

Broadcasting Notice of Consultation CRTC 2024-270

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Ottawa, 4 November 2024

Public record: 1011-NOC2024-0270

Call for comments regarding the Canadian Association of Broadcasters' proposed plan for the operation of a temporary fund supporting local news production by commercial radio stations in smaller markets

Deadline for submission of comments: 4 December 2024

Deadline for submission of replies: 19 December 2024

[Submit an intervention or view related documents]

Summary

Local radio news is important for Canadians to stay informed and involved in their communities. In many small communities, radio stations are the only source of local news.

Recently, through its decision on base contributions by online streaming services issued on 4 June 2024, the Commission announced that new funding would be directed to areas of immediate need in the Canadian broadcasting system, including local news production.

Since there is no funding mechanism that specifically supports news and information programming by commercial radio broadcasters, the Commission determined that a temporary fund should be created to provide relief in smaller markets, where the needs are more pressing. Specifically, it determined that this temporary fund would support commercial radio stations outside of the designated markets of Montréal, Toronto, Vancouver, Calgary, Edmonton, and Ottawa-Gatineau. The Commission invited the Canadian Association of Broadcasters (CAB) to file an operational plan to administer this temporary fund.

In the present consultation, the Commission calls for comments on the plan submitted by the CAB for the operation of that temporary fund, the Commercial Radio News Fund.

All interested persons are invited to participate in this proceeding. The deadline for the receipt of comments is **4 December 2024**. The deadline for the receipt of replies is **19 December 2024**. Only parties who file comments may file a reply to matters raised during the comment phase.



Background

- 1. In its regulatory policy on base contributions (Broadcasting Regulatory Policy 2024-121, hereafter referred to as the Policy), the Commission found it appropriate to allocate a portion of the base contributions made by audio online undertakings to a new temporary fund to be administered by the Canadian Association of Broadcasters (CAB). The Policy specified that this fund would support the production of local news programming by commercial radio stations outside the designated markets of Montréal, Toronto, Vancouver, Calgary, Edmonton, and Ottawa-Gatineau.
- 2. In the Policy, the Commission invited the CAB to submit a detailed operational plan for the administration of this new temporary fund and requested that the plan:
 - demonstrate the CAB's capacity to administer the fund;
 - indicate the date it expects the fund to be operational;
 - provide details related to fund governance, eligibility criteria, accountability measures, reporting requirements, and allocation method; and
 - provide details on the CAB's proposed outreach initiatives for the promotion of the fund to all eligible commercial radio stations, including stations serving ethnocultural and Indigenous communities.
- 3. The Commission noted that this fund should be operational starting in the 2024-2025 broadcast year.
- 4. On 4 July 2024, the CAB submitted to the Commission an operational plan for its proposed Commercial Radio News Fund (CRNF).
- 5. The plan can be found on the Commission's website.

Call for comments

6. The Commission recognizes that it is important for Canadians to have access to high quality local news and is taking measures to increase support for news production. The objective of this proceeding is to assess the CAB's plan for the operation of the CRNF.

7. The Commission therefore invites comments on the plan submitted by the CAB and on the issues and questions set out in this notice.

¹ The final conditions of service setting out contributions requirements can be found in Broadcasting Regulatory Policy 2024-121-1.

Fund governance and accountability measures

- 8. The Commission will consider the CAB's proposed governance structure and accountability measures for the CRNF, in order to ensure that all interactions with the fund on the part of the contributors, the recipients, and the administrator are fair and transparent.
- 9. Commercial radio licensees that originate 42 hours or more of programming in any broadcast week are required to adhere to the CAB's Equitable Portrayal Code through their conditions of service or by being a member in good standing of the Canadian Broadcast Standards Council (CBSC).
- 10. Commercial radio broadcasters that are members of the CBSC must also comply with other industry codes, including the Journalistic Independence Code and the Radio Television Digital News Association of Canada's Code of Journalistic Ethics.
- 11. In light of the above, the Commission will consider whether incentives, measures, or requirements should be established in order to ensure that recipients of funding are producing high quality local news.
- 12. The Commission therefore invites interested persons to respond to the following questions:
 - Q1. Does the CAB's plan outline a sufficient structure for the governance of the CRNF? If not, please identify any gaps you see and suggest specific solutions to address them.
 - Q2. Beyond the measures outlined in the CAB's plan, should additional accountability measures be imposed? If so, please describe in detail the measures you suggest.
 - Q3. Which incentives or measures, if any, should the Commission apply to ensure that the CRNF funding is used for the production and broadcast of high quality local news?
 - Q4. Should recipients of the CRNF be required to be members of the CBSC and, therefore, to comply with the industry codes administered by that organization?

