

June 24, 2026

Filed Electronically

Marc Morin
Secretary General
Canadian Radio-television and
Telecommunications Commission
Ottawa, Ontario
K1A 0N2

Dear Mr. Morin:

Re: Broadcasting Notice of Consultation CRTC 2026-103: Application from Corus Entertainment Inc. (Corus) requesting approval for a change in the ownership and effective control

1. The Writers Guild of Canada (WGC) is the national association representing approximately 2,500 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 and Indigenous programming.
2. As stated in Broadcasting Notice of Consultation CRTC 2026-103 (the Notice), the Commission has received an application from Corus Entertainment Inc. (Corus) requesting approval for a change in the ownership and effective control of all licensed programming services operated by Corus and its various subsidiaries.

Tangible Benefits

3. Corus has requested an exception from the requirement to pay tangible benefits pursuant to the Tangible Benefits Policy in relation to this transaction. In support of this request, Corus referred to its ongoing financial challenges and stated that the exception would support the continued operation of its broadcasting services in the public interest. Corus has further submitted that the transaction has no value for tangible benefits purposes, as it involves neither a purchase price nor the assumption of new debt, given that the new shareholders are also the company's existing lenders.
4. The WGC **opposes** Corus's request for an exception from the requirement to pay tangible benefits pursuant to the Tangible Benefits Policy in relation to this transaction. Specifically, the WGC submits that, in consideration of all of the components of an exception under the Tangible Benefits Policy, the Commission should **require tangible benefits with respect to all of the undertakings that are subject to this application**, based on the full value of the transaction, which is estimated in the Notice to be approximately \$328 million. This approach would be consistent with treating all of Corus's undertakings as a group.

5. In the **alternative**, if the Commission decides to treat profitability, as set out in the second criterion for an exception to pay tangible benefits, as an overriding concern, then we submit that the Commission should **only apply the exception to the specific undertakings that have clearly suffered significant financial losses over an extended period of time (that is, for at least five consecutive years following the first licence term)**. We submit that, in no case should the Commission allow an exception for *all* undertakings subject to this application simply because *some* undertakings have suffered financial losses.
6. The Notice states, and Corus acknowledges, that this transaction involves a change in ownership and effective control of all licensed programming services operated by Corus and its various subsidiaries, such that the Tangible Benefits Policy normally applies. Corus seeks an exception from the requirement to pay tangible benefits pursuant to paragraph 61 of Broadcasting Regulatory Policy CRTC 2014-459. Paragraph 61: sets out three criteria for an exception, all of which should be met by the applicant; states that the onus will be on the applicant to demonstrate that the requirements of an exception are met; and, notes that the Commission will reserve its discretion at all times and that an exception will not necessarily be granted even if these criteria are met.
7. The WGC submits that Corus has not demonstrated that all three of these criteria are met, notably the second and third criteria. In the alternative, if the Commission determines that Corus has met all three criteria, we submit that it should exercise its discretion to not grant the exception.
8. The second criterion for an exception to pay tangible benefits requires that, “the undertaking has suffered significant financial losses over an extended period of time (that is, for at least five consecutive years following the first licence term)”.
9. This criterion specifically refers to “the undertaking”. Corus is a broadcasting corporate group. Corus is not proposing a transaction for a single undertaking, it is proposing a transaction for multiple undertakings – i.e. for all licensed programming services operated by Corus. The Commission has long treated undertakings and corporate groups as different things. Most recently, for example, in Broadcasting Regulatory Policy CRTC 2026-96, the Commission stated [emphasis added]:

Under that approach [in Broadcasting Regulatory Policy 2010-167], the Commission determined that for large private ownership groups, requirements would be set at the group level rather than at the undertaking level.¹
10. Corus itself acknowledges that not all of its undertakings are unprofitable. It states that, “Conventional television, French-language discretionary services and radio have reported aggregate loss positions over the last five years,” but admits that, “English-language discretionary services show aggregate profits over the period”.² Yet Corus is seeking a blanket exception to pay tangible benefits. Corus is arguing that if *some* undertakings are unprofitable, then the Commission must act as if *all* of them are, such that *none* of them attract tangible benefits. This is plainly unreasonable and contrary to the words of the second criterion for exception.
11. Meanwhile, Corus attempts to have it both ways, also arguing that, “the fact that one division or undertaking might appear nominally profitable in a given year does not mean that the division or

¹ Para. 35.

