



## Broadcasting Decision CRTC 2026-66

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Reference: Part 1 application posted on 24 July 2024

Gatineau, 13 April 2026

**Cable Public Affairs Channel Inc.**  
Across Canada

*Public record: 2024-0399-7*

### **CPAC – Application to increase the mandatory per subscriber monthly wholesale rate**

#### **Summary**

The national, English- and French-language discretionary services known as Cable Public Affairs Channel (CPAC) broadcast the complete televised proceedings of Canada’s Parliament as well as coverage of key political events and public policy debates. Because of its exceptional importance, CPAC has benefited from a mandatory distribution order issued under paragraph 9.1(1)(h) of the *Broadcasting Act* since 2002.

In 2024, Cable Public Affairs Channel Inc. (CPAC Inc.) filed an application to increase the mandatory per subscriber monthly wholesale rate for CPAC from \$0.13 to \$0.16 (an increase of \$0.03 over the current rate). CPAC Inc. stated that, without a rate increase, it will not be able to continue fulfilling its mandate beyond 31 August 2026.

In Broadcasting Decision 2025-312, the Commission decided to defer its consideration of the application while it examines structural issues that affect the broadcasting industry as a whole. The Commission noted, however, that it could still consider the application on a shorter timeline, as it deemed appropriate.

Since the above-noted decision, the financial situation of CPAC Inc. has continued to deteriorate and is now critical, jeopardizing the fulfillment of its mandate and the sustainability of its public interest mission. Therefore, the Commission has considered the application in order to address the pressing financial issues raised by the applicant.

Based on the public record, the Commission approves the application by CPAC Inc. The Commission considers that approval of this application is in the public interest as it would ensure the continuity of the service as well as the continuation of programming commitments, an essential condition for the ongoing coverage of parliamentary activities and the provision of a high-quality service.

A joint dissenting opinion by Commissioners Ellen C. Desmond, K. C., and Stéphanie Paquette is attached to this decision.

## **Background**

1. Cable Public Affairs Channel Inc. (CPAC Inc.) is a federally incorporated, not-for-profit company that is owned by companies that own and control broadcasting distribution undertakings (BDUs). Its national, English- and French-language discretionary services, known as Cable Public Affairs Channel (CPAC), are independent not-for-profit services that are not authorized to broadcast commercial messages. CPAC broadcasts the complete televised debates of the Canadian Parliament, as well as coverage of major political events and public policy debates.
2. CPAC benefits from a mandatory distribution order issued under paragraph 9.1(1)(h) of the *Broadcasting Act* (the Act). In Broadcasting Decision 2018-329, the Commission renewed the broadcasting licence for the services from 1 September 2018 to 31 August 2023. In this decision, the Commission also renewed the mandatory distribution order for CPAC on the digital basic service, pursuant to paragraph 9(1)(h) of the Act.<sup>1</sup> It also approved a new wholesale rate of \$0.13, which came into effect on 1 September 2018.
3. In Broadcasting Decision 2023-245, the Commission administratively renewed the broadcasting licences and mandatory distribution orders for a certain number of discretionary services and television networks, including CPAC, until 31 August 2026.
4. In 2024, CPAC Inc. filed an application to increase CPAC's mandatory per subscriber monthly wholesale rate. The application is described in greater detail below.
5. In Broadcasting Decision 2025-312, the Commission deferred its consideration of CPAC Inc.'s application, stating that key policy decisions affecting the broadcasting industry as a whole would arise from ongoing proceedings. The Commission found it would be more appropriate to consider CPAC Inc.'s application in light of those decisions, but indicated that it could do this on a shorter timeline, as it deemed appropriate.
6. Since the above-mentioned decision, the financial situation of CPAC Inc. has continued to deteriorate and is now critical, jeopardizing the fulfillment of its mandate and the sustainability of its public interest mission. Consequently, the Commission considers it important to accelerate its schedule and examine the application immediately to address the pressing financial issues raised by the applicant.

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<sup>1</sup> At that time, mandatory distribution was granted under paragraph 9(1)(h) of the Act. Under the amended Act, mandatory distribution is now granted under paragraph 9.1(1)(h).

