



Broadcasting Decision CRTC 2018-329

PDF version

References: 2017-365, 2017-365-1 and 2017-365-2

Ottawa, 29 August 2018

Cable Public Affairs Channel Inc.

Across Canada

Public record for this application: 2017-0584-9

Public hearing in the National Capital Region

30 April 2018

Cable Public Affairs Channel – Licence renewal and renewal of mandatory distribution order

*The Commission **renews** the broadcasting licences for the national, English- and French-language discretionary services known as Cable Public Affairs Channel (CPAC) from 1 September 2018 to 31 August 2023.*

*Further, the Commission **renews** the mandatory distribution of the services from 1 September 2018 to 31 August 2023, at a wholesale rate of \$0.13 per subscriber per month.*

Canadians will continue to have access to CPAC’s licensed public affairs programming, and to the coverage of the proceedings of the House of Commons and of the committees of the House and Senate offered by CPAC’s exempt services.

Application

1. Cable Public Affairs Channel Inc. (CPAC Inc.) filed an application to renew the broadcasting licences for the national, English- and French-language specialty Category A services known as CPAC, which expire 31 August 2018.
2. CPAC Inc. is a federally incorporated, not-for-profit company that is owned by companies in the cable television industry.
3. CPAC Inc. operates licensed public affairs programming services in English and in French. These services are complementary to the exempt programming services it also operates, which offer “gavel-to-gavel” coverage of the proceedings of the House of Commons and of the committees of the House and Senate.
4. The licensed services provide wrap-around programming that complements the programming on the exempt services. It consists of long-form programming, which includes coverage of conferences and hearings of government departments and

agencies, as well as coverage of special events and public inquiries, and in-depth public affairs programming, which consists of interviews, talk shows and in-depth reviews of key national events and policy issues. This wrap-around programming is broadcast during the periods in which the services are not broadcasting coverage of the House of Commons or of the committees.

5. CPAC Inc. confirmed that it would adhere to the standard requirements for discretionary services set out in Appendix 2 to Broadcasting Regulatory Policy 2016-436, with the exception of the general programming requirements set out in conditions of licence 6, 7, and 8. The licensee also requested exceptions to, and proposed replacements for, condition of licence 14 relating to the quality of closed captioning and condition of licence 17 relating to the provision of described video.
6. In addition, the licensee proposed a Canadian programming expenditure (CPE) requirement for CPAC of 53% of the previous year's gross revenues.
7. CPAC Inc. also proposed amendments to its conditions of licence relating to the calculation of its Canadian programming exhibition requirement and to sponsorship messages for closed captioning.
8. Finally, the licensee requested the renewal of the order for the mandatory distribution of both the exempt and licensed services, pursuant to section 9(1)(h) of the *Broadcasting Act* (the Act). In regard to this request, CPAC Inc. stated that it meets all the criteria set out in paragraph 11 of Broadcasting Regulatory Policy 2010-629. The licensee also proposed an increase in its regulated per subscriber monthly wholesale rate, from \$0.12 to \$0.13. Subject to the approval of its request for mandatory distribution, the licensee stated that it would accept a condition of licence requiring that it file an annual report relating to CPE.

Interventions

9. The Commission received numerous interventions in regard to CPAC Inc.'s application, the vast majority of which were in support. The Commission also received interventions commenting on the applications from the Public Interest Advocacy Centre (PIAC), Sogetel inc. (Sogetel), the Community Media Advocacy Centre (CMAC), Cogeco Communications Inc. (Cogeco), on behalf of Cogeco Connexion Inc., Shaw Communications Inc. (Shaw), on behalf of Shaw Cablesystems Limited, Shaw Cablesystems (VCI) Limited and Shaw Direct, Quebecor Media Inc. (Quebecor), on behalf of Videotron G.P., and BCE Inc. (BCE), on behalf of Bell Satellite TV and Bell Fibe TV. Finally, the Commission received interventions in opposition from the Canadian Cable Systems Alliance (CCSA) and Bragg Communications Inc., carrying on business as Eastlink (Eastlink), in regard to the proposed wholesale rate increase, and from Saskatchewan Telecommunications (SaskTel) and an individual in regard to the continued mandatory distribution of the services.

