



Writers Guild of Canada

May 1, 2003

BY FACSIMILE – (819) 994-0218

AND E-MAIL: procedure@ctrc.gc.ca

Ms. Diane Rhéaume

Secretary General

**Canadian Radio-television and
Telecommunications Commission**

Ottawa, Ontario

K1A 0N2

Dear Ms. Rhéaume,

**RE: CRTC Notice of Public Hearing 2003-3; Renewal of the Specialty
Television Programming licences outlined in the Appendix to this
Intervention (herein referred to as the “Applications”)**

Dear Ms. Rhéaume:

1. This is the Writers Guild of Canada's written intervention to the Applications. The Writers Guild of Canada (WGC), represents more than 1,700 screenwriters working in English-language film, television, radio and new media in Canada. Our members create the screenplays that become Canada's feature films, movies-of-the-week, mini-series, documentary, magazine shows, radio, internet and dramatic series. Canadian screenwriters are the creators of Canadian content. For this reason, our members have a major interest in the commitments made with respect to Canadian content by the applicants.
2. The WGC wishes to appear at the hearing to speak to this intervention.

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3. The Writers Guild has reviewed the detailed analysis prepared by the Directors Guild of Canada concerning renewal of the Specialty Television Programming licenses outlined in Appendix 1 and the WGC largely endorses its comments and recommendations. In addition, the WGC would like to make the following submission on the renewal of the Applications.
4. The WGC is very concerned about the current state of decline in Canadian English language drama. The WGC was one of the first industry groups to voice concerns about a pending crisis in Canadian drama production following the CRTC's announcement of its 1999 Television Policy. While the WGC believes that the CRTC policy is not the sole cause of the decline in drama, it also believes that the CRTC can play a leading role in reversing this decline.
5. Like the DGC's submission, the purpose of the WGC's intervention is two-fold. First, the WGC would like to address the current crisis in Canadian drama and the role of conventional and specialty television services in addressing this issue. The WGC is an active member of the Canadian Coalition of Audio-visual Unions and fully endorses Coalition's report *The Crisis in Canadian English-Language Drama* (CCAU Report) released on 17 March 2003 and included in the DGC's intervention on the Applications.
6. The second purpose of this intervention is to comment on certain of the issues the Commission has raised in its Notice of Public Hearing. The WGC agrees with the DGC's comments on the following issues:
 - (a) First, the WGC, like the DGC, wishes to highlight the growing importance of the commitments of specialty services to the achievement of the goals of the *Broadcasting Act*. The WGC further supports the DGC's position that where those specialty services are able to contribute more to the Canadian broadcasting system in their renewal terms, they should be required by the Commission to do so, taking into account special circumstances, if any, that might exist.
 - (b) Second, the WGC fully endorses the DGC position to allow more specialty services to air original Canadian drama. The Commission indicated in its Notice that it
 - “...will examine proposals to amend nature of service conditions of licence that would appear to represent a significant shift, to ensure that such amendments are consistent with the Commission's one-per-genre policy and its objective of programming diversity.”

The WGC agrees that permitting specialty licensees to air new Canadian drama would contribute to the vitality of this genre, and would not materially affect the “one to a genre” policy currently applied by the Commission.

- (c) Third, the WGC supports the DGC in urging the CRTC to indicate to specialty licensees that the CTF licence fee top-up will no longer count as a credit toward spending by any broadcaster. In particular, the renewal decisions should indicate that eligible expenditures in the renewal term do not include any CTF credits.
- (d) Fourth, the DGC urges the Commission to provide performance reports for the specialty services that break out the expenditures by each licensee by program category, the same way that it does for conventional broadcasters, to facilitate monitoring, analysis and comparison.

Rejuvenating Canadian Drama: the Canadian Coalition of Audio-visual Unions (CCAU) Report on *The Crisis in Canadian English-Language Drama*, March 17, 2003

- 7. The recent CCAU report entitled “The Crisis in Canadian English-Language Drama” analyzes the reasons for the decline in Canadian drama and sets out both short and long-term recommendations. A copy of this report was attached as Schedule 2 to the DGC intervention. The WGC, as a member of the CCAU, was actively involved in the formulation of the report’s recommendations, which it fully endorses.
- 8. The CCAU members share the common objective of rejuvenating the production of Canadian drama, and jointly have identified a number of regulatory solutions that are set out in the report. The WGC fully endorses both the short and long-term recommendations of the report as summarized in the DGC intervention.
- 9. The WGC would like to highlight the findings and recommendations of the CCAU Report, particularly as they relate to the role of specialty television services in promoting Canadian drama.
- 10. Like the DGC, the WGC notes that all the principal broadcasting ownership groups in English Canada will be present at the CRTC hearing, since each of them, including CTV, CanWest Global, CHUM and Alliance Atlantis have one or more specialty licences up for renewal. In agreement with the DGC, the WGC considers that this hearing can act as a useful forum to explore the problems of Canadian drama and in particular, the approach that both the renewal applicants and the Commission wish to take with respect to the

creation and presentation of Canadian drama in the coming licence term contemplated in the Applications.

