



19 December 2024

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Secretary General
CRTC
Ottawa, ON K1A 0N2

Filed online (BNoC 2024-270)

Dear Secretary General,

Re: *Call for comments regarding the Canadian Association of Broadcasters' proposed plan for the operation of a temporary fund supporting local news production by commercial radio stations in smaller markets, Broadcasting Notice of Consultation CRTC 2024-270 (Ottawa, 4 November 2024) – reply by FRPC*

- 1 The Forum for Research and Policy in Communications (FRPC) is a non-profit and non-partisan organization established in 2013 to undertake research and policy analysis about communications, including broadcasting. The Forum supports a strong Canadian communications system that serves the public interest as defined by Parliament in the 1991 *Broadcasting Act*. FRPC submitted comments in this proceeding on 4 December 2024.
- 2 The Forum has reviewed a number of the comments submitted about the temporary local radio news fund (TLRNF) and appreciates this opportunity to offer comments in reply.
- 3 A brief overview of the Forum's reply is set out on page 2. Part I addresses some preliminary issues raised by parties who submitted comments in the proceeding (Part I). Part II addresses a number of points raised in connection with the 12 CRTC questions set out in BNoC 2024-270. Part III sets out the Forum's conclusions and recommendations.

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I. Preliminary issues

4 The Forum’s 4 December comments raised concerns about the 2024-270 proceeding at paragraphs 8 to 14, and wishes to address two new preliminary issues raised by the comments submitted by the CAB, the Canadian Independent Music Association (CIMA) and the Digital Media Association (DiMA).

A. *Unhelpful cancellation of local news proceeding*

5 In June 2024 Broadcasting Regulatory Policy CRTC 2024-121 explained that the CRTC acknowledged “that there is a need to increase support for news production” while noting that it intended to “launch a consultation on the accessibility and the sustainability of broadcast news on television, radio and online, taking into account how the market and audience expectations may change” (¶117). It stated (¶170) that

... there is no funding mechanism within the current contribution framework that specifically supports news and information programming by commercial radio broadcasters. The Commission considers that it would be appropriate to address this important funding gap in the radio sector through a temporary fund.

¶: paragraph number

¶¶: paragraph numbers

- 6 The 23 versions of the CRTC’s *Regulatory plan to modernizes Canada’s broadcasting framework* issued from 8 May 2023 to 14 November 2024 referred to a consultation the CRTC might undertake regarding “news and local programming” and included beginning 6 May 2024 a “[c]onsultation on news programming” including a public hearing. The CRTC’s 15 November 2024 version of the *Regulatory plan* no longer referred to this consultation. This unexplained change is unfortunate. That proceeding could have helped to clarify among other things, how the CRTC defines the “flagrant lack of local news available” for which it said there was no evidence in CRTC Broadcasting Regulatory Policy CRTC 2022-332 (¶411). It could have reviewed different parties’ analyses to determine whether a funding limit or cap is required, to ensure that TLRNF funding is directed to those commercial radio stations whose communities have the greatest need (and lack) of original news produced in and about the communities (see Friends, at ¶29). It could also have set out for the public record the CRTC’s own understanding of the state of news broadcast by Canada’s commercial radio sector, to help explain the necessity of a fund to support the production of such programming.
- 7 We therefore agree with CIMA that “a different set of proceedings” was required in conjunction with BNoC 2024-270, and regret both the CRTC’s cancellation of the ‘news programming’ consultation and the lack of reasons giving for the cancellation. To say the least, such changes – not addressed by the individual versions of the *Regulatory plan* or by the CRTC in other venues – make it difficult to understand and predict the CRTC’s activities in this important sector, and complicate third parties’ planning of the resources they will require to participate effectively in the CRTC’s proceedings.

B. *Last-minute change to CAB plan not clearly identified*

- 8 As noted in FRPC’s 4 December 2024 comments at paragraphs 5 to 7, the CRTC approved the concept of a temporary fund to support local commercial radio station news on 4 June 2024 in Broadcasting Regulatory Policy CRTC 2024-121.¹ The CRTC received a 4-page document from the CAB regarding the new Commercial Radio News Fund (CRNF) on 4 July 2024² and the CAB answered CRTC-staff questions on 11 October 2024.³ The CRTC then published the CAB plan and its answers to the CRTC-staff questions in BNoC 2024-270 on 4 November 2024. Thirty-nine interested parties submitted comments by the 4 December 2024 deadline – including the CAB.
- 9 The CAB’s 4 December 2024 comment did not restrict itself to a discussion of the TLRNF, but made three changes to the 4 July 2024 plan for which the CRTC solicited comments on 15 November 2024. The CAB proposed to make payments to recipients twice a year instead of monthly (¶¶3-4), to use previous-year rather than current-year data (¶¶6-7) and to possibly amend the 12% cap once “information is provided to us by eligible radio stations” (¶10).

¹ *The Path Forward – Supporting Canadian and Indigenous content through base contributions*, [Broadcasting Regulatory Policy CRTC 2024-121](#) (Ottawa, 4 June 2024), at ¶170.

² DM#4743725, CAB, *Commercial Radio News Fund (CRNF): CAB’s Proposed Operational Plan*.

³ DM#4743659, CAB, *Re: Responses to CRTC request for information on the Commercial Radio News Fund* (Ottawa, 11 October 2024).

