



Canadian Media Guild

La Guilde canadienne des médias
TNG Canada / CWA

The most media diversity for the most Canadians

Submission by the Canadian Media Guild

Re: Broadcasting Notice of Public Hearing CRTC 2007-5

July 18, 2007

www.cmg.ca

Who we are:

The Canadian Media Guild represents more than 6,000 media employees in Canada. We work on the front lines of public and private broadcast media at CBC, TVOntario, S-Vox, Alliance Atlantis Communications, the Aboriginal Peoples Television Network, and CJRC radio (Gatineau). We have a keen interest in creating a strong national broadcasting system that promotes and supports TV programming that serves the public interests of Canadians and reflects their diversity.

The Canadian Media Guild wishes to appear before the CRTC in September: to discuss our nine proposals to ensure a diversity of voices in Canada's media more fully.

Summary

- 1 The Canadian Media Guild believes that the CRTC can and must play a role in the renaissance of the Canadian media system, ensuring that the news and entertainment programming that is most readily available to Canadians truly reflects the diversity of our population and provides a broad range of perspectives and analysis. The CRTC must look beyond ensuring the financial health of the private elements of the system to set out and enforce rules so that those private companies serve the interests of Canadians according to the *Broadcasting Act*.
- 2 We recommend the following measures:
 - 3 **I. A strict prohibition against a single corporate entity owning more than one conventional TV station in a single urban/regional market.**
 - 4 **II. A limit on local cross-ownership, prohibiting a single corporate entity from owning both a TV station and a daily newspaper in the same urban/regional market.**
 - 5 **III. A limit on national cross-ownership by prohibiting one entity from owning more than 20% of the total TV and radio stations and daily newspapers in a given official language across Canada.**
 - 6 **IV. Conditions of licence for all conventional TV broadcasters to air at least 60 minutes of local programming, including at least 30 minutes of local news, from 6 pm to midnight at least six days per week.**
 - 7 **V. Strict conditions of licence forcing the separation of newsgathering and editorial decision-making between newsrooms owned by a single media company.**
 - 8 **VI. Limits on the repurposing of content and programming across platforms, including from conventional TV to specialty stations owned by the same company.**
 - 9 **VII. A prohibition against a single corporate entity owning more than two FM radio stations and two AM stations in a large market, or a total of three stations on two bands in a smaller market.**
 - 10 **VIII. Promotion of digital OTA in all TV markets to ensure a diversity of access to the media in all areas of the country.**
 - 11 **IX. A guarantee of “net neutrality,” by establishing a rule prohibiting internet service providers from controlling clients’ access to websites for commercial gain.**

Introduction

- 11 Two key factors are affecting the news and entertainment that Canadians can most readily access: the decline in the number of independent media outlets and the quest by media organizations, private and public, to cut costs in the most central of their roles, the creation of original programming and the gathering of news.
- 12 And there is yet another threat on the horizon that will make it even more difficult for Canadians to access local news and programming: the phasing out of free, over-the-air television by 2012.
- 13 The rise of online news and programming has been used to minimize the loss of information and analysis, especially about local issues, in the traditional media. But this loss still comes at a price. Increasingly, Canadians discount their media system out-of-hand or else turn against it because it is irrelevant to their day-to-day lives. **When people don't see their lives, struggles, perspectives and interests reflected on their TVs and radios and in their newspapers, they turn elsewhere.** But is there really an alternative? In many cases, the answer is no.
- 14 There is an opportunity here for a renaissance of Canadian media. Trustworthy, easily accessible news and programming that properly reflects the diversity of our communities is something of value.
- 15 The Canadian Media Guild believes that enforceable policies are needed to spark that renaissance and ensure a "broadcasting system that reflects the varied demographics of the country and ensures that a diversity of voices is available to audiences." These policies include:
 - 16 **I. A strict prohibition against a single corporate entity owning more than one conventional TV station in a single urban/regional market.**
 - 17 **II. A limit on local cross-ownership, prohibiting a single corporate entity from owning both a TV station and a daily newspaper in the same urban/regional market.**
 - 18 **III. A limit on national cross-ownership by prohibiting one entity from owning more than 20% of the total TV and radio stations and daily newspapers in a given official language across Canada.**
 - 19 **IV. Conditions of licence for all conventional TV broadcasters to air at least 60 minutes of local programming, including at least 30 minutes of local news, from 6 pm to midnight at least six days per week.**
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- 21 **VI. Limits on the repurposing of content and programming across platforms, including from conventional TV to specialty stations owned by the same company.**
- 22 **VII. A prohibition against a single corporate entity owning more than two FM radio stations and two AM stations in a large market, or a total of three stations on two bands in a smaller market.**
- 23 **VIII. Promotion of digital OTA in all TV markets to ensure a diversity of access to the media in all areas of the country.**
- 24 **IX. A guarantee of “net neutrality,” by establishing a rule prohibiting internet service providers from controlling clients’ access to websites for commercial gain.**