11. The WGC supports an amendment of the specialty licences to permit specialty licensees to include original Canadian drama in their schedules. Many specialty services such as TSN, The Discovery Channel and HGTV, are completely prohibited from airing any Canadian drama. All of these services are, however, required to make expenditures on Canadian programming by condition of licence, but the programming cannot include Canadian drama. The implementation of this recommendation could result in up to \$11 million more in the system for the production of Canadian dramatic programs.
12. The WGC believes that a commitment to script development is the cornerstone of the rejuvenation of Canadian drama. The volume of script development for Canadian drama must increase in order to ensure that quality scripts are available for production. The WGC calls for a requirement that a portion of all specialty channel licensees earnings be allocated to script development for new Canadian drama programs.
13. As referred to in the CCAU study, the volume of Canadian program development is a fraction of that in the US. Unlike the Hollywood model, in Canada, pilots are virtually non-existent and only a low ratio of development takes place at the script stage. Each year, U.S. networks commission dozens of new drama programs knowing that most will not succeed, but with the hope that at least a few will prove to be winners. This type of script development does not occur here. Our system is financially tight and as a result there is very little trial and error when it comes to developing shows for production. This means that scripts that are not ready are produced because there is little money available for “waste scripts.”
14. The CCAU study also states that Canada has a few advantages over its southern neighbour in making television drama. Canada has an extraordinary talent pool of talented writers and other creators, Canadian production can produce an hour of drama for a third of the cost in the U.S. and projects may receive funding from the CTF as a public/private entity.
15. Our disadvantages when compared to the U.S. system are substantial.
16. First, as stated above, English-Canadian drama has a very low level of script and concept development. WGC figures show that in 2001 we had five one-hour series in development that did not proceed to production and five one-hour series that were actually produced. These figures provide an overall development ratio of just two-to-one. This ratio is fairly constant -- in 2000, six hour-series projects dead-ended, and in 1999 the number was seven.

Clearly, Canadian ratios are far lower than those in the U.S., and a key phase of the process – the contracting and production of pilots for series -- is missing entirely. As a result, little investment is allocated to bring the best possible programs to Canadian viewer's screens.

17. Second, there is little promotion of Canadian programs and "stars". Although Canadian broadcasters are starting do some promotion, it is at its very early stages while Canadian households are bombarded by U.S. networks' promotional drives.
18. Third, Canadian programs are not prioritized in broadcaster's schedules. The prime-time schedules of English-language broadcasters are focused on maximizing simulcast opportunities with U.S. network programs. As a result, Canadian prime-time schedules are often set in L.A., not in Canadian cities. For shows to be ultimately successful with Canadian audiences they need to be properly scheduled--not burned off against *E.R.* or *Law & Order*, and not bounced around the schedule (in its two-year life, *The Associates* was moved 11 times). For Canadian series to become genuine 'appointment television' with viewers, they need to be scheduled and promoted so that people know the show exists, and can form the habit of watching it. That is not currently the case.
19. Finally, although WGC data and the CCAU report indicate that Canadians are watching Canadian drama when they can find it, broadcasters are airing foreign programs largely because they are cheaper to buy. The CCAU study has found that ratings in Canada have been generally better for distinctive Canadian drama than for so-called industrial drama, i.e. drama pre-sold to a U.S. specialty service without any obviously Canadian content. Despite this fact, broadcasters have a strong economic incentive to buy 6-point industrial productions rather than 10 point distinctive Canadian drama given the cheaper license fees.
20. The WGC agrees with the DGC that an important contributing factor in the problem is the decline in Canadian drama expenditures by broadcasters, and the move by private stations from 10-point distinctive drama to repeats of 6-point drama.
21. It is important to note that the WGC is referring to the support of original, distinctive Canadian ten out-of ten point drama rather than the so-called industrial drama, i.e. drama pre-sold to a U.S. specialty service without any obvious Canadian content. For the most part, industrial dramas are created and written by American non-residents. It is not possible to tell a Canadian story without a Canadian writer. Writers don't just write dialogue but rather create the premise, the plot, the characters, and the structure of a production.
22. The WGC believes that specialty channel licensees can play an important role in reversing this decline in Canadian drama. The WGC recommends that

the Commission require that all licenses granted to the applicants for specialty channel licences invest a portion of their revenues to the development of new Canadian drama.

23. Insofar as the specialty services are concerned, the WGC, like the DGC, recognizes that in many cases specialty services may be seen as too small to solve the crisis in Canadian drama by themselves, although there are some useful contributions that they can make to the overall solution. As noted by the DGC in its' intervention, large corporate broadcasting groups own many of these services. Often, that strong ownership is a key element not only in winning licences, but in operating the services profitably. And it can also be part of the solution to the crisis in Canadian drama.
24. The WGC fully supports the DGC's recommendations set out in its intervention in section D regarding increasing the Specialty Services' Canadian Content Contributions.
25. The WGC fully supports the DGC's recommendations set out in its intervention in section E regarding the clarification of the application of CTF credits.
26. The WGC fully supports the DGC's recommendations set out in its intervention in section G regarding the provision of performance reports for Specialty Services.
27. The Writers Guild appreciates this opportunity to comment on these issues. A copy of this intervention has been forwarded to the relevant applicants.

