Writers Guild of Canada



August 19, 2015

Filed Electronically

Mr. John Traversy Secretary General Canadian Radio-television and Telecommunications Commission Ottawa, Ontario K1A 0N2

Dear Mr. Traversy:

- Re: Part 1 Applications Conversion of the licence from a Category A to a Category B service– Bell Media Inc. and 2953285 Canada Inc.
  Bravo! Application 2015-0729-5; The Comedy Network Application 2015-0730-3; Discovery Channel Application 2015-0731-0; E! Application 2015-0732-8; MTV Application 2015-0734-4; Much Application 2015-0736-0; M3 Application 2015-0737-8; Space Application 2015-0738-6
- 1. The Writers Guild of Canada (WGC) is the national association representing more than 2,200 professional screenwriters working in English-language film, television, radio, and digital media production in Canada. The WGC is actively involved in advocating for a strong and vibrant Canadian broadcasting system containing high-quality Canadian programming. While the WGC's mandate is to represent our members, in advocating a strong Canadian broadcasting system that offers Canadians a variety of programming, we also play a role in balancing competing interests in the broadcasting system.
- 2. In the above-noted applications, Bell Media Inc. (Bell) requests to convert the above-noted services from Category A services to Category B services, with the consequent reduction in their exhibition requirements. The WGC opposes this request.

## Interrelation of issues and the established timeframe

- 3. The Commission launched Let's Talk TV: A Conversation with Canadians (Let's Talk TV) in October 2013, and in February and March, 2015, released a series of policies that ultimately resulted from that conversation. Over that period the Commission considered and dealt with a large number of issues, including maximizing choice and affordability for consumers, creation of Canadian content, over-the-air television, simultaneous substitution, and improved access for Canadians with disabilities. We would argue that many of these issues are interrelated, and that that's at least part of the reason why the Commission chose to deal with them all in one proceeding. We submit that this interrelation was both a general theme of Let's Talk TV, and something the Commission specifically identified in certain instances, as discussed in more detail below.
- 4. In the decisions arising from Let's Talk TV, the Commission established the timeframe for implementing various policies therein. For example, with respect to genre exclusivity, the Commission gave its decision immediate effect, stating that it would no longer enforce conditions of licence relating to nature of service, and that, "services that wish to offer programming from formerly protected genres may do

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Tel 416 979-7907 1-800-567-9974 Fax 416 979-9273 <u>info@wgc.ca</u> www.wgc.ca so immediately".<sup>1</sup> By contrast, other decisions were to be implemented at later dates, through followup proceedings and/or at licence renewal. These included reductions in exhibition requirements<sup>2</sup> and a simplified and streamlined licensing process<sup>3</sup>.

- 5. Yet clearly the former, and arguably the latter, of these two decisions are precisely the subject of Bell's above-noted applications. We submit that what Bell is doing with these applications is seeking to accelerate the implementation of the Let's Talk TV decisions ahead of the timeframe that the Commission has already determined. Or, more accurately, Bell is seeking to selectively accelerate primarily those aspects of the Let's Talk TV decisions with which it agrees or which it believes will benefit Bell and its services.
- 6. This is inconsistent with the Commission's stated timeframe. But more so, certain aspects of the Let's Talk TV decisions are expressly linked to each other, and were intended to be executed in tandem. This is particularly true of one of the aspects that Bell is seeking to adjust in its applications: exhibition requirements for its discretionary services. Reducing exhibition requirements is plainly a motivating factor for Bell, since exhibition requirements are mentioned throughout Bell's Supplementary Brief in its applications.<sup>4</sup> But the Commission clearly intended that reductions in exhibition requirements be made in conjunction with increases to expenditure requirements. Specifically, the Commission stated:

As noted above, reductions in exhibition requirements will be implemented through conditions of licence at the next licence renewal for each service and will take place in conjunction with the changes to CPE requirements set out below. For the services owned by the English- and French-language large private ownership groups, this will take place at licence renewal, by 31 August 2017. For the independent services, this could take effect as early as 1 September 2018, depending on their licence expiry dates.<sup>5</sup>

