM Victoria).

Strengthening local television in Canada: 3 suggestions

1. Define local programming, local programs and local news in terms of local control, local production, local distribution/transmission and local content.

2. Require private local television broadcasters to make expenditure and exhibition commitments to original local programs and original local news which increase over the term of the licence, and enforce these requirements through an annual return process that includes information about local production and local news-gathering resources.

3. Amend private television broadcasters' licences to identify parent corporations as the licensee, in the event that subsidiaries lack the resources to meet the terms and conditions of their broadcasting licences.

Executive Summary

I Introduction

- ES 1 The Forum for Research and Policy in Communications (FRPC) is a non-profit and nonpartisan organization established to undertake research and policy analysis about communications, including telecommunications. The Forum supports a strong Canadian communications system that serves the public interest, and wishes to appear before the CRTC at its January 2016 public hearing on the future of local television and community television.
- ES 2 While FRPC welcomed the CRTC's decision to review its regulatory framework for private local television, the deadlines provided offered too little time to undertake the research required to address community television. FRPC has responded to the CRTC's questions about community TV, but going forward we suggest that the Commission conduct separate reviews of broadcasting undertaken by the different elements of Canada's broadcasting system.

Procedural fairness

- ES 3 Several issues arose in this proceeding which touch on its procedural fairness. FRPC was concerned with the CRTC's decision to deny requests to extend by several weeks or more, the deadlines in this proceeding because parties knew or should have known about this proceeding. Parties could not have known that this review would happen in 2015, because the CRTC itself often changes its 3-year plans. Even if parties had believed the review would happen, they could not research the areas raised by the questions in Broadcasting Notice of Consultation 2015-421 until those questions were actually asked.
- ES 4 Another problem throughout this proceeding involved the disclosure of relevant evidence in the CRTC's possession about the proceeding's issues. Broadcasters, and especially large organizations such as Bell, Rogers, Shaw and Quebecor, have the resources and access to detailed information about their organizations to support their arguments. The CRTC's inadequate, absent or delayed disclosure of relevant facts placed most non-broadcast parties, by comparison, in the unenviable position of having to make their case with what amounts to little more than a breath mint and a safety pin. We have therefore made several recommendations about the issue of evidence in CRTC proceedings.

II Private local television in 2015

ES 5 In addressing the CRTC's questions, FRPC reviewed the CRTC's historical approach to regulating private television, its current regulatory requirements, and the impact of several challenges for new policy or policies – namely: highly concentrated ownership, centralcasting, and the erasure of the last two decades' of Canadian private television's programming performance.

Historical approach

- ES 6 When Parliament established the CRTC in 1968, private television in Canadian had just reached its 16th birthday.
- ES 7 Although the new, 1968 *Broadcasting Act* did not establish any requirements for local broadcasters, the CRTC established that private local television stations bore a responsibility to reflect the needs and interests of the communities they served: from the 1970s to the 1990s it reviewed licensees' past and proposed 'promises of performance' for original hours of local programming, analyzed broadcasters' past and proposed expenditures on local programming, and often required broadcasters to increase local exhibition hours or local program expenditures, or both. In 1989 it told one broadcaster that broadcasting a radio station's programming on its local television was unacceptable, forcing the broadcaster to produce and schedule new local television programming.
- ES 8 The CRTC also enforced its 1975 local advertising policy, by requiring broadcasters that sought local commercial revenues from a location, to provide locally-produced and locally-oriented programming in exchange.
- ES 9 In 1991 Parliament revised the *Broadcasting Act* and specifically required that programming be drawn from international, national, regional and local sources. The CRTC, however, began to reduce its requirements for local private television stations: it
 - dropped requirements for non-news local programming in 1991
 - dropped conditions of licence for local television expenditures in 1994
 - dropped conditions of licence for local programming in 1995, and
 - dropped quantitative commitments for local news programs in 1999.
- ES 10 The CRTC also offered financial support to private television broadcasters, both indirectly and directly, by
 - eliminating restrictions on local advertising in 2009, offering broadcasters the opportunity to sell more advertising time, and it
 - establishing a Local Programming Improvement Fund in 2009 that directed funding to private television broadcasters that broadcast minimum hours of local programming that were often lower than the hours they had been broadcasting
- ES 11 As the CRTC does not publish annual reports about the amount of original or any other local programming broadcast by individual television stations, licensees or broadcast ownership groups, it is impossible without an extensive analysis of the CRTC's programming logs to measure how private television stations' scheduling of original local news and non-news programming changed as a result of the CRTC's actions. That

said, reviewing private television stations' application forms and the CRTC's licensing decisions from the late 1980s shows that the stations were producing many different local programs, including a range of non-news local programs.

ES 12 Overall, however, expenditures on non-news local programming decreased by 77.5% between 1993 and 2014. While expenditures on local news increased by 33.2% over this period, private stations have been reducing their local news expenditures since 2006; local news expenditures in 2014 were at the level they were in 1999, at sixteen years ago.

Current approach

ES 13 The CRTC's current approach to local television flows from a lengthy public proceeding whose results were published early in 2015 in which 95% of those who commented about over-the-air television said it was important and valuable. The CRTC said that in exchange for the right to use the public airwaves, conventional broadcasters must

... broadcast Canadian programming and, in most cases, local programming. These requirements encourage job creation and professional development while also ensuring that locally relevant programming is available to Canadians across the country in various communities. This programming may include news, analysis and interpretation that is more local in perspective than what national networks offer. Smaller, independently-owned local broadcasters also provide a diversity of news perspectives at the local level.

- ES 14 In considering issues related to local television, it is useful to know that neither the 1991 Broadcasting Act nor the Television Regulations, 1987 define "local television station".
- ES 15 The CRTC has instead developed definitions through policy statements:

A local television station is a commercial television station licensed to operate in a market where the licensee is expected to provide local news and information (2008 *Diversity of Voices* policy)

Local programming is programming produced by local stations with local personnel or programming produced by locally-based independent producers that reflects the particular needs and interests of the market's residents (2009 LPIF proceeding)

Local presence – something the CRTC encourages local stations to maintain – exists by providing original local news coverage that is distinct to the market, employing full-time journalists in the market, and operating a news bureau or news-gathering office in the market (2009 LPIF proceeding).

ES 16 The CRTC uses these definitions in the conditions of licence it attaches to private television licences, although it does not use them consistently (referring to 'total local

programming', rather than 'original local programming' or 'original local news', for instance).

- ES 17 The CRTC's early 2015 television policy also touched on the significance of TV stations' transmission capacity, in its early 2015 television policy. Television stations that want to be distributed on the basic tier of cable and satellite companies' services must operate local transmitters and broadcast minimum levels of local programming.
- ES 18 FRPC submits that a private television station's ability to produce and broadcast its own programming is critical to any new definition of television stations. Although the CRTC asks private television station applicants for some of this information, it does not collect it systematically from existing private television broadcasters.
- ES 19 The absence of information about local television stations' local program production capacity makes it impossible to evaluate their performance. Recent responses to Access to Information Act requests establish that the CRTC does not collect data on the number of journalists employed, or the number of news bureaux operated, by local television stations that have already been licensed.
- ES 20 Lack of data is just one of the challenges facing the CRTC in this proceeding. It must also contend with a sector in which ownership is very highly concentrated, and in which technology has transformed some stations into 'dumb' facilities that do not control their own transmitters, and whose programming now consists primarily of local segments inserted into packages produced in and broadcast from distant locations.

Concentrated television ownership: 92 stations – 17 owners

- ES 21 When the CRTC was established, 53 licensees controlled 64 over-the-air television stations in 60 communities.
- ES 22 As of October 2015, 17 licensees control 96 private television stations, and these stations served 57 communities. The five largest broadcasters control 72 of the stations; the remaining 12 broadcasters control 24 stations.
- ES 23 In the 2013-2014 broadcast year Canada's five largest private television owners accounted for
 - 85% of total local advertising sales
 - 97% of total national advertising sales
 - 92% of total private television revenues
 - 91% of total private local television programming expenditures
 - 94% of total private television expenditures
 - 90% of total local news expenditures, and
 - 86% of all full-time or equivalent staff.

- ES 24 Diversity in editorial voices is currently very limited in private television. In 2015 FRPC found that only three communities in Canada were served by an independent private television station and one or more of the five largest television owners: Victoria, Winnipeg and Ottawa/Gatineau. One or more of the five largest broadcasters Bell, Shaw, Rogers, Quebecor and Remstar constituted the only source of private local television in 40 communities; and the remaining 'independent' broadcasters were the only source of private television in 13 communities.
- ES 25 Concentrated media ownership permits broadcasters to share programming to reduce costs, especially at the national level, but has not led to greater investment in programming. In fact, concentration has facilitated two new problems.
- ES 26 First, broadcasters are now sharing programming between media. A third of the original local television news hours broadcast by CIVI-DT Victoria since late 2009 has come from AM radio station CFAX Victoria; and CITY-TV Winnipeg replaced its morning news program with CITI-FM's morning program in January 2015. Apart from the fact that the CRTC said in 1988 that radio programming cannot be counted as original television programming, how are the costs and revenues of such programming being allocated?
- ES 27 Second, concentrated ownership encourages broadcasters to centralize program production and distribution functions, through a process known as centralcasting.

The de-localizing effect of centralcasting

- ES 28 Centralcasting technology transfers control over individual television stations' transmitters and programming content to a few central hubs, and Bell and Shaw have each confirmed that they employ centralcasting.
- ES 29 Centralcasting transforms television stations' local news programs into short segments that are inserted into larger programs produced by the central hubs. The hubs decide on the international, national and regional content, and on the parameters for local content. The hubs then distribute the programs to the local stations' transmitters.
- ES 30 Based on the CRTC's definitions of local station and local programming, local programming no longer exists in the centralcasting framework. Stations do not make decisions about the content of 'their' newscasts. They are unable to ensure that 'their' newscasts reflect the specific needs and interests of their communities. They do not produce the programs, and they do not transmit them.
- ES 31 It is also unclear whether stations in the centralcasting framework are able to comply with the CRTC's *Television Regulations, 1987* that require every television station to broadcast emergency notifications "without delay". From 2004 to 2012 more than two hundred Canadian communities experienced emergencies that ranged from hurricanes and typhoons, to floods and wildfires: how do private television stations transmit

emergency warnings 'without delay' if they are unable to reach the central hubs that govern the stations' access to their transmitters?

ES 32 Finally, centralcasting raises issues accounting issues. In 2014 BCE and Rogers each allocated the total costs of local news to their individual television stations, while Shaw and CBC each allocated a percentage of their news expenditures to network origination.

The loss of memory – and the ability to supervise trends over time

- ES 33 The CRTC's deregulation of local television beginning in the early 1990s led to the situation by the late 1990s where CRTC licensing decisions barely referred to individual television stations, let alone their performance with respect to local programs that served the needs and interests of their communities.
- ES 34 The removal of information about local television stations' performance has two implications. First, the absence of such information casts doubt on the legality of the CRTC's decisions, which are required to be based on evidence; simple statements that a tribunal has considered all the evidence are not legally adequate reasons. Second, the absence of this information means that non-broadcast parties have no way to track individual stations' performance over time, meaning in turn that they can neither evaluate the stations' performance, or the performance of the CRTC that, after all, was established to supervise the implementation of Parliament's section 3 broadcasting policy.
- ES 35 FRPC has developed 17 recommendations for addressing the concerns it has identified, and these are set out below. Our responses to the questions in BNoC 2015-421 are set out in Part III of our submission, beginning at page 37.

FRPC Recommendations

FRPC Recomme	licenses, showi	The CRTC should publish lists of the broadcast ng the names of the undertakings, the area(s) the re, and the name of the undertakings' licensee	-
FRPC recomme	either places ne	RTC must clearly state the procedures for proceed ew evidence on the record after the intervention rmits other parties to do so	ings in which it 13
FRPC Recomme	news bureaux i	ne CRTC should collect and report the numbers of n Canadian television to evaluate the capacity of l ons to report on news and events in the local ney serve	•
FRPC Recomme		CRTC should establish conditions of licence for th es on, local television programming	e exhibition of 4

FRPC recomme	programming undertakings that are rebroadcasting programming from other media, to identify and reduce misuse of the publicly owned	ify 12
FRPC Recomme	endation 6Program segments that are produced in central hubs should not qua as local programming because they are not produced by local station personnel	alify 13
FRPC Recomme	their television stations has the physical capacity to control its transmitters, to ensure that emergency alerts are capable of being	of 15
FRPC Recomme	endation 8The CRTC should amend the <i>Annual Return</i> for all television stations ensure that revenues, expenses and expenditures by programming categories are properly allocated between local television stations and centralcasting hubs	to 16
FRPC recomme	ndation 9 The CRTC's annual returns should distinguish between local and no local staff, in all programming categories	on- 16
FRPC Recomme	ndation 10The CRTC's decisions to license local private television stations sho clearly describe the local programming exhibited by each station during the licence term that is ending, along with its local newsgathering capacity (reporters, bureaux)	uld 17
FRPC Recomme	endation 11 The CRTC should report clearly about local television in Canada, a publish data to permit the stations' implementation of the objects of the <i>Broadcasting Act</i> in section 3 to be evaluated	nd 17
FRPC Recomme	(programming, technical, sales and administrative) for Canada, the	ing 27
FRPC Recomme	endation 13 CRTC should include questions about reporters and newsbureaux the annual return form for radio and television undertakings	in 27
FRPC Recomme	public affairs, arts and cultural offerings produced with a predominantly local focus, by and for members of a local community, and distributed	vs, 33
FRPC Recomme	community access programming, whether or not they are affiliated with	ces 33
FRPC Recomme	ndation 16 The CRTC should require BDUs to broadcast independently-produc	ced

community programming, and set an objective that 20% of community

		nming (including between 20:00 and 22:30) be produced by 2021	35
FRPC Recomm	community tele community tele BDUs to allocate	The Canadian Media Fund should be mandated to dever vision production program in consultation with vision producers and BDUs; the CRTC should then direct a portion of funding from BDU community channel ction to this community television production program	elop a 35

I Introduction

- 1 The Forum for Research and Policy in Communications (FRPC) is a non-profit and nonpartisan organization established to undertake research and policy analysis about communications, including telecommunications.
- 2 Electronic media are vital to Canadian society, as Canada's newly-elected Prime Minister affirmed in his first press conference at Ottawa's National Press Theatre on 20 October 2015:

Let me just say first of all it's a pleasure to be here in the National Press Theatre. I think it's important to underline the important role that the media fills in public discourse and public life and I look forward to continuing to engage with you all in the coming days, weeks, months and years.¹

- 3 The Forum therefore supports a strong Canadian communications system, provided it serves the public interest. In our view a communications system in which original local programming has been steadily whittled away, and in which control of local reflection has been shifted from communities across Canada to a few centralized broadcasting centres, does not serve the public interest.
- 4 FRPC's submissions in this intervention are focussed primarily on private local television. While we support the existence of community television, the deadlines in this proceeding left us unable to devote the time needed to evaluate this sector, and to also evaluate private local television. We also note that these sectors serve different purposes and have different needs: we therefore believe that the CRTC should have avoided, and should avoid going forward, the appearance that it is seeking to combine the commercial and community sectors, by conducting separate reviews of the policies in about these two elements of the broadcasting system.
- 5 FRPC's intervention reviews the status of private local television in 2015, and summarizes the CRTC's current requirements for local television. We then address two challenges facing the Commission in this review: the sector's highly concentrated ownership structure and centralcasting. Our answers to the CRTC's questions about and the . review of the historical regulatory approach to local private television about the questions posed by the CRTC
- 6 Before addressing the issues raised by the CRTC in this proceeding FRPC would like to address several issues related to procedural fairness:
 - Denial of requests to extend the BNoC 2015-421 deadline for comments
 - Inadequacy of information provided by CRTC in this proceeding

¹ Bea Vongdouangchanh, "Politics this morning", *Hill Times*, 21 October 2015.

- Decision to ignore centralcasting
- Absence of information about original local television programming and local newsgathering capacity

A Denying requests for extension of deadline because parties knew about proceeding was disingenuous

- 7 A number of parties asked the CRTC to extend the deadline in this proceeding, and the CRTC denied all of these requests. On 20 October 2015 the CRTC decided to extend the deadline for comments in this proceeding by one week, because it had just received broadcasters' responses to questions it had previously asked.
- 8 FRPC notes that one of the reasons given by the CRTC for denying parties' requests for extension is that parties have known for since the beginning of this year that the CRTC would be holding a proceeding on local television. Respectfully, this is disingenuous.
- 9 Although the CRTC announced its plans to review local and community television in January 2015,² it provided no actual details about the review – including specific questions from the Commission, whether it would hold a public hearing on the matter and what evidence it would disclose to the public – until mid-September 2015.³ It continued to publish evidence it received from broadcasters after it published its notice.⁴
- 10 The gap between the CRTC's statement of its intention to review a policy, and the release of its specific questions and evidence made it impossible to known what evidence would be most relevant for such a proceeding. Parties with limited research resources cannot afford to allocate those resources based on their best guess of what the CRTC will, or will not, ask in its notices of consultation. Commissioning a new survey, for instance, can often take weeks beginning the determination of the areas of interest, designing a questionnaire, commissioning a survey research firm to design the sample and put the survey into the field, and ending with the analysis of results.

² Over-the-air transmission of television signals and local programming, Broadcasting Regulatory Policy CRTC 2015-24 (Ottawa, 29 January 2015), <u>http://www.crtc.gc.ca/eng/archive/2015/2015-24.htm</u>, at paras. 29-30.

³ A review of the policy framework for local and community television programming, Broadcasting Notice of Consultation CRTC 2015-421 (Ottawa, 14 September 2015),

http://www.crtc.gc.ca/eng/archive/2015/2015-421.htm [BNoC 2015-421].

⁴ The CRTC only sought clarification from broadcasters of their local and community programming revenues and costs on 18 September 2015 – four days after publishing BNoC 2015-421: Sheehan Carter, Senior Manager, English and third-language television, CRTC, *RE: Interrogatories relating to the revenues and costs associated with local and community programming*, (Ottawa, 18 September 2015), http://www.crtc.gc.ca/eng/archive/2015/lb150918.htm? ga=1.148522935.1465715386.1431534773.

- 11 The time given by the CRTC in BNoC 2015-421 was simply inadequate for most parties to obtain evidence from this kind of research.
- 12 In denying parties' requests for an extension the CRTC also said that it had previously indicated its plans for this review in two of its three-year plans.⁵ That is only partially true: the CRTC indicated it would be reviewing its policy for community television, but did not mention private conventional television. Even parties experienced in CRTC broadcasting policy could not have anticipated that the CRTC would consider private television policy in a proceeding to review community television – as these policies have never been considered simultaneously. Again, this meant that most parties that might have wanted time to prepare their evidence could not have done so.
- 13 In any event, the CRTC's plans do not offer consistently reliable guidance on the timing of CRTC proceedings:⁶ interested parties cannot reasonably be expected to allocate their research resources on the basis of unreliable timeframes.
- 14 FRPC has serious concerns about procedural fairness in terms of the limited time available to non-broadcasters in this proceeding to consult, to gather evidence and to prepare submissions. In our view, the CRTC's decision to deny requests for extensions of the deadline in this proceeding was unreasonable, and placed parties including FRPC at a disadvantage compared to broadcasters.

B The little information provided by the CRTC was inadequate and confusing

- 15 FRPC also has concerns about the information set out by the CRTC in this proceeding.
- 16 The Commission was at one time known for setting out evidence about complex issues when it invited Canadians to comment on those issues. When the CRTC reviewed its Canadian television policy in 1998, for instance, the information it placed on the public record included analyses of ownership structures, stations' schedules, results from stations' program logs, viewing data, and financial performance. The availability of this information enabled non-broadcasting parties to focus their submissions, and also provided an evidentiary foundation against which the outcomes of the CRTC's decisions could be evaluated.

⁵ The CRTC's 2013-2016 Plan and the 2014-2017 Plan each said "[t]he CRTC will assess the ongoing effectiveness of the Community Television Policy" in 2015/16, but did not refer to a review of local television.

⁶ The 2015-2018 Plan also says, for example, that it will hold a hearing on the CRTC's Native Radio Policy in 2016-2017; but this plan follows on at least four previous announcements for such a review: a 2010-2011 review announced in the CRTC's 2008-2011 Plan; a 2014-2015 review in the 2012-2015 Plan; a 2015-2016 review in the 2013-2016 Plan; and a 2016-2017 "targeted review" in the 2014-2017 Plan.

- 17 BNoC 2015-421, by contrast, offers very little information to non-broadcast parties, and the information that was provided was unclear and confusing.
- Broadcasting Notice of Consultation CRTC 2015-421 provided very little or no information about private television stations, their ownership or their programming. This information is relevant because it provides context for parties wishing to respond to the questions in BNoC 2015-421: knowing which communities have and do not have one or more television services is relevant when considering whether the CRTC should permit private TV broadcasters to replace television stations with news bureaux, for example.
- 19 Information about private television stations is not readily available from other CRTC sources. The CRTC's website does not publish lists of television stations to show the location(s) they are licensed to serve the lists only show the addresses of television stations' licensees. The CRTC's annual communications monitoring report describes television services, but does not list these by name or location; although it offers information about large broadcast owners it does not list the individual programming services they control. Although the CRTC publishes ownership charts about many broadcasters, it is not clear that every broadcaster is included in these charts, and the lists of the charts do not consistently indicate whether a given broadcaster holds conventional TV licences.⁷
- 20 When asked for a list of private television stations and the location they are licensed to serve, the CRTC on 23 September 2015 denied having this information (Appendix 1). This in turn required FRPC to rely on Wikipedia for a preliminary list of television stations, and to then cross-check that list against the CRTC's ownership charts and licensing decisions a process that consumed time FRPC could have instead allocated to writing this intervention.

FRPC Recommendation 1 The CRTC should publish lists of the broadcast undertakings it licenses, showing the names of the undertakings, the area(s) they are licensed to serve, and the name of the undertakings' licensee

- 21 On 20 October 2015 the CRTC then published a list of local TV stations and their ocations as part of the information for the BNoC 2015-421 proceeding.
- 22 Another aspect of procedural fairness in this proceeding involved parties' responses to new evidence. The CRTC advised that it would add new information to the record after

⁷ See http://www.crtc.gc.ca/ownership/eng/ownership.htm.

the deadline for interventions,⁸ but did not state whether interested parties would have the opportunity to submit new evidence of their own in response to this information.

By 1 October 2015 at least one other party to this proceeding submitted a procedural request to the CRTC seeking clarification on this point,⁹ but the CRTC did not respond to this request until 23 October 2015 when it advised that parties might submit additional information if the CRTC so approved. The lack of clarity and certainty about procedures in BNoC 2015-421 left non-broadcaster parties ill-prepared to allocate their time and resources for this proceeding.

FRPC recommendation 2 The CRTC must clearly state the procedures for proceedings in which it either places new evidence on the record after the intervention deadline, or permits other parties to do so

- 24 When the CRTC finally published information about local TV programming on 20 October 2015, it did not distinguish between original and repeat broadcasts.
- 25 The level of original local programming being broadcast is an important issue for news that, on its face, should be 'new', and for local programming in general in that increasing the times that local programs are rebroadcast permits broadcasters to reduce their production of original local programming.
- 26 The CRTC receives information about original and repeat exhibition hours from broadcasters, but does not publish it. The CRTC's annual communications monitoring report, for example, does not provide current or historical data about the local television programming available to Canadians in Canada's broadcasting system.
- 27 BNoC 2015-421 was also silent about the issue of newsgathering capacity of conventional television, for which evidence would be relevant because the CRTC is asking whether local television broadcasters need maintain local production facilities and station infrastructure to present local programming, including local news.
- 28 The CRTC's decision not to ask broadcasters for information about the numbers of journalists and news bureaux they deploy is all the more striking because the CRTC itself does not have any of this information (Appendix 2; Appendix 3), even though it established definitions for local programming and local presence that incorporate these concepts, in 2009.

Ibid., at para. 4: To focus discussion and debate during the oral phase of the public hearing, the Commission expects to publish an additional document before the hearing that will set out areas for exploration at the hearing based on the comments received.

⁹ Nathalie Blais, Conseillère à la recherché, Syndicat canadien de la function publique, *Object: CRTC 2015-421 – Requête procédurale* (Montreal, 1 October 2015).

- 29 The CRTC's decision to ask the public for comments about local newsgathering, without providing any information about newsgathering capacity, left non-broadcasters in this proceeding at a disadvantage.
- 30 The CRTC requires non-exempted programming undertakings to submit annual reports about their financial performance. The CRTC did not publish information about private television stations' programming and production expenses until the 1991/1992 broadcast year.¹⁰ The data for that year and the next are generally considered unreliable, as expenses for the same program may have been reported by two or more broadcasters.¹¹
- 31 In this proceeding the CRTC published locally-related expenses for 86 private television stations towards the end of October, aggregated by location size (small, medium and large 'markets'), for 21 television stations in the Small Market Independent Television Stations (SMITS) coalition, and for unidentified¹² English-language local programming undertakings in Montreal.
- 32 The CRTC webpage presenting these new local programming data did not define the terms used (*i.e.*, "Local news" and "Non-news local programming"), or how broadcasters allocated costs between their news and non-news local programming. The definitions and method are relevant because the list of local programming titles confirms that Bell's CIVI-DT Victoria counted the radio newscast broadcast by the television station as a local TV program, and that CFJC-TV Kamloops (in British Columbia) described the noon and evening newscasts broadcast by CHAT-TV Medicine Hat (in Alberta) as its local TV program.
- Having set out our main procedural concerns, FRPC's comments in this proceeding begin below, by setting out our perspective on the current status of private local television.
 We then address the Commission's questions. Conclusions follow; recommendations are listed in the Executive Summary.