## **Application**

7. The application by CPAC Inc. aims to increase CPAC's mandatory per subscriber monthly wholesale rate from \$0.13 to \$0.16 (an increase of \$0.03 over the current rate).
8. CPAC Inc. requested that the new rate come into effect on 1 September 2026.
9. CPAC Inc. reported losing 13% of its subscribers between 2018 and the end of the 2022-2023 broadcast year, leading to a projected decline in its subscription revenues of 14.4% by the end of the 2023-2024 broadcast year. It indicated that it has few opportunities to diversify its revenues, particularly since its content lends itself little to monetization or export. It also stated that it is unable to generate advertising revenues and that the sums it earns from digital platforms remain modest. In addition, CPAC Inc. noted the steady rise in operating costs, particularly in connection with the production of live content.
10. According to CPAC Inc., without a rate increase, it would not be able to continue fulfilling its public interest mandate beyond 31 August 2026, since it would have to make substantial cuts to its core programming. It stated that the rate increase is necessary to maintain the quality and scope of its services, which play an essential role in providing impartial and direct access to the work of Parliament and other important political events. CPAC Inc. maintained that it plays a central role in providing reliable and comprehensive coverage of political events. It also stated that, without the necessary funding, it would not be able to replace its aging infrastructure, which would entail technical risks, service interruptions, and a decrease in quality for its broadcasts.

## **Interventions and reply**

11. The Commission received five interventions in regard to this application. CPAC Inc. replied to these interventions.
12. Bell Canada, Quebecor Media Inc. (Quebecor), and TELUS Communications Inc. (TELUS) recognized the financial challenges faced by all services that benefit from a mandatory distribution order under paragraph 9.1(1)(h) of the Act (9.1(1)(h) services). However, they objected to the rate being increased at this time since the regulatory framework is currently being restructured and given that eventual decisions could significantly alter CPAC Inc.'s financial situation. In their view, the BDUs cannot take on an additional financial burden. They considered that online undertakings should also contribute to the funding of 9.1(1)(h) services. Quebecor and TELUS also stated that CPAC Inc.'s application is premature, noting that the government funding granted by the 2024 federal budget (Budget 2024) could be renewed, thus mitigating CPAC Inc.'s financial needs.
13. The Public Interest Advocacy Centre recommended a formal renewal of the licence since, in its view, the 2023 administrative renewal contributed to current financial difficulties that broadcasters face.

14. For its part, the Forum for Research and Policy in Communications supported CPAC Inc.'s application, citing exceptional circumstances. In its view, the COVID-19 pandemic, the modernized Act, and the increasing administrative burden would justify a rate increase.
15. In its reply to the interventions, CPAC Inc. stated that it has implemented cost-saving measures and found other temporary funding sources for the short term. However, it indicated that the requested rate increase is essential for it to continue fulfilling its role in the broadcasting system.

## **Legal and policy frameworks**

### **Policy objectives of the Act**

16. In keeping with the objectives set out in paragraphs 3(1)(b) and 3(1)(d) of the Act, the Commission has implemented various regulatory and policy initiatives to ensure the enhancement of national identity, cultural sovereignty, the protection of Canadian diversity, and the promotion of freedom of expression.

### **Wholesale rate for 9.1(1)(h) services**

17. Under paragraph 9.1(1)(h) of the Act, the Commission has the authority to impose conditions on distribution undertakings requiring them to carry programming services and to set the terms and conditions for distribution.
18. The Commission has used this important regulatory tool to require the distribution of services that contribute in an exceptional manner to the objectives of the Act. Mandatory distribution ensures that more diverse programming is produced and made available to Canadians, and helps to ensure that smaller and diverse audiences benefit from having access to content that is relevant to, and reflective of them, but may not be available to them. For a service to be granted mandatory distribution, an applicant must demonstrate that the service is of exceptional importance to the achievement of the objectives of the Act, by meeting the criteria set out in Broadcasting Regulatory Policy 2010-629.
19. The Commission sets the wholesale rate for 9.1(1)(h) services when it grants them mandatory distribution. The Commission generally assesses requests to increase rates at licence renewal, as this allows it to review at the same time the service's contributions and its requirements. However, the Commission can review rates outside of licence renewal when circumstances warrant.
20. The Commission considers whether the rate increase is necessary for the service to meet its programming commitments and remain of exceptional importance to the Canadian broadcasting system. Additionally, the Commission evaluates whether the service contributes appropriately to the fulfillment of the policy objectives of the Act.

