



TV Policy Review A WGC Members' Primer

The November 2009 TV Policy hearing will chart the course of TV production in Canada for the next seven years or so, and will frame the policies under which the broadcasters will operate when they come to renew their licences in 2010.

To address the decline in quality Canadian programming, the WGC proposes a three-point plan ensuring an overall Canadian programming spend for the conventional broadcasters and creating a minimum group-based expenditure requirement for drama, documentaries and children's programming.

The WGC is recommending to the CRTC a three-point plan:

- 1) A specific Canadian programming expenditure requirement for all conventional services.
- 2) Continuation of the successful expenditure and exhibition requirement framework for specialty services.
- 3) An ownership-group-based expenditure and exhibition requirement for drama, documentary and children's programming.

The plan builds on success – it expands on the Canadian Programming Expenditure (CPE) in use for specialty channels by adapting the model to the entire ownership group, and targeting drama, documentaries and children's programming. At the same time, it addresses the specific failure of conventional broadcasters to spend appropriately on Canadian programming and the general weakening of original Canadian programming across station groups, including specialty channels. The proposal has the added benefit of giving the broadcasters flexibility— in scheduling and in total hours produced across station groups – while ensuring that they meet their obligations under the *Broadcasting Act*.

The plan also recommends an exhibition requirement to ensure shows are aired at least once on conventional broadcasters, where there is an opportunity to garner a mass audience. The history of Canadian broadcasting tells the tale: only with both expenditure *and* exhibition requirements do we get both volume and quality.

Why Drama, Doc & Kids?

Canadian drama, documentaries and children's programming are underrepresented on our screens. They are riskier to make and harder-to-finance than news and sports, and reality and lifestyle programs, but the role they play telling Canadian stories to Canadian audiences is critical in the shaping of Canadian identity. Without specific expenditure

requirements and within the priority programming framework, the hours of programming in these genres have dropped. We need specific rules to support them.

Fee-For-Carriage

In August, the CRTC shifted the parameters of the TV Policy hearing, allowing for the late inclusion of the issue of fee-for-carriage. Fee-for-carriage has been discussed at CRTC on numerous occasions, and we are disappointed that it is now back on the table. This is a battle between two Goliaths over David's money. And right now the only person that stands to get nothing out of this is you! (And you might pay more for it).

For more than two years the broadcasters have been playing a public relations game - making noise (in full page ads, petitions and elsewhere) about reducing their Canadian content requirements, saying if they can't increase revenue they must reduce cost. But their responsibility to provide programming is a primary and long-standing obligation. It has no connection to fee-for-carriage whatsoever.

We leave the issue of fee-for-carriage to broadcasters, BDUs and the CRTC to work out – in the end, what matters to us is what broadcasters do with the revenue they have. Our three-point plan is based in revenues – whatever it is that forms those revenues. So whether or not the broadcasters receive fee-for-carriage, our proposal is that they spend a specific percentage of their revenue to make high-quality Canadian programming and specifically drama. If revenues rise, they will be expected to spend more; if revenues fall, they can spend less.

We expect the volume of noise in the fee-for-carriage debate to increase as the hearing gets underway. The WGC and its partners will strive to return the conversation on TV Policy to the central issue of the broadcasters' regulatory obligations to create and present quality Canadian programming.

The Cost of Delay

This TV Policy hearing has been pending or postponed since 2007. Delays to date have meant an industry in waiting in Canada, with slowed production, redirected resources and energies, and unclear expectations. We are very concerned about the possibility of further delay, allowing the industry to languish in this state of unproductive uncertainty for even longer.

We believe that, if implemented, the WGC's three-point plan – a plan arrived at and supported with our industry colleagues at the CFTPA, ACTRA, and the DGC – will provide the Canadian broadcasting system and the television industry with the kind of stability that will enable all parties to return their focus to where it should be: that is, providing Canadians with the ability to choose from a wide variety of high-quality Canadian programming.

The WGC is scheduled to appear before the CRTC on these issues on November 23rd.