

# TV Regulation in Canada

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# **RESPONSIBILITIES FOR COMMUNICATIONS REGULATION**

- **Department of Canadian Heritage**
  - formulates broadcasting policy
  - develops & promotes national projects and programs
  - advises Cabinet on appeals to CRTC broadcast decisions
- **Industry Canada**
  - formulates telecommunications policy
  - responsible for Bureau of Competition Policy
  - advises Cabinet on appeals to CRTC telecommunications decisions
  - responsible for spectrum allocation

# BROADCASTING ACT

- **Establishes the broadcasting policy for Canada:**
  - shall be effectively owned and controlled by Canadians
  - operates primarily in English and French and comprises public, private, and community elements
  - uses radio frequencies that are a public resource
  - provides a public service essential to the maintenance and enhancement of national identity and cultural sovereignty

# BROADCASTING ACT (Con't)

- **Key Policy Objectives:**

- safeguard, enrich and strengthen the cultural, political, social and economic fabric of Canada
- encourage the development of Canadian expression by providing wide range of programming that reflects Canadian attitudes, opinions, ideas, values, artistic creativity
- include the CBC as the national public broadcaster providing services in both official languages which informs, enlightens and entertains
- be regulated by an independent public authority, the Canadian Radio-television and Telecommunications Commission (CRTC)

# **CANADIAN RADIO-TELEVISION TELECOMMUNICATIONS COMMISSION (CRTC)**

- regulates all aspects of broadcasting system
- power to issue, amend, renew & suspend broadcasting licences
- power to develop and enforce regulations
- sets conditions of license
- holds public hearings

# CRTC Requirements

- levels of Canadian content
- priority carriage of Canadian services
- simultaneous substitution
- linkage of foreign to Canadian services
- distributor contributions to support production of Canadian programming (% of revenues)
- other conditions of licence to support cultural and economic objectives

# Conventional TV Regulations

## Licensees shall not broadcast:

- anything in contravention of the law;
- any abusive comment or abusive image that exposes an individual or group to hatred or contempt based on race, ethnic origin, colour, religion, sex, sexual orientation, age or mental or physical disability;
- any obscene or profane language or pictorial representation;  
or
- any false or misleading news.

# Conventional TV Regulations

## Canadian Content Requirements

- Broadcast year: not less than 60 %
- Evening broadcast period not less than 50 %
  - CBC: not less than 60%

# Conventional TV Regulations

## Provisions related to Ads:

- Maximum 12 min/hour of advertising
- Adherence to Code for Alcohol Ads
- Restrictions on Ads for drugs
- Equitable treatment of political parties

# Conventional TV Regulations

- Logs & Records
- Transfer of ownership provisions

# Conventional TV

## Conditions of Licence

- hours per week of priority programming
- closed captioning; described programming
- adherence to codes:
  - violence
  - Principles & Practices (cross-media)
  - advertising to children
  - gender portrayal

# Specialty Services Regulations

## Licensees shall not broadcast:

- anything in contravention of the law;
- any abusive comment or abusive image that exposes an individual or group to hatred or contempt based on race, national or ethnic origin, colour, religion, sex, sexual orientation, age or mental or physical disability;
- any obscene or profane language or pictorial representation; or
- any false or misleading news.

# Specialty Services Regulations

## Provisions related to Ads:

- Adherence to Code for Alcohol Ads
- Equitable treatment of political parties

## Logs & Records

## Transfer of ownership provisions

# Specialty Services

## Conditions of Licence

- Canadian content levels
- expenditure requirements
- maximum min/hour of advertising
- adherence to codes:
  - violence
  - advertising to children
  - gender portrayal

# Possible Sanctions

- Written Reprimand
- Raise at Licence Renewal Time
- Impose Code of Conduct as a Condition of Licence (COL)
- Show-cause Hearing / Mandatory Order
- Short-term renewal, suspension or revocation of Licence

# Industry Self-Regulation

- CRTC refers complaints to a self-regulatory body depending on:
  - the nature of complaint
  - the broadcaster in question
- If complainants not satisfied they can “appeal” to the CRTC

# Self-Regulatory Agencies

- Canadian Broadcast Standards Council (CBSC) administers codes re Violence, Sex-role portrayal and ethics
- Cable Television Standards Council (CTSC) administers codes re customer service and cable community channel standards
- Advertising Standards Council (ASC) administers code re advertising to children

# Broadcasting Distribution

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# Where are the rules?

- Broadcasting Act
- Broadcasting Distribution Regulations (CRTC web site - under Statutes & Regulations)
- Distribution & Linkage Rules
  - PN CRTC 2003-42 for cable
  - PN CRTC 2001-89 for satellite

# Helpful notices

- 1 - PN CRTC 1996-60 - Access Rules for Broadcasting Distribution Undertakings
- 2 - PN 1997-25 - New Regulatory Framework for Broadcasting Distribution Undertakings
- 3 - PN 1997-150 Broadcasting Distribution Regulations
- 4 - PN 2003-43 List of eligible satellite services

# What was the goal

- 1 - Introduction of competition
- 2 - Establishing rules for different types of distribution undertakings (cable, satellite, wireless)
- 3 - Review of the regulatory framework for distributors

# Who is regulated?

## 1) Cable or its wired competitors

- Class 1 (6,000 subscribers and more)
- Class 2 (2,000 to 6,000 subscribers)
- Class 3 (less than 2,000)
- New entrants (same class as competitors)

## 2) Satellite (or DTH)

# The Regulations

Split into five parts

- Part 1 - General rules
- Part 2 - Class 1 and Class 2 cable
- Part 3 - Class 3 cable
- Part 4 - satellite (direct to home - DTH)
- Part 5 - rate regulation

# Part 1 - General Rules

- Ownership transfers
- Alteration or deletion
- Majority of signals
- Competitive sections

## Part 2 - Class 1 and 2

- Carriage of local, regional and extra-regional (section 17)
- Carriage of specialty services (section 18)
- May carry (section 19)
- Distribution and linkage (section 20)
- Contribution / Community Channel (s. 27-29)
- Simultaneous substitution and deletion (s. 30)

## Part 3 - Class 3

- only applies to small cable systems (less than 2,000 subscribers)
- simplified carriage (basically over the air signals)
- most of these are now exempt from licensing

## Part 4 - DTH (satellite)

- Basic services (section 37)
- Carriage of specialty services (section 38)
- May carry (section 39)
- Distribution and linkage (section 40)

## Part 5 - Rate regulation

- Only applies to Class 1 undertakings
- Most are now rate deregulated (for example - Ottawa)

# Anything else?

## Broadcasting Act (section 9(1)(h))

- Commission can order distributors to carry services (TVA, APTN, CPAC, NBRS)

## Conditions of license

- Licensee specific
- Provide specific or general authorisations

## Exemption

- New media, MATV, Small cable, Smallish cable