II Private local television in 2015

34 BNoC 2015-421 asks interested parties to answer the CRTC's questions without explaining how local television has changed over time, particularly with respect to ownership and control. FRPC submits that the CRTC's historical approach to local private television is relevant in this proceeding, as it establishes how little attention is now paid to community reflection in private television.

¹² Experienced parties in this proceeding may be aware that these stations are: CFCF-DT (Bell), CKMI-DT (Shaw) and CJNT-DT (Rogers); our point is that not every party would know this.

¹⁰ The broadcast year runs from September 1st to August 31st.

¹¹ See *e.g.* Public Notices CRTC 1993-93 and 1993-174.

A CRTC's historical approach to private local television

- 35 When Parliament established the CRTC in 1968, Canadian television broadcasting was still in its teens: Canada's first television stations had been launched by the CBC just sixteen years earlier in 1952.¹³ The communications laws of the day required very little from these first, few stations in terms of local service but the absence at that time of inexpensive recording and distribution technology meant that broadcasters licensed to serve a local area relied heavily on their own resources, and offered extensive local programming.
- The celebration of Canada's first centennial in 1967, and the election of a new federal government laid the groundwork for new broadcasting legislation. At this time Canadians in 60 communities were being served by 64 over-the-air private television stations, controlled by 51 different licensees (Appendix 5).
- 37 Even though the 1968 *Broadcasting Act* did not refer to local broadcasting or local communities at all (Appendix 6), the CRTC's licensing decisions immediately established that private local television stations bore a responsibility to reflect the needs and interests of the communities they were licensed to serve. The Commission denied some television station applications because of their inadequate plans for community reflection; when it renewed existing licences, it analyzed licensee's previous commitments and often set out expectations for improvements. As shown by a sampling of its licensing decisions (Appendix 7), the CRTC viewed these promises of performance as something that it could and did enforce.
- 38 The CRTC continued to require stations to serve local communities even as technology changed the business of television. In the early 1970s, for example, television broadcasters acquired the technical capacity to offer separate programming to communities within the area they were licensed to serve. Split feeds let broadcasters sell the same time to different advertisers in different communities within the service contours of their transmitters. The CRTC intervened to require local television programming, in exchange for the right to sell local advertising, a requirement that was later formalized as the CRTC's local advertising policy. The 1975 policy said that

the establishment of broadcasting services in a community should, wherever possible, be a reciprocal matter. Where an applicant proposes to seek local commercial revenue from a community, he should also be prepared to provide some service to the community in the way of locally-produced, locally-oriented programming.

¹³ Private television stations went on air in 1953; second television stations for the same locations were first licensed in 1960.

By 1989 the CRTC said that private television broadcasters had improved their local programming, resulting in "more programs, higher production standards, greater program quality, larger audiences, and improved financial performance."¹⁴ It found that 20% to 30% of private broadcasters' local programs were drawn from non-news categories, that almost all broadcast local news on weekends, and that many broadcast

news in the morning and at noon, as well as in the early and late evening periods.

- 40 Parliament first referred explicitly to local programming in the 1991 *Broadcasting Act,* directing that Canadian broadcast programming was to be drawn from local sources.
- 41 Rather than requiring local television stations to exhibit more local television or improve the quality of their local programming, the CRTC began to reduce these requirements.

Broadcasting Act, 1991

3. (1) It is hereby declared as the broadcasting policy for Canada that

(d) the Canadian broadcasting system should

(iii) through its programming and the employment opportunities arising out of its operations, serve the needs and interests, and reflect the circumstances and aspirations, of Canadian men, women and children, including equal rights, the linguistic duality and multicultural and multiracial nature of Canadian society and the special place of aboriginal peoples within that society, and

(*i*) the programming provided by the Canadian broadcasting system should

(ii) be drawn from local, regional, national and international sources,

42 The Commission dropped

requirements for non-news local programming in 1991, because it proposed a "new emphasis on licensees' overall performance with respect to local reflection".¹⁵ Measuring the impact of this decision on local television programming hours is impossible, because the CRTC has never published these data on annually. Local television stations' programming expenditures – an indirect measure of local programming – only became available in 1993.

43 The CRTC then began to drop requirements for local television expenditures in 1994, explaining that conditions of licence for local programming were unnecessary because pride would motivate broadcasters like CTV to maintain their local news, public affairs

¹⁴ *Overview: Local Television for the 1990s*, Public Notice CRTC 1989-27 (Ottawa, 6 April 1989), http://www.crtc.gc.ca/eng/archive/1989/PB89-27.htm.

¹⁵ *POLICY FOR LOCAL TELEVISION PROGRAMMING*, Public Notice CRTC 1991-22 (Ottawa, 15 February 1991), <u>http://www.crtc.gc.ca/eng/archive/1991/PB91-22.htm</u>.

and sports programming.¹⁶ Expenditures on non-news local programming began to decline, by 3% between 1994 and 1995.

- ⁴⁴ The CRTC removed conditions of licence for local programming in 1995, as "there are sufficient market incentives to ensure that audiences will continue to receive a variety of local news without regulatory requirements",¹⁷ and "there was no criticism among interveners of the performance of individual stations in this regard".¹⁸ Between 1995 and 1996 local non-news expenditures decreased 8.4%.
- ⁴⁵ In 1999 the CRTC decided to stop asking local television stations to make quantitative commitments for local news programs,¹⁹ because

... there are sufficient market incentives to ensure that audiences will continue to receive a variety of local news without regulatory requirements. News programming is a key element in establishing a station's identity and loyalty with viewers and is generally profitable.²⁰ Between 1999 and 2000 expenditures on local news and non-news programming decreased by 2.1% and 8.9%, respectively.

- 46 The CRTC also stopped issuing detailed analyses of local television stations' programming performance in their licence renewal decisions in 1999. By then, 23 licensees controlled the 102 private television stations that served local communities; rather than hearing each station's renewal application separately, the CRTC heard all the renewal applications of each broadcaster, at the same time.²¹ This approach may have reduced broadcasters' administrative burden, but made it impossible to track the level of local programming being provided by Canada's private television system.
- 47 The CRTC next considered its regulatory approach to local television in 2007, when it considered and rejected permitting over-the-air television stations to charge cable and

¹⁶ *Television Network Licence Renewal*, Decision CRTC 94-33 (Ottawa, 9 February 1994), <u>http://www.crtc.gc.ca/eng/archive/1994/DB94-33.HTM</u>.

¹⁷ Introduction to Decisions the Licences of Privately-Owned English-Language Television Stations, PN CRTC 1995-48 (Ottawa, 24 March 1995), <u>http://www.crtc.gc.ca/eng/archive/1995/pb95-48.htm</u>.

¹⁸ *Ibid*. Individual licence renewal decisions issued in 1995 demonstrate that the CRTC replaced conditions of licence for original local news, and original local non-news programming with expectations and encouragements.

¹⁹ Building on Success – A policy framework for Canadian television, Public Notice CRTC 1999-97 (Ottawa, 11 June 1999), <u>http://www.crtc.gc.ca/eng/archive/1999/pb99-97.htm</u>, at para. 44.

²⁰ *Ibid.*, at para. 46.

²¹ *Ibid.*, at para, 10.

satellite services a fee for carriage.²² The CRTC instead announced the elimination of advertising limits for local television stations by 2009. Private broadcasters' expenditures on local programming remained flat from 2007 to 2008, but decreased by 10.6% from 2008 to 2009 (and by 33.9% for local non-news programming).

- In 2009 the CRTC developed a new approach to local television whose main focus was a Local Programming Improvement Fund (LPIF²³), rather than local programming requirements.²⁴ Stations that received LPIF monies could replace or supplement local programming expenditures, provided they maintained specified levels of local programming²⁵ which, the Commission acknowledged, were in most cases lower than the levels currently broadcast by English-language private television stations,²⁶ and for TVA's CFCM-TV Québec.²⁷
- In renewing local television broadcasters' licences also in 2009 the CRTC attached conditions of licence requiring the broadcast of minimum levels of local programming but did not require any of this programming to be original or first-run content. ²⁸ Expenditures on local non-news programming decreased by 20% between 2009 and 2010.
- 50 The LPIF was reviewed in 2012, and the CRTC decided to terminate it as of August 2014.²⁹
- 51 Changes in local television stations' expenditures on local news and non-news programming are described in Figure 2, on the next page.

²² Determinations regarding certain aspects of the regulatory framework for over-the-air television , Broadcasting Public Notice CRTC 2007-53 (Ottawa, 17 May 2007), http://www.crtc.gc.ca/eng/archive/2007/pb2007-53.htm.

²³ The LPIF was generally referred to as the 'el-pif'.

Policy determinations resulting from the 27 April 2009 public hearing, Broadcasting Notice of Consultation CRTC 2009-614 (Ottawa, 6 July 2009), <u>http://www.crtc.gc.ca/eng/archive/2009/2009-406.htm</u>.

²⁵ *Ibid.*, at 28.

²⁶ *Ibid.*, at para. 54:

The Commission notes that in most instances, this represents a decrease in the amount of local programming that is currently being broadcast by the English-language stations owned and operated by the conventional broadcasters with renewal applications before the Commission. However, the Commission notes that these are only minimums and that it expects the amount of local programming to be adjusted upward to reflect market conditions where appropriate. ...

²⁷ *Ibid.*, at para. 56.

²⁸ CKCO-TV-3 Oil Springs, CFRN-TV-3 Whitecourt, CFRN-TV-4 Ashmont and CFRN-TV-6 Red Deer.

See Broadcasting Decision CRTC 2009-407.

Review of the Local Programming Improvement Fund, Broadcasting Regulatory Policy CRTC 2012 385 (Ottawa, 18 July 2012), http://www.crtc.gc.ca/eng/archive/2012/2012-385.htm.

- 52 Overall, expenditures on non-news local programming decreased by 77.5% between 1993 and 2014. While expenditures on local news increased over this period by 33.2%, private stations have been reducing their local news expenditures since 2006, so that expenditures in 2014 are now at the level they were at sixteen years ago, in 1999.
- 53 Reductions in employment at local television stations may also mean that some stations lack the capacity to produce local and non-local programming. The number of staff working in programming and production at private television stations has decreased by 22% (1,198 full-time or equivalent [FTE] positions) since 1991, and by 7% (321 FTE positions) since 2009.

Figure 1 Private conventional TV stations' employment, by category: 2006-2014

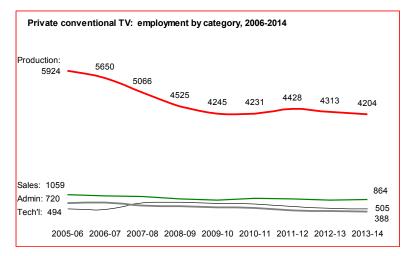
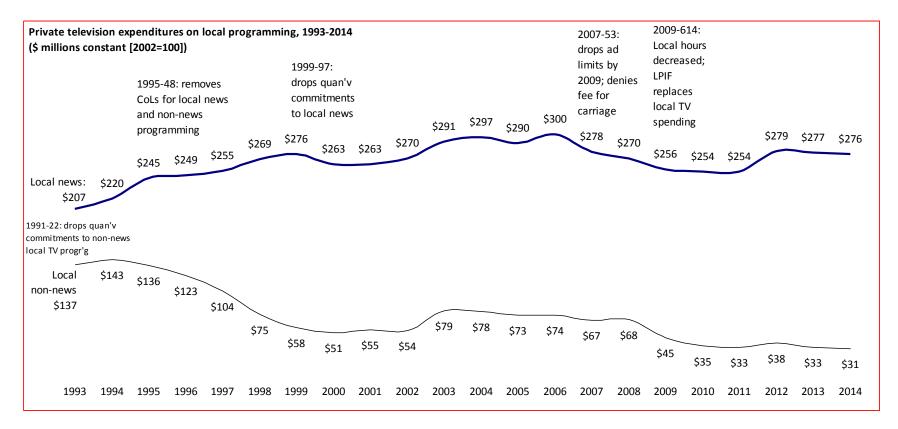


Figure 2 Private television expenditures on local news and non-news programming, 1993-2014, in constant \$ millions (2002=100)



⁵⁴ The CRTC has now issued new policies that affect local television. It noted that of those who commented on over-the-air television in the Commission's online consultation, 95% had "referred to the importance and value of the ability to receive television programs inexpensively over the air and opposed proposals to shut down transmitters."³⁰ It said that in exchange for the right to use the public airwaves, conventional broadcasters must

> ... broadcast Canadian programming and, in most cases, local programming. These requirements encourage job creation and professional development while also ensuring that locally relevant programming is available to Canadians across the country in various communities. This programming may include news, analysis and interpretation that is more local in perspective than what national networks offer. Smaller, independently-owned local broadcasters also provide a diversity of news perspectives at the local level.³¹

55 The CRTC added that local programming costs "are offset, in part, by advertising revenues and other privileges such as mandatory carriage on the basic service offered by BDUs as well as simultaneous substitution."³² FRPC notes that the Broadcasting Regulatory Policy CRTC 2015-24 did not set out a CRTC finding or expectation that broadcasters' local revenues offset all of their local programming costs.

B Current requirements for local programming, local news and local presence

- 56 Neither the 1991 *Broadcasting Act* nor the CRTC's *Television Regulations, 1987*³³ use or define terms such as 'local television station' or news bureau. The CRTC instead defined what it means by a local television station in its 2008 *Diversity of* Voices broadcasting policy:
 - Local radio station

A local radio station is a commercial radio station licensed to operate in a market where the licensee is expected to provide local news and information.

Local television station

A local television station is a commercial television station licensed to operate in a market where the licensee is expected to provide local news and information.

4 The CRTC currently evaluates diversity by enumerating the number of media in individual communities, as defined by radio station contours: "[t]he parameters of the

³⁰ Broadcasting Regulatory Policy CRTC 2015-24, at para. 8.

³¹ 2015-24, at para. 5.

³² *Ibid.*, at para. 6.

³³ Revised in 1994

Diversity of Voices markets are determined using the BBM/Neilsen definition of the local radio market."³⁴

5 In 2009 the CRTC announced in another policy statement that programs produced by local staff which reflect individual communities' needs and interests constitute local programming. It said local programming is

... programming produced by local stations with local personnel or programming produced by locally-based independent producers that reflects the particular needs and interests of the market's residents.³⁵

The CRTC added that stations that were allowed to count regional programming as their local programming might continue to do so. 36

- 6 The Commission's policy statement did not define what it meant by "market", but accepted the definition of a new concept – "local presence" – proposed by CTVgm. The Commission agreed that local presence had three criteria, and encouraged "local stations to maintain a local presence":
 - providing seven-day-a-week original local news coverage distinct to the market;
 - employing full-time journalists on the ground in the market; and
 - operating a news bureau or news gathering office in the market³⁷
- 7 The CRTC has also defined what it means by 'original' programming:

An original, first-run program means a program which has never before been distributed by any licensee of a broadcasting undertaking and which will be distributed for the first time by the licensee.³⁸

8 Although the CRTC's licensing decisions and broadcasters' applications once set out statistics that permitted broadcasters' capacity to produce news for their local communities, FRPC notes that it is currently impossible to analyze local presence in Canadian television because relevant data are not being collected (Appendix 2; Appendix 3).

³⁴ CRTC, "Diversity of Voices", http://www.crtc.gc.ca/ownership/eng/dov_ind.htm

³⁵ Policy determinations resulting from the 27 April 2009 public hearing, Broadcasting Notice of Consultation CRTC 2009-614 (Ottawa, 6 July 2009), <u>http://www.crtc.gc.ca/eng/archive/2009/2009-406.htm</u>, at para 43.

³⁶ *Ibid.,* at para. 44.

³⁷ *Ibid.*, at paras. 45-46.

³⁸ *"First Run" Television Programming*, Public Notice CRTC 1988-197 (Ottawa, 30 November 1988), http://www.crtc.gc.ca/eng/archive/1988/PB88-197.HTM.

FRPC Recommendation 3The CRTC should collect and report the numbers of journalists and news
bureaux in Canadian television to evaluate the capacity of local television
stations to report on news and events in the local communities they
serve

- 9 What is peculiar about the failure to ask broadcasters for evidence about their local programming capacity is that the CRTC cares about this issue when it considers whether to license stations. It asks applicants for television station licences for information about the communities in the area served by each station's transmitters, the location of the stations' main and auxiliary studios, and details about each station's transmission site and transmitters. It also asks them to describe how their stations' programming will "meet the demands and reflect the particular needs and interests of your local audience, including the number of hours per week of local news and other local programming you intend to provide for your station."³⁹ The CRTC relies on the information set out in these applications: in 2005 it denied an application for a private television station to serve St. Catharines and the Niagara region, because it did not believe the applicant could produce the "attractive local programs" it had proposed, "given the budget that it had proposed."⁴⁰
- 10 Once stations are licensed, however, the Commission seems disinterested in the programming that is being provided to local communities. Its current policies for local television require only that stations
 - operate their transmitters if they wish to be carried as part of BDUs' basic tier,⁴¹ and
 - broadcast minimum levels of local programming
- 11 When the Commission does set requirements for local programming, it does so inconsistently (see Appendix 8): in some cases it simply cites broadcasters' commitments to broadcast some local programming; in others it makes local programming as a condition of broadcasters' licences. Some broadcasters must simply broadcast 'local programming', regardless of whether it is original or repeat programming, while others must broadcast original local news, and other original local programs. Some licensing decisions refer to 'expectations' or 'encouragements', but their breach cannot be penalized under the *Broadcasting Act*: the only offences set out there are for breaches of the *Television Regulations, 1987*, or breaches of broadcasters' conditions of licence.

English-language television station in St. Catharines, Broadcasting Decision CRTC 2005-544
 (Ottawa, 18 November 2005), <u>http://www.crtc.gc.ca/eng/archive/2005/db2005-544.htm</u>, at para. 30.

³⁹ Application form 305, question 7.6.

12 Rather than leaving communities with an incorrect assumption that they will receive local television programming because their local station has been 'encouraged' to do so, the CRTC should establish clear requirements for local television programs' exhibition, expenditures and resources (staffing, transmission facilities) which are capable of enforcement, and which are enforced.

FRPC Recommendation 4 The CRTC should establish conditions of licence for the exhibition of and expenditures on, local television programming

C Challenges

1 17 companies control all private TV in Canada

- Editorial diversity is especially important for conventional television stations, as they are the largest source of news and information in Canada. To put local TV stations' importance into perspective, the national specialty television service owned by Bell Media can broadcast a maximum of 8,736 hours of news annually:⁴² last year Canada's local private TV stations broadcast 58,243 hours of local news.
- 14 There is very little diversity in editorial voices in private local television today due to the level of concentrated ownership permitted by the CRTC since the mid-1980s, and especially since 2000. A dozen of the largest transactions are noted below; just over half have been approved by the Commission since 2000:
 - Baton's purchase of 7 TV stations in 1986 for \$106.5 million (86-642)
 - Videotron's purchase of 8 TV stations in 1987 for \$134.1 million (87-62)
 - Canwest's purchase of CIII-TV in 1990 for \$79.8 million (90-1073)
 - Baton's purchase of 9 TV stations in 1991 for \$72.5 million (90-1074)
 - Rogers' purchase of 2 TV stations in 1994 in a \$3.1 billion transaction (94-923)
 - Canwest's purchase of 5 TV stations in 2000 for \$692 million (2000-221)
 - Quebecor's purchase of 6 TV stations in 2001 for \$6 billion (2001-384)
 - CTV's purchase of 7 TV stations in 2007 for \$1,365 million (2007-165)
 - Rogers' purchase of 5 TV stations in 2007 for \$375 million (2007-360)
 - Remstar's purchase of 6 TV stations 2008 (2008-129)
 - Shaw's purchase of 16 TV stations in 2010 for \$2.1 billion (2010-782), and
 - BCE's purchase of 28 TV stations in 2011 for \$3.2 billion (2011-111).
- 15 These transactions involved the sale of the assets of 100 television stations, for a total price of \$17.2 billion. Since 2000 \$13.7 billion has been spent to acquire 73 private television stations and other broadcasting undertakings. To put the 21st century transactions into perspective, applicants spent two and a half times private TV stations' total local programming expenditures from 2000 to 2014, to acquire the 73 stations.

⁴² A year of programming equals 24 hours/day x 365 days/year, or 8,736 hours in a year.

Figure 3

Numbers of private TV stations and their owners, 1968-2015

- 16 The result of these and other licensing decisions is that the number of competitors in private television has dwindled from 53, to 17 (Figure 3).
- 17 Where broadcasters once competed on a relatively even footing, each of the four largest private TV broadcasters in 2014 took in more revenues than the thirteen smallest private television broadcasters combined:

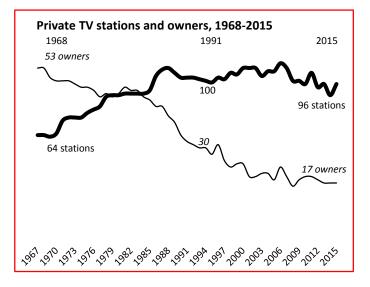
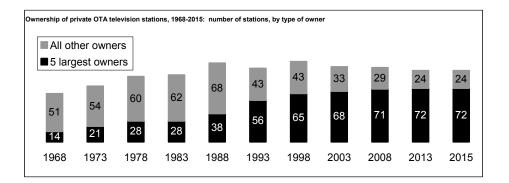


Table 1 Five largest private television broadcasters' revenues, 2014

Broadcaster	\$ millions current		
BCE	\$736.4		
Shaw/Corus	\$404.4		
Quebecor	\$229.3		
Rogers	\$227.9		
All others (13)	\$205.6		

- 18 Altogether these companies, and Remstar, accounted in the 2013/14 broadcast year for
 - 85% of total local private television advertising sales
 - 97% of total national private television advertising sales
 - 92% of total private television revenues
 - 91% of total private local television programming expenditures
 - 94% of total private television expenditures
 - 90% of total local private news expenditures, and
 - 86% of all full-time or equivalent staff employed by private television broadcasters.
- 19 Even such highly concentrated television ownership might not matter with respect to diversity of opinion and voices, if all communities had access to independent television services in their communities. But this is the exception, not the rule.
- 20 Instead, three-quarters (72) of Canada's private TV stations are controlled by five companies, and twelve other companies control the remaining 24, stations (Figure 4).

Figure 4 Number of private over-the-air stations controlled by five largest owners and all others, 1968-2015



21 Of the 57 communities with local private television service in October 2015, three were served by one or more of the five largest companies and an independent broadcaster (see Table 2; Appendix 11).

Table 2 Communities served by private television stations in October 2015

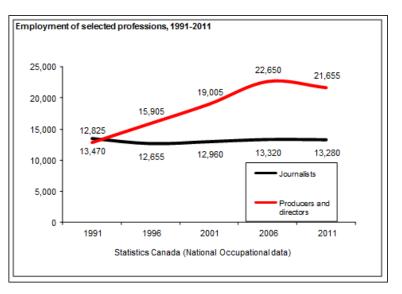
Communities served by private television stations in October 2015					
Served by five la	rgest broadcasters		Served by independent	Served by independents and	
(Bell, Shaw, Roge	ers, Quebecor and F	lemstar)	broadcasters only	five largest broadcasters	
Barrie	London	Rimouski	Burlington	Ottawa/Gatineau	
Brighton	Moncton	Saint John	Carleton	Victoria	
Calgary	Montreal	Saskatoon	Fraser Valley	Winnipeg	
Chicoutimi	North Bay	Sault Ste. Marie	Hamilton		
Dawson Creek	Oshawa	Sherbrooke	Kamloops]	
Edmonton	Pembroke	Sudbury	Lloydminster]	
Halifax	Peterborough	Sydney	Prince George		
	Portage La				
Jonquiere	Prairie	Terrace	Rivière-du-Loup		
Kelowna	Prescott	Timmins	Rouyn		
Kenora	Prince Albert	Toronto	Rouyn-Noranda		
Kingston	Québec	Trois-Rivières	Saint John's		
Kitchener	Red Deer	Vancouver	Thunder Bay]	
Lethbridge	Regina	Wheatley	Val d'Or		
		Yorkton			
40 communities served only by five largest broadcasters		13 communities served	3 communities served by one		
	only		by independent	or more of five largest	
			broadcasters only	broadcasters, and by	
				independent broadcasters	

Source: CRTC ownership charts and licensing decisions

2 Impact of consolidation on local news and information

22 As shown in Figure 1, employment in private local television programming positions has been steadily decreasing. While the CRTC does not collect data about broadcast journalists, Statistics Canada publishes data about journalists in general. Where producers and directors have seen employment grow by 69%, employment of journalists has decreased (-1%).