- 10 While laudable in that the CAB attempted to provide interested parties with an up-to-date version of its plan, these last-minute changes leave third parties at a disadvantage. First, most must now consider not simply review and reply to the comments that 38 non-CAB participants filed, but also assess the impact of the CAB's proposals. Second, at least some of the 38 non-CAB participants may remain unaware of these changes if they decide it is unnecessary to submit replies as they are unaware that the subject of the 2024-270 proceeding – being the CAB's plan – has in fact changed.
- 11 Due process matters in judicial as well as quasi-judicial proceedings. Procedural rules create a level playing field for all participants so that none is either unduly advantaged or disadvantaged by the process being used. That said, while members of Parliament considered Bills C-10 and C-11 they frequently stressed the importance of the CRTC's implementing the *Online Streaming Act* as quickly as possible, and the CRTC is clearly also keenly aware of the need to implement this legislation quickly.
- 12 Rather than asking the CRTC to adjourn this proceeding⁴ the Forum again asks that the CRTC establish distribution lists to which interested parties may subscribe (or unsubscribe) for its still-ongoing proceedings to advise parties of relevant changes to the public record.⁵

CRTC, *2024–25 Departmental Plan*, “From the Chairperson and Chief Executive Officer”
We are committed to moving quickly and transparently, given the impact our decisions have on consumers, businesses and the Canadian economy. ...

C. *Arguments about TLRNF's establishment now moot*

- 13 CIMA's comment stated (¶13) that it does

... not support the creation of a fund to support local news programming on commercial radio stations emanating from initial base contributions resulting from the Online Streaming Act. We fundamentally believe that financial contributions from platforms whose business models primarily revolve around streaming music should go exclusively to existing funds within the music sector.

- 14 Similarly Stingray argued (¶18) that the CRTC should address issues related to the exhibition of Canadian music and CRTC ownership limits:

Commercial radio continues to operate under an outdated regulatory structure and at a distinct disadvantage to the online streaming platforms that will contribute to the Commercial Radio News Fund, specifically with respect to Canadian music exhibition requirements and ownership restrictions. These issues will need to be addressed in the near term to ensure the health of Canada's private radio sector going forward.

⁴ By exercising its authority under s. 10(a) of the *Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure*.

⁵ FRPC made this proposal as well at ¶¶41-47 of its 2 December 2024 procedural request regarding BNoC 2024-288.

15 Respectfully, the existence of the TLRNF, the exhibition of Canadian music and the CRTC's limits on radio-station ownership are outside the scope of BNoC 2024-270.

D. No rationale for linking TLRNF payment timing to base 'contributions'

16 DiMA argued that payments made by the TLRNF cannot be made monthly because the CRTC's "final base contributions orders specify that payments are to be made by August 31 each year" (¶18). It is unclear why the timing of the payments to the TLRNF should determine the timing of payments to qualified or eligible radio-station recipients.

II. Other parties' comments about the CRTC's questions

A. Fund governance and accountability measures

CRTC Q1. Sufficient governance structure

Does the CAB's plan outline a sufficient structure for the governance of the CRNF? If not, please identify any gaps you see and suggest specific solutions to address them.

17 Several parties expressed concerns about the governance of the TLRNF. In our view, these concerns arise because the CRTC has not yet issued clear decisions about the TLRNF's purpose and duration, and the fund's governance system must ensure that the TLRNF is meeting its purpose. The result is that participants in this proceeding do not share the same understanding of the TLRNF's objective. The Coopérative de travail de Live action radio de Granby, for example, writes (at page 1) that

Grâce à ces fonds, les stations pourraient recruter et maintenir des journalistes locaux qualifiés, investir dans des technologies modernes pour la collecte et la diffusion d'information, élaborer des reportages approfondis sur les enjeux communautaires.

18 Yet the Forum considers that the purpose of this fund should be to provide financial support that will result in recipient radio stations' broadcasting more hours overall (and within individual communities) of first-run local radio news. In other words, while recruiting journalists is important, merely maintaining the number of journalists may not achieve the goal of obtaining more hours of original local news.

19 We also consider that because no clear evidence is available on the public record regarding 'need' and the funding mechanism's specific goals in terms of programming and employment, the TLRNF can only be a temporary measure. A permanent measure requires not just more but clear, valid and reliable empirical evidence to justify its establishment and – equally important – to enable the measure's impact to be evaluated. Only a positive impact – meaning that communities receive more first-run radio news with the TLRNF than without it – should lead the CRTC to extend the duration of the TLRNF. If communities do not receive more first-run radio news with the TLRNF, it should be discontinued and the CRTC should then consider whether other options are available.

