Broadcasting Notice of Consultation CRTC 2023-72

PDF version

Ottawa, 15 March 2023

Public record: 1011-NOC2023-0072

Notice of hearing

28 June 2023 Gatineau, Quebec

Deadline for submission of interventions/comments/answers: 14 April 2023

[Submit an intervention/comment/answer or view related documents]

The Commission will hold a hearing starting on 28 June 2023 at 9:00 a.m. at the Conference Centre, Phase IV, 140 Promenade du Portage, Gatineau, Quebec. While parties may request to appear in person at the hearing, it will also be possible for parties to participate remotely.

In addition, in order to accommodate the participation of Inuit communities across the North, a satellite location will be made available in Iqaluit, Nunavut, if requested.

Attend the hearing or listen to it online.

The Commission intends to consider the following applications:

Applicant and locality

1. Nunavut Independent Television Network

Across Canada Application 2021-0527-0

2. Inuit TV Network

Across Canada Application 2023-0064-8

Summary

The Commission has received applications by Nunavut Independent Television Network and Inuit TV Network for mandatory distribution across Canada on the digital basic service of their respective, currently exempt Inuktut-language discretionary services Uvagut TV and Inuit TV, as well as for broadcasting licences to operate the services as licensed services.

A summary of this notice of consultation is available in Inuinnaqtun (in <u>HTML</u> and <u>PDF</u>) and in the South Baffin dialect of Inuktitut (in <u>HTML</u> and <u>PDF</u>).



The Commission wants to hear from you on the two applications it has received.

You have until **14 April 2023** to submit your comments on these applications. Comments may be submitted in English, in French, or in an Indigenous languages.

You can submit your formal intervention by:

- using our intervention form;
- sending us a fax at 819-994-0218; or
- writing to us at CRTC, Ottawa, Ontario K1A 0N2.

You also have until **14 April 2023** to tell us if you wish to speak at the public hearing. Please note that only those who submit an intervention via the intervention form, by fax, or by traditional mail can request to appear and make a presentation at the public hearing. If you request to appear, let us know if you would prefer to participate:

- virtually from your home or office;
- at the main location for the public hearing in Gatineau, Quebec; or
- from a satellite location in Iqaluit, Nunavut.

Introduction

The Commission wants to hear from you on two applications it has received, filed by Nunavut Independent Television Network (NITV) and Inuit TV Network (ITN).

NITV and ITN are applying for mandatory distribution across Canada on the digital basic service of their respective Inuktut-language discretionary services Uvagut TV and Inuit TV.

Each of these applications is presented in greater detail below.

In both cases, the applicants stated that their respective services fill an exceptional need in the broadcasting system by offering programming that is relevant to underserved communities, but specified that mandatory distribution is vital for the operation of their services.

The applicants currently operate their services as exempt discretionary services pursuant to the Exemption order respecting discretionary television programming undertakings serving fewer than 200,000 subscribers, set out in the appendix to *Exemption order respecting discretionary television programming undertakings serving fewer than* 200,000 subscribers, Broadcasting Order CRTC 2015-88, 12 March 2015 (Broadcasting Order 2015-88). However, given that the number of subscribers for each service has surpassed the above-noted threshold for exemption, both applicants are requesting

broadcasting licences to operate their respective services as licensed services, regardless of whether their services are granted mandatory distribution.

What is mandatory distribution on the digital basic service?

When Canadians buy access to television services from a broadcasting distribution undertaking (BDU), there are certain television services that automatically come with the digital basic service package, such as all local television stations, provincial educational services, community channels and provincial legislature channels, if available.

A few other services are deemed to contribute in an exceptional manner to the achievement of the objectives of the *Broadcasting Act* (the Act) and are mandated by the Commission to be part of the digital basic service package pursuant to paragraph 9(1)(h) of the Act. When requiring the mandatory distribution of these services, the Commission may also set a per subscriber monthly wholesale rate that must be paid by the BDU to the programming service to distribute that service. All BDU subscribers must receive the services that are part of the basic service, regardless of the television package they subscribe to. In order to provide Canadians with the choice between a reasonably priced entry-level offering and the television service provider's first-tier programming packages, the Commission established a \$25 monthly price cap that BDUs could charge to their customers for the basic service.

