

KEY CRTC DECISIONS AFFECTING THE INDEPENDENT PROGRAM PRODUCTION INDUSTRY

CRTC Policy Notice or Decision	What was decided?	Comment
<p>Decision CRTC 82-240</p> <p>Licensing of pay television undertakings</p>	<p>Set up a pay television regime of one national English language service and competing services in each region.</p> <p>Requirements for both exhibition and spending upon Canadian feature films.</p>	<p>Although the competitive regime collapsed and a system of regional monopolies replaced it in 1984, the introduction of a combination of exhibition and spending requirements provided what eventually became one of the most substantial revenue sources for Canadian feature films, as well as exposure on television, albeit to a limited audience.</p>
<p>Public Notice 1984-81</p> <p>Specialty Programming Services</p>	<p>The preamble to Decisions 84-338 and 384-39, which licensed Much Music and TSN, the first Canadian specialty services. Set conditions of licence for the services and terms for cable distribution.</p>	<p>The Commission issued conditions of licence for both exhibition and spending on Canadian programs for TSN and for exhibition of Canadian videos and spending on video production for Much Music. While much of the production of Canadian broadcasters in music and sport has been in-house, eventually these services did acquire some amounts of independent programming.</p>
<p>Public Notice 1984-94</p> <p>Recognition for Canadian programs</p>	<p>Introduced a point count system for non-broadcaster produced Canadian programs – to qualify as Canadian, a program must achieve at least 6 of 10 points.</p> <p>Aligned with CAVCO point system except for Special Recognition</p> <p>Provided 150% time bonus as an</p>	<p>Provided a quicker method to recognize independently produced Canadian programs than CAVCO.</p> <p>Left some loopholes whereby programs with few Canadian creative elements could be recognized.</p> <p>Since most high quality</p>

	incentive to broadcast original Canadian drama and children's programs	programs of this nature are made by independent producers, provided an incentive to acquire programs from the independent sector
<p>Decision 86-1086</p> <p>Renewal of Global Ontario license</p>	<p>Introduced expanded requirements for drama and other under-represented programs in evening hours as follows:</p> <ul style="list-style-type: none"> ● from 1988 to 1990, a minimum of 200 hours of first-run Canadian drama, music and dance, variety, children's and documentary programs to be broadcast in evening hours or children's viewing time; increasing by 50 hours in 1991 ● to spend on first-run Canadian drama, music and dance, variety, children's and documentary programs, a minimum of \$ 5 million 	<p>Provided an impetus to a successful independent licensee in the most lucrative television market in Canada to increase its exhibition of programming from the under-represented categories. This impetus was translated into greater acquisition of programming from the independent production sector, often with the purchase of national rights that were shared with Global's affiliated stations elsewhere in Canada. The combination of hours and expenditures was intended to ensure both quantity and quality of programming.</p>
<p>Decision 87-140</p> <p>Renewal of the CBC's television licenses</p>	<p>Since the CBC was not able to submit its priorities in the event of budget changes, the CRTC outlined what it expected the CBC to do. This included a substantive list of long term priorities in the following areas:</p> <ul style="list-style-type: none"> ● move to 90% Canadian content and a minimum of 25 hours/week Canadian content from 7 to 11 pm ● provide 10 hours/week of 	<p>The Commission pressed the CBC to move beyond excuses for not being able to meet its full mandate because of budgetary restraints to being more efficient and focused in its efforts. In particular, the move to use the independent production sector to a greater degree was meant to assure diversity of program content as well as more efficient use of the Parliamentary appropriation.</p>

	<p>drama from 7 to 11 pm</p> <ul style="list-style-type: none"> ● attain a fair balance of regional programming ● provide a fair balance of children's and youth programs ● schedule a representative number of broadcasts from Canadian performing arts companies ● acquire 50% of its programming on both the English and French television networks, in all categories of programming other than news, public affairs and sports, from the Canadian independent production sector. 	
<p>Decision 87-200</p> <p>Renewal of CTV network licence</p>	<p>Introduced requirements for spending on Canadian programs in Network sales time.</p> <p>Above the amounts indicated for overall Canadian programming spending, CTV was required to provide the a minimum of 2.5 hours/week of regularly scheduled drama in 1987/88 increasing in increments to 4.5 hours/ week in 1991/92, with a maximum of hour scheduled before 8 pm.</p> <p>CTV required to air a minimum of 24 hours per year of long-form drama and documentaries per year in Network Sales Time and expected 34 hours per year</p>	<p>As with earlier obligations imposed on Global and the CBC, CTV was required drama, documentary and variety programs from the independent sector.</p>