- 20 The Forum agrees with DiMA that a formal governance structure is required for this funding mechanism as the CAB’s previous experience with distributing funding to broadcasters was “a closed ecosystem limited to the broadcasting industry participants” (¶15). DiMA recommended that, consistent with CAB’s recommendation for the Canadian Journalism Collective, “a not-for-profit organization be established with board-level or other governance oversight by beneficiaries and contributors and formal conflict of interest rules, with any reasonable administration costs to be drawn from the allocated levy and not subject to any additional fee. ...” (¶16). DiMA implies that this body would ensure that
- (a) funds are allocated to stations whose news operations are not already sufficiently funded under the Online News Act regime; (b) funds are actually used for news, rather than business activities that compete with those of online streaming services; and (c) administration costs are appropriate.
- (¶16)
- 21 The Forum agrees that the CAB is venturing onto somewhat unfamiliar ground in this matter. Yet it is somewhat unclear why the governing mind of a non-profit organization that collects funds from online broadcasters and distributes these funds to privately owned commercial radio broadcasters should consist of representatives of the online-broadcaster donors and the commercial-radio recipients. First, this approach scarcely seems impartial (contrary to the Forum’s recommendation at ¶23); second, this approach seems like a recipe for ongoing dispute and disagreement rather than one that will ensure the efficient distribution of funding for a finite period. As FRPC noted in its 4 December comment (¶122), Parliament empowered the CRTC to regulate and supervise Canada’s broadcasting, and with very few exceptions did not empower it to delegate this responsibility elsewhere.
- 22 As for DiMA’s ¶16(a) and (b) criteria, these are better addressed with regard to CRTC questions Q2, Q4 and Q9. As for criterion (c), the CAB has estimated the costs involved of administering the TLRNF; no evidence has been submitted to support concerns that these costs are either excessive or insufficient.
- 23 DiMA also suggests (¶16) that the duration of the TLRNF constitutes a form of accountability and that the fund should last a maximum of three years:
- ... the accountability for this Fund should rest in its temporary nature. In other words, we suggest that all accountability mechanisms, as well as the review of the Fund, be limited to as short a time period as reasonable after which, the 1.5% allocation should be redirected into existing funds within the music sector. We suggest that a three-year horizon is the maximum permissible for the existence of such a Fund and would therefore posit that a review must take place prior [*sic*].
- 24 It is unclear why the fund’s short- or long-term nature would leave the TLRNF more or less accountable to Parliament, Canadians, the CRTC, radio broadcasters or online broadcasters. The Forum’s position is that the public availability of long-term, detailed data describing the TLRNF’s impact are necessary for true accountability.

CRTC Q2. Additional accountability measures

Beyond the measures outlined in the CAB's plan, should additional accountability measures be imposed? If so, please describe in detail the measures you suggest.

- 25 The Forum recommended (¶26) that each TLRNF recipient be required to submit a report on the average weekly hours of first-run news that it broadcast in the 2022-23 and 2023-24 broadcast years, to provide a baseline measure against which the TLRNF's impact could be evaluated. FRPC notes that this requirement presupposes that radio stations would only be eligible for TLRNF funding if they provide a specified minimum number of original local news hours per week.
- 26 Friends proposed at least one hour weekly of local news (¶20); the Forum is concerned that imposing this requirement may have the unintended consequence of depriving stations that may want to provide news of needed financial support. In this context we note that it is currently somewhat unclear what requirements are imposed on radio stations that formerly operated as the only station in a given community ('single-station market'). In the CRTC's 17 December 2024 access-to-information response to A-2020-00069 a CRTC staff document noted (at pages 10 to 11) that "once exempted from the policy requirements [to provide certain local programming] by the Commission [due to their single-station-in-market status], stations will continue to be exempt" even if the communities subsequently receive local service from more than one private radio station. It would be useful for the purposes of explaining eligibility criteria for the CRTC to determine whether such cases continue to exist (formerly a single station) and what level of local news these stations do or do not provide.
- 27 While Radio CHNC noted (page 1) the importance of news it pointed out that its coverage area includes 31 municipalities, meaning that it broadcasts both local and regional news, suggesting in turn that eligibility requirements based on local news (which FRPC supports) may be difficult to reliably ascertain:

La qualité de l'information à tous les niveaux représente une fortification pour la démocratie, et de surcroît, l'information en région devient précaire et affecte différents aspects de l'écosystème des médias.

Notre région est particulièrement touchée par l'invasion du Net dans le financement des salles de nouvelles, puisqu'aucun hebdomadaire (journal écrit) n'existe sur notre territoire de desserte.

Ce qui fait en sorte que « la radio » est pratiquement la seule entreprise présente sur le terrain afin d'offrir de l'information locale et régionale. Nous couvrons 31 municipalités du territoire de CHNC et touchons à 5 MRC, soit Bonaventure, Côte-de-Gaspé, Haute Gaspésie, Rocher-Percé et Avignon.

....

(page 1)

- 28 The Forum also recommended that the TLRNF report in confidence to the CRTC about each recipient radio stations' local news expenditures in the same years, along with the total full-time

or full-time equivalent reporters they employ in the local community or communities they serve (¶127).

- 29 FRPC supports ideas raised by other participants about the eligibility of TLRNF recipients which touch on the issue of accountability. Specifically, the Forum agrees that recipients should
- Be operating in compliance with conditions of service (CJAD-FM, NCRA/ANREC)
 - Have met required CCD payments (NCRA/ANREC at ¶13)
 - Employ at least one full- or part-time professional journalist in the communities served (Friends, at ¶15 and ¶20; NCRA/ANREC at ¶11(d))
 - Provide detailed reporting on how the TLRNF objectives – such as increases in hours of original local news broadcast to communities served – are being met (NCRA/ANREC at ¶11(c); SCFP at ¶18) and
 - Engage (hire and supervise) “professional journalists” (“on the ground in the market” (Friends at ¶15; SCFP at ¶18)
- 30 The Forum notes Friends’ recommendation that radio-station recipients broadcast a “minimum of 1 hour of local news weekly” (¶20). We support this proposal but are concerned that the absence of the term, ‘original’, may result in communities receiving several repeats per day of the same news rather than more *original* local news. We are also concerned that failing to specify that this news be both *original* and *produced by the radio station* may enable radio-station recipients to rebroadcast the newscasts broadcast by affiliated television stations and other radio stations in the nearby area.