The distribution of such services as part of the digital basic service ensures that broadcasters have access to a reasonably reliable revenue stream, thereby enabling them to meet meaningful programming obligations and contribute in an exceptional manner to the achievement of the objectives of the Act (for example, by offering programming that is relevant to underserved communities).

Criteria for assessing applications for mandatory distribution on the digital basic service

Any applicant submitting an application for mandatory distribution on the digital basic service must demonstrate that its programming service meets the specific criteria set out in *Criteria for assessing applications for mandatory distribution on the digital basic service*, Broadcasting Regulatory Policy CRTC 2010-629, 27 August 2010 (Broadcasting Regulatory Policy 2010-629). These criteria are as follows:

- The applicant must provide evidence demonstrating the exceptional importance of its service to the achievement of the objectives of [the Act].
- The applicant must demonstrate that having mandatory carriage on the digital basic service will enable its service to contribute in meaningful ways to fulfilling the policy objectives of the Act. In particular, the applicant must:

¹ Pursuant to paragraph 9(1)(h) of the Act, "[...] the Commission may, in furtherance of its objects [...] require any licensee who is authorized to carry on a distribution undertaking to carry, on such terms and conditions as the Commission deems appropriate, programming services specified by the Commission."

- a. provide evidence that the programming of its service makes an exceptional contribution to Canadian expression and reflects Canadian attitudes, opinions, ideas, values and artistic creativity. Specifically, the applicant must demonstrate that the contribution it intends to make to Canadian expression and reflection significantly exceeds that normally made by a discretionary service,² thus justifying its exceptional status under a 9(1)(h) order.
- b. provide evidence as to how the programming of its service contributes, in an exceptional manner, to the overall objectives for the digital basic service³ [...] and how it specifically contributes to one or more objectives of the Act, such as Canadian identity and cultural sovereignty; ethno-cultural diversity, including the special place of [Indigenous] Peoples in Canadian society; service to and the reflection and portrayal of persons with disabilities; or linguistic duality, including improved service to official language minority communities.⁴
- c. provide evidence that the service is making exceptional commitments to original, first-run Canadian programming in terms of exhibition and expenditures. Specifically, the applicant must demonstrate that the commitments it intends to make to original, first-run Canadian programming through exhibition and expenditures justify its exceptional status under a 9(1)(h) order. An "original, first-run program" is defined as the "original exhibition of a program that has not been distributed by another broadcasting undertaking licensed by the Commission."
- d. provide evidence, such as surveys of the prospective audience, demonstrating that there is extraordinary need among the intended audience for the proposed service.
- e. provide evidence that its business plan and implementation of its specific commitments are dependent on receipt of broad national distribution on the digital basic service, given the availability of other technological means for

² Broadcasting Regulatory Policy 2010-629 refers to Category A services, which are defined in *Regulatory policy – Regulatory frameworks for broadcasting distribution undertakings and discretionary programming services*, Broadcasting Public Notice CRTC 2008-100, 30 October 2008. However, as specified in *Let's Talk TV – The way forward – Creating compelling and diverse Canadian programming*, Broadcasting Regulatory Policy CRTC 2015-86, 12 March 2015, services formerly referred to as pay and specialty services, including Category A services, would henceforth be referred to as discretionary services. As reflected in the definition of "Category A service" set out in the *Broadcasting Distribution Regulations*, the designation "Category A" no longer applied after 31 August 2018.

³ These general objectives are set out in paragraph 10 to Broadcasting Regulatory Policy 2010-629.

⁴ Subparagraph 3(1)(d)(iii) of the Act states that the Canadian broadcasting system should, through its programming and the employment opportunities arising out of its operations, serve the needs and interests, and reflect the circumstances and aspirations, of Canadian men, women and children, including equal rights, the linguistic duality and multicultural and multiracial nature of Canadian society and the special place of Indigenous Peoples within that society. In previous decisions, the Commission has given consideration to the interests of equity-deserving groups who are not specifically named in the Act, including 2SLGBTQI+ communities and groups deserving gender equity.

distributing content, and that the service would not be able to fulfill its programming commitments without mandatory distribution on the basic service.

- f. provide evidence of the likely impact of the proposed wholesale rate on the price of the basic package to consumers and of its widespread acceptability to Canadians.
- g. provide evidence to support the proposed timeframe during which its service should have exceptional status under an order pursuant to [paragraph] 9(1)(h) of the Act.

