



Broadcasting Decision CRTC 2017-146

PDF version

References: 2016-225, 2016-225-1, 2016-225-2, 2016-225-3 and 2016-225-4

Ottawa, 15 May 2017

Groupe V Média inc.

Across Canada

Application 2016-0019-8, received 11 January 2016

Public hearing in Laval, Quebec

22 November 2016

Groupe V Média inc. – Licence renewals for French-language network, television stations and services

*The Commission **renews** for a period of five years the broadcasting licences for the various French-language television services that will form the Groupe V Média inc. group of services, from 1 September 2017 to 31 August 2022.*

Application

1. Groupe V Média inc. (Groupe V Média) on behalf of the licensees listed in Appendix 1 to this decision, filed an application to renew the broadcasting licences for the television network, television stations and discretionary services also listed that appendix. Groupe V Média requested that the licences for its services be renewed under the group-based approach.
2. The Commission received several interventions in regard to the application. The public record for this proceeding can be found on the Commission's website at www.crtc.gc.ca or by using the application number provided above.

Commission's analysis and decisions

3. The Commission's determinations relating to the relevance of applying the group-based licensing approach to the Groupe V Média services and the implementation of this approach, as well as the determinations relating to issues common to all of the French-language ownership groups, are set out in Broadcasting Decision 2017-143 (the Introductory Decision), also issued today, which should be read in conjunction with this decision.
4. In the Introductory Decision, the Commission set out its determinations on various issues, including setting a standard minimum requirements for Canadian programming expenditures (CPE) and expenditures on programs of national interest (PNI), as well as establishing standard requirements with respect to local

programming and local reflection. These determinations are reflected below and in the conditions of licence for the Groupe V Média services.

5. After examining the public record for this application in light of the Introductory Decision as well as applicable regulations and policies, the Commission considers that the issues it must address in this decision relate to the following:
 - the composition of the group;
 - Canadian programming expenditures;
 - expenditures on programs of national interest;
 - independent production expenditures;
 - reflection of regions and official language minority communities (OLMCs);
 - local programming and local news;
 - the expenditure threshold for locally reflective news; and
 - financial contributions to the Remstar Fund.

Composition of Groupe V

6. In its licence renewal application submitted to the Commission, Groupe V Média indicated that it wished to avail itself of the group-based approach and proposed to create a designated group that would include its network, its five television stations (CFAP-DT Québec, CFJP-DT Montréal, CFRS-DT Saguenay, CFKS-DT Sherbrooke and CFKM-DT Trois-Rivières), and its two discretionary services MusiquePlus and MAX (formerly MusiMax), acquired in 2014.¹
7. In support of its application, Groupe V Média indicated that the flexibility of the group-based approach and of a lightened regulatory framework would allow it to react quickly to important changes in the competitive landscape and to changes in the viewing habits of television viewers, while ensuring that it would continue to devote a substantial portion of its programming expenditures to Canadian programming.
8. The Commission considers that Groupe V Média's request to avail itself of the group-based approach is appropriate and responds to the Commission's invitation set out in Broadcasting Regulatory Policy 2015-86. This approach will allow the group to benefit from greater flexibility with respect to the allocation of its resources, in order to better meet the audience's needs.

¹ See Broadcasting Decision 2014-465.

9. In light of the above, and in accordance with the determinations set out in the Introductory Decision, the Commission determines that Groupe V Média's group of services (Groupe V) will consist of the following services:

- its network known as V Montréal;
- CFAP-DT Québec;
- CFJP-DT Montréal;
- CFRS-DT Saguenay;
- CFKS-DT Sherbrooke;
- CFKM-DT Trois-Rivières;
- MusiquePlus; and
- MAX.

Canadian programming expenditures

10. The Groupe V television stations are currently not subject to any CPE requirements, whereas the discretionary services MusiquePlus and MAX are each subject to a CPE threshold of 31%.

11. Groupe V Média proposed that Groupe V be subject to a common CPE threshold of 50% calculated according to the total programming expenditures for the current broadcast year. In the event that the Commission were to instead opt for a CPE threshold calculated according to gross revenues of the previous broadcasting year, Groupe V Média requested that the group's services be subject to expenditure requirements that differ according to the following thresholds: 25% for the television stations; 31% for MusiquePlus; and 17% for MAX.

12. The Alliance des producteurs francophones du Canada (APFC) (supported by the Fédération culturelle canadienne-française (FCCF)), On Screen Manitoba, the Association québécoise de la production médiatique (AQPM) and the Association québécoise de l'industrie du disque, du spectacle et de la vidéo (ADISQ) requested that the Commission require Groupe V to adhere to the fundamental parameters of the group-based approach (PNI, CPE, method of calculation based on gross revenues from the previous broadcast year, etc.). The interveners further requested that the Commission impose on Groupe V CPE requirements expressed as a percentage of revenues, based on the historical average for the past three years. The AQPM, the APFC (supported by the FCCF) and ADISQ also proposed a CPE requirement of 48% of gross revenues of the previous broadcast year.