	<p>overall.</p> <p>Required to air a minimum of 6 hours/year of programs featuring Canadian musical talent, starting in 1988-89.</p>	
<p>Public Notice 1987-260</p> <p>Introductory Statement to Decisions 87-895 to 87-906: Canadian Specialty and Pay Television Services.</p>	<p>The CRTC licensed a range of new niche programming services, including Newsworld, Vision TV, YTV, Canal Famille, Weather Now, Le Réseau des sports, Musique Plus.</p> <p>These services were accorded "dual status" carriage, meaning that they would be distributed on the basic cable service unless they agreed to other carriage terms. television.</p>	<p>One of the licensing criteria announced was "to make available high quality Canadian programming from new programming sources by providing new opportunities and revenue sources for Canadian producers currently unable to gain access to the broadcasting system." This resulted in additional use of independently produced childrens' and documentary programs.</p> <p>Most of the English-language services were required to meet high levels of Canadian content (with exhibition and expenditure requirements) and were rewarded with basic cable distribution.</p>
<p>Public Notice 1989-27</p> <p>Overview: Local Television for the 1990s A preamble to the renewal decisions of most English-language television stations</p>	<p>Introduced a requirement for spending based on the licensees' projections and a formula for increasing or decreasing that obligation linked to advertising revenues.</p> <p>Broadcasters expected to meet the needs of their local community, including children's programming.</p> <p>Broadcasters also expected to</p>	<p>The setting of a floor for spending meant that efficiencies in programming would go to Canadian programming and that as revenues increased so would program expenditures. But since the starting level was based on projected spending, this essentially meant continuation of the status quo with relatively little spending on Canadian drama and other under-represented program categories.</p>

	<p>contribute to script and concept development.</p>	
<p>Public Notice 1993-68</p> <p>Application of the Benefits Test at the time of the transfer of ownership or control of broadcasting undertakings</p>	<p>Reviewed the existing approach to benefits and established as policy a set of principles. It included what kinds of activities would generally be considered acceptable as benefits. It did not provide a precise percentage of the purchase price that would be required. However, most transactions ended up in the 10% range.</p>	<p>The benefits policy evolved over a number of years on a case-by-case basis. The policy has resulted in the creation of a number of private, independently administered production funds including: Rogers Telefund, the Maclean-Hunter Fund, the Shaw Children’s Programming Incentive and the Geoff Conway Fund as well as the Cogeco Documentary Fund.</p>
<p>Public Notice 1993-74</p> <p>Structural Public Hearing</p>	<p>Although predominantly dealing with distribution issues, a mechanism was introduced that required some cable companies (those who had taken advantage of Capital Expenditures to increase their subscriber fees) to contribute to the development and presentation of Canadian programming by allocating 5% of their revenues to a new Cable Production Fund.</p>	<p>The new Fund resulted in significant additional resources to supplement existing financial support for independent producers from Telefilm and tax credits. There was a requirement that the fund be administered by a board with representation from cable, broadcasters and producers.</p> <p>Eventually, the Fund became the Canadian Television and Cable Production Fund (CTCPF), now the Canadian Television Fund (CTF) – the most significant funding source for Canadian independent production.</p>

<p>Public Notice 1993-93</p> <p>The Reporting of Canadian Programming Expenditures</p> <p>Public Notice 1993-184</p> <p>Additional Clarification Regarding the Reporting of Canadian Program Expenditures</p>	<p>Provided clarification of what was a legitimate Canadian program expense for conventional television stations</p>	<p>Ensured that broadcasters truly met their requirements for spending by eliminating a number of questionable practices that had been developed by some licensees.</p> <p>This ensured more real spending on Canadian programs.</p>
<p>Public Notice 1994-59</p> <p>Introductory Statement – Licensing of New Specialty and Pay Television Services</p> <p>Decisions 1994-278 to 286</p>	<p>Licensing of Life, Bravo!, Showcase, CMT, Discovery and WTN in English, RDI and Canal D in French and pay services</p> <p>MovieMax and Movie Pix</p> <p>Condition of licence on spending by specialty services – a percentage of the previous year’s revenues to be spent on Canadian programming, using the same definition of spending as conventional TV.</p>	<p>Licensing of new services with significant exhibition and expenditure commitments for Canadian programming in a wide variety of genres, including documentaries and arts and for the first time, drama.</p> <p>For the second time a key criterion announced was "increase the diversity of high quality programming available to Canadians and provide new opportunities and revenue sources for Canadian program producers and creative talent"</p> <p>Licensees included independent producers for first time.</p> <p>Introduced a requirement for access by third-party producers for licenses with producers in the ownership group.</p>