Figure 5 Employment of producers and directors, and journalists, 1991-2011



- 23 To better understand the implications of this trend FRPC retained respected journalist and author Dr. Mark Bourrie to provide an expert opinion about the state of television journalism in Canada. His opinion is attached as Appendix 9.
- 24 Dr. Bourrie pointed out that "[g]ood journalism is expensive", requiring "skilled practitioners to afford the time to delve deeply into issues and build expertise". He notes that despite strong demand for local news, the Canadian journalism has been devastated through the collapse of the newspaper industry, and layoffs from Canada's public and private broadcasters. Dr. Bourrie described a "strong dichotomy between community cable stations and local news outlets", concluding that while community television shows are valuable, they do not provide adequate journalism:

The value of professional journalism lies in selecting material presented in the same forum, contextualizing it, seeking out people affected by the issues, and reporting it in a broadcast that can be conveniently watched by far more viewers. Community stations can send crews to various events, but can never provide either the style of coverage or the volume of even a small market television newscast.

25 In his opinion, "[n]ews must be produced by journalists who have 'boots on the ground'":

Otherwise the journalism is simply sparse and superficial coverage by reporters who don't know the area, or the repeating of talking points given to journalists by political, business and community leaders, with very little scrutiny of the content. In many ways, this is a situation similar to Parliament being covered by journalists who fly into Ottawa from Toronto from time to time, compared with analysis and coverage by people who are assigned to Parliament Hill full-time and get to know not only the politicians, but also public servants, NGOs, stakeholder groups and others in the political process.

- 26 The problem facing private television, the Commission, and Canada, is that there are no meaningful requirements for original local television news.
- 27 This is not to say that the CRTC has ignored this problem. In allowing private television ownership to concentrate the CRTC has asked broadcasters for assurances regarding the protection of diversity in news and information. In 2001, for example, CTVglobemedia told the CRTC that joint ownership of newspapers and television stations did not threaten diversity, provided there were separate structures for making decisions about news:

We have laid out in our deficiency answers a fairly elaborate approach that we think will ensure the commitment under the Broadcasting Act. That approach is to be able to find synergies and better and higher-quality journalism in the ability to combine some newsgathering to make sure that the presentation of the news remains the independent preserve of each of the news organizations. To us, diversity comes not at the point when you are gathering what I would call the ingredients for journalism, but when the chef prepares those ingredients; in other words when the editor or the news director decides what items will be selected, how those items will be played, what elements will be included, and, of course, whether the story will appear or not. To us, the cutting edge of diversity is the actual decisions on what news will be presented and how it will be presented.⁴³

28 CTVgm then provided the Commission with a *Statement of Principles and Practices* which the CRTC imposed as a condition of the company's television licences, and which it also applied to the television stations that CTVgm acquired from CHUM in 2007.⁴⁴ The *Statement* required CTV to

⁴⁴ *Transfer of effective control of CHUM Limited to CTVglobemedia Inc.*, Broadcasting Decision CRTC 2007-165, <u>http://www.crtc.gc.ca/eng/archive/2007/db2007-165.htm</u>, at paras. 73-74.

⁴³ Licence renewals for the television stations controlled by CTV, Broadcasting Decision CRTC 2001-457, <u>http://www.crtc.gc.ca/eng/archive/2001/db2001-457.htm</u>, para. 107.

... maintain separate and independent news management and presentation structures for CTV television operations that are distinct from those of any CTV affiliated newspapers. Decisions on journalistic content and presentation for CTV will be made solely by CTV television news management.⁴⁵

- 29 The *Statement* refers to newspapers and television but ignores radio, perhaps because the CRTC had told television broadcasters in 1989 that radio programs that were simulcast on television stations "could not be considered to be an original local television program"⁴⁶ The Commission explained that broadcasting radio on television did not demonstrate a television station's "commitment to produce quality programming of relevance and interest to its viewers"⁴⁷
- 30 CIVI-DT Victoria has nevertheless been broadcasting a radio newscast from CFAX Victoria as original and local television news since at least late 2009.⁴⁸ In November 2009 CIVI-TV's program logs showed that 31.1 hours (34.4%) of CIVI-TV's original local news hours came from CFAX:

November 2009	Program composition		
Original news produced and originated by CIVI-TV	First play	Recorded live	Total hours
A News	47.90		47.90
CFAX Live	26.75		26.75
CFAX Live 1	0.28		0.28
CFAX Live 2	1.62		1.62
CFAX Live 3	1.19		1.19
CFAX Live 4	1.28		1.28
News Tease		0.08	0.08
News Update		0.36	0.36
Remembrance Day Special	0.58		0.58
Vancouver Island Report	10.45		10.45

Table 3 News produced and originated by CIVI-TV Victoria in November 2009

⁴⁵ *Ibid*, Appendix 1.

⁴⁶ *Newfoundland Broadcasting Company Limited*, Decision CRTC 89-269 (Ottawa, 17 May 1989), <u>http://www.crtc.gc.ca/eng/archive/1989/DB89-269.HTM</u>.

⁴⁷ Newfoundland Broadcasting Company Limited, Decision CRTC 89-269 (Ottawa, 17 May 1989), http://www.crtc.gc.ca/eng/archive/1989/DB89-269.HTM.

⁴⁸ The CRTC licensed CIVI-TV in 2009 after a competitive process; CHUM promised "extensive local news, as well as local programming falling into other categories" for the new station: Broadcasting Decision CRTC 2000-219, (Ottawa, 8 June 2007) at para. 32. CHUM also "proposed to broadcast 26 hours per week of original local programming, including 19.5 hours per week of local news." *Ibid.*, para. 33. CIVI-TV went on air in October 2001. The CRTC approved CTVgm's purchase of the station in June 2007, stipulating that due to the "importance of diversity of voices in the context of cross-ownership of media", it required "the independent management of news departments and the maintenance of separate presentation structures." Transfer of effective control of CHUM Limited to CTVglobemedia Inc., Broadcasting Decision CRTC 2007-165, http://www.crtc.gc.ca/eng/archive/2007/db2007-165.htm, at paras. 73-74

November 2009	Progr		
Original news produced and originated by CIVI-TV	First play	Recorded live	Total hours
Total hours of local station news	90.04	0.43	90.48
Average per week (total % 30, x 7)	21.01	0.10	21.11
Weekly average, excluding radio	13.75	0.10	13.85
Source: CIVI-DT's program log for November 2009			

Source: CIVI-DT's program log for November 2009

31 In November 2014 CIVI-DT's program logs showed that 31.01 hours (34.5%) of its original local news came from CFAX:

Table 4 News produced and originated by CIVI-TV Victoria in November 2014

November 2014	Progr		
Original news produced and originated by CIVI-DT	First play	Recorded live	Total hours
CFAX Live	30.01		30.01
CTV News Vancouver Island	0.50		0.50
CTV News Vancouver at Six	19.99		19.99
CTV News Vancouver Island	16.03		16.03
CTV News Vancouver Island at Five	20.01		20.01
News Tease		0.03	0.03
News Update		0.40	0.40
Total hours of local station news	86.54	0.43	86.96
Average per day, times seven (<i>i.e.</i> , per week)	20.19	0.10	20.29
Weekly average, excluding radio	13.19	0.10	13.29

Source: CIVI-DT's program log for November 2014

32 Rogers and CBC have also begun to broadcast radio on their television news stations. Rogers replaced City-TV Winnipeg's Breakfast Television "with a televised version of radio station 92 CITI FM's morning program" in January 2015, and CBC made a similar announcement in August 2015:

"The show will still air from 5:30 a.m. ET to 8:30 a.m. on Radio One. We're simply providing you another way to access the program. You'll see the Daybreak team broadcasting from Studio 20 in La Maison Radio Canada"⁴⁹

The CRTC's silence on television stations' use of radio in their broadcasts is perplexing, because the CRTC prohibited this practice in 1989, when it denied the application by Newfoundland Broadcasting Company Limited's for a full-term licence renewal, in part

⁴⁹ Shelagh Kinch, CBC news, "Managing Director's blog: Daybreak on TV begins", (posted 22 August 2015, 6:01 AM ET, last updated 22 August 2015, 6:01 AM ET), <u>http://www.cbc.ca/news/canada/montreal/managing-director-s-blog-daybreak-on-tv-begins-1.3199561</u>.

because the CJON-TV was counting its simulcast of the programming broadcast by a radio station as local television programming.⁵⁰

34 Even if it did not misuse valuable spectrum, using television to broadcast radio does not offer audiences high-quality, but boring, television programming:

...the main problem with this show, which is that so much of it is just watching people looking down and reading things, or listening to things, or waiting for things. It's incredibly boring television.

"There are interviews, but we only get about one or two in-studio interviews a day. And even then they're really just talking heads, though there have been some attempts at introducing visuals (being careful not to piss off the radio audience by referring to things they can't see).

...

Like Global and City, CBC is finding ways to game the system as far as local programming, in part by reusing content. And as if to underscore that further, one interview captured though the Daybreak cameras has already been reused on the weekend clip show Our Montreal. 51

- 35 Determining the level of radio programming now being aired, rebroadcast or otherwise carried by television stations is difficult, however, because television broadcasters are currently coding these radio programs as programs that are produced by and originate from the local station ("1").
- 36 The CRTC should prohibit television broadcasters' practice of pretending that radio is high-quality television programming. It should require television stations to identify programs from radio stations, by adding a new value to the to the *Composition* variable in the CRTC's television logging system:
 - (1) Live program
 - (2) Recording of live program
 - (3) Other recorded program (first play)
 - (4) Repeat broadcast of a program in (1), (2) or (3)

⁵⁰ Newfoundland Broadcasting Company Limited , Decision CRTC 89-269 (Ottawa, 17 May 1989), http://www.crtc.gc.ca/eng/archive/1989/DB89-269.HTM:

The Commission's analysis of the programming broadcast during the week of 4 to 10 December revealed that the audio portion of "Jigs Breakfast" was a simulcast of a morning radio program broadcast each weekday on CHOZ-FM; thus, in the Commission's view, this program could not be considered to be an original local television program produced by CJON-TV. Moreover, the video portion was a continuation of "Newfoundland Scenes", broadcast on CJON-TV at 5:00 a.m., and consisting primarily of footage of rural Newfoundland filmed by the licensee and repeated as often as four times per month, according to NTV.

⁵¹ Steve Faguy, "CBC Daybreak on TV: Slightly enhanced radio makes for awful television" (3 September 2015), http://blog.fagstein.com/2015/09/03/cbc-daybreak-on-tv-review/#more-16802.

New => (5) Rebroadcast of program from a radio station.

FRPC recommendation 5 The CRTC should modify its program logs system to identify programming undertakings that are rebroadcasting programming from other media, to identify and reduce misuse of the publicly owned spectrum

37 The CRTC should prohibit the simulcasting or rebroadcasting of radio programs on television, or television programs on radio.

3 Centralcasting has taken the local out of local television broadcasting

- 38 Centralcasting technology transfers control over individual television stations' transmitters and programming to a few central hubs, thereby reducing staffing costs. By 2001 there were three types of centralcasting: one using "dumb" transmitters to feed programming to one main point; one in which local staffs create some local programming but a central master TV studio feeds individual TV signals to stations' transmitters, and another in which a single master control studio produces all programming and distributes programming directly to stations' transmitters.
- 39 In 2009 the CRTC dismissed a complaint that Canwest's use of centralcasting for its television stations had transformed the stations from programming undertakings capable of transmitting their own programming, into empty shells.⁵³
- 40 In 2012 CTV and CBC each confirmed that they use centralcasting for their television stations,⁵⁴ and Shaw more recently confirmed that it also uses centralcasting. It said in April 2015 that

... it will consolidate much of its production across Canada and change how the late-night and weekend newscasts are produced.

"We're actually rolling out a plan to shift the news organization in a bigger way to a storycentric production model and that means moving past some of the traditional ways we've produced television newscasts, to one where we touch

⁵² John Bugailiskis, "Centralcasting: New technologies are making it possible to run dozens of stations from a single location. Will centralcasting turn TV broadcasters into cablecasters?" *Broadcaster Magazine*, June 2001, <u>http://www.broadcastermagazine.com/news/cover-story-</u>centralcasting/1000146197/.

⁵³ See *e.g. Complaint by the Canadian Communications, Energy and Paperworkers Union of Canada against Canwest Media Inc.*, Broadcasting Decision CRTC 2009-115 (Ottawa, 4 March 2009), http://www.crtc.gc.ca/eng/archive/2009/2009-115.htm.

⁵⁴ Triveni Digital, "CTV Builds Nationwide PSIP Centralasting M odel and Networkwide DTV Monitoring on Triveni Digital Systems", Princeton, N.J.: 31 January 2012,

http://www.trivenidigital.com/newsroom/press_releases_2012/120131.php; Michel Béland, "Next Generation Converged Network (NGCN)", Sync, Issue 1 – 2012, <u>http://www.cbc.radio-</u> canada.ca/en/reporting-to-canadians/sync/sync-issue-1-2012/next-generation-converged-network-ngcn/.

the content once, make sure that it is best catered for the audience and then deliver it," Troy Reeb, the senior vice president of news and station operations said in an interview Thursday.

The production of late-night and weekend newscasts east of Alberta, as well as Kelowna, will be moved to Toronto, where a single-anchor team will produce a local newscast for each market.

Local morning shows and early evening newscasts will continue to be anchored from studios in local markets, though the production of some national and international segments will be centralized in Toronto.

The national and international segments of news programs will be the same throughout the country, freeing up resources in each market for local news gathering, Reeb said.⁵⁵

- 41 Central hubs now perform the functions of local television: they produce local stations' entire newscasts, make decisions about which local, regional, national and international stories to include in those newscasts; and have the capacity to change the order or decline to include local stories: local stations' content is simply inserted into a broadcaster's newscast template. Shaw's 'touch-the-content-once' model seems to mean that all final decisions about local newscasts are made at its centralcasting hubs.
- 42 The implementation of centralcasting therefore has serious implications for any new regulatory policy about local television programming: centralcasting has taken the local out of local programming, so to speak. Shaw's new, centrally produced "local" newscasts would not qualify as local programming under the CRTC's definition of local programming, any more than an entire episode of CTV's *Canada AM* would qualify as a local program if it includes one or two minutes of local content.
- 43 Thinking of the CRTC's 2009 definitions specifically, programs that originate from central hubs are not fully produced by local station personnel or locally-based independent producers.

FRPC Recommendation 6 Program segments that are produced in central hubs should not qualify as local programming because they are not produced by local station personnel

44 Centralcasting also has implications for affected stations' ability to comply with the CRTC's regulations for emergency television broadcasts. The *Television Regulations, 1987* currently require every television station to broadcast emergency notifications, "without delay":

⁵⁵ Global News, "Global News announces significant changes to how news is produced", (9 April 2015), http://globalnews.ca/news/1930342/global-news-announces-significant-changes-to-how-news-is-produced/.

...

...

18 (2) Except as otherwise provided under a condition of its licence, a licensee shall implement on all stations that it is licensed to operate, by no later than March 31, 2015, a public alerting system that broadcasts without delay, on a given station, any alert that it receives, in a form including both text and audio content, from the National Alert Aggregation and Dissemination System that

(a) announces an imminent or unfolding danger to life; and

(b) is designated by the applicable issuing authority for immediate broadcast in all or part of the area within the station's Grade B official contour or noise-limited bounding official contour, as the case may be.

(4) The licensee shall implement the public alerting system for each of its transmitters.

(5) The licensee shall broadcast the alert on transmitters that serve the area that is targeted by the alert.

45 What happens in the hypothetical case where emergency conditions prevent a local television station from reaching its central hub to ask it to transmit emergency alerts and related information to the station's transmitters? The scenario may seem unlikely, but from 2004 to 2012 more than two hundred Canadian communities experienced emergencies that ranged from hurricanes and typhoons, to floods and wildfires:

Type of emergency	2004	2005	2006	2007	2008	2009	2010	2011	2012	2004- 2012
Hurricane / Typhoon /	1			2	3	1	2	1		18
Tropical Storm										
Tornado	1			1	2	2	3	1		10
Storm - Unspecified/Other					1	1				2
Storms and Severe	1	2	4	10	11	7	2			42
Thunderstorms										
Storm Surge	1		1				1			3
Winter Storm	1	1	1	2	4		1			13
Severe weather, subtotal	5	3	6	15	21	11	9	2		88
Earthquake							1			1
Fire			1		1					3
Wildfire		3	4	6	6	1	5	4	5	34
Fires, subtotal		3	11	21	28	12	15	6	5	126
Flood	3	9	6	4	10	5	8	7	4	73
Landslide		1		1						2
Leak / Spill Release		2		1						3
Total, all emergencies	8	18	17	27	38	17	23	13	9	204

Table 5Types of emergencies in Canada, 2004 - 2012

Source: Public Safety Canada, *Canadian Disaster Database*, http://www.publicsafety.gc.ca/cnt/rsrcs/cndn-dsstr-dtbs/index-eng.aspx

46 Canadians are entitled to expect that they can rely on local broadcasters to provide them with emergency information; centralcasting may have already removed local television stations' capacity to comply with the CRTC's emergency-alert regulations. The CRTC should require all television broadcasters to confirm that their individual television stations have the physical capacity to transmit alerts, "without delay" – in other words, without having to re-wire or modify the station's centralcasting infrastructure.

FRPC Recommendation 7 The CRTC should ask television broadcasters to confirm that each of their television stations has the physical capacity to control its transmitters, to ensure that emergency alerts are capable of being issued "without delay", as required by the *Television Regulations, 1987*

47 Finally, centralcasting raises accounting issues. In 2014 BCE and Rogers each allocated the total costs of local news to their individual television stations, while Shaw and CBC each allocated a percentage of their news expenditures to network origination:

News expenditures in 2013/2014 (\$ millions current)					
Conventional TV	Station's productions	Acquired from independent producers	Network origination	Total news expenditures	Local as % of total news
BCE	\$137.946			\$137.946	100.0%
Shaw	\$106.120		\$15.977	\$122.097	86.9%
Rogers	\$37.666			\$37.666	100.0%
Quebecor	\$28.889	(6.546)		\$22.343	129.3%
Remstar	\$0	\$4.162		\$4.162	0.0%
CBC English	\$94.789		\$26.413	\$121.202	78.2%
CBC French	\$58.180		\$27.949	\$86.129	67.5%

48 Before centralcasting, local station expenditures described the spending undertaken by a local community in that community; what is not known is how the costs and revenues of today's centralized, non-local hubs are being allocated.

FRPC retained an expert in financial matters – Mr. Doug Wilson, CPA,CMA – to address this question. His opinion is set out in

- 49 Appendix 10. In Mr. Wilson's opinion, "the introduction of a central hub is a fundamental change in the conventional business model for packaging and distributing programs to local TV audiences", and as a result, the CRTC's "annual return should be adjusted to reflect this."
- 50 The CRTC cannot effectively supervise private local television stations and ownership groups' service to local communities, in part because fundamental changes to broadcasters' business such as centralcasting, are currently invisible in reporting instruments such as the *Annual Return*.

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FRPC Recommendation 8The CRTC should amend the Annual Return for all television stations to<br/>ensure that revenues, expenses and expenditures by programming<br/>categories are properly allocated between local television stations and<br/>centralcasting hubsFRPC recommendation 9The CRTC's annual returns should distinguish between local and non-local
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staff, in all programming categories

4 Historical record has been lost

- 51 A major challenge for parties interested in understanding local television in Canada is that much of the empirical evidence about television stations and their programming no longer exists. Finding information about "local television stations" and "local presence" to participate in this proceeding has been difficult and confusing:
 - While the "Local Programming Data" published by the CRTC in relation to BNoC 2015-421 "provide revised aggregate data of revenues, costs, staff and exhibition hours associated with local programming", in relation to <u>86</u> "stations" then listed elsewhere in the record, ⁵⁶ the CRTC's annual report on statistical and financial data *Conventional Television 2010-2014* is compiled from information submitted by "private television undertakings", and stations" and describes <u>92</u> "reporting units" without identifying which stations are described by the report⁵⁷
 - the statistical and financial reports filed by five large broadcasters with conventional television stations⁵⁸ do not identify the stations that their reports describe
 - only one of the reports published by the CRTC towards the end of the intervention period ("Local Programming Data") offers data on local programming and it did not distinguish between original and repeat content

⁵⁶

http://www.crtc.gc.ca/Broadcast/eng/HEARINGS/2015/2015_421a.htm?_ga=1.109268741.1465 715386.1431534773

⁵⁷ http://www.crtc.gc.ca/eng/publications/reports/BrAnalysis/tv2014/tv2014.htm

⁵⁸ See <u>http://www.crtc.gc.ca/eng/stats6.htm</u>.

although the CRTC itself distinguishes between original and repeat content in the conditions it imposes on broadcasting undertakings

- none of the data published by the CRTC discusses or measures diversity of voices, in terms of editorial control or any other aspect of this concept, and
- none of the reports published by the CRTC annually or for this proceeding presents data on local presence, even though that issue is directly raised by question Q5: Is a physical local presence still needed in the digital age? In considering this question, are studio facilities and local staff required to provide meaningful locally reflective and locally relevant programming? If so, what financial resources, infrastructure and staff are necessary?
- 52 CRTC licensing decisions are another important source of information whose utility has greatly diminished. Decisions such as those in Appendix 7 offered interested parties a great deal of useful, empirical information about the state of private television programming in Canada; decisions issued by the CRTC since 2000, on the other hand, are virtually useless because they contain so little information about programming – although they often describe in great detail private broadcasters' concerns about their financial position.

FRPC Recommendation 10The CRTC's decisions to license local private television stations should
clearly describe the local programming exhibited by each station during
the licence term that is ending, along with its local newsgathering
capacity (reporters, bureaux)

- 53 While not suggesting that financial matters amount to housekeeping or suggesting either that housekeeping is unimportant – the decisions that the CRTC has been issuing for at least fifteen years tell Canadians almost nothing about the way in which broadcasters have been or will be implementing section 3 of the *Broadcasting Act*. The absence of this information from the CRTC's decisions about Canada's private television stations leaves many ill-equipped to evaluate individual stations' performance, the performance of the television sector, and the CRTC's accomplishment of its own mandate.
- 54 FRPC respectfully submits that the best policies are those based on evidence, rather than supposition. If the CRTC had more evidence about local television with respect to this proceeding it should have published it; if it did not, it should have collected it.

FRPC Recommendation 11The CRTC should report clearly about local television in Canada, and
publish data to permit the stations' implementation of the objects of the
Broadcasting Act in section 3 to be evaluated

III CRTC questions

1 Defining local programming and local news Q1A How should local programming be defined?

- 55 This question sets out the conflict at the core of communications regulation: the difference between what technology is able to do, and what the law requires to be done to serve the public interest.
- 56 Television programming can be produced anywhere. A TV program about issues of public concern to people in Iqaluit could be entirely produced in and broadcast from Canberra, Australia.
- 57 Should the hypothetical *Live from Canberra Iqaluit today!* program be accepted as a local program for the purposes of implementing Parliament's *Broadcasting Act*? No because the *Broadcasting Act* requires that the resources used in programming be predominantly Canadian (s. 3(1)(f)), not Australian.
- 58 What about a program about issues of public concern to people in Victoria, which uses content recorded in Victoria that that is assembled in, produced in and broadcast from Halifax? It would qualify as Canadian, but is it a local Victoria program?
- 59 The *Broadcasting Act* uses but does not define the term, "local"⁵⁹, the CRTC set out its own definition of local programming in 2009.
- 60 The Commission currently defines local programming as "programming produced by local stations with local personnel or programming produced by locally-based independent producers that reflects the particular needs and interests of the market's residents."⁶⁰
- 61 The CRTC's definition permits the Halifax television program to count as a local Victoria program, and also permits radio programs to count as television programs. It allows broadcasters to game the system: they count programs produced outside of local areas as local programs, and count radio programs as original local television programming.
- 62 Even if the 2009 definition of local television programming is made a condition of television broadcasters' licences, it does not ensure that local communities are receiving local television programs, because the definition is weak about three critical points:

⁵⁹ Broadcasting Act (s. 3(1)(i)(ii)): "the programming provided by the Canadian broadcasting system should ... be ddrawn from local ... sources"

⁶⁰ Broadcasting Regulatory Policy CRTC 2009-406, at para. 43.

• What is being broadcast: the current definition does not distinguish between 'programming', a single complete program or a single segment within a program; and it does not distinguish between a program received from any other station, including radio (even though the CRTC prohibited the practice in 1989⁶¹).

It therefore permits an entire 30-minute program to be counted as local if a single segment comes from that local area, and it permits programming from radio stations to count as television programming.

• <u>The nature of the content</u>: the current definition does not establish whether two communities may have identical "particular needs and interests".

It therefore permits an entire program to be counted as local even if the nonlocal segments are identical from one station to the next

• <u>The relationship between the "market" and decision-making authority</u>: the current definition does not address the location of decision-making authority over the program's content, broadcast and transmission.

