



Broadcasting Decision CRTC 2007-168

Ottawa, 8 June 2007

CanWest MediaWorks Inc.

Red Deer, Calgary and Edmonton, Alberta

Applications 2006-1041-1 and 2006-1042-9, received 18 August 2006

Public Hearing at Calgary, Alberta

12 February 2007

CHCA-TV Red Deer – New transmitters in Calgary and Edmonton

*The Commission **approves** the application by CanWest MediaWorks Inc. (CanWest) to amend the broadcasting licence for the television programming undertaking CHCA-TV Red Deer, in order to operate a transmitter in Edmonton. The Commission **approves in part** the application by CanWest to amend the broadcasting licence for the same television programming undertaking, in order to operate a transmitter in Calgary.*

CanWest must submit, within three months from the date of this decision, an amendment to its Calgary application proposing the use of technical parameters that are acceptable to both the Commission and the Department of Industry.

Introduction

Background

1. In Broadcasting Public Notice 2006-3, the Commission announced that it had received applications for broadcasting licences to carry on television programming undertakings to serve Calgary and Edmonton and called for applications from other parties wishing to obtain such licences for Calgary and/or Edmonton. The Commission also set out the matters that applicants should address, including, but not limited to, the contribution of the proposed services to the objectives of the *Broadcasting Act* and, in particular, to the production of local and regional programming; the expected audience of the proposed services; the expenditures and the means by which the applicants would promote the development of Canadian talent, including local and regional talent; the applicants' business plans; and market considerations.
2. In Broadcasting Notice of Public Hearing 2006-13, the Commission announced that a public hearing would be held in Calgary commencing on 12 February 2007 to consider a number of applications proposing television programming services to Calgary and Edmonton, some of which were mutually exclusive from a technical standpoint. All of the applicants submitted applications to serve both the Calgary and Edmonton markets. The Commission stated that it would treat these applications as competitive for their

respective markets. As part of the process that followed, the Commission received and considered interventions with respect to each of the applications. The public record for this proceeding, as well as details regarding the applications, is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings."

Applications

3. Among the applications received were two applications from CanWest MediaWorks Inc. (CanWest) to amend the broadcasting licence for the television programming undertaking CHCA-TV Red Deer, in order to operate a transmitter in Edmonton and in Calgary.

Market impact

4. Based on its analysis both of growth projections for advertising revenues for the Alberta market as a whole and of the record of the Calgary hearing, which includes data submitted by the applicants, the Commission has determined that the Calgary and Edmonton television broadcasting markets can each support, without undue negative impact, the licensing of additional television services. Accordingly, in Broadcasting Decision 2007-166, also issued today, the Commission has awarded new licences to Rogers Broadcasting Limited to operate multilingual ethnic television programming undertakings to serve Calgary and Edmonton. In Broadcasting Decision 2007-167, the Commission has also approved applications by Crossroads Television System for licences to operate English-language religious television programming undertakings to serve both Calgary and Edmonton.
5. Given the strong health of the Calgary and Edmonton television markets, the Commission considers that these markets could sustain further competition from the addition of new transmitters of the signal of CHCA-TV without undue negative impact on incumbent services. Accordingly, in the following section, the Commission assesses the applications by CanWest in light of the issues identified in Public Notice 2006-3 and more particularly, given that it is not proposing to establish new stations with local programming, in light of its commitments to maintain a service that is dedicated to Red Deer and its commitments to Aboriginal initiatives and the Alberta independent production community.

Assessment of the applications

Local service dedicated to Red Deer

6. CanWest indicated that it is committed to maintaining CHCA-TV's local programming orientation. To ensure that the station's local programming remains dedicated to Red Deer, CanWest proposed to devote, by condition of licence, not less than 75% of the content of CHCA-TV's local programming, including news, to material targeting the Red Deer extended market. It defined the Red Deer extended market as the area that makes up the BBM Bureau of Measurement's cell numbers 8080 and 8060. The applicant further agreed not to solicit local advertising in Calgary or Edmonton.

Aboriginal initiatives

7. In support of its application, CanWest proposed to increase its commitment toward the National Aboriginal Achievement Awards. CanWest committed to continue to broadcast the Awards on all Global and CH stations in prime time and to contribute \$100,000 annually toward the production of the program for the next three years. Furthermore, CanWest would produce and broadcast annually a series of vignettes highlighting the achievements of each award recipient. The vignettes would be 1 to 2 minutes long and would be made available to all Canadian broadcasters at no cost.
8. CanWest also committed to create and broadcast on the early evening news of CHCA-TV a weekly feature (for a total of 52 features) focusing on Aboriginal activities and issues. All of these features would be produced in-house at the CHCA-TV Red Deer studio. Furthermore, it would develop two half hour programs from the highlights of these features and broadcast them on its other CH stations.
9. Finally, CanWest indicated that it would create three four-month paid internships at one of its Alberta-based television stations for Aboriginal post-secondary students enrolled in a broadcast program.

Independent production

10. CanWest committed to establish a \$10.5 million fund to support Alberta's independent production community. The fund would be dedicated to the development of priority programming in the drama and documentary categories and would be accessible to all broadcasters. It would be independently administered by the Independent Production Fund (IPF). The IPF would assign a dedicated person in Alberta to administer funds and to act as a liaison with the production industry. CanWest agreed to accept this commitment as a condition of its licence. CanWest further indicated that it would file annual reports with the Commission outlining its activities related to independent production.