B. Allocation of funding

CRTC Q3. Incentives to ensure availability of high-quality local news

Which incentives or measures, if any, should the Commission apply to ensure that the CRNF funding is used for the production and broadcast of high quality local news?

- 31 The Forum did not address this question in its 4 December 2024 comments.
- 32 That said, adopting the proposals for eligibility offered by several parties (CJAD-FM, NCRA/ANREC and Friends) could – by requiring regulatory compliance and the employment of professional journalists – strengthen the quality of local news broadcast by recipient radio stations.
- 33 Overall, however, and as Friends notes (¶23) Parliament has made the CRTC – not mechanisms such as the TLRNF – responsible for implementing the requirements of Parliament’s broadcasting policy for Canada and is “responsible for ensuring compliance”.

CRTC Q4. Mandatory CBSC membership

Should recipients of the CRNF be required to be members of the CBSC and, therefore, to comply with the industry codes administered by that organization?

- 34 The Forum did not address this question in its 4 December 2024 comments.
- 35 While several parties have supported a requirement for CBSC membership it is not entirely clear what purpose this membership will serve as it is unclear whether CBSC membership (or lack of membership) is associated with different standards of broadcast performance.⁶
- 36 It is also unclear whether CBSC membership requires members to pay annual fees; if that is the case, would funding intended only to supplement the production of recipient radio stations' local news be diverted to the revenues of the CBSC?

CRTC Q5. Adequate funding allocation method

Is the CAB's proposed funding allocation method adequate? Are there any other allocation criteria or measures that the CAB should put in place to ensure that the CRNF funds are fairly distributed?

- 37 The Forum did not address this question in its 4 December 2024 comments.
- 38 The CAB's funding allocation method is somewhat unclear in that it does not appear to distinguish clearly between those who would or would not be eligible for TLRNF funding:

The CAB proposes to distribute funding in proportion to each eligible station's share of total remuneration (salaries and wages) paid with respect to news in the previous broadcast year, as reported in line 1 of form 1130 to the CRTC on 30 November each year. No station or group of stations operated by the same licensee in a given market will receive more than 12% of the funding in any given broadcast year.⁷

- 39 FRPC agrees with Friends (¶15) that

... the CAB has defined the proposed eligibility criteria for recipients as "All radio stations licensed by the Commission as commercial radio stations, that provide news and information programming", rather than those that "provide local news programming".

- 40 SCFP also pointed out several concerns about the measurement of news expenses (¶¶22-25) and FRPC agrees that TLRNF recipients' news expenses be measured at the local level:

22. L'ACR propose en effet d'utiliser uniquement les dépenses indiquées à « ...la ligne 1 du formulaire 1130... », remis au CRTC le 30 novembre de chaque année, pour donner accès

⁶ Broadcasters that breach the CRTC's regulations and policies, for example, may now be subject to administrative monetary penalties that may be of greater consequence than written reprimands from the CBSC.

⁷ CAB, *Commercial Radio News Fund (CRNF): CAB's Proposed Operational Plan*, (Ottawa, 4 July 2024), p. 2.

au financement du fonds. Le CPSC-SCFP décode qu'il est question de la ligne 1 de la page ii du formulaire de rapport annuel cumulé (voir, par exemple, ce rapport de BCE en ce qui a trait à ses stations de radio de langue française).

23. S'il s'agit du bon montant, le CPSC-SCFP estime qu'il serait trompeur de l'utiliser pour déterminer les sommes obtenues du FNRC puisqu'il couvre la rémunération relative à l'ensemble de la programmation et de la production effectuée par toutes les stations d'un groupe (ou toutes celles qui diffusent dans l'une des deux langues officielles, dans le cas des groupes bilingues), même celles qui ne produisent pas de nouvelles, le cas échéant.

24. Cette variable ne permettrait pas à l'administrateur du fonds ni au Conseil de s'assurer que les sommes ont bel et bien été dépensées dans les localités où se trouvent les stations visées par le FNRC ni si elles ont servi à la production ou à la diffusion de nouvelles locales.

25. Il serait préférable que les critères utilisés pour octroyer le FNRC soient mesurables à l'échelle locale afin de pouvoir évaluer son efficacité à soutenir l'information de proximité lors du réexamen proposé¹⁴, le cas échéant.

- 41 The Forum is as well concerned that allocating funding in proportion to the funding now provided by commercial radio stations to news may cement the *status quo ante*: Canada's existing large commercial radio broadcasters should surely not receive more funding than smaller broadcasters that are struggling to a greater degree.

CRTC Q6. 12% cap

In its plan, the CAB has proposed a 12% cap on the amount of funding that a station, or group of stations operated by the same licensee, in a given market, can receive from the CRNF. Should such a cap be adopted, and why or why not? If such a cap were adopted, should it be applied to each market or at the national level? Further, if adopted, should this cap be applied to individual licensees or ownership groups? Please explain your reasoning.

- 42 The Forum's 4 December 2024 comment argued (¶¶32-33) that insufficient information was available from either the CRTC or the CAB to address this question clearly.