13. The Conseil provincial du secteur des communications (CPSC) proposed that the Commission impose on each of Groupe V's discretionary services (MAX and

MusiquePlus) a CPE threshold of 50% calculated according to each service's programming expenditures and a requirement to devote at least 35% of the content broadcast during the broadcast day to the exhibition of Canadian programming.

Commission's analysis and decision

14. In the Broadcasting Regulatory Policy 2015-86, the Commission stated that it would impose CPE thresholds on new designated groups based, on historical expenditure percentages.
15. The average CPE for Groupe V between 2013 and 2015, calculated according to the previous broadcast year's gross revenues, was approximately 48%. However, the group's CPE have consistently decreased since 2013. According to the projections provided by Groupe V Média in support of its application, this trend should continue throughout the next licence term.
16. Groupe V Média proposed a CPE threshold of 50% of programming expenditures of the current year. Based on the projections provided by Groupe V Média, the Commission finds that this would be equivalent to a CPE threshold of 29% for the next licence term, when calculated according to the group's gross revenues of the previous broadcast year. This 29% threshold is considerably lower than the group's historical expenditures threshold (approximately 48%).
17. However, given the group's financial position, the Commission is of the view that too high a threshold could be problematic for Groupe V, for the following reasons:
 - Groupe V does not carry the same competitive weight in the French-language broadcasting ecosystem compared to other groups. Further, it receives a performance envelope from the Canada Media Fund that is smaller than that of the other groups.
 - Groupe V Média has recently acquired MusiquePlus and MAX, which are currently being completely restructured, as reflected in the group's financial projections.
18. The Commission therefore considers that a threshold of 35% would allow for the stabilization of the group's CPE, while making an adequate compromise between the group's historical level of spending and the CPE threshold proposed by both Groupe V Média and the interveners. The Commission considers that with the flexibility provided by the group-based approach, a common threshold for discretionary services and television stations is appropriate.
19. In light of the foregoing, the Commission imposes on Groupe V's television services a **condition of licence** requiring the group's services to devote 35% of the previous broadcast year's gross revenues to CPE.
20. In accordance with the determinations set out in the Introductory Decision, the services will be able to share CPE among themselves and benefit from credits if

Groupe V makes expenditures for programming produced by Indigenous producers or producers from OLMCs.

Expenditures on programs of national interest

21. Groupe V television stations do not have any PNI expenditure requirements, but are subject to exhibition requirements relating to priority programming.
22. Groupe V Média stated that over the past three years, the percentage of expenditures that its television stations have devoted to PNI has tripled, despite the lack of a condition of licence to that effect. It objected to the imposition of a PNI threshold. At the hearing, however, Groupe V Média indicated that should the Commission find it necessary, a PNI threshold of 10% calculated on the basis of revenues would be appropriate.
23. The AQPM, the Association des réalisateurs et réalisatrices du Québec (ARRQ) / the Union des artistes (UDA) / the Société des auteurs de radio, télévision et cinéma (SARTEC) and ADISQ requested that the Commission require Groupe V to adhere to the basic parameters of the group-based approach and impose PNI requirements as a percentage of revenues, based on the historical average for the past three years. The AQPM, supported by the APFC, proposed a PNI expenditure threshold of 15% of Groupe V's previous year's revenues.
24. In its reply, Groupe V Média maintained its position that a PNI expenditure requirement is not necessary, given that it intends to continue investing in this type of programming over the next licence term. Specifically, it plans to devote to PNI between 20% and 25% of all of its CPE from 2017 to 2021.

Commission's analysis and decision

25. The Commission is of the view that a PNI expenditure requirement is necessary to ensure that services in the French-language market continue to provide a wide range of programming, especially in the program categories that are the most difficult to produce and profit from. In fact, the Commission considers that drama programming, full-length documentaries, and music, dance and variety programming are preferred vehicles for conveying Canadian attitudes, opinions, ideas, values and artistic creativity in the French-language market.
26. The Commission has taken into account Groupe V's historical expenditures and projections, and accordingly has set the group's PNI expenditure threshold at 10%. In light of these projections, this threshold will allow the group to benefit from the flexibility needed to remain competitive in the market, while ensuring that it continues to invest in a wide variety of programs.
27. In light of all of the above, and pursuant to the determinations set out in the Introductory Decision, the Commission imposes on the Groupe V services a **condition of licence** requiring it to devote 10% of the previous broadcast year's gross revenues to PNI for all services included in the group.

Independent production expenditures

28. The Groupe V television stations are subject to an expenditure requirement for independent production. This requirement was imposed when Remstar Diffusion inc., a subsidiary of Groupe V Média, acquired TQS's television stations in 2008.²
29. Under the conditions of licence imposed in Broadcasting Decision 2008-129, the Groupe V television stations must spend at least \$4 million each year on independent production, and at least \$40 million on independent production over the seven years of the licence term.
30. Groupe V Média stated that for the 2008-2009 to 2014-2015 broadcast years, its television stations devoted almost \$225 million to programming produced by independent Canadian producers. It added that the business model it has advocated since 2008 is based on the systematic use of independent production for all programs broadcast, a model that has been extended to its discretionary services. Groupe V Média therefore requested that it not be subject to a requirement relating to independent production.

