



13 July 2020

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

**Broadcasting Notice of Consultation CRTC 2019-379
Response to CBC filing of additional financial information on CBC/SRC's digital activities**

Submitted electronically: CRTC Intervention Comment Form

Dear Mr. Doucet,

1. This is the submission of ACTRA in response to the additional financial information the CBC submitted with respect to its digital operations. ACTRA represents over 27,000 professional performers working in the English-language recorded media sector in Canada.
2. As we stated in our original submission, we are encouraged by the CBC's efforts to keep itself relevant in the digital world, including a robust website, CBC Listen app and CBC Gem. But we also urged that the CBC must provide more detailed information about all facets of its operation and programming in order to allow Canadians to track CBC's progress against numerous public policy objectives.
3. ACTRA thus welcomes the filing of additional financial information about CBC digital activities but notes there are challenges with the information filed. ACTRA also submits that if we are to have a meaningful discussion about the CBC's digital future, additional details are required. The data should be divided between English, French and Indigenous languages; and include content-related expenses for both Canadian and non-Canadian programming, for both audio and audiovisual programming content.
4. Perhaps the more significant challenge relates to the difficulty comparing the comprehensive *Aggregate Financial Summary for all CBC/Radio-Canada Services* filed in June with the *Consolidated – Digital Media Broadcasting* data filed earlier. Both of these documents are part of the current file.

Alliance of Canadian Cinema, Television and Radio Artists

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5. According to the *Consolidated – Digital Media Broadcasting* data, total earned revenues for all digital services are projected to increase from \$15.8 million in 2018-19 to \$40.1 million in 2022-23. This is significantly lower than digital media earned revenues in the *Aggregate Financial Summary for all CBC/Radio-Canada Services* data, which are projected to increase from \$61.6 million in 2018-19 to \$82.0 million in 2022-23.
6. The discrepancy in earned revenues appears to arise because the CBC has excluded from the *Consolidated* data revenues earned from what the CBC considers to be its alphanumeric services. We have some concerns about this approach. For example, while it is true that CBC's homepage contains more text than homepages of other broadcasters, sounds and visual images could easily come to predominate on the CBC homepage, as they do elsewhere. Furthermore, the website overall is a key gateway to all of the public broadcaster's audio and audiovisual program content.
7. In our earlier submission, ACTRA stated the CBC can remain relevant in the digital era only if it focusses on its core mandate, which is making and acquiring high-quality Canadian programming of all kinds and making that programming available to Canadians regardless of the technologies we use to consume content. The CBC must focus on diverse and inclusive Canadian stories, entertainment and music, as well as our local, regional and national news, and our perspective on global events.
8. The financial information recently filed seems to indicate that the CBC is straying from this core mandate in its digital media broadcasting services. According to the *Consolidated – Digital Media Broadcasting* data, while its total content-related expenditures are projected to increase from \$42.7 million in 2018-19 to \$65.9 million in 2022-23, its Canadian content-related expenditures are projected to increase from only \$19.8 million in 2018-19 to \$35.2 million in 2022-23. This is an unacceptably low proportion of total content spending. The CBC's Canadian content-related expenses range from a low of 45.1 per cent to a high of only 53.4 per cent of total projected programming expenses in the five-year period.
9. Acknowledging it is a rough comparison, according to the CRTC *Communications Monitoring Report 2019*, of the \$4.2 billion in total television programming expenditures in 2018, 69 per cent was allocated to Canadian content programs.¹
10. With respect to the *Consolidated – Digital Media Broadcasting* data, the earned revenues and total content-related expenses cover both audio and audiovisual services, while the Canadian content-related expenses cover only audiovisual services. While this inhibits a direct comparison, ACTRA cannot imagine that Canadian content-related expenses for audio services would bridge the significant gap between total content-related expenditures and that portion spent on Canadian content.

¹ <https://crtc.gc.ca/pubs/cm2019-en.pdf>, Page 171

11. ACTRA urges the Commission to require the CBC to clarify the data in relation to these challenges and to provide additional details overall about its digital activities.

12. ACTRA appreciates the opportunity to participate in this important process.

Thank you,

A handwritten signature in black ink that reads "Marie Kelly". The signature is written in a cursive, flowing style.

Marie Kelly
National Executive Director, ACTRA

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