- 43 The CAB proposed (¶11) that if the CRTC imposes a cap it should reflect "individual stations' spending on news." We agree instead with Friends that, like the Forum, noted the absence of relevant evidence:

28. The CAB proposal that the CRNF have the same market cap of 12% as the ILNF is, however, questionable. The ILNF has 18 stations from 9 ownership groups in 14 markets. The CRNF have as many as 585 stations, with perhaps 100 ownership groups in 50 non-metropolitan markets.

29. There is no indication that any analysis has been conducted on whether a 12% cap implemented for the ILNF is appropriate for the CRNF. Indeed, based on a cursory examination, it seems highly unlikely that any group would ever hit such a 12% cap; rendering it effectively meaningless.

- 44 Friends proposed instead that a cap be set at 1%:

¶: paragraph number

¶¶: paragraph numbers

32. For these reasons, and in the absence of further data for modelling, FoCM recommends that a per market/group cap be set at 1%. At \$12 million in CRNF funding, a 1% cap would represent \$120,000 per market, split among 3 stations in a group, or an average of \$40,000 per station. By contrast if all 585 (maximum) eligible station recipients received their pro rata share of the CRNF, that would amount to approximately \$20,500 per station. Thus, a cap of 1% would still provide capped recipients with roughly twice the pro-rata share equivalent.

45 The Forum’s concern with this proposal is that – due to the lack of relevant data in the 2024-270 notice as Friends noted at ¶7⁸ – it can only be theoretical. It is unclear, for instance, how many hours of original local news will be yielded if an eligible radio station receives \$40,000 from the TLRNF or half as much (\$20,000).

46 RNC similarly considered the 12% cap – borrowed, it pointed out, from the Independent Local News Fund (that, as NCRA/ANREC pointed out, has entirely different eligibility criteria than the TLRNF) – to be unrealistic due to the absence of data required to evaluate the proposed cap:

9) RNC Média est d’avis que le niveau de plafonnement de 12 % proposé par l’ACR n’est pas réaliste. Ce niveau de plafonnement est emprunté du FNLI. Il n’a pas fait l’objet d’une étude approfondie, car l’ACR, tout comme RNC Media, n’a pas accès aux données financières nécessaires à une analyse économique réaliste.

10)Le plafond actuel du FNLI tient compte du fait que ce dernier est composé de 19 stations de télévision indépendantes. Le FNRC sera d’une réalité fort différente. En effet, les stations de radio commerciales susceptibles de bénéficier du FNRC seraient formées selon les relevés statistiques et financiers du secteur de la radio 2019-2023, d’environ 586 stations. Ce chiffre de stations de radio commerciales est composé de 727 stations de radio diffusant sur les bandes AM et FM, dont il faut soustraire les stations de radio des marchés désignés de Montréal, Toronto, Vancouver, Calgary, Edmonton et Ottawa-Gatineau, qui totalisent 141 stations de radio. Il reste donc 586 stations de radio commerciales.

11)RNC Media est d’avis que le Conseil dispose des informations financières nécessaires pour réaliser l’analyse économique qui permettrait d’établir un niveau de plafonnement adéquat qui tient compte de la taille des marchés, des structures de propriété et de la diversité des voix du système canadien de radiodiffusion.

47 If the CRTC settles on a cap, the CRTC should publish the data and analysis on which it has relied to make this determination.

C. Will the CRNF as currently proposed be transparent?

CRTC Q7. Sufficiently transparent reporting

Are the CAB’s proposed reporting requirements sufficient to ensure the CRNF is operated transparently? If not, please detail which specific additional requirements are necessary and why.

⁸ “[N]either the CRTC nor the CAB have [sic] provided any estimate of the monetary value of the CRNF.”

- 48 The Forum did not address this question in its 4 December 2024 comment.
- 49 DiMA notes (¶17) that the CAB has not clearly identified reporting requirements for the TLRNF. It proposes that the CRTC and the TLRNF
- ... require regular (at least annual) reports from funding recipients on the application of money received, to “local news production by commercial radio stations outside of the designated markets of Montréal, Toronto, Vancouver, Calgary, Edmonton and Ottawa-Gatineau”, as required under Condition of service 2(b) of the base contributions orders
- 50 The Forum shares this position, noting as well that insufficient data is currently available on the public record to establish a 2023-2024 baseline.
- 51 NCRA/ANREC noted (¶16) the CAB’s proposal that the TLRNF reports “be modelled on the reports currently filed by CAB with respect to the Independent Local News Fund.”⁹ NCRA/ANREC went on to
6. ... suggest that, in addition to the anecdotal “qualitative changes” description provided in Appendix B of that report, recipients should provide an estimate of the number of weekly hours of news programming they were doing before receiving the funding, and the number of weekly hours provided after receiving the funding. This will, to some degree, demonstrate the effectiveness of the funding, and qualitative information can provide context for the quantitative information provided.”
- 52 NCRA/ANREC added (¶17) that TLRNF recipients should also provide:
- an estimate of the increase in weekly hours of news due to the TLRNF (also proposed by Friends at ¶37)
 - the percentage of news reporting produced “in-house” at each station location
 - the percentage of news produced at a different location in the broadcasting group’s network and
 - the name of the communities the TLRNF recipients consider “local” for their news reporting (preferably through licensing but perhaps also through reach)
- 53 The Forum agrees with the NCRA/ANREC.

