



## Broadcasting Notice of Invitation CRTC 2013-563

PDF version

Ottawa, 24 October 2013

### Let's Talk TV: A conversation with Canadians about the future of television

*The Canadian Radio-television and Telecommunications Commission (CRTC) needs your input to shape the future of your television system. Canadian television must deliver compelling and diverse programming in an age of digital technology marked by an abundance of channels and on-demand content available on many platforms (cable, satellite, the Internet, mobile devices). Your input is vital to helping us shape your television system into one that meets the needs of Canadians as consumers, creators and citizens and that is adaptable for years to come. To get the conversation going, we have put together some facts and questions on Canadian television below. Your answers to these questions will help us shape the future of Canadian television.*

**Join the online discussion forum:**

[www.crtc.gc.ca/talktv](http://www.crtc.gc.ca/talktv)

**Host a "Flash!" conference:**

[www.crtc.gc.ca/eng/com300/cwc1.htm](http://www.crtc.gc.ca/eng/com300/cwc1.htm)

**Use the:**

[\[Comment/answer form\]](#)

**Phone us:**

1-800-368-0390

**Email us:**

[talktv@crtc.gc.ca](mailto:talktv@crtc.gc.ca)

**Write us:**

CRTC, Ottawa, Ontario K1A 0N2

**Fax us:**

819-994-0218

### Introduction

Television is important to Canadians. It's a source of news and information, it entertains, it enlightens and it provides us with a shared cultural and social experience. Whether we collectively celebrate our Olympic and Paralympic athletes, get information on our local news and weather, or simply watch our favorite shows, Canadian television is there to serve our needs and interests and reflect the circumstances and aspirations of Canadian

Canada<sup>ca</sup>

men, women and children. The CRTC's role under the *Broadcasting Act* is to make sure that the Canadian television system delivers compelling and diverse programming in an age of digital technology marked by an abundance of channels and on-demand content.

Canadians are entitled to an open, diverse and affordable television system that is responsive and forward-looking, a system that provides us with the best of what Canada has to offer alongside the very best international content. The CRTC will be holding a hearing in September 2014 to ensure that, moving forward, our television system achieves this objective. But before we make any changes, we need to hear from you. We want to hear about your television experience—what's working and what isn't. Is Canada's television system providing you with the programming you want? On the devices you choose? Are you well served in the way you receive programming? Are you getting the information you need to make informed choices?

We want to put Canadians at the centre of their television system to ensure that:

- as a **citizen**, you can participate fully in the life of your country, province and community;
- as a **consumer**, you have programming choices, on many competitive platforms, such as cable, satellite, the Internet or mobile devices; and
- as a content **creator**, you have opportunities to produce content for Canadians and international audiences.

Share your views, your stories and your experiences. Your feedback will help us shape the future of Canadian television. It is, after all, your television system.

### **How can you participate?**

Making the right choices about how we shape Canadian television requires a complete and in-depth understanding of the Canadian television viewing experience. You can help us by providing your views and comments in a number of ways over the next several months.

The CRTC intends to conduct this review over 3 phases. Phases 1 and 2 are more exploratory in nature, whereas in Phase 3 we will act on what we learned in the first two phases.

[Phase 1: Tell us what you think](#)

[Phase 2: We will share what you said](#)

[Phase 3: Shaping a renewed television system](#)

**Phase 1: Tell us what you think***(a) Join the online discussion forum*

The CRTC has launched an online discussion forum today. Share your views and exchange with other Canadians at [www.crtc.gc.ca/talktv](http://www.crtc.gc.ca/talktv).

*(b) Host a “Flash!” conference*

This is a unique way of participating in the conversation. It allows anyone to hold a volunteer-organized conference to discuss and explore the issues. The aim of the conference is to facilitate participation at the ‘grassroots level’ and gather a set of positive and realistic contributions. The outcomes of the conference will then be summarized in a report filed with the CRTC. Additional information regarding these conferences can be found at [www.crtc.gc.ca/eng/com300/cwc1.htm](http://www.crtc.gc.ca/eng/com300/cwc1.htm).