Fund operation: funding allocation, reporting, success, and review

- 13. The Commission will consider the CAB's proposed funding allocation method to ensure the fair and appropriate distribution of funding.
- 14. The Commission will examine the CAB's proposed reporting requirements to ensure transparency in the operation and administration of the CRNF. The Commission will also consider the importance of limiting the administrative burden for recipients.

- 15. The Commission will consider measures of success for the CRNF, whether by way of reporting requirements or by other means, and an appropriate timeline for the fund to be reviewed.
- 16. In light of these considerations, the Commission invites interested persons to respond to the following questions:
 - Q5. Is the CAB's proposed funding allocation method adequate? Are there any other allocation criteria or measures that the CAB should put in place to ensure that the CRNF funds are fairly distributed?
 - Q6. In its plan, the CAB has proposed a 12% cap on the amount of funding that a station, or group of stations operated by the same licensee, in a given market, can receive from the CRNF. Should such a cap be adopted, and why or why not? If such a cap were adopted, should it be applied to each market or at the national level? Further, if adopted, should this cap be applied to individual licensees or ownership groups? Please explain your reasoning.
 - Q7. Are the CAB's proposed reporting requirements sufficient to ensure the CRNF is operated transparently? If not, please detail which specific additional requirements are necessary and why.
 - Q8. What type of mechanisms, if any, should be put in place to monitor how the CRNF funding is used, while not unduly increasing the administrative burden on CRNF recipients?
 - Q9. Should fund recipients be required to report on how the funds received were used to meet the CRNF's objectives? What indicators, if any, should be put in place to monitor the success of the CRNF?
 - Q10. Given that the CRNF will be a temporary fund, is three years an adequate timeframe for the review of the fund?

Fund outreach initiatives and meeting certain objectives of the Broadcasting Act

17. Many policy objectives of the *Broadcasting Act*² are intended to ensure that the Canadian broadcasting system reflects Canada's linguistic duality; supports the production and broadcasting of original French-language programs; and serves the needs and interests of Indigenous peoples, members of official language minority communities, women, Canadians from Black or other racialized communities, and Canadians of diverse ethnocultural backgrounds, socio-economic statuses, abilities and disabilities, sexual orientations, gender identities and expressions, and ages. While

² See, in particular, subparagraphs 3(1)(d)(iii.1), 3(1)(d)(iii.2), 3(1)(d)(iii.5), 3(1)(d)(iii.6), 3(1)(d)(iii.11), 3(1)(i)(ii.1), 3(1)(i)(ii.1), 3(1)(i)(ii.2) and 3(1)(i)(iii.5).

Indigenous radio stations would not be eligible for the new funding³, the Commission requested that the CAB's outreach initiatives promote the fund to all eligible commercial radio stations, including stations serving Indigenous and ethnocultural communities. The Commission will consider the CAB's proposed outreach initiatives in light of these policy objectives.

- 18. The Commission therefore invites interested persons to respond to the following questions:
 - Q11. Are the CAB's proposed outreach initiatives adequate to promote the fund's accessibility to all commercial radio stations outside of the designated markets, including stations serving Indigenous and ethnocultural communities? Are there any additional outreach initiatives that the CAB should implement? If so, please describe in detail the initiatives you suggest.
 - Q12. Are there any potential barriers in the CAB's proposed plan for the CRNF that could impact access for any of the groups mentioned in paragraph 17? If so, how significant is the impact, and what specific solutions would you suggest to address those barriers?
- 19. The Commission will accept comments it receives on or before **4 December 2024**. The deadline for the filing of replies is **19 December 2024**. Only parties who file interventions may file a reply to matters raised during the intervention phase.

Procedure

- 20. The *Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure* (the Rules of Procedure) apply to the present proceeding. The Rules of Procedure set out, among other things, the rules for content, format, filing and service of interventions, answers, replies, and requests for information; the procedure for filing confidential information and requesting its disclosure; and the conduct of public hearings. Accordingly, the procedure set out below must be read in conjunction with the Rules of Procedure and related documents, which can be found on the Commission's website under "Statutes and Regulations." The guidelines set out in Broadcasting and Telecom Information Bulletin 2010-959 provide information to help interested persons and parties understand the Rules of Procedure so that they can more effectively participate in Commission proceedings.
- 21. Interested persons are permitted to coordinate, organize, and file, in a single submission, interventions by other interested persons who share their position. Information on how to file this type of submission, known as a joint supporting intervention, as well as a template for the covering letter to be filed by the parties, can be found in Broadcasting Information Bulletin 2010-28-1.