⁹ CAB, *Commercial Radio News Fund (CRNF): CAB’s Proposed Operational Plan*, (Ottawa, 4 July 2024), p. 3: Reporting requirements

The CAB will report to the CRTC on an annual basis on the 30th of November of each year. The report will include details on the monies received and allocated as a result of the CRNF. They will be modelled on the reports currently filed by the CAB with respect to the ILNF. Recognizing that the Commission does not publicly release the revenue information of all regulated entities, a redacted version would be provided for disclosure to the public, providing a degree of transparency to the industry.

- 54 Friends explained (¶¶37-39) that the TLRNF reports should provide annual distributions to recipients by station to provide Canadians and individual communities with clear data about the type and level of TLRNF support. It also argued (¶39) that the TLRNF should provide “some basic ‘qualitative’ information on how funding has been used”.
- 55 The Forum’s position is that while qualitative data is often of interest, it can create difficulties in comparing stations for the purpose of evaluating the performance of and ongoing necessity for the TLRNF. TLRNF-recipient radio stations should be free to provide any qualitative information they consider necessary to describe their work, but must all be required to provide the quantitative information that FRPC has indicated. The overall goal should be to enable the CRTC to determine whether the TLRNF has made a difference to recipient radio stations’ aggregate local news staff counts, aggregate annual expenditures on total local news and aggregate annual hours of original news about and from individual communities.

CRTC Q8. Duly burdensome monitoring mechanisms

What type of mechanisms, if any, should be put in place to monitor how the CRNF funding is used, while not unduly increasing the administrative burden on CRNF recipients?

- 56 The Forum did not address this question in its 4 December 2024 comment.
- 57 FRPC notes that the CAB has raised the spectre of increased ‘administrative burden’ created by requiring eligible radio stations that receive TLRNF funding to report on their use of this

As noted above, the CAB is sensitive about increasing administrative burden for radio stations, and accordingly, does not intend to require fund recipients to report on their use of CRNF funding. However, if the CRTC were to require the submission of reports, the CAB could collect those reports on behalf of fund recipients, and report to the Commission on an annual basis. The first such report would be filed on 30 November 2026 (since funds will not be received until late 2025, early 2026).

Currently ILNF recipients provide a few paragraphs about specific examples of how ILNF funds enhanced local newscasts as part of the annual submission of data needed for the next year’s calculations. A similar requirement could be added for recipients of the CRNF.¹⁰

- 58 CJSD, similarly, proposes (page 2) that TLRNF recipients use a maximum of 244 characters to describe generally how they used the funding they received:

The CRNF’s recipients should be requested – at most – to provide (1) a 244 character or less response to the CAB on an annual basis to the general use of the fund and the benefits to the regional listening community, (2) a copy of News Ethics Policy if and when updated, and (3) maintain the reporting on forms 1110 and/or 1130 related to radio news expenditures and/or salaries and/or approximate FTE

¹⁰ CAB, *Re: Responses to CRTC request for information on the Commercial Radio Fund* (Ottawa, 11 October 2024), at p. 4, at 8(a).

- 59 The Forum’s concern is that “a few paragraphs about specific examples” of how the TLRNF has ‘enhanced’ local radio newscasts will yield insufficient evidence to justify the establishment and continued existence of the TLRNF. To put the 244-character limit into perspective, CJSD’s one-paragraph recommendation set out immediately above consists of 401 characters (with spaces), or 64% more characters than CJSD’s proposed response about “the general use of the fund and the benefits to the regional listening community”.

CRTC Q9. Recipient reports and monitoring indicators

Should fund recipients be required to report on how the funds received were used to meet the CRNF’s objectives? What indicators, if any, should be put in place to monitor the success of the CRNF?

- 60 The Forum did not address this question in its comment of 4 December 2024.
- 61 We agree with SCFP that the CRTC must impose minimum weekly levels of original local news to have access to the TLRNF:

12. Dans le cadre de ce nouveau fonds, se fier uniquement aux dépenses touchant la rémunération, comme le propose l’ACR, ne permettrait pas d’assurer la production de nouvelles réellement locales et de qualité. C’est pourquoi le CPSC-SCFP propose ces critères additionnels :

- a. Un seuil minimum d’heures de nouvelles locales originales par semaine;
- b. L’embauche de journaliste(s) à l’œuvre sur le terrain, dans l’aire de diffusion de la station;
- c. La couverture de l’actualité de la région, notamment des institutions démocratiques locales.

13. Le Conseil devrait donc imposer aux stations de radio commerciales de produire et diffuser un nombre minimum d’heures de nouvelles locales originales, chaque semaine, pour avoir accès au financement du FNRC. Pour être locales, les nouvelles devraient être produites dans le marché de la station, par des journalistes sur place et porter sur l’actualité locale et régionale – ce qui devrait obligatoirement inclure la couverture des institutions démocratiques situées dans l’aire de diffusion de la station et des entrevues avec des acteurs locaux.

14. Ces simples règles sont essentielles afin de s’assurer que les stations de radio situées dans les petits marchés, mais appartenant à de grands groupes de propriété, maintiennent du personnel dans la communauté desservie, plutôt qu’à Montréal, pour produire et livrer l’information locale.

- 62 The true beneficiaries of the TLRNF – if it is established – will be the individual communities that receive more hours each month of original news about the communities, produced and broadcast by radio stations in these communities as a consequence of the TLRNF’s existence.
- 63 To determine whether the TLRNF is benefitting communities as intended, TLRNF-recipient stations must be required to report the news they broadcast on a weekly basis each month to

the TLRNF and the CRTC, and the CRTC should publish this information for each recipient station. (The levels of local news broadcast would be public by virtue of their being broadcast and, to the extent that Canadians are familiar with broadcast regulation, the CRTC is best placed to post the information for easy access.)