21. The Commission has historically considered declining BDU subscription levels as a factor justifying the approval of a rate increase.<sup>2</sup> However, this factor is always weighted against the ability of a 9.1(1)(h) service to continue contributing in an exceptional manner to the broadcasting system. Beyond simply exposing the challenges faced by traditional players, an applicant requesting a rate increase outside of the licence renewal process should be able to demonstrate its inability to meet its requirements without the rate increase. If not, the applicant should clearly establish that the requested rate increase would add sufficient value to the broadcasting system to justify approval of the increase.

## **Issues**

22. In light of the above and of the information on the public record, the Commission considers that it must address issues relating to the following:

- whether CPAC Inc. has demonstrated a financial need for the requested rate increase; and
- whether CPAC Inc. could continue to make a significant contribution to the broadcasting system in the absence of an immediate rate increase.

## **Has CPAC Inc. demonstrated a financial need for the requested rate increase?**

23. One of CPAC Inc.'s main arguments in support of its application is the decline in the number of BDU subscribers and the resulting decline in subscription revenues. In this regard, the Commission notes that subscription revenues, which represent by far the largest portion of CPAC Inc.'s revenues, fell by 11% between the 2018-2019 and 2022-2023 broadcast years.

24. CPAC Inc. stated that its revenues are not sufficient to offset the rising operating and programming costs it faces (including the rising cost of fuel for live coverage of various political events).

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<sup>2</sup> See Broadcasting Decisions 2018-340, 2018-329, and 2018-307.

25. The Commission recognizes that the services' funding model relies primarily on BDU subscription revenues and that the opportunities for this type of service to draw revenues from commercial sources are limited.<sup>3</sup> CPAC Inc. is a not-for-profit organization owned by BDUs, including Rogers Communications Canada Inc., Videotron Ltd., and Cogeco inc. Given its mandate and specific conditions of service, CPAC Inc. cannot broadcast commercial messages other than sponsorship messages in support of the provision of closed captioning or described video.<sup>4</sup> As a result, it has few means other than a rate increase to address the rising operating costs it faces.

**Could CPAC Inc. continue to make a significant contribution to the broadcasting system in the absence of an immediate rate increase?**

26. In Broadcasting Regulatory Policy 2013-372, the Commission considered that CPAC Inc. met several objectives of the Act by making the proceedings of the House of Commons and Senate widely accessible to Canadians in both official languages and by providing complementary public affairs programming. The Commission also considered that CPAC Inc. had adequately demonstrated that its contribution to Canadian expression was exceptional and that there was no comparable service in the Canadian broadcasting system or available by other means.

27. For several years, the Commission has considered it important that CPAC Inc.'s services continue to be made available to all Canadians, consistent with the objectives of the broadcasting policy for Canada, given that they are unique services.<sup>5</sup> Their programming supports several objectives of the Act, including the promotion of national identity and linguistic diversity.<sup>6</sup> CPAC also acts as an independent and reliable source of information for the public by relaying political news and facilitating access by Canadians to information of public interest.

28. The Commission is therefore of the view that the central issue in this case is whether CPAC Inc. could continue to make a significant contribution to the broadcasting system and meet the above-noted objectives in the absence of an immediate rate increase.

29. CPAC Inc. indicated that the one-time funding provided by Budget 2024<sup>7</sup> should enable it to continue operations until 31 August 2026. However, this funding is not long-term. It only aimed to provide limited support for specific expenses.

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<sup>3</sup> See paragraph 119 of Broadcasting Regulatory Policy 2013-372.

<sup>4</sup> See the appendix to Broadcasting Decision 2013-391.

<sup>5</sup> See Broadcasting Decision 2018-329.

<sup>6</sup> See paragraph 3(1)(b) and subparagraphs 3(1)(d)(i), 3(1)(d)(iii), and 3(1)(d)(vi) of the Act.

<sup>7</sup> In Budget 2024, the Canadian government granted financial support to CPAC Inc. to support the renewal of its essential infrastructure. This funding was aimed at replacing some of CPAC Inc.'s aging technical equipment.