It therefore permits a program to be counted as local even if the person who decides which content to include, whether to broadcast it and whether it is transmitted, is not employed by the local station and is not located in the local area.

57 We also note that while the *Television Regulations, 1987* define a conventional television 'station' in terms of its capacity to control the distribution of its own programming, the Commission's current definitions for local programming do not refer to control over distribution:

The CRTC said such productions were not local programs:

While the Commission recognizes that the licensee's staff may assemble the components of the program, it does not consider, based on the description above, that the program would qualify as a local or Canadian production.

[bold font added]

⁶¹ Newfoundland Broadcasting Company Limited, Decision CRTC 84-798 (Ottawa, 14 September 1984) addressed programs that the licensee claimed as local productions. It said these programs were ... musical pieces which either come to us from film distributors in boxes as individual video clips, or they are lifted from video portions of other shows that we have on the air. They are put together by our people, an actual video producer in this case, who dedicates his energy precisely to this program, and there is character generation indicating the group that is coming, the group that is playing, before and after the breaks, who will be up next and who they have just seen.

<u>"station" means a television programming undertaking that transmits sounds</u> <u>and images</u> or a broadcasting transmitting undertaking that transmits sounds and images, but does not include a broadcasting undertaking that only rebroadcasts the radiocommunications of another licensed broadcasting undertaking; (station)

- As it stands, the CRTC's current definition of local television programming permits a local television to count a program as local even if the program
 - has very little local content that is mixed into other content that the local station did not select and/or over which the station has no decision-making authority
 - is assembled in a studio several provinces away by staff who do not work at or report to the local station, and
 - does not originate from the station, but from another location that controls the station's transmitters.
- 64 The CRTC's definition of local radio programming is somewhat more precise, although it also ignores the issue of decision-making authority:

... includes programming that originates with the station or is produced separately and exclusively for the station. It does not include programming received from another station and rebroadcast either simultaneously or at a later time; nor does it include network or syndicated programming that is five minutes or longer unless it is produced either by the station or in the local community by arrangement with the station.

In their local programming, licensees must include spoken word material of direct and particular relevance to the community served, such as local news, weather and sports, and the promotion of local events and activities. $^{\rm 62}$

65 The CRTC's current definition of local radio programming prevents programs from being counted as local if they are not produced exclusively for a local station, if they are produced for another station, or if non-local programming makes up more than 5 minutes of the program's content. It does permit radio stations to count television programs as radio programs, and does not require local stations to exercise control over their programming.

⁶² Policies For Local Programming On Commercial Radio Stations And Advertising On Campus Stations Ottawa, Public Notice CRTC 1993-38 (19 April 1993); see also Commercial Radio Policy 2008, Broadcasting Public Notice CRTC 2006-158 (Ottawa, 15 December 2006).

- 66 FRPC therefore submits that a local television station program should be defined as
 - a complete program produced at the station's studio(s) by the staff employed by and located at the station,
 - and/or by independent producers who have been based in one of the communities located in the station's primary transmission (contour) area for one or more years,
 - which deals with the people in, and/or the events and issues that concern or affect the communities in the area served by that station's transmitters
 - and whose production, transmission and broadcast is authorized solely by the management at the station.
- 67 Local stations should be allowed to insert material from non-market sources say, from a network, or another television station – into a local program, provided that content does not predominate: *i.e.*, up to a third of the program's duration.

Q1. B How should local news be defined?

- ⁶⁸ In 2008 the CRTC said that "the broadcast of category 1 news programs, particularly local and regional news, is an essential condition of operation for conventional television."⁶³
- 69 Knowing a category of program is 'essential' does not necessarily help in defining it.
- 70 In our view, a news story is simply a story containing information about which some viewers/readers/listeners have not yet learned.
- 71 There is nothing intrinsic in the story itself that makes it 'news'. It is called *news* to signal that the story teller (the broadcaster) thinks there is a good chance that the stories to be presented have yet to be received by an intended audience and, further, that the intended audience will be interested by, as well as have an interest in, the story.
- 72 The CRTC's Programming Categories for television currently do not define 'local news', but define news in general as:

Newscasts, newsbreaks, and headlines. Programs reporting on local, regional, national, and international events. Such programs may include weather reports,

⁶³ Broadcasting Decision CRTC 2008-129.

sportscasts, community news, and other related features or segments contained within "News Programs."⁶⁴

- 73 By comparison, the CRTC has clarified what it defines as local radio news. It told one radio broadcaster that the "regular daily newscasts on each station … must include at least five distinct local news stories for each market" served by one of its stations."⁶⁵ It later said that "distinct local news stories" are those that incorporate spoken word material of direct and particular relevance to the community in the market served, and measured 'market' using the definition of a "market" in the Radio *Regulations, 1986* (the smaller of the FM 3 mV/m contour or the central area as defined by the Bureau of Broadcast Measurement (BBM).⁶⁶
- 74 FRPC submits that the CRTC should establish a definition of local news that takes into account the three points noted about local television: what is being broadcast as 'local news', the nature of the news, and decision-making about the news.
- 75 Local television news should be defined as
 - Original (first-run) audio-visual
 - newscasts and related information programming such as news specials, bulletins/updates or long form interview programs, including but not limited to weather and sports information
 - produced by and at the local television station
 - by staff employed by the local television station, and
 - dealing predominantly with events, issues and individuals of importance to the communities it serves,
- 76 Local newscasts will by necessity also contain material of a provincial, national or international nature from other sources which are integrated into the local broadcast. However, because local communities all have access to national newscasts, local content should predominate in local television newscasts. At least two-thirds of each individual news program should be produced or generated by the local station.
- 77 We note in this regard that during the federal election in October 2015, neither CBC nor CTV provided locally produced inserts about election results in local ridings. They instead used graphics to display individual riding results in a random fashion, and

⁶⁴ *Definitions for television program categories*, Broadcasting Regulatory Policy CRTC 2010-808 (Ottawa, 1 November 2010), Appendix, II Television Program Categories.

⁶⁵ Broadcasting Decision CRTC 2010-614, <u>http://www.crtc.gc.ca/eng/archive/2010/2010-614.htm</u>.

⁶⁶ Broadcasting Decision CRTC 2012-653, <u>http://www.crtc.gc.ca/eng/archive/2012/2012-653.htm</u>.

displayed results in banners. Both broadcasters encouraged audiences to find local results on their websites.

- 78 The result was that audiences knew how the national race was going but those looking to find out what happened elsewhere received very little information. Broadcasters' failure to reflect communities to Canada renders those communities both invisible and unimportant.
- 79 Ethic communities have been treated even more poorly in terms of local television news, thanks to Rogers' cancellation of local newscasts on its five OMNI TV stations this past May. The CRTC's failure to condemn this decision, or to immediately call Rogers to account, sent broadcasters and Canadians the very clear message that the Commission condones decisions to cancel local television news, even when the decisions are being made by a company whose owner – Rogers Communications – made more than \$ 5 billion in operating profits, in part on the basis of its control over television programming rights, made possible in part through its broadcasting licences.
- 80 Newscasts repeated in their entirety should not count as news programs. There are legitimate reasons for repeating news items from one newscast to another, as there are for including externally produced material such as foreign or national news. But recycling the news from one day to the next it is entirety should never count as 'news', because it is no longer new. A news program should consist entirely of original, first-run material.
- 81 Using this definition of local television news in conditions attached to local television station licences will ensure that a majority of the content in any local television newscasts reflects the people and issues that affect the communities served by the stations – and from which the broadcasters earn income. This will ensure the local station is achieving its mandate and responsibility of service to its community.
- 82 Requiring that local television stations' news programs consist of audio-visual material produced by the station should ensure that local television news is not news broadcast by a radio station or other medium.

2 Regulating local content

Q2. Should the regulatory approach focus on local news programming, or should it include other types of local programming?

83 During the 1980s the CRTC offered detailed evaluations of local television stations' programming. It criticized local television broadcasters whose local programming was entirely "in the categories of sports or information", and when "there are no local programs scheduled during the evening broadcast period."⁶⁷ Private television broadcasters offered a range of local programming in categories other than news (Appendix 12).

- 84 Concentrated television ownership has resulted in control over most local stations' schedule migrating to the network, thereby reducing any flexibility or incentive to create programming other than news, and the occasional community-related special such as a fund-raising telethon. Prime time is effectively off limits to local programming.
- 85 The result is that after decades in which larger broadcasters said they would strengthen local television stations - local television programs in Canada now consist almost entirely of news.
- 86 In the same way that an exclusive focus on information presents a very misleading view of a country, focussing solely on news provides people in communities with a very misleading perspective about themselves and their neighbours.
- 87 The CRTC's approach should establish that local television stations provide the communities they serve with a balance of news, information and entertainment from and about the local community.
- 88 Turning this ship around will be a challenge. Most local stations now produce only news and information programming: their owners have removed the production infrastructure and staffing needed to develop and create other forms of local programming.
- 89 If changes are not required and the ship of Canadian private television is allowed to maintain its current heading, Canadians will have to assume that the CRTC has decided that the interests of 17 private television broadcasters rate more highly than the needs of the millions of people they were licensed to serve.
- 90 The CRTC must use its regulatory authority to re-introduce local news, information and entertainment programming in private local television.

Community elements' role in local programming Q3. What role should the community element play in providing local programming?

91 Local programming by definition is created to serve the community. If this question is asking whether community members should be involved in the creation of local

⁶⁷ Newfoundland Broadcasting Company Limited, Decision CRTC 89-269 (Ottawa, 17 May 1989), http://www.crtc.gc.ca/eng/archive/1989/DB89-269.HTM.

programming as producers/hosts etc., that is the function of the community channel – not the licensed local television broadcaster.

- 92 Local television broadcasters may wish to and indeed may invite local residents to produce programming for the local station to broadcast: such residents are known as independent producers, and the CRTC's definition of local television programming permits broadcasters to count local independent productions as local programming.
- 93 Inviting volunteers to produce programs for private television stations at no cost to the station transfers the community-programming model to the private television model, and risks confusing the commercial with the community elements.
- 94 For this reason, local television stations should not be required to provide community access as a means of meeting their commitments to local programming; but they should remain free to purchase and broadcast programming made by independent local producers.

4 Expenditures vs exhibition

Q4. A Should the Commission place a greater emphasis on expenditure requirements (the amount of money spent on the programming) or on exhibition requirements (the number of hours of programming broadcast) when it comes to ensuring the presence of local programming in the broadcasting system?

- 95 This is difficult question: in our view, the CRTC's ability to ensure the implementation of Parliament's objectives for the *Broadcasting Act* requires a mix of both.
- 96 What matters is the right combination to ensure there is quality and not just quantity. The question here is really about how much the local broadcaster is spending per minute of original content, to produce local programs and local newscasts.
- 97 In the case of local news, re-writes of wire copy or material from local newspapers, organizational or governmental news releases is inexpensive. Is it good journalism? No.
- 98 Local news must also deal with more that the plethora of fires, accidents, and crime stories etc. that seem to fill up the local broadcasts.
- 99 Where is the original reporting? Where are the investigative pieces that take time to research, shoot, edit and present? Where is the informed commentary and analysis of important local issues?
- 100 The original bargain in broadcasting was that a licensee was given access to the publicly owned airwaves in exchange for a commitment to serve the public interest by providing programming that informed citizens and reflected the local community – something beyond just minimizing costs and maximizing revenue.

- 101 But with owners everywhere cutting back on resources mainly staff it means less locally produced material and a great deal of filler such as weather pictures, reading tweets out loud, or showing the current viral video from the internet, which the millennials had seen two days ago. Making editorial decisions on what to cover based on a judgement of how much traffic it will create on the station's website is simply not good journalism.
- 102 Conversely, although the Internet has made so much "information " available it is not the place to find longer in-depth pieces which really dig into the local issues - which as we know requires considerable resources. As the Commission explores the future of local television, it should consider a different role for the local newsroom in today's environment which speaks quality, and thus to a different approach to the questions of expenditures vs exhibition requirements.
- 103 What will matter most is not the exhibition and expenditure commitments made by individual broadcasters but the CRTC's enforcement of those commitments. When non-news local expenditures and exhibition steadily disappeared in the 1990s, the CRTC emphasized the importance of such programming: yet it could not and did not enforce production and broadcast commitments because it did not make local programming a condition of broadcasters' licences.
- 104 The CRTC should therefore require local television broadcasters to set out specific exhibition and expenditure requirements for each of their television stations. It should review these commitments in the context of the broadcasters' available resources – and by that, we mean the resources available to the broadcaster or from its parent corporation. The CRTC should also give serious weight to the concerns expressed by local communities (see *e.g.* Appendix 13), to avoid the risk of being seen as giving licensees' interests priority over those of local communities.
- 105 The CRTC should then attach the commitments it believes are reasonable, to broadcasters' licences as conditions, so that it may enforce these commitments, if necessary.

Q4. B What other measures, if any, should be taken to ensure that appropriate amounts of locally relevant and reflective news content is made available to Canadians across the country whether through local television stations or community services?

- 106 It is important to distinguish between and establish separate policies for local private television and local community television: these elements perform quite different functions, in different environments.
- 107 As for the private sector, corporate ownership structures now permit large and wealth investors such as Bell, Rogers, Shaw and Quebecor to claim that their 'media' units must be self-sustaining. The CRTC should require these TV licensees to make specific local

programming commitments when it issues or renews conventional television licences, and provided these commitments meet the needs and interests of the communities served, should make these commitments conditions of licence.

- 5 Physical presence in local communitiesQ5. A Is a physical local presence still needed in the digital age?
- 108 It is simply impossible to stay in touch with the community without a local presence.
- 109 A local newsroom, staffed with people who live in the community, who have developed the contacts, who understand the issues, and who are seen to be involved in the community, is essential.
- 110 It is true that today's technology offers new flexibility that did readily exist even a few years ago. Reporters can and have covered fires with an iphone.
- 111 But the availability of less cumbersome gear does not replace boots on the ground in terms of providing meaningful and relevant local news coverage. FRPC therefore opposes the closure of local television stations' news studios, and the export of their master control rooms to centralcasting hubs.
- 112 It is also important for the CRTC, in exercising its supervisory function, to know just what physical presence exists to serve local communities. The CRTC should therefore publish historical data on local stations' staff by employment category (programming, technical, sales and administrative), for Canada, the regions and locations with three or more private television stations: Toronto, Vancouver, Calgary, Edmonton, Montreal, Ottawa/Gatineau, Winnipeg, and Rivière-du-Loup.

FRPC Recommendation 12CRTC should publish data it now collects on station staffing
(programming, technical, sales and administrative) for Canada, the
regions, and locations with three or more private television stations

113 The CRTC should begin to require local television stations to report statistics about their newsgathering capacity: numbers of reporters employed by the station on a full-time basis, and the numbers of stand-alone news bureaux they have established in the area covered by their transmitters (as provided by in their licensing and renewal applications).

FRPC Recommendation 13 CRTC should include questions about reporters and newsbureaux in the annual return form for radio and television undertakings

Q5. B In considering this question, are studio facilities and local staff required to provide meaningful locally reflective and locally relevant programming?

114 Yes.

- 115 Staffing remains an imperative in terms of local program generation. At the network level, the term 'bigfooting' has emerged referring to situations when the big shot arrives in somebody's territory, and takes the major developing story away from the local reporter.
- 116 It is important that this not evolve at the local level, where someone from outside the market comes in to report the story, without the background or contacts to get it right.
- ¹¹⁷ We note that in January 2015 the CRTC decided that broadcasters should be free to shut down their transmitters if they no longer wished to be carried on BDU services' basic service,⁶⁸ but added that "any cost savings gained from a transmitter shutdown would not be significant enough to provide any meaningful additional assistance to local stations in the production of local programming".⁶⁹
- 118 FRPC respectfully submits that it would be perverse for the CRTC to decide, on the one hand, that facilities to transmit local programming must be retained locally, but also decide on the other hand that the local capacity to gather and produce that local programming is unnecessary.

Q5. C If so, what financial resources, infrastructure and staff are necessary?

- 119 There is no one answer to this question: the answers will vary depending on the size of the community, the availability of network supports (ie Parliamentary and international coverage) and other factors.
- 120 The CRTC should be collecting relevant data on current staffing and news budgets to establish what stations are investing in news/information programming, against what revenues are being generated by the station.
- 121 It is also important to consider total revenues not simply newscast revenues: news does not pay for itself at the local level. That said, having a solid news presence in the community does help the sales force open the door to access the retail advertiser.

Over-the-air transmission of television signals and local programming, Broadcasting Regulatory
 Policy CRTC 2015-24 (Ottawa, 29 January 2015), http://www.crtc.gc.ca/eng/archive/2015/2015-24.htm:

 Finally, the Commission is of the view that any cost savings gained from a transmitter shutdown would not be significant enough to provide any meaningful additional assistance to local stations in the production of local programming. Further, the Commission is mindful of the significant investments that broadcasters, Canadians and government recently made into the successful transition to digital over-the-air technology. The Commission is of the view that the broadcasting system should continue to benefit from those investments. The Commission also took into account the significant public opposition to the proposals to shut down transmitters.

⁶⁹ *Ibid.*, at para. 18.

- 122 What the CRTC should not be doing is using the current levels of local programming hours, expenditures and revenues to set new levels of local programming. These levels reflect levels from 2009, when the Commission permitted broadcasters to reduce their local programming significantly.
- 123 Private television stations that wish to continue to serve local communities and sell local advertising should be required to set out the minimum level of first-run, original local news and non-news programming they will provide as part of their licence renewal applications. The CRTC should then give predominant weight to the views of local communities as to the reasonableness of these proposals.

6 Fostering local programming with regulatory intervention Q6. Is regulatory intervention needed to foster local programming by both the private and community elements of the broadcasting system and to ensure the presence of local programming?

- 124 The simple answer is that if the regulator does not intervene, there is a chance that the local newsroom will be replaced by bureaux feeding into a network-generated program. It is already happening with Global news generating their weekend and late night newscasts out of Toronto, with material fed in by their local western stations.
- 125 Appointment viewing to newscasts is already declining, with the primary audience being older viewers. Younger generations don't watch the newscast, but instead tap into a variety of on-line sources throughout the day, for hours each day.⁷⁰
- 126 One could say that the death of the traditional television newscast is on the horizon as the younger viewers of today have no history or tradition of sitting down to "watch the news". But the fact that young people may not be interested in news, does not mean that news should not be available to everyone else.
- 127 The CRTC's statistics about local news and non-news programming expenditures establish that competition and/or pride are ineffective in ensuring that local programming is either available or growing stronger.

⁷⁰ Hayley Tsukayama, "Teens spend nearly nine hours every day consuming media" *Washington Post* (3 November 2015), <u>https://www.washingtonpost.com/news/the-switch/wp/2015/11/03/teens-</u> <u>spend-nearly-nine-hours-every-day-consuming-media/?hpid=hp_hp-more-top-stories_theswitch-teens-</u> <u>1215am%3Ahomepage%2Fstory&tid=sm_tw</u>: "Among tweens, the most common media activities are watching TV and listening to music. Among teens, the activities are the same, though music edges out the television. For tweens, playing mobile and video games, plus watching online videos, round up the top five activities. Teens watch videos, play video games and use social media."

- 128 The CRTC must ask broadcasters to make specific exhibition and expenditure requirements to the types of programming they intend to broadcast, and make these requirements enforceable conditions of licence.
- 7 Large and small communities, and independent television broadcasters
 Q7. A Should the Commission differentiate between small and large markets?
- 129 FRPC prefers terms other than 'market' to describe communities. 'Markets' are places where goods and services are sold – communities are groups of people living in the same area. The *Broadcasting Act* establishes that broadcasting undertakings are licensed to serve communities, not to buy and sell goods and services in markets.
- 130 FRPC also notes that the CRTC has never explained why it believed that smaller communities where there are very few private television broadcasters merit less local television programming than larger communities that are served by several different broadcasters. The conditions in each set of communities are different.
- 131 Rather than setting an arbitrary level based on community size, the CRTC should invite the views of informed members of the local communities being served: when members of the community ask the Commission to intervene to ensure they are being provided with local service, the CRTC should respect those wishes and require broadcasters to maintain their programming.
- 132 We note, for example, that in 1995 the CRTC renewed private broadcasters' individual television station licences without conditions of licence for local programming hours, noting that "that there was no criticism among interveners of the performance of individual stations in this regard".⁷¹ Yet when residents of Northern Ontario complained in 2001, about CTV's decision to reduce local programming to their communities, the CRTC allowed the reductions to stand (see Appendix 13).
- 133 Decisions such as these leave the impression that the CRTC has more concern for 17 broadcasters, than for the millions of Canadians and dozens of communities these broadcasters are licensed to serve.

Q7. B Should there be a different approach for small market independent stations?

134 FRPC may address this question after it reviews other parties' submissions.

⁷¹ Ibid.

8 BDUs' allocation of costs

Q8. A BDUs currently allocate approximately 40% of local reflection contributions to indirect costs (facilities, equipment, etc.) and 60% to programming. Is this still an appropriate allocation of costs?

Q8. B If not, propose an alternative allocation.

135 As we detail in response to the questions concerning community television, the model of the community channel reflected by these allocations would benefit from transformation, once that increases the emphasis on independent community programming.

9 Funding local television programming

Q9. How should funding for locally relevant and locally reflective programming be allocated from the various existing funding sources to ensure the continued presence of this programming in the Canadian broadcasting system as a whole?

- **136** Current funding sources for local private television stations' programming include:
 - Broadcasters and their parent corporations' decisions
 - Outstanding tangible benefits payments made as a result of the sale of local television stations
 - Private investors in television programming
 - SMITS and the Small Market Programming Funding⁷²
 - Advertising (all limits on advertising were removed in 2009),
 - Program sales
 - Taxpayer supported program production funds
 - Income Tax Act
- 137 Private over-the-air television stations that maintain their local transmitters also benefit from mandatory basic BDU carriage and the CRTC's local advertising policy.
- **138** FRPC does not support the re-allocation of funding from program production funds at this time.

10 Measuring success

Q10. How should the Commission and Canadians measure the success of proposed approaches?

139 The CRTC should start by collecting data. It establish baselines to measure expenditures, programming hours and staffing levels accurately.

⁷² See *e.g.* <u>http://www.crtc.gc.ca/eng/archive/2007/pb2007-53.htm</u>, para.101.

- 140 CTV Ottawa currently lists about 6 editorial staff as reporters, and some of them are also anchors; in the 1980s CJOH-TV Ottawa typically deployed 8 to 10 reporters on the street each weekday, to obtain material for its 6 PM and 11:30 PM newscasts.
- 141 Ottawa has grown but CTV has reduced its reporting staff. Is it covering more news, or less?
- 142 The CRTC should report the exhibition of original and repeat news program hours by individual television stations. The Commission should also undertake original research, perhaps in cooperation with Canada's schools of journalism, to determine the state of local electronic journalism in Canada.

11 Community access programming Q11. How should access programming be defined?

Q12. How should an access producer be defined?

- 143 Canadian community broadcasting is the product of a particular historical moment in the late-1960s when the cost of production and transmission technologies became low enough that a non-profit organization, drawing primarily on resources and people local to it, could produce high quality audio and video media.
- 144 Within that context, community access television was conceived as the antithesis of the television of the late-1960s. Rather than centralized, community access television would be locally produced; instead of slick and vacuous, community television would be homespun and visceral.
- 145 For most Canadian, this community channel is long gone. In fact, the community channel has become what it had been established to counteract: in many cases centralized and regional, sometimes overly professional, and very often non-controversial, sanitized and dull. That is not to say that most community channels have no value and should be done away with wholesale; they provide a useful community service in some respects. But the community channel is too often devoid of innovation and vitality, and few are truly accessible.
- 146 Without community control of finances and programming, at arms-length from a BDU or any other entity, a community channel becomes another form of commercial broadcasting, a brand extension for BDUs.
- 147 It is legitimate to question whether true community access television, now long gone, should have remained. We now live in a media technology environment where it is legitimate to question that original notion of access that has been central to the community channel. The media production and distribution technologies of 2015 afford opportunities that another age would most likely consider magical. We are all aware

that video and audio can be captured, edited and distributed quickly and quite cheaply using a wide variety of relatively inexpensive devices.

- 148 In his dissent from Broadcasting Regulatory Policy CRTC 2011-507, Commissioner Menzies suggested that community broadcasting may be "no longer democratically necessary, at least for the achievement of its original purpose." While we disagree, we do suggest that community media can only remain relevant if it sharpens its access mandate.
- 149 Within Canadian community radio, one has seen a renewed focus on content by and for those most marginal within society, to whom even relatively inexpensive media production technologies are inaccessible. We have seen many community radios focus on new Canadians, the underemployed, people living with mental and physical disabilities, the homeless, and other groups, providing what they consider to be a "voice for the voiceless".
- 150 We have also seen successful community radios become increasingly hyper-local. Community broadcasting can succeed when it focuses on producing high quality local news and information programming, meeting the needs of audiences underserved in a highly fragmented, often overwhelming media environment. The growth of community radio in rural areas over the past 15 years has been the result of local people, often new arrivals to a community, wanting the sort of access to local information that they believe they had in urban areas.
- 151 We therefore argue that while access remains a central focus of community television, what we consider to be access must include a local community's access to information that is important to it.