The crisis of local news

- 25 One year ago, on the same day that CTVglobemedia announced it was purchasing CHUM Ltd., CHUM laid off 280 employees and cancelled 4 local Citytv newscasts in Winnipeg, Calgary, Edmonton and Vancouver. The events of the day were a clear illustration of the joint threat of media ownership consolidation and cost-cutting on the availability and diversity of local news coverage in Canadian cities.
- 26 A couple of months later, media giant CanWest told the CRTC that it was no longer committed to local TV programming, including news, claiming it is “economically challenging and represents a cost center (sic) with declining return, and in many cases, significant loss” (p. 19, CanWest Mediaworks Inc., PN 2006-5). CanWest asked that CRTC requirements for local programming be significantly reduced or abandoned.
- 27 That fewer people are out gathering local news is especially noticeable in places like Vancouver, where observers have noted less in-depth and broad-based reporting. As the CMG previously noted in our submission on the CTVglobedia application to purchase CHUM Ltd. (p.5):
- 28 “Companies have found that they can make more money by being adequate, and limiting investment in newsgathering, than they can in being excellent, according to veteran Vancouver broadcaster George Orr, who now teaches TV news reporting at the British Columbia Institute of Technology and follows the local media scene in Vancouver.
- 29 “The more people chasing the story, the better the story is,’ Orr points out in an interview. The city has lost its critical mass of ‘nosy journalists’ who hold public

officials to account, he says. Media outlets then focus on covering the ‘hand-out’ stories of the day, instead of delving into issues that haven’t been packaged in a media release.”

- 30 Cross-media ownership and ownership concentration in Vancouver have provoked outrage from journalists and citizens alike. CanWest owns both daily newspapers (and a third, if Victoria’s Times-Colonist is included) and two conventional TV stations (Global and CH).
- 31 **“The media has been defanged because it is controlled by men who have reasons to be nice to government,”** wrote *The Tyee* columnist Rafe Mair in August 2006 in a column entitled *News Media, Defanged*. “The owner of your daily paper in Vancouver and most other Canadian cities is into radio and television big time and the electronic media must have licences from the government.”
- 32 **CanWest Global’s approach to consolidation and news has been troubling from its entry into the newspaper business, with attempts to centralize editorial control and remove dissenting voices from its newspapers.** The company will have an even larger footprint in the Canadian media system if its purchase of Alliance Atlantis Communications is approved.
- 33 The behaviour of the company should raise serious alarm bells for those concerned about diversity and quality of news in Canada. Beyond its lack of commitment to local news on TV, mentioned above, CanWest has also withdrawn from The Canadian Press, vowing to create a private-sector rival to the long-standing news co-operative.
- 34 If the private news service, run centrally by CanWest, is as successful as its owner would like, the company’s news operation may even reach into the pages of its competitors. This would create even more homogenization of news in Canada, not provide a real alternative to The Canadian Press, which has to provide the best possible service to all of the daily newspapers that own it. The Canadian Press owes direct allegiance to none of those papers, and therefore to none of their editorial policies.
- 35 Quebecor’s experiment in Toronto with a converged approach to news and current affairs illustrates another problem with cross-ownership for local news. Despite a condition of licence to keep its newsrooms separate, Sun TV’s current affairs show *Canoe Live* “features Sun [newspaper] journalists, columnists and newsmakers” (*Phoenix*, Quebecor Media employee newsletter, March 19, 2007, p. 2). After Quebecor bought the local Toronto TV station from Craig Media in 2004, it all but eliminated electronic newsgathering and later reduced local news content from a 60-minute daily news show to the 30-minute, studio-based current affairs program that

relies on content from the Sun newspaper.