*(c) Use the form on our website*

Provide your comments through our [Comment/answer form](#).

*(d) Write to us*

Send your letters to CRTC, Ottawa, Ontario K1A 0N2, email us at [talktv@crtc.gc.ca](mailto:talktv@crtc.gc.ca) or fax us your message at 819-994-0218.

*(e) Phone us*

You can also leave us your comments in the form of a message by calling the following toll-free number: 1-800-368-0390.

In Phase 1, the CRTC will accept all letters and comments it receives by **22 November 2013**. The “Flash!” conferences are subject to a different timetable.

**Phase 2: We will share what you said**

Following Phase 1, the CRTC will publish a report on all your input. Your input in Phase 1 will also serve to structure an interactive questionnaire. This questionnaire will invite Canadians to engage in a more in-depth and personal deliberation around specific issues. You will be asked to make tough choices between certain options. The questionnaire will be posted on the CRTC’s website and paper copies will also be available.

This report and questionnaire will help us validate your input and serve as a basis for discussion for the third phase of the conversation, shaping a renewed television system.

**Phase 3: Shaping a renewed television system**

In Phase 3, the CRTC will propose new approaches for the Canadian television system to be discussed at a public hearing in September 2014. All of your input will be part of the

record of this hearing and will be available on the CRTC's website at [www.crtc.gc.ca](http://www.crtc.gc.ca). Further details concerning this public hearing will be provided in a notice of consultation to be published at a later date.

### **Things you should know about participating...**

To help you participate, in what follows, the CRTC has put together some background information, facts and questions on Canadian television. We're inviting you to provide your thoughts, comments and suggestions based on three broad themes:

- **Programming**: What do you think about what's on television?
- **Technology**: What do you think about how you receive television programming?
- **Viewer toolkit**: Do you have enough information to make informed choices and seek solutions if you're not satisfied?

This conversation is public and as such the information you provide (for example, your name, email and other contact information) will become part of a publicly accessible file and will be posted on the CRTC's website. However, a general search of the CRTC's website or through a third-party search engine will not provide access to specific personal information, and the information you provide to the CRTC will only be used and disclosed for purposes that are consistent with this conversation and any subsequent proceedings.

Pursuant to section 7 of the *Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure* (the Rules), the Commission is dispensing with the Rules for this notice of invitation. The process that will apply is set out in this notice. Any follow-up proceedings that may arise as a result of the current process will, unless otherwise noted, be subject to the Rules.

We encourage you to follow the progress of this conversation through our website since additional information may be added that you may find useful when participating. You can also follow us on Twitter [@crtceng](https://twitter.com/crtceng) and track conversation-specific issues using the #TalkTV #CRTC hashtags.

We look forward to hearing what you have to say.

## To get the conversation going... Why have a conversation on television now?

The way Canadians access television programming is changing. We need to make sure that the approach we adopt provides Canadians with access to a world-class television system.

The way Canadians experience television is also changing. Sixty years ago, we gathered around a single box in the living room and jiggled the rabbit ears to tune in a handful of channels. Today, Canadian viewing experiences are as varied as Canadians themselves— from the young urbanite who watches the highlights of last night’s hockey game on a tablet to the senior citizen on a fixed income who relies on traditional television to stay informed on what goes on in the community. The majority of Canadians still receive their programming through a cable or satellite provider. Some watch free over-the-air television. Increasingly, however, Canadians watch television on a wide range of devices, from handheld smart phones to huge home theatre television screens, and more and more are connecting their televisions to the Internet.