Commission's analysis and decision

31. Groupe V has relied almost exclusively on the services of independent producers to create original Canadian content since the company took over TQS's operations in 2008. It has maintained the same approach for its MusiquePlus and MAX services since their acquisition. The Commission notes with satisfaction that Groupe V has greatly surpassed its regulatory obligations regarding independent production for all its services.
32. Notwithstanding the foregoing, the Commission must nevertheless ensure that broadcasters make significant use of Canadian independent producers, consistent with the objectives of the *Broadcasting Act*.³ Therefore, as announced in the Introductory Decision, to ensure that large ownership groups continue to make significant use of Canadian independent producers, especially for productions in the program categories considered to be of national interest, the Commission imposes on the Groupe V services a **condition of licence** requiring 75% of the group's PNI expenditures to be devoted to programming produced by independent production companies.

Reflection of regions and official language minority communities

33. Groupe V Média requested the deletion of the expectation relating to the reflection of all regions of Canada, citing the fact that this expectation was imposed on the previous owner of MusiquePlus and MAX, namely, Astral Media inc. Groupe V

² See Broadcasting Decision 2008-129.

³ Section 3(1)(v) of the *Broadcasting Act*

Média claimed that this expectation is no longer adequate in the new environment resulting from Broadcasting Regulatory Policy 2015-86.

34. According to Groupe V Média, this is a generic expectation that was imposed on all Astral, Groupe TVA and Corus services at the last licence renewal for French-language services, to counter the “Montréalization” of the airwaves and thus promote better representation of all regions of Quebec and Canada.
35. The APFC noted that none of the 149 independent productions listed by Groupe V Média were produced by a production company based outside Quebec even though MusiquePlus and MAX are subject to an expectation that they reflect the regions of Quebec and Canada.
36. The APFC, On Screen Manitoba and FCCF proposed that the expectation relating to the reflection of all regions of Canada be replaced by a licence condition requiring that a percentage of PNI expenditures be devoted to independent production by independent French-language producers from OLMCs. For its part, DOC requested that the expectation to reflect all regions of Canada be imposed on all Groupe V services.

Commission’s analysis and decision

37. As stated in the Introductory Decision, the Commission considers that the reflection of the regions and OLMCs remains an important issue in the French-language market. The Commission therefore sets out the following expectation for all discretionary services of large ownership groups in that market, including the Groupe V services.

The Commission expects the licensee to ensure that the programs broadcast by the discretionary services adequately reflect all regions of Quebec, including those outside Montréal, as well as all regions of Canada. The Commission also expects the licensee to provide producers working in these regions with an opportunity to produce programs intended for these services.

Local programming and local news

38. The Groupe V television stations are currently subject to the following local programming requirements (number of hours per week):
 - CFAP-DT Québec: 10 hours;
 - CFJP-DT Montréal: 15 hours; and
 - CFRS-DT Saguenay, CFKS-DT Sherbrooke, and CFKM-DT Trois-Rivières: 1 hour and 30 minutes each.
39. Groupe V Média proposed that its television stations, with the exception of the Montréal station, be subject to a condition of licence requiring the broadcast of five hours of local programming per week, of which 2 hours and 30 minutes would be

locally reflective news. Groupe V Média added that this proposal is conditional on the deletion of the condition of licence currently imposed on its television stations requiring them to broadcast at least 30 minutes of Category 1 news programming on Saturdays and Sundays. Further, Groupe V Média requested that its Montréal station not be subject to any requirement relating to the broadcast of local programming.

40. Groupe V Média agreed to devote 5% of its stations' revenues to the acquisition of locally reflective news programming.
41. The CPSC requested that the Commission impose a condition of licence requiring each of the Groupe V television stations to broadcast at least 14 hours of local programming per week in metropolitan markets and at least 7 hours of local programming per week in non-metropolitan markets.
42. The CPSC and the Forum for Research and Policy in Communications (FRPC) also proposed to include only original first-run programs in calculating requirements for the exhibition of local programming, especially if the program presents content related to current events or consists of local news.

Commission's analysis and decisions

Groupe V station in Québec

43. In Broadcasting Regulatory Policy 2016-224, the Commission set out that the local programming requirements for commercial French-language stations would be assessed on a case-by-case basis, using a benchmark minimum of 5 hours of local programming per week. In light of the historical expenditures and the projections provided by the group, the Commission is of the view that the group's situation does not justify the imposition of a requirement that is higher than the benchmark minimum set out in that policy. Therefore, while Groupe V Média's proposal for CFAP-DT Québec is lower than the current regulatory requirements, the Commission considers that the proposed level is appropriate to strike a balance between the population's needs and Groupe V's capacity to meet them. In addition, as set out in Broadcasting Regulatory Policy 2016-224, the Commission has imposed new locally reflective news requirements that will allow for the on-screen reflection of the population of Québec.
44. In light of the foregoing, the Commission imposes a **condition of licence** requiring the broadcast of five hours of local programming per week on CFAP-DT Québec, including 2 hours and 30 minutes of locally reflective news, to ensure that an adequate level of local programming reflects the specific interests of viewers in the greater Québec area.