30. In light of the above, the Commission is of the view that, in the absence of an immediate rate increase, the political news coverage offered by CPAC Inc. would be compromised. This would have an impact on CPAC Inc.'s ability to continue making an important contribution to the broadcasting system by ensuring that the Canadian population has direct access to parliamentary debates and political content.

#### **Commission's determination**

31. As the Commission noted in Broadcasting Decisions 2024-314 and 2024-106, declining subscriber revenues or cost inflation by themselves are not sufficient to justify a rate increase. In fact, the financial difficulties caused by the loss of subscribers are felt by all 9.1(1)(h) services, as well as by BDUs. However, in the case of CPAC Inc., this drop in revenues comes in a context where:

- its services cannot rely on an advertising revenue stream;
- the very nature of its programming severely limits its commercial options;
- there is no recurring public structural funding (the funding granted by Budget 2024 being of a one-time nature); and
- any reduction in the programming activities of the services would risk compromising its mission and its ability to meet the objectives of the Act.

32. CPAC Inc. stated that it is able to continue operations until 31 August 2026, thanks to interim federal funding granted in Budget 2024. However, it maintains that beyond this date, it foresees a critical financial situation likely to compromise the fulfillment of its mandate.

33. Given CPAC's outstanding contribution to Canadian expression and the fact that no comparable service exists in the Canadian broadcasting system or is available through other means, the Commission is of the view, based on all of the above factors, that an increase in the wholesale rate for CPAC Inc.'s services is justified.

34. The Commission notes that the issues raised by the BDUs relate to more general systemic regulatory issues. Such issues are currently being examined in Commission proceedings addressing the establishment of a sustainable broadcasting system and support for the creation and distribution of Canadian programming in the audio-visual sector.<sup>8</sup> Decisions on this matter will be issued in the near future.

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<sup>8</sup> See Broadcasting Notices of Consultation 2025-2 and 2024-288.

## **Conclusion**

35. In light of all of the above, the Commission approves, by majority decision, the application by CPAC Inc. to increase the mandatory per subscriber monthly wholesale rate for its services, CPAC, from \$0.13 to \$0.16 (an increase of \$0.03 over the current rate).
36. This determination to increase the wholesale rate in the mandatory distribution order for CPAC will come into effect on 1 September 2026, provided that CPAC's broadcasting licence and mandatory distribution order, which will expire on 31 August 2026, are renewed by the Commission before that date.
37. This decision is to be appended to the licence.

Secretary General

# Dissenting opinion of Commissioners Ellen C. Desmond, K.C., and Stéphanie Paquette

## Summary

1. The Cable Public Affairs Channel Inc. (CPAC Inc.) offers a service of exceptional importance to the Canadian public. It has a unique role in our broadcasting ecosystem and contributes in many ways to the objectives of the *Broadcasting Act* (the Act).
2. At the same time, the traditional broadcasting system is undergoing significant change and is under financial stress. Several broadcasting services have been forced to discontinue and leave the market during this transformational period. Our colleagues have decided that the CPAC Inc. application for an increase to its mandatory per subscriber monthly wholesale rate should be granted at this time. We respectfully disagree.
3. The Commission is currently in the process of developing a new regulatory framework, and changes will be implemented in the coming months. In our view, CPAC Inc.'s application for relief should continue to be suspended (in keeping with the November 2025 decision) until this new framework is established, allowing for a sustained and more permanent solution.

## The CPAC Inc. service

4. CPAC Inc. plays a pivotal role in providing reliable and comprehensive coverage of political events. It is a bilingual, non-profit, commercial-free media organization, and its core programming includes televised proceedings of Canada's Parliament and Senate, and committee meetings and debates. It holds a distinct place in the Canadian media landscape.
5. CPAC Inc. has benefited from a mandatory distribution order issued pursuant to section 9.1(1)(h) of the Act since 2002.<sup>1</sup> At that time, the Commission also set the wholesale rate that broadcasting distribution undertakings (BDUs) must pay for its services at \$0.11. This is a regulated fixed rate, providing some degree of financial stability. This price increased in 2013 from \$0.11 to \$0.12<sup>2</sup> and in 2018 from \$0.12 to \$0.13.<sup>3</sup> No increase has been granted to CPAC Inc. since that time.
6. CPAC Inc. has also benefited from federal funding. In the 2024 Federal Budget,<sup>4</sup> the government allocated \$5 million to CPAC Inc. to support the renewal of its critical

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<sup>1</sup> Broadcasting Decision 2002-377.