7. The Commission again linked new CPE requirements to other aspects of its decision, including reducing exhibition requirements, later in the same document as follows [emphasis added]:

Moreover, [CPE] requirements are important tools to fulfil the objectives of the Act cited <u>above</u>, particularly in light of the determinations above relating to exhibition. In particular, applying CPE requirements to all licensed programming services will ensure that these elements of the television broadcasting system contribute in an appropriate manner to the creation and presentation of Canadian programming. Similarly, setting such requirements at appropriate levels will ensure that maximum and predominant use is made of Canadian resources to originate programming of high standard.

The Commission further considers that such an approach will broaden the CPE base from which investments in Canadian programming can be made. Coupled with the additional scheduling flexibility provided by reduced exhibition requirements, the overall emphasis is placed on the quality of programs produced by Canadians, regardless of where or when programs are made available to Canadians.

This overall approach also takes into account the possible impacts of other changes to be implemented in the present regulatory policy and other related determinations in the Let's Talk TV proceeding by stabilizing the CPE base for Canadian production. In doing

<sup>&</sup>lt;sup>1</sup> Broadcasting Regulatory Policy CRTC 2015-86, para. 254

<sup>&</sup>lt;sup>2</sup> Broadcasting Regulatory Policy CRTC 2015-86, para. 198

<sup>&</sup>lt;sup>3</sup> Broadcasting Regulatory Policy CRTC 2015-86, para. 310

<sup>&</sup>lt;sup>4</sup> Appendix 1: Supplementary Brief for Specialty Category B Service Applications for Bravo!, The Comedy Network, Discovery Channel, E!, MTV (Canada), MuchMoreMusic, MuchMusic and Space (hereinafter, "Supplementary Brief")

<sup>&</sup>lt;sup>5</sup> Broadcasting Regulatory Policy CRTC 2015-86, para. 198

so, it recognizes that not all current Canadian programming services will be successful in the new television environment of the future.<sup>6</sup>

- 8. We note that Bell has not applied to add CPE requirements for services currently without them. As such, if the issue is truly the acceleration of the Let's Talk TV policies, then we submit that the CPE component must be accelerated too. In the absence of that component, we submit that the applications should be denied.
- 9. We also note that Bell did not make these applications before Let's Talk TV, and Bell specifically referenced Let's Talk TV as part of the "Background" to these applications.<sup>7</sup> As such, we submit that the applications are clearly based upon the policy decisions arising from Let's Talk TV, and cannot be disconnected from them. We therefore submit that the applications must be assessed in light of the Let's Talk TV decisions, including the timeframe for implementation established therein; whether or not Bell could have made similar applications previously.

## No evidence of harm

10. Finally, we are unclear on what harm Bell is seeking to mitigate with these applications. In its application, Bell suggests that the two years until licence renewal is too long to wait for these changes, that the "inability of certain discretionary services to manage the transition to a more competitive licensing and carriage environment could set them back significantly and the damage could be permanent", and that "a level playing field is needed."<sup>8</sup> But isn't the accelerated, partial application of the Let's Talk TV decisions the antithesis of a level playing field? If Bell's concern is for the new "competitive licensing and carriage environment", then we submit it should have no problem waiting until that environment is actually in place. If we follow the timetable laid out by the Commission and implement these changes for all services at their licence renewal, it seems more likely that we'll create the level playing field that Bell claims to want.

Yours very truly,

Maureen Parker Executive Director

cc. National Council, WGC David Spodek, <u>david.spodek@bellmedia.ca</u>

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<sup>&</sup>lt;sup>6</sup> Broadcasting Regulatory Policy CRTC 2015-86, paras. 214-216

<sup>&</sup>lt;sup>7</sup> Supplementary Brief, paras. 2 and 16

<sup>&</sup>lt;sup>8</sup> Supplementary Brief, para. 8