Groupe V stations in Saguenay, Sherbrooke and Trois-Rivières

45. The stations CFRS-DT Saguenay, CFKS-DT Sherbrooke and CFKM-DT Trois-Rivières must each broadcast 1 hour and 30 minutes of local programming per week under their current conditions of licence.

46. Groupe V Média agreed to broadcast five hours of local programming per week for each of its stations, as set out in Broadcasting Regulatory Policy 2016-224. The Commission considers that Groupe V Média's proposal to be appropriate, and therefore imposes a **condition of licence** requiring each of these stations to broadcast five hours of local programming per week, including 2 hours and 30 minutes of locally reflective news.

Groupe V station in Montréal

47. CFJP-DT Montréal is currently required to broadcast 15 hours of local programming per week in the greater Montréal area. Groupe V Média proposed to delete this requirement.

48. Groupe V Média stated that there is no need to impose local programming conditions of licence on this station since most of the programs broadcast on the V network originate from CFJP-DT Montréal. In addition, Groupe V Média noted that most of these programs meet the local relevance criterion because they are of interest to the Montréal community.

49. The Commission is not convinced by Groupe V Média's arguments that there is no need to impose local programming conditions of licence on CFJP-DT Montréal. Although this station is the parent station for the V network, not all programs broadcast by the network flagship station are necessarily of local relevance for the market served by CFJP-DT Montréal.

50. The Commission therefore considers it appropriate to require Groupe V to adhere to the minimal reference level set out in Broadcasting Regulatory Policy 2016-224. Accordingly, the Commission has imposed a **condition of licence** on CFJP-DT Montréal to broadcast at least 5 hours of local programming per week, including 2 hours and 30 minutes of locally reflective news. As is the case for the Québec station, a minimum broadcast threshold of 5 hours will allow for the on-screen reflection of the population of Montréal.

Expenditure threshold for locally reflective news

51. In Broadcasting Regulatory Policy 2016-224, the Commission announced that all licensees would be required to devote a certain percentage of their gross revenues from the previous broadcast year to locally reflective news. In accordance with the determinations set out in the Introductory Decision, the Commission imposes a **condition of licence** requiring the Groupe V stations to devote at least 5% of their gross revenues from the previous broadcast year to the acquisition of or investment in local news.

Financial contributions to the Remstar Fund

52. Groupe V Média requested the deletion of the conditions of licence requiring MusiquePlus and MAX to contribute annually to the certified independent production fund known as the Remstar Fund, which was created by Groupe V Média and is devoted to the promotion of Canadian musical artists.

53. Groupe V Média noted that with its new programming strategy, MusiquePlus will broadcast far fewer music programs and videos over the next licence term, allowing it to focus on broadcasting comedy and entertainment programming, as well as films. For its part, MAX will move away completely from the music genre. Groupe V Média argued that this request is consistent with Broadcasting Regulatory Policy 2015-86, in which the Commission announced the end of genre protection for Category A services.
54. ADISQ noted that for the music industry, the contribution by television services, especially television services specializing in music, is not only important, but crucial. It requested that the requirements tied to the musical nature of MAX be removed gradually over the next licence term and that a minimum percentage of the programming of MusiquePlus and MAX be devoted to music in all its forms, including musical works, music history and related personalities.
55. The Documentary Organization of Canada (DOC) requested that the Commission maintain the current requirements for the services MusiquePlus and MAX relating to the funding of Canadian music videos, even in the event that the nature of these services is no longer focused on music.
56. The Fédération nationale des communications (FNC) expressed concern over Groupe V Média's plan to remove from the broadcasting licences for MusiquePlus and MAX the requirements relating to the development and production of quality Canadian music that reflects all regions of Quebec.
57. In its reply, Groupe V Média reiterated that the broadcast of music videos has not been a part of the programming strategy for these two services since the summer of 2015. It noted, however, that its services will continue to contribute to a support program for the creation of videos until August 2017 to allow the industry to find new sources of funding. Finally, Groupe V Média indicated that it sees no relevance in continuing to impose conditions of licence that require MusiquePlus and MAX to financially support the production of music videos, given that these two services are no longer devoted to music, and that this type of regulatory requirement no longer exists since the issuance of Broadcasting Regulatory Policy 2015-86.

Commission's analysis and decisions

58. MusiquePlus and MAX have traditionally been vehicles for the broadcast of Canadian music in the French-language market, as much for their broadcast of programming devoted to music as their financial contributions to independent funds that aim to promote Canadian artists in the field of music.
59. As noted above, Groupe V Média created the Remstar Fund⁴ after it acquired MusiquePlus and MAX, into which it contributes part of the tangible benefits

⁴ The [Remstar Fund](#) supports the creation, production, distribution and promotion in Canada of new artistic and cultural works of all genres for broadcast on television and other digital media and platforms, especially the production of music videos and Canadian programs featuring musical talent in all its forms.

resulting from that transaction.⁵ The services are also subject to conditions of licence requiring annual financial contributions to that fund.