- 36 Ironically, Sun TV was originally mandated to provide programming for young second- and third-generation Canadians. However, its programming has virtually ceased to reflect the diverse community the station was meant to serve. We believe **Sun TV is a poster child for why cross-ownership is devastating for diverse and quality news, and for original programming in general.**
- 37 Unfortunately, the public broadcasters have not provided a counterweight to the loss of local news quality on television.
- 38 In fact, one of the first attacks on local TV news emerged at CBC. Between 1991 and 2001, hundreds of employees were pulled out of local news at the public broadcaster. Some newsgatherers – reporters, camera operators, producers, researchers – lost their jobs altogether, while others moved to Newsworld, the public broadcaster’s national all-news cable service, and to cbc.ca.
- 39 TVOntario, Ontario’s educational public broadcaster, also reduced newsgathering in 2006, replacing the 60-minute current affairs program *Studio 2* in favour of an hour-long, studio-based show that focuses on a single issue each night. Gone are the reports from around Ontario and short-form documentaries that afforded TVO its unique coverage of the province.
- 40 The loss of local newsgathering and reporting at public and private broadcasters has not been replaced, despite the rise of new media platforms. **When Canadians turn to the internet for trustworthy, up-to-the-minute news, they tend to go to the sites run by the news organizations they recognize from TV or by their daily newspaper**, including cbc.ca, radio-canada.ca, canada.com, ctv.ca, globeandmail.ca, thestar.com and canoe.ca. These organizations primarily repurpose content from their other media platforms for the internet; they have not hired an appreciable number of journalists to do original online reporting of local news.
- 41 This year, the CBC is relaunching full-hour local TV newscasts across the country during the supper hour, as well as bulletins at other times of day. But it is doing so with no additional funding. That means that most local CBC-TV news teams are now being asked to provide more than an hour per day of local news programming with the resources they had to produce 30 minutes. The CMG does not believe this is a sustainable way to rebuild quality local news coverage.
- 42 While more owners in the media are by no means a guarantee of higher quality and more diversity of content, perspective and approach, it is difficult to refute the fact that **having fewer owners is a negative factor in quality and diversity of content.** Divestiture of a TV station by CanWest would begin to change the dynamic in Vancouver-Victoria. The situation also needs to be examined carefully

in Ottawa, where CTV now owns two conventional English-language TV stations, and in Toronto, where CTVglobemedia now owns a daily paper, two regional TV stations and three radio stations.

- 43 As well, the Quebecor approach at Sun TV suggests that stronger monitoring and compliance mechanisms are needed to ensure that conditions of licence, and specifically the separation of newsrooms and news management of a single media conglomerate, are followed. **It also suggests that a purely voluntary code, as is being proposed by the Canadian Broadcast Standards Council, will not be effective.** We are very concerned that the CBSC is basing its code on a faulty assumption, namely that “the diversity and quality of information ... is not inhibited by the common ownership of news-gathering resources and the use of complementary technologies” (PN 2007-41). Our experience, as described above, suggests that the opposite has in fact proved to be true.
- 44 Beyond an increase in funding to public broadcasting, we believe the CRTC can use a series of measures to ensure that private media companies contribute a diversity of voices that reflect the Canadian population in original news and entertainment.
- 45 We therefore recommend:
- 46 **I. A strict prohibition against a single corporate entity owning more than one conventional TV station in a single urban/regional market.**
- 47 **II. A limit on local cross-ownership, prohibiting a single corporate entity from owning both a TV station and a daily newspaper in the same urban/regional market.**
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- 51 **VI. Limits on the repurposing of content and programming across platforms, including from conventional TV to specialty stations owned by the same company.**

A wake-up call for private radio

- 52 Canadians don't tend to complain as much about the quality of radio, despite the fact that there is little to celebrate on the AM and FM dials. Most private stations have abandoned independent newsgathering in favour of entertainment/music formats. Some have canned newscasts. A few offer an all-talk format, often using American syndicated programming, and rely heavily on wirecopy supplemented with their own reporting.
- 53 Meanwhile, CBC radio has continued, and even enhanced, a commitment to local news and cultural coverage in the past decade that has perhaps cushioned the blow of the decline of news in private radio. Nonetheless, last year's Senate report on the Canadian News Media (June 2006) pointed out that the CRTC's laissez-faire approach to regulating news content has resulted in a decrease in news coverage that is particularly noticeable in radio (p. 17). And "few Canadians now list radio as a main source for news" (p. 19).
- 54 Rules restricting the concentration of ownership in Canadian private radio must be maintained. The CMG urges the CRTC to maintain:
- 55 **VII. A prohibition against a single corporate entity owning more than two FM radio stations and two AM stations in a large market, or a total of three stations on two bands in a smaller market.**

A diversity of access to the Canadian media

- 56 From their inception, radio and TV have been free services provided to Canadians with the means to procure basic equipment. Free TV and radio continue to be crucial sources of vital information and connection with the community for low-income Canadians who cannot afford to join the digital revolution. Radio and TV transmission is, and continues to be, a very important part of the national public infrastructure.
- 57 Even as the hand-wringing continues about the future of conventional television, the CMG believes that it is not only possible, but necessary, to give it a new purpose, namely to strengthen local connections for *all* Canadians. While the growth of "sliver-casting" and increasing media specialization have certainly commanded an increasing portion of the time Canadians devote to overall audiovisual enjoyment, regular old TV is not irrelevant. It continues to be an extremely popular and important part of the media system, even if it is increasingly turning into an entertainment medium, abandoning its duty to inform and educate.
- 58 **Free access to local TV is not replaceable by any new media;** it is geographically-rooted and able to deliver a live broadcast to a mass audience in a

specific place using a widely available technology with a reasonable one-time cost, a TV and antenna.