As part of their applications, NITV and ITN each provided a supplementary brief outlining how their proposed services would meet the above-noted criteria for mandatory distribution on the digital basic service. The applicants also provided other evidence and arguments to support the issuance of an order for mandatory distribution of the proposed services on the digital basic service.

Applications received

1. Nunavut Independent Television Network

Across Canada Application 2021-0527-0

Application by Nunavut Independent Television Network (NITV) for the exempt national, Inuktut-language discretionary service Uvagut TV to be granted mandatory distribution as part of the digital basic service of broadcasting distribution undertakings (BDU) across Canada, pursuant to paragraph 9(1)(h) of the *Broadcasting Act* (the Act).

NITV is a not-for-profit organization whose board of directors consists of Inuit media professionals.

In its application, NITV indicated that Uvagut TV, which launched on 18 January 2021, is a national television service devoted to Inuit communities that broadcasts primarily in Inuktitut. NITV stated that Uvagut TV fills an important void by offering not only programming for Inuit, but also by reinforcing ties and fostering an understanding between Inuit and all Canadians.

The applicant indicated that Uvagut TV broadcasts Inuit-made children's shows, movies, documentaries, and informational, cultural, public access and current affairs programming.

The applicant indicated that Uvagut TV is similar to a public television service that brings significant advantages to an underserved segment of the Canadian population who would probably not have access to such a service without a mandatory distribution order. It considered that granting the service mandatory distribution pursuant to paragraph 9(1)(h) of the Act would provide it with the necessary financing to allow it to increase Uvagut TV's personnel and operations, and to respect its commitments relating

to original Canadian productions, expenditures on Canadian programs, regional representation and the creation of jobs.

The applicant noted that the service is currently available in basic packages through Shaw Communications Inc.'s direct-to-home satellite BDU throughout Canada and through several smaller exempt terrestrial BDUs.

The applicant proposed a monthly per subscriber wholesale rate of \$0.09, for a period of five years.

As noted above, the applicant currently operates Uvagut TV as an exempt discretionary service pursuant to *Exemption order respecting discretionary television programming undertakings serving fewer than 200,000 subscribers*, Broadcasting Order CRTC 2015-88, 12 March 2015 (Broadcasting Order 2015-88). NITV indicated that Uvagut TV has passed the maximum subscriber threshold and can therefore no longer operate as an exempt service under Broadcasting Order 2015-88. Accordingly, and independent of its request for mandatory distribution of the service, NITV requested a broadcasting licence to operate the currently exempt service Uvagut TV as a licensed national, Inuktutlanguage discretionary service.

In *Notice of hearing*, Broadcasting Notice of Consultation CRTC 2022-252, 21 September 2022, the Commission announced that it would hold a non-appearing hearing commencing on 10 January 2023 to consider the application by NITV. However, given the issues raised on the written interventions to that proceeding, in *Notice of hearing*, Broadcasting Notice of Consultation CRTC 2022-252-1, 15 December 2022, the Commission stated that it would be more appropriate to consider the application at a future public hearing. Accordingly, the Commission withdrew NITV's application from that hearing and indicated that it would be rescheduled at a later date. The public record for that proceeding in regard to NITV's application, including the interventions that were received, will be added to the public record for the present proceeding.

Applicant's address:

P.O. Box 246 Main Street Igloolik, Nunavut X0A 0L0

Fax: 514-486-9851 E-mail: info@uvagut.tv

E-mail to request electronic version of application: info@uvagut.tv

2. Inuit TV Network

Across Canada Application 2023-0064-8

Application by Inuit TV Network (ITN) for the exempt national, Inuktut-language discretionary service Inuit TV, which currently serves the Territory of Nunavut, to be granted mandatory distribution as part of the digital basic service of broadcasting

distribution undertakings (BDU) across Canada, pursuant to paragraph 9(1)(h) of the *Broadcasting Act* (the Act).

ITN is a federal not-for-profit corporation that consists of Inuit media professionals.

In its application, ITN indicated that Inuit TV, which launched on 2 May 2022, is a national, Inuktut-language discretionary television service that is devoted to Inuit communities. The service is recognized by the Government of Nunavut as the regional educational television programming service for the Territory of Nunavut. As such, Inuit TV must be carried in the Territory of Nunavut as part of the basic package by licensed BDUs, and by exempt BDUs that serve at least 2,000 subscribers, but without a monthly per subscriber wholesale rate.