- 64 The CRTC should post monthly information for individual stations as it receives the data, to provide affected communities and interested parties with the long-term data required to evaluate the TLRNF's impact.

D. Will this fund be temporary or permanent?

CRTC Q10. Review of temporary fund

Given that the CRNF will be a temporary fund, is three years an adequate timeframe for the review of the fund?

- 65 The Forum agreed that the TLRNF was intended as a temporary measure (FRPC, ¶¶39-40) and unlike others (CAB, ¶¶12-15; Friends, ¶¶11-12) continues to believe this should be the case. FRPC did not, however, address the matter of a timeframe for reviewing the TLRNF in its 4 December comments.

- 66 We note that SCFP supports a three-year review, and support its conclusion:

30. Le FNRC étant un fonds temporaire, le CPSC-SCFP estime que son fonctionnement ne devrait être réexaminé après trois ans que si le Conseil détermine que cette aide doit se poursuivre à plus long terme. Dans le cas contraire, il devrait tout simplement être aboli ou remplacé par une mesure plus appropriée.

III. Conclusions and recommendations

- 67 The Forum supports the establishment of the TLRNF, provided its governance is clarified. Ideally, the TLRNF should evaluate individual radio stations' eligibility for funding using criteria stated and set by the Commission. Disputes regarding eligibility should be submitted to the CRTC – not the CAB CEO Radio Council – for resolution. TLRNF recipient stations should be required to provide baseline data about their original local-news programming, employment and expenditures, and to provide updates of this information going forward (monthly, in the case of programming data).
- 68 The Forum has two separate concerns, one regarding the purpose of the TLRNF and the other regarding this consultation and the Commission's approach to similar consultations.



A. *CRTC must clearly describe TLRNF's purpose*

- 69 The comments submitted in this proceeding have underscored the importance of clarity from the Commission. Lack of clarity will make it difficult to determine objectively whether the TLRNF has increased the quantity of original local radio news provided to now-underserved communities. Without accountability, the impression may be left that the TLRNF's actual purpose was simply to direct funding to the private radio sector.
- 70 The Forum therefore recommends that the CRTC clearly describe the TLRNF's purpose without resorting to vague terms such as "news" or "local news" when individual communities may actually lack "original local news from and about their communities".
- 71 Without clarity from the CRTC the best-laid plans for the TLRNF are unlikely to come to fruition. If so, questions will arise as to whether its establishment and the funding to support its responsibilities were actually necessary.

B. *CRTC must change the timing of its consultations*

- 72 The Forum has concerns about the process adopted by the Commission in this important matter.
- 73 As noted in FRPC's 4 December 2024 comments at ¶¶4 to 7, the CRTC approved the concept of a temporary fund to support local commercial radio station news on 4 June 2024 in Broadcasting Regulatory Policy CRTC 2024-121.¹¹ The CRTC received a 4-page document from the CAB regarding the new Commercial Radio News Fund (CRNF) on 4 July 2024¹² and the CAB answered CRTC-staff questions on 11 October 2024.¹³ The CRTC then published the CAB plan and its answers to the CRTC-staff questions in BNoC 2024-270 on 4 November 2024. Thirty-nine interested parties submitted comments by the 4 December 2024 deadline – including the CAB.
- 74 To put this another way, 198 days have elapsed since the CRTC approved the TLRNF concept and today, the end of the public-comment phase of the BNoC 2024-270 proceeding: Figure 1.

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¹¹ *The Path Forward – Supporting Canadian and Indigenous content through base contributions*, [Broadcasting Regulatory Policy CRTC 2024-121](#) (Ottawa, 4 June 2024), at ¶170.

¹² DM#4743725, CAB, *Commercial Radio News Fund (CRNF): CAB's Proposed Operational Plan*.

¹³ DM#4743659, CAB, *Re: Responses to CRTC request for information on the Commercial Radio News Fund* (Ottawa, 11 October 2024).



Figure 1 Days between CRTC's approval of TLRNF and deadline for replies

2024-270: timing

04-Jun-24	Day 1: 4 Jun/24 CRTC approves TLRNF concept	
11-Jun-24		
18-Jun-24		<i>30 calendar days (21 work days)</i>
25-Jun-24		
02-Jul-24	Day 31: 4 Jul/24 CAB submits 4-page plan	
09-Jul-24		
16-Jul-24		
23-Jul-24		
30-Jul-24		
06-Aug-24		
13-Aug-24		<i>92 calendar days (64 workdays)</i>
20-Aug-24		
27-Aug-24		
03-Sep-24		
10-Sep-24		
17-Sep-24		
24-Sep-24		
01-Oct-24	Day 123 (4 Oct/24) CRTC-staff questions	
08-Oct-24	Day 130 (11 Oct/24) CAB answers CRTC-staff questions	<i>7 calendar days (5 workdays)</i>
15-Oct-24		
22-Oct-24		<i>24 calendar days (15 workdays)</i>
29-Oct-24		
05-Nov-24	Day 154 (4 Nov/24) CRTC issues 2024-270	
12-Nov-24		
19-Nov-24		<i>30 calendar days (21 workdays)</i>
26-Nov-24		
03-Dec-24	Day 184 (4 Dec/24) Comments due	
10-Dec-24		<i>15 calendar days (11 workdays)</i>
17-Dec-24	Day 198 (19 Dec/24) Replies due	