<sup>2</sup> Broadcasting Decision 2013-391.

<sup>3</sup> Broadcasting Decision 2018-329.

<sup>4</sup> [Budget 2024](#), *Fairness For Every Generation*.

infrastructure.<sup>5</sup> This was a one-time funding commitment, and CPAC Inc. has stated that, beyond 31 August 2026, it will face a serious financial situation that will affect the continuation of its mandate.

7. CPAC Inc. filed a request in July 2024 for an increase to the wholesale rate from \$0.13 to \$0.16 (i.e., a \$0.03 increase over the current rate). It requested that the increase take effect on 1 September 2026, at the beginning of the next licence term.
8. CPAC Inc. has provided evidence to demonstrate that it is under financial stress. The information before the Commission confirms that subscription revenues (which represent the largest portion of its revenues) have fallen by 11% between broadcast years 2018-2019 and 2022-2023. CPAC Inc. argues that, without an increase, it will be forced to significantly reduce its coverage of major democratic proceedings, which would limit Canadians' access to its essential programming. In addition, it requires more funding to replace its aging infrastructure. Without question, it is facing serious financial challenges.

### **Broader context**

9. CPAC Inc.'s financial situation must also be considered in the context of the entire traditional broadcasting industry. CPAC Inc. is not alone in facing financial uncertainty. Several discretionary services have had to cease broadcasting while others have had to make cuts to their core programming.
10. BDUs themselves are dealing with a significant financial decline caused by online competition and the fact that the viewing habits of consumers are changing. Cable revenues have been decreasing every year, which has led to accumulated losses, negatively impacting the ability of BDUs to contribute to the ecosystem.
11. In response to this application, several intervenors submitted that BDUs can no longer bear an additional financial burden. Bell Canada, TELUS Communications Inc., and Quebecor Media Inc. submitted that CPAC Inc.'s application comes at an inopportune time, when the regulatory framework is being restructured and future decisions could significantly change CPAC Inc.'s financial situation.

### **A modernized regulatory framework**

12. The Commission is currently undertaking a review of the entire regulatory framework. Two proceedings were held in 2025, at which point the Commission consulted on key policy issues including, *inter alia*, market dynamics, the sustainability and growth of the Canadian

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<sup>5</sup> [CPAC welcomes Budget 2024's investment in critical infrastructure | CPAC.ca.](https://www.cpac.ca/en/press-releases/2024/04/24/cpac-welcomes-budget-2024-s-investment-in-critical-infrastructure)

broadcasting system, and the funding of services that benefit from mandatory distribution orders. Important modernization decisions will be made in the coming months.

13. In November of 2025, the Commission turned its mind as to whether this application by CPAC Inc. (together with two other similar applications) should be processed. The Commission issued Broadcasting Decision 2025-312 and stated as follows at paragraph 6:

6. As part of its broader regulatory plan to implement the modernized Act, the Commission launched several proceedings, including one on the definition of Canadian content for television and online streaming services,<sup>6</sup> and one on market dynamics within the Canadian broadcasting system.<sup>7</sup> As part of these proceedings, which are still ongoing, the Commission is reviewing whether the existing regulations remain suited to and effective in supporting services of exceptional importance, and is reassessing, among other things, the various regulatory levers available to the Commission concerning financing and distribution. In addition, the Commission is taking into account the new realities of the broadcasting system, which are leading to significant changes in how services are accessed and their content is consumed.

While the Commission reserved the right to consider these applications on a shorter timeline, if needed, it specifically stated the following at paragraph 7:

7. The Commission recognizes the importance of the present applications, which concern services of exceptional importance. However, given the key policy decisions that will arise from these proceedings, the Commission considers that it would be more appropriate to consider the applications in light of those decisions. The Commission continues to act promptly to implement the modernized Act by issuing as quickly as possible, key decisions that affect the entire broadcasting system. Key policy decisions concerning the two aforementioned applications will be issued in the coming months.