FRPC Recommendation 14	Community access programming be defined as high quality news, public affairs, arts and cultural offerings produced with a predominantly local focus, by and for members of a local community, and distributed by local community channels and through other distribution platforms
FRPC Recommendation 15	An access producer should be defined as anyone who produces community access programming, whether or not they are affiliated with a community channel

Q13. A Is access programming on the community channel still necessary?

Q13. B Should the Commission approach linear community channels and community channels offered on video-on-demand services differently?

Q14. Are there ways other than the community channel to ensure that access programming is provided in the broadcasting system as a whole, including both on licensed and exempt services?

Q15. Are the current access programming requirements for community channels appropriate? Should a different approach to current expenditure and exhibition requirements be taken? Should a different approach for small and large markets be taken? Should there be a different approach for zone-based or regionally licensed services?

Q17. Should BDUs operating in competitive markets or in markets that are close geographically continue to offer distinct technical and production facilities or are there other options to make more efficient use of funding?

Q18. What measures should be taken to ensure that programming from diverse linguistic groups including OLMCs and ethnic groups as well as Aboriginal groups is made available and is reflective of the communities BDUs serve?

- 58 While we question the utility of the current community television policy in meeting the objectives of the *Act*, we will not suggest that this structure be torn down wholesale. We suggest that a vital future for community television requires, on the one hand, movement away from the centralizing gravity of the BDU, and on the other, a much more clear focus on local news and expression. Toward that end, it is necessary to decouple the production of community television content from its distribution.
- 59 We believe that the reach of the current community channels is substantial, and will continue to be in the future. While exempt audio and video sharing services are growing in popularity, their reach remains small compared to broadcast television, and they are no substitute for access to a BDU community channel. Reliance on exempt platforms also raises concerns about control of speech, copyright, appropriate monetization, and privacy.
- 60 We believe Canadians will benefit significantly from the inclusion of high-quality, independently-produced community programming as part of the community channel. Toward that end, we suggest that community television producers should be able to access community television production funding outside of the BDU community channel structure, and have their work presented on BDU community channels without BDU gatekeeping.
- 61 We suggest that the Commission establish realistic targets for the broadcast of independently-produced community programming on BDU community channels. Our recommendation is that by 2021, not less than 20% of community channel programming broadcast should be independently produced.

- 62 To accomplish this will require the creation of a community video production funding mechanism administered by a party at arms-length from both BDUs and community television organizations. In the absence of an existing organization similar to the Community Radio Fund of Canada, we suggest that this support be administered by the Canadian Media Fund.
- 63 We further suggest that a portion of BDU contributions to community channel program production be directed toward this CMF-administered program. Under this approach, BDUs would also be required to broadcast CMF-supported community programming on existing community channels. Implicit in this funding should be the understanding that in addition to being made available to community channels, this programming would also be distributed independently through exempt services such as YouTube, Vimeo, Ustream, and Twitch. There are many platforms available for both live and on-demand access to community programming.

FRPC Recommendation 16 The CRTC should require BDUs to broadcast independently-produced community programming, and set an objective that 20% of community channel programming (including between 20:00 and 22:30) be independently produced by 2021

- FRPC Recommendation 17The Canadian Media Fund should be mandated to develop a community
television production program in consultation with community television
producers and BDUs; the CRTC should then direct BDUs to allocate a
portion of funding from BDU community channel program production to
this community television production program
- 64 We believe this approach addresses many of our concerns about the increasing centralization and regionalization of community television programming. Decoupling production from distribution will allow locally-oriented programming of various sorts to reach audiences unencumbered by limited community channel bandwidth.
- 65 This approach assumes that the community channel production facility will diminish somewhat in importance as media production becomes increasingly decentralized. As traditional television viewership begins to decline, and other distributional platforms become more popular, the centrality of the community channel as a distribution point will also diminish.
- 66 We do not know what sustainable balance will arise between traditional broadcasting and new production and distribution platforms. However, the approach we have suggested here can at least begin to reflect it.
- 67 This approach will require real partnerships between BDUs and community television producers, facilitated by the Commission and the CMF. Leadership on the part of independent community television broadcasters will be required to work cooperatively with BDUs on something of a shared vision for community television.

Q16. How can the Commission ensure that the smaller markets and the communities served by BDUs operating under regional licences or zone-based approaches are provided with appropriate levels of locally relevant and locally reflective programming, including community access programming?

Q17. Should BDUs operating in competitive markets or in markets that are close geographically continue to offer distinct technical and production facilities or are there other options to make more efficient use of funding?

Q18. What measures should be taken to ensure that programming from diverse linguistic groups including OLMCs and ethnic groups as well as Aboriginal groups is made available and is reflective of the communities BDUs serve?

- 68 The main measure that the CRTC should take is to enforce the commitments made by broadcasters when they apply for licences.
- 69 Broadcasters that do not meet their commitments should return the licences.

Q19. How should funding for community access programming be allocated from the various existing funding sources to ensure the continued presence of this programming in the Canadian broadcasting system as a whole?

- 152 We recommend that a portion of the current \$151 million contributed to community channels by BDUs be allocated to a Community Media Program (CMP) administered by the Canadian Media Fund.
- 153 We recommend that a portion of the current \$151 million contributed to community channels by BDUs be allocated to a Community Media Program (CMP) administered by the Canadian Media Fund.
- 154 This funding would aim to replace 20% of community channel video content by the work of community television producers independent of the BDU channel structure after five years.

Q20. How should the Commission and Canadians measure the success of any framework that is proposed?

155 Empirically.

Other matters

41. The Commission is open to considering issues and concerns other than those identified above. However, comments must be limited to matters falling within the Commission's jurisdiction and powers under the Act. Further, parties should discuss

the matters that they raise in the context of the various cultural, economic, social and technological policy objectives set out in the Act.

156 The CRTC should

1. Focus on local programming and using local journalists and support

2. Promote local reflection through clear and enforced definitions of local programming and local news that mandate local control, local station production, local origination, and locally controlled transmission.

- 3. Enforce and report on programming performance.
- 157 With respect to point 3, above, we note that CRTC decisions currently lack meaningful detail to permit interested parties to evaluate programming performance. The most recent renewal decisions of the five largest broadcasters provided little, if any, information about the level of original programming be produced in and for the communities they are licensed to serve.
- 158 The absence of information about local programming has two negative effects. It makes it impossible for anyone other than the broadcaster involved and the CRTC to evaluate the quality of broadcasters' service to local communities over time; and it reinforces the perception, mistaken or not, that the CRTC is indifferent to local programming.
- 159 The CRTC should require local television and radio broadcasters to submit local programming commitments when their licences are being renewed, evaluate broadcasters' performance in terms of these commitments, and report both broadcasters' commitments and subsequent performance in its licensing decisions.
- 160 The CRTC's ownership transfer decisions have also lacked important information for many years. In 1998, for example, the CRTC processed a \$92.9 million ownership transfer of radio, TV and cable undertakings administratively, and its decision does not even mention the stations' callsigns or the names of the communities affected in passing:

IV Conclusions

- 161 Canadian society has become much more complex and the issues that affect Canadians daily are more involved than ever before.
- 162 Yet local news at all levels --print radio and television are facing resource issues on a regular basis.
- 163 Good journalism and properly resourced television stations do not ensure good citizenship but good citizenship cannot happen without good journalism.

164 We place much in peril by cutting back these media avenues – and by silently acquiescing to the elimination of programming that reflects Canada's communities to themselves, and to each other.

Fortunately, the CRTC has the legal jurisdiction and authority to ensure that local television stations are able to put the 'local' back into 'local broadcasting'.

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Appendix 1 CRTC's September 2015 confirmation that it did not have a list of local TV stations by location

From: Lafontaine, Johanne Sent: September-25-2015 10:04 AM To: Bonn, Diane Subject: RE: list of call signs

https://services.crtc.gc.ca/pub/BroadListRad/Default-Defaut.aspx?_ga=1.11777588.1655742782.1404410596

Diane, this is all we have. List of all services is at the bottom of this page. Note that the Commission is not responsible for the content provided by the broadcasters.

J.

From: Bonn, Diane Sent: September-25-15 9:53 AM To: Lafontaine, Johanne Subject: FW: list of call signs Importance: High

Bonjour Johanne,

My client, Monica Auer is requesting a list of TV stations showing calsign, location, licensee.

Thank you

Diane

From: Bonn, Diane Sent: September-23-2015 11:25 AM To: Marleau, Rachel; Marleau, Rachel Subject: FW: list of call signs Importance: High

Bonjour Rachel,

Do we have a list of what Monica wants, A list of OTA TV stations by call sign, location and stations licensee.

Merci

Diane

From: Monica Auer [mailto:ml.auer@sympatico.ca] Sent: September-22-2015 2:11 PM To: Couture, Arianne Subject: RE: list of call signs

Good afternoon, Ms. Couture,

Thank you for your reply.

As you may know, the CRTC released BNoC 2015-421 last week, and it initiated a public proceeding on local and community TV.

The list available on the CRTC's website does not provide the list of locations served by the stations shown, and also requires interested users to cut and paste nine pages of information (instead of a single list of all the stations).

The information is therefore not very useful.

Perhaps you could check elsewhere in the CRTC to see whether a list of OTA TV stations could be generated that shows

- callsign

- location / province that the station is licensed to serve, and

- station licensee.

My understanding is that licensees file annual returns for their individual undertakings; perhaps the section within the CRTC which handles the annual returns would have such a list.

Thank you,

Monica.

Monica L. Auer, M.A., LL.M., Barrister & Solicitor Ottawa, Ontario (613) 526-5244 [tel]

From: <u>Arianne.Couture@crtc.gc.ca</u> To: <u>ml.auer@sympatico.ca</u> Subject: list of call signs Date: Tue, 22 Sep 2015 14:20:38 +0000

Good morning Mrs. Auer,

I had verified with library and our documentation center, and we don't have any list with all the information you are looking for on one big list. Perhaps, you can have all the information in our website (probably what you already had found)<u>https://services.crtc.gc.ca/pub/BroadListRad/Default-Defaut.aspx? ga=1.185307817.1813135651.1437075252</u>.

If you require more information, please not hesitate to contact me.

Thank you and have a great day!

Arianne Couture

Agente principale, Fonds de renseignements/Centre de documentation

Senior Officer Information Holdings/Documentation Centre

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Appendix 2 CRTC data on news bureaux



Canadian Radio-television and Telecommunications Commission

Conseil de la radiodiffusion et des télécommunications canadiennes

Ottawa, Canada K1A 0N2

June 11, 2010

Our reference: A-2010-00014

Mrs. Monica Auer

Ottawa, Ontario K1V 8M2

Dear Mrs. Auer:

This is further to your request under the *Access to Information Act*, received on May 25, 2010, for the following documents:

Asking for any information the CRTC retains regarding news bureaux operated by its over-the-air radio or over-the-air television programming undertakings separate from any evidence provided to the CRTC during CRTC hearings (i.e., information available in CRTC transcripts); or from applications by CRTC licensees (i.e., information available in licensee application forms available at the CRTC's public examination room).

More Specifically, asking for any lists maintained by the CRTC of radio and/or TV news bureaux and their locations, for the 2008/09 broadcast year, as well as for the 1988/89, 1995/96, 1998/99, and 2005/06 broadcast years.

A thorough search of our files has revealed that there are no documents pertaining to your requests.

Yours sincerely,

Elsa Van Hulst / ATIP Coordinator

Canada



Canadian Radio-television and Telecommunications Commission

Conseil de la radiodiffusion et des télécommunications canadiennes

Ottawa, Canada K1A 0N2

October 9, 2015

Our reference: A-2015-00033

Mrs. Monica Auer Executive Director Forum for Research and Policy in Communications (FRPC)

Ottawa, Ontario K1V 8M2

Dear Mrs. Auer,

This letter is further to your request of September 30, 2015 to obtain:

"Request for information regarding TV news bureaux in Canada, pursuant to sections 4(1) and 6 of Canada's Access to Information Act, I am asking for the numbers and locations of news bureaux (not stations) operated by Canadian television programming services in Canada, for each broadcast year from 2009/10 up to and including 2013/14."

I regret to inform you that a search of the records under the control of the CRTC has revealed none relating to the subject of your request.

This completes our processing of your request. Should you have any questions or concerns, do not hesitate to contact Catherine Lemay at 819-639-0193 or by e-mail at catherine.lemay@crtc.gc.ca.

Please be advised that you are entitled to complain to the Information Commissioner concerning the processing of your request within 60 days after the day that you become aware that grounds for a complaint exist. In the event you decide to avail yourself of this right, your notice of complaint should be addressed to:

The Information Commissioner of Canada 30 Victoria Street, 7th Floor Gatineau, Quebec K1A 1H3

Telephone: (613) 995-2410 (National Capital Region) 1-800-267-0441 (Toll-free)

Canada

You may obtain additional information on the complaint process by visiting the website of the Office of the Information Commissioner at <u>www.oic-ci.gc.ca</u>.

Sincerely,

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Jody Sewell Acting Coordinator Access to Information and Privacy

Appendix 3 CRTC data on reporters



Conseil de la radiodiffusion et des télécommunications canadiennes

Canadian Radio-television and Telecommunications Commission

Ottawa, Canada K1A 0N2

October 6, 2010

OIC reference: 3210-00665/0001 CRTC reference: A-2010-00016

Carole Audette, Manager, Intake Unit Office of the Information Commissioner 112 Kent St., 22nd Floor Ottawa, On K1A 1H3

Dear Ms. Audette,

This is further to your Summary of Complaint stating your intention to investigate the above referenced Access to Information (ATI) file in which access is requested for the following information:

"the number of full-time journalists or their full-time equivalents employed by public and private, over-the-air radio, over-the-air television and specialty television programming undertakings, by market, for the years 1999/2000 to 2009/2010"

In our review of the file following receipt of your Summary of Complaint, it has come to our attention that we responded incorrectly to the request and that the specific records requested do not exist. With the intention to be helpful, our analysis and response focussed on the staffing information that we do collect. As a result, we did not specify that the Commission only collects data concerning the number of total staff and of certain sub-categories, not including that of full-time journalists or their equivalents. This was an error on our part and consequently we extend our apologies.

The original application of section 20(1)(c) was thus done in error, given that the requested information does not exist. The Commission therefore retracts the application of this exemption. We are copying the requestor on this letter to inform her of the error and the fact that we do not collect staffing data on full-time journalists or their equivalents.

In conclusion, and considering the above-noted situation, we are unable to provide any responsive records to your office. However, the processing file for this request

Canadä

has been attached. Should your office require anything further from us, please contact Elsa Van Hulst at 819-997-4274.

Regards,

fictulion per. Robert A. Morin

Secretary General

cc. Monica Auer Encl.



Conseil de la radiodiffusion et des télécommunications canadiennes

Canadian Radio-television and Telecommunications Commission

Ottawa, Canada K1A 0N2

October 16, 2015

Our reference: A-2015-00040

Mrs. Monica Auer Executive Director Forum for Research and Policy in Communications (FRPC)

Ottawa, Ontario K1V 8M2

Dear Mrs. Auer:

This is further to your request under the *Access to Information Act* (the *Act*), received on October 1, 2015 to obtain:

"Request for information regarding broadcast journalists in Canada. I am asking for the numbers of full-time or full-time equivalent journalists employed in Canadian broadcasting for each broadcasting year from 2010/11 to 2013/14 and showing, if the information is available, their location and whether they are employed by radio, by television or by radio and TV stations."

I regret to inform you that a search of the records under the control of Canadian Radiotelevision and Telecommunications Commission has revealed none relating to the subject of your request.

This completes our processing of your request. Should you have any questions or concerns, do not hesitate to contact Annie Croteau at 819-639-3172 or by e-mail at Annie.croteau@crtc.gc.ca.

Please be advised that you are entitled to complain to the Information Commissioner concerning the processing of your request within 60 days after the day that you become aware that grounds for a complaint exist. In the event you decide to avail yourself of this right, your notice of complaint should be addressed to:

The Information Commissioner of Canada 30 Victoria Street, 7th Floor Gatineau, Quebec K1A 1H3

Canada

Telephone: (613) 995-2410 (National Capital Region) 1-800-267-0441 (Toll-free)

You may obtain additional information on the complaint process by visiting the website of the Office of the Information Commissioner at <u>www.oic-ci.gc.ca</u>.

Sincerely,

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Access to Information and Privacy Coordinator

Appendix 4 Control of private conventional television stations in the 1967/68 broadcast year

Controlling interest	Station	Location
Archibald (Ottawa Valley Broadcasting Co.)	CHRO-TV	Pembroke
Audet family (Cogeco)	CKTM-TV	Trois Rivières
Baribeau, Pratte (Radio Saguenay)	CKTV-TV	Jonquiere
Bartley	CKRD-TV	Red Deer
Baton	CFTO-TV	Toronto
Blackburn family (London Free Press)	CFPL-TV	London
Brillant family	CJBR-TV	Rimouski
Browne family, Finnerty, Chapman	CHBC-TV	Kelowna
Bushnell	CJOH-TV	Ottawa
	CJSS-TV	Cornwall
Clark family (Twin Cities)	CFJC-TV	Kamloops
Cooper (Cambrian)	CICI-TV	Sudbury
Craig family	CKX-TV	Brandon
Cruickshank	CKNX-TV	Wingham
CTV Network	CJCH-TV	Halifax
Davies	CHEX-TV	Peterborough
Davies, Thomson	CKWS-TV	Kingston
Desruisseaux (La Tribune)	CHLT-TV	Sherbrooke
Dougall family (Thunder Bay)	CKPR-TV	Thunder Bay
English Electric UK	CFCF-TV	Montreal
Famous Players (US)	CFCM-TV	Quebec
	CKCO-TV	Kitchener
	CKMI-TV	Montreal
Forst (Swift Current)	CJFB-TV	Swift Current
Gourd (Radio Nord)	CKRN-TV	Rouyn
Griffiths family (WIC)	CHAN-TV	Vancouver
Griffiths, Selkirk	CHEK-TV	Victoria
Houde (Télévision de la Baie des Chaleurs)	CHAU-TV	Carleton
Hyland family	CJIC-TV	Sault Ste Marie
Irving family	CHSJ-TV	Saint John
Lavigne JC	CFCL-TV	Timmins
Lorado Investments Limited	CJAY-TV	Winnipeg
Love HG (CFCN Television Limited)	CICT-TV	Calgary
Lynds FA (Moncton Broadcasting)	CKAM-TV	Upsalquitch Lake
	CKCD-TV	Campbellton
	CKCW-TV	Moncton
Maclean-Hunter	CFCN-TV	Calgary
Michaud family (Radio CJDC)	CJDC-TV	Dawson Creek
Moffat family	CHRE-TV	Moose Jaw
	CKY-TV	Winnipeg
Murdock	CJPM-TV	Chicoutimi
Murphy family	CFQC-TV	Saskatoon
Nathanson family (Cape Breton)	CJCB-TV	Sydney

Controlling interest	Station	Location
Okanagan Skeena (shareholders)	CFTK-TV	Terrace
Rawlinson (Rawlco) family	CKBI-TV	Prince Albert
Rice GRA (Sunwapta)	CFRN-TV	Edmonton
RKO US	CKLW-TV	Windsor
Rogers (Island Radio)	CFCY-TV	Charlottetown
Sifton family (Armadale)	CKCK-TV	Regina
Simard (Tele Inter-Rives)	CKRT-TV	Riviere-Du-Loup
Skinner (Yorkton Television Ltd.)	CFSS-TV	Carlyle Lake
	CHSS-TV	Wynyard
	CKOS-TV	Yorkton
Southam family (Southam)	CHCH-TV	Hamilton
	CISA-TV	Lethbridge
Stiring family (Newfoundland Broadcasting)	CJCN-TV	Grand Falls
	CJON-TV	St.John's
	CKVR-TV	Barrie
Tele-Metropole	CFTM-TV	Montreal
Thomson	CFCH-TV	North Bay
Yuill (Monarch)	CHAT-TV	Medicine Hat
Unknown ownership	CKBL-TV	Matane
	CKPG-TV	Prince George
	CKSA-TV	Lloydminster
Total: 53 owners	64 stations	60 communities

Sources: BBG and CRTC licensing decisions; 1970 Davey report; Canadian Communications Foundation

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Appendix 5 Ownership and control of private local television stations, 1968-2015

Ownership/control Allard (Allarcom) Allard, Yuill (Monarch) Archibald (Ottawa Valley	1968	1973	1978 1	1983 1	1988 1 1	1993	1998	2003	2008	2013	2015
Broadcasting Co.)	1	1	4	2	-	-	0	20	20		
Asper family	1	2	1	2	5	5	8	20	20		
Audet family (Cogeco)	1	2	3	3 1	4	4	4	7			
Baribeau (Baribeau & fils)	1	1	1	T	1 1	1 1					
Baribeau, Pratte (Radio Saguenay)	1	1	1		T	T					
Baribeau, Pratte, Pouliot (CHRC Itee)		1	2								
Bartley	1	1	Z								
Baton	1	3	2	2	12	24	31				
Baxter (Northern Cable)	T	J	2	1	12	27	51				
Bell				-				27		30	30
Bellman WE (Q Broadcasting)		1	1					- /			
Black Conrad (Hollinger)		_	1	1							
Blackburn family (London Free											
Press)	1	2	2	2	2						
Brillant family	1										
Bronfman (Multiple Access)		1	1								
Browne family, Finnerty, Chapman	1										
Bruner, Hill		1									
Bushnell	2	1									
Canada Trust				1							
Chagnon (Videotron)					2	7	6				
Channel Zero									2	1	1
CHRC/CKCV/Pouliot		1									
CKPG Radio Ltd.	1										

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Ownership/control Clark family (Twin Cities) Cliff (Q Broadcasting) Conway (Northern Cable)	1968 1	1973 1	1978 1	1983 1 1	1988 6	1993	1998	2003	2008	2013	2015
Cooper (Cambrian)	1	2	2		.						
Craig family	1	1	1	1	3	2	4	4			
Crossroads TV							1	1	1	1	1
Cruickshank	1										
CTV Network	1										
CTVgm									30		
Davies	1	1									
Davies, Thomson	1										
de Gaspe Beaubien (Telemedia)		2	2								
de Seve (Gestion la Verendrye)	1	2	2	3							
Desruisseaux (La Tribune)	1										
Dougall family (Thunder Bay)	1	2	2	2	2	2	2	2	2	2	2
Duke et al			1	1							
Elgie (Huron Broadcasting)			2	2							
Employee consortium										1	1
English Electric UK	1										
Famous Players (US)	3										
Flock HL		1									
Forst (Swift Current)	1	1	1	1	1	1	1				
Gourd (Radio Nord)	1	1	4	4	6	5	5	5	5 2	5	5
Greenberg family (Astral)									2		
Griffiths family (WIC)	1	3	7	7	7	13	14				
Griffiths, Selkirk	1										
Hill family (Harvard)			1	1							
Hinds (Huron Broadcasting)			1	1							
Hollingsworth (Soo Mill Holdings)					3	1					

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Ownership/control	1968	1973	1978	1983	1988	1993	1998	2003	2008	2013	2015
Houde (Television de la Baie des											
Chaleurs)	1	1	1	1							
Hyland family	1	1									
lanuzzi (Multilingual TV)				1							
Irving family	1	2	3	3	4	3					
Johnson (Norcom)				1							
Lapointe R	1										
Lavigne JC	1	4	6	2							
Leblanc, Royle (Norcom)					1	1	1	1			
Lee, Ho, Lau								1			
Lynds FA (Moncton Broadcasting)	3										
Maclean-Hunter	1	1	2	1	1						
Michaud family (Radio CJDC)	1	1	1	1	1	1					
Moffat family	3	2	1	2	2	1	1				
Morton group			2								
Murdock	1										
Murphy family	1										
Nathanson family (Cape Breton)	1										
Okanagan Skeena (shareholders)	1	1	1	1	1	1	2				
Ottawa-Cornwall Broadcasting											
Limited		1									
Pattison					1	1	1	3	3	3	3
Peladeau family (Quebecor)							4	6	7	7	7
Perron (Tele-Capitale)				2							
Perron, Real										1	1
Pollock (CAP Communications)		1	1	1	2	2					
Pouliot (TQS)				1	4	4					
Power Corp			2	2	3	3	4				
Pratte, Pouliot (Entreprises Tele-											
Capitale)			1								

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Ownership/control Q (Shareholders)	1968	1973	1978	1983	1988 1	1993	1998	2003	2008	2013	2015
Rawlinson (Rawlco) family	1	1	1	1	T						
Religious (Mennonites)	Ŧ	T	T	T				1	1	1	1
Remillard family								-	5	5	5
Ricard FB (Cambrian, Northern Cable)				5	1				.	5	3
Rice GRA (Sunwapta)	1	1	1	1	-						
RKO US	1	-	-	-							
Rogers	-				1	1	1	2	9	11	11
Rogers (Island Radio)	1				-	-	-	-			
Selkirk	-	1	1	1	3						
Shaw family					-		5	3	5	19	19
Shortell (Mid-West Broadcasting)	1	1	2	2	2	2	2	2	-		
Sifton family (Armadale)	1	1									
Simard (Tele Inter-Rives)	1	1	1	2	3	2	2	4	4	4	4
Simon			1								
Skinner (Yorkton Television Ltd.)	3	4	4	5							
Slaight (Standard)								2			
Southam family (Selkirk)	1										
Southam family (Southam)	2	3	4	3	2						
Steele (Newcap)									2	2	2
Stiring family (Nfld Bg)	2	1	1	1	2	2	1	1	1	1	
Thomson	1	1									
Trinity Television								1			
Vien (Pathonic)				2	5						
Waters family (CHUM)	1	7	7	7	7	7	6	8			
Yuill (Monarch)	1	1	2	2	2	2	2				
Znaimer, Moses		1							1	2	2
(blank)	1	4									
Stirling family (Nfld Bg)											1
Total	65	75	88	90	106	99	108	101	100	96	96

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Ownership/control	1968	1973	1978	1983	1988	1993	1998	2003	2008	2013	2015
Total owners	54	46	45	46	37	27	23	20	17	17	17
# owned by top 5	14	21	28	28	38	56	65	68	71	72	72
# owned by others	51	54	60	62	68	43	43	33	29	24	24
Top 5 owners	5	5	5	5	5	5	5	5	5	5	5
# of other owners after top 5	49	41	40	41	32	22	18	15	12	12	12
% owned by top 5	22%	28%	32%	31%	36%	57%	60%	67%	71%	75%	75%

Yellow highlighting: five largest

Appendix 6 1968 Broadcasting Act, section 3 (Broadcasting Policy For Canada)

Broadcasting Act, R.S.C. 1970, c. B-11, as am. in R.S.C. 1970, c. 16(1st Supp.)