² Application 2026-0034-5 – Responses to March 20, 2026 requests for information, para. 6.

undertaking would be profitable if it operated on a standalone basis.”³ But that is not what the second criterion asks or requires. It doesn’t ask about group business synergies versus hypothetical standalone services. It simply requires that, “the undertaking has suffered significant financial losses over an extended period of time (that is, for at least five consecutive years following the first licence term).” Indeed, Corus is effectively asking the Commission to rewrite the second criterion so as to mould it into a shape that best fits Corus’s current situation.⁴ This is not how the application of Commission policies work.

12. The issue of profitability that is at the heart of the second criterion also raises an important question: *Why* is an undertaking not profitable? Corus is clear that it is its debt load that has driven so much of its current financial situation. “The Company is proceeding with the Proposed Transaction to secure debt relief and cash savings because its current capital structure is unsustainable,” Corus says.⁵ Yet this debt load was created by Corus’s own ownership and management to the clear benefit of its ownership at the time. There are many structural challenges facing Canadian conventional broadcasters right now, but Corus is in a unique position because Corus and/or its former ownership put it in that position.
13. This application follows an already successful application for regulatory relief by Corus, in that case to reduce its obligations towards expenditures on Programs of national interest (PNI) (the 2022 Corus PNI Application).⁶ As the WGC stated in that application, the decisions of Corus’s corporate ownership, freely made in what was presumably their corporate best interests, should not be the basis to reduce support for Canadian programming. The Shaw Family Trust owned Shaw broadcasting distribution undertaking (BDU) services and Corus. The Shaw Family Trust chose to load up Corus with debt and then arrange its affairs to the benefit of the Shaw Family Trust, including later selling its BDU services to Rogers Communications Inc. These were decisions that the Shaw Family Trust must be presumed to have understood the impact of, including its effect on Corus’s debt load. The Shaw Family Trust made these decisions anyway. It is fundamentally unjust for Corus, still owned by the Shaw Family Trust, to now tell the Commission that Canadian creators, Canadian programming, and the Canadian audiences that they serve must pay the price for this decision through non-payment of tangible benefits, just as they recently did the same through reduced PNI spending, while the Shaw Family Trust presumably takes the benefits that they sought.
14. In short, when a broadcasting undertaking’s profitability is so clearly undercut by that same undertaking’s own elective business choices, it should not be for the broadcasting system as a whole, and the Canadian audiences it serves, to pay the price for those choices.
15. With respect to the third criterion for exception from paying tangible benefits, the WGC submits that Corus has not met the applicable onus. Corus simply says, “the public interest in maintaining Corus’ broadcasting undertakings is self-evident”.⁷ We submit that it is not. A broadcast group or undertaking that is regularly presenting a series of cascading regulatory applications to contribute less and less to the Canadian broadcasting system is not in the public interest. Not after it arranged its debt structure to the benefit of its corporate owners and now comes pointing to that same debt as a reason it should not have to provide tangible benefits to Canadian audiences.

³ Application 2026-0034-5 – Responses to March 20, 2026 requests for information, para. 10.

⁴ Application 2026-0034-5 – Responses to March 20, 2026 requests for information, para. 12.

⁵ Application 2026-0034-5 – Responses to March 20, 2026 requests for information, para. 10.

⁶ Application No. 2022-0946-0: Part 1 application to amend conditions of licences applicable to Corus Entertainment Inc. English- and French-language television groups.

⁷ Application, Appendix 1, Supplementary Brief, para. 66.