60. Moreover, genre protection allowed licensees of Category A services to benefit from a measure of protection against competition in a given genre. For each linguistic market, Category A services had their own specific genre, and the Commission ensured that no other service could compete directly with them, including Category B services. Further, licensees of Category A services enjoyed significant distribution privileges among terrestrial and direct-to-home broadcasting distribution undertakings (BDUs).
61. To offset these privileges, Category A services were subject to stricter regulatory requirements compared to Category B services. Broadcasting Regulatory Policy 2015-86 abolished genre protection, as well as related distribution privileges, and announced the creation of a single television licence category: the discretionary services category. Henceforth, with the exception of mainstream sports services and national news services, discretionary services are generally on an equal regulatory footing.
62. Groupe V Média's request is consistent with the new approach announced in Broadcasting Regulatory Policy 2015-86, which is reflected in the standard conditions of licence for discretionary services.⁶
63. In light of the foregoing, the Commission **approves** the deletion of the condition of licence requiring contributions to the Remstar Fund by the services MusiquePlus and MAX.
64. The Commission places great importance on the promotion of Canadian music and considers that it requires regulatory support. For this reason, the Commission considers programs from program categories 8 and 9 (music, dance and variety programming, music videos and music video programs) to be PNI.⁷ This measure will ensure that this type of program will remain present in the Canadian broadcasting system, while granting flexibility to licensees to select program categories that are the most appropriate for their services.
65. This amendment to the conditions of licence applicable to MusiquePlus and MAX does not modify Groupe V's obligation set out in Broadcasting Decision 2014-465 to continue directing the tangible benefits resulting from the transaction approved in that decision to a certified independent production fund until 2021.

⁵ See Broadcasting Decision 2014-465.

⁶ Set out in Appendix 2 to Broadcasting Regulatory Policy 2016-436

⁷ In the French-language market, PNI includes drama programs (category 7), full-length documentaries (category 2(b)) and music, dance and variety programming (categories 8 and 9).

Conclusion

66. In light of all of the above, the Commission **renews** for a period of five years the broadcasting licences for the French-language network, television stations and discretionary services that will form Groupe V and that are listed in Appendix 1 to this decision, under the applicable **conditions of licence** set out in Appendices 2 and 3. The licences will take effect on 1 September 2017 and expire on 31 August 2022.

Secretary General

Related documents

- *Renewal of licences for the television services of large French-language ownership groups – Introductory decision*, Broadcasting Decision CRTC 2017-143, 15 May 2017
- *Standard requirements for television stations, discretionary services, and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016
- *Let's Talk TV – The way forward – Creating compelling and diverse Canadian programming*, Broadcasting Regulatory Policy CRTC 2015-86, 12 March 2015
- *MusiquePlus and MusiMax – Change in effective control and licence amendments*, Broadcasting Decision CRTC 2014-465, 11 September 2014
- *Change in the effective control of TQS inc. and licence renewals of the television programming undertakings CFJP-TV Montréal, CFJP-DT Montréal, CFAP-TV Québec, CFKM-TV Trois-Rivières, CFKS-TV Sherbrooke, CFRS-TV Saguenay and of the TQS network*, Broadcasting Decision CRTC 2008-129, 26 June 2008

This decision and the appropriate appendices are to be appended to each licence.

Appendix 1 to Broadcasting Decision CRTC 2017-146

Services for which the broadcasting licences have been renewed

Network

Licensee	Name of service
V Interactions inc.	V Montréal

Television stations

Licensee	Call Sign / Location
V Interactions inc.	CFAP-DT Québec CFJP-DT Montréal CFKM-DT Trois-Rivières CFKS-DT Sherbrooke CFRS-DT Saguenay

Discretionary services

Licensee	Name of service
MusiquePlus Inc.	MusiquePlus MAX

Appendix 2 to Broadcasting Decision CRTC 2017-146

Terms, conditions of licence, expectation and encouragements applicable to Groupe V's network and television stations

Terms

The licences will take effect 1 September 2017 and expire 31 August 2022.

Conditions of licence, expectations and encouragements

1. The licensee shall adhere to the standard conditions of licence, expectations and encouragements for television stations set out in Appendix 1 to *Standard requirements for television stations, discretionary services and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016.

Canadian programming expenditures

2. In accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming at least 35% of the previous year's gross revenues of the undertaking.
3. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more television stations from Groupe V in the same broadcast year towards fulfilling the requirement set out in condition 2 as long as these expenditures are not used by those television stations towards fulfilling their own Canadian programming expenditure requirement.
4. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more discretionary services from Groupe V in the same broadcast year towards fulfilling a combined maximum of 25% of the requirement set out in condition 2 as long as these expenditures are not used by those discretionary services towards fulfilling their own Canadian programming expenditure requirement.
5. Subject to condition 6, the licensee may claim, in addition to its expenditures on Canadian programming:
 - a) a 50% credit against its Canadian programming expenditure requirements for expenditures made on Canadian programming produced by an Indigenous producer and claimed as Canadian programming expenditures during that broadcast year;
 - b) a 25% credit against its Canadian programming expenditure requirements for expenditures made on Canadian programming produced by an official language minority community producer and claimed as Canadian

programming expenditures during that broadcast year. The licensee may claim the credit if:

- (i) the programming is produced in the province of Quebec and the original language of production is English; or
 - (ii) the programming is produced outside the province of Quebec and the original language of production is French.
6. The licensee may claim the credits calculated in accordance with condition 5 until the expenditures made on Canadian programming produced by Indigenous producers and by official language minority community producers, including credits, reach a combined maximum of 10% of the Canadian programming expenditure requirement for Groupe V.