- 59 Canadians still turn to conventional TV for things they can't get elsewhere: coverage of emergencies and local occurrences, to find out what's happening in their community, and to watch live events. Free local TV should provide a universally accessible service for information and entertainment reflecting a diversity of perspectives, experiences and ways of life. In fact, free local TV can be an important means for communities to explore, redefine and celebrate their differences.
- 60 Interestingly, **the turn to a digital standard of over-the-air broadcast, stands to expand the possibilities for conventional TV.** For example, a single digital transmitter is able to broadcast up to six stations at standard definition – including a combination of TV and radio stations, or a single TV station at high definition. Known as multiplexing, this form of free TV service is available in Germany and has become very popular in the UK.
- 61 In small town Canada, where over-the-air reception has often been limited to one or two stations because of the cost of installing and maintaining transmitters, the possibilities of multiplexing are exciting. The problem is that **conventional broadcasting networks are happy to chase the bigger profits in the major urban centres** and, according to their eerily similar submissions to the CRTC on the matter for PN 2006-5, plan – virtually as a block – to **abandon over-the-air transmission in most communities across Canada in 2011 and force residents to rely on cable or satellite alone for TV reception.**
- 62 What often gets overlooked is that sole reliance on cable and satellite would virtually eliminate local and regional programming and news coverage in all but Canada's largest centres.
- 63 Digital OTA is a means to provide a diversity of media voices in communities that have never been very well served by the country's broadcasting system. We recommend examining the use of Benefits money, which is by definition one-time money, to assist in the establishment of new digital transmission infrastructure across the country whose use could be shared among a group of broadcasters in smaller communities.
- 64 The CMG urges the CRTC to take a lead on:
- 65 **VIII. Promotion of digital OTA in all TV markets to ensure a diversity of access to the media in all areas of the country.**

The need for net neutrality

- 66 The public notice asks whether the CRTC should consider some form of ownership rules for new media undertakings. As long as internet providers guarantee their subscribers unfettered access to internet sites, the need for broadcast-type regulation is not clear.
- 67 However, if Internet Service Providers (ISPs) are permitted to limit or delay access to certain websites for commercial purposes, perhaps to steer their subscribers to their conglomerate's websites or in order to charge new media providers or users a premium for easy access to particular sites, the situation changes dramatically.
- 68 The threat of non-neutrality is not abstract. During the 2005 lockout of Telus workers, the company blocked access by its customers to the Telecommunications Workers Union website.
- 69 Canadian internet giant Rogers, which is becoming a real player in conventional TV with its recent purchase of five Citytv stations, has also admitted to using "traffic shaping technology," according to the website [What is Net Neutrality?](http://www.whatismetneutrality.ca). Rogers has not given any details about how it uses the technology, although the company has said it reserves bandwidth for emailing and web surfing, ahead of file sharing.
- 70 For more examples, including some from outside of Canada, see www.whatismetneutrality.ca .
- 71 **When they dictate what and whose information and programming their subscribers can access, ISPs effectively become content-providers. And in that case, they would have to be subject to strict regulatory codes.** Clearly, the CRTC needs to monitor closely how and whether the various services of media conglomerates such as Rogers serve to deny Canadians access to a diversity of content.
- 72 If ISPs are required to remain neutral, regulation of new media undertakings is not necessary at this time. However, rules and support for original Canadian programming by regulated broadcasters continues to be crucial to ensure that Canadian content is consistently available and easy to find on the internet. That is because most Canadian media companies have web portals where they make content available from their regulated platforms.
- 73 The CMG urges the CRTC to:
- 74 **IX. Guarantee "net neutrality," by establishing a rule prohibiting internet service providers from controlling clients' access to websites for commercial gain.**

Conclusion

- 75 We have provided some examples of the impacts of concentrated and cross-ownership in the media to inform our proposals for policies that would increase the diversity of voices in Canada's media. However, we lament the lack of comprehensive, up-to-date and accessible research on media ownership across Canada, including analysis of concentration.
- 76 We believe that, with some key policies and incentives, the CRTC could oversee the renaissance of a truly Canadian media system that showcases the diversity of the country's voices. However, by failing to act at this critical juncture, we could see the end of the relevance of the system itself. Without rules and support, Canadians will lose access to readily accessible media that reflects their local communities; they will also lose any hope of seeing, hearing and reading things that truly reflect the diversity of who they are and how they live.
- 77 The time to act is now to ensure the most diversity for the most Canadians in the country's media system.