

News Release

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Trust in Ottawa to protect Canada on TV would be shattered by cable de-regulation

Toronto – Canadians regard the CRTC and the federal government as guardians of Canadian culture on TV, but don't trust that de-regulated cable and satellite companies would promote and deliver Canadian content on the small screen.

These are among the findings of a new Pollara survey of 1,200 Canadian cable and satellite subscribers released this morning. The results emerge as the CRTC is set to consider distributors' demands for sweeping new latitude to decide what's on TV, how it's packaged and what subscribers must pay to watch.

The survey reveals that two thirds of Canadians (67%) trust the CRTC and the federal government most to preserve Canadian culture and identity on TV while only 8% place their trust in cable companies.

"Canadians have a strong sense of national identity; they want their TV programming to reflect and support that identity and values, and they look to Ottawa to ensure that it does," said Robert Hutton, Executive Vice-President of Pollara. "It's a cultural trust."

Pollara found that eight in ten respondents feel they have unique values and identity as Canadians and 92% say preserving Canadian values and identity is important to them personally.

If the CRTC awards new powers to de-regulated cable and satellite companies, Canadians expect domestic television production and independently owned Canadian channels to sustain damage, as well as diminished program choice. According to the survey:

- 55% believe the Canadian television production industry will not survive and succeed in an unregulated cable and satellite environment;
- 74% think that less regulation is likely to reduce the choices of Canadian programs on TV;
- 87% believe cable or satellite providers would likely favour channels they own over independent channels;
- 88% believe it is important (53% very important) to have regulations and/or incentives to ensure the continued presence of independently owned Canadian broadcasters on cable and satellite line-ups;

"These results clearly point out that Canadians strongly support regulations that ensure access for independently owned broadcasting companies on both cable and satellite distribution systems in Canada. The CRTC could make or break the sector depending on their decision," said Martha Fusca, President and CEO of Stornoway Communications, one of Canada's leading independent specialty television channel operators.



Survey results show that subscribers want Canadian program choices and reject the idea of bumping Canadian shows in favour of foreign fare, as would likely happen if the cable industry's demands to eliminate rules concerning "genre exclusivity" are granted by the CRTC.

Canadian specialty channels based on a U.S. model – the Canadian variation of The History Channel for example – will likely be bumped off the dial in favour of direct distribution of the U.S. service because this would be cheaper and more profitable for Cable.

Funding for Canadian programming could plummet by as much as \$600 million a year if Cable were allowed to drop existing Canadian television channels to a mere majority and divert payments to U.S. services. Canadian TV production will dry up as these resources flow south across the border.

"We stand at a crossroads for Canadian culture on the small screen. If the ecosystem of CRTC regulations is dismantled, it will be the death knell for Canadian culture, and our sovereignty. Scarce financial resources will be diverted out of the hands of Canadian creators and our broadcasting system. This poll shows Canadians won't support deregulation," Said Stephen Waddell, National Executive Director of ACTRA.

Eight in ten believe Canadian drama and comedy, local news, public affairs and documentaries are important to have on TV. At the same time the survey found that Canadians view unfavourably the idea of replacing any of these Canadian programming types with foreign programming that might be more profitable for their cable or satellite provider to acquire.

"Regulations work to keep the 'Canadian' in 'Canadian broadcasting system,'" says Maureen Parker, Executive Director, Writers Guild of Canada. "If the cable and satellite companies have the power to bring in unlimited U.S. channels, Canadian TV services will be squeezed out of buying and selling U.S. programs. This will have a detrimental impact on their revenue and affect their ability to contribute to Canadian programming. We fully support what the poll reveals – that Canadians overwhelmingly support safeguards already in place to ensure their ability to choose Canadian programming."

Pollara found that the TV distributors enjoy strong customer satisfaction levels on a number of key consumer issues. Six in ten Canadians are satisfied with pricing and program packages offered by their supplier, and the industry scores even stronger when it comes to reliability (83% satisfied), and picture and sound quality (90% satisfied).

The poll also found that only 4% of subscribers have a great deal of trust that cable and satellite companies would promote and deliver Canadian channels and content if the industry were less regulated.

"These findings show that the hearing in Gatineau which begins tomorrow will be looking for solutions to a non-existent problem. As far as Canadians are concerned, the system is not broken; the distributors are supplying a good product and Ottawa is doing its duty to protect, promote and enhance Canadian programming," said Ian Morrison, spokesperson for the broadcast watchdog group Friends of Canadian Broadcasting.

Pollara also assessed the monetary value Canadians place on preserving Canadian programming and found at least one half of Canadians declare their willingness to pay more for the programming that is currently available for free, in order to support Canadian identity on TV.

"Consumers are paying cable companies billions of dollars. It is not unreasonable to expect a basic commitment to Canadian programming along with their monthly bills," said Peter Murdoch, Vice-President of the Communications, Energy and Paperworkers Union of Canada.

The survey was commissioned by ACTRA, the Communications, Energy and Paperworkers Union of Canada, Friends of Canadian Broadcasting, Stornoway Communications, and the Writers Guild of Canada.

POLLARA conducted telephone interviews from March 14th to March 19th, 2008, with 1,200 randomly selected Canadians who currently subscribe or have subscribed to a cable or satellite TV service in the past 5 years. The data were weighted by region and by age to be representative of the general population. Results of the survey are accurate to within +/- 3%, nineteen times out of twenty.

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