7 December 2020

The Honourable Steven Guilbeault Minister of Canadian Heritage 15 Eddy Street, 12th Floor Gatineau, Quebec K1A 0M5 hon.steven.guilbeault@canada.ca

Dear Minister:

Re: Branded content and the Canadian Broadcasting Corporation

As you are aware, in September of this year the CBC publicly announced the launch of "Tandem," describing it as "a dedicated service for the creation of unique and distinctive branded content under the name CBC/Radio-Canada Tandem." We respect and value the arm's-length principle that governs the relationship between your Ministry and the CBC/Radio-Canada. However, there are issues of such significance to the future of the national public broadcasting service that the guidance mechanisms handed to it by Parliament must be invoked. We believe that Tandem is one such and respectfully request that you take action.

The CBC said that Tandem would 'leverage' "the cross-country reach of the CBC/Radio-Canada network ... across all platforms; written, audio and video. Its arsenal of powerful tools includes: CBC, ICI TÉLÉ, specialty channels (ARTV, EXPLORA, CBC News Network), CBC.ca, Radio-Canada.ca, CBC Gem, ICI TOU.TV, CBC Listen and Radio-Canada OHdio." In reality, CBC has been offering branded content since before 2020. At the end of October 2020, the *Globe and Mail*'s Simon Houpt quoted a CBC spokesperson as saying that the CBC had offered this type of content "for years – not weeks, not months – years".²

The decision by Canada's national public broadcaster to sell its image and credibility to advertisers directly contradicts what the CBC's President, Catherine Tait, told the House of Commons Standing Committee on Canadian Heritage in May 2019, when she declared CBC's desire to build on Canadians' trust in the CBC:

At a time when disinformation is undermining trust in our institutions and democracy, we remain Canadians' most trusted source of news and information.

We want to build on that trust and on our success for the benefit of all Canadians.³

Apart from not disclosing to members of Parliament the CBC's decision to produce and sell branded advertising content, the CBC apparently also withheld this information from the CRTC,

¹ CBC Media Solutions, "Introducing CBC/Radio-Canada Tandem: A dedicated service for branded content" (17 September 2020), https://solutionsmedia.cbcrc.ca/en/news/introducing-cbc-radio-canada-tandem-a-dedicated-service-for-branded-content/.

Simon Houpt, "Current, former CBC employees condemn corporation's branded-content initiative", *The Globe and Mail* (29 October 2020), https://www.theglobeandmail.com/arts/article-current-former-cbc-employees-condemn-corporations-branded-content/, [bold font added].

House of Commons Standing Committee on Canadian Heritage, *Mandate of CBC/Radio-Canada as it relates to the Broadcasting Act*, Meeting 161 (30 May 2019), https://www.ourcommons.ca/DocumentViewer/en/42-1/CHPC/meeting-161/evidence.

the quasi-judicial tribunal that the *Broadcasting Act* establishes as the "single independent public authority" responsible for regulating and supervising the broadcasting system, including the CBC.⁴

When the CBC applied to the CRTC to renew its broadcasting licences and current digital media exemptions in fall 2019, it repeated its "desire to put audiences, individuals and communities first in its programming decisions," but the hundreds of pages CBC filed with the CRTC say nothing at all about branded advertising content. Yet as CBC's spokesperson confirmed, CBC was at that time already selling branded content opportunities to advertisers. The CBC's decision not to discuss its production and sale of branded programming in its fall 2019 licensing applications left members of the public in the dark and unable to comment on this scheme when they submitted comments to the CRTC about the CBC's applications in February 2020.

CBC's surprising announcement of, and statements about, Tandem led a number of former employees of the CBC to submit a procedural request asking the CRTC to add the issue of CBC's production and sale of branded content to the hearing it has scheduled for January 2021, or in the alternative to grant the employees' application for the CRTC to investigate this issue separately from the licensing proceeding. (A copy of that request is attached.) While the CRTC's *Rules of Practice and Procedure* state that "The Commission must post on its website all applications that comply" with its requirements⁶, the CRTC – being the Commissioners appointed by Cabinet – has neither posted our application nor acknowledged receipt of our procedural request. We understand that the CRTC has similarly ignored another procedural request on the same point – asking the CRTC to add branded content to the agenda of the CRTC's January 2021 hearing – which was filed with the CRTC at the end of October 2020.