Broadcasting Policy for Canada

3. It is hereby declared that

(a) broadcasting undertakings in Canada make use of radio frequencies that are public property and such undertakings constitute a single system, herein referred to as the Canadian broadcasting system, comprising public and private elements;

(b) the Canadian broadcasting system should be effectively owned and controlled by Canadians so as to safeguard, enrich and strengthen the cultural, political, social and economic fabric of Canada;

(c) all persons licensed to carry on broadcasting undertakings have a responsibility for programs they broadcast but the right to freedom of expression and the right of persons to receive programs, subject only to generally applicable statutes and regulations, is unquestioned;

(d) the programming provided by the Canadian broadcasting system should be varied and comprehensive and should provide reasonable, balanced opportunity for the expression of differing views on matters of public concern, and the programming provided by each broadcaster should be of high standard, using predominantly Canadian and other resources;

(e) all Canadians are entitled to broadcasting service in English and French as public funds become available;

Appendix 7 Sampling of CRTC decisions related to local programming

Decision CRTC 73-54 (Ottawa, 26 January 1973),

The Commission noted the applicant's undertaking to maintain in each station, especially in the case of CKCH, the news staff required to ensure an adequate local and regional news service. The Commission will be especially interested in the carrying out of this undertaking.

Decision CRTC 74-71 (Ottawa, 29 March 1974), renewing the radio network licence of Télémédia:

"In accordance with the applicant's stated policy, the Commission expects each of the affiliated stations to maintain in its service the number of reporters required to provide an adequate and regional news service and an effective contribution to the information network. The Commission will observe the implementation of this policy and expects the applicant to submit periodical reports on the activities of the network."

•Decision CRTC 75-323 (Ottawa, 25 July 1975), renewing CHLT-TV Sherbrooke:

"The programming outlined by the applicant is in accordance with one of the Commission's most important objectives, which is the establishment and development of local and regional television stations. The policies and decisions of the Commission have always been directed at strengthening the resources of local stations, including a sufficient number of qualified staff, to enable them to produce an adequate number of quality programs to meet the needs and aspirations of the population. ... having taken into account the applicant's programming policy and statements made at the hearing, the station's resources and the views expressed by the interveners, the Commission considers it reasonable to expect that CHLT-TV gradually increase and improve its local and regional programming as proposed in the application. In this regard, the Commission requires that the applicant include in its schedule, between 6.00 p.m. and midnight, Monday through Friday, a daily half-hour program on public, social and cultural affairs of local and regional interest, and a weekly one-hour program, on weekends, devoted to the review of current events. The applicant had already made partial reference to these programs in its application and at the public hearing.

Therefore, the Commission expects that CHLT-TV broadcasts a minimum of twenty hours per week of locally produced programs. This will be a condition of CHLT-TV's licence."

Philippe de Gaspé Beaubien, representing a company to be incorporated, Decision CRTC 75-522 (Ottawa, 28 October 1975):

The Commission issues a licence expiring March 31, 1979, for a television broadcasting station to rebroadcast the programs of CHLT Sherbrooke, subject to conditions to be specified therein.

In its application, the applicant indicated that, in addition to establishing rebroadcasting facilities, it would establish technical facilities in Trois-Rivières to make the insertion of local commercials possible. However, it had no immediate plans for producing local programming.

The Commission believes that the establishment of broadcasting services in a community should, wherever possible, be a reciprocal matter. Where an applicant proposes to seek local commercial revenue from a community, he should also be prepared to provide some service to the community in the way of locally-produced, locally-oriented programming.

The Commission considers that the applicant should endeavour to develop the necessary facilities to produce local programming in Trois-Rivières, as soon as it is feasible to do so. The licence granted therein will be subject to the condition that no local TV sales activity take place in the Trois-Rivières market area until the licensee provides to the community a programming service approved by the Commission.

If at any time during the term of this licence the applicant is prepared to submit an application for local programming, the Commission is prepare to consider the insertion of local commercials.

The Commission will also expect the licensee to implement immediately the following proposal set out in its application:

- Participation in the regional production of CHLT-TV by the population of the Trois-Rivières area;

- Appointment of a programming and news coordinator in Trois-Rivières

- The setting-up of a programming committee made up of a majority of people from Trois-Rivières and thorough a representative of the area

- Adequate coverage of events and regional news from Trois-Rivières in CHLT-TV newscasts.

The Commission will follow with interest the development of the broadcasting services to be offered to the community of Trois-Rivières by this licensee.

Central Ontario Television Limited, Decision CRTC 77-83 (Ottawa, 22 February 1977), at 2-3:

...

From the start of service of these rebroadcasters, CKCO-TV recognized that it was broadcasting to communities which were considerably unlike the station's original service area fed by the principal transmitter near Kitchener. CKCO-TV, as a consequence, devised the technical capability to feed three separate programs simultaneously (one program broadcast on the main Kitchener transmitter, a second program broadcast on its rebroadcaster near Wiarton and Huntsville and a third program on its rebroadcaster near Sarnia). The station also made available separate commercial opportunities for local advertisers within each separate program feed.

The separate programming periods consisted of one newscast which has varied between 4 minutes and 14 minutes nightly. As part of its application for the Sarnia rebroadcaster licence, CKCO-TV promised to provide each of its rebroadcasters with two separate newscasts nightly. To date, this second separate newscast has not been implemented. The station has also had difficulty in establishing and staffing its regional news bureaux.

The Commission believes that the licensee must move immediately to implement the second nightly separate feeds in the late evening newscast and to staff the regional news bureaux accordingly.

The applicant also detailed at the public hearing its plan to program separate commercial messages to its rebroadcasters at times when no separate programming was being provided to these rebroadcasting transmitters.

While the Commission is prepared to allow separate commercials during time periods when separate programming is being provided, the licensee is not authorized to schedule separate commercials except when separate programming is also provided.

CAP Communications Limited, Decision CRTC 82-866 (Ottawa, 20 September 1982), a:t 1-2;

Following a Public Hearing held in Windsor on 26 May 1982, the Canadian Radio-television and Telecommunications Commission announces that it denies an application to amend the broadcasting licence for CKCO-TV Kitchener by allowing separate feeds of commercials on CKCO-TV-2 Wiarton, CKCO-TV-3 Oil Springs and CKCO-TV-4 Huntsville, Ontario when separate local programming is not being provided.

In Decision CRTC 77-83, dated 22 February 1977, renewing the licence for CKCO-TV, the Commission noted the plans outlined by the licensee to provide separate local commercial feeds

to its rebroadcasters at Wiarton, Oil Springs and Huntsville and stated in that decision that it was prepared to authorize separate commercial feeds only during time periods when separate local programming was being provided.

In subsequent decisions the Commission reiterated its position that, wherever possible, broadcasters who propose to derive commercial revenue from a community should be prepared to provide a commensurate amount of locally-produced, locally-oriented programming service to that community.

In assessing the present application, the Commission notes that the licensee has not advanced any specific plans or commitments for increasing the amount of separate local programming for the communities served by these transmitters and no commitments as to the amount of increased revenues it would allocate for the production of additional local programming.

The Commission has also taken into account the concerns of several area radio and television broadcasters, as expressed in interventions opposing this application, regarding the potential impact on local broadcasting services should the licensee be permitted to provide separate commercial feeds at times when separate programming is not being provided.

Newfoundland Broadcasting Company Limited, Decision CRTC 84-798 (Ottawa, 14 September 1984):

•••

The licensee broadcasts a rock music video program entitled "NTV Rock Show" which NTV has claimed as a local production in its Promise of Performance. At the hearing, however, the licensee described the production elements of this program as follows:

These are musical pieces which either come to us from film distributors in boxes as individual video clips, or they are lifted from video portions of other shows that we have on the air. They are put together by our people, an actual video producer in this case, who dedicates his energy precisely to this program, and there is character generation indicating the group that is coming, the group that is playing, before and after the breaks, who will be up next and who they have just seen.

While the Commission recognizes that the licensee's staff may assemble the components of the program, it does not consider, based on the description above, that the program would qualify as a local or Canadian production. In this regard, the Commission reminds the licensee of its new criteria for the recognition of Canadian programs which became effective 15 April 1984 (Public Notice CTRC 1984-94). In another area, the licensee indicated that it no longer includes brief, scenic vignettes as Canadian content or local program content.

As a result of the new criteria for Canadian program recognition, and the amended Television Broadcasting Regulations (Public Notice CRTC 1984-110), the licensee is required to file a new Promise of Performance by 31 December 1984. It is also a condition of licence that the licensee continue to provide a minimum of 10 hours and 25 minutes per week of first-run locally produced programming. In addition to this requirement, the Commission expects the licensee to implement the proposed news and public affairs programs, "NTV Weekend Magazine" and "A Little Good News", referred to earlier in this decision. At the same time, the Commission wishes to emphasize that, should there be improvement in the profitability of NTV, and/or the economy of Newfoundland, it would expect the licensee to enhance its local productions accordingly. In this regard, the licensee is required to submit a detailed progress report to the Commission on its local production activities by 30 September 1986, including the measures taken to implement the firstrun morning news-magazine program. While not wishing to limit the scope of such report, the Commission would expect the licensee to address the feasibility of raising its local production ...

commitments, and enhancing NTV's regional service so that all areas of Newfoundland are reflected in NTV's programming.

Decision CRTC 86-642 (Ottawa, 4 July 1986), http://www.crtc.gc.ca/eng/archive/1986/DB86-642.HTM

The rationale underlying Baton's applications to purchase the assets of the Saskatchewan television stations owned by the Hills and the Skinners was explained by Mr. Douglas Basset, Baton's President and Chief Executive Officer. Mr. Basset noted his company's participation in, and commitment to, broadcasting in Saskatchewan since its purchase of CFQC and CFQC-TV Saskatoon in 1972.

We are prepared to make the sizeable investment necessary to acquire the stations involved because we think that this commitment is necessary to ensure that these stations thrive, grow, and strengthen their local service ... We know that local stations face increasing fragmentation and segmentation of their market base as an inevitable consequence of the growing demand for greater number and diversity of viewing choices ... We believe that the economic challenge of having strong local service in an environment of expanded viewer choice in the relatively small markets of Saskatchewan can be met by providing, through a larger economic unit and cooperative effort, the financial stability and the resources necessary not only to ensure but to enhance the quality and excellence of service to the communities involved.

In accordance with these guidelines, the onus is on the applicant to demonstrate, as a "first test", that clear, significant and unequivocal benefits will accrue to the communities served by the various television stations in question and to the Canadian broadcasting system as a whole, and that approval of the applications is in the public interest. Baton's response to this first test was examined closely by the Commission, both at the hearing and in its subsequent deliberations.

Baton submitted that the larger and stronger financial base resulting from the proposed transactions, and the economies of scale that can thus be realized, will permit a dramatic increase in the quality and quantity of local and regional production by the Saskatchewan television stations, including new Canadian drama. It will also permit the establishment of new rebroadcasting stations and power increases at a number of existing stations, thereby improving and extending service to Saskatchewan residents. In support of its submission that the proposed transactions will result in fundamental benefits to the Canadian broadcasting system, Baton made a number of specific commitments to the Commission, and these are examined below:

1. Baton stated that it will initiate the development of a new regional programming package consisting of 4 hours 30 minutes per week, to be made available in all of the communities in the province served by CTV-affiliated stations. Three hours of this package will be broadcast in prime-time and will replace non-Canadian programming otherwise broadcast in those time periods. The package will include news, agricultural information, entertainment and variety programs.

In the area of news, Baton described plans to develop an effective and well-staffed province-wide service entitled "Saskatchewan Television News". This program will be aired at 6:30 p.m. Monday to Friday and will employ 15 full-time reporters, producers, announcers and field technicians throughout the system, including a news editor at the new Prince Albert station, in keeping with Baton's objective to offer a truly province-wide news service. The program will be co-anchored at CKCK-TV Regina and CFQC-TV Saskatoon, with regular input from the stations at Yorkton and Prince Albert.

In addition, a proposed series entitled "Premier" will be aired weekly on Sundays at 6:30 p.m. As described by the applicant, it will consist of a variety of programs covering both series and specials, such as a mini-series for children produced by CKCK-TV, a number of comedy specials produced by CFQC-TV, a program directed to native viewers, a mosaic feature covering people and events in the province, and a magazine program on Saskatchewan business issues.

In addition to the regional programming package, Baton made a commitment at the hearing to produce local public affairs programs at each of Yorkton and Prince Albert over and above the local programming commitments contained in the application. With respect to Prince Albert, the Commission also notes Baton's commitment to produce a five-minute community news update to be broadcast by the new station during the noon hour on weekdays. This represents an increase over the 25 minutes per week of exclusively local production proposed by P.A. Television, and will assist in establishing a local identity for the new CTV station, distinct and separate from that of CKBI-TV Prince Albert.

Baton stated that the regional programming package and other proposed increases in local production would represent estimated capital expenditures of \$620,000 and direct programming expenses of \$745,000 during the first year.

2. The applicant stated that approval of these applications will lead to the creation of 44 new positions, including 15 associated with the Saskatchewan Television News and 15 positions created by the new CTV station at Prince Albert.

3. Baton made a commitment that, over and above the expenditures for the proposed new local and regional program production described above, it would allocate the sum of \$1,080,000 over a four-year period covering years two to five following approval of the applications for the production of television drama programs produced in Saskatchewan using the creative resources of communities throughout the province. The applicant confirmed that this commitment is distinct and separate from the amount of \$540,000 already committed by CKCK-TV and CFQC-TV for year one, and any additional amounts these stations may be required to contribute in future, as participants with other CTV affiliates in the Western Canadian Drama Project.

4. Baton made a commitment to expand the amount of weekly CBC network programming broadcast on CKOS-TV Yorkton and CKBI-TV Prince Albert by 8 hours and 9 hours respectively. As noted by the applicant, this additional CBC programming will increase the Canadian content broadcast on these stations and will extend the broadcast day considerably without any reduction in the amount of local programming.

5. Baton undertook to ensure that all of the television stations coming under its ownership have full access to the expertise, management, financial and other resources of Baton; it also made a commitment to ensure that the programming plans associated with these applications are not diluted or diminished by any shortfall in projected revenues:

We are committed to the programming that we have talked about, whatever happens.

6. To enable an exchange of news and other program content between all of the six originating stations on a real-time basis, Baton stated that it will build a new bi-directional microwave system to link the stations at a capital cost of \$2.3 million.

7. Baton indicated that it will make capital expenditures of approximately \$2.8 million to improve the signal quality of certain existing stations and to establish new rebroadcasting stations, thereby extending service to "40,000 to 50,000 people who do not now receive CTV service, 30,000 of whom will be added by the twin-stick application for Prince Albert." In this regard, the Commission notes the applicant's plans for new CTV-affiliated rebroadcasting stations at Nipawin, Spiritwood, Big River and possibly Riverhurst. The applicant also indicated its intention to seek authority to

increase the power of CFQC-TV-1 Stranraer and CKBQ-TV Melfort. Baton also undertook to make capital expenditures of \$5.6 million to upgrade the studio and production facilities of existing stations.

The Commission has examined the commitments described above, in both the areas of new programming initiatives and technical improvements, and considers that they adequately reflect the important new role and responsibility to be assumed by Baton in Saskatchewan's television broadcasting industry. Moreover, the Commission considers that these commitments are fully commensurate with the magnitude of the transaction. In this regard, the Commission notes Baton's estimate at the hearing that implementation of its commitments will require an expenditure in the range of \$16 million.

Based on the Commission's assessment of Baton's commitments, both those that can be qualified in monetary terms and others not measurable in terms of their dollar value, the Commission is satisfied that their implementation will bring significant and unequivocal benefits to the many communities served by the television undertakings concerned, to the province of Saskatchewan and to the Canadian broadcasting system as a whole.

...

In the present circumstances, the applicant argued that increased concentration is in the public interest, because it provides the larger economic unit that makes it possible to produce the clear and unequivocal benefits described above.

It also submitted that concerns regarding concentration were effectively reduced by such factors as Baton's commitment to local management autonomy:

We want the people who are presently running that operation in Yorkton and Prince Albert to stay there and run it and expand it; the same in Regina. And we shall continue to do the same in Saskatoon ... That is a commitment ... This is a ... philosophy that has had 14 years of actual practice here in the Province of Saskatchewan at CFQC.

The applicant also emphasized that, at the local level, there would be no decrease in the diversity of voices resulting from approval of these applications, and no lessening of competition.

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...

Conclusion

In light of the overall commitments and benefits noted above, the Commission is satisfied that the proposed transactions will yield significant and unequivocal benefits to the many communities served by the television stations now or about to come under Baton's ownership, to Saskatchewan, and to the Canadian broadcasting system as a whole and, accordingly, that approval is in the public interest. Moreover, the Commission is convinced that the value of the benefits received through the common ownership of these stations by a well-financed, experienced and committed broadcaster such as Baton clearly outweighs any concerns raised by the applications with regard to concentration of ownership.

In reaching its decision, the Commission has also taken into account the assurances given by Baton with respect to the preservation of local management autonomy in the operation of each of the Saskatchewan stations it is acquiring. Moreover, the Commission is satisfied that the proposed safeguards offered by Baton to the licensee of CJFB-TV Swift Current will adequately protect CJFB-TV against any undue impact that might be caused by increased competition from Baton.

With reference to SaskWest's contention that a high degree of competition is likely to develop between it and Baton in the Regina and Saskatoon markets, and potentially elsewhere in the province, the Commission is confident that such competition will serve as a positive force by promoting the production of local programming of greater quality and quantity than would otherwise be achieved.

[bold font added]

Frontenac Broadcasting Company Limited Decision CRTC 89-134 Ottawa, 6 April 1989

Kingston, Ontario -881073100

Following a Public Hearing in the National Capital Region commencing 22 November 1988, the Commission renews the broadcasting licence for CKWS-TV Kingston from 1 September 1989 to 31 August 1994, subject to the conditions specified in the appendix to this decision and in the licence to be issued.

All of the issued shares of Frontenac Broadcasting Company Limited (Frontenac) are owned by Katenac Holdings Limited, a wholly-owned subsidiary of Power Corporation of Canada (Power). Ultimate control of Power rests with Mr. Paul Desmarais of Westmount, Quebec through associated companies and family trusts. Frontenac is also the licensee of CKWS and CFMK-FM Kingston. Power's other Ontario-based broadcasting undertakings are held through Kawartha Broadcasting Company Limited, licensee of CHEX-TV and its two rebroadcasting undertakings, CHEX and CFMP-FM Peterborough, CJOY and CKLA-FM Guelph, CIAM Cambridge, CKCB Collingwood and CKBB Barrie.

CKWS-TV, which is the only local television station in Kingston, was first licensed in 1954 and operates as an affiliate of the Canadian Broadcasting Corporation's English-language television network. The block program schedule submitted by the licensee with its application indicated that in the fall of 1988 the station had tentatively scheduled 12 hours 40 minutes of original local programming per week, exclusive of specials. The Commission notes that the level of original local programming during the broadcast year 1984/85, was somewhat below the 15 hours 25 minutes per week commitment contained in its current Promise of Performance. The Commission has, however, discussed this situation with the licensee and has acknowledged that extenuating circumstances existed at that time. Moreover, the situation had been rectified by 1986/87 when the station broadcast 17 hours 9 minutes of original local programming each week. CKWS-TV's Promise of Performance for the new licence term contains its commitment to broadcast on a weekly basis 16 hours 23 minutes of local programming, exclusive of repeats.

In its application, Frontenac stated that its policy is:

to maintain our local identity against our competition, which we will attain by providing the service that only CKWS-TV is prepared to provide; a commitment to programming for the benefit of our community.

The licensee noted that in addition to serving Greater Kingston's population of 116,000, its coverage area encompasses Belleville, Trenton, Napanee, Smiths Falls, Brockville and other smaller south-eastern Ontario communities. Frontenac stated that its success in maintaining its audience share is due to its extensive community involvement which is demonstrated in many areas, most notably in its support for the local arts community. The Commission notes that Frontenac has supported the restoration and renovation of the Grand Theatre, and that it actively supports the Kingston Symphony Orchestra, the Kingston Folk Arts Council as well as other community groups. In association with Queen's University it participated in a project on behalf of

the Kingston Arts Council. CKWS-TV has also hosted fund-raising telethons for local service groups.

Noting Kingston's 300-year history, the President of Frontenac stated that CKWS-TV attempts to serve and reflect the various aspects of community life and Kingston's civic pride with professionalism and quality programming.

CKWS-TV's fall 1988 program schedule indicates that the station broadcasts in excess of 8 hours 40 minutes of original local news programming each week. During the current licence term the station has added a co-anchor and an arts and entertainment reviewer for its early evening newscast, installed a Newstar computer system and a second ENG suite, and has expanded its weekly news and events coverage to include Belleville and Brockville. In the fall of 1988, CKWS-TV also purchased a satellite reception system which is dedicated to domestic and foreign news. Frontenac also noted that it increased its Saturday news programming by one hour and broadcasts one-hour newscasts on seven of the nine statutory holidays.

CKWS-TV intends to improve its weekly commitment to news and information programming during the new term of its licence by adding a series of community reports to its "News Hour" program and, in the fall of 1989, to add 1 hour 15 minutes of local news, weather and sports to the CBC program "Midday" so that it will include "a regionalized outlook produced by our newsroom". Further, CKWS-TV will add a half-hour early evening news program and expand its 15 minute late edition to a half-hour newscast. The Commission commends the licensee for proposing these further improvements.

The Commission notes that in January 1988, Frontenac opened an office/studio complex in Belleville which is currently staffed by a secretary and a salesperson. The licensee stated at the hearing that early in the new licence term it intends to add a journalist/reporter who will be responsible for news coverage in the Belleville/Trenton area, a technician/operator and a camera person. The Commission notes the licensee's statement that CKWS-TV has wide appeal for Belleville residents and encourages Frontenac to add the proposed staff at the Belleville studio complex as soon as possible in order that the licensee may make full use of this new facility and that viewers may enjoy full advantage of the programming opportunities which it provides.

With respect to the balance of the licensee's locally-produced programming, the Commission notes that CKWS-TV produces half-hour documentaries focusing on a variety of local private industries and businesses as part of "Community Journal" and features the community-access program "Morning Break".

CKWS-TV stated at the hearing that it considers children's programming to be a priority. With CHEX-TV in Peterborough, the station is currently producing 26 episodes of "The Corner Store", a series which the licensee describes as "informative and educational with entertainment value". It is also broadcasting re-runs of its children's series, "Harrigan".

The Commission notes that CKWS-TV has made arrangements with CFMK-FM to promote local musical performers in the form of a talent search; the winners are to be featured quarterly in a television "prime time broadcast".