Public Notice 1995-48

Introduction to Decisions renewing the licences of privately-owned English-language television stations

Adoption of a new approach to program expenditures whereby stations earning more than \$ 10 million in annual revenues could choose to continue with the existing expenditure requirement or opt to provide seven hours of drama and other entertainment programming during peak viewing hours (7 – 11 pm).

Stations proposing children's programming and program development investments were expected to fulfill these commitments.

Provided an incentive to broadcasters able to find programming efficiencies in exchange for providing Canadian entertainment programming in peak viewing hours. Combined with the conditions of licence requiring drama in evening hours for CBC, CTV and Global, there was an expectation that more Canadian drama and other entertainment programming would be aired.

The emergence of larger ownership groups and the requirement for spending moved stations towards the acquisition of high quality Canadian programming from independent producers.

At the same time, the ability to choose between expenditure or exhibition requirements found most licensees opting to stay with spending, as it provided more flexibility. This did not result in as much Canadian programming in peak viewing times as hoped for.

<p>Public Notice 1995-217</p> <p>Introductory Statement – Licensing of New Direct-to-Home (DTH) Satellite Distribution Undertakings, and new DTH Pay-Per-View (PPV) Television Programming Undertakings</p> <p>Decisions 1995-901 to 908 inclusive</p> <p>Licensing of DTH and DTH PPV undertakings</p>	<p>Provided the first real competition to cable and allowed extension of service to people in rural and remote areas.</p> <p>DTH licensees required to devote 5% of gross broadcasting revenues to independent production funds.</p>	<p>The inclusion of new audiences provided better revenues for broadcasters, particularly pay TV, and consequently more spending on and investment in Canadian feature film. .</p> <p>Satellite BDUs were required to contribute to the creation of Canadian programming funds on an on-going basis.</p> <p>This provided an impetus to make the same requirement of all distributors.</p>
<p>Decision 1994-437</p> <p>Renewal of the English- and French-language CBC television network licenses</p>	<p>This renewal took place at a time of significant budget restraint for the CBC. The Commission expressed its satisfaction with most of the progress made by the Corporation in fulfilling its obligations.</p> <p>The Commission re-iterated the long-term priorities outlined in the 1987 decision and increased its emphasis on the provision of programming to children and youth.</p> <p>It added a number of short term priorities:</p> <ul style="list-style-type: none"> ● not less than 65% Canadian content during the broadcast day for the English-language network, and 75% for the French-language network. ● an average of 22.5 hours 	<p>The renewal continued the encouragement for the CBC to move to a more Canadian schedule. It provided some precise short-term goals in instances where less progress had been made towards achieving the long-term priorities.</p> <p>In many of the areas, the source of the programming would most likely be the independent sector, particularly in the context of additional resources being made available from the Cable Production Fund and other public and private funds.</p>

	<p>per week of Canadian programming between 7:00 and 11:00 p.m.</p> <ul style="list-style-type: none"> ● add immediately to its English-language network schedule, 2.5 hours/week of programming directed to teens and pre-teens on the English-language network, rising to 5 hours/week by the end of the licence term, and to maintain a minimum level of 20 hours/week on the French television network. ● one broadcast/month of a presentation by a Canadian performing arts company on each of the English- and French-language television networks. 	
<p>Public Notice 1996-120</p> <p>Introductory Statement – Licensing of New Specialty and Pay Television Undertakings</p> <p>Decisions 1996-595-618 inclusive</p> <p>Licensing of a large number of new specialty services</p>	<p>Licensing of two groups of English-language specialty services – 4 services given immediate access to cable and 16 others to be provided digital (no later than Sept. 99).</p> <p>Licensees included independent producers, with requirement to acquire productions from unaffiliated production companies.</p> <p>Requirements for acquisition of new first-run programs from independent sector.</p>	<p>The new must-carry analog licensees included CTV News, Teletoon, Comedy and the History Channel. Three of these channels provide programming that is heavily reliant on independent production.</p> <p>The second group of services (channels such as House and Garden TV, Space and Treehouse) are also required to acquire programming from the independent sector.</p> <p>The highly competitive licensing proceeding resulted in significant</p>