*On average, Canadians watch 28 hours of television a week.*

*In Francophone markets, 63.2% of these hours are to Canadian French-language programs.*

*In Anglophone markets, 43.8% of these hours are to Canadian English-language programs.*

*Additionally, Canadians between the ages of 18 and 34 watch Canadian television slightly more than those aged 39-45 (20% and 19% of their viewing time respectively). Canadians between the ages of 50 and 64 spend 25% of their viewing time watching Canadian television.*

*Almost 99% of viewing in the Quebec Francophone market is to Canadian television channels, while 86% of viewing outside of Quebec is to Canadian services. Viewing to Canadian programs differs in Anglophone and Francophone markets. Of the top 20 programs broadcast in Anglophone markets in 2011-2012, only 7 were Canadian, 6 of those being sports-related. In the Francophone market, all of the top 20 programs were Canadian and none were sports-related.*

How Canadians choose to watch television is also changing. While many Canadians still watch scheduled programming, we increasingly choose when to watch our programs, whether recorded on personal video recorders or accessed through video-on-demand or online services such as Tou.tv, Netflix and YouTube. Today, video content is accessible just about anywhere, anytime. As a result, Canadians’ expectations have changed.

In light of these changes, our broadcasting system has to be healthy, diverse and responsive enough to meet the expectations of all Canadians today and in the future.

### Who we are and what we do

The CRTC regulates and supervises the broadcasting industry to ensure that it meets the needs of Canadians. The *Broadcasting Act* provides the CRTC with its marching orders by setting out the objectives for the Canadian broadcasting system. These include:

- providing Canadians with a wide range of programming that reflects Canadian attitudes, opinions, ideas, values and artistic creativity. The programming provided should be adaptable to changes in technology and affordable.
- protecting the interests of Canadians. For example, the programming provided should:
  - provide information and analysis concerning Canada and other countries from a Canadian point of view;
  - be accessible to people with disabilities; and
  - reflect the circumstances and aspirations of Canadian men, women and children, including equal rights, the linguistic duality and multicultural and multiracial nature of Canadian society and the special place of aboriginal peoples in our society.
- supporting Canadian creators so that they can provide Canadians with varied and compelling creative content that is drawn from local, regional, national and international sources and that is available on a range of platforms.

In order to meet these important objectives, the CRTC has required the broadcasting industry to follow certain rules. Now we are asking if these rules are still the best way to achieve our goals or if the changing television environment calls for a fresh approach.

## **Theme 1**

### **Programming: What do you think about what's on television?**

#### **Introduction**

You may be a sports fan or a news junkie. Or maybe your preferences go to documentaries, films, sitcoms or children's programs. Perhaps you're most drawn to local or regional programming or maybe you want Hollywood or international content.

If you subscribe to cable or satellite, as you browse through your TV guide, you may notice you have access to all kinds of television channels, some part of your basic package, others to which you can choose to subscribe. In fact, there are now more than 700 television services authorized to broadcast in Canada.

#### **Background**

One of the CRTC's roles is to make sure Canadians have access on various platforms to compelling television programming in English and French both from within and outside Canada. The creation of high-quality Canadian programs can be challenging for our television industry given that Canada has a small population spread over a very large territory and is neighbour to a powerhouse of English-language programming. The French-language television market faces its own unique challenges given that Canada's

Francophone population is even smaller than its Anglophone population and mainly concentrated in Quebec, with a small proportion of Francophones spread over the rest of the country.

Currently, the CRTC requires broadcasters and television service providers to contribute to the creation, presentation and promotion of Canadian programs using predominantly Canadian resources. Broadcasters such as CTV, CBC/Radio-Canada, TVA and Global must devote a portion of their schedule to Canadian programs and spend a certain amount of their revenues on the production and/or purchase of Canadian programs. Television service providers such as Rogers, Videotron, Shaw and Bell must contribute a certain percentage of their revenues to funds that support Canadian programming. Cable companies can also use some of this money to operate community channels in the communities they serve.

*In 2011-2012, broadcasters spent \$2.9 billion on Canadian programming, including \$411.2 million (14%) on Canadian dramas/comedies.*

*Cable and satellite TV service providers \$394 million to finance the production of Canadian programming.*

### **A new environment**

As content sources and viewing platforms multiply and consumer habits change, one of the CRTC's challenges is to ensure the continued availability of programming, including high-quality Canadian programming, that is diverse and meets the needs and interests of all Canadians.

