



WGC Says Shaw No Exception: Need More Benefit in Benefits Package

Increased Commitment Sought for Development & Production of Canadian Drama

For Immediate Release – Calgary – September 22, 2010 – The Writers Guild of Canada (WGC) today called on the CRTC to follow precedent and policy, and require Shaw Communications to increase its benefits package. The WGC stated its support for Shaw's acquisition which allows the CanWest television properties to stay intact and provides them with the backing of a financially healthy Canadian company. The WGC insisted, however, that, as with previous transactions of this kind, the Shaw benefits package should be worth no less than 10% of the \$2.047 billion transaction as valued by the Commission, or at least \$204.7 million of clear and incremental benefit to the industry.

Shaw's proposed \$200 million benefits package includes \$95 million in unfulfilled benefits leftover from CanWest's purchase of Alliance Atlantis in 2007. Carrying forward unfulfilled benefits in this way is not in keeping with CRTC policy, and the WGC argues that the \$95 million owing should not be included in the value required of the new benefits package.

In particular, the WGC advocated that Shaw adjust its benefits proposal to direct more money at strengthening Canada's development and production of high-quality scripted drama, the programming most difficult to finance and most popular with Canadian audiences. Shaw's current proposal for scripted programming falls well short of the standard established by CRTC in recent years. The WGC also expressed its readiness to work with Shaw to tailor an effective development program to increase the quality of scripted Canadian drama in the pipeline.

WGC Director of Policy Kelly Lynne Ashton said: "Finding a way to make the money show up in scripts and on screens not only benefits the entire broadcasting system, it benefits Canadian audiences too. A real commitment by Shaw to the development and production of quality scripted Canadian drama will make this possible."

The WGC also raised concerns with Shaw's proposals around new media content. While the WGC agrees that digital media is a timely and worthy inclusion in any benefits package, it wants to ensure this funding goes specifically to development and production of new media content related to the scripted programming funded under the benefits package.

WGC President Jill Golick said: "benefits spending on digital content will address a real need. Audiences are looking for this content and it is still hard to finance in the marketplace. Incremental spending on digital content will extend the experience for audiences, deepening their connection and loyalty to the shows they love."

The WGC also cautioned against allowing Shaw to claim self-serving spending on digital transmitters and morning newscasts as benefits. Both are within the regular cost of doing business as a broadcaster in Canada. To be of more direct benefit to the Canadian broadcasting system as a whole, this money would be better allocated to Canadian drama.

For more information, please contact David Kinahan, Writers Guild of Canada, at d.kinahan@wgc.ca

The Writers Guild of Canada (WGC) represents more than 2,000 professional English-language screenwriters across Canada. These are the creators who write the distinctly Canadian entertainment we enjoy on our televisions, movie screens and digital platforms.