Yours truly,



Gail Martiri
Director of Policy and Communications

c.c. Maureen Parker, Executive Director, WGC

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APPENDIX

Application No. [2002-0896-9](#)

THE COMEDY NETWORK INC. to renew the licence of the national English-language specialty television service known as The Comedy Network expiring 31 August 2003.

Application No. [2002-0893-5](#)

MUSIQUE PLUS INC. to renew the licence of the national French-language specialty television service known as MUSIMAX expiring 31 August 2003.

Application No. [2002-0895-1](#)

CTV TELEVISION INC. to renew the licence of the national English-language specialty television service known as CTV Newsnet expiring 31 August 2003.

Application No. [2002-0897-7](#)

1163031 ONTARIO INC. to renew the licence of the national English-language specialty television service known as Outdoor Life Network (OLN) expiring 31 August 2003.

Application No. [2002-0891-9](#)

THE SCORE TELEVISION NETWORK LTD. to renew the licence of the national English-language specialty television service known as The Score expiring 31 August 2003.

Application No. [2002-0974-3](#)

ROGERS SPORTSNET INC. to renew the licence of the national English-language specialty television service known as Sportsnet expiring 31 August 2003

Application No. [2002-0942-0](#)

TELETOON CANADA INC. to renew the licence of the national English and French-language specialty television services known as Teletoon/Télétoon expiring 31 August 2003.

Application No. [2002-0889-4](#)

HISTORY TELEVISION INC. to renew the licence of the national English-language specialty television service known as History Television expiring 31 August 2003.

Application No. [2002-0953-7](#)

ODYSSEY TELEVISION NETWORK INC. to renew the licence of the national ethnic specialty television service known as Odyssey Television Network expiring 31 August 2003.

Application No. [2002-0952-9](#)

CHUM LIMITED to renew the licence of the national English-language specialty television service known as MuchMoreMusic expiring 31 August 2003.

Application No. [2002-0890-2](#)

HGTV CANADA INC. to renew the licence of the national English-language specialty television service known as Home and Garden Television Canada expiring 31 August 2003.

Application No. [2002-0948-8](#)

LEARNING AND SKILLS TELEVISION OF ALBERTA LIMITED (LTA) to renew the licence of the national English-language specialty television service known as Canadian Learning Television (CLT) expiring 31 August 2003.

Application No. [2002-0939-7](#)

GLOBAL COMMUNICATIONS LIMITED AND PRIME TELEVISION HOLDCO INC., PARTNERS IN "PRIME TV, GENERAL PARTNERSHIP", to renew the licence of the national English-language specialty television service known as Prime TV expiring 31 August 2003.

Application No. [2002-0955-3](#)

CHUM LIMITED to renew the licence of the national English-language specialty television service known as Space: The Imagination Station (Space) expiring 31 August 2003

Application No. [2002-0899-3](#)

SOUTH ASIAN TELEVISION CANADA LIMITED to renew the licence of the national ethnic specialty television service known as ATN (South Asian Television) expiring 31 August 2003.

Application No. [2002-0956-1](#)

CHUM LIMITED AND 3661458 CANADA INC., PARTNERS IN PULSE 24, GENERAL PARTNERSHIP, to renew the licence of the regional (Ontario) English-language specialty television service known as Pulse 24 expiring 31 August 2003.

Application No. [2002-0887-8](#)

ASTRAL BROADCASTING GROUP INC. to renew the licence of the national French-language specialty television service known as Canal Vie expiring 31 August 2003

Application No. [2002-0940-5](#)

TVA GROUP INC. to renew the licence of the national French-language specialty television service known as Le Canal Nouvelles (LCN) expiring 31 August 2003.

Application No. [2002-0894-3](#)

CTV TELEVISION INC. to renew the licence of the national English-language specialty television service known as Report on Business Television (ROBTV) expiring 31 August 2003.

Application No. [2002-0954-5](#)

CHUM LIMITED to renew the licence of the national English-language specialty television service known as Star!-TV (Star) expiring 31 August 2003

Application No. [2002-0898-5](#)

CTV TELEVISION INC. to renew the licence of the national English-language specialty television service known as Talk TV expiring 31 August 2003.

Application No. [2002-0907-4](#)

YTV CANADA INC. to renew the licence of the national English-language specialty television service known as Treehouse TV expiring 31 August 2003.

FAX NUMBERS OF APPLICANTS

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CHUM LIMITED and 3661458 CANADA INC.
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CTV TELEVISION INC.

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THE COMEDY NETWORK INC.

c/o CTV Television Inc.

Fax: (416) 332-5301

GLOBAL COMMUNICATIONS LIMITED and PRIME TELEVISION HOLDCO INC.

Prime TV

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HGTV CANADA INC.

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HISTORY TELEVISION INC.

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SOUTH ASIAN TELEVISION CANADA LIMITED

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TELETOON CANADA INC.

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TVA GROUP INC.

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YTV CANADA INC.

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