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Appendix 8 CRTC requirements for local hours of programming

Broadcaster and CRTC decision	Station and location served	Hours / broadcast week
Rogers Decision CRTC 2014-399	CITY-DT Toronto CKAL-DT Calgary CKEM-DT Edmonton CKVU-DT Vancouver	Condition of licence: 14 hours of Canadian original local programming
	CHMI-DT Portage la Prairie CJNT-DT Montreal	Condition of licence: 7 hours of Canadian original local programming Condition of licence: 15.5 original Canadian local programming, including 3 hr local English-language morning program (Mon-Fri)
Shaw (2011-445)	CIHF-DT Halifax CIHF-DT-2 Saint KWS-DT Kingston	The Commission notes the licensee's commitment to broadcast 2.5 hours a week of distinct local programming for each of the following markets: Halifax and Saint John.
(2011-442)		Condition of licence: If the licensee operates in a metropolitan television market, the licensee shall broadcast no less than 14 hours of Canadian local programming in each broadcast week Condition of licence: If the licensee operates in a non- metropolitan television market, the licensee shall broadcast no less than seven hours of Canadian local programming in each broadcast week.
(2015-403 and 2011-442)	CHEX-DT Peterborough CHEX-TV-2 Oshawa CKWS-DT Kingston CKWS-DT-1 Brighton CKWS-TV-2 Prescott	If the licensee operates in a non-metropolitan television market, the licensee shall broadcast no less than seven hours of Canadian local programming in each broadcast week.
TVA (2012-242)	CFCM-DT Québec	Condition of licence: 18 hours of local programming, of which 5 hours and 30 minutes shall be local news, including two newscasts on the weekends and of which 3 hours and 30 minutes shall be other programs that focus specifically on the Quebec region that may be broadcast on the TVA network
	CHEM-DT Trois-Rivières CFER-DT Rimouski CHLT-DT Sherbrooke CJPM-DT Saguenay	Condition of licence: no less than 5 hours of local programming in each broadcast week.
Bell Media (2012-244)	CJDC-TV Dawson Creek	The Commission notes the licensee's commitment to broadcast a minimum of three hours and thirty minutes of local news programming during each broadcast week.

Broadcaster and CRTC decision	Station and location served	Hours / broadcast week
	CFTK-TV Terrace	The Commission notes the licensee's commitment to broadcast a minimum of three hours and thirty minutes of local news programming during each broadcast week.
(2011-444)	CHBX-TV Sault Ste. Marie, CICI-TV Sudbury, CITO-TV Timmins CKNY-TV North Bay CJCB-TV Sydney, CJCH-TV Halifax, CKCW-TV Moncton CKLT-TV Saint John CFQC-TV Saskatoon CKCK-TV Regina	The Commission notes the licensee's commitment to broadcast 7 hours of local programming per week between all four stations, averaged over the broadcast year, to the communities served by these stations.
	CICC-TV Yorkton, CIPA-TV Prince Albert CFCN-TV-5 Lethbridge CFCN-TV Calgary CFRN-TV Edmonton	The Commission notes the licensee's commitment to broadcast 2.5 hours of local programming per week, averaged over the broadcast year, on each station. The Commission notes the licensee's commitment to broadcast 14 hours of local programming per week, averaged over the broadcast year, on each station.
	CFRN-TV-6 Red Deer	The Commission notes the licensee's commitment to broadcast 1 hour of local programming per week, averaged over the broadcast year, on this station.

Appendix 9 Television journalism in Canada, by Dr. Mark Bourrie

Television Journalism in Canada

Mark Bourrie, MJ PhD

Introduction: The Changing Media Environment

- 1 We are in the throes of a revolution in the delivery of news. No one is sure how it will end, and if privately-funded journalism can find a business model that will make newsgathering and delivery profitable again. Very few newspaper companies are making profits from their print editions and web pages. The largest print company, PostMedia, which controls almost all of the major, and many small-market, publications outside of the Toronto-Hamilton-Kitchener area (and owns the Toronto Sun), has never turned a profit and is unlikely to. PostMedia and its predecessor companies, CanWest, Quebecor and Osprey, have engaged in two decades of asset-stripping and newsroom gutting, leaving community journalism as an empty shell, even in larger markets. Newspapers that were the backbone of community coverage – papers like the Lindsay Post and the *Midland Free Press* – nine daily papers last year, along with many more weeklies and twice-weeklies -- have been shut down completely, with both their web and print editions being abandoned. The surviving newspapers have been cut to the bone.
- 2 The advent of a new broadcasting environment with low-cost local signals distribution may turn out to be, at least partially, somewhat of a saviour for local television journalism. The Commission needs to understand the serious damage that has already been done to journalism by the rapid devastation of the newspaper industry. The print news industry is collapsing, partly through decreasing advertising revenues, and partly because of its inability to shoulder the financial burdens of the junk debt used to finance acquisitions. The CBC has, in recent years, also made serious cutbacks to local news and programming. These layoffs have spread to the private sector, with large layoffs of production staff, many of them in local stations, announced in November of 2015.⁷³ Still, there is a strong demand for local news.
- 3 Globalization has radically changed the relationship between people and the state, and has given most Canadians access to content that was, if available at all, was limited to affluent people living in the largest cities. There are substantial benefits to this new connectedness, but there are

 ⁷³ James Bradshaw, Bell Media to cut 270 jobs in Toronto, 110 in Montreal. The Globe and Mail, Nov. 5, 2015. http://www.theglobeandmail.com/report-on-business/bell-media-to-cut-jobs-in-toronto-montreal/article27130545

also some drawbacks. People have a need for a sense of identity and some sort of psychological boundary that protects their connectedness to their community to prevent globalization from having a completely harmonizing effect.⁷⁴ Section 3 of the *Broadcasting Act*, which places the public interest at the heart of Canada's broadcasting system, is still very relevant. In its notice for the Let's Talk Television consultations, the CRTC did say it would explore requiring BDUs to offer subscribers a small all-Canadian basic service and promote this small basic service so Canadians are aware of its availability. This basic service would include only local Canadian television stations. The Commission concluded this type of service is needed. It would be quite ineffective to mandate such services without content to make them relevant.

Local news and current events, along with local entertainment programming, provide a sort of psychological anchor in a rapidlyglobalizing world. The nation state may be affected and somewhat subsumed by globalization. The national cultural industries are under crushing competition from American content makers and broadcasters (whether streaming through television signals or on the Internet.) Cultural content regulations and protection of local media helps ensure the idea of community and identity survives.⁷⁵ Unfortunately, for reasons that will be expanded on below, traditional small-city television stations no longer create much content, other than news. Shows like *Reach for the Top* which were made in small-city studios, are long gone. While studios in larger cities may produce some entertainment and current event programming, the vast bulk of local content in small markets is made in the studios of BDU-operated community channels.

People in small markets deserve to be served by professional journalism

- 5 Journalism is neither a trade nor a profession, but it does have fairly wellestablished rules of fairness and competence. The collapse of blogging since 2010 shows that very few people can sustain interest in unpaid and amateur journalism, nor can volunteers satisfy the needs of a democratic society for information about politics, business, sports, the environment, human rights issues, and the very expensive investigative journalism that is so important to the proper functioning of the public sphere in a democracy.
- 6 Good journalism is expensive. It requires skilled practitioners to afford the time to delve deeply into issues and build expertise. To research, write

⁷⁴ Beatty and Sullivan, 14

⁷⁵ See Beatty and Sullivan, 14.

and distribute their material at a professional standard, journalists need training at a community college level, at the very least. All journalism carries with it the risk of expensive libel actions, libel tending to arise even in instances where journalists saw no danger of defamation. Unskilled journalists also run the risk of invading the privacy of individuals, missing important issues, and getting into trouble over coverage of the courts.

- 7 The American Press Institute has set out ten elements of journalism:
 - Journalism's first obligation is to the truth. It must provide people with reliable, accurate facts gathered and related in a professional way.
 - Journalism's first loyalty is to the truth. Journalists and proprietors of journalistic enterprises must be aware of the public interest and be willing to put the truth ahead of their own self-interests or assumptions.
 - Its essence is a discipline of verification. While a person can never be completely neutral or objective, a journalist uses objective methodology. This includes being trained in research, gathering information from multiple sources, and presenting that information clearly.
 - Its practitioners must be independent from the people they cover.
 - It must serve as an independent monitor of power.
 - It must provide a forum for public criticism and compromise.
 - It must strive to keep the significant interesting and relevant.
 - It must keep the news comprehensive and proportional
 - Its practitioners must be allowed to exercise their personal conscience.
 - Citizens, too, have rights and responsibilities when it comes to the news. This includes placing some value on the journalistic product that separates it from the vast amount of media "noise" that now permeates society.⁷⁶

⁷⁶ <u>http://www.americanpressinstitute.org/journalism-essentials/what-is-journalism/elements-journalism/</u>

Communities value effective, responsive local journalism

- 8 Max Keeping, the recently-retired host of CTV's Ottawa affiliate CJOH's supportime newscast, died of cancer in the early fall of 2015. The reaction to his death was remarkable. Flags on city-owned buildings were flown at half-mast. The City of Ottawa organized a memorial event at the city's NHL arena and provided free busses to the evnt. For decades, Keeping had dominated local news broadcasting with a formula of rather upbeat news, human interest stories, features about young people, and off-air community involvement. He had been awarded the Order of Canada for his fundraising, and the local Children's Hospital of Eastern Ontario named a ward for him, in recognition of his volunteer work. Keeping was a star in the community, partly for his newscasts, which were far from flashy but were reflective of the city and surrounding region, and partly for his ubiquitous presence at community events. Without a serious commitment to local news, CTV would not have had Keeping as a valuable asset (he was a vice-president of the network), and Ottawa would not have had the community coverage that made Keeping's show a rating winner.
- 9 Keeping retired shortly after a fire destroyed the CJOH station in what used to be the west end of Ottawa. Irreplaceable film and tape from the early years of Canadian television – material that should have been copied or digitalized and safely archived long ago – was lost in the 2010 fire. CJOH had produced shows for the local Ottawa audience, giving talent like Alanis Morissette their first television exposure. CJOH was a community leader in non-news information programming. It had also created and produced popular programs like The Galloping Gourmet. which were broadcast across Canada. People in Ottawa mourned the loss of that historic material, and, in many ways, also mourned the fact that virtually no locally-made entertainment television shows are made in the national capital by any network or commercial television station. Question Period, the last national current event show made by CJOH, is now produced by CTV's Parliamentary bureau. The station does, however, produce local telethons.

Local TV needs a physical presence to train the next generation of national talent

10 Like local journalism, regional and local television production provides an important training ground for new generations. Its loss deprives a new generation of television artists the experience they need to bring their skills to a level comparable to their U.S, competitors. In Vancouver, people employed in television production talk about the "University of *The Beachcombers*" since that show was a training ground for Canadian

producers and directors.⁷⁷ The shift of production, and production decisions, to Toronto has left people involved in local or regional production for the CBC finding that they must present ideas that conform to a very Toronto-centric, very stereotypical view of Canada. There is a reason why the Anne of Green Gables stories squat on the culture of Prince Edward Island. It is one of the few pieces of Atlantic Canadian fiction that is known to policy-setters in Ontario, despite the stories being dated and classist. The Green Gables books were, at best, a series of stories about an idealized and probably non-existent genteel rural settler culture. People outside Prince Edward Island are told very little else about the island's history or its present-day issues. The rest of the country gets the same patronizing policies out of Toronto. Even today, the CBC's single show set in Alberta portrays life on a horse ranch.⁷⁸

11 Local private stations give many new journalism graduates their first jobs. Not only do these young journalists get technical experience, they also see diverse rural regions and small town. Those who go on to large urban markets have a greater understanding of the country, as well as sharpened skills.

Local TV performs valuable services just by being in the community

12 A physical presence, whether for a local TV station or a community station operated by a BDU, is very important. At the very least, it provides a venue for a newsroom. A local presence gives TV stations a better feel for the culture of a community simply because journalists living and working the community interact with local people, rather than just other journalists. Community leaders, volunteers, businesses and ordinary citizens get to interact with journalists, share story ideas and give advice. A local newsroom gives viewers a physical reminder of the existence of the local television news team. It also gives them a physical contact point. In times of emergency, local TV stations are vital. A good example is CKVR in Barrie, Ontario, which provided local emergency authorities with a broadcaster after the 2015 Barrie Tornado, and later helped raise millions of dollars in disaster relief donations. The station was also able to create an important pictorial record of the disaster, and gave affected people a medium to communicate their complaints, concerns and praise of the work of disaster relief authorities. Local stations are often relied on by people for advice about local roads in adverse winter weather, and can

⁷⁷ Serra A. Tinic, in Tinnic, Serra A., On Location: Canada's television industry in a global market. Toronto: UBC Press, 2005, p. 75

⁷⁸, Tinnic, Serra A., On Location: Canada's television industry in a global market. Toronto: UBC Press, 2005, p. 79

communicate weather warnings to local people year-round. In the case of man-made disasters, local stations have proven invaluable for assisting authorities warn people to evacuate an area, and to update them about the timing of the return to their homes. BDU-operated community stations do not have the staff, training or viewership to duplicate this service.

- 13 In my own experience writing for community newspapers and for the Globe and Mail and Toronto Star in small-town Ontario, I have seen a strong dichotomy between community cable stations and local news outlets. Community stations do a very small amount of mobile coverage, and, in the case of political coverage, do gavel-to-gavel broadcasts of some municipal council meetings without analysis and explanation of the issues. They rely on volunteers for most of the camera and sound recording, and much of their effort is directed at finding new volunteers, rather than collecting stories. Resources simply do not allow for the collection of news stories. Cable TV stations can create interesting content and will sometimes take risks on new ideas, but the lack of paid staff and of crews in the community always shows in the product.
- 14 News must be produced by journalists who have "boots on the ground." Otherwise the journalism is simply sparse and superficial coverage by reporters who don't know the area, or the repeating of talking points given to journalists by political, business and community leaders, with very little scrutiny of the content. In many ways, this is a situation similar to Parliament being covered by journalists who fly into Ottawa from Toronto from time to time, compared with analysis and coverage by people who are assigned to Parliament Hill full-time and get to know not only the politicians, but also public servants, NGOs, stakeholder groups and others in the political process.
- 15 Local stations and the very best community channels can pick up "groundswell" issues long before national newsrooms hear about them. This is especially true now that The Globe and Mail and the Toronto Star no longer have networks of freelance "stringers" across the country whose stories were picked up by broadcasters, and most large newspapers rarely send their reporters into rural or isolated parts of their own coverage area to chase news. Community producers have been very good at raising new issues. For example, a community television station in Vancouver produced the environmental show Silent Winter about Clayoquot Sound (the battle between loggers and environmentalists) which began broadcasting about the controversy two years before the story broke in the national media. It also made the award-winning documentary Fish Story about the collapse of herring stocks along the West Coast. The show's producers were approached by scientists and environmentalists in the community. One producer who pitched the story to CBC NewsWorld

claims he was told, "Unless they're shooting bullets at each other in Georgia Strait, we don't want the story." The news network started covering the story a year later, after disputes over the remaining herring resulted in violence. Media from outside the region approached the community television producers to acquire footage of the story.⁷⁹

- 16 Lack of coverage of politics through a local lens has already been demonstrated to be detrimental to Canadian political participation. Through the 1980s and 1990s, newspapers, magazines and radio and TV stations abandoned Parliament Hill, leaving coverage of national politics mainly in the hands of the Canadian Press wire service, the Ottawa *Citizen*, which feeds to PostMedia papers in Montreal, Ottawa, Calgary, Edmonton and Vancouver, the bureaus of the Toronto dailies, and the CBC. In the 1960s, reporters from individual papers, publications like the Montreal Gazette, the Hamilton Spectator, London Free Press, Winnipeg Free Press, Calgary Herald, Saskatoon Star-Phoenix and Vancouver Sun, were the bedrock of the Parliamentary Press Gallery. By the turn of the 21st century, almost all were gone, Halifax Chronicle-Herald, the Vancouver Sun, and the Winnipeg Free Press being the last Englishlanguage daily newspaper hold-outs. Where once there had been reporters from news organizations all over the country, looking for regional and local stories and local angles on national stories, now there were news bureaus of "national" media. There are no reporters at all in the Parliamentary Press Gallery from newspapers, radio or TV stations east of Montreal, except for one journalist from the Halifax Chronicle-Herald. And there are none from Saskatchewan, just one each from newspapers in British Columbia, Manitoba and Alberta, and none from the print or web publications in the three territories.
- 17 After the 2011 federal election, there was only one English-language private radio bureau left on Parliament Hill. "News-talk" radio stations might claim to be wall-to-wall news, but none of them would pay for a Parliament Hill reporter. CFRB, CJAD, CFRA and CKNW, leaders of the radio markets in the respective cities of Toronto, Montreal, Ottawa and Vancouver, do not have staff on Parliament Hill and rely mainly on news files from Terry Pedwell of the Canadian Press. While Mr. Pedwell is an excellent reporter, it is startling that he does almost all of the commercial news coverage of Parliament Hill. (The Rogers chain has one reporter who files to its stations.)

⁷⁹ Vancouver community television co-ordinator quoted in Tinnic, Serra A., On Location: Canada's television industry in a global market. Toronto: UBC Press, 2005, p. 96.

Journalism stimulates political awareness and participation

- **18** This situation has been evolving for years as Canadian newspapers and radio stations were bought up by chains, and which accelerated as newspapers began withering in the late 1970s, radically altered the outlook of the press gallery. Formerly, its members had worked their way up through their own news organizations and were respected reporters in their own communities. Now, many Hill reporters are hired straight out of university, partly because they'll work for almost nothing, just for the experience of covering national politics. The loss of training in the regions, and in local news, has become obvious in the way national politics is covered. It is one of the factors involved in the shift from coverage of important, substantial issues to "horserace" and "retail" politics.
- 19 The closure of daily newspaper bureaus in Ottawa appears to have made a substantial difference to the way Canadians vote. Christopher Waddell, chair of Carleton University's journalism school, took a look at the voting patterns of cities whose dominant newspaper had closed their Ottawa bureaus and found an interesting, disturbing pattern. He looked at the voter turnout in six Ontario communities over the seven federal elections from 1979 through 2000. Three of those cities - Windsor, London and Hamilton -- started the time period with a local paper sending a reporter to Ottawa. The other three communities -Niagara Falls, St. Catharines, and Sault Ste. Marie – didn't have anyone in Ottawa reporting for the local paper. By 2000, the Hamilton, London and Windsor dailies had closed their bureaus. Waddell found voter turnout in the three cities whose newspapers had shut their Ottawa bureaus fell more guickly than the provincial average. Those towns started the period with a much higher voter turnout than the cities without Hill reporters, and, by the end of the time period, voter turnout had plunged to the mediocre norm of the rest of Ontario's cities.⁸⁰ Why was that? Probably because local MPs and the issues they raise in Ottawa no longer get coverage back home. If issues affecting those cities do make it to the floor of the House of Commons or a parliamentary committee, the news is not considered "national" and therefore not important enough to be covered by "national" media. The tree falls in the forest and no one hears it. The same is true at the local level. 25. In describing impact of the cuts on local news programming, one speaker at a Canadian Media Guild event in May, 2014 said: "If someone locally is being taken advantage of, or is not being treated right by their government, there may be no one who will tell that story because you just

⁸⁰ Taras and Waddell, 'The 2011 Federal Election and the Transformation of Canadian Media and Politics,' in *How Canadians Communicate IV Media and Politics*, Edmonton: Athabasca University Press, 2012, 113.

don't get as much coverage. (...) Is your politician representing your interests or his own? That's as important to know in our communities as it is on Parliament Hill."⁸¹

20 In 2000, the CBC decided to abandon local news programs and centralize journalistic operations in Toronto. The public broadcaster was heavily criticized for abandoning the most under-served regions of the country and becoming completely Toronto-oriented, with a central Canada, urban perspective. As Lise Lareau, then president of the Canadian Media Guild, said at the time: "The regional network is the root of the CBC. It's not just a limb.⁸² This outcry, which resulted in the president of the CBC being asked to appear before a parliamentary committee, took place at a time when the CBC's local news ratings were very low, and the local newscasts broadcast by Global TV and CTV were dominating most markets. The CBC decided to keep supper-hour newscasts, kill late-night local newscasts, and promised to put more money into local arts programming. The success of CityPulse news in drawing ratings – especially in its heydays, before it was sold to CTV - should stand as a lesson. In the middle years of the last decade, the locally-driven news program pulled down stellar ratings and, in 2004, beat out CBC's The National and CTV News with Llovd Robertson for the Gemini Award for best news program.

Community television shows, while valuable, are not adequate journalism

- 21 In its June 24, 2014 brief for the Let's Talk Television consultations, the Writers Guild of Canada noted "that the broadcasting system should provide Canadians with a wide range of programming that reflects Canadian attitudes, opinions, ideas, values and creativity."
- 22 These definitions can be adapted to develop a definition of local news. It should be produced as physically close to the community as possible, both for the effectiveness of the journalism in terms of breaking and following stories, and for interaction between journalists and community members. It needs to have the ability to broadcast and webcast seven days a week. Even if it provides a much-reduced news gathering service on weekends, local stations must have the capacity for emergency broadcasting at all times. It must employ full-time professional journalists and an office in the community that is accessible to the public. These journalists must follow the professional standards of their craft. Community

Taking Stock: Testimony from the Canadian Media Guild http://www.cmg.ca/en/wpcontent/uploads/2014/06/Impact-of-the-CBC-cuts-Monday-June-16-2014-CMG-testimony.pdf⁸¹ ⁸² see Beaty 95 for Cheedle citation.

volunteers are not normally trained in professional journalistic ethics and practices.

- 23 There is considerable difference between the kind of coverage afforded a municipal council by a BDU community team and journalists from a local television station. A BDU community channel broadcasts these meetings in full and without commentary. People have the opportunity to watch local democracy in action without having to leave their homes. The value of professional journalism lies in selecting material presented in the same forum, contextualizing it, seeking out people affected by the issues, and reporting it in a broadcast that can be conveniently watched by far more viewers. Community stations can send crews to various events, but can never provide either the style of coverage or the volume of even a small market television newscast.
- 24 Locally-made entertainment programming has become guite rare in Canada, but local news is still fairly vibrant and is in strong demand. A recent CRTC survey shows that 81% of Canadians say local news is important, the highest percentage compared to any other form of television programming.⁸³ This situation exists despite the easy access to news on the Internet. Television stations (and their web sites) perform a service that no one else has a realistic chance of duplicating or replacing. They are created by people trained as journalists in ways that conform to modern media ethics. They provide professional-quality images and stories that simply can't be created any other way. Community television rarely provides anything resembling objective analysis, or, as stated above, the coverage of news, sports and other current events in a community. Even if individuals have no personal connection to the subjects of the stories, people still have a basic need to know what is going on in their communities. In the 1990s, grey-market satellite users often kept a basic cable subscription so they could receive local news, and some expatriate Canadians bought satellite dishes]in the United States to keep connected to Canadian news. Even in 2005, with the fairly wide accessibility of broadband Internet and the proliferation of news web pages, viewership of local newscasts was increasing, according to a Statistics Canada report issued that year.⁸⁴
- 25 News and infotainment like TSN, the Weather Network and Newsworld, to varying degrees, tailor their programming to fit the needs of regional markets, as they have noticed the commercial value of the practice. Sports broadcasters, including the CBC, continue to schedule the

 ⁸³ Let's Talk TV: Quantitative Research Report http://www.crtc.gc.ca/eng/publications/reports/rp14
 ⁸⁴ Beaty and Sullivan 92

broadcasting of games to fit the demands of local markets. At the same time, community stations run by BDUs do broadcast some very local sports, especially minor hockey, down to amateur levels like Junior C. Sports, in which local interest is always clearly delineated, continues, like news, to be one area in which demand for local broadcasting has not faded. Sports is also a driving force for innovation, for example in the adoption of digital specialty television in Canada.⁸⁵

- 26 That does not mean Canadians are delighted with the quality of their local newscasts. The Phase I report of the CRTC's Let's Talk Television consultation found some Canadians "see a need for more locally relevant news. They believe that the quality of local news should also be addressed, with some expressing concern over sensationalist journalism or a lack of in-depth reporting on local issues."⁸⁶
- 27 There are several reasons why the quality of local news has been deteriorating. One is fairly obvious: resources to local newsrooms have been cut, by both public and private broadcasters, and what money is available must be shared between web site coverage and traditional television. Despite the enthusiasm of many broadcasters for media convergence, the melding of television, print and Internet publishing does not come without a price. The time spent on feeding web pages comes from the hours of the day that journalists spend gathering the news. A second, less obvious problem arises from the decay of small-city and community newspapers, and of print media in general. Small newspapers have been closed across the country.⁸⁷ Many more have stayed open but have lost almost all of their staff. These newspapers were important sources of news ideas for television networks and local stations. At the same time, major newspapers no longer employ freelancers to feed them news from smaller communities, and don't send their own reporters out to smaller centres unless there's the certainty of reporting a major story.
- 28 Both are equally important. The penetration rate of local television news is still remarkably high, and, as will be shown below, there is compelling evidence that journalistic coverage of politics from a local angle has a direct, positive result on voting patterns.
- 29 Therefore, professional journalism in small television markets must be protected. It is important that all journalism meet a standard of quality that

⁸⁵ Beaty and Sullivan 93

⁸⁶ Let's Talk TV: A report on comments received during Phase I

http://www.crtc.gc.ca/broadcast/eng/hearings/2013/2013-563oc2.htm

⁸⁷ Sun Media to cut 360 jobs and close 11 of its newspapers, including three free urban dailies. Financial Post, July 16, 2003 http://business.financialpost.com/fp-tech-desk/sun-media-job-cuts-closing

is at the level of the codes of conduct of the major print and television journalism organizations, especially the Canadian Broadcast Standards Council. (In the case of the CBC, its Ombudsman performs essentially the same function).

