

18 December 2015

Danielle May-Cuconato, Secretary General CRTC Ottawa, ON K1A 0N2 Via CRTC online filing system

Dear Secretary General,

Re: Call for comments on the Commission's policies relating to Certified Independent Production Funds, Broadcasting Notices of Consultation CRTC 2015-467 and -467-1 (Ottawa, 20 October 2015 and 14 December 2015)

- The Forum for Research and Policy in Communications (FRPC) is a non-profit and non-partisan organization established to undertake research and policy analysis about communications, including broadcasting. The Forum supports a strong Canadian broadcasting system that serves the public interest.
- We wish to comment briefly on some of the issues raised by Broadcasting Notice of Consultation CRTC 2015-467 regarding certified independent production funds (CIPFs). In brief, FRPC is primarily concerned that the CRTC's proposals may lead to more concentrated ownership in the independent production sector and the loss of innovative and diverse programming offered by smaller independent producers. FRPC therefore instead supports the systematic collection by the CRTC of valid and reliable data about this sector to determine its effects on the implementation of Parliament's goals for Canada's broadcasting system.

I Background

CIPFs are part of an extensive public and private funding system that began to be established in the late 1960s when the federal government allocated \$10 million to the Canadian Film Development Corporation to support the country's feature film industry. Since that time a range of programs has developed, ranging from tax credits to funding programs such as CIPFs. Highlights from the development of this system are set out in the following table:

Telefilm Canada, "History: Milestones in Telefilm Canada's History", https://www.telefilm.ca/en/telefilm/telefilm/history. The allocation was made in 1967.

| 1967 | Government allocates \$10 million to the Canadian Film Development Corporation to support Canadian feature film industry |
|------|---|
| 1983 | Canadian Broadcast Program Development Fund established for Canadian television broadcasters |
| 1986 | Feature Film Fund established to support works by Canadian film makers |
| 1988 | Feature Film Distribution Fund established to make credit lines available to Canadian distributors |
| | Federal government establishes Canadian Non-Theatrical Film and Video Fund (CIFVF), which does not require a broadcast licence to apply for funding |
| 1990 | Maclean Hunter endows a Television Fund with \$29.2 million to support television drama series and provide training |
| 1991 | Responsibility for CIFVR transferred to the Canadian Non-Theatrical Film and Video Corporation |
| 1993 | Cogeco launches a Program Development Fund |
| 1994 | CRTC establishes the Cable Production Fund (CPF), requiring broadcast distribution undertakings to remit a percentage of their gross revenues from broadcasting, to a fund that supports the production of Canadian audio-visual programs; at this time nearly 20 private production funds exist ² |
| | Rogers acquires Maclean Hunter and renames its Television Fund as the Independent Production Fund |
| 1995 | Federal government introduces the Canadian Film or Video Production Tax Credit (CPTC) to reimburse Canadian production companies for a portion of the wages and salaries paid to Canadian residents for their work on film and television program production |
| 1996 | CRTC transfers supervision of the CPF to Canadian Heritage; the government then creates the Canada Television and Cable Production Fund (CTCPF), combining the CPF and Telefilm's Broadcast Fund as a partnership between government and BDUs |
| 1997 | Bell launches the Bell Fund |
| 1998 | Federal government establishes a Multimedia Fund "to support creativity in the digital age" |
| 2000 | Federal government establishes the Canada Feature Film Fund, with an annual budget of \$100 million |
| 2001 | Canada New Media Fund replaces 1998 Multimedia Fund |
| 2009 | Federal government's decision to terminate \$1.5 million in support to CIFVF leads to its closure; Federal government also terminates A-V Preservation Trust, National Training Schools program, Trade Routes and PromArt |
| 2012 | Telefilm launches new private donation fund for filmmakers which CRTC later recognizes as a CIPF |

² Independent Production Fund, "Release" (15 September 2000), http://www.ipf.ca/releases/Sept 15 2000.html.

