



Canadian Broadcasting sold out to foreign interests

For immediate release

Toronto, December 21, 2007 – The Writers Guild of Canada (WGC) believes that the CRTC has stretched the law to breaking with yesterday's late-issue decision to allow the takeover of Alliance Atlantis Communications (AAC) by CanWest MediaWorks with the majority of financing coming from an American bank. This deal, which allows the US bank Goldman Sachs to hold more than a 64% equity share of a major Canadian broadcaster, is in fundamental conflict with the key principle of Canada's Broadcasting Act: that Canadian broadcasters be under Canadian control.

Maureen Parker, Executive Director, Writers Guild of Canada, says, "Canadian broadcasting has with this decision entered the age of the absentee landlord. Now, decisions at CanWest will be driven by the need to deliver on aggressive equity reduction targets rather than the quality of programming. This will mean more repeats, more reality, and less original scripted Canadian programming."

Parker added, "the WGC is concerned that this is a precedent setting decision. Rather than applying the law to the here and now situation, the CRTC is banking on what CanWest will look like based on a rosy four-year projection. In doing this, though, the CRTC has put CanWest on notice – it expects to see foreign ownership reduced to less than 51% and it's giving the corporation four years to get there. We'll be watching for that progress too."

The WGC is somewhat reassured by the CRTC's rejection of CanWest's proposal to spread the benefits spending over ten years, not only upholding the seven-year standard but mandating that the spending be apportioned almost equally in each of those seven years.

Parker says, "CanWest tried to lower the bar on what is considered Canadian programming, and the CRTC listened to our concerns. This decision requires benefits spending on nothing less than eight-point drama, and mandates that a minimum of 60% of the spending be directed to ten-point drama. And the fact that the CRTC has allocated all the disallowed amounts – and 90% of the added benefits from the increased valuation – to scripted drama seems to me to be recognition on the part of the CRTC of what the WGC has been saying for years: that broadcasters are not spending enough on Canadian scripted drama, and that it is the lynchpin of our national television."

For more information, please contact David Kinahan, Director of Communications, Writers Guild of Canada, at 416-979-7907 or 1-800-567-9974, or by email at d.kinahan@wgc.ca

The Writers Guild of Canada (WGC) represents more than 1,800 professional screenwriters across Canada who create the distinctly Canadian entertainment we enjoy on our televisions, movie screens, radios and computers – such as dramatic TV series and movies, feature films, documentaries, animation programs, comedy and variety series, children's and educational programming, radio drama, corporate videos and digital media productions.

-30-