16. In Broadcasting Decision CRTC 2025-203, a recent decision on a change of ownership and effective control of a broadcasting undertaking, the Commission decided:

Furthermore, although the Commission is of the view that the public interest would be served by the continued operation of the stations, the applicant has not submitted compelling justification or arguments that it meets the third criterion necessary for the Commission to grant an exception to the Tangible Benefits Policy. The applicant also has not mentioned nor demonstrated that the continued operation of the stations, or the change in ownership, is dependent on the approval of the request for an exception to the payment of tangible benefits. While the applicant described their plans to offer programming to continue serving the listeners of both stations, they did not establish how the equivalent of the tangible benefits contributions would otherwise be spent should an exception be granted.⁸

17. The WGC submits that a similar result would be applicable here in Corus's case.

18. Finally, the WGC has spoken about the impact of Corus's debt on the Canadian broadcasting system before. In opposing the 2022 Corus PNI Application, the WGC stated [emphases in original]:

The Commission, in the Letter of October 19, 2023, stated that, "[Corus's] debt ratio has increased to unacceptable levels owing to a 61 percent free cash flow decrease over the previous year, and rapidly declining profitability." We must conclude that these three financial metrics—debt ratio, cash flow, and profitability—are what the Commission has based its preliminary view on.

...

As such, PNI reductions will not address Corus's short-term cash flow, since it will still need to flow the same amount of cash to Canadian programming. PNI reductions will also not address Corus's debt ratio—and certainly not in the short term—since, again, Corus will still spend the same amount on Canadian programming. In addition, Corus's debt ratio is a larger structural issue that cannot plausibly be addressed in a year or two, nor does Corus lay out how it could. Similarly, Corus's profitability will not be affected by short-term PNI reductions, given that it typically takes years for programming to show profits.

Importantly, Corus itself has provided no evidence linking PNI reductions to these financial metrics. Nowhere in Corus's application does it draw a clear line between such reductions and their impacts on its short-term financial health. In essence, Corus simply states its financial challenges and then asks for regulatory relief. That is simply not good enough. Corus must demonstrate, specifically, how such reductions would address these issues, in the short term and on an urgent basis, and, in the words of the Commission's Letter, be in the best interest of the Canadian broadcasting system as a whole.

To be clear, the WGC is not proposing that the Commission reduce Corus's CPE obligations, given the additional reasons we provide below. It is notable, however, that Corus's own application with respect to PNI won't fix Corus's financial situation, and therefore must be seen as being about something else. If reducing PNI won't address the financial metrics that

⁸ Para. 37.

the Commission is concerned about, then the Commission should not reduce Corus's PNI on that basis.⁹

19. The Commission nevertheless granted Corus's application. And now here we are, three years later, with Corus having gotten the PNI relief it sought in 2023, and yet it is again claiming that "its current capital structure is unsustainable" and it needs yet more "regulatory relief" that comes at the expense of Canadian creators and the audiences they serve. Enough is enough.

Ongoing responsibility for adherence to conditions of licence/service

20. In the 2022 Corus PNI Application, the WGC, among other interveners, raised concerns that Corus was in apparent non-compliance with its conditions of licence (COLs) with respect to PNI, and the Commission's proposed order would effectively enshrine and reward that non-compliance.¹⁰ While the Commission ultimately determined that it was, "satisfied that Corus is operating within the parameters of its condition of service relating to PNI expenditures,"¹¹ concerns about Corus's past and future compliance remained.¹²

21. As such, the WGC submits that, if it grants Corus's application for change of ownership and effective control (and irrespective of its decisions with respect to tangible benefits), the Commission should ensure that the new entity that results from this transaction retains all of Corus's current and past COLs (or conditions of service, as the case may be), including the obligation to make up for any potential under-spending on PNI that may be assessed in the future.

22. We thank the Commission for the opportunity to participate in this proceeding.

Yours very truly,



Neal McDougall
Assistant Executive Director, WGC

Cc: Matt Thompson, Vice President and Associate General Counsel, Corus Entertainment Inc.
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⁹ WGC, Application No. 2022-0946-0: Part 1 application to amend conditions of licences applicable to Corus Entertainment Inc. English- and French-language television groups – Additional Comments, (https://www.wgc.ca/sites/default/files/resource/2023-11/WGC%20Written%20Submission_Corus%20Application_2022-0946-0_Additional%20Comments.pdf), paras. 5, 8-10.

¹⁰ *Ibid*, paras. 19-23.

¹¹ Broadcasting Decision CRTC 2024-103.

¹² E.g. the Canadian Media Producers Association (CMPA) filed an application for judicial review of that decision, and while this was ultimately withdrawn, concerns remained.

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