ITN noted that Inuit TV is currently available for free through Bell Satellite TV and Shaw Direct in the North as part of the digital basic service and in a variety of packages elsewhere in Canada. It further noted that Inuit TV has also been available from the Artic Cooperatives Limited and, since fall 2022, has been included in all Optik TV packages from TELUS Communications Inc.

The applicant stated that Inuit TV broadcasts a range of content, including children's and youth programming, documentaries and feature films.

ITN submitted that national distribution of Inuit TV's programming would help to expand the knowledge of Inuit languages and preserve Inuit culture and traditions, and would help connect Inuit communities across Canada's sparsely populated North, enriching lives and strengthening the language and culture. In ITN's view, granting Inuit TV mandatory distribution pursuant to paragraph 9(1)(h) of the Act would put the service on much more stable financial footing for the foreseeable future and help turn it in a full-time Inuktut-language television service. It added that approval of the application would allow it to invest significantly in a wide range of Inuktut-language programming, which, in turn, would promote, preserve and enhance that language while reflecting Inuit identity and culture.

ITN proposed the following ramped-up monthly per subscriber wholesale rate over the first five broadcast years for Inuit TV as a licensed service:

• First broadcast year: \$0.07

• Second broadcast year: \$0.07

• Third broadcast year: \$0.075

• Fourth broadcast year: \$0.0775

• Fifth broadcast year: \$0.0775

As noted above, the applicant currently operates Inuit TV as an exempt discretionary service pursuant to *Exemption order respecting discretionary television programming undertakings serving fewer than 200,000 subscribers*, Broadcasting Order CRTC 2015-

88, 12 March 2015 (Broadcasting Order 2015-88). ITN indicated that Inuit TV has passed the maximum subscriber threshold and can therefore no longer operate as an exempt service under Broadcasting Order 2015-88. Accordingly, and independent of its request for mandatory distribution of the service, ITN requested a broadcasting licence to operate the currently exempt service Inuit TV as a licensed national, Inuktut-language discretionary service.

Applicant's address:

3038 Helen Maksagak Drive Iqaluit, Nunavut X0A 0H0

E-mail: anjijuqqaaq@inuit.tv

Website to view application: http://inuit.tv/

E-mail to request electronic version of application: anjijuqqaaq@inuit.tv

Procedure

Deadline for interventions, comments or answers

14 April 2023

The Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure (the Rules of Procedure) apply to the present proceeding. The Rules of Procedure set out, among other things, the rules for content, format, filing and service of interventions, answers, replies and requests for information; the procedure for filing confidential information and requesting its disclosure; and the conduct of public hearings. Accordingly, the procedure set out below must be read in conjunction with the Rules of Procedure and related documents, which can be found on the Commission's website under "Statutes and Regulations." Guidelines on the CRTC Rules of Practice and Procedure, Broadcasting and Telecom Information Bulletin CRTC 2010-959, 23 December 2010, provides information to help interested persons and parties understand the Rules of Procedure so that they can more effectively participate in Commission proceedings.

The Commission invites interventions in regard to the applications set out in this notice of consultation. Although the Commission welcomes interventions from Canadians across Canada, it is particularly interested in receiving interventions from members of the various communities targeted by the applications. Interventions may be submitted in English, in French, or in Indigenous languages.

An intervention as well as an answer from a respondent (that is, a person that is adverse in interest to the applicant) must be received by the Commission on or before the abovementioned date. Further, a copy of each intervention or answer from a respondent must be sent to the applicant and, in the case of a respondent to an application, to any other respondent, by the same date.

Interventions and answers must clearly identify the application referred to and indicate whether parties support or oppose the application, or, if they propose changes to it, include the facts and grounds for their proposal.

The intervention or answer must include one of the following statements in either the first or the last paragraph:

- 1. I request to appear at the public hearing.
- 2. I do not want to appear at the public hearing.

If you request to appear, let us know if you would prefer to participate:

- virtually from your home or office;
- at the main location for the public hearing in Gatineau, Quebec; or
- from a satellite location in Iqaluit, Nunavut.

Parties who wish to appear at the public hearing must provide reasons why their written intervention is not sufficient and why an appearance is necessary. In addition, parties requiring communications support must state their request for such support on the first page of their intervention. Only those parties whose requests to appear have been granted will be contacted by the Commission and invited to appear at the hearing.