	<p>Same approach to spending as imposed on specialties licensed in 1984.</p>	<p>commitments both to the exhibition of and spending upon Canadian programming resulting in what is generally a strong presence of Canadian programs in the schedules of most of these services.</p>
<p>Public Notice 1997-25</p> <p>New Regulatory Framework for Broadcasting Distribution Undertakings</p>	<p>Established a new regulatory framework for all BDUs, both cable and new entrants. Reinforced existing requirement giving priority to Canadian services, while introducing a regulatory regime for the transition from a cable monopoly to a competitive distribution environment.</p>	<p>Replaced the existing quasi-voluntary contribution by cable companies with a mandatory 5% contribution to the CTCPPF (since renamed the CTF)</p>
<p>Public Notice 1997-98</p> <p>Contributions to Canadian programming by BDUs</p>	<p>Clarified rules concerning BDU program contributions. Required a minimum of 80% of BDU funding contribution be directed to the CTCPPF (now the CTF).</p> <p>The remaining 20% may be allocated to eligible independent funds.</p>	<p>Ensured an on-going source of funds for the Canadian Television Fund (the only assured long-term funding) while permitting the development of separate funds, aimed at specific genres or regions.</p>
<p>Public Notice 1998-8</p> <p>Additional National Television Networks, A Report to the Government of Canada Pursuant to Order in Council P.C. 1997-52</p>	<p>CRTC held a hearing to determine whether it should define multi-station groups as networks with commensurate requirements.</p> <p>Decided to deal with substantive issues in context of general review of television policies the following year.</p>	

Public Notice 1999-97

A Policy Framework for Canadian Television

Created two types of station groups – national (CTV, TVA, CanWest and WIC) and regional (CHUM, Craig, TQS)

All stations belonging to a particular corporate ownership group would be considered for renewal at same time so that CRTC could impose obligations commensurate with the group's resources. CRTC will take into account other licensed assets held by the corporate group.

For the largest groups, a minimum of 8 hours/week of priority programming required between 7 and 11 pm.

Priority program categories defined as drama, documentaries, music and variety, regional and entertainment magazine programs.

150% time credit bonus for 10-point and a 125% bonus awarded for 6-point Canadian drama.

Eliminated the 150% bonus for high Canadian content children's programs. No requirement to exhibit children's programs. Provision for extended prime time, intended to assist with "family"

All national station groups expected to make appropriate commitments to Canadian programming.

While the Commission made some progress in codifying requirements for the larger station groups, producers believed that the Commission erred in a number of ways:

- Removing spending requirements could result in lower quality in-house programming
- The inclusion of almost any kind of regional programming could mean a lowering of the quality of Canadian programs without any real benefit to the regions
- The bonusing of low point count Canadian drama was unnecessary and could result in decreasing the more identifiable Canadian drama, just at a time that the CTF was moving to fund this kind of material.
- Elimination of requirements for children's programming and the incentive for first-run, distinctively Canadian children's programming would mean a loss of such programs for the many homes not subscribing to cable or satellite.