10. CPAC Inc. collectively replied to the interventions. On the issue of its proposed wholesale rate increase, CPAC Inc. stated that the purpose of its request is to enable it to maintain a high level of service, to meet its conditions of licence and to continue to offer a meaningful level of original public affairs programming in addition to the distribution of Parliamentary proceedings. The licensee argued that while it has achieved economies in the past through the digitization of its operations and administrative efficiencies, it must nonetheless keep pace with normal cost increases and take into account the limits on CPAC's revenue generation opportunities given the nature of its services. CPAC Inc. also argued that broadcasting distribution undertakings (BDUs) opposing its proposed wholesale rate have not conducted an analysis of CPAC's financial requirements or projections, or provided specific information regarding the continuing affordability of the services, or of their BDU services.

Commission's analysis and decisions

11. After examining the application in light of applicable regulations and policies, the Commission finds that the issues it must address relate to the following:

- the continued mandatory distribution of CPAC on the digital basic service of Canadian cable and satellite providers;
- the monthly wholesale rate for the services;
- requested exceptions to standard conditions of licence for discretionary services;
- the proposed CPE requirement;
- the period for the calculation of Canadian programming exhibition requirements; and
- CPAC's condition of licence relating to sponsorship messages to support the provision of closed captioning.

Mandatory distribution

12. CPAC Inc.'s services are the only Canadian television services dedicated primarily to providing Parliamentary coverage and related in-depth public affairs content in both official languages. The programming they provide would not otherwise be available in the Canadian broadcasting system. In the Commission's view, it is important that these unique services continue to be available to all Canadians, consistent with the objectives of the Canadian broadcasting policy.

13. More specifically, in furtherance of sections 3(1)(b) and 3(1)(d)(i) of the Act, CPAC provides programming that is essential to the maintenance and enhancement of national identity and cultural sovereignty and that serves to safeguard, enrich and strengthen the cultural, political, social and economic fabric of Canada. CPAC presents programming originating in all regions of Canada and includes a significant

amount of programming that is culturally diverse and reflects official language minority communities.

14. The Commission also recognizes that the services' operations are funded solely through revenue generated through the current wholesale rate. As CPAC Inc. operates on a not-for-profit basis, all revenue generated is used to fund the services' programming and its distribution to Canadians – including by means of digital platforms. Due to the services' limited commercial potential, the licensee's business plan and implementation of its specific commitments are dependent on their distribution on the digital basic service. As such, the Commission is of the view that CPAC Inc. would not be able to fulfill its programming commitments without mandatory distribution of its services on the basic service.
15. In light of the above, the Commission is satisfied that CPAC Inc.'s services continue to meet the criteria for mandatory distribution on the digital basic service set out in paragraph 11 of Broadcasting Regulatory Policy 2010-629.

Wholesale rate

16. CPAC Inc. proposed to increase the per subscriber monthly wholesale rate for CPAC from \$0.12 to \$0.13. The applicant submitted that without the proposed increase, it would be unable to continue to meet its exceptional programming commitments. It noted that, in light of the effects of inflation, its proposed wholesale rate is lower in real terms than the services' originally approved wholesale rate of \$0.11. In addition, CPAC Inc. stated that regardless of approval or denial of the proposed rate, it expects subscribership to decrease at an average rate of 1.5% per year over the next licence term, but noted that operating expenses for the services would not change.
17. The licensee submitted that should the Commission deny the request, it expects revenues to decrease from an average of \$15.8 million per year in the current licence term to an average of \$14.5 million per year in the next licence term, leading to an average profit before interest and taxes (PBIT) of \$-1.4 million per year during the next licence term. Should the Commission approve the request, CPAC Inc. expects additional revenues for the services of \$6 million over the next licence term, resulting in an average of \$15.7 million per year. In the applicant's view, this would be sufficient to maintain CPAC's current operating level in the next licence term.
18. In light of the above, and in light of historical trends in BDU subscriber numbers and the operational economies and efficiencies already implemented for the services, the Commission finds that a \$0.01 increase in CPAC's wholesale rate is reasonable in order to allow CPAC to continue to be in a position to fulfill its programming commitments in the next licence term, and to allow CPAC's continued investments in technology. Accordingly, the Commission **approves** the applicant's request in this regard.

Exceptions to standard conditions of licence for discretionary services

General programming requirements

19. As noted above, the licensee requested an exemption from standard conditions of licence for discretionary services relating to general programming requirements (i.e., conditions of licence 6 through 8 set out in Appendix 2 to Broadcasting Regulatory Policy 2016-436). In the Commission's view, these conditions of licence are unnecessary given that services that benefit from mandatory distribution are still subject to similar conditions of licence relating to their nature of service, including limits regarding the program categories from which they may draw programming for broadcast.
20. Accordingly, the Commission **approves** the licensee's requested exceptions to the general programming requirements set out in the above-noted conditions of licence.

Quality standards for closed-captioning

21. The standard condition of licence relating to the quality of closed captioning, set out in the Appendix 2 to Broadcasting Regulatory Policy 2016-436, reads as follows:

14. In regard to the quality of closed captioning:

- a) for French-language services, the licensee shall adhere to the requirements set out in the appendix to *Quality standards for French-language closed captioning – Enforcement, monitoring and the future mandate of the French-language Closed Captioning Working Group*, Broadcasting Regulatory Policy CRTC 2011-741-1, 21 February 2012, as amended from time to time; and
- b) for English-language services, the licensee shall adhere to the requirements set out in the appendix to *English-language closed captioning quality standards related to the accuracy rate for live programming*, Broadcasting Regulatory Policy CRTC 2016-435, 2 November 2016, as amended from time to time.

22. CPAC Inc. requested an exception to that condition of licence so that it may continue to adhere to its current condition of licence relating to quality standards for closed captioning, which is set out in the appendix to Broadcasting Decision 2013-391 and reads as follows:

5. With the exception of CPAC's "podium-style" English-language pre-recorded programming, the licensee shall adhere to the quality standards on closed captioning developed by television industry working groups, as amended from time to time and approved by the Commission.

23. The Commission did not receive any interventions regarding this request.

24. In the Commission's view, CPAC Inc.'s concerns set out in Broadcasting Decision 2013-391 regarding the closed captioning of podium-style English language pre-recorded programming remain valid. Further, no new information was provided for inclusion on the record of this proceeding that would dissuade it of this view. Accordingly, the Commission **approves** the licensee's request.

Provision of described video

25. As set out in the appendix to Broadcasting Decision 2013-391, CPAC Inc. is currently required to adhere to most of the standard conditions of licence set out in Broadcasting Regulatory Policy 2011-443, including the following condition of licence relating to the provision of described video:

7. If the service devotes 50% or more of its program schedule to programming drawn from program categories 7 Drama and comedy or 2(b) Long-form documentary, set out in item 6 of Schedule I to the *Specialty Service Regulations, 1990* (the Regulations), and/or to children's programming, the licensee shall provide described video for a minimum of four hours per broadcast week, of which two hours must be broadcast in described video for the first time on the service. The minimum four hours of described video programming broadcast during each broadcast week may be drawn from the following program categories, set out in item 6 of Schedule I to the Regulations: 2(b) Long-form documentary; 7 Drama and comedy; 9 Variety; 11(a) General entertainment and human interest; and 11(b) Reality television, and/or may be programming targeting children.

26. CPAC Inc. requested an exception to the condition of licence relating to the provision of described video, which reads as follows:

17. In accordance with *Let's Talk TV: Navigating the Road Ahead – Making informed choices about television providers and improving accessibility to television programming*, Broadcasting Regulatory Policy CRTC 2015-104, 26 March 2015:

- a) if the licensee broadcasts four hours or more per broadcast week of English- or French-language programming drawn from any of the program categories listed below, it shall, by the beginning of the fourth year of the first licence term during which this condition of licence applies, provide a minimum of four hours of described video per broadcast week for that programming;
- b) if the licensee broadcasts less than four hours per broadcast week of English- or French-language programming drawn from any of the program categories listed below, it shall, by the beginning of the fourth year of the first licence term during which this condition of licence applies, provide described video for all of that programming.

These requirements apply to programming drawn from the following program categories set out in Item 6 of Schedule 1 to the *Discretionary Services Regulations*, as amended from time to time: 2(b) Long-form documentary, 7 Drama and comedy, 9 Variety and 11(a) General entertainment and human interest and 11(b) Reality television, and/or to programming targeting preschool children (0-5 years of age) and children (6-12 years of age).

27. The licensee explained that it continues to be unable technically to distribute a separate audio track for described video to accompany its programming. In this regard, CPAC distributes multiple audio streams, with the secondary audio channel being used for simultaneous translation (English to French or French to English), pursuant to the technical distribution requirements for BDUs.
28. CPAC Inc. stated that it would accept a condition of licence requiring its services to provide described video for original, first-run in-house documentaries (and repeats of those documentaries) via integrated described video¹ (IDV) by the fourth year of the licence term.
29. In the case of CPAC's pre-existing documentary content and acquired documentary programming for which described video may be required because there is no IDV, and if the technical limitation noted before has not been overcome, the licensee proposed to make such programming with described video available on the website by the fourth year of the licence term. It also proposed to offer the programming to the English- and French-language discretionary services AMI-tv and AMI-télé for broadcast at no charge so that the long form documentary content can be more broadly distributed with described video on the basic service.
30. In the event that the Commission finds that this approach is not consistent with the objectives of the above-noted standard condition of licence 17, CPAC Inc. requested that it be exempted from this requirement altogether.
31. The Commission acknowledges CPAC's challenge when it comes to using the secondary audio protocol (SAP) channel for described video while it is already used for simultaneous translation. It further recognizes that most of CPAC's programming does not fall under the program categories identified for which described video is required. Accordingly, the Commission finds that the above standard condition of licence relating to described video may not be appropriate for CPAC. Further, it finds that the proposed alternative condition of licence and expectations would be a reasonable compromise.
32. In light of the above, the Commission **approves** CPAC Inc.'s request for an exception to the standard condition of licence relating to the provision of described video set out in Appendix 2 to Broadcasting Regulatory Policy 2016-436. Further, the Commission requires the licensee to provide integrated described video for all original, first-run in-

¹ This is the process whereby the key visual elements in the program are described in the original narration or voice over such that traditional described video is not required.

house documentaries by the fourth year of its licence term. A **condition of licence** to this effect is set out in the appendix to this decision.

33. In regard to the services' pre-existing or acquired documentary programming, if the technical limitations relating to the provision of described video have not been overcome, the Commission expects CPAC Inc. to fulfill its commitment to make such long-form documentary content with described video available on CPAC's website by the fourth year of the licence term. The Commission also requires the licensee to offer this content to AMI-tv and AMI-télé for broadcast at no charge. This matter is also addressed in condition of licence 8 set out in the appendix to this decision.

Canadian programming expenditures requirement

34. CPAC Inc. proposed to spend a minimum of 53% of CPAC's previous year's revenues on Canadian programming over the next licence term. The services are not currently subject to a CPE requirement.
35. According to the licensee, its request reflects CPAC's historical average annual CPE level, excluding election years, in which spending on Canadian programming is typically greater than for non-election years. CPAC Inc. argued that since it is not possible to predict election years with certainty – especially when a minority government is elected – it has excluded spending in election years from the calculation of the proposed minimum annual CPE requirement for CPAC.
36. In the Commission's view, the licensee's proposed CPE level of 53% is in line with CPAC's historical spending on Canadian programming during non-election years. Accordingly, the Commission **approves** the licensee's request. A **condition of licence** in regard to the above is set out in the appendix to this decision.

Period for calculation of Canadian programming exhibition requirements

37. CPAC Inc. is currently required by condition of licence² to devote not less than 90% of licensed programming broadcast in each semester to Canadian programming. "Semester" means the total number of hours devoted by the licensee to broadcasting in a six-month period beginning on 1 September and 1 March in any year.
38. The licensee requested an amendment to that condition of licence so as to allow it to calculate its Canadian programming exhibition requirement over the broadcast year rather than by semester. It explained that the proposed amendment reflects the situations in which CPAC broadcasts non-Canadian programming that is suitable for the services and that is of interest to viewers (for example, coverage of non-Canadian elections and political conventions), which could possibly count for over 10% of licensed programming, but only for a limited period. PIAC and Cogeco supported this request.

² Condition of licence 2g) set out in the appendix to Broadcasting Decision 2013-391

39. In the Commission's view, the proposed amendment would reflect the fact that CPAC's programming is scheduled around elections and political events that are both national and international in scope. Further, it would provide the services with greater programming flexibility without resulting in the exhibition of a greater level of non-Canadian programming overall. Accordingly, the Commission **approves** the licensee's request in this regard. A **condition of licence** to that effect is set out in the appendix to this decision.

Sponsorship messages to support the provision of closed captioning

40. CPAC is currently subject to the following condition of licence relating to sponsorship messages set out in the appendix to Broadcasting Decision 2013-391:

The licensee shall not broadcast commercial messages other than sponsorship messages for closed captioning or described video. Such sponsorship messages shall be limited to the identification of the name and logo of the sponsor.

41. CPAC Inc. proposed to amend that condition of licence in order to include a reference to a "brief identifying message from the sponsors." The licensee stated that it has proven difficult for CPAC to attract sponsors without providing industry standard identification opportunities for potential sponsors. Both PIAC and Cogeco supported the licensee's request.

42. When asked to elaborate on the definition of "brief identifying message," CPAC indicated that this would consist of the type of short statement (not more than two sentences) that is now typically found on closed captioning sponsorship messages offered by other broadcasters.

43. The Commission finds that the proposed amendment would not fundamentally differ from the current condition of licence, and would provide CPAC with greater opportunities to attract sponsors and generate advertising revenues. Accordingly, the Commission **approves** the licensee's request. An amended **condition of licence** in this regard is set out in the appendix to this decision.

Conclusion

44. In light of the above, the Commission **renews** the broadcasting licences for the national, English- and French-language discretionary services³ known as CPAC from 1 September 2018 to 31 August 2023. The terms and **conditions of licence** are set out in the appendix to this decision.

45. Further, the Commission **approves** the licensee's request for the continued mandatory distribution of CPAC and the exempt services operated by CPAC Inc. on the basic service from 1 September 2018 to 31 August 2023, pursuant to Broadcasting Order

³ In Broadcasting Regulatory Policy 2015-86, the Commission announced that it would consolidate television programming service licences into three broad categories. Under this new streamlined licensing approach Category A services are now designated as discretionary services.

2018-330, also issued today. The Commission considers that the term of the distribution order should coincide with that of CPAC's licence. As set out in that broadcasting order, each distribution licensee distributing the programming services shall remit to the licensee a wholesale rate of \$0.13 per subscriber per month.

46. The mandatory distribution order associated with these services formerly contained a provision authorizing distribution licensees to increase the basic monthly rate to be paid by their subscribers by no more than the amount required under the order for the distribution of the service. However, since the Commission no longer regulates retail rates for BDU services except for basic service and since section 17.1 of the *Broadcasting Distribution Regulations* already addresses this matter, the Commission has not retained this provision in the renewed mandatory distribution order effective 1 September 2018.
47. The above will ensure that Canadians continue to have access to CPAC's licensed public affairs programming, and to the coverage of the proceedings of the House of Commons and its various committees offered by CPAC's exempt services.

Publication of financial information

48. With the change in licence type from specialty to discretionary and the removal of genre protection, all services that were previously considered specialty Category A services⁴ no longer have distribution rights, unless operating under a 9(1)(h) order. The Commission's general practice has been to publish only partial financial information for services without distribution rights that are also not owned by vertically integrated entities. However, despite being licensed as discretionary services, 9(1)(h) services benefit from mandatory distribution and the Commission sets wholesale rates for them that are paid for by all BDU subscribers. So as to ensure that services are transparent in the disbursement of the funds that are received, the Commission finds that the continued publication of complete financial information for these services is in the public interest. Accordingly, the Commission will continue to publish the same information for 9(1)(h) services as it has in the past, despite the changes to the type of licence these services hold.

Secretary General

Related documents

- *Distribution of the programming services of Cable Public Affairs Channel Inc. (CPAC Inc.) known as Cable Public Affairs Channel and of the exempt services operated by CPAC Inc. by licensed broadcasting distribution undertakings, Broadcasting Order CRTC 2018-330, 29 August 2018*

⁴ Category A services are defined in Broadcasting Public Notice 2008-100.

- *Standard requirements for television stations, discretionary services, and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016
- *CPAC – Licence renewal and amendments*, Broadcasting Decision CRTC 2013-391, 8 August 2013
- *Regulatory framework relating to vertical integration*, Broadcasting Regulatory Policy CRTC 2011-601, 21 September 2011
- *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011
- *Criteria for assessing applications for mandatory distribution on the digital basic service*, Broadcasting Regulatory Policy CRTC 2010-629, 27 August 2010
- *Regulatory frameworks for broadcasting distribution undertakings and discretionary programming services – Regulatory policy*, Broadcasting Public Notice CRTC 2008-100, 30 October 2008

This decision is to be appended to each licence.

Appendix to Broadcasting Decision CRTC 2018-329

Terms, conditions of licence, expectations and encouragements for the English- and French-language discretionary services known as Cable Public Affairs Channel

Terms

The licences will take effect 1 September 2018 and expire 31 August 2023.

Conditions of licence

1. The licensee shall adhere to the conditions of licence for discretionary services 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, with the exception of the general programming requirements as set out in conditions of licence 6, 7, and 8, and conditions of licence 14 and 17.
2. In regard to the nature of service:
 - (a) The licensee shall provide a national public affairs programming service complementary to the exempt service it operates in accordance with amendment to the *Amendments to the Parliamentary and Provincial or Territorial Legislature Proceedings Exemption Order – new provision relating to emergencies*, Broadcasting Order CRTC 2012-349, 26 June 2012, as amended from time to time, consisting exclusively of long-form programming or programming focusing on local, regional, national and international civic affairs, including the process and debates that underpin the operations of democratic government and the development of public policy.
 - (b) Apart from the exception set out in condition of licence 2(c), the programming shall be drawn exclusively from the following program categories set out in Item 6 of Schedule I to the *Discretionary Service Regulations*, as amended from time to time:
 - 2 (a) Analysis and interpretation
 - (b) Long-form documentary
 - 3 Reporting and actualities
 - 5 (b) Informal education/Recreation and leisure, but excluding Recreation and leisure
 - 12 Interstitials
 - 13 Public service announcements
 - (c) Only on Canada Day (1 July) of each year and on one other day on which the licensee's Canada Day programming is repeated may the licensee draw programming from program categories 8(a) Music and dance other than music video programs or clips, 9 Variety and 11(a) General entertainment and human interest that does not consist exclusively of long-form programming or

- programming focusing on local, regional, national and international civic affairs, including the process and debates that underpin the operations of democratic government and the development of public policy.
- (d) The licensee shall devote not more than 38 hours in any broadcast week to programming other than long-form programming.
 - (e) The licensee shall devote not more than 5% of the licensed programming broadcast in each semester to programming drawn from program category 2(b).
 - (f) The licensee shall devote not more than 5% of the licensed programming broadcast in each semester to programming drawn from program category 5(b).
 - (g) The licensee shall devote at least 90% of the licensed programming broadcast in each broadcast year to Canadian programming.
 - (h) The licensee shall devote at least 90% of the licensed programming broadcast during the evening broadcast period to Canadian programming.
 - (i) The licensee shall broadcast as many events as possible that originate in the French language. At a minimum, 20% of all events broadcast in each broadcast year shall originate in the French language.
 - (j) The licensee shall provide simultaneous translation for 100% of its licensed programming.
 - (k) At least 25% of the in-depth public affairs programming the licensee originates in each broadcast year shall be produced in the French language.
3. The licensee shall not broadcast commercial messages other than sponsorship messages for closed captioning or described video. Such sponsorship messages shall be limited to the identification of the name and logo of the sponsor and/or with a brief identifying message from the sponsor.
 4. The licensee shall retain in a form acceptable to the Commission, a program log or record of its programming as well as an audio-visual recording of all the programming broadcast as part of its licensed programming service, in accordance with the provisions set out in section 8 of the *Discretionary Service Regulations*, and shall furnish to the Commission such a log or record or recording on request.
 5. With the exception of CPAC's "podium-style" English-language pre-recorded programming, the licensee shall adhere to the quality standards on closed captioning developed by television industry working groups, as amended from time to time and approved by the Commission.
 6. (a) The licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming a minimum of 53% of the previous year's gross revenues of the undertaking.
 - (b) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming that is up to 5% less than the

minimum required expenditure for that year calculated in accordance with this condition; in such case, the licensee shall 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.

(c) In any broadcast year of the licence term, including the final year, the licensee may expend an amount on Canadian programming that is greater than the minimum required expenditure for that year calculated in accordance with this condition; in such case, the licensee may deduct:

(i) from the minimum required expenditure for the next year of the licence term, an amount not exceeding the amount of the previous year's over-expenditure; and

(ii) from the minimum required expenditure for any subsequent year of the licence term, an amount not exceeding the difference between the over-expenditure and any amount deducted under paragraph (i) above.

(d) Notwithstanding paragraphs (a) through (c) above, during the licence term, the licensee shall expend on Canadian programming, at a minimum, the total of the minimum required expenditures calculated in accordance with condition of licence 6 (a).

7. The licensee shall provide integrated described video for all original, first-run in-house documentaries by the fourth year of its licence term.
8. The licensee shall by the fourth year of the licence term add described video to older or acquired documentary programming that does not include integrated described video that it broadcasts and offer that content to the English- and French-language discretionary services AMI-tv and AMI-télé for broadcast at no charge.
9. On or before November 30 of each year, the licensee shall file with the Commission a report on its expenditures for and exhibition of Canadian programming, in a manner and form prescribed by the Commission.

Definitions

For the purposes of the conditions of this licence:

“long-form programming” means programming drawn from program categories 2(a), 2(b) and 3 set out in Item 6 of Schedule I to the *Discretionary Service Regulations* that provides extended coverage of public speeches, political conventions, conferences, commissions of inquiry, public hearings, proceedings of the Supreme Court of Canada and of the Federal Court of Canada, proceedings of legislatures other than those of the Parliament of Canada, press conferences, public ceremonies, federal and provincial general elections, and other similar public events of regional or national importance;

“broadcast day” means the period from 8 a.m. to 2 a.m.;

“broadcast month” means the total number of hours devoted by the licensee to broadcasting during the aggregate of the broadcast days in a month;

“broadcast week” means seven consecutive broadcast days beginning on Sunday;

“broadcast year” means the total number of hours devoted by the licensee to broadcasting during the aggregate of the broadcast months in a 12-month period beginning on 1 September in any year;

“evening broadcast period” means the total number of hours devoted by the licensee to broadcasting between 6 p.m. and midnight during each broadcast year;

“podium-style” programming refers to programming where a single, stationary person is speaking for an extended period of time, such as during public hearings, conferences and speeches; and

“semester” means the total number of hours devoted by the licensee to broadcasting in a six-month period beginning on 1 September and 1 March in any year.

Expectations

The standard expectations applicable to this licensee are 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.

In regard to the services’ older or acquired documentary programming, if the technical limitations relating to the provision of described video have not been overcome, the Commission expects the licensee to make such long-form documentary content with described video available on the services’ website by the fourth year of the licence term.

Encouragements

The standard encouragements applicable to this licensee are 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.