Interested persons are permitted to coordinate, organize, and file, in a single submission, interventions by other interested persons who share their position but do not wish to appear at the hearing. Information on how to file this type of submission, known as a joint supporting intervention, as well as a template for the covering letter to be filed by the parties, can be found in *Changes to certain practices for filing interventions* – *Expansion of filing practices to include the filing of joint supporting comments for broadcasting policy proceedings*, Broadcasting Information Bulletin CRTC 2010-28-1, 10 December 2010.

The Commission encourages interested persons and parties to monitor the record of the proceeding, available on the Commission's website, for additional information that they may find useful when preparing their submissions.

Submissions longer than five pages should include a summary. Each paragraph of all submissions should be numbered, and the line ***End of document*** should follow the last paragraph. This will help the Commission verify that the document has not been damaged during electronic transmission.

Pursuant to *Filing submissions for Commission proceedings in accessible formats*, Broadcasting and Telecom Information Bulletin CRTC 2015-242, 8 June 2015, the Commission expects incorporated entities and associations, and encourages all Canadians, to file submissions for Commission proceedings in accessible formats (for example, text-based file formats that allow text to be enlarged or modified, or read by

screen readers). To provide assistance in this regard, the Commission has posted on its website <u>guidelines</u> for preparing documents in accessible formats.

Submissions must be filed by sending them to the Secretary General of the Commission using **only one** of the following means:

by completing the

[Intervention/comment/answer form]

or

by mail to CRTC, Ottawa, Ontario K1A 0N2

or

by fax at 819-994-0218

The Commission encourages interested persons who wish to intervene in this proceeding but who do not have access to the Internet to file their interventions by either postal mail or fax.

In accordance with the Rules of Procedure, a document must be received by the Commission and all relevant parties by 5 p.m. Vancouver time (8 p.m. Ottawa time) on the date it is due. Parties are responsible for ensuring the timely delivery of their submissions and will not be notified if their submissions are received after the deadline. Late submissions, including those due to postal delays, will not be considered by the Commission and will not be made part of the public record.

Parties who send documents electronically must ensure that they will be able to prove, upon Commission request, that filing, or where required, service of a particular document was completed. Accordingly, parties must keep proof of the sending and receipt of each document for 180 days after the date on which the document is filed or served. The Commission advises parties who file or serve documents by electronic means to exercise caution when using email for the service of documents, as it may be difficult to establish that service has occurred.

The Commission will not formally acknowledge submissions. It will, however, fully consider all submissions, which will form part of the public record of the proceeding, provided that the procedure for filing set out above has been followed.

Persons requiring communications support such as assistance listening devices and sign language interpretation are requested to inform the Commission at least 45 days before the commencement of the public hearing so that the necessary arrangements can be made.

Important notice

All information that parties provide as part of this public process, except information designated confidential, whether sent by postal mail, fax, email or through the Commission's website at www.crtc.gc.ca, becomes part of a publicly accessible file and will be posted on the Commission's website. This information includes personal information, such as full names, email addresses, postal/street addresses, and telephone and fax numbers, etc.

The personal information that parties provide will be used and may be disclosed for the purpose for which the information was obtained or compiled by the Commission, or for a use consistent with that purpose.

Documents received electronically or otherwise will be put on the Commission's website in their entirety exactly as received, including any personal information contained therein, in the official language and format in which they are received. Documents not received electronically will be available in PDF format.

The information that parties provide to the Commission as part of this public process is entered into an unsearchable database dedicated to this specific public process. This database is accessible only from the web page of this particular public process. As a result, a general search of the Commission's website with the help of either its own search engine or a third-party search engine will not provide access to the information that was provided as part of this public process.

Availability of documents

Electronic versions of the applications are available on the Commission's website at www.crtc.gc.ca by selecting the application number within this notice. They are also available from the applicants, either on their websites or upon request by contacting the applicants at their email addresses, provided above.

Links to interventions, replies and answers filed for this proceeding, as well as other documents referred to in this notice, are available on the Commission's "Consultations and hearings: have your say" page.

Documents are available upon request during normal business hours by contacting:

Documentation Centre

Examinationroom@crtc.gc.ca

Tel.: 819-997-4389 Fax: 819-994-0218

Client Services

Toll-free telephone: 1-877-249-2782 Toll-free TTY: 1-877-909-2782

Secretary General