	<p>programming.</p> <p>Eliminated spending requirements for conventional broadcasters.</p> <p>Established 10% threshold for benefits in ownership transactions involving pay, specialty and TV licences.</p>	
<p>Public Notice 1999-29</p> <p>Contributions to Canadian Programming by Broadcast Distribution Undertakings</p>	<p>Clarifies operating principles and establishes guidelines for what constitutes an eligible independent production fund (to which BDUs may allocate up to 20% of their required Canadian programming contribution)</p>	
<p>Public Notice 2000-1 "A Distinctive Voice for all Canadians" Decisions 2000-1, 2000-2, 2000-3 : Renewal of the CBC's television licenses</p>	<p>The Commission introduced a number of requirements for the CBC that would increase the availability of Canadian drama, documentaries, performing arts and other under-represented program categories.</p> <p>In addition, the CRTC imposed conditions on the use of regional non-news programming, particularly priority programming from the regions, and eliminating the broadcast of recent foreign blockbuster feature films.</p> <p>The Commission expected the CBC to ensure a minimum of 15 hours/week of children's programs and five hours of youth programming.</p>	<p>The CBC had made substantial commitments to:</p> <ul style="list-style-type: none"> ● the broadcast of drama in evening hours (a minimum of 5.5 hours per week), ● spending on Canadian feature film (\$ 30 Million over the first five years), ● broadcast of performing arts programming (24 hours per year of which half are in peak viewing periods) ● reduce the over-reliance on professional sports ● 50% of all non-news, non-sports, non-public affairs programs to come from independent producers.

		Combined these commitments would ensure a strong platform for independent production from all regions.
Decision 2000- 221, Global's Acquisition of WIC's conventional television stations	Approval of the transfer of most of the station's formerly held by WIC to CanWest, extending its reach to 95% of English-speaking Canadians. Benefits package of \$84.29 million, with requirement for new reporting mechanisms to ensure that the benefits are incremental.	Included in the benefits package is a \$23.9 million Western Programming Fund for productions from western based Canadian producers.
Public Notice 2000-4 Licensing Framework Policy for new digital pay and specialty services Decisions 2000-451 to 730	Licensing of 21 specialty services with guaranteed digital access and relatively high requirements for Canadian content exhibition and spending. Hundreds of Category 2 services authorized, with no guarantee of distribution. These services had minimal Canadian content commitments.	Highly competitive applications for Category 1 services meant substantial commitments for original Canadian programming, and acquisition from independent sector. Category 1 services must acquire a minimum of 25% of their non-news and non-sports programming from third parties (defined as those in which they have less than 30% ownership interest)
Public Notice 2000-42 Revised Approach to Certification	Clarification of producer's role, drama program credits, animation programs, music video clips and music video programs, production packages and co-venture productions, and of qualifying expenditures in terms of services and post-production lab costs.	

<p>Decision 2000–747</p> <p>Transfer of effective control of CTV to BCE</p>	<p>Approval of the transfer of the ownership of CTV Inc., including its conventional television stations and its specialty services, to BCE. This results in an affiliation between Bell ExpressVu, Sympatico and CTV.</p> <p>Benefits package of \$230 million, including incremental expenditures of \$140 million for new ‘on screen’ priority programming initiatives, with 95% of the funds designated for non-affiliated independent producers.</p>	<p>The transaction brings under common ownership Canada’s largest telephone company, largest DTH operator and largest Internet service provider, and largest private broadcaster.</p> <p>CTV has evolved from a consortium of sometimes warring owners into a station group with access to most English-speaking Canadians through its owned and operated stations and affiliated stations as well as strong specialty services in both English and French.</p> <p>The benefits package will result in at least 175 new hours of priority programming in addition to the required 8 hours/week of priority programming. In order to ensure that benefits are incremental, CRTC reintroduced an indirect spending requirement for CTV’s conventional TV stations by establishing a spending baseline.</p>
<p>Decisions 2001–457 and 458</p> <p>Renewal of CTV and Global television stations</p>	<p>Renewal of all the conventional stations of both CTV and Global.</p> <p>CRTC required broadcasters to establish a Code of conduct to ensure differentiation of editorial voices between their respective newspaper and TV news operations.</p> <p>Requirement that at least 6 hours/week of priority programming on each station come from unaffiliated</p>	<p>Prior to consideration of the renewal of their TV licences, both ownership groups had acquired ownership of newspapers. This had raised concerns about cross-media ownership and a potential loss of editorial voices.</p> <p>Specific requirements tied to the use of independent productions and for productions offering regional reflection indicates that the CRTC will oversee the</p>

independent producers.

Requirement for annual reporting on use of independent productions.

Expectation that CTV and CanWest will offer regional productions in schedule.

Notation of program plans that include significant use of drama.

Notation of proposed use of children's programs and expectation that this would continue.

Confirmation of the baseline requirements to ensure that the proposed benefits are incremental.

inclusion of diverse voices in the program schedules of these large station groups.

The CRTC expects these broadcasters to ensure a significant place for drama and for children's programming within their schedules.

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