30 At the same time, Canadians need to be protected from the homogenizing influences of the concentration of media ownership in Canada and the tendency to make Toronto the creative and decision-making centre of English-Canadian media, and Vancouver, because of the infrastructure created for off-shoring of U.S. production, a locus for much of Canada's series production.

Canada's local stations lack the resources to serve diverse communities and regions

- 31 Canada is often seen by the media in terms of regions or provinces, but there are regions-within-regions. First Nations communities have profound differences. Settlement patterns in Canada are very complex: there is a large, under-served Italian-Canadian community in Northern Ontario (it has no radio, television or newspaper in the Italian language), a unique Finnish community in Thunder Bay, pockets of Franco-Ontarian communities on the Penetanguishene Peninsula, near Windsor and in Prescott-Russell. The Greater Toronto area is a mass of ethnic neighbourhoods, each quite different from the other. Geography pays a huge part of local culture. Simply dividing the country into English and French Canada does a very poor job of defining Canadian cultures. It is important for anyone trying to make Canadian entertainment programming to understand this fact, so that the television shows that are made are not patronizing to the target audience.
- 32 The Aird Commission realized in 1929 that the geographic expanse of Canada was leading to the development of regionally distinct cultures and recommended the creation of a national broadcaster based on the BBC's "Regional Scheme" and the "Lander System" of German broadcasting. Canada developed one of the best signals distribution systems in the world. Unfortunately, there was little money left over or decentralized content production. In 1990, the CBC faced the most severe cutbacks in its history. Drama production had faced steady cuts since 1970, and in 1990 the CBC cut all regional drama production, including popular shows like The Beachcombers. It became much cheaper for the CBC to buy U.S. programming than create its own, and advertising revenue from these shows went to the network's head office. The Applebaum and Hebert Report echoed the Aird Commission's report, saying

"The fact of regional diversity should inform cultural policy from beginning to end."⁸⁸

- 33 It is difficult to see how this can happen without the fostering and protection of local news and entertainment programming.
- 34 We are now at the point in the journalism revolution where moral encouragement is no longer enough. Local stations need to be in a position of having no choice over whether to maintain an effective local newsroom. Local presence is defined as providing seven-day-a week original local news coverage distinct to the market employing full-time journalists on the ground in the market and operating a news bureau or news gathering office in the market."⁸⁹
- 35 Local television is important both journalistically and in terms of economics. CBC/Radio-Canada cut programming and jobs (outside Québec) in the following communities and regions: St. John's, Northern Ontario, Labrador City, Winnipeg, Grand Falls-Windsor, Regina, Cape Breton, Calgary, Fredericton, Edmonton, Halifax, Vancouver, Charlottetown, Whitehorse, Ottawa, Yellowknife, Toronto, Iqaluit, London, ON, Inuvik, Windsor, Kuujjuaq, Thunder Bay, Rankin Inlet – Sudbury.⁹⁰
- 36 It is unlikely content makers would not show the material they create, if they have the resources to produce guality television that's relevant to their audience. Broadcasters are unlikely to be willing to pay the full cost of content production. They did, however, draw upon the Small Market Programming Fund and the Local Programming Improvement Fund. For people with access to high-speed Internet, the timing of local newscasts is not particularly important if the newscast is available on the television station's web page. People are now expecting to have television news and many radio shows on demand. Still, in places where high-speed Internet is unavailable or expensive, it's still important for viewers to be able to watch the news at predictable and reasonable times so that those people who still include watching television newscasts in their daily itinerary do not fall out of the habit. In its 2012 report on local television, the CRTC rightly realized "an exhibition requirement alone is insufficient to ensure adequate and stable funding for access programming initiatives and is of the view that an expenditure requirement on access programming would help

⁸⁸ Applebaum and Hebert 1992: 9-10.

⁸⁹ June 2014 CAB Update - Volume 5

⁹⁰ Canadian Media Guild, Elements of a healthy Canadian television system on our public airwaves. Submission in response to Broadcasting Notice of Consultation CRTC 2014-190, Let's Talk TV, June 27, 2014.

support the increased production of such programming throughout communities."91

- 37 Despite the urging of CACTUS, the now-defunct Canadian Conference of the Arts, and others involved in or concerned with production, in 2012, the CRTC rejected the idea withdrawing all of the BDU contributions to local expression from the community channels to fund a new form of independently-run access programming undertaking. The Canadian Media Guild and other participants in the Let's Talk Television consultation process gave useful advice to establish a fund accessible to all public service media, including community and independent broadcasters across all platforms. Attendees of the Flash! Conferences reached a general consensus that telecom companies should be required to carry include publicly-funded media across all digital services and packages. No telecommunications company or service provider would be able to block or impact the delivery of public media. The definition of public media would not only include community programming, but also networks like the CBC and APTN which are primary vehicles for Canadian content.
- 38 In 1997, the CRTC issued a new community policy saying it would no longer protect existing community channels: "This policy reflects the Commission's belief that opportunities for local expression would continue to be provided in the absence of a regulatory requirement. In the Commission's view, after more than twenty-five years of operation, the community channel has achieved a level of maturity and success so that it no longer needs to be mandated." ⁹²
- In fact, some community stations turned out to be so "mature" that they immediately died once they lost the CRTC's protection, and scaled-down "local" programming moved out of many smaller communities, to be produced, if at all, in regional centres far away from local volunteers. Community stations, especially those owned by Rogers, were given standardized national schedules that heavily promoted its cable service and specialty channels. This change of focus was noted by some of the individuals who submitted comments to the Let's Talk Television consultation.⁹³ In Vancouver, the 600,000 people who regularly watched community-made television saw the content revamped around head office-created standardized shows. The "Plugged In" shows created by Rogers were installed in community stations across the country, as

 ⁹¹ Broadcasting Regulatory Policy CRTC 2010-622 http://www.crtc.gc.ca/eng/archive/2010/2010-622.HTM
 ⁹² CRTC 1997 a: 48

⁹³ Let's Talk TV: A report on comments received during Phase I

http://www.crtc.gc.ca/broadcast/eng/hearings/2013/2013-563oc2.htm

Plugged in Toronto, Plugged in Ottawa, Plugged in Vancouver, etc. Locally-created shows gave way to these franchise-style offerings. The CRTC had miscalculated. Cable companies turned out to be unenthusiastic about the regional character of their own content, but were eager to tap into the viewership of their own stations, to promote their own products.⁹⁴

- 40 Community programming was not designed to fill the gap left when the major networks stopped using local stations to create regional television. When, in 1975, the CRTC began requiring community channels on local cable dials as one of the benefits that were to flow back to customers in return for the granting of local monopolies, their programming was meant to augment the local programming of commercial television stations. The community stations were supposed to provide technical expertise and facilities to people who wanted to communicate through the medium of television. Local programming, however, has evolved so that community stations create the bulk of local non-news programming. Some of the people who volunteered to make community programming were able to create shows that people wanted to watch, and later went on to professional careers in entertainment. Some programming was good enough to be shared - "bicycled' - to similar stations and to larger educational channels. 95
- In terms of percentage of revenues, community programming has been underfunded. As CRTC member Michel Morin pointed out in his dissent on the CRTC's 2012 community programming policy, the \$120 million a year they received at the time of the writing of that report was 12 times less than the revenues of commercial radio (\$1.5 billion), 46 times less than the advertising revenues of public and commercial television (\$5.5 billion) and 63 times less than the revenues generated by terrestrial and satellite BDUs (\$7.5 billion). He reminded the Commission that it is also responsible for the application of section 3(1)(*b*) of the *Broadcasting Act* and said: "It was up to us to set more ambitious objectives for community television."
- 42 Yet the Commission decided to cap these funds, noting that between 1998 and 2009, contributions to local expression by Class 1 BDUs increased from \$67 million to \$119 million, a 78% increase over this period. The Commission further notes that the total increase of \$52 million has largely exceeded the growth of \$17 million that can be attributed solely to

⁹⁴ Tinnic, Serra A., On Location: Canada's television industry in a global market. Toronto: UBC Press, 2005, p. 101.

⁹⁵ Tinnic, Serra A., On Location: Canada's television industry in a global market. Toronto: UBC Press, 2005, p. 95

inflation. The Commission notes that BDU gross broadcasting revenues grew at a compound annual rate of 8.5% over the past four years, an excellent return on investment by any standard. The Commission decided that the amount of money that was flowing to community stations was adequate for their purposes. It made this decision at a time when many community stations were switching programming from locally-made shows to templates created at head offices of BDUs and adapted to fit the places where they were broadcast. I believe the evolution of community television suffered a serious setback at this time.

Replacing TV stations and newsrooms with community volunteers would cause local TV news coverage to collapse. Community TV and local TV stations both provide important and different services

- 43 As for replacing local television newsrooms with volunteers or even freelancers working full-time for a more distant regional station or for a network, this is tantamount to suggesting the void left by the closure of community newspapers can be filled by bloggers. Few of them have training either in professional-quality media production or in journalistic methodology and ethics. In 2012, the CRTC was clear that it wanted community television to be produced at a level of ethical awareness that it could meet the requirements of the Canadian Broadcast Standards Council. The commission rightly recognized viewers deserve community programming that has, as its foundation, conformity to a recognized ethical standard. Unfortunately, local journalism has no oversight body similar to the Canadian Broadcast Standards Council. Since the Davey Committee's report in 1970, there have been calls for better community oversight of media, mostly focusing on the strengthening of press councils, which have always limited their scrutiny to newspapers. The Canadian Broadcast Standards Council will hear complaints against journalists for acts of commission, but the Council will not examine issues involving lack of coverage, nor will it deal with complaints about "journalism" posted on YouTube and other web sites.
- 44 Technology has made production less expensive, in real terms, than it has ever been. The creativity of local communities is undiminished. This is not the time to withdraw the facilities that they need to produce innovative, good-quality local television. It is tempting to think that inexpensive digital cameras can replace studios and YouTube can fill in for community television stations, but the mentoring that is an important part of BDUoperated community stations would be lost. Creators would have no central meeting place, nowhere to get to know one another and launch collaborations that could result in innovative and informative cultural programming.

- 45 Money directed at local content must create new material. The Commission should examine the lesson of the Canadian Magazine Fund. established as a defensive measure for Canadian magazines after they lost their tax protection from Readers Digest and Time magazine. The now-defunct fund was supposed to provide extra money for the improvement of editorial content. Instead, most of the money went to large publishing companies (some owned by BDUs) who spent little or nothing on content improvement. Freelance rates - a fair gage, since almost all magazine content in Canada, outside of Maclean's magazine, is written by freelancers - have effectively been frozen for more than two decades. Publishers did not change their advertising-to-editorial ratios, so magazines have become much thinner and are seen by many readers as poor value for money. A new fund for local broadcasting should not be used to fatten the bottom line of broadcasters who do not intend to improve local programming.
- 46 The Commission will have difficulty determining whether changes to the local broadcasting landscape are working the way it might want. The quantity of programming is measurable, but extra hours of poor-quality programming may not serve much useful public purpose. First, whatever changes that are made should be given time to work.
- 47 In summary, the advent of a new broadcasting environment with low-cost local signals distribution provides the CRTC with an excellent opportunity to save some local journalism at a time when community print coverage is dying. The Commission can do nothing to protect the newspaper industry from further decay, but it can help local television survive and perform its important role in the community. It appears the future television environment will consist of people connected by BDUs to local stations, pick and pay specialty channels, pay per view channels and national television networks (Canadian and U.S.) It may well be that many people who have dropped BDU-provided television for streaming services like Netflix and YouTube will take up the offer of low-cost local television provided by satellite or cable. A sizeable number may also reconnect to their local stations through new, low-cost digital antennae. It is important that the local stations remain available for connection, and that the vital role of journalism in all Canadian communities is protected until the revolution in digital media begins to be sorted out and cost-effective journalism can be rebuilt.

Dr. Mark Bourrie worked for twenty one years in the Canadian Parliamentary Press Gallery. Before that, he was a full-time Ontario correspondent for the Toronto Star (1988-1994) and The Globe and Mail (1981-1988) and was, in 1990-1992, editor of the Midland Times newspaper. He has won several major national and community journalism awards newspaper and magazine awards.

Dr. Bourrie's Master's thesis in History was a content analysis of the media's role in the banning of marijuana. His PhD thesis in History was the first examination of the Second World War press censorship system. This thesis, published as The Fog of War: Censorship of Canada's Media in the Second World War, was a Maclean's best-seller. His 2015 book, Kill the Messengers: Stephen Harper's Assault on Your Right to Know, was a national best-seller. His next book, an analysis of ISIS's propaganda and social media practices, will be published by HarperCollins in April 2016 as The Killing Game. Dr. Bourrie is a former instructor at the Concordia University journalism faculty, and lectures at Carleton University and the University of Ottawa, and is a Juris Doctor candidate at the University of Ottawa.

Appendix 10 Answers to questions regarding private television broadcasters' financial statements, by Doug Wilson, CPA, CMA

<u>Questions regarding private television broadcasters' financial statements</u> Doug Wilson, CPA, CMA

I was retained by the Forum for Research and Policy in Communications in October 2015 to provide my opinion about three questions. The questions, and my answers, are set out below. My credentials then follow.

<u>Question 1</u>: Do the figures in the aggregated annual returns reflect what is "really" happening in Canadian television, or are large broadcast groups using something similar to transfer pricing to shift costs to local stations, and profits elsewhere?

Response 1:

The aggregated annual return that a private conventional TV ownership group is required to file with the Commission, and be made publicly available on the Commission's website, is a consolidation of the detailed financial and operating results of each individual licensed originating television stations within the group. As the individual station data is only publicly available on a consolidated (aggregated) basis, it is not possible to discern the financial results of any individual station within the group or, specifically what expenses have been incurred by, or allocated (shifted) to, a particular station(s).

As to the whether these aggregated figures reflect what is really happening in Canadian television, there is no evidence that they do not given that the individual financial operating results (annual returns) of each licensed originating station that make up the aggregate return are, along with the aggregate return itself, audited by Commission staff.

<u>Question 2</u>: CTV and Shaw have both shifted to a central casting model, in which master control functions have been moved from individual local TV stations, to central hubs. The hubs control the distribution of the stations' programs to the stations' transmitters, and all the programs are packaged by the central hubs. Should the CRTC change the annual return form to reflect the existence of central hubs, and if so, why?

Response 2:

Anytime there is a fundamental change in the way in which a business operates, the financial reporting system should be changed, as necessary, to properly reflect the revised operation of the business.

As the introduction of a central hub is a fundamental change in the conventional business model for packaging and distributing programs to local TV audiences, the annual return should be adjusted to reflect this. The purpose of the annual return is to properly report the financial results from operations of the individual TV undertaking(s) and the central hub is a critical component affecting those operations.

The current annual return, and by extension the current aggregate annual return, could both easily be amended to capture whatever information in whatever detail the Commission deemed necessary.

<u>Question 3</u>: Should the CRTC change its annual return forms so that it can collect data on broadcasters' local news bureau and local stringers, and if so, how?

Response 3:

If there is a regulatory or public policy objective that can only be accomplished by the collection of data through the annual return process then the annual return could be changed to collect that data. However, in order to have the data publicly available, albeit on an aggregated basis, the aggregate annual return would be an alternative to the annual return which is not publicly available.

Doug Wilson, CPA, CMA

Over the course of a 30-year career at the Commission beginning in 1980, Mr. Wilson has acquired an extensive knowledge of the broadcast industry. Holding a variety of Director-level management positions during this time, Mr. Wilson was responsible for directing various teams of professionals in the comprehensive analyses of the financial, statistical, engineering, marketing, corporate and program information related to the regulation of the radio, television, broadcast distribution and new media sectors of the broadcasting industry in Canada. In particular, as Director of Industry Analysis, Mr. Wilson was responsible for leading the comprehensive audit and verification of the annual financial returns filed by licensed broadcast undertakings while as Director of Strategic Research and Economic Analysis from 2006 to 2010, he was responsible for leading a team that monitored issues, trends and developments in the broadcasting industry.

Prior to joining the CRTC, Mr. Wilson spent 5-years with the Canada Revenue Agency where, as a Special Investigator, he conducted investigations into tax evasion and, as required, testified in Court as an expert witness in tax evasion prosecutions.

Mr. Wilson also spent a number of years as a part-time sessional lecturer in management accounting at Carleton University in conjunction with the Certified Management Accounting (CMA) program.

Mr. Wilson holds Bachelor of Economics and Bachelor of Commerce (Honours) degrees from the University of Manitoba as well as the designation, Chartered Professional Accountant (CPA, CMA).

Appendix 11 Ownership of private local television service to communities, October 2015

Communities	Bell	Shaw	Rogers	Quebecor	Remstar	Other
Barrie	CKVR-DT					
Brighton		CKWS-DT-1				
Burlington						Crossroads CITS-DT
Calgary	CFCN-DT	CICT-DT	CJCO-DT			
	CI CIV-DI	CICI-DI	CKAL-DT			
Carleton						Tele Inter-Rives CHAU-DT
Chicoutimi				CJPM-DT		
Dawson Creek	CJDC-TV					
Edmonton	CFRN-DT	CITV-DT	CJEO-DT			
			CKEM-DT			
Fraser Valley						Znaimer, Moses CHNU-DT
Halifax	CJCH-DT	CIHF-DT				
Hamilton						Channel Zero CHCH-DT
Jonquiere					CFRS-DT	
Kamloops					0	Pattison CFJC-TV
Kelowna		CHBC-DT				
Kenora District		CJBN-TV				
Kingston		CKWS-TV				
Kitchener	CKCO-DT					
Lethbridge	CFCN-DT-5	CISA-DT				
Lloydminster						Newcap CITL-DT
Lloyunnister						Newcap CKSA-DT
London	CFPL-DT					
Medicine Hat						Pattison CHAT-TV
Moncton	CKCW-DT					
Montreal	CFCF-DT	CKMI-DT	CJNT-DT	CFTM-DT	CFJP-DT	
North Bay	CKNY-DT			CI III DI		
Oshawa		CHEX-DT-2				
Ottawa/	CHRO-DT-43	CHEX DT 2				Radio Nord CHOT-DT
Gatineau	CJOH-DT					Radio Nord CFGS-DT
Pembroke	CHRO-TV					
Peterborough		CHEX-DT				
Portage La Prairie			CHMI-DT			
Prescott		CKWS-TV-2				
Prince Albert	CIPA-TV					
Prince George						Pattison CKPG-TV
Québec				CFCM-DT	CFAP-DT	
Red Deer	CFRN-TV-6	CITV-DT-1				
	CFKN-TV-0 CKCK-DT	CFRE-DT				
Regina Rimouski				CFER-DT		
				CFER-DI		Tolo Intor Divos CETE DT
Rivière-du-Loup						Tele Inter-Rives CFTF-DT Tele Inter-Rives CIMT-DT
						Tele Inter-Rives CIMI-DT
Rouyn						Radio Nord CKRN-DT
Rouyn-Noranda						Radio Nord CFEM-DT

Saint John	CKLT-DT	CHNB-DT				
Saint John's	CRLI-DI	CHIND-D1				
						Nfld Br'ng CJON-DT
Saskatoon	CFQC-DT	CFSK-DT				
Sault Ste Marie	CHBX-TV					
Sherbrooke				CHLT-DT	CFKS-DT	
Sudbury	CICI-TV					
Sydney	CJCB-TV					
Terrace	CFTK-DT					
Thunder Bay						Thunder Bay CHFD-DT
						Thunder Bay CKPR-DT
Timmins	CITO-DT					
Toronto	CFTO-DT	CIII-DT	CFMT-DT	CKXT-DT		
			CITY-DT			
			CJMT-DT			
Trois-Rivières				CHEM-DT	CFKM-DT	
Val d'Or						Radio Nord CFVS-DT
Vancouver	CIVT-DT	CHAN-DT	CHNM-DT			
			CKVU-DT			
Victoria	CIVI-DT					Employee consortium
						CHEK-DT
Wheatley	CHWI-DT					
Winnipeg	CKY-DT	CKND-DT				Znaimer, Moses CIIT-DT
Yorkton	CICC-TV					
Total, 57	30	19	11	7	5	17 (22 stations)
communities						

Appendix 12 Local private television broadcasters' local programs in the 1980s

Station (decision and online source)	Local programming			
CHEK-TV Victoria	Merely Players			
(Decision CRTC 89-102)	Crimestoppers			
http://www.crtc.gc.ca/eng/archive/1989/DB89-102.HTM	Newscience			
	Daily Edition			
CKVU-TV Vancouver	Kidstreet			
(Decision CRTC 89-103)	Spelling Bee			
http://www.crtc.gc.ca/eng/archive/1989/DB89-103.HTM	For Arts' Sake			
CKY-TV Winnipeg	Let's Go			
(Decision CRTC 89-112)	The Rockets			
http://www.crtc.gc.ca/eng/archive/1989/DB89-112.HTM	S'Kiddle Bits			
	Magic Garden			
	The Tempest			
	Clearances			
	Climate of the Times			
	Hamilton's Quest			
	Changes			
	Canadian music Fest			
CKND-TV Winnipeg	Hunting Season			
Decision CRTC 89-113	Reunion			
http://www.crtc.gc.ca/eng/archive/1989/DB89-113.HTM	In the Fall			
	Tramp at the Door			
CFAC-TV Calgary	Monty's Travelling Reptile Show			
	Mr. Wizard's World			
	The Movie Show			
CFCF-TV Montreal	Travel Travel			
Decision CRTC 89-143	Park Avenue Metro			
http://www.crtc.gc.ca/eng/archive/1989/DB89-143.HTM	Dick Irwin's Hockey Magazine			

Appendix 13 CRTC's 7 November 2001 letter regarding CTV's Northern Ontario TV station closures

Canadian Radio-television and Telecommunications Commission

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Letter

Ottawa, 7 November 2001

Trina McQueen President & C.O.O. CTV Inc. 9 Channel Nine Court Toronto, ON M1S 4B5

Dear Ms McQueen:

This is in response to your letters of 26 October 2001 setting out changes to the manner in which CTV's local programming will be delivered to viewers in Sudbury, Sault Ste. Marie, North Bay, Timmins and Huntsville. Since CTV announced these changes on 18 October 2001, the CRTC has received hundreds of complaints from the public affected by the proposed elimination of separately-hosted supper-hour newscasts in Sault Ste. Marie, North Bay and Timmins.

In CRTC Decision <u>2001-457-6</u>, renewing the licences of the MCTV stations in Sudbury, Sault Ste. Marie, North Bay, Timmins and Huntsville, the Commission noted CTV's commitment to provide a minimum combined total of 15.5 hours per week of local programming to the communities served by the MCTV stations.

Since 1995 the Commission has permitted CTV to serve communities in northern Ontario through regional newscasts to which all the stations contribute. In these cases, each station that contributes to the newscast may consider it to be local. A similar approach has been used for CTV stations in the Maritimes and Saskatchewan.

In your letter of 26 October, you clarify that the changes proposed by CTV will result in a new format for the supper-hour newscast. The new program will be hosted from Sudbury and will include segments of local news that will be seen "separately and distinctly in each

community." In addition, "The balance of the hour will draw on the stories from trusted local journalists from each community which will be shot and edited at the originating station and fed to Sudbury to be produced and broadcast across all five stations." The Commission also notes CTV's commitment that, ". outside of the news, all local specials such as telethons and political debates will continue."

In light of the above clarifications and commitments, the Commission considers that the changes proposed by CTV are consistent with the requirements of the licence decision of the MCTV stations.

Nevertheless, the Commission wishes to express its concern about CTV's proposed reductions in resources dedicated to local programming in northern Ontario. In the Commission's view, one of the benefits of strong corporate ownership of local television stations is that such owners should be able to adjust to a fluctuating economic environment and support local services that, on their own, may be not be profitable. These advantages were discussed with BCE and CTV during the past year at the public hearing addressing BCE's purchase of CTV in Sept.2000 and again at CTV's group licence renewal in April 2001.

In Decision CRTC 2000-747, approving BCE's acquisition of CTV, the Commission expressed its confidence that the approval would ". ensure the ongoing growth and improvement of the services offered by the national television network, the local television stations operated by CTV Inc., as well as the various pay and specialty services in which CTV Inc. has an ownership interest."

In Decision CRTC <u>2001-457</u>, renewing the licences for the CTV group of television stations, the Commission noted that CTV had discussed at the public hearing the benefits to its conventional television service resulting from common ownership of its various media interests. As noted in the above decision, "CTV indicated that although doing business in some of its markets was challenging at times, it considered that, as a large organization, it could work to ensure its various local stations continue to exist."

In light of the above, the Commission expects CTV to fulfill the spirit, as well as the letter, of its commitments to provide local programming to the public in the communities it serves.

Yours,

Ursula Menke Secretary General

Related documents:

- Letter from CTV Inc. dated October 26, 2001 re: "Local Programming in Huntsville"
- Letter from CTV Inc. dated October 26, 2001 re: "Local News Coverage on MCTV"

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