14. Broadcasting Decision 2025-312, issued only a few months ago, provided a path forward. With the greatest respect to our colleagues, we do not agree that the Commission should now reverse course.
15. According to CPAC Inc., without a tariff increase, it will not be able to continue to fulfill its public interest mandate beyond 31 August 2026, and it will be forced to make substantial cuts to its programming. We understand that an 11% drop in subscription revenues may have a

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<sup>6</sup> See Broadcasting Notice of Consultation 2024-288.

<sup>7</sup> See Broadcasting Notice of Consultation 2025-2.

significant impact. However, the entire broadcasting system is in a state of rapid change, and all industry players are seeking ways to be sustainable in the long run.

16. In this context and considering the important regulatory policies that will be published in the coming months, the potential reduction to CPAC Inc. programming (which is undoubtedly serious) must be weighed against the very urgent situation facing the entire industry. In our view, the majority have considered this CPAC Inc. application out of order; key policy decisions must first be put in place, allowing durable solutions for the entire industry.
17. We respectfully conclude that the application by CPAC Inc. should continue to be deferred until more permanent and sustainable solutions are put in place.

## **Conclusion**

18. Significant work is underway to modernize the broadcasting system in Canada. Key policy decisions will be issued in the coming months that will address the rapid changes that all industry players are experiencing.
19. While CPAC Inc. offers a service of exceptional importance, it benefits from a mandatory distribution order and a regulated fixed rate, providing some degree of financial stability in the short term. While its financial situation is urgent, so too is the case for many other industry players, including BDUs.
20. Waiting until the broadcasting system has been modernized before processing the CPAC Inc. application will provide a more permanent and sustainable solution and will allow for the ecosystem to first be stabilized before moving forward.

## Related documents

- *CPAC, TV5/UNIS TV, and Canal M – Applications to increase the mandatory per subscriber monthly wholesale rates – Deferral of consideration of the applications*, Broadcasting Decision CRTC 2025-312, 21 November 2025
- *The Path Forward – Working towards a sustainable Canadian broadcasting system*, Broadcasting Notice of Consultation CRTC 2025-2, 9 January 2025, as amended by Broadcasting Notices of Consultation CRTC 2025-2-1, 24 March 2025; 2025-2-2, 31 March 2025; 2025-2-3, 23 July 2025; and 2025-2-4, 1 August 2025
- *AMI-tv and AMI-télé – Application to increase the monthly per subscriber wholesale rates*, Broadcasting Decision CRTC 2024-314, 3 December 2024
- *The Path Forward – Defining “Canadian program” and supporting the creation and distribution of Canadian programming in the audio-visual sector*, Broadcasting Notice of Consultation CRTC 2024-288, 15 November 2024, as amended by Broadcasting Notices of Consultation CRTC 2024-288-1, 26 February 2025; 2024-288-2, 24 March 2025; 2024-288-3, 31 March 2025; and 2024-288-4, 29 May 2025
- *Aboriginal Peoples Television Network Incorporated – Licence amendment and mandatory distribution order of the service across Canada*, Broadcasting Decision CRTC 2024-106 and Broadcasting Order CRTC 2024-107, 14 May 2024
- *Various television programming services and networks, and broadcasting distribution undertakings – Administrative renewals*, Broadcasting Decision CRTC 2023-245, 8 August 2023
- *APTN – Licence renewal and renewal of mandatory distribution order*, Broadcasting Decision CRTC 2018-340, 31 August 2018
- *Cable Public Affairs Channel – Licence renewal and renewal of mandatory distribution order*, Broadcasting Decision CRTC 2018-329, 29 August 2018
- *Canal M – Licence renewal and renewal of mandatory distribution order*, Broadcasting Decision CRTC 2018-307, 23 August 2018
- *CPAC – Licence renewal and amendments*, Broadcasting Decision CRTC 2013-391, 8 August 2013
- *Applications for mandatory distribution on cable and satellite under section 9(1)(h) of the Broadcasting Act*, Broadcasting Regulatory Policy CRTC 2013-372, 8 August 2013

- *Criteria for assessing applications for mandatory distribution on the digital basic service*, Broadcasting Regulatory Policy CRTC 2010-629, 27 August 2010
- *Licence renewal for CPAC; and issuance of a distribution order*, Broadcasting Decision CRTC 2002-377, 19 November 2002