Programs of national interest

7. The licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest at least 10% of the previous year's gross revenues of the undertaking.
8. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more undertakings from Groupe V in the same broadcast year towards fulfilling the requirement set out in condition 7 as long as these expenditures are not used by those undertakings towards fulfilling their own expenditure requirement regarding programs of national interest.
9. At least 75% of the expenditures in condition 7 must be made to an independent production company.
10. The licensee shall, by 30 November of each year, provide for the previous broadcast year a report in a form acceptable to the Commission that contains information on the programs that were broadcast by all undertakings from Groupe V in regard to:
- programs of national interest;
 - the use of Indigenous and official language minority community producers, specifying notably for each: the number of producers they meet with each year; the projects commissioned, including projects in development, in production and completed; the budgets and the total Canadian programming expenditures devoted to such projects; and any other information the Commission requires to this effect; and
 - access that women have to key leadership positions, by providing information regarding the employment of women in key creative leadership positions in the productions broadcast, as well as any other information the Commission requires to this effect.

Over- and under-expenditures

11. Subject to condition 12, the licensee shall, for each broadcast year, make sufficient expenditures such that the undertakings that form Groupe V collectively devote:
 - a) 35% of the previous year's gross revenues of the undertakings from Groupe V to the acquisition of or investment in Canadian programming; and
 - b) 10% of the previous year's gross revenues of the undertakings from Groupe V to the acquisition of or investment in programs of national interest.

12. In each broadcast year of the licence term, excluding the final year,
 - a) the licensee, in concert with the other undertakings that form Groupe V, may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 11(a) and 11(b), respectively; in such case, the licensee shall ensure that the undertakings that form Groupe V expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure;
 - b) where the licensee, in concert with the other undertakings that form Groupe V, expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure calculated in accordance with conditions 11(a) and 11(b), respectively, the licensee or another undertaking from Groupe V may deduct that amount from the total minimum required expenditure in one or more of the remaining years of the licence term.
 - c) Notwithstanding conditions 12(a) and 12(b), during the licence term, the licensee shall ensure that the undertakings that form Groupe V expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 11(a) and 11(b).

Licensee's obligations with respect to Groupe V

13. In the two years following the end of the previous licence term, the licensee shall report and respond to any enquiries by the Commission relating to the expenditures on Canadian programming, including programs of national interest, made by the licensee and by Groupe V for that term.

14. The licensee shall be responsible for any failure to comply with the requirements relating to expenditures on Canadian programming, including programs of national interest, that occurred during the previous licence term.

15. In regard to the operation of the undertakings that form Groupe V:

- a) Subject to conditions 15(b) and 15(c), the licensee shall operate the television station and that station shall remain part of Groupe V for the duration of the licence term.
- b) Should the licensee wish to operate the television station outside Groupe V or cease operations, the licensee shall apply to the Commission for that station to be removed from Groupe V no later than 120 days prior to operating outside the station Groupe V or ceasing operations.
- c) The licensee shall ensure that the list of undertakings that form Groupe V is accurate at all times.

16. In accordance with paragraph 90 of *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016, the television station is hereby designated a “designated local television station.” The station shall maintain this designation for the licence term so long as all the television stations from Groupe V remain in operation.

Repurposing of the 600 MHz frequency band

17. In regard to the repurposing of the 600 MHz frequency band in Canada:

- (a) The licensee is authorized to operate its television station and transmitters according to contours and technical parameters that differ from those approved in its most recent application and/or listed on its licence, to the extent that these new contours and technical parameters have been approved by the Department of Industry (the Department) as a result of the Department’s repurposing initiative of the 600 MHz frequency band as set out in *Decision on Repurposing the 600 MHz Band*, SLPB-004-15, 14 August 2015 and its April 2017 *Digital Television (DTV) Allotment Plan, Digital Television (DTV) Transition Schedule* and the Broadcasting Procedures and Rules entitled *BPR-11 – Broadcasting Television Application Procedures During the 600 MHz Transition*.
- (b) For the purposes of the *Broadcasting Distribution Regulations*, the licensee is deemed to be operating its television station and transmitters under the contours and technical parameters approved by the Commission and in effect on **15 May 2017**.
- (c) The above authorizations are valid only if the Commission receives confirmation from the Department that the revised contours and technical parameters resulting from the Department’s repurposing initiative of the 600 MHz frequency band satisfy the requirements of the *Radiocommunication Act* and the regulations made thereunder, and that a broadcasting certificate has been or will be issued to the licensee in respect of the revised parameters.