Commission's determinations

11. The Commission is satisfied with the applicant's funding commitments to independent production. This funding will benefit independent production in all of Alberta, including Calgary and Edmonton. The Commission also notes the applicant's commitments to strengthen programming for Aboriginal audiences in Alberta and the rest of Canada.
12. Approval of these applications would require an exception to the Commission's common ownership policy with respect to the transmitters in Calgary and Edmonton. This policy generally permits ownership, by one party, of no more than one conventional television station in one language in a given market. The Commission considers that, in this case,

an exception is warranted given the applicant's commitments with respect to local programming, which will ensure that the service continues to focus on Red Deer. More importantly, the Commission considers that the approval of these applications will help the Red Deer community maintain its local television service.

13. In light of the above, the Commission **approves** the application by CanWest MediaWorks Inc. to amend the broadcasting licence for the television programming undertaking CHCA-TV Red Deer, in order to operate a transmitter in Edmonton.
14. The Commission notes that CanWest's proposed technical parameters for Calgary are technically mutually exclusive with those proposed by Rogers Broadcasting Limited and approved today in Broadcasting Decision 2007-166. Accordingly, the Commission **approves in part** the application by CanWest MediaWorks Inc. to amend the broadcasting licence for the same television programming undertaking, in order to operate a transmitter in Calgary. As set out in the appendix to this decision, CanWest must submit, within three months from the date of this decision, an amendment to its Calgary application proposing the use of technical parameters that are acceptable to both the Commission and the Department of Industry.
15. Furthermore, given that CanWest has no local programming commitments for the Calgary and Edmonton markets, the Commission is imposing a **condition of licence** requiring the licensee to refrain from soliciting local advertising in those markets, as set out in the appendix to this decision.

Employment equity

16. Because this licensee is subject to the *Employment Equity Act* and files reports concerning employment equity with the Department of Human Resources and Skills Development, its employment equity practices are not examined by the Commission.

Secretary General

Related documents

- *Ethnic television stations in Calgary and Edmonton*, Broadcasting Decision CRTC 2007-166, 8 June 2007
- *Religious television stations in Calgary and Edmonton*, Broadcasting Decision CRTC 2007-167, 8 June 2007
- Broadcasting Notice of Public Hearing CRTC 2006-13, 14 December 2006
- *Call for applications for broadcasting licences to carry on television programming undertakings to serve Edmonton and / or Calgary, Alberta*, Broadcasting Public Notice CRTC 2006-3, 12 January 2006

- *Competing applications proposing the introduction of new, over-the-air television services at Calgary and Edmonton*, Broadcasting Decision CRTC 2004-98, 26 February 2004
- *Licence renewal for CKRD-TV*, Decision CRTC 2001-458-11, 2 August 2001
- *Licence renewals for the television stations controlled by Global*, Decision CRTC 2001-458, 2 August 2001
- *Building on success – A policy framework for Canadian television*, Public Notice CRTC 1999-97, 11 June 1999

This decision is to be appended to the licence. It is available in alternative format upon request and may also be examined in PDF format or in HTML at the following Internet site: <http://www.crtc.gc.ca>

Appendix to Broadcasting Decision CRTC 2007-168

Terms and conditions of licence

Terms

Licence amendment for CHCA-TV Red Deer

The station in Edmonton will operate on channel 17C with an effective radiated power of 92,000 watts.

The licensee must submit, within three months from the date of this decision, an amendment to its application for a transmitter in Calgary proposing the use of technical parameters that are acceptable to both the Commission and the Department of Industry (the Department).

The Commission reminds the licensee that, pursuant to section 22(1) of the *Broadcasting Act*, this authority will only be effective when the Department notifies the Commission that its technical requirements have been met, and that a broadcasting certificate will be issued.

The transmitters must be operational at the earliest possible date and in any event no later than 24 months from the date of this decision, unless a request for an extension of time is approved by the Commission before 8 June 2009. In order to ensure that such a request is processed in a timely manner, it should be submitted in writing at least 60 days before that date.

Conditions of licence

The licensee is subject to the current conditions of its licence as well as to the following conditions:

1. a) The licensee shall broadcast, at a minimum, in each broadcast year, an average of eight hours per week of Canadian programs in the priority program categories between 7 p.m. and 11 p.m., from Monday to Sunday, which are wholly separate and distinct from the eight hours of priority programming to be broadcast on CIII-TV. As defined in *Definitions for new types of priority programs; revisions to the definitions of television content categories; definitions of Canadian dramatic programs that will qualify for time credits towards priority programming requirements*, Public Notice CRTC 1999-205, 23 December 1999 (Public Notice 1999-205), the priority program categories are:

Canadian drama programs; Canadian music and dance and variety programs; Canadian long-form documentaries; Canadian regionally-produced programs in all categories other than News and information and Sports; Canadian entertainment magazine programs.

- b) For the purpose of fulfilling the above-noted condition, the licensee may claim the dramatic programming credit set out in Public Notice 1999-205, as amended from time to time.
2. The licensee shall devote not less than 75% of the content of its local programming, including news, to material targeting the Red Deer extended market. For the purposes of this condition of licence, the Red Deer extended market is the area that makes up the BBM Bureau of Measurement's cell numbers 8080 and 8060.
 3. The licensee shall not solicit local advertising in Calgary and Edmonton.
 4. The licensee shall expend, over seven broadcast years, \$10.5 million on priority programming produced in Alberta.