In a 700+ channel universe, competition for your viewing time is fiercer now than ever. The size of an audience contributes to the creation of Canadian programs.

### **Questions**

1. What television programs are most important to you (children's programming, comedy, documentaries, drama, feature films, news, sports, reality TV, variety, other)? Why?
2. Do you know which of the television programs you watch are Canadian? If so, how do you know which programs are Canadian? Would it be important for you to know which programs are Canadian? Why?
3. What programs do you consider to be local television programming—programs about your city, your province, other? How important is local news to you? Why? How important is community access programming and "community TV" to you? Why?
4. Do you think the programming on television is fully reflective of Canada's cultural, ethnic, linguistic, geographic and demographic diversity? If not, what's missing? How important is reflection to you? Why?

5. What do you think programming will look like in the next 5 to 10 years? Why? Would you be satisfied with that situation? Why?

## Theme 2

### Technology: What do you think about how you receive television programming?

#### Introduction

You may like watching television on the big screen in your living room. Or maybe you want to catch videos on-the-go on your smart phone or tablet. Or maybe a little (or a lot) of both. Your television may be received by cable, satellite or Internet Protocol TV (IPTV). You may prefer to watch video content over the Internet or just get local signals on your television set. Maybe you watch content live, record it for later or watch it on-demand or online.

#### Background

In the 1960s and 1970s, cable companies emerged onto the Canadian broadcasting scene, extending the reach of local over-the-air television channels and providing Canadians with a higher quality viewing experience. They were joined in the mid-1990s by satellite providers and more recently by telephone companies, thus increasing the options consumers have when looking for a way to get their television services.

The majority of cable and satellite companies offer channels to their customers in packages containing many different types of channels. Most also offer theme packages and some even offer a more flexible “pick-a-pack” or “pick-and-pay” options.

There are both technological and business reasons why television channels have typically been provided in larger set packages. For one, old analog technology prevented cable companies from offering TV channels on an individual basis. It was most practical then for cable companies to create bigger packages containing a large variety of channels that were meant to appeal to the broadest number of viewers.

Both television service providers and broadcasters also found that larger packages ensured reasonably predictable revenues and offered value to customers. These packages also provided support to more niche programming services as these services play a

*Past Canadian programs such as “DeGrassi,” “Corner Gas,” “Passe-Partout” and “la Petite Vie” have been true Canadian success stories.*

*In Canada’s Anglophone market, “Flashpoint,” “Rookie Blue” and “The Listener” consistently receive more than a million viewers, on par with many popular American shows. Recently, “The Amazing Race Canada” was able to pull in more than 3 million Canadian viewers.*

*In the Francophone market, all of the top 20 programs, including “Unité 9,” “Le Banquier” and “19-2” attracted more than 1.3 million viewers. “Bye Bye 2012” was watched by almost 3.5 million people, and “La Voix” had audiences of 2.3 million.*

valuable role in serving the diverse needs and interests of Canadians but might not survive in a “pick-and-pay” world. Packaging is usually the result of business negotiations between broadcasters and television service providers.

The CRTC requires distributors to provide their subscribers with more Canadian television channels overall than non-Canadian television channels. Other than that, the CRTC has a limited number of rules regarding how Canadian and non-Canadian services should be packaged together. They deal with specific types of services such as adult channels and third-language programming services.

### **A new environment**

New technologies have allowed the viewing of video content to become a more customized experience, which has increased expectations with respect to traditional TV consumption. The CRTC has been hearing more and more from Canadians who would like to be able to pay for and watch only the programming they want. This may suit some viewers, but not others who may be happy with the value they get from larger packages of channels.

### **Questions**

1. How do you prefer to watch television—on a traditional television set, online, on a smart phone, etc.? Why? How do you usually watch television programs—live, on-demand, recorded on a PVR, other? Why?
2. If you subscribe to cable TV or satellite TV, how satisfied are you with the way your channels are packaged?
3. What type of television service do you subscribe to—cable TV, satellite TV, Internet Protocol TV (IPTV) or other? Do you intend to stay with your type of television subscription in the next few years or switch to something else? What would make you stay? What would make you switch?
4. How do you think we will receive and watch television in Canada in the next 5 to 10 years? Why? Would you be satisfied with that situation? Why?

*According to a 2012 survey:*

- *42% of Canadians have a personal video recorder (PVR), 51% have a smart phone and 26% have a tablet*
- *18% watch video-on-demand provided by a cable company*
- *4% watch only TV online*
- *6% watch over-the-air TV*
- *58% of Anglophones and 61% of Francophones don't watch Internet TV*
- *33% of Anglophones and 36% of Francophones watch both Internet TV and 'traditional' TV*
- *21% of Anglophones and 5% of Francophones subscribe to Netflix*

### Theme 3

## Viewer toolkit: Do you have enough information to make informed choices and seek solutions if you're not satisfied?

### Introduction

The content of television can be compelling to some but of questionable quality or offensive to others. How this content is aired and accessed is a delicate balance between freedom of expression and a respect for community standards. An overwhelming majority of Canadians receive their television programming from cable or satellite providers. Whether it is programming, billing or customer service issues, an important goal for the CRTC is providing Canadians with the tools they need to make informed choices about programming for themselves and their families.

*Changes to Canadian television affect certain segments of the Canadian population more directly.*

*When channels are removed or repackaged, the CRTC hears about it. Just in the past 6 months, the CRTC has received 220 such complaints.*

*When rates increase, Canadians voice their concerns. In the past 6 months, the CRTC has received 181 such complaints.*

### Background

Most households in Canada have the choice of more than one television distributor. Some of these are large integrated companies who can combine or “bundle” television offerings with other services such as wireless and traditional telephone. Others are smaller local companies who specialize in providing television content and nothing else.

The CRTC has, in cooperation with broadcasters and television service providers, developed codes of conduct and organizations, such as the Canadian Broadcast Standards Council, whose purpose is to respond to Canadians’ concerns about the television services they receive.

The CRTC also currently enforces certain rules that apply to programming, including rules designed to protect children from inappropriate programming and other rules designed to make sure that programming is accessible to persons with disabilities.

*In 2012, the CRTC handled 4,761 broadcasting-related complaints: 1,032 related to billing, 673 to signal substitution, 653 to choice in programming packages, 1,316 to broadcasting content, 252 to closed captioning and 36 to described video.*

*Most programming-related complaints are handled by the Canadian Broadcast Standards Council (CBSC). Some are dealt with by the CBC ombudsman, who responds to complaints about CBC’s journalistic standards and practices.*

**A new environment**

Bundling services can provide Canadians with a “one-stop shop” for all their communication needs. However, because of the number of competing television service providers, Canadians need to be empowered with the right information to make informed choices about their service provider(s).

**Questions**

1. How satisfied are you that your television service provider supplies the information you need to understand your service options, including packaging and pricing?
2. Are you experiencing barriers that prevent you from changing your television packages or switching to another television distributor? If so, what are those barriers?
3. How satisfied are you that your television service provider supplies the information you need to make informed choices about programming that you may consider inappropriate for you or your family?
4. Do you have a visual or hearing impairment? If so, how satisfied are you with the tools available to enable you to share in our television culture?
5. Do you know where you can voice your concerns over television content, your television services and bills?
6. How do you think we will make informed content choices as program viewers and consumers in Canada in the next 5 to 10 years? Why? Would you be satisfied with that situation? Why?

**Conclusion**

We hope that these facts and questions have provided you with an interesting starting-point to begin the conversation on the future of Canadian television. This is what we think, but don't feel constrained with what we've put forward. We look forward to hearing from you, your colleagues, your friends and your family. Thanks for participating.