CBC staff also met last week with President Tait and her colleagues. Despite the 26 November 2020 submission to the CBC's Board of Directors of over 11,000 signatures on a petition asking the Board to end the production and sale of disguised advertising, the President informed us that CBC will continue to produce and sell 'branded content' on its digital platforms. The President and her colleagues believe it is acceptable for Canada's national public broadcaster to deliver, in this manner, content that audiences can mistake for CBC programming when they are in fact being presented with commercial messages carefully produced for advertisers. The "guardrails" the Corporation now proposes to safeguard its journalism will, in practice, make little impression because the mere presence of "paid content" on a CBC service will confer the corporate imprimatur.

Approximately five weeks remain until the CRTC's hearing begins. This leaves little time for the CRTC to amend the procedures for its January 2021 hearing, especially given that the CRTC's

Broadcasting Act, s. 3(2).

Notice of Hearing, Broadcasting Notice of Consultation CRTC 2019-379, at paragraph 10.

Section 23; the requirements are set out in section 22 and were met by the employees' application to the CRTC.

Rules establish that the period from 21 December 2020 to 7 January 2021 cannot be considered in calculating time periods.⁷

My colleagues and I are therefore writing to ask that you and the other members of the Governor in Council request the CRTC investigate the activities of the Canadian Broadcasting Corporation (CBC) with respect to the production and/or sale of branded content.

Section 15 of the *Broadcasting Act* specifically allows Cabinet to request that the CRTC "hold hearings or make reports on any matter within the jurisdiction of the Commission", provided in your role as the Minister of Canadian Heritage that you consult with the CRTC about this request (section 15(2)).

Faced with the CBC's revenue-obsessed determination to sell its integrity to the highest bidders and the CRTC's deafening silence when asked to address this important issue, we respectfully ask that you intervene.

Yours sincerely,

Jet Belgraver, former Senior Producer, Connect with Mark Kelly

Gloria Bishop, former Head, CBC Radio Network

Tony Burman, former Editor-in-Chief, CBC News

Jane Chalmers, former Vice-President, CBC Radio

Adrienne Clarkson, former Executive Producer, *Adrienne Clarkson Presents*

John Coutanche, former Director of Radio, CBC Manitoba

Kelly Crowe, former Medical Science Reporter, CBC National News

Jeffrey Dvorkin, former Managing Editor and Chief Journalist, CBC Radio

Esther Enkin, former CBC Ombudsman

Mellissa Fung, former Correspondent, CBC News

Section 12(1)(c): "Sections 26 to 29 of the Interpretation Act apply to the computation of a time period set out in these Rules or a decision, notice of consultation, regulatory policy or information bulletin, except that...

The period beginning on December 21 in one year and ending on January 7 in the following year must not be included in the computation of the time period."

Paul Gaffney, former Senior Director, Regulatory Affairs

Daniel Gelfant, former Senior Producer, Documentaries, The National

Sophia Hadzipetros, former Managing Editor, CBC Toronto

Lorna Haeber, former Senior Director of Journalism & Programming, CBC Vancouver

Linden MacIntyre, former Host, The Fifth Estate

Susan Mahoney, former Executive Producer, The Sunday Edition

Tony Manera, former President, 1992-1995

Margo McDiarmid, former Senior Parliamentary Reporter, CBC News

Susan Mitton, former Regional Director, CBC Maritimes

Damiano Pietropaolo, former Head and Executive Producer, Radio Arts and Entertainment

Sean Prpick, former Network Producer, CBC Regina

Sally Reardon, former Senior Producer, The Fifth Estate

Harold Redekopp, former Executive Vice-President, CBC TV

Susan Reisler, former Host, Newsworld Business News

Lynne Robson, former Reporter, The National

Alain Saulnier, former News Director, Radio-Canada

Reg Sherren, former Reporter, The National

John N. Smith, former Writer, Producer, Director, CBC Current Affairs, Drama, Documentary

Alison Smith, former National Host, CBC News

Ruth-Ellen Soles, former Spokesperson and Head of Media Relations, English Services

Raymond St. Pierre, former Foreign Correspondent, Radio-Canada, Moscow

Brian Stewart, former Senior Correspondent, CBC News

Marie Thompson, former Senior Producer, National Health Unit

Doug Ward, former Director of Radio, National Capital Region

Fred Youngs, former Director, Strategic Resources Management, CBC News

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Attachment 1: 13 November 2020 letter to the CRTC Attachment 2: 23 November 2020 letter to the CRTC Attachment 3: 27 November 2020 letter to the CRTC Attachment 4: 28 November 2020 letter to the CRTC