75 The Forum is not suggesting untimeliness on the part of the Commission. It is well known that Parliament has increased the CRTC's duties over the last two years. The CRTC is moreover

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working on a range of broadcasting and telecom matters. Twenty-four broadcasting or telecom proceedings have been underway or launched since the CRTC issued BNoC 2024-270 on 15 November 2024:

Table 1 CRTC proceedings running concurrently with 2024-270

Broadcasting	Telecom	Reply deadline
2024-202		18 November 2024
2024-0538-1		18 November 2024
2024-0443-2		6 December 2024
2024-137		11 December 2024
2024-270		19 December 2024
	2024-292	19 December 2024
	2024-292	19 December 2024
	8000-P114-202404929	20 December 2024
2024-138		20 December 2024
2024-288		20 January 2025
2024-290		20 January 2025
2024-0630-6		23 January 2025
2024-0573-7		27 January 2025
2024-0604-0		28 January 2025
	8662-C6-202405753	7 January 2025
	8695-C211-202406024	8 January 2025
	2024-293	9 January 2025
	2024-294	9 January 2025
	2024-295	9 January 2025
	8640-B2-202406066	13 January 2025
	8662-V3-202406264	20 January 2025
2024-0630-6		23 January 2025
2024-0573-7		27 January 2025
2024-0604-0		28 January 2025
	2024-318	20 February 2025
13 proceedings excl'g 2024-270	11 proceedings	24 proceedings

76 FRPC is instead pointing out the disparities in time available to the three main parties in this proceeding, being the Commission itself, the CAB and all other parties, because of the CRTC’s current scheduling practices. Specifically, while the CRTC and its (broadcasting) staff had at least¹⁴ 123 calendar days to consider and evaluate the issues raised by the TLRNF, the CAB had 82 calendar days and the public had 45 days: Table 2.

¹⁴ The CRTC and its staff may have used more time than shown if it continued to consider the TLRNF while the CAB was considering its answers to the CRTC-staff questions, and while the 2024-270 proceeding was in progress.

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Table 2 Time available to CRTC, CAB and all other parties in 2024-288

Dates in 2024-270 proceeding	Days from previous event		Days available					
	Calendar	Workdays	CRTC		CAB		All other parties	
			Calendar	Workdays	Calendar	Workdays	Calendar	Workdays
04-Jun-24	0	0						
04-Jul-24	30	21			30	21		
04-Oct-24	92	64	92	64				
11-Oct-24	7	5			7	5		
04-Nov-24	24	15	31	20				
04-Dec-24	30	21			30	21	30	21
19-Dec-24	15	11			15	11	15	11
Total	198	137	123	84	82	58	45	32

‘Workdays’ – calendar days less weekends (Saturdays and Sundays) and the holidays listed in section 35(1) of the *Interpretation Act*, including Thanksgiving on 14 October 2024

- 77 Assuming the CRTC’s staff does not generally work seven days weekly, the Commission and its staff had 137 days to work on the 2024-270 proceeding. The CAB had 58 days (42% of the 2024-270 CRTC’s working time) and all other parties had 32 days (23% of the CRTC’s working time). These 32 days might well be sufficient for a public-interest organization to participate in two or three proceedings occurring simultaneously. But as Table 1 showed, *thirteen* other CRTC broadcasting proceedings have also been underway since 2024-270 began: participating in these proceedings may be impossible for parties other than the CRTC and the CAB because these parties – like most public-interest organizations – lack the staff or the ability to temporarily engage additional staff.¹⁵
- 78 As noted previously, the CRTC’s current (12 December 2024) *Regulatory plan to modernize Canada’s broadcasting framework* no longer includes the Spring 2026 “Consultation on the CRTC Rules of Practice and Procedure” first announced in its 6 May 2024 *Regulatory Plan to modernize Canada’s broadcasting framework*. Given the CRTC’s recent statements that it “makes decisions based on the public record”,¹⁶ the Forum asks the Commission to consider amending its existing *Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure*

¹⁵ FRPC notes that the *Regulatory Plan* issued by the CRTC in May 2024 and its 23 modified versions do not constitute formal public notice for the purposes of the Broadcasting Participation Fund (BPF), Inc./Le fonds de participation à la radiodiffusion (FPR).

Hence, even if the CRTC held each consultation cited in these plans in the season announced in the plans, BPF-FPR reimbursement of public-interest organizations’ participation costs begins only on the date the CRTC issues a notice of consultation. (Similarly, the BPF-FPR only reimburses public-interest organizations’ participation costs regarding proceedings mentioned in the CRTC’s regulatory policies, such as Broadcasting Regulatory Policy CRTC 2024-121, when the CRTC issues a formal notice of consultation.)

¹⁶ Chairperson and Chief Executive Officer, CRTC, “Taking action on what Canadians care about”, *Speech* (Ottawa, Public Interest Advocacy Centre: 28 November 2024) and Executive Director, Broadcasting, CRTC, *Speech*, (Ottawa, Standing Senate Committee on Transport and Communications: 29 October 2024): the CRTC holds

... public consultations on telecommunications and broadcasting matters and makes decisions based on the public record.

....



either to provide all non-CRTC parties with more time to comment on matters set out in its notices of consultation, or to establish a minimum 45-working-day intervention deadline for its notices of consultation which, in general, raise broad issues of public concern.

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