



Telecom Decision CRTC 2018-440

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Canadian Administrator of VRS (CAV), Inc. – Application requesting video relay service funding for 2019

*The Commission **approves** the application submitted by the Canadian Administrator of VRS (CAV), Inc. (CAV) for \$22,527,815 in funding from the National Contribution Fund (NCF) for 2019. This amount is to be disbursed by the NCF to the CAV in 12 equal monthly instalments, beginning in January 2019. Access to this funding will enable the CAV to continue to offer video relay service in Canada to the benefit of all Canadians, as envisioned by the Commission in Telecom Regulatory Policy 2014-187.*

Background

1. Video relay service (VRS) enables people who use sign language to conduct telephone calls and communicate with voice telephone users using sign language. VRS connects a sign language user with another party via an operator who can interpret between sign language and spoken language.
2. In Telecom Regulatory Policy 2014-187, the Commission
 - determined that VRS must be offered in Canada;
 - established a \$30 million funding cap to cover all administrative and service-related costs for VRS;¹
 - decided that VRS would be overseen and implemented by an independent VRS administrator; and
 - set out the minimum requirements that the VRS administrator must meet in order for funds to be released from the National Contribution Fund (NCF) for VRS.
3. Then, in Telecom Regulatory Policy 2014-659, the Commission approved the structure and mandate of the VRS administrator, known as the Canadian Administrator of VRS (CAV), Inc. (CAV). In particular, the Commission approved the CAV funding process, whereby an annual budget would be approved by the

¹ As noted in paragraph 75 of Telecom Regulatory Policy 2014-187, the Commission indicated that it could take several years for VRS to become operational, and that until the service is in operation, the required funding would primarily be for administrative purposes.

Commission before expenditures are incurred,² and amounts would be disbursed in equal monthly instalments from the NCF.³

4. SRV⁴ Canada VRS, the VRS developed by the CAV, launched on 28 September 2016 in both American Sign Language and Langue des signes québécoise. Subsequent to this date, and consistent with the Commission's determinations in paragraphs 113 to 116 of Telecom Regulatory Policy 2014-187, the CAV has been expanding its hours of operation to enable VRS to meet the majority of demand. Specifically, the CAV expanded its hours of operation from 76 to 110 hours per week during its first ten months of operation, and to 24 hours a day, 7 days a week as of 2 October 2017.

Application

5. The Commission received an application from the CAV, dated 25 July 2018, requesting that the Commission approve its proposal to seek \$22,527,815 in funding from the NCF for 2019. The amount represents projected expenditures of \$24,481,873 for 2019, minus a projected surplus of \$1,954,058 for 2018. A breakdown of the costs by expense category is set out in the Appendix to this decision.⁵
6. The Commission received no interventions regarding the CAV's application.

Commission's analysis and determinations

7. Based on its review of the details of the CAV's application, including its planned VRS-related activities in the upcoming year, the Commission finds the amount of funding requested by the CAV for 2019 to be reasonable, as it will allow for the continued provision of a reliable and effective VRS. The CAV's contingency for operations should provide a reasonable buffer if the actual usage is higher than the forecast usage.
8. As noted above, the CAV's projected expenditures for 2019 of \$24,481,873 combined with its projected surplus of \$1,954,058 for 2018 results in the CAV's funding request for 2019 of \$22,527,815.
9. Accordingly, the Commission **approves** the CAV's application seeking \$22,527,815 in funding from the NCF for expenditures expected to be incurred in 2019.

² The CAV must submit its projected annual budget to the Commission by 31 July each year for approval.

³ See paragraph 47 of Telecom Regulatory Policy 2014-659.

⁴ SRV stands for service de relais vidéo.

⁵ Some information was provided to the Commission in confidence.

10. The Commission **directs** the Central Fund Administrator of the NCF to remit the approved amount of \$22,527,815 to the CAV in 12 equal monthly instalments starting in January 2019.

Secretary General

Related documents

- *Structure and mandate of the video relay service administrator*, Telecom Regulatory Policy CRTC 2014-659, 18 December 2014
- *Video relay service*, Telecom Regulatory Policy CRTC 2014-187, 22 April 2014

Appendix to Telecom Decision CRTC 2018-440

CAV's budget for 2019

Expense category	Estimated expenditures
Operations	\$19,616,005
Contingencies for Operations and Professional Services	\$1,924,938
Professional Services	\$1,340,000
Wages	\$657,380
Administration	\$463,100
Marketing – Education and Outreach	\$330,000
Board Expenses	\$150,450
Total expenditures for 2019	\$24,481,873
Minus projected surplus from 2018	\$1,954,058
Total new request for 2019 funding	\$22,527,815