³ Indigenous radio stations have access to other sources of funding that can be applied to news production, such as the Local Journalism Initiative, administered by the Community Radio Fund of Canada.

- 22. The Commission encourages interested persons and parties to monitor the record of the proceeding, available on the Commission's website, for additional information that they may find useful when preparing their submissions.
- 23. Submissions longer than five pages should include a summary. Each paragraph of all submissions should be numbered, and the line ***End of document*** should follow the last paragraph. This will help the Commission verify that the document has not been damaged during electronic transmission.
- 24. Pursuant to Broadcasting and Telecom Information Bulletin 2015-242, the Commission expects incorporated entities and associations, and encourages all Canadians, to file submissions for Commission proceedings in accessible formats (for example, text-based file formats that allow text to be enlarged or modified or read by screen readers). To provide assistance in this regard, the Commission has posted on its website guidelines for preparing documents in accessible formats.
- 25. Submissions must be filed by sending them to the Secretary General of the Commission using **only one** of the following means:

by completing the

[Intervention/comment/answer form]

or

by mail toCRTC, Ottawa, Ontario K1A 0N2

or

by fax at 819-994-0218

- 26. Parties who send documents electronically must ensure that they will be able to prove, upon Commission request, that filing, or where required, service of a particular document was completed. Accordingly, parties must keep proof of the sending and receipt of each document for 180 days after the date on which the document is filed or served. The Commission advises parties who file or serve documents by electronic means to exercise caution when using email for the service of documents, as it may be difficult to establish that service has occurred.
- 27. In accordance with the Rules of Procedure, a document must be received by the Commission and all relevant parties by 5 p.m. Vancouver time (8 p.m. Ottawa time) on the date it is due. Parties are responsible for ensuring the timely delivery of their submissions and will not be notified if their submissions are received after the deadline. Late submissions, including those due to postal delays, will not be considered by the Commission and will not be made part of the public record.

28. The Commission will not formally acknowledge submissions. It will, however, fully consider all submissions, which will form part of the public record of the proceeding, provided that the procedure for filing set out above has been followed.

Important notice

- 29. All information that parties provide as part of this public process, except information designated confidential, whether sent by postal mail, fax, email or through the Commission's website at www.crtc.gc.ca, becomes part of a publicly accessible file and will be posted on the Commission's website. This information includes personal information, such as full names, email addresses, postal/street addresses, telephone and fax numbers, etc.
- 30. The personal information that parties provide will be used and may be disclosed for the purpose for which the information was obtained or compiled by the Commission, or for a use consistent with that purpose.
- 31. Documents received electronically or otherwise will be put on the Commission's website in their entirety exactly as received, including any personal information contained therein, in the official language and format in which they are received. Documents not received electronically will be available in PDF format.
- 32. The information that parties provide to the Commission as part of this public process is entered into an unsearchable database dedicated to this specific public process. This database is accessible only from the web page of this particular public process. As a result, a general search of the Commission's website with the help of either its own search engine or a third-party search engine will not provide access to the information that was provided as part of this public process.

Availability of documents

- 33. Links to comments, replies and answers/final replies filed for this proceeding, and other documents referred to in this notice, are available on the Commission's "Consultations and hearings: have your say" page.
- 34. Documents are available upon request during normal business hours by contacting:

Documentation Centre

Examinationroom@crtc.gc.ca

Tel.: 819-997-4389 Fax: 819-994-0218

Client Services

Toll-free telephone: 1-877-249-2782 Toll-free TTY: 1-877-909-2782

Secretary General

Related documents

- The Path Forward Supporting Canadian and Indigenous content through base contributions Finalization of conditions of service, Broadcasting Regulatory Policy CRTC 2024-121-1 and Broadcasting Order CRTC 2024-194, 29 August 2024
- The Path Forward Supporting Canadian and Indigenous content through base contributions, Broadcasting Regulatory Policy CRTC 2024-121, 4 June 2024
- Filing submissions for Commission proceedings in accessible formats, Broadcasting and Telecom Information Bulletin CRTC 2015-242, 8 June 2015
- Guidelines on the CRTC Rules of Practice and Procedure, Broadcasting and Telecom Information Bulletin CRTC 2010-959, 23 December 2010
- Changes to certain practices for filing interventions Expansion of filing practices to include the filing of joint supporting comments for broadcasting policy proceedings, Broadcasting Information Bulletin CRTC 2010-28-1, 10 December 2010