Conditions of licence applicable only to Groupe V's television stations

Locally reflective news

18. In accordance with *Renewal of licences for the television services of large French-language ownership groups – Introductory decision*, Broadcasting Decision CRTC 2017-143, 15 May 2017, and consistent with the definition of “locally reflective news” set out in paragraphs 56 to 58 of *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016:
- a) the licensee shall, in each broadcast week, broadcast at least 5 hours of local programming. For the purposes of this condition, “local programming” shall have the meaning set out in Appendix 1 to *Standard requirements for television stations, discretionary services, and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016;
 - b) the licensee shall, in each broadcast week, broadcast at least 2 hours and 30 minutes of locally reflective news.
19. In accordance with *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016, the licensee shall in each broadcast year devote to the acquisition of or investment in locally reflective news at least 5% of the previous year's gross revenues of the undertaking.
20. The licensee may count expenditures made for the acquisition of or investment in locally reflective news by one or more television stations from Groupe V in the same broadcast year towards fulfilling the requirement set out in condition 19 as long as these expenditures are not used by those television stations towards fulfilling their own locally reflective news expenditure requirement.
21. Subject to condition 22, the licensee shall, for each broadcast year, make sufficient expenditures such that the television stations from Groupe V collectively devote to the acquisition of or investment in locally reflective news at least 5% of the previous year's gross revenues.
22. In each broadcast year of the licence term, excluding the final year,
- a) the licensee, in concert with the other television stations from Groupe V, may expend an amount on locally reflective news that is up to 5% less than the minimum required expenditure for that year calculated in accordance with condition 21; in such case, the licensee shall ensure that the television stations from Groupe V expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure;
 - b) where the licensee, in concert with the other television stations from Groupe V, expends an amount for that year on locally reflective news that is greater than

the minimum required expenditure calculated in accordance with condition 21, the licensee may deduct that amount from the minimum required expenditure in one or more of the remaining years of the licence term.

- c) Notwithstanding conditions 22(a) and 22(b), during the licence term, the licensee shall ensure that the television stations from Groupe V expend on locally reflective news the total of the minimum required expenditures calculated in accordance with condition 21.

Definitions

“Groupe V” means the group of undertakings set out in Appendix 1 to *Groupe V Média inc. – Licence renewals for French-language network, television stations and services*, Broadcasting Decision CRTC 2017-146, 15 May 2017.

“Independent production company” means a Canadian company (i.e., a company carrying on business in Canada, with a Canadian business address, owned and controlled by Canadians) whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

“Indigenous producer” means an individual who self-identifies as Indigenous, which includes First Nations, Métis or Inuit, and is a Canadian citizen or resides in Canada, or an independent production company in which at least 51% of the controlling interest is held by one or more individuals who self-identify as Indigenous and are Canadian citizens or reside in Canada. In regard to the definition of “independent production company,” “Canadian” includes a person who self-identifies as Indigenous and resides in Canada, whereas “Canadian company” includes a production company in which at least 51% of the controlling interest is held by one or more individuals who self-identify as Indigenous and reside in Canada.

“Locally reflective news” means programming that meets the criteria set out in paragraphs 56 to 58 of *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016.

“Official language minority community producer” means a company that meets the definition of “independent production company” and that:

- a) if operating in the province of Quebec, produces original English-language programming, or
- b) if operating outside of the province of Quebec, produces original French-language programming.

“Programs of national interest” means Canadian programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy and all related subcategories, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety.

Appendix 3 to Broadcasting Decision CRTC 2017-146

Terms, conditions of licence, expectations and encouragements applicable to Groupe V's discretionary services

Terms

The licences will take effect 1 September 2017 and expire 31 August 2022.

Conditions of licence, expectations and encouragements

1. The licensee shall adhere to the standard conditions of licence, expectations and encouragements for discretionary services as set out in Appendix 2 to *Standard requirements for television stations, discretionary services and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016.
2. In each broadcast year, the licensee shall devote at least 35% of the broadcast day to the exhibition of Canadian programs.

Canadian programming expenditures

3. In accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming at least 35% of the previous year's gross revenues of the undertaking.
4. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more undertakings from Groupe V in the same broadcast year towards fulfilling the requirement set out in condition 3 as long as these expenditures are not used by those undertakings towards fulfilling their own Canadian programming expenditure requirement.
5. Subject to condition 6, the licensee may claim, in addition to its expenditures on Canadian programming:
 - a) a 50% credit against its Canadian programming expenditure requirements for expenditures made on Canadian programming produced by an Indigenous producer and claimed as Canadian programming expenditures during that broadcast year;
 - b) a 25% credit against its Canadian programming expenditure requirements for expenditures made on Canadian programming produced by an official language minority community producer and claimed as Canadian programming expenditures during that broadcast year. The licensee may claim the credit if:
 - (i) the programming is produced in the province of Quebec and the original language of production is English; or

(ii) the programming is produced outside the province of Quebec and the original language of production is French.