- The CRTC now requires BDUs to allocate at least 0.6% of their gross broadcasting revenues to at least one independent production fund. To be certified by the CRTC independent production funds must
 - be permanent
 - reinvest recoupments of equity payments or loans in the fund
 - spend no more than 5% of the contributions from BDUs on fund administration
 - not fund programs in categories 1 (News), 3 (Reporting and Actualities) or 6 (Sports)
 - only fund productions that
 - achieve eight points out of ten for Canadian content certification
 - have obtained either a licence or a development agreement from a licensed broadcasting undertaking; and
 - only fund new media projects that are related to a production that would itself be eligible for funding under these criteria or, in the case of unrelated projects, receive no more than 10% of such funding.³
- BDUs must also support the Canada Media Fund (CMF). Data published by the CRTC indicate that since 1998 BDU subscribers have paid more than five billion dollars to support program production in Canadian television, an industry that the CRTC described nine months ago as "thriving", as employing "almost 60,000 people" and attracting "millions of Canadian viewers on multiple platforms". 5
- Almost half (45.7%) of BDU subscribers' financial support was directed towards the Canada Media Fund; independent production funds received almost \$600 million in support, or 11.5% of the total \$5 billion spent to support Canadian program production (Figure 1).

⁵ *Ibid.,* preface.

Contributions to Canadian programming by broadcasting distribution undertakings, Broadcasting Regulatory Policy CRTC 2010-833 (Ottawa, 9 November 2010), http://crtc.gc.ca/eng/archive/2010/2010-833.htm.

Let's Talk TV: The way forward - Creating compelling and diverse Canadian programming, Broadcasting Regulatory Policy CRTC 2015-86 (Ottawa, 12 March 2015), http://www.crtc.gc.ca/eng/archive/2015/2015-86.htm, at para. 20.

2010 2011 2012 2013 2014

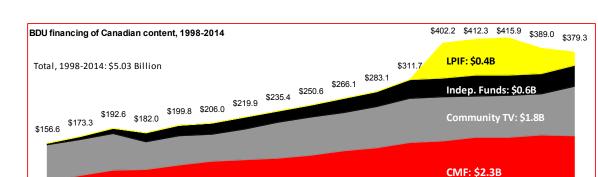


Figure 1 BDU financing of Canadian television content, 1998-2014

2001

2000

The CRTC's approach to CIPFs has changed to take the Internet into account as a new distribution medium. In 2010 the CRTC allowed CIPFs to fund programming that was either designed specifically for online distribution or for both online and broadcast distribution, provided the project included a development agreement with a licensed broadcaster. CRTC Broadcasting Regulatory Policy CRTC 2015-86 noted that from 2010 to 2014, \$1.4 billion of funding were allocated to 1,923 television programs, as well as 335 digital applications.

2002 2003 2004 2005 2006 2007 2008

Source: CRTC, BDU financial and statistical summaries

2009

II Issues raised by CIPFs

1999

- 8 BNoC 2015-467 describes CIPFs as "an essential component of a successful future television system", 8 noting that CIPFs account for more than \$60 million of annual funding for Canadian productions (2012-2013 results). The Commission argued this past March that the model for funding audio-visual programming must become more flexible to promote the long-term exploitation of Canadian content, and says this could be achieved by addressing the capitalization of independent production companies that, too often in its view, operate "project to project". 9
- 9 FRPC notes that while CIPFs offer valuable leverage in raising other sources of Canadian funding, by themselves, they do not dramatically affect the Canadian financing infrastructure or, as currently constituted, have the ability to "capitalize" production

Contributions to Canadian programming by broadcasting distribution undertakings, Broadcasting Regulatory Policy CRTC 2010-833 (Ottawa, 9 November 2010), http://www.crtc.gc.ca/eng/archive/2010/2010-833.htm, at para. 14.

⁷ Broadcasting Regulatory Policy CRTC 2015-86, *supra* note 4, at para. 27.

⁸ *Ibid.*, at para. 8.

Ibid., at para. 117.

companies. Moreover, while the funds may share certain features they also exhibit substantial differences either in their financing model or their approval criteria. Some offer recoupable equity, for example, while others offer bridge lending. Some focus on, or include digital and new media productions (Bell Fund, Cogeco, Quebecor, Remstar, Independent Production Fund, for example), and others focus on traditional film and TV productions: Film and Creative Industries Nova Scotia, SASKFilm, Harold Greenberg Fund, Rogers Doc Fund, Shaw Rocket Fund.

- 10 FRPC also notes that despite the Commission's decision to permit CIPFs to support standalone digital programming, the Canadian Film or Video Production Tax Credit (CPTC) still does not fund online digital productions. The Film or Video Production Services Tax Credit (PSTC), on the other hand, can be used to support online productions and works with the co-venture model. While the PSTC has no Canadian content requirements its rules prevent smaller productions from access, such as minimum per TV episode spend (\$100K) and minimum film spend (\$1 million).
- 11 What this very brief overview suggests is not that the current funding system is ineffective because the CRTC has recognized elsewhere that Canada's independent production system is 'thriving' but that different funding approaches have emerged to address different problems in Canada's audio-visual production sector.
- The CRTC is nevertheless suggesting that other government funding sources (e.g. federal and provincial tax credits) and the CMF adjust their requirements to allow greater flexibility for production financing. Included in this approach are potential modifications to the point system requirements, Canadian cost requirements, and the removal of a broadcast licence agreement with a traditional Canadian broadcaster.
- The Commission's proposals face some obvious hurdles. For example, the point system and the requirement for a Canadian broadcast licence for CAVCO-certified CPTC productions are basic requirements under the *Income Tax Act*: productions that are not certified by CAVCO cannot obtain the CPTC, which in turn would likely mean the end of a program's production. The CMF also requires CAVCO certification and a minimum 8 points on the Canadian content scale, as do a number of CIPFs. While treaty coproductions do not have to meet the point system, the Canadian broadcast licence requirement remains. CRTC's own certification process under the same point system would not work unless the CMF changes its rules.
- As for CIPF-supported productions for international markets, the CRTC is proposing the co-venture model. The only requirement is that productions achieve a minimum of 6 points on the Canadian content scale. Co-ventures can also help Canadian broadcasters fill their schedules, albeit at a lower program recognition value towards meeting their Canadian content requirements but may also displace other higher value Canadian

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- productions. Co-ventures would do little to help capitalize production companies, moreover, if the copyright in the productions is held entirely in non-Canadian hands, and if control of the production must be shared between Canadian and non-Canadians.
- 15 FRPC notes that the desire for a "more robust and well-capitalized production sector" seems to suggest that more funding would be concentrated on fewer likely larger production companies. If the experience of the past several decades has taught us anything, it is that bigger entities tend to deliver bigger benefits to their owners, than to the public even when those entities are licensed and regulated. We think it would be a mistake to assume that concentrated ownership in a sector that is neither licensed nor regulated will be any different. More fundamentally, a critical reason that so many smaller, project-by-project companies exist is precisely because they do produce valuable programming: they strengthen diversity in Canadian programming because they are able to take risks. Rather than discouraging or abetting the elimination of these producers via ownership acquisitions, smaller independent producers should be nurtured so that existing companies may grow over time and to ensure that new, smaller producers are able to enter the system.
- Finally, FRPC has concerns about the basic matter of jurisdiction: while Parliament expressly permits the CRTC to consider the level of independent programming made available in Canada's broadcasting system, ¹⁰ it did not expressly authorize the CRTC to otherwise regulate or supervise independent producers. For this reason, the CRTC's proposals to strengthen independent producers' international sales however well-intentioned do not in our view lie within its legal jurisdiction.

III Answers to CRTC questions

17 With the above context in mind, FRPC's answers to the CRTC's questions are set out below.

Contributions by CIPFs to a flexible, forward-looking television system

- CRTC Q.1 How can CIPFs better contribute to a more robust and well-capitalized

 Canadian production sector that is better able to exploit longer-term revenue opportunities and partner with broadcasters?
- In our view the CRTC could take one or more steps. It could
 - re-order CIPFs' funding priorities

Broadcasting Act, s. 3(1)(i)(v): "the programming provided by the Canadian broadcasting system should ... include a significant contribution from the Canadian independent production sector"

- direct the amalgamation of some of these funds for specific purposes, such as script development or direct production financing, or
- prioritize those types of productions that, in its view, are best suited to meet
 the goals of the *Broadcasting Act* for domestic consumption (e.g. drama,
 variety, children's, documentaries) and those that may have the best
 international appeal.
- 19 FRPC does not agree that the CRTC should encourage CIPFs to give preferential treatment to larger independent producers, on the grounds that reductions in the number of producers will ultimately reduce diversity in Canadian program production.
- CRTC Q.2 What barriers currently prevent or impede CIPFs from contributing to the above-noted objective?
- 20 FRPC has no comments on this question at this time.
- CRTC Q.3 How can CIPFs encourage Canadian producers to develop strategies and processes that will improve their ability to engage in the following:
 - · international co-productions and co-ventures;
 - promotion;
 - discoverability of their productions in order to increase audience viewership; and
 - the distribution of their productions on an international basis?
- Bearing in mind FRPC's concerns about the CRTC's jurisdiction to regulate independent producers' international productions, we note that emphasizing international program sales is likely to increase risk and uncertainty, to the extent that foreign broadcasters' ability to buy or invest in non-domestic content changes over time. The licence fees paid by Canadian broadcasters are more likely to remain stable over time. ¹¹
- CRTC Q.4 How can the Commission assist CIPFs in incenting Canadian production companies to better engage and invest more in script and concept development, both earlier in the production development process and over the longer production term?
- The CRTC could begin by requiring CIPFs to collect data to determine the degree to which script and concept development funding contributes to programs' success in terms of audience reach and program sales.

Canadian Heritage, Office of the Chief Audit and Evaluation Executive, Evaluation Services Directorate, Economic Analysis of the Canadian Film or Video Production Tax Credit, (September 2008), at ix.

- CRTC Q.5 Should CIPFs take audience success into consideration as part of the funding approval process? If yes, how should CIPFs measure audience success?
- 23 Yes.
- CIPFs should ask independent producers whose programming is distributed by traditional broadcasters to report on audience results from their first and second runs. (Online audience measurement still being in its nascent stages, we do not have suggestions for measuring an online-only program's audience success.)
- CRTC Q.6 What incentives could the Commission introduce to increase and promote the creation of online productions? Which restrictions relating to the funding of online productions, if any, should be removed, and why?
- 25 FRPC has no comments on this issue at this time.
- CRTC Q.7 What impact would the removal of the requirement that a producer have a broadcast licence agreement have on the creation of Canadian content as a whole? For example, would it allow for the creation of more online production?
- The removal of the Canadian broadcast licence agreement would prevent access to the CPTC.
- CRTC Q.8 What would be the best way to measure success in terms of achieving a more robust, well-capitalized and self-sufficient Canadian production sector?
- Apart from evaluating the financial performance of Canadian independent producers, the CRTC should evaluate 'success' in terms of the quantity of original (first-run) hours that are broadcast or are distributed online, the types of programs that are produced, as well as the audiences that these programs attracts.
- FRPC submits that audience size on its own would be a poor measure of 'success', as programs designed for specific parts of the population (such as children) may attract relatively small numbers overall, while being enormously popular among those smaller audiences.

Criteria for certifying independent production funds

CRTC Q.9 Are the current criteria for certifying independent production funds still appropriate? For example, do they help foster a more robust, well-capitalized and self-sufficient Canadian production sector, or do they create barriers in achieving this objective?

- We do not believe the current criteria for CIPFs have created barriers to a more robust, well-capitalized and self-sufficient independent Canadian production sector.
- CRTC Q.10 What revisions and/or new criteria should be adopted to achieve the Commission's above-noted objective?
- 30 See answer to Q. 9.
- CRTC Q.11 In regard to the criterion requiring a production to achieve 8 out of 10 points for Canadian content certification, how could this criterion be revised to better allow CIPFs to participate in the pilot projects announced by the Commission in Broadcasting Regulatory Policy 2015-86?
- 31 Broadcasting Regulatory Policy CRTC 2015-86 addressed pilot projects as follows:
 - 128. To encourage governments and partner agencies to consider more flexible and forward-looking approaches to the production and financing of high impact Canadian programs in the future, the Commission will be launching two pilot projects:

Pilot Project 1: As an exception to the standard Canadian program certification process, recognize live-action drama/comedy productions based on the adaptation of best-selling, Canadian-authored novels as Canadian.

Pilot Project 2: As an exception to the standard Canadian program certification process, recognize live-action drama/comedy productions with a budget of at least \$2 million/hour as Canadian.

Both pilot projects will be subject to the following additional criteria:

the screenwriter is Canadian;

one lead performer is Canadian; and

the production company is Canadian:

at least 75% of the service costs are paid to Canadians; and

at least 75% of the post-production costs are paid to Canadians.

For its part, the Commission will recognize productions that meet the requirements of these pilot projects as Canadian for the purposes of the regulatory requirements of television programming services, and certify such programs where appropriate. Coventures that meet the criteria above may also be considered eligible to participate in these pilot projects.

FRPC notes that productions that do not meet Canadian content certification criteria under the *Income Tax Regulations* as administered by CAVCO cannot access the CPTC, implying that any changes made to the criteria may affect access to another important source of funding. FRPC is also concerned that very few French-language television productions will achieve the \$2 million per hour budget requirement for Pilot Project 2.

- CRTC Q.12 What change, if any, should be made to the amount that may be allocated to unrelated digital media projects? Or is it necessary to limit funding to these types of productions at all?
- 33 CIPFs should be free to allocate funding to the digital media projects they deem viable.
- CRTC Q.13 Should the Commission revise the current requirement that to be eligible for funding, a production must obtain at least 8 points out of 10 for Canadian content certification? If yes, what should the minimum threshold be? What other criteria that are not part of the current point system could be used to count towards the minimum threshold?
- No, the CRTC should not revise the 8/10 point requirement.
- CRTC Q.14 Should the definition of what constitutes a "digital media project" be revised? What other forms of productions should be eligible for funding under this criterion?
- FRPC has no comment on this question at this time.
- CRTC Q.15 Should the Commission monitor and reassess a CIPF's certification periodically to ensure that it is operating in a manner consistent with the Commission policies and the certification criteria?
- Yes. We suggest that the CRTC develop a standardized form for CIPFs to complete and submit to the CRTC by 30 November each year.

The governance of CIPFs

- CRTC Q.16 Are the current criteria relating to Board composition and funding decisions sufficient for ensuring that decisions made by CIPFs benefit the broadcasting system as a whole? If not, what other criteria should be adopted?
- 37 It is not clear whether the current criteria are sufficient, because too little information is published to permit empirical evaluation. For instance, the Independent Production Fund's 2014 Annual Report sets out the following information for 2014:¹²

Investments in the Canadian Television Industry

| | Investment (\$) | | Number of F | Projects |
|----------|-----------------|----------------|-------------|-------------|
| Category | 2014 | 1991 – 2014 | 2014 | 1991 – 2014 |
| Series | 0 | 46,900,645 (1) | 0 | 251 (2) |

See http://ipf.ca/AR2014/statistics/.

Investments in the Canadian Television Industry

| | Investment (\$) | | Number of F | Projects |
|--------------------------|-----------------|------------|-------------|----------|
| Web Series | 1,955,000 | 7,789,102 | 17 | 70 |
| Professional Development | 157,500 | 4,570,125 | 22 | 368 |
| Total | 2,112,500 | 59,259,872 | 39 | 689 |

⁽¹⁾ Includes \$647,678 in funding for Pilots 1991-1998

Series Investment by Language (Including Television & Web Series)

| | Dollars Invested (\$) | | Number of Projects | |
|---------|-----------------------|-------------|--------------------|-------------|
| | 2014 | 1991 – 2014 | 2014 | 1991 – 2014 |
| English | 1,380,000 | 34,808,412 | 11 | 192 |
| French | 575,000 | 18,833,657 | 6 | 112 |
| Total | 1,955,000 | 53,642,069 | 17 | 304 |

- The same fund's report for 2000 contains more comprehensive data, however, about expenditures, numbers of programs, program hours, program language, and professional development in terms of program categories: series, pilots, primetime series/pilots, children's series/family series/pilots, professional development. Even these data do not clearly show, however, whether or when the programs were broadcast, what audiences they attracted, or whether the programs were sold internationally.
- The absence of historical data makes it impossible to know how Board composition, or any other aspect of the CIPFs, ensures the achievement of Parliament's objectives for Canadian broadcasting.
- CRTC Q.17 Is it appropriate to continue certifying as independent those funds that are created by broadcasters or governmental entities?
- 40 Funds created by broadcasters should be identified as broadcaster funds.
- CRTC Q.18 Would it be appropriate to require that two thirds of the Board members be independent from BDUs and their affiliates?
- 41 Yes.

⁽²⁾ Includes 17 pilots funded 1991-1998

See http://www.ipf.ca/AnnualReports/IPF 2000 annual E.pdf, at 3.

- CRTC Q.19 Should an "independent member" be defined as a Board member having no economic links with BDUs and other private contributors or their affiliates? If not, how should an "independent member" be defined?
- Independent members should be identified in terms of previous employment as well as financial involvement. Independent members should be considered 'independent' if they have not worked for broadcasters within the preceding five years, and if they do not have any financial interests in BDUs, a CIPF's private contributors, or their affiliated entities.
- CRTC Q.20 Should Board members be remunerated to ensure the independence of the CIPFs? If yes, what limits should be placed on remuneration?
- Independent Board members should be remunerated to compensate them for their time; non-independent Board members should be remunerated by the companies that employ them.
- CRTC Q.21 Given the fiduciary role of Board members, should "representatives of BDUs," as referred to in the appendix to Broadcasting Regulatory Policy 2010-833, be replaced by "nominees of BDUs"?
- It is reasonable to assume that members of CIPF Boards whose membership exists because of the members' involvement with BDUs will give very strong consideration to the interests of those BDUs. Changing their name from 'representative' to 'nominee' is unlikely to change this reality.
- CRTC Q.22 What other requirements, if any, should be imposed on a CIPF funded by a vertically integrated entity?
- FRPC has no comments on this question at this time.
- CRTC Q.23 Should the Commission require that the positions of chief executive officer (CEO) and chief financial officer (CFO) be filled by Canadians who are independent from BDUs and other contributors or their affiliates, given the central roles the CEO and CFO play in the day-to-day operations of a CIPF?
- 46 Yes.
- CRTC Q.24 Should the Commission undertake a full analysis of the by-laws of CIPFs to ensure their independence and to ensure that no party has a controlling influence over their decision-making process?
- 47 Yes.

- CRTC Q.25 Should the independence and governance of a CIPF be re-examined periodically? What types of changes in the governance of CIPFs, if any, should the Commission be notified of?
- 48 Rather than requiring CIPFs to report when changes happen, CIPFs should complete a simple and standardized CRTC-designed form annually; the form should include questions about the composition and role of each CIPF's Board.

Reporting requirements for Certified Independent Production Funds

- CRTC Q.26 Should CIPFs be required to submit reports to the Commission to ensure that these funds continue to operate in a manner consistent with the Commission's policies and to inform the Commission, and Canadians, as to how the funds they administer are being spent? If yes, would it be sufficient for a CIPF to provide the Commission with its annual report, where such a report is published?
- Yes, CIPFs should report to the CRTC but annual reports are insufficient as they provide too little information to permit the Commission and other interested parties to determine whether they are achieving the objectives for which they were established, and are unlikely to offer consistent information from one CIPF to the next.
- CRTC Q.27 Should the Commission require CIPFs to submit specific information to the Commission, such as the following:
 - · amounts spent on the administration of the fund;
 - amounts dedicated to unrelated digital media projects;
 - the composition of the Board and the relationship between each Board member and BDUs;
 - amounts of funding allocated based on linguistic markets;
 - amounts of funding given to local, regional, national and/or international productions; and/or
 - the number of funded projects in relation to the number of applications received?
- Yes. FRPC also recommends that CIPFs collect information from the companies they fund regarding employment.
- CRTC Q.28 Which information reported by a CIPF, if any, should be treated on a confidential basis and/or be audited?

51 Financial and audience results for individual programs could be treated confidentially.

Accessibility of CIPF-supported programming

- CRTC Q.29 Should the Commission amend the CIPF certification criteria to require that all programming resulting from these funds, regardless of the platform through which it is distributed, be closed captioned (in a manner consistent with closed captioning quality standards and any amendments to those standards) and provided with described video?
- 52 Yes.

Use of CIPF funding for productions linked to official language minority communities

- CRTC Q.30 What roles can CIPFs play towards the achievement of the objectives relating to official languages set out in section 3(1) of the Broadcasting Act?
- FRPC has no comments on this question at this time.

IV Conclusion

- To conclude, Secretary General, FRPC is concerned that BNoC 2015-467 is laying the groundwork for a new approach to CIPFs whose true effect will be to encourage concentrated ownership structures in the independent production sector, to a far greater extent than now exists. This approach might be reasonable if the CRTC had provided grounds to support this new approach but in Broadcasting Regulatory Policy CRTC 2015-86 the CRTC instead wrote that the
 - ... infrastructure of government support and private investment that has evolved over the years generates significant funding opportunities for Canadian programming. While undoubtedly, the Canadian broadcasting system is experiencing a profound transition, evidence suggests that it is not in crisis. That is because it has built, over decades, a solid foundation of resources and talent that will enable it to face the future with confidence and creativity." ¹⁴
- Rather than adopting an approach that is likely to create winners (independent producers that are, or become large) and losers (independent producers that are not large), the CRTC should focus on whether CIPFs are, or are not, creating programs that are then made available to Canadian audiences by regulated or unregulated broadcasters in Canada.

Broadcasting Regulatory Policy CRTC 2015-86, *supra*, at para. 30.

- In brief, as Broadcasting Regulatory Policy CRTC 2015-86 also states, the CRTC's role should be to ensure "that Canadians have a full range of choice, which includes the availability of an array of compelling and diverse Canadian programs."
- To that end, and irrespective of any new policies that the CRTC adopts towards CIPFs, the Commission should require these funds to submit financial and statistical information to the CRTC annually, to permit the CRTC and interested parties to evaluate CIPFs' actual impact on the implementation of Parliament's broadcasting policy for Canada.

FRPC looks forward to the opportunity of reviewing other submissions made in this proceeding and may submit a reply at the appropriate time. If you have any questions, please do not hesitate to contact the undersigned.

Sincerely yours,

Monica L. Auer, M.A., LL.M.

Executive Director Ottawa, Ontario

execdir@frpc.net 613.526.5244 www.frpc.net

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