6. The licensee may claim the credits calculated in accordance with condition 5 until the expenditures made on Canadian programming produced by Indigenous producers and by official language minority community producers, including credits, reach a combined maximum of 10% of the Canadian programming expenditure requirement for Groupe V.

Programs of national interest

7. The licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest at least 10% of the previous year's gross revenues of the undertaking.
8. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more undertakings from Groupe V in the same broadcast year towards fulfilling the requirement set out in condition 7 as long as these expenditures are not used by those undertakings towards fulfilling their own expenditure requirement regarding programs of national interest.
9. At least 75% of the expenditures in condition 7 must be made to an independent production company.
10. The licensee shall, by 30 November of each year, provide for the previous broadcast year a report in a form acceptable to the Commission that contains information on the programs that were broadcast by all undertakings from Groupe V in regard to:
 - programs of national interest;
 - the use of Indigenous and official language minority community producers, specifying notably for each: the number of producers they meet with each year; the projects commissioned, including projects in development, in production and completed; the budgets and the total Canadian programming expenditures devoted to such projects; and any other information the Commission requires to this effect; and
 - access that women have to key leadership positions, by providing information regarding the employment of women in key creative leadership positions in the productions broadcast, as well as any other information the Commission requires to this effect.

Over- and under-expenditures

11. Subject to condition 12, the licensee shall, for each broadcast year, make sufficient expenditures such that the undertakings that form Groupe V collectively devote:
 - a) 35% of the previous year's gross revenues of the undertakings from Groupe V to the acquisition of or investment in Canadian programming; and

- b) 10% of the previous year's gross revenues of the undertakings from Groupe V to the acquisition of or investment in programs of national interest.

12. In each broadcast year of the licence term, excluding the final year,

- a) the licensee, in concert with the other undertakings that form Groupe V, may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 11(a) and 11(b), respectively; in such case, the licensee shall ensure that the undertakings that form Groupe V expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure;
- b) where the licensee, in concert with the other undertakings that form Groupe V, expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure calculated in accordance with conditions 11(a) and 11(b), respectively, the licensee or another undertaking from Groupe V may deduct that amount from the minimum required expenditure in one or more of the remaining years of the licence term.
- c) Notwithstanding conditions 12(a) and 12(b), during the licence term, the licensee shall ensure that the undertakings that form Groupe V expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 11(a) and 11(b).

Licensee's obligations with respect to Groupe V

13. In the two years following the end of the previous licence term, the licensee shall report and respond to any Commission enquiries relating to the expenditures on Canadian programming, including programs of national interest, made the licensee and by Groupe V for that term.

14. The licensee is responsible for any failure to comply with the requirements relating to expenditures on Canadian programming, including programs of national interest, that occurred during the previous licence term.

15. In regard to the operation of the undertakings that form Groupe V:

- a) Subject to condition 15(b), the undertaking shall remain part of Groupe V for the duration of the licence term.
- b) Should the licensee wish to operate the undertaking outside Groupe V, the licensee shall apply to the Commission for that undertaking to be removed from Groupe V no later than 120 days prior to operating the undertaking outside Groupe V.
- c) The licensee shall ensure that the list of undertakings that form Groupe V is accurate at all times.

Expectation relating to reflection of regions and official language minority communities

The Commission expects the licensee to ensure that the programs broadcast by the services adequately reflect all regions of Quebec, including those outside Montréal, as well as all regions of Canada. The Commission also expects the licensee to provide producers working in these regions with an opportunity to produce programs intended for these services.

Definitions

“Groupe V” means the group of undertakings set out in Appendix 1 to *Groupe V Média inc. – Licence renewals for French-language network, television stations and services*, Broadcasting Decision CRTC 2017-146, 15 May 2017.

As an exception to the definition of “broadcast day” set out in Appendix 2 to *Standard requirements for television stations, discretionary services, and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016, the term “broadcast day” refers to the 24-hour period beginning each day at 6 a.m. or any other period approved by the Commission.

“Independent production company” means a Canadian company (i.e., a company carrying on business in Canada, with a Canadian business address, owned and controlled by Canadians) whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

“Indigenous producer” means an individual who self-identifies as Indigenous, which includes First Nations, Métis or Inuit, and is a Canadian citizen or resides in Canada, or an independent production company in which at least 51% of the controlling interest is held by one or more individuals who self-identify as Indigenous and are Canadian citizens or reside in Canada. In regard to the definition of “independent production company,” “Canadian” includes a person who self-identifies as Indigenous and resides in Canada, whereas “Canadian company” includes a production company in which at least 51% of the controlling interest is held by one or more individuals who self-identify as Indigenous and reside in Canada.

“Official language minority community producer” means a company that meets the definition of “independent production company” and that:

- a) if operating in the province of Quebec, produces original English-language programming,
or
- b) if operating outside of the province of Quebec, produces original French-language programming.

“Programs of national interest” means Canadian programs drawn from categories 2(b) Long-form documentary, 7 Drama and Comedy and all related subcategories, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety.