



**A draft policy document for consideration by members and officers of the
Communications, Energy and Paperworkers Union of Canada
Winter-Spring 2004**

This media policy was initiated by a resolution to the CEP National Convention in 2002. The National Executive Board then mandated a committee to study the issues and produce a draft policy. The members of the committee included both elected officers and rank and file members from across the country who work in media industries, and CEP staff members. Committee members included:

- Peter Murdoch, CEP Vice President – Media
- Max Michaud, CEP Vice President – Atlantic Region
- Joe Chang, CEP Executive Board Member, CEP Local 700 (film industry)
- France Paradis, CEP Executive Board Member, CEP Local 146Q
- Mike Bocking, President, CEP Local 2000 (Media Union of BC)
- Susan Lea, President, CEP Local 614-M (CTV Montreal)
- Pierre Labelle, Treasurer, CEP CBC Bargaining Council
- John Spears, journalist and member of CEP Local 87-M
- Julie White, CEP Research Department
- Joe Hanafin, CEP Communications Department
- Fred Wilson, Assistant to the President

The committee met with a number of experts in the field to obtain information and debate the issues. In this regard we would like to thank:

- Anne-Marie Des Roches, Director of Public Affairs, Union des Artistes
- Nathalie Dyke, PH.D., author of “Du côté des journalistes”
- Wendy Lill, NDP Member of Parliament, and member of the Standing Committee on Canadian Heritage
- Robert McChesney, Professor of Communications at the University of Illinois, USA and author of eight books, including “Rich Media, Poor Democracy” and “Our Media, Not Theirs”
- Ian Morrison, Friends of Canadian Broadcasting
- Dwayne Winseck, Professor at the School of Journalism, Carleton University and author of several books including “Netscapes of Power”

The Committee also wants to recognize the work of CEP member, Gary Engler, who played a leading role in drafting the CEP Journalism Code of Principles included in this policy.

Executive Summary

Canadian media must be accessible, diverse, accountable and offer a safe and rewarding workplace.

Today, both legislators and corporate ownership are going in the opposite direction.

Concentration of ownership, convergence of technologies, a narrowing of editorial and cultural voice, withdrawal of basic reportage, police threats, a failure to regulate, and a more aggressive stand with employees, all signaled the need for a strong CEP Media Policy. We believe we have it.

The CEP Media Policy sets out recommendations on the critical responsibility of the media to inform Canadians on the broadest range of our society's activities. It proposes changes to ensure working environments which allow those entrusted with that responsibility to do so fairly, accurately and without fear of reprisal. And it encourages the nurturing of a vibrant Canadian voice, within our broadcasting, print and new media sector.

In the course of drafting this document the experience and perspectives of our members who work within the media were surveyed. Their talent, hard work and often courage underpin this policy. Experts were consulted, polls conducted and opinions sought from academics, activists and public lobbyists.

It is clear Canadians seek a more democratic, diverse and responsive media.

This Executive Summary highlights some of the major recommendations of our policy. The analysis of the Canadian media environment, the threats to it and the rationale behind the recommendations are in the body of the document.

Recommendations:

- 1) **CEP proposes a federal Media Accountability Act which would include: disclosure of corporate or commercial relationships which may influence media content; advertising standards; and Media Advisory Councils which allow the public, and media workers in conjunction with owner/managers to monitor performance standards of the media.** Para 272-279

- 2) CEP proposes a Journalism Code of Principles to be negotiated in collective agreements to uphold professional standards and public accountability. Such a code would seek protection of those who, often at some risk, act as confidential sources and whistle-blowers. Para 280
- 3) CEP proposes the establishment of Canadian ownership thresholds to ensure diversity of voice within the media. Para 288
- 4) CEP proposes that the competition bureau widen its mandate to consider all aspects of the public interest at the time of mergers and acquisitions and not simply constraint of trade. Para 289-291
- 5) CEP proposes “firewall” regulations for converged media in order to guard against standardized news and information. Para 292-293
- 6) CEP proposes a Media Diversification Fund to assist in the establishment and stabilization of small scale distinctive voices within the media. Para 296
- 7) As Canada’s major media union CEP would be prepared to participate in the establishment and operation of alternative media provided there is strong membership support and viable business plan. Para 298
- 8) CEP proposes that the government resist pressures to sell off our media and communications companies to foreign interests. It is critical to any concept of sovereignty that Canadians remain in control of corporations which distribute information to our citizens. Para 303
- 9) CEP proposes renewed and increased government support for cultural and media programs. Living next door to the most powerful cultural industry in history requires government to support for those who tell our stories and sing our songs. Para 304-305
- 10) CEP proposes that our private broadcasters make further commitments to Canadian programming. Para 306
- 11) CEP proposes provincial government be required to provide further direct support to our cultural industries and alternative media. Para 307-308

- 12) CEP proposes a restructuring of the CRTC based on broader representation, strict conflict of interest guidelines, and regional interest. Para 312-315
- 13) CEP proposes a number of changes to CRTC policy and The Broadcast Act in order to increase commitments to Canadian content and television drama. Para 317-319
- 14) CEP proposes regulations requiring first run cinema theatres to screen a minimum number of Canadian films annually. Para 321-322
- 15) CEP proposes that a broadcasting venture on the Internet come under CRTC jurisdiction. Para 326-328
- 16) CEP proposes a number of workplace rights including those around the gathering of information and employment security. Para 339-346
- 17) CEP proposes employment equity and diversity in hiring practices in order that the media be more reflective of the communities they serve. Para 347
- 18) CEP proposes the right of freelance workers to maintain control of their work and to establish basic terms and conditions in the purchase of their work. Para 351-353
- 19) CEP proposes a strong and vibrant public broadcasting system and call for the re-establishment of adequate funding to ensure the public broadcasting network can be maintained at high quality. Para 205-214
- 20) CEP proposes changes in the governance of the CBC to provide more public input in the running of a network whose mandate it is to serve the public. Para 215-217
- 21) CEP proposes increased and stable funding for the APTN and the Native Broadcast Access Program. Para 229
- 22) CEP proposes that broadcast distributors be required to provide access for local and community television programs, including satellite services. Para 230
- 23) CEP supports the creation of a Local Broadcasting Initiative Program and calls on the CRTC to monitor community access and participation in community broadcasting. Para 231-233

Introduction

1. Canadian identity. Democracy. Diversity. Information. Public service. Accountability. Community. These are some of the major themes that have guided the Communications, Energy and Paperworkers Union of Canada in the drafting of a democratic media policy for Canada.
2. This policy is informed by the experience and the perspectives of the working journalists, producers, technicians, artisans, tradespersons, advertising and salespersons, and support staff in Canada's media industries. CEP is Canada's major media union, and it strives to fulfill the long held ambition of Canadian media workers for a Canadian union that would unite all workers in Canadian media industries.
3. Behind the media experience for Canadians are many workplaces where tens of thousands of working people are employed, using their skills and professional talents. As workers, they share many of the concerns that all Canadian workers have. Dignity and integrity on the job. Employment security. Respect and recognition for service. Fair wages and benefits.
4. Media jobs are diverse and include many more than full-time creative pursuits which provide marginal incomes. Media jobs are sometimes under-valued and underpaid jobs for highly profitable companies. Many media jobs also are good jobs which provide both high levels of creativity and satisfaction, and decent incomes. Most CEP members who work in media have good jobs, and they have chosen the media as their career and life's passion. This policy reflects and extends their commitment to these industries.
5. This policy, however, is about much more than media workplaces. From their vantage point in the newsrooms, pressrooms, studios and offices of media companies, CEP members are in a unique position to see the past, present and future of their industries. They know first hand the consequences of government and corporate decisions for the quality of media that is produced and offered to Canadians. CEP members have learned from their experience that the interests of media workers are closely connected to the needs and expectations of audiences, readers and users of media. Canadian audiences and readers want a vibrant Canadian media with high standards of journalism and entertainment.
6. "Freedom of the press" has always had a special significance for media workers. They have come to know in personal, professional and collective terms that their ability to serve their audiences, readers and clientele is constantly constrained and compromised by the financial, corporate and political goals of media owners and shareholders. In today's era of convergence and unprecedented media ownership concentration, the conflict between the integrity of journalism and public interest of media on the one hand, and the private interests of media corporations on the other is stark and challenging. This policy emerges

from our analysis and concern that Canadian democracy is imperilled by the rapid growth of a new kind of corporate power over our media industries.

7. The new corporate media power is different from that of the media barons of the past by virtue of their new corporate structure and cross ownership from telecommunications to broadcasting, from broadcasting to newspapers, from cable and telco carriers to television stations and networks, and to film and cinema. Media owners now carry digital information from all of these media platforms to the Internet and back, and deliver all of these information sources at once into homes and offices.
8. The new corporate media power is also differentiated by its reliance on investment capital and the objective of increasing share values. Investors often are anonymous or invisible in media work places, but their interests are decisive and result in far reaching management decisions.
9. This media web in Canada is overwhelmingly dominated by a handful of media corporations. In some regional markets like Vancouver, one company – CanWest Global – controls over 70% of television news and 100% of daily newspapers. Corporate dominance of media industries has overwhelmed broadcast regulation, and made a mockery of repeated public commissions recommending limits on newspaper ownership. “This democratic media policy is a clarion call from Canada’s media workers that decisive action is needed, now, to stop further concentration of ownership and to restore diversity and access to Canadian media”.
10. The rise of media ownership concentration is interwoven with the decline of government support for public broadcasting, particularly for the CBC. Public broadcasting, which historically has played a decisive public interest role in Canadian media has been diminished to the point where its regional significance is almost eliminated, and its national future in doubt.
11. A democratic Canadian media must include a healthy, strong, and vibrant CBC. This policy condemns government decisions which purposely set out to undermine public broadcasting, and it demands a renewed commitment to the CBC and other public broadcasters. But more than money is at issue. The CBC also must renew its commitment to public service and be accountable to Canadians.
12. Media are more than a business pursuit. In a democratic society, media perform essential political, social and cultural functions for society. Media are the principal means of access to information for most citizens, by which they make informed decisions as citizens. Media not only reflect public attitudes, but shape attitudes and values as well. By the choices that media make, they include and exclude segments of societies. Exclusion from commercial media can be tantamount to dismissal from public discourse and debate.

13. This is true not only in news and non fiction media, but equally and often more powerfully in the arts, drama and cinema. Culture is expressed in many ways, but nowhere more directly than through media. At the national level, media allows Canadians to see, hear and read about Canadians through the stories, music and artistic talent of their country. At other levels, regional diversity and social diversity within communities are no less critical to an inclusive, democratic society.
14. In most countries, the role of the national media in reflecting the national culture is taken for granted. But in Canada, the dominance of American culture in the corporate media in television and cinema has all but expunged Canadian content from the dramas appearing on Canadian screens. This trend must be halted and reversed.
15. Because of the central role media plays in society, there is a long Canadian tradition of public regulation, and a crucial direct public role, to counterbalance the commercial interests of media corporations that do not and cannot serve societal goals. However, CEP's study of Canadian media found that our country's governments and regulators have become increasingly captive to the private interests of the new media corporations. The legal and regulatory framework for Canada's media industries desperately needs strengthening and reform. Governments, especially the Federal Government, must have a vision of a democratic Canadian media, and have a policy to achieve this.
16. Technology and the digital revolution in media has made convergence possible, allowing multiple media platforms to be brought under the control of a corporate network. The same technology has changed fundamentally the way individual Canadians relate to media and acquire information. Internet access is a daily experience for millions, yet still beyond the grasp of many others.
17. New technologies and the new media corporations have converged to create a broadband future for Canadian media. But the broadband highway is only now under construction and it has many possible routes, presenting Canada with fundamental choices.
18. The current road that the new media corporations would have completed is a wholly commercialized, unregulated, vertically and horizontally integrated media, increasingly less Canadian and an extension of the global media conglomerates. On this road, outcomes will be determined solely by investor decisions and profit motives.
19. News and information will be concentrated in the hands of a narrow group of corporate editors, determining how newspapers and television stations can promote each other and their advertisers. The country's news will emerge from a handful of newsrooms in major centres; local news and information no longer heard on the six o'clock news. Editorial policy will be shaped by the politics of corporate Canada and imposed on the country as a property right. In times of great national debates over fundamental issues for the nation, the opinions on television and radio and in the newspapers will be a monotone of political correctness according to corporate Canada. In times of war, there will be no CBC or CTV

journalist reporting the truth from an independent perspective. The majority of Canadians will understand the world through the eyes of “embedded journalists” working for CNN, Fox or NBC. Canadian content in television drama and cinema will be consigned to museums, and the CBC, if it survives, will be relegated to the role of distributing low-budget public affairs and arts for one or two percent of audiences. Canada will still appear on screens, but only when disguised to be New York, Houston or Los Angeles.

20. Quebec media will most likely hold out longest against these trends, sheltered by the unique cultural and policy framework of that industry. But Quebec also will be Americanized by these trends. And as in Canada as a whole, once foreign media corporations have broken down the existing barriers and protections for Canadian media, they will acquire investor rights under international trade law making their dominance of Canadian media permanent.
21. There will be two classes of Canadian media users: two thirds of Canadians with Internet access and broadband connections to a digital universe of sports and shopping channels; and a third of the country geographically and economically excluded. The Internet will more and more mirror the mainstream media, with Microsoft Network and AOL providing home pages for Canadian branches of US entertainment conglomerates. What is available and what can be found on the Internet will be shaped by commercial and national security designs – new “netscapes of power” with frightening potential to eliminate diversity and enforce conformity.
22. These scenarios may appear to some as a “Handmaid’s Tale” that fictionalises and dramatises our future. But these outcomes are not overly dramatised or embellished. They arise from a serious discussion of the state of Canada’s media and the expert advice of many academics, media workers, and policy makers. This policy is the product of a CEP working committee, made up of journalists and media workers from across Canada. It was then put before 150,000 CEP members across Canada for debate and discussion, and ultimately adopted by the CEP national convention in 2004.
23. However, it was not the dangers of corporate concentration and convergence that motivated CEP’s democratic media policy for Canada. We believe another road is possible, and this policy represents CEP’s commitment to achieve a different future.
24. In this policy we see Canada as a modern democracy which is invigorated daily by a uniquely Canadian, diverse media. We see a stubbornly independent media, reflecting the experience and perspectives of those who write and produce the news. Media corporations and their employees will be required to be accountable to Canadians, to reveal conflicts of interest, and to give citizens and workers a voice in management decisions.
25. The technological reality of convergence will be responded to with a new regulatory framework that brings converged media corporations under the umbrella of a reformed

CRTC. Canadian law will treat newspapers and broadcasters differently from supermarkets or fast food stores, and no corporation will be allowed undue influence on the provision of news and information to Canadians. Ownership concentration will be limited, and non commercial papers and stations will be encouraged. Labour and media workers will be among the civil society groups engaging in producing quality media for Canadians.

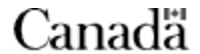
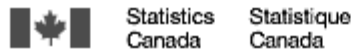
26. Canadians will support Canadian drama and cinema when there is public support to allow our artists to excel. Canada will learn from the achievements of Quebec in advancing a successful indigenous cultural industry, and private broadcasters will join public broadcasters and the CBC in contributing to a new era of Canadian culture.
27. The CBC and other public broadcasters will play a central role in Canadian news, information, drama and cultural expression – and their structures will be closer to Canadians and more accountable. The CBC and federal and provincial governments will work together to implement a broadband strategy that ensures that all parts of Canada and all Canadians have high-speed connection to the Internet and digital media.
28. Canadian media will reflect the world, but it will remain a Canadian perspective – foreign ownership of Canadian media will not be allowed. Trade law, the WTO and NAFTA will no longer threaten media and cultural industries, which will have a new international agreement to protect cultural diversity.
29. This vision of our media industries will also create stable, prosperous workplaces for new generations of Canadians who wish to use their talent and skill for a career serving audiences and readers. Canadian media workers will have rights that will protect the integrity of their vocations and at the same time ensure Canadians that news, information and drama meet the highest professional standards.
30. These are the goals of CEP's democratic media policy for Canada.

PART ONE: A SURVEY OF CANADA’S MEDIA INDUSTRIES

31. *"You have to understand that my definition of media is broad: it includes any technology whatever that creates extensions of the human body and senses, from clothing to the computer"*
Marshall McLuhan 1965
32. The term media defies easy definitions. Dictionary definitions range from phonetics to art, to the many applications of its root word, "medium." Perhaps the most common understanding of media is the group of cultural industries that inform, entertain and communicate. The United Nations (UNESCO) definition of cultural industries includes "printed works and literature, music and the entertainment arts, visual arts, audio and audio-visual media, socio-cultural activities."
33. Media include our newspapers, magazines, books, radio, television, printing and graphic arts, museums and displays, cinema and music recordings. It is all this and more.
34. How Canadians relate to their media and cultural industries in many ways defines us as a society. A social survey of Canadians found that 81% of Canadians read newspapers. 61% of Canadians are book readers. 59% of Canadians will go to a movie, and 72% will rent a video to watch at home. 27% of Canadians use library services.¹
35. Needless to say, television, radio and the Internet are daily influences in the lives of Canadians. In 2001, the average Canadian spent over 22 hours per week watching television, 21 hours per week listening to radio, and another 9 hours per week on the Internet.²
36. Media industries are also a key part of the Canadian economy, employing tens of thousands of Canadian workers. Combining newspaper, magazine and book publishers with film and music productions, television and radio broadcasting and related telecommunications, over 407,000 Canadians worked in the information and cultural sector in 2002.³
37. A cautionary note: Definitions of media workers can be complex. The Statistics Canada numbers in this report uses a definition that includes workers engaged in "creating and disseminating (except by wholesale and retail methods) information and cultural products, such as written works, musical works or recorded performances, recorded dramatic performances, software and information databases, or providing the means to disseminate them."
38. Figure 1 is a detailed look at who Canadian government includes in this sector, and who is excluded. For example, Stats Can does not include museum curators or performing artists in their description.

39. Figure 2 is an economic snapshot of employment across the sector. This table shows in broad terms the number of jobs and the average total compensation for workers in the main subsectors.
40. While CEP does not necessarily agree with these definitions, these are the standard definitions available in Canada to inform our policy discussions. However this policy does differ from Statistics Canada in what we include in media industries. For example, CEP includes commercial printers and newspaper delivery services – media sectors where many of our members work.
41. INSERT: What's in a policy? This CEP policy is for a democratic Canadian media. It does not attempt to critique or present a Canadian cultural policy, which while related is a far broader and more complex undertaking. Cultural workers are integral to Canadian media and work in many media sectors from television and film to books and magazines. To the extent that cultural workers and artists are part of these media industries, they are included in this policy. However, CEP has not undertaken to write a broad cultural policy for Canada including support for the arts, multiculturalism, museums and history and other critical aspects of Canadian life.

Figure 1: Media industries described by Statistics Canada



Information and Cultural Industries

This sector comprises establishments primarily engaged in creating and disseminating (except by wholesale and retail methods) information and cultural products, such as written works, musical works or recorded performances, recorded dramatic performances, software and information databases, or providing the means to disseminate them. Establishments that provide access to equipment and expertise to process information are also included.

The unique characteristics of information and cultural products, and of the processes involved in their production and distribution, distinguish this sector from the goods-producing and services-producing sectors. In particular,

*the value of these products lies in their information, educational, cultural or entertainment content, not in the format in which they are distributed. Most of these products are protected from unlawful reproduction by copyright laws. Only those possessing the rights to these works are authorized to reproduce, alter, improve and distribute them. Acquiring and using these rights often involves significant costs.

*the intangible nature of the content of information and cultural products allows for their distribution in various forms. For example, a movie can be shown at a movie theatre, on a television broadcast, through video on demand, or rented at a local video store; a sound recording can be aired on radio, embedded in multi-media products or sold at a record store; software can be bought at retail outlets or downloaded from an electronic bulletin board; a newspaper can be purchased at a newsstand or received on-line. In addition, improvements in information technology are revolutionizing the distribution of these products. The inclusion in this sector of telecommunications carriers and Internet access providers reflects the increasingly important role these establishments play in making these products accessible to the public.

The main components of this sector are the publishing industries, including software publishing, the motion picture and sound recording industries, the broadcasting and telecommunications industries, and the information services and data processing industries. There are establishments engaged in culture-related activities that are classified in other sectors of NAICS. The most important are listed below.

Exclusion(s): Establishments primarily engaged in:

- duplicating information or cultural products in print form, or in the form of optical or magnetic media (31-33, Manufacturing)
- wholesaling information and cultural products such as newspapers, books, software, videocassettes and sound recordings (41, Wholesale Trade)
- retailing information and cultural products such as newspapers, books, software and sound recordings (44-45, Retail Trade)
- Design activities (54, Professional, Scientific and Technical Services)
- producing live presentations that involve the performances of actors and actresses, singers, dancers, musical groups and artists, and other performing artists (71, Arts, Entertainment and Recreation)
- preserving and exhibiting objects, sites, and natural wonders of historical, cultural and/or educational value (71, Arts, Entertainment and Recreation)
- performing in artistic productions, and in creating artistic and cultural works or productions as independent individuals (71, Arts, Entertainment and Recreation)

Figure 2

Table 383-0009¹ - Labour statistics: Information and Cultural Industries in Canada

Source: Statistics Canada

Productivity Measures, Inputs and Outputs by Industry in Current and Constant Prices - 1402

Geography=Canada Sector=Total economy⁴

Labour productivity measures and related measures	North American Industry Classification System (NAICS) ²²	1999	2000	2001	2002
Total number of jobs ⁷	Information and cultural industries [51]	353,008	369,507	380,617	407,069
	Motion picture and sound recording industries [512]	39,825	41,676	42,103	38,901
	Broadcasting and telecommunications [513]	148,303	148,675	149,087	145,601
	Publishing industries, information services and data processing services ²²	164,881	179,156	189,427	222,567
Annual average number of hours worked for all jobs ¹³	Information and cultural industries [51]	1,850	1,823	1,866	1,790
	Motion picture and sound recording industries [512]	1,984	1,873	1,970	1,690
	Broadcasting and telecommunications [513]	1,875	1,889	1,894	1,869
	Publishing industries, information services and data processing services ²²	1,794	1,757	1,820	1,755
Total compensation for all jobs (Dollars x 1,000) ¹⁶	Information and cultural industries [51]	16,719,308	••	••	••
	Motion picture and sound recording industries [512]	1,075,194	••	••	••
	Broadcasting and telecommunications [513]	8,805,892	••	••	••
	Publishing industries, information services and data processing services ²²	6,838,222	••	••	••
Total compensation per hour worked (Dollars) ²⁰	Information and cultural industries [51]	25.61	••	••	••
	Motion picture and sound recording industries [512]	13.61	••	••	••
	Broadcasting and telecommunications [513]	31.66	••	••	••
	Publishing industries, information services and data processing services ²²	23.12	••	••	••

Legend: • Not available

Footnotes:

1. Data by industry included in this table correspond to the System of National Accounts' input-output M and S levels of aggregation. For concepts, methods, sources and details concerning the industry classification system, see 'Productivity Growth in Canada', catalogue 15-204 XPE.

4. Total economic activities that have been realized within the country. That covers both business and non-business sectors.

7. The estimate of the total number of jobs covers two main categories: employee jobs and self-employed jobs.

13. This is the annual average of hours worked for jobs in all categories.

16. The total compensation for all jobs consists of all payments in cash or in kind made by domestic producers to workers for services rendered - in other words, total payroll. It includes the salaries and supplementary labour income of paid workers, plus an imputed labour income for self-employed workers. Data for this output are available up to the most current year of the Input-Output table.

20. The ratio between total compensation for all jobs, and the number of hours worked. The term 'hourly compensation' is often used to refer to the total compensation per hour worked. Data for this output are available up to the most current year of the Input-Output table.

22. The North American Industry Classification System (NAICS) is an industry classification system triggered by the North American Free Trade Agreement, that was developed by the statistical agencies of Canada, Mexico and the United States. It is designed to provide common definitions of the industrial structure of the three countries and a common statistical framework to facilitate the analysis of the three economies. NAICS is based on supply side or production oriented principles, to ensure that industrial data, classified to NAICS, is suitable for the analysis of production related issues such as industrial performance. Since 1997, the industry classification system of the System of National Accounts' (SNA) input-output tables is based on NAICS. In the National Accounts industries, the levels of the different classification systems were chosen so as to provide the most detail possible in order to maximise continuity with the previous classification systems developed by Statistics Canada since 1961. Therefore, the greatest level of detail that is available over time occurs at the L level of aggregation, which corresponds, to 105 industries. This L level can also be aggregated to the M level (medium - 56 industries) and to the S level (small - 21 industries).

29. This combines the North American Industry Classification System (NAICS) codes 511, 514.

The Newspaper Industry

42. Canada's newspaper industry dates to the second half of the eighteenth century. The Quebec Gazette, which continues the tradition of the Quebec Telegraph Chronicle, is said to be North America's oldest surviving newspaper, founded in 1764. The Montreal Gazette, founded in 1778, is Canada's oldest continuously published newspaper.
43. In 2002, there were 102 daily newspapers across Canada with a combined circulation of more than 5 million copies per day.⁴ There were many more community newspapers, numbering 1,141 in 2001 with combined circulation of more than 7 million.⁵
44. Canada's largest circulation newspaper is the Toronto Star with a circulation of about 450,000 copies each weekday, about 660,000 on Saturdays and about 430,000 on Sundays.
45. The table below shows Canada's top 12 and smallest 12 daily newspapers ranked by average weekday circulation in March, 2002:

Canada: Daily Newspapers by Paid Circulation As of March 31, 2002			
Top 12 weekday circulation		Smallest weekday circulation	
Toronto Star	445,678	Flin Flon Reminder	3,900
Globe and Mail	336,476	Kirkland Lake Daily News	3,866
Le Journal de Montreal	261,796	Alaska Highway News (Ft St John)	3,790
National Post	243,000	Cranbrooke Daily Townsman	3,738
Toronto Sun	219,469	Kenora Daily Miner	3,506
La Presse (Montreal)	193,169	Portage La Prairie Daily Graphic	3,452
Vancouver Sun	187,033	Nelson Daily News	3,295
The Province (Vancouver)	161,409	Prince Rupert Daily News	3,070
Ottawa Citizen	140,158	Port Hope Evening Guide	2,586
Montreal Gazette	137,927	Whitehorse Star	2,123
Edmonton Journal	136,236	Peace River Block News	1,899
Winnipeg Free Press	119,870	Kimberly Daily Bulletin	1,780
Source: Canadian Newspaper Association			

46. The majority of Canada's community papers, 58%, are weekly papers and most are "controlled circulation" or distributed free of charge. Community weeklies in major urban centres can have circulation of 50,000 or more, while a majority of community newspapers have circulation of 5,000 or less.⁶
47. It is difficult to estimate the number of workers at Canadian newspapers, however a rough estimate is about 33,700, with average annual compensation of about \$48,000.⁷ A typical Canadian newspaper has about 15% of its workforce in the editorial department, 10% in promotion and advertising, 15% in business and administration, 12% in circulation and 48% in production and maintenance.⁸
48. While calculating profit margins in the newspaper industry is always a guessing game because of employers' differing methods of calculation, it is fair to say that newspapers are profitable. Even by the relatively conservative Stats Can method of calculation, the average rate of profit in 2000 was 14.8%. Profit figures in more recent years have been skewed by two key factors: a "war" over market share in Toronto; and an unusually heavy debt load in publishing and broadcasting as a result of asset purchases.⁹
49. Corporate concentration and convergence with broadcasters and telecommunications companies are key corporate trends in the newspaper industry. In 2001, the five largest newspaper companies in Canada controlled 73% of revenues.¹⁰ Among the community newspapers, 10 corporate groups own almost half of all community papers.¹¹
50. CEP members are journalists, printers, press operators, advertising workers, administrative support workers and carriers at Canada's newspapers.

Magazines and periodicals

51. In addition to newspapers, there are more than 1,500 magazines and periodicals published in Canada with a combined weekly circulation of more than 10 million. Magazines and periodicals include general interest news publications like Maclean's or TV Guide, and also a wide range of trade, religious and consumer periodicals.
52. Here is a brief overview of magazines and periodicals in Canada:

A look at Canada's magazines and periodicals - 1997						
Source: Statistics Canada, Culture, Tourism and the Centre for Education Statistics						
	Number of periodicals	Average circulation	Average price of subscription	Percentage of content in advertising	Average profits before taxes	Estimated number of employees*
General interest	153	118,000	\$21.86	32%	4.3%	1,416
Special interest	475	39,043	\$20.74	26%	3.2%	1,262
Trade	452	14,457	\$33.42	42%	14.6%	1,668
Farm	65	17,269	\$22.17	48%	10.8%	250
Religious	164	18,182	\$11.84	6%	1%	162
Scholarly	243	5,350	\$60.71	4%	1.5%	251
*estimated employees calculated by total compensation divided by \$48,000. This averaging will underestimate the number of employees in non profit publications which have lower average annual compensation.						

53. Among the magazines where CEP members work are MacLean's, Our Times, Our Schools, Now Magazine and Xtra-West.

Book Publishing

54. Canada's book publishing sector is a vital part of Canadian media that plays a strong role in Canadian cultural expression. In 1999, Canada had 450 English language publishers that published over 10,000 new books and reprinted another 6,200. Another 39 publishing firms were exclusive agents for foreign publishers and printed books in Canada.¹²
55. The largest group of books published in Canada in 1999 were trade books (4,677), followed by general interest books (3,078), textbooks (1,881) and children's books (1,121).
56. In French Canada, 193 publishers published 3,682 French language books in 1999. In French Canada, the most books published are also trade books (1,498), but the second largest number of books are textbooks (1,114), followed by children's books (569) and general interest books (501).

57. Book publishing employed 7,371 full time employees in 1999, and an additional 1,298 part time employees. Some CEP members in the book publishing industry work at Oxford University Press, University of Toronto Press, and the Queen's Printer.
58. In spite of some successes by some of Canada's top authors, book publishing has traditionally been, and remains, a precarious business and usually requires government support to sustain publishers. A limited domestic market combined with the influence of "big box" retailers continues to have a direct impact on the economics of the industry. In 1999, only 53% of English language publishers were profitable; there was a somewhat better picture for French language publishers with 64% reporting profits.

Commercial Printing

59. Commercial printing is one of Canada's longest established and most widely dispersed information technology based manufacturing industries. While the industry is the fourth largest employer in the manufacturing sector in the country, it is made up primarily of owner-managed small and medium sized enterprises located in every region and community in the country.
60. Commercial printing of newspapers, flyers, books and magazines is dominated by large corporations like Quebecor, which is today the largest commercial printing firm in the world.
61. But the printing sector is diverse, including commercial screen printing; "quick" printing using small offset printers and/or non-impact printers; digital printing using computer controlled non-impact printers; business forms printing; and support activities for printing such as binding and pre-press work like plate making and typesetting.
62. In all, there are 5,834 establishments doing business in the sector, employing some 84,000 workers in the trades, sales force and accounting offices.
63. The industry is known traditionally for its technological innovation and, today, ranks as the second largest on-line seller in Canada in terms of business to business and business to consumer, surpassed only by the transportation sector.
64. As with many Canadian cultural industries, commercial printing has faced increased pressure from imports in the past decade. In 1989, imports of leaflets, periodicals, flyers, etc. accounted for 14.6% of the Canadian market. By 1998 (latest year for which statistics are available), the imports had grabbed 26.8% of the domestic market valued at a total of some \$13.8 billion. The relatively low Canadian dollar, during the same period, allowed Canadian commercial printers to increase their exports from 18.8% of production in 1989 to 35.8% in 1998.

65. Commercial printing has a major impact across the country on a community level, often times being the largest single place of full time employment in many smaller communities. In the latest year for which statistics are available, the average annual earnings for production workers in the sector were \$34,536 while non-production staff earned, on average, \$40,628 per annum.
66. CEP members in 12 different local unions in literally dozens of communities from Edmonston, New Brunswick to Vancouver are employed in this industry. CEP members in Local 91-O in Toronto have the distinction of being Canada's oldest continuous trade union local.

Television broadcasting

67. *TV is an integral medium, forcing an interaction among components of experience which have long been separate and scattered. (1961)*
68. *The TV screen just pours that energy into you which paralyses the eye; you are not looking at it; it is looking at you. (1977)*
69. *When the news team seeks to become the news source by means of direct dialogue rather than by remote report of the event, they are being true to the immediacy of the TV medium in which comments outrank the event itself. (1971)*

Quotations from Marshall McLuhan¹³

70. Since Canada's television era was launched by the CBC in 1952, it has become a cultural centre-piece of Canadian life. Today almost every household has a television, and about 65% of all households have their television turned on during prime time – between 7:00 pm and 11:00 pm daily.¹⁴
71. Perhaps more than any other medium, television broadcasting has been changed by technological development. Early television was available only by transmitters that sent VHF waves through air. Television networks which continue to be available by air are called conventional broadcasters. Television production and distribution was fundamentally changed by the introduction of cable television in the 1960s. Cable television transmits VHF waves on a cable that allows for up to 100 separate channels to be combined on one cable. In 2003, a majority of Canadians watch television transmitted by a cable.
72. Television broadcasting is being revolutionized again by digital technology which replaces analog VHF waves with a digital reproduction of the wave. This has allowed cable distribution systems, telecommunications systems, and satellite transmitters (wireless) to provide hundreds of more channels. The "500 channel universe" can now be delivered to a home on the same wire or wireless system as the telephone and the Internet.

73. These technological innovations have changed what Canadians watch. While Canadian debates about television watching have usually focused on audiences for Canadian programming and American programming, the larger picture driven by new technologies is that the primacy of conventional broadcasters has now been replaced by specialty and pay TV channels.
74. By the fall of 2001, the largest English Canadian Television audiences have been won over by the 175 pay and specialty channels now available to Canadian viewers. 35.9% of all viewers are watching these new stations.¹⁵
75. The second largest audience group are the private Canadian conventional broadcasters which had 33% of audiences, led by CTV with about 11% of viewers. US private conventional networks had 12.2% of viewers, and public broadcasters held 11.3% of audience share, led by the CBC with 6.9%.
76. A very different audience has evolved in Quebec's French language television with private Quebec conventional broadcasters commanding a 44% market share, and Radio-Canada following with 17.8% of viewers.
77. This fragmentation of television viewing has given rise to an explosion of new Canadian television networks and channels. Canada's conventional television broadcasters include the CBC, CTV, Global, TV Ontario, CityTV, Craig Broadcasting, Radio-Canada, TVA, TQS and Télé-Québec.
78. In 1984, the conventional broadcasters were joined by the first of the cable channels – Much Music and The Sports Network. In 1988, the cable stations were expanded to include YTV, the Weather Network and Vision TV, and in 1989 CBC Newsworld was launched.
79. But from 1995 to 2000, 24 new Canadian specialty channels were licensed by the CRTC to broadcast to Canadians, mostly on cable distribution systems. There were 11 new channels added to French language TV. In 1999, the Aboriginal Peoples Television Network (APTN) was licensed as a national network, building upon the work of Television Northern Canada that had broadcast to the north since 1988.
80. In addition, between 1988 and 2001, another 11 pay TV channels were launched, and in 2000 the digital revolution reached Canadians with the licensing of 260 digital channels, although only 60 of these are presently broadcasting.
81. The explosion of new channels has to some extent spread audiences and advertising revenues thinner for TV broadcasters, and redistributed profits within the sector. The new specialty channels have not only grabbed market share, but also a bigger slice of the economic pie. However the specialty channels have not necessarily brought increased

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corporate competition because for the most part the new channels are owned by the conventional broadcasters or cable operators. Overall, television broadcasting is a lucrative endeavour for large corporations with strong rates of profit for all commercial sectors, as the following table from Statistics Canada indicates.

Financial indicators by type of television broadcasters					
	1998	1999	2000	2001	2000 to 2001
	\$ thousands				% change
Revenues					
Total	3,777,232.1	3,981,330.4	4,290,152.1	4,526,440.2	5.5
Private conventional television	1,821,868.3	1,873,901.6	1,887,221.3	1,910,852.5	1.3
Public and non-commercial conventional television	1,113,282.2	1,070,136.4	1,132,753.4	1,126,074.1	-0.6
Specialty television ¹	717,197.7	880,610.5	1,056,508.2	1,203,519.8	13.9
Pay television ¹	124,883.8	156,681.9	213,669.2	285,993.8	33.8
	\$ thousands				% change
Sale of airtime					
Total	2,328,816.0	2,386,622.2	2,456,089.7	2,560,490.4	4.3
Private conventional television	1,723,095.1	1,758,751.3	1,763,473.8	1,789,704.1	1.5
Public and non-commercial conventional television	365,216.3	323,494.9	311,914.8	332,762.6	6.7
Specialty television ¹	240,504.6	304,376.0	380,701.1	438,023.7	15.1
Pay television ¹	0.0	0.0	0.0	0.0	...
	%				
Profit margin (PBIT) (private)					
Total	12.3	14.7	15.3	15.1	...
Private conventional television	11.0	14.9	13.8	12.6	...
Specialty television ¹	14.5	13.4	18.5	17.4	...
Pay television ¹	18.1	20.2	12.3	21.7	...
¹	Statistics collected and published by the Canadian Radio-television and Telecommunications Commission (CRTC), Industry Statistics and Analysis, Broadcast Analysis Branch.				
...	Figures not appropriate or not applicable.				

82. There are over 20,000 workers in Canadian television, not including the CBC and independent producers. The largest group of workers – 11,556 - were at cable television distributors, followed by 7,685 workers at private conventional broadcasters, and another 3,835 workers at pay and specialty channels.¹⁶ The CBC employs 8,000 workers.
83. Television workers include a wide variety of occupations from camera operators to traffic coordinators, researchers and advertising salespersons, sound and lighting technicians and maintenance tradespersons, and on-air talent.

Radio broadcasting

84. Radio broadcasting – the first electronic mass media – is a strong industry in Canada which continues to grow in spite of the many predictions of its decline over the years.
85. In 2002 there were 500 commercial radio stations in Canada, in addition to the CBC and community radio stations. Ontario has the largest number of radio stations with 149, followed by BC and the Territories with 90. There are 84 commercial radio stations in Quebec, 58 in Alberta, 29 in Saskatchewan, 25 in Manitoba, 24 in New Brunswick, 22 in Nova Scotia, 15 in Newfoundland and 4 in PEI.¹⁷
86. There are two worlds in radio economics – the AM and FM formats. While AM radio earnings have been flat in the 1990s, FM radio formats have increased their audience and revenues. In 2002, Canada's 238 AM radio stations recorded a combined loss of 6.2%, while the 255 FM stations had a remarkable average rate of profit of 24.3%¹⁸.
87. These economics are reflected in employment. In 2000, the approximately 4,800 workers in FM radio had average salaries of \$54,000, while the 3,800 workers at AM stations earned on average almost \$10,000 per year less.¹⁹

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PRIVATE RADIO	1998	1999	2000	2001	2002
Number of employees	8,650	8,598	8,811	9,311	9,410
	\$ millions				
Operating revenues	942	978	1,029	1,074	1,103
Sales of air time	921	955	1,004	1,051	1,079
Operating expenses	861	889	908	958	966
Salaries and other staff benefits	413	422	446	466	482
Net profit (loss) before taxes	92	87	111	99	162
Source: Statistics Canada, CANSIM, table 357-0001.					
Last modified: 2003-07-03.					

88. CEP members in this industry work across the country for a range of companies such as CHUM, Rogers, Craig and Fawcett Broadcasting. They are also employed in many private stations in places such as Pembroke and Cornwall in Ontario; Montreal and Sherbrooke in Quebec; Sydney, Nova Scotia; Brandon, Manitoba; and Kamloops in British Columbia. CEP also represents some 60 community radio workers in the Atlantic.

Independent film producers and cinema

89. One of the most important changes in the structure of Canadian media has been the transfer of the production of television programs from the CBC and private networks to independent film and television production companies. The growth of this economic sector was driven by a CRTC decision in 1983 requiring the CBC to purchase a portion of its programming from outside sources. Once established, the new independent film production companies became the foundation of a Canadian film and video industry, which increasingly attracted US productions.
90. The film and video sector has always been heavily subsidized by tax incentives and grants from Telefilm Canada, the Canadian Television Fund and the Department of Canadian Heritage.
91. The economic growth of this sector has been extraordinary, with revenues increasing by 260% in the 8 years from 1994 to 2002 when film and video production weighed in at \$5.1 billion - \$4 billion for television production.²⁰ Much of this increase was from foreign productions which grew by 37% from 1999 to 2000, representing almost \$2 billion in production. US based film companies were attracted to Canada by tax credits and the advantages of the lower Canadian dollar.²¹
92. In 2001 there were 155 Canadian independent production companies with 51,000 employees. Almost 4 out of 5 of these workers are engaged in television production.²² Two companies have dominated the Canadian industry – Alliance Atlantis with total 2001

revenues of \$276 million, and Fireworks Entertainment (a subsidiary of CanWest Global) with total revenues of \$206 million. However in 2003, Alliance Atlantis announced its exit from the film production sector in Canada with the closing of its major Canadian production.

93. The 14,000 performers in Canadian film and video are represented mainly by the Alliance of Canadian Cinema, Television and Radio Artists (ACTRA). Beyond the performers, thousands of other workers are essential to the production of quality programming.
94. CEP members in the film industry include over 1,200 members of NABET Local 700 in Ontario, and the about 500 members of ACFC (Association of Canadian Film Craftspeople – West) CEP Local 2020 in BC who work as production assistants, stage and film crews.

The Internet and New Media

95. The dynamic new sector of Canadian Media are the most difficult to define and observe because it is often unregulated and unreported. Nevertheless, “new media” in Canada is a burgeoning enterprise that involves tens of thousands of media workers.
96. New Media are generally understood to be the production, broadcasting and distribution of communications in a digital format, through the Internet or computer based technologies such as CD roms.
97. New media, sometimes referred to as multi-media, is often part of the mainstream media industries. Animation, for example, is a computer based, new media which is part of the independent film and video production sector. Conventional television broadcasters and daily newspapers now have web based Internet sites which are integral to their operations.
98. New media also includes Internet Service Providers, multi-media companies producing educational and entertainment software, and a broad range of Internet companies engaged in producing publications, providing news and information services, shopping and on-line trading and commerce.
99. In 1999, the CRTC estimated that there were about 1,000 multi-media companies in Canada employing about 17,000 workers. In addition, there were 400 Internet Service Providers.²³
100. New media economics vary widely from enormously profitable ISPs like Bell Globemedia’s Sympatico, to the thousands of small multi-media companies with little revenues. Economic growth is dynamic. Internet advertising in Canada, for example, increased by 87% in 1998 to over \$37 million.²⁴

101. However, like mainstream media, new Media are increasingly dominated by large companies and small companies are often high risk. According to a survey of new media producers in 2002 the “interactive media production industry” employed over 20,000 full time workers, but employment in firms of 100 people or less declined by 30% in the previous year. Revenues for small companies also dropped sharply. Revenues for companies with more than 100 employees were \$1.9 billion.²⁵
102. The digital revolution and the continuing growth of Internet access in Canada is dramatically re-shaping how Canadians use media. By 2002, a majority of Canadian homes had Internet access. More than ¾ of Internet services are provided by telephone companies, with 22% of Internet services provided by cable television distributors. The single largest use of the Internet by Canadians is not e-mail, but rather acquiring and listening to music. Games and entertainment also rival e-mail as the main reason why we go on-line.²⁶
103. CEP members in this field include many employees of newspapers and television stations who maintain web sites and publish on-line.

Newspapers and broadcasters where CEP members work:

Toronto/GTA:

The Globe & Mail

CFTO TV

Sing Tao Newspapers

The Toronto Star

TV Ontario

Beacon Herald

NABET-700 (Film)

The Korea Times Daily

NOW Communications Inc.

Rockwood Review Newmarket

Pulse 24 Inc.

Aurora Era-Banner-Richmond Hill

Whitby This Week

MacLean's Magazine

Our Times Publishing Ltd.

Bravo TV

Union Communications

CTV TV Network Ltd.

Global TV News

City TV

Much Music

Much More Music

Star TV

Starfish Communications

Our Schools/Ourselves

Vaughan Liberal

Oshawa Sun

The Shopping Channel

Ajax/Pickering News Advertiser

Brampton Guardian

Southwestern Ontario:

The Kitchener-Waterloo Record
CKKW/CFCA-FM Kitchener
CKCO Television Kitchener
London Free Press
The Guelph Mercury
The Fairway Group Guelph

Sun Times Owen Sound
The Chatham Daily News
The Cambridge Reporter
Brantford Expositor
The Daily Sentinel Review Woodstock

Southern Ontario:

The Hamilton Spectator
Brabant Newspapers
Hamilton Web Printing
CKTB-AM/CHTZ-FM
St. Catharines
The St. Catharines Standard

Niagara Falls Review
The Free Press Midland
CKVR Channel 3 CKVR-TV Barrie
Barrie Examiner
Orillia Packet and Times

Northern Ontario:

The Chronicle Journal Thunder Bay
CKNY/CHNB/TV North Bay
CHNO

CHYC & CJMX-FM Sudbury
Haliburton Broadcasting Sudbury
Fawcett Broadcasting Fort Frances

Eastern Ontario:

CJOH-TV Ottawa
CHRO TV, Ottawa/Pembroke
Wormor Publications Winchester
The Belleville Intelligencer
CKWS-TV CFFX-AM & CFMK-FM Kingston

CJSS-AM CFLG-FM Cornwall
CHEX TV CKRU-AM & CKWF-FM Peterborough
The Ottawa Citizen
Pembroke The Daily Observer
CHVR-FM Pembroke
Ottawa Le Droit

Quebec

Montréal:

The Gazette
La Presse
Québec-Livres
Théâtre du Nouveau Monde
CFCF-12 Television Inc.

Metromedia CMR Broadcasting Inc.
Musique Plus
Covitec Inc.
Le Journal de Montréal
Richford Inc.

Eastern Townships:

CHLT-AM et Cité FM Sherbrooke
Cogéco Radio-TV Sherbrooke
La Tribune Sherbrooke

Other Quebec:

Le Progrès du Saguenay
Le Nouvelliste Trois-Rivières

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Winnipeg/Manitoba

CKND-TV Global
Winnipeg Sun
Winnipeg Free Press
CHMI/MTN Television, Portage La Prairie

CKY-TV Winnipeg
CIFX CHIQ-FM Winnipeg
Brandon Sun
CKX Television-CKX Radio AM&FM Brandon

Saskatchewan

CFQC Television Saskatoon
CIPA/CKBI Television Prince Albert
Global TV Saskatoon
Cable TV Weyburn

The Saskatoon Star Phoenix
Yorkton CKOS-TV

B.C.

Victoria/Vancouver Island:

Victoria Time Colonist
CHEK TV
Nanaimo Daily News

Campbell River Courier-Islander
Fawcett Broadcasting
Cowichan News Leader & Pictorial
Coast Radio Courtenay

Vancouver/Lower Mainland:

Vancouver Sun
The Province
BCTV
ACFC-West (Film)
CKVU-TV
Canadian First Marketing
XTRA! West
Richmond Review

Tri City News
The Royal City Record
Westender
The Korea Times
Langley Times
Maple Ridge News
Mission Westminster Now
Burnaby Now
Coquitlam Now
Port Coquitlam Now
Port Moody Now
Peace Arch News
White Rock Now
Chilliwack Progress

B.C. Interior:

Prince George Citizen
CKPG TV Prince George
Cariboo Ctrl. Int. Radio Inc. Quesnel
Glengarry News Okanagan
Okanagan Valley TV
Kelowna Courier
Kamloops This Week
Kamloops Daily News
CFJC TV, CFJC AM & CIFM FM Kamloops

The Trail Times
Hope Standard
Castlegar Sun
Cranbrook Daily Townsman
Salmon Arm Observer
Penticton Herald
Prince Rupert Daily News

Alberta

Edmonton/Northern Alberta:

CFRN-TV Edmonton
A Channel Edmonton

Calgary/Southern Alberta:

CFCN TV
Calgary Television 814
Lethbridge TV

New Brunswick:

ATV New Brunswick

Nova Scotia:

Maritime Television
Halifax Cable
CHUM Ltd. Halifax
Metro Radio Group Halifax
CJCH-TV/ASN, Halifax

CJCB & CKPE Radio Sydney
Bras d'Or Broadcasting Ltd. Cape Breton
ATV Cape Breton

Note: Not included in this list are 1,800 former CEP members at 18 CBC television and radio stations. CEP members at the CBC were forced into a bargaining unit consolidation in December 2003 and will subsequently be represented by the U.S. based Communications Workers of America. However CEP members at CBC played an important role in the drafting of this policy.

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Commercial print operations where CEP members work include:

Ontario:

Schawk Inc.
Multipak Limited
University of Toronto Press Inc.
Britannia Printers
Thistle Printing
Kendall Printing
G.M. Thornton & Sons Ltd.
Carswell Manufacturing Division of Thomson Canada Ltd.

Québec :

Atelier Québécois Offset
Centre Typographique
Imprimerie Art graphique
Imprimerie Drouin Inc.
Imprimeries Transcontinental Inc.
Les Industries Poly Inc.
Imprimerie Pigale Inc.
3834301 Canada Inc., Dib. D'Imprimerie Unimédia
Datamark Systems Inc.
Multiple-Packfold
Québec Livres, Div. De Communications Quebecor
Oberthur jeux et technologies Inc.
T.R. Offset Inc.

Manitoba:

Spot Graphics inc.
Datamark Systems Inc.
Naylor Publications Co.
Transcontinental Printing Inc.

British Columbia:

Broadway Printers
Mitchell Press
College Printers Ltd.
Queen's Printer of the Government of the Province of B.C.

PART TWO: MEDIA TRENDS AND ISSUES

Fewer and fewer, larger and larger

104. A central issue in Canadian media is ownership and the concurrent influence its concentration has on what Canadians read, hear and see as well as the seemingly inevitable lack of public accountability inherent in a highly concentrated industry. Canada's media industries have an unprecedented level of ownership concentration. How far should Canada allow media concentration to go? How large can media empires get? By way of illustration, there are 45 "major" media owners in the United States as defined by the Columbia School of Journalism. In Canada, both French and English, there are four which would fit in the CSJ definition.
105. In 1970, the Special Senate Committee on Mass Media expressed concern that the three biggest newspaper chains had increased their share of daily circulation from 25 per cent in 1958 to 45 per cent. When the Kent Royal Commission on Newspapers was established in 1980, that figure had risen to 57 per cent. Today, the three biggest chains control 72 per cent of daily circulation.²⁷
106. Our television and radio stations, as well as our cable providers, are with few exceptions owned by a handful of powerful corporations. In Canadian television, five corporations reach more than 60 per cent of all viewers. In cable TV, three companies now have 68 per cent of the market, nearly double that of 1983. Just ten companies control 70 per cent of the revenue in the radio industry, an increase of 50 per cent in the last decade alone.²⁸
107. CEP members know from their experience in media workplaces that ownership is decisive in the character of media that is offered to Canadians. Owners set editorial policy, often determining specific content and promoting personal views. Owners determine the level of commercialism in media, and the influence of advertisers. Owners set the ideological, professional and business tone for the media that they control. Fewer and fewer owners narrow the choices that Canadians have for information and entertainment. Fewer and fewer owners mean fewer voices that are heard by Canadians.
108. Concentration of ownership also imposes economic constraints on media. Mergers and acquisitions of smaller media by large corporate media create economic demands to pay off the costs of acquisitions through rationalization, layoffs and cost cutting. Quality of information and the integrity of journalism are sacrificed to serve the short-term interests of investors.
109. The consequences of ownership concentration are far more than generalized, background issues for Canadians. Canadians access media through regional markets, and in these markets levels of ownership concentration have now far exceeded the national averages.

110. In Quebec, for example, one corporation – Quebecor – owns four daily newspapers, 12 television stations, the largest number of magazines in the province, 12 publishing houses, the leading cable television system and the leading Internet service. This level of media domination is described by the report of Canada's Parliamentary Heritage Committee as "without parallel in any comparable industrial jurisdiction."²⁹
111. In New Brunswick, the Irving family owns all daily newspapers and 3 radio stations.
112. CanWest Global dominates the Vancouver media market with ownership of two daily newspapers, 15 community weeklies, and the major television station.
113. CanWest also owns all daily newspapers in Saskatchewan, and in Newfoundland.
114. For a closer look at regional market dominance by the major media corporations in Canada, see our companion report on WWW.CEP.CA which is updated to include changing ownership patterns.
115. Sidebar: a cautionary note: in the fast-changing world of corporate media, ownership statistics are highly unreliable. Media enterprises are sold, closed and created continuously. Therefore, in this policy CEP has attempted to minimize ownership statistics. Where ownership data is used it is correct as of January 2004. Our companion report on WWW.CEP.CA will provide up-to-date information on media ownership in Canada.

Cross ownership

116. Today's corporate media owners are different from the media barons of the past. Whereas dominant media have always been owned by wealthy business interests, formerly the pattern of dominance was a "horizontal integration" across a given sector. Newspaper owners, for example, would gain ownership and control of several papers in a regional market, and these newspaper chains in some cases grew into national newspaper chains. Until the 1990's, Canadian daily newspapers were largely owned by the "Southam", "Thomson" and "Hollinger" chains.
117. Television networks began as associations of locally owned stations, and over the last thirty years developed into corporate networks like CTV and Global. With the advent of cable television, cable television companies had monopolies on installing cable systems and companies like Rogers and Shaw divided regional markets between them.
118. The growth of media corporations within each sector opened the way for a new stage of corporate media concentration, with media conglomerates owning media companies in different sectors.

119. The new media corporation focused on “vertical integration” which involved production and distribution of media products. Companies like Quebecor owned both newspapers and Canada largest commercial printing company. Quebecor’s broadcasting side began with cable distribution and then extended into television stations and an Internet provider service. Rogers Cable is today a conglomerate with ownership of wireless telecommunications, radio and television broadcasting, cable distribution, Internet and new media, publishing and video rentals.
120. Canada’s largest media conglomerate, CanWest Global began as a television broadcaster and today owns the Global television network, 29 specialty television channels and services, 23 daily newspapers and a large group of community weekly newspapers, a leading film production company, and Internet companies.
121. CanWest’s rival, Bell Globemedia, owned by BCE Ltd. (Bell Canada), combines the telephone company with the CTV television network, the Sports Network and 10 other specialty TV channels, the Globe and Mail Newspaper, and the major satellite television broadcasting system.
122. BCE also owns the country’s major Internet provider service, Sympatico, which has a corporate partnership with Microsoft Network (MSN). In 2003, the company announced a pilot project to offer the television programs available on its satellite system over broadband to high speed Internet users.

Convergence

123. Cross ownership also can represent a “convergence” of media, facilitated by digital technology which allows for a single data base of information to be delivered on a variety of “platforms” from radio and TV, to cable television to satellite, to Internet providers over broadband, to newspapers and magazines, and commercial printers downloading whole publications by satellite.
124. Digital technology is a great advance for global communications which breaks down many economic and technical barriers to democratic communication between people locally and globally. However the same technology when controlled by corporate interests can be used to block and filter communication to serve the interests of those owners.
125. This reality is the basis of regulatory history in media, telecommunications, energy and many other fields. The principle has been that the “carrier” should not be allowed to control the “content.” Hence, telephone companies that owned the telephone infrastructure could not deny their competitors access to the telephone system. Cable television providers are regulated as to which channels will be offered. Canadian law likewise requires pipelines for oil and gas to be accessible by all producers.

126. This long standing goal of Canadian law – to ensure fair access to the media market by a diverse group of public and private players – is under assault by cross ownership and convergence.
127. For today's media conglomerates, it is business logic that movies for television will be made by the film company that the TV network owns. It is business logic that the newspaper and television newsrooms of the same corporation will share information and promote each other. It is business logic that if a national newspaper chain rationalizes to the point that it has a single television reviewer, that the journalist who reviews television will be under immense pressure to focus positively on the television network that is part and parcel of the business enterprise. And the same business logic argues for rationalization in the convergence model, using economies of scale to reduce staff and re-use creative material on different platforms.
128. Against that business logic, the Canadian Radio and Television Commission has the statutory responsibility to assert Canadian public interests. While the CRTC has to some extent held back convergence in the public interest, it has lacked the strength and political will to act decisively.

New Media – Internet

129. The fastest growing media in Canada are Internet and new media. Millions of Canadians are increasingly turning to their computer screens for entertainment, news and information.
130. The democratic opportunity that the Internet provides for many diverse voices to be expressed has already begun to change media markets. Music sales of conventional records and CDs, for example, have been impacted by Internet downloading of music from commercial and underground web sites. Magazines and locally produced publications have affected magazine and publishing markets. Sophisticated digital technology has allowed producers to bring together video, music, and print into inexpensive and quickly produced multi-media products.
131. Businesses, community organizations, and individuals sponsor millions of web sites that are available to Canadians. A viewpoint or fact not available in the daily newspaper or on television can easily be posted on-line where it is already accessible to over half the Canadian population from their homes. There are positive aspects to this development, to be sure. The information age has led to a new kind of mobilization among youth and other groups which traditionally might have felt voiceless. This “globalization” of knowledge, in that vein, can be seen as a progressive advancement for many.
132. These facts, however, must not obscure the over-riding reality that the Internet and new Media are accelerating the dominance of media conglomerates. A closer look at new media reveals that it is increasingly an expression of old media. Analysis of Internet use

shows that by 1998, more than three-quarters of the 31 most visited news and entertainment websites in North America were affiliated with large media firms, and most of the rest were connected to huge Internet companies like AOL and Microsoft.³⁰

133. The great majority of Internet users that turn to the net for news and information utilize the web sites of television stations and newspapers. For example, CanWest Global's Canadian newspaper and television empire extends to the Internet. CanWest's Internet site Canada.com is a leading Internet news site in Canada with 2.5 million visitors in April 2003.³¹ Other major Internet news sites are also extensions of traditional media, such as the Globe and Mail web site and CBC.ca.
134. Media conglomerates also dominate the Internet portals that Canadians use as home pages to access entertainment, news and information and other services such as chat rooms and messenger links. A study in November 2000 found over 12 million Canadians on-line, but most people were using the same mainstream portals such as Microsoft, Network, AOL, Yahoo, and Sympatico.³²
135. In 2003, Canadian Internet use became heavily concentrated by the partnership of Bell Canada's Sympatico with Microsoft Network and the merging of their Canadian Internet portals. In French Canada, the Sympatico-MSN joint venture creates an overwhelming market dominance with 4.7 million francophone users in May 2003, representing 43% of the market for the top 10 francophone Internet sites.³³
136. Soon after the merger of the web sites, Bell and MSN announced that they would launch a pilot project to offer Bell Express-Vu satellite television services over Sympatico's broadband home network, using new technology developed by Microsoft.³⁴ This creates a new media alliance between Microsoft Network, with long established corporate links to Disney Corporation and Time-Warner, and Bell Globemedia to bring television signals to Canadian desktops and home computer screens.
137. In spite of these developments, broadband Internet delivery remains unregulated by the CRTC which in 2002 denied a complaint from the Canadian Association of Internet Providers (IMCAIP) that Bell Sympatico was unfairly excluding them from the high speed Internet market with monopolistic pricing, and the packaging of high speed Internet services with long distance telephone services.³⁵
138. New media and the Internet are not an answer to concentration of ownership and convergence of platforms in media. Indeed they represent a new expression and a potentially more dangerous result of these trends.
139. Accessing information through the Internet is a process that requires the use of specific technologies that may promote or deny access to particular information. The growing use of commercial arrangements by Internet web sites establishes a preferential bias for the information or entertainment that is accessed. Major Internet search engines sell preferred

placement to advertisers, on-line marketers and others that ensure that these sites are among the first returned by the search engine. Filters that exclude spam or pornographic material are examples of technology that can also be used to filter political or other information.

140. A United States Federal Communications Commission (FCC) Commissioner has delivered a dramatic warning about corporate power over the Internet. In a statement released by the US FCC in October, 2003, Michael Copps stated³⁶:
141. *“The Internet as we know it is at risk. Entrenched interests are positioning themselves to control the network’s chokepoints and they are lobbying the FCC to aid and abet them. The Internet was designed to prevent government or a corporation or anyone else from controlling it. But this original vision of the Internet may soon be lost. In its place a warped view that open networks should be replaced by closed networks and that accessibility can be superseded by a new power to discriminate is emerging.”*
142. *“Until now the big corporations that control Internet bottlenecks have been unable fully to capitalize on this power. But now we face scenarios wherein those with bottleneck control will be able to discriminate against both users and content providers that they don’t have commercial relationships with, don’t share the same politics with, or just don’t want to offer access to for any reason at all. From the not so distant shadows of the past, old attitudes favoring industry consolidation and limited access are again seeking to reestablish themselves.”*
143. As CEP heard from new technology analyst Dwayne Winseck, Internet technology combined with the corporate power of the telecommunications and media industries create “netscapes of power” that have unprecedented implications for freedom of information and civil liberties.

Commercialism

144. The cultural impact of a corporate media dominated by conglomerates is the elimination of many cultural expressions and voices that either are not suited for mass audiences or which contradict the social and economic interests of owners.
145. Advertising underwrites the expenses of print and broadcast media in Canada and therefore the wages of CEP members. It has the potential both to enhance and to limit their freedom of expression. In some countries, repressive governments are the chief threat to free expression. In Canada, the relationships between big advertisers and media owners is a greater threat than government control.
146. Selling advertising makes media financially independent of government and lowers the cost of each publication or broadcast to the audience. Advertising therefore can make media more accessible, and increases the freedom of media organizations to debate and

criticize government policy. And advertising has always been an integral part of media; consumers find the information useful.

147. However, the new corporate media has changed its relationship with advertisers. Independence from government funding makes commercial media dependent on advertising revenue. Although ratings influence advertising income, commercial media principally do not derive their income principally from their audience, but rather from selling their audiences to advertisers. Hence independence from government revenue comes at the price of dependence on advertising revenue. Good newspapers and broadcasters give their journalists freedom to criticize important advertisers. Bad ones do not. But any journalist knows that a story critical of a major advertiser will get extra scrutiny by senior managers. That in itself sends a signal to the newsroom that large advertisers get treatment that may not be favourable, but is at least different.
148. Whole sections of daily newspapers have become thinly veiled advertisements for real estate and development companies, investment companies or professional sports. Critical analysis is non-existent or kept within narrow limits. Many newspapers are now distributed only to certain neighbourhoods where the incomes of residents meet the minimum requirements of advertisers. Similar trends are now appearing in television broadcasting, such as sponsorship of health reports on television news by pharmaceutical companies. Under the influence of commercial arrangements, television sports coverage has in some cases sacrificed integrity for promotion and boosterism.
149. The impact of hyper-commercialism in cinema and broadcasting is to diminish and exclude non mainstream media from cinema and television screens, even when substantial audiences would be interested in these products. Increasingly, news and public affairs must meet entertainment tests, with news announcers acting as celebrity figures that avoid controversy.
150. The grotesque face of commercialism in media is advertising directed at children. Ads that target young children have expanded to the point that companies are focusing on children under 3 for brand loyalty. Young children cannot distinguish ads from shows and do not understand until at least 8 years old that ads may not be true. There is a proven link between the \$2 billion spent per year on food ads, largely selling fast food and candy to children, and the fact that one out of four children aged 7 to 12 are obese. Violent toys based on video and Nintendo games for teens and adults are being advertised to children as young as 4 and 5.
151. While some other countries such as Sweden have legislated controls on advertising to children, in Canada only the province of Quebec prohibits both print and broadcast advertising to children under 13 years old (Quebec Consumer Protection Act). This legislation applies only to advertising that originates in Quebec. Elsewhere in Canada there are only codes of conduct and a complaint procedure established and monitored by

the industry. The CBC is prohibited by license from allowing advertising during certain morning programs for children. These controls are inadequate.

Canadian content

152. Among the most powerful expressions of the commercialism of corporate media in Canada are the barriers, diminishment, and exclusion of Canadian content in television and cinema.
153. The problem of Canadian content in broadcasting and cinema is straightforward. Market choices for programming discriminates against Canadian content because of the much larger size of the American market which allows for far larger production budgets and the distribution of programs to Canada for substantially less than the production costs of comparable Canadian programming.
154. Because of this economic reality, Canadian programming has always depended on two pillars: government support for Canadian programming, and regulation of broadcasters. Throughout most of Canadian broadcast history, these objectives were fulfilled through direct government support for the CBC and other national institutions like the National Film Board. As private broadcasters were licensed in Canada in the late 1950's, they were required to maintain a minimum percentage of Canadian content in programming. And since 1971, radio stations in Canada have been required to broadcast a minimum of 30% Canadian content in music.

Canadian content in cinema

155. Movies and movie stars are hugely important in defining cultural identities, but Canadian movies and movie stars are rarely significant until or unless they are successful in the United States. This has almost nothing to do with Canadian talent, which is remarkably successful in this context, but instead is the direct result of our foreign dominated movie industry.
156. Less than 1 percent of films screened in Canadian movie theatres are Canadian, and revenues from Canadian films represented only .2% of Canadian box office revenues in 2001 and 1.4% in 2002.³⁷
157. This situation arises from the twin facts that cinema is unregulated in Canada and that Canadian movie theatres are direct subsidiaries of the US movie and entertainment industry. Canada's two movie theatre chains are owned respectively by Viacom (Famous Players) and MCA (Cineplex Odeon). Famous Players' corporate mandate is to screen first run films by MGM, Paramount, United Artists and Warners Brothers movie companies – film studios owned or associated with Viacom. Cineplex Odeon's role is to screen films by Columbia and Universal Studios – studios owned or associated with MCA.

158. The Canadian film industry has grown dramatically, doubling its production values between 1995 and 2003 to over \$5 billion annually. Most of these productions have been US films produced in Canada or Canadian television production.
159. But the growth of the film industry has suddenly slowed – the result of international market conditions and changes in Canadian television policy. Canadian Heritage, the federal ministry responsible for arts and culture, described the slow down in these terms in 2003:
- “...production has slowed, and is down in several areas. Canadian Audio Visual Certification Office certified production is down for the first time in 10 years, particularly in BC where it has dropped 46%. And fiction, especially English Language fiction, is becoming an endangered species. It was down by 23%... Two factors are to blame: contraction in the international market and a 1999 CRTC policy change which eliminated (Canadian) broadcaster expenditure requirements, broadened the definition of priority programming and thereby lessened the incentive to produce fiction and children’s programming.”³⁸
160. The downturn in film production resulted in 2003 with the decision of Canada’s largest production company, Alliance Atlantis, to abandon independent film production and to focus on film distribution. It is unclear whether other producers will be able to fill the gap vacated by Alliance, or if the Canadian film sector will be dramatically downsized.

Canadian content in television

161. Television is the medium that reaches the largest number of Canadians, and therefore has the potential to be the most democratic reflection of our culture. We want our children to watch programming with a Canadian approach and to learn about Canadian institutions and values. We want to watch our own national sports and be entertained by stories that reflect our own experiences. We need our own take on the news, here and abroad. This is Canadian content.
162. Drama is by far the most expensive programming to produce and ensuring that Canadian drama reaches our television screens has required regulation. Canadian dramatic content was rock bottom in the mid 1980s, when 98% of drama and comedy on Canadian television were American.³⁹ In 1985, the CRTC introduced quotas, requiring a certain level of expenditure and of original hours of dramatic programming. Combined with increased funding from Telefilm Canada, the result was that Canadian drama doubled on English television and tripled on French language television. These policies were instrumental in the growth of the Canadian film production industry noted above.
163. However this success story is now in decline, and no less than a crisis exists for Canadian television drama. In a landmark report by the Canadian Coalition of Audio Visual Unions in 2003 it was found that the production of Canadian drama has declined sharply, and that as a consequence audience share has also declined.

164. The Canadian Coalition of Audio Visual Unions pointed to policies of the CRTC as a principal reason for the decline in Canadian television drama. In 1999 the new Television Policy dispensed with specific requirements for expenditures and for the broadcast of Canadian dramatic programming. As a result, Canadian television drama declined by 34% in 2000-2001 from the previous year, and declined by 49% from 1999-2000, the year before the new CRTC policy. The results for Canadian television drama in prime time were much larger: an 89% drop over the previous year, and a 75% drop from the year before the new policy.⁴⁰

165. The problem with the CRTC 1999 policy - Coalition of Canadian Audio Visual Unions

Inherent Problems with the 1999 Policy and 2001 Renewals

First, the new policy does not require broadcasters to air a specific amount of dramatic programming throughout the broadcast year. As dramatic programs are the most expensive to produce or acquire, this gives broadcasters an incentive to air less costly programs such as documentaries and magazine programs.

Second, there is no obligation on television broadcasters to air *original* Canadian dramatic programming. In order to lower their cost, there is therefore an incentive for broadcasters to fill the 8-hour requirement with old repeats of Canadian programs. This results in fewer new and original Canadian stories being produced.

Third, the Television Policy is silent on when broadcasters are required to broadcast Canadian priority programming throughout the broadcast week, and throughout the broadcast year, except for the requirement that priority programs be aired between 7:00 p.m. and 11:00 p.m. There is nothing to prevent broadcasters from scheduling Canadian priority programs in time-slots within the 7-11 p.m. period that attract fewer viewers, and in periods of the year that does not generally attract a large audience.

Fourth, there are no expenditure obligations on Canadian conventional broadcasters to contribute funds to the creation of high quality Canadian dramatic program, outside of the 10% transfer benefit requirements. This has resulted in a decline in the funding to Canadian dramatic programs in the system, and a decline in production itself.

166. The CRTC policies are not the only factors undermining Canadian content in cinema and television. Budget cuts to the CBC, and further budget cuts to the Canadian Television Fund, also have had a serious impact. In 1999-2000, the CBC/SRC spent \$62.4 million on drama, but only \$46.2 million the following year, a reduction of 26%.

167. The decline in Canadian drama is also a result of the profit motives of Canadian private broadcasters that have taken millions of dollars in subsidies for Canadian production, but failed to increase production of quality Canadian drama. CanWest Global, for example, promised in its license renewal that its spending on Canadian drama would rise from \$23 million in 2000 to \$31.9 million in 2001 and continue to rise steadily over the 7-year licence term, reaching \$42 million per year in Year 7. In fact, CanWest Global spent \$24 million in 2000 and little more in 2001.⁴¹

168. Canadian content in cinema and broadcasting is not determined by the tastes of Canadians or the talent of Canadian artists and film makers. Given supportive government policies, Canadian film and broadcasting has been successful. If Canadian culture in 2003 is in jeopardy, it is the result of conscious policy by the government of Canada.
169. Canadian radio and music is illustrative that effective Canadian content regulations does lead to success for Canadian artists and for Canadian cultural identity. Canadian content regulations since 1971 have required radio stations to ensure that 30% of music playlists are Canadian. (The criteria requires that two of the four ingredients for a musical production - artist, production, music and lyrics – be Canadian). In addition to the playlist requirement, radio stations were also required to contribute to the Canadian Talent Development Fund which supported the Canadian music industry.
170. In the year 2002 – a year in which music sales generally were in a slump – 113 Canadian musicians had “gold, platinum or diamond” record sales. The Report of Canada’s Parliamentary Heritage Committee called the Canadian content policy for radio and music “arguably the single most successful policy measure in the history of Canadian broadcasting.”

Global media

171. Globalization and the media’s global reach have made different cultures accessible in a manner which was impossible in previous eras. Certainly this contributes a new and positive dimension to our development.
172. However, the globalization of media, like other economic sectors, has seen rapid growth of global companies with monopolistic control over media markets around the world. The global media market is dominated by nine transnational corporations: General Electric (owner of NBC), Liberty Media, Disney, AOL-Time Warner, Sony, News Corporation, Viacom, Vivendi, and Bertelsmann. None of these companies existed in its present form as recently as 15 years ago; today nearly all of them will rank among the largest 200 non-financial firms in the world.⁴²
173. Of the nine, only five are truly U.S. firms, though all of them have core operations there. Between them, these nine companies own the major U.S. film studios; the U.S. television networks; 80 per cent of the global music market; the majority of satellite broadcasting world-wide; all or part of a majority of cable broadcasting systems; a significant percentage of book publishing and commercial magazine publishing; all or part of most of the commercial cable TV channels in the U.S. and world-wide; a significant portion of European terrestrial television.
174. Beyond the nine global leaders is a second tier of less than 100 regional media companies, about half US based and the others mostly European and Japanese.

According to Robert McChesney, a leading US scholar on the global media system, Canada's CanWest Global would be among this second tier of companies that includes Dow Jones, Gannet, Knight-Ridder, Hearst and Reuters.

175. Global media system described by Bob McChesney

Together, less than one hundred first- and second-tier giants control much of the world's media: book, magazine and newspaper publishing; music recording; TV production; TV stations and cable channels; satellite TV systems; film production; and motion picture theatres.

The global media system does not conform to the axiomatic principle of competition propounded by mainstream economists. Many of the largest media firms have some of the same major shareholders, own portions of one another, or have interlocking boards of directors. When *Variety* compiled its list of the fifty largest global media firms for 1997, it observed that merger mania and cross-ownership had resulted in a complex web of interrelationships that would make you dizzy.

In some respects, indeed, the global media market more closely resembles a cartel than it does the competitive marketplace found in economics textbooks. In competitive markets, in theory, numerous producers work hard and are largely oblivious to each other as they sell what they produce at the market price, over which they have no control. This fairy tale, still regularly regurgitated as being an apt description of our economy, is ludicrous when applied to the global media system. The leading CEOs are all on a first name basis and they regularly converse. Even those on unfriendly terms, like Murdoch and AOL-Time Warner's Ted Turner, understand they have to work together for the greater good... "Sometimes you have to grit your teeth and treat your enemy as your friend," the former president of Universal, Frank Biondi, concedes (Grover and Siklos 1999). The head of Venezuela's huge Cisneros group, which is locked in combat over Latin American satellite TV with News Corporation, explains about Murdoch: "We're friends. We're always talking." (Hoag 2000). Moreover, all the first and second tier media firms are connected through their reliance upon a few investment banks like

Morgan Stanley and Goldman Sachs that quarterback most of the huge media mergers. Those two banks alone put together 52 media and telecom deals valued at \$450 billion in the first quarter of 2000, and 138 deals worth \$433 billion in all of 1999 (Mermigas 2000b).

But what about media content? Global conglomerates can at times have a progressive impact on culture, especially when they enter nations that had been tightly controlled by corrupt, crony-controlled media systems (as in much of Latin America) or nations that had significant state censorship over media (as in parts of Asia). The global commercial media system is radical in that it will respect no tradition or custom, on balance, if it stands in the way of profits. But ultimately it is politically conservative, because the media giants are significant beneficiaries of the current social structure around the world, and any upheaval in property or social relations - particularly to the extent that it reduces the power of business - is not in their interest.

The notion that Hollywood firms are merely purveyors of U.S. culture is ever less plausible as the media system becomes increasingly concentrated, commercialized, and globalized. The global media system is better understood as one that advances corporate and commercial interests and values and denigrates or ignores that which cannot be incorporated into its mission. There is no discernible difference in the firms' content, whether they are owned by shareholders in Japan or France or have corporate headquarters in New York or Sydney.

With hypercommercialism and growing corporate control comes an implicit political bias in media content. Consumerism, class inequality, and individualism tend to be taken as natural and even benevolent, whereas political activity, civic values, and anti-market activities are marginalized. The best journalism is pitched to the business class and suited to its needs and

prejudices; with a few notable exceptions, the journalism reserved for the masses tends to be the sort of drivel provided by the media giants on their U.S. television stations. In India, for example, influenced by the global media giants, the revamped news media now focus more on fashion designers and beauty queens than on the dark realities of a poor and violent country. (Mishra 2000).

This slant is often quite subtle. Indeed, the genius of the commercial-media system is the general lack of overt censorship. As George Orwell noted in his unpublished introduction to *Animal Farm*, censorship in free societies is infinitely more sophisticated and thorough than in dictatorships, because unpopular ideas can be silenced, and inconvenient facts kept dark, without any need for an official ban...

Globalization and Canadian Ownership

176. In those sectors of Canadian media not protected by federal legislation or programs, such as cinema or Internet media, Canada is dominated by global media much the same as the rest of the world.
177. However, critical parts of the Canadian media are protected from the control of Disney and AOL-Time Warner. Canada's federal Broadcast Act prohibits foreign ownership of Canadian broadcasting companies, both television and radio, and the Canada Investment Act prohibits foreign ownership of Canadian newspapers and periodicals. These measures, together with the variety of government support programs for Canadian media, arts and culture, are decisive to the survival of an independent media and cultural expression in this country. For example, during the Iraq war, Canadian newspapers and television stations did not have "embedded reporters" traveling and acting with the US military. This is a direct result of Canadian law which prohibits US ownership of broadcasting and newspapers. While Canadian broadcasters can and do fill our screens with American programming, Canadian broadcasters are purchasers of these programs and are not investors in or creators of these programs. If Canadian television networks were US owned, Canadian programming would be limited to that required by regulation. American networks would clearly be less inclined to replace their programming with special broadcasts of the Juneco Awards or other major Canadian cultural, sports or political events.
178. These protections and subsidies for Canadian media are entirely inconsistent with the economic forces of globalization that relentlessly work towards the free movement of capital across borders. American corporate and political leaders take the position that culture and media are no different than any other economic sector and should be open to international market competition. Through world trade bodies like the World Trade Organization and The General Agreement on Trade and Services (GATS), there is constant pressure on Canada to open our media industries to "market access" by foreign corporations. In the GATS negotiations the United States has asked Canada to open its audio visual industries for American investment.
179. Many Canadians believe that our culture and media industries are excluded from the North American Free Trade Agreement between Canada, the United States and Mexico. In fact,

NAFTA does not exclude media industries, but rather provides that if Canada takes protectionist measures for its media the United States has the right to retaliate. This is precisely what happened when Canada attempted to protect our magazine industry from the practice of major US magazines publishing “split run” Canadian editions that sold American content with Canadian advertising. The Americans invoked their right to retaliate on steel exports to the United States, and in the face of this economic threat Canada made concessions to allow US magazines to continue publishing their split run editions.

180. In the era of convergence it is becoming more difficult to maintain a distinct Canadian cultural and media identity. In spite of the provisions of the Broadcast Act which prohibit foreign ownership of broadcasting undertakings in Canada, and the Investment Act which prohibits foreign ownership of newspapers, Canada has promoted free trade and deregulation in telecommunications and it is has offered further deregulation as a priority area for negotiations in the GATS. However, in 2003 Canadian law continues to prohibit majority foreign ownership of our telecommunications sector, and the European Union and Japan have each singled out these Canadian laws in their GATS requests to Canada.
181. Foreign ownership in telecommunications has enormous implications for media because our telecommunications and broadcasting regulator, the CRTC, has determined that telecommunications companies and cable television providers are to be treated the same for Canadian public policy purposes.
182. Indeed, Bell BCE, through its ownership of Bell Globemedia now connects the country’s largest telephone company, Internet service provider, the CTV television network and the Globe and Mail newspaper. Cable service providers like Rogers, Shaw and Vidéotron (Quebecor) are owners of television stations, networks and newspapers.
183. In spite of this web of corporate ownership, a powerful corporate and political lobby is seeking to end foreign ownership restrictions on Canada’s telecommunications sector and cable television providers. This lobby was successful in convincing the Federal Parliamentary Industry Committee to give up Canadian control of this sector, even though the Parliamentary Committee on Canadian Heritage has recommended strongly against this course of action.
184. CEP, media workers, the cultural community and many Canadians are ready to fight for Canada’s cultural sovereignty – but it is more than apparent that Canada’s corporate and political elites are ready to sacrifice Canadian culture and media to the power of global media, and the onslaught of corporate globalization.

PART THREE: PUBLIC AND NON PROFIT BROADCASTING

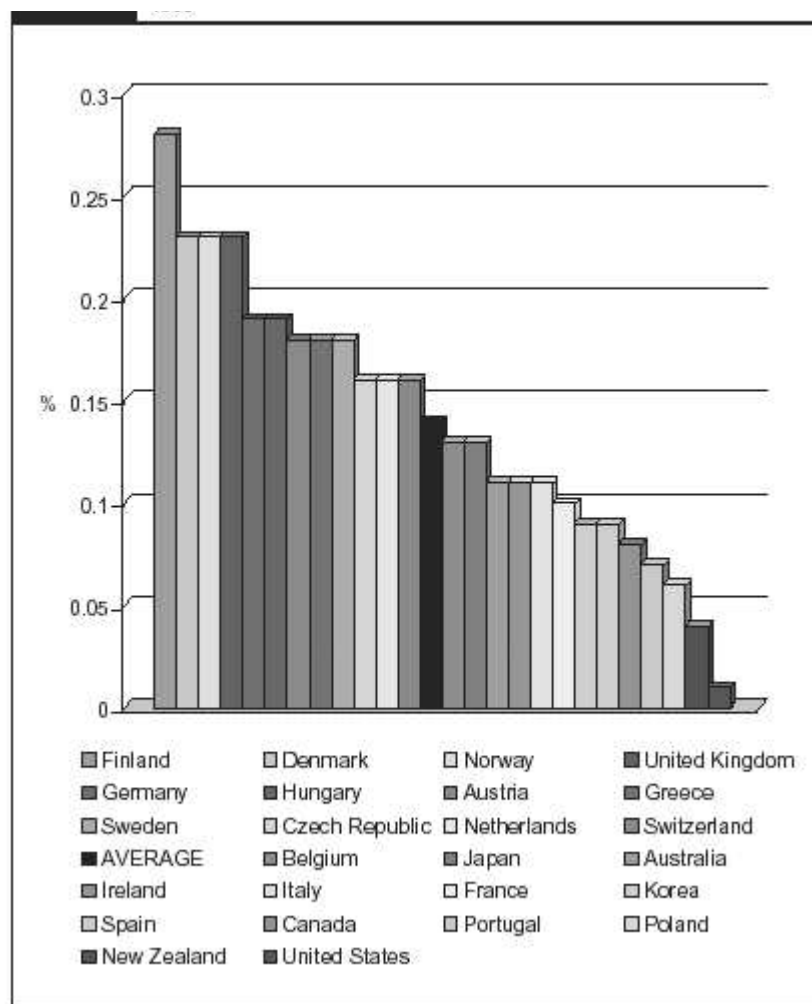
185. THE CBC

186. The CBC is responsible under the Broadcasting Act for providing “distinctively Canadian” radio and television services to all Canadians, in both official languages. The programs are supposed to reflect and serve the various regions of the country, as well as the multicultural and multiracial nature of the population.
187. In fulfilling this mandate, the CBC provides what no commercial broadcaster can offer: national radio that reaches across the country on four networks, two in each official language; a national television network that reaches virtually the whole population, delivered in both French and English; a northern television service for 200,000 that is offered in eight Aboriginal languages as well as French and English. More recently, Internet services and 4 specialty channels have been added. In some parts of the country the CBC is the only service available and for many francophones outside of Quebec, Radio-Canada and SRC are the only French broadcasting services available. As the Mandate Review Committee for the CBC noted, “It is the only medium of information, education, enlightenment, culture and entertainment which operates all day from coast to coast on radio and on television in our two official languages.”⁴³
188. Canadians also rely on the CBC for our own stories and point of view. CBC radio and Radio-Canada are overwhelmingly Canadian. CBC television is 90% Canadian content during the prime time hours from 7 to 11 pm, while the SRC is 88% Canadian. To compare with commercial broadcasters, in prime time on English television CTV is 23% and Global is 24% Canadian, while in French television TVA and TQS are 53% and 45% Canadian.⁴⁴
189. In producing and delivering this Canadian content, the CBC has been a training ground for developing Canadian expertise, providing the opportunity for relatively stable employment to Canada’s creative talent and to the whole range of workers involved in broadcasting. The CBC currently employs 8,000 workers.
190. Despite its particularly critical role, the capacity of the CBC to meet its mandate has been undermined by cuts in funding. The federal government has been reducing its support to the CBC for 20 years. In the ten years from 1984-85 to 1994-95, the CBC’s annual funding from parliament grew by 18% in real dollars. But over this period federal government spending in general increased by 38.3% and inflation went up by 41%. The purchasing power of the CBC actually declined by 23%.⁴⁵
191. Worse followed. In 1995-96 actual cuts in funding began, reducing the CBC’s budget from \$918.2 million that year to \$745.5 million by 1998-99. Increases since then have brought the budget back to \$855.6 for 2001-02, still less than the actual amount allocated 10 years

earlier. Between 1984-85 and 2001-02, government funding to the CBC in real dollars, in actual purchasing power, declined by more than 40%.⁴⁶

192. This explains Canada's poor position in relation to other countries for spending on public broadcasting. Out of 24 OECD countries, Canada places 20th in the percentage of GDP spent to support public broadcasting. While no country stands more in need of providing space for its self-expression and identity, few spend less than Canada on public broadcasting.

Public funding for public broadcasters in OECD countries as a % of GDP, 1999



Source: Our Cultural Sovereignty – The Second Century of Canadian Broadcasting. Standing Committee on Canadian Heritage. June 2003. Page 181, figure 6.1

193. The loss of government funding was initially replaced with increased advertising revenue on the television side, but now this source of funding is contracting. In the current 350-channel universe, as audience share has fragmented so have advertising dollars. The CBC accurately describes itself as “bleeding to death”.
194. **Why is financial support of public broadcasting so important?**
McKinsey and Company studied public broadcasters in 20 countries and on four continents, looking at how they are adapting to change.⁴⁷ Some are focusing more on being distinctive, while others are more focused on market share. The study found:
- Public broadcasters “raise the bar” by exerting pressure on private broadcasters to produce more high quality programs.
 - There is a close relationship between funding levels and capacity to maintain audience share.
 - Where public broadcasters are forced to pursue market share, program standards “descend to the lowest common denominator”.
 - Where public broadcasters are dependent upon advertising, their programming becomes “less distinctive”.
195. In the mid-1970s, the CBC was showing only 6 minutes of advertising per hour and some programming was entirely non-commercial. It was at this time that CBC radio moved to being entirely non-commercial (1974), securing its distinct role in relation to commercial radio. Television however, moved in the opposite direction. To replace some of the disappearing government funding, advertising on CBC television was doubled from 6 to 12 minutes per hour with commercials shown on all programs other than children’s shows.
196. The need to compete for advertising conflicts with the CBC’s legislated mandate as a public service. To satisfy audience requirements for advertising, CBC English television moved to more sports in prime time, while SRC shows more light entertainment. American shows dominate the afternoon hours, replacing children’s programming which has been reduced, especially in English television. There is less arts and science programming, fewer documentaries and much less drama. As discussed elsewhere in this document, Canadian drama is an endangered species, including on the CBC.
197. Starting in the 1990s, as a response to budget cuts, local and regional production has declined, while in-house television production has been virtually eliminated. Witnesses before the Heritage Committee, especially from the Atlantic, from the western provinces and from francophone communities outside of Quebec, bemoaned the loss of local radio and television and asked for a renewed CBC presence. The CBC cannot operate only out of central Canada, produce national shows and claim to be representative of the country. Canada is a diverse country and its different parts must be reflected for Canadian content to have meaning.
198. No organization can withstand the loss of revenue experienced by the CBC without a major impact on the work force. CBC management has reduced the number of workers,

contracted out, combined jobs, and closed down regional stations and in-house production. Employment at the CBC has fallen from 12,000 in 1996 to 8,000 in 2003. One CEP member working at the CBC said: “It’s a dismal situation from top to bottom. Morale is very low. Either we get more funding or the mandate has to change.”

199. CBC Radio/Radio-Canada is often upheld as a shining light of success. As such it should be noted that it is 100% publicly funded, with no commercials. But it has also experienced cuts to local radio programming and has real concerns about renewal. Radio-Canada International has been threatened with closure more than once and now operates a reduced service.
200. There is no doubt that broadcast information and entertainment will continue to be a major force in the lives of Canadians. We spend on average 20 hours a week listening to the radio and 24 hours a week watching television. By the time our children are 12 years old they have watched more television than they have spent time in school.
201. The CBC has been and continues to be a key part of Canadian broadcasting. Audience share for CBC Radio/Radio Canada has increased somewhat over the last 20 years and now stands at 12%. CBC television has faced the dramatic increase of pay and specialty channels, and audience share has fallen from 16 to 8% for English CBC and from 32 to 15% for SRC. It’s important to note that the same audience fragmentation has also reduced audiences for private conventional television, which have fallen from 81% to 45% in English television and from 67 to 58% in French television. Given the profound cut backs in CBC funding and programming, it would be surprising if the CBC did not lose audience share.
202. The CEP contends that we should not leave Canadian culture, identity and information entirely to the market place, commercial interests and competition. Private broadcasters and independent production companies have a very important place in the industry, and the CEP represents workers in many of these companies. However, private broadcasters must first fulfill their obligations to their shareholders, then to advertisers to pay the shareholders and then to viewers in order to get the advertising. They compete for advertising revenue and must be focused on audience ratings and profitability.
203. The CEP believes that there is a strong and distinct role for public broadcasting that serves the needs of Canadians as its first priority. This distinct role is being lost. The current president of the CBC speaks of the need for the CBC to compete effectively with private broadcasters. In fact, the Broadcasting Act does not require the CBC to compete with private broadcasters nor to finance itself through commercial advertising. This is not an oversight, but a critical difference in the different nature and purpose of public broadcasting.
204. The CBC needs renewed funding, but also a renewed direction. The CEP believes that the CBC should be accountable for the public money that is invested and that this means more

than an annual report to parliament, important though that is. The CBC should be responsible to the citizens who fund it and need its services and the CEP proposes that audience involvement should become a reality. Below is a brief outline of the structure of citizen participation as it functions at the British Broadcasting Corporation (BBC), which might act as a partial model for such a system in Canada.

Accountability at the BBC

Twelve appointed Governors are responsible for ensuring that the BBC fulfils its broad mandate to the public, acting in a supervisory role over the Executive Board. The Governors appoint the director of the BBC and, with the director, the rest of the Board of Management, which is responsible for the day to day running of the BBC. The Governors must ensure that the BBC offers “value for money” and that it “reflects the needs and interests of the public”, and therefore must subject all the BBC’s services to “regular review”.

This means consulting regularly with National Broadcasting Councils in Scotland, Wales, Northern Ireland and England, to obtain their input. In England there is also a network of 11 Regional Advisory Councils and about 40 Local Advisory Councils. These Councils meet to discuss the BBC and then channel their concerns and proposals into regular meetings with the Governors. Annual reports must be tabled on these consultations, proposals and resulting actions.

All these activities are posted on the BBC website, including the members of each council and the minutes of meetings. Any member of the public can fill out a form and volunteer to join their local council. At a recent meeting of the London Advisory Council, the members considered the format of regional news programs, heard a report back on a presentation to the BBC Governors and discussed BBC coverage of the Iraqi war, among many other items.

205. *CEP is committed to a renewed, vital CBC:*
206. *Regular programming on CBC should be entirely Canadian, apart from outstanding programs from a variety of countries.*
207. *The CBC should provide varied programming to meet the needs and interests of all Canadians, including drama, variety, sports, news, comedy, arts, sciences and children’s programs.*
208. *There must be a renewed emphasis on local and regional programs produced in-house in the regions, in combination with a general increase in high quality drama for both English and French television. While the CBC should continue to obtain programming from the independent production industry, its capacity for in-house production should be re-established and maintained.*
209. *CBC television should follow the lead of CBC radio and eliminate advertising (except for some sports programming) over a three-year period. This will provide 20% more time for Canadian programming and mark CBC/SRC as distinctive from other channels.*

**FOR A DEMOCRATIC CANADIAN MEDIA POLICY – DRAFT
CEP MEDIA POLICY COMMITTEE**

210. *The CBC should assume ownership of all 48 of its stations (24 are private affiliates, not necessarily carrying all of the CBC schedule.)*
211. *The CBC must participate fully in new technological innovations coming on line, including specialty television channels, digital services, broadband and the Internet.*
212. *The CRTC should require direct-to-home satellite services to provide CBC North programming to the north.*
213. *CBC funding should be secured for a minimum of 5 years, to provide the stability that is required.*
214. *Public funding for the CBC that has been withdrawn over the years should be restored to the 1984-85 level, with a modest increase. In other words, public support of the CBC should be doubled. This would place Canada just above the average with regard to support of public broadcasting by the OECD countries, in 13th position. It would mean that each Canadian adult would be contributing \$2 a week to public broadcasting. The federal government can afford this investment in our culture and identity, given substantial budget surpluses, past, present and forecast.*
215. *The composition of the CBC Board should be non-partisan, include the most knowledgeable in the industry and those with a commitment to the CBC's mandate. The President should be elected by the Board from the Board.*
216. *The CBC should report to Parliament on an annual basis, but also develop ongoing mechanisms for input from the public on all aspects of CBC programming. Like other broadcasters, the CBC should establish Media Accountability Councils to review CBC programming. (see section 307) Minutes of the CBC Accountability Council would be public and a report on their processes and recommendations would form part of the CBC's annual report.*
217. *CEP believes that CBC employees should have a direct and meaningful role in determining the future of the CBC, including its direction and operational plan.*

NON-PROFIT AND COMMUNITY BROADCASTING

218. As well as the CBC, there are three national non-profit broadcasting services, four provincial educational services, and local community television and radio channels.
219. The **Aboriginal People's Television Network** (APTN) was launched in 1999, offering services to First Nations, Inuit, and Métis people in their own languages as well as in English and French. As part of basic cable service as well as via satellite and direct-to-home service, APTN is broadcast to 8 million households, offering Canadians across the country the opportunity to access aboriginal programming.

220. The APTN is the culmination of many years of expanding native broadcasting services and capacity. However, as aboriginal organizations have pointed out, it is ironic that while the APTN provides for much broader distribution of aboriginal programming, funding cuts have reduced the capacity for program production. The Northern Native Broadcast Access Program has provided public funding for native program production since 1983, but has suffered a series of financial cuts. The support available is insufficient and has not allowed for the expansion of funding to more native organizations. Capital equipment is obsolete and a shift to independent production has meant not just less in-house production, but reduced opportunities for aboriginal producers.
221. Apart from the APTN, there are over a hundred native television stations, 37 licensed radio stations and 2 licensed native television networks. Independent not-for profit broadcasting organizations are common in the north in both television and radio.
222. The **Cable Public Affairs Channel** (CPAC) broadcasts the proceedings of the House of Commons, the Senate and the Supreme Court and some current affairs programs. It was dropped by the CBC in 1991 for financial reasons and is now owned jointly by Rogers, Shaw and Vidéotron ltée. It is funded by 80 Canadian cable companies and delivered free of charge to 8.6 million Canadian homes.
223. **Vision TV** is a religious broadcast service, available since 1987 as part of basic cable or satellite distribution. It is funded by advertising and subscriptions.
224. **Four provinces** provide non-profit educational programming within their respective provinces - B.C., Saskatchewan and Quebec each have one educational channel while Ontario has two, one French and one English. In Alberta, Access is an educational channel, but public support was cut in 1994 and it was purchased by a company controlled by CHUM. Its revenue is derived from advertising and program sponsorships. Télé-Québec receives more than three quarters of its funding from the provincial government, with the remainder from advertising. In B.C., Saskatchewan and Ontario, the services are non-commercial. Like all television producers, these provincial channels are concerned about the cost of producing television programs and have requested federal help with funding for the production of regional programs.
225. There are 850 **community television** channels across the country. They are supported by cable companies, under long standing expectations that they should contribute to citizen access and participation in local programming. Cable distributors are required either to donate 5% of their revenue to support Canadian programming (most commonly the Canadian Television Fund), but if the company operates a community channel, these contributions are reduced to just 2 or 3%. In 2001 cable companies contributed almost \$75 million to community channel costs.

226. The Heritage Committee heard many concerns about community television. With the new technology of digital channels and DTH satellites, citizens feel they have less access and involvement in community services, not more. The costs associated with programming have risen and have endangered the production of community programs. There is no reporting process on the funding provided by cable companies and whether it actually results in citizen access and participation. Complaints suggest that in some cases volunteers are not welcome and that some community channels are being closed down.
227. The CRTC released a new community television channels policy in 2002. Community television is required to provide 60% locally produced programming a week, with 30-50% produced by community members; cable companies are expected to promote citizen access and training; and non-profit groups can apply to operate a community channel where cable companies do not operate one. One part of this policy created a new class of license called a community-based television programming undertaking and has made these available to for-profit as well as non-profit applicants. The CEP opposes this change and believes that community television should remain a non-profit undertaking.
228. There are 68 **community radio** stations, 36 of them where no other service exists in the same language, except for the CBC. Half of their revenue is from advertising.
229. *CEP recommends an infusion of funding for the APTN, including for capital equipment, distribution and training, plus increased and stable funding for the Northern Native Broadcast Access Program (NNBAP) to finance programming.*
230. *All broadcast distributors should be required, not just expected, to provide access for local and community television programs, including satellite services.*
231. *The CRTC should produce an annual report on community programming, including information on training, access, participation and programming.*
232. *CEP supports the Heritage Committee idea of the Local Broadcasting Initiative Program. This would be federal money available to all for local and regional funding for programming.*
233. *The CRTC should revise its 2002 community television policy to exclude for-profit involvement and maintain community television as a non-profit endeavour.*

PART FOUR: QUÉBEC MEDIA

234. Media issues in Quebec are different than elsewhere in the country, because they are intimately connected to the French language and to the desire to retain and develop a distinct (or separate) identity and culture. Language means that Quebec is partly protected from the domination of the US. But there is another legitimate concern in Quebec, namely domination by the rest of Canada.
235. Our committee was told that the politics of sovereignty have been closely linked to the development of a vibrant arts community, which receives enthusiastic support from the public. The development of the “star system” for example, is based upon tremendous support for Quebec success stories by Quebec audiences, an identification that is qualitatively different than elsewhere in the country, in part because of the politics of the situation.
236. Nonetheless, many of the concerns in Quebec are the same as in English Canada, including the role of government in supporting and protecting Quebec media, the concentration and cross-ownership of media and the impact of these trends on diversity and democracy; and regulation and the policies of the CRTC.
237. In television, the language barrier has helped to protect Quebec from the huge influx of American programming experienced elsewhere in Canada. US stations have only 8.3% of the French language market, compared to 22.5% of the English language market, and these figures do not include the large amount of American programming available on Canadian-owned channels. But this is not just a language issue. The SRC and TVA have produced more Canadian drama than their English Canadian equivalents, leading to a drop in dubbed American shows during prime time and a higher audience share for Canadian content.
238. However, this success story is unravelling. At SRC the cutbacks over the years have taken their toll. There is little in-house production and reliance on freelancers means that the artists are no longer part of the ongoing life and decision-making process of the organisation, hired only for specific projects. The SRC can no longer produce the same high quality shows. At the same time, the proportion of the francophone market for pay and specialty channels has risen to 25.9% for francophone channels and another 5.3% for US and Canadian specialty channels. The SRC is losing audience share.
239. Public funds, severely reduced for public broadcasting, are supporting private broadcasters through tax credits and the Canadian Television Fund (CTF). The Committee was told that with the recent cutbacks to the CTF, Quebec private broadcasters are turning to less expensive programming and repeats.

240. Cross ownership in Quebec is even more marked than elsewhere in Canada. In 2001, the CRTC approved the sale of Le Groupe Vidéotron to Quebecor, which added cable and television to its printing, newspaper and publishing holdings. The Péladeau family of Quebecor now own a media empire that is second only to BCE in its size and reach.
241. Quebecor is the largest commercial printer in the world with 40,000 workers in 17 countries, including Canada, while Quebecor Media employs another 15,000 workers, largely in Quebec. The company's list of properties reveals a remarkable level of control over Quebec media:
- Vidéotron is the largest cable company in Quebec with 1.5 million subscribers and is also a major Internet provider.
 - Sun Media is the second largest newspaper group in Canada, with 8 metro dailies, including Le Journal de Montréal and Le Journal de Québec, 7 community dailies and 180 community newspapers and other publications.
 - TVA is a national television network with 6 television stations in Quebec, where the channel has 35% of market share.
 - Le Groupe Archambault is a music store chain, the largest in eastern Canada with 12 mega stores.
 - Quebecor is also the largest publisher of magazines in Quebec, including Clin d'oeil, Décoration chez soi, Femme Plus, etc.
 - Quebecor owns 12 publishing houses and is first in Quebec for the number of book titles published, over 900 a year.
 - Netgraphe which operates the CANOE network of Internet properties, Canada's important sites in Canada for information, leisure and e-commerce.
 - Nurun is a leading Web agency with offices around the world
 - Super Club Vidéotron is the leader in Quebec for video rentals and sales with 170 locations.
242. The potential reach of Quebecor is not yet exhausted. The company tried to acquire French language radio stations from Astral Media, which would have been its first acquisition in radio broadcasting. However, the application to the CRTC was refused in 2003 due to concerns about cross ownership.
243. This level of cross ownership raises concern about control of artistic expression and access to the media. For example, the Star Académie phenomenon was the very successful TVA show to find a new musical star in Quebec, with songs written by Quebec musicians and the audience paying \$1 to vote on the telephone or Internet for the winning candidate. The show was covered extensively on the front pages of Quebecor newspapers, the unreleased videos were available only through Vidéotron Internet, Quebecor published a magazine called Star Académie, and the discs were sold in the Archambault stores.

244. In newspaper publishing, Quebecor held the largest share of newspaper circulation in Quebec for over 20 years, with *Le Journal de Montréal* and *Le Journal de Québec*. That changed in 2000 when Gesca (Power Corp) took over *Le Soleil*, *Le Droit* and *Le Quotidien* from Unimédia (Hollinger). Today, there are 12 daily newspapers in Quebec and Gesca controls 43.2% of circulation with 7 newspapers, while Quebecor controls 38.7% with 2 newspapers. As the table below indicates, CanWest Global owns one newspaper in Quebec, having purchased *The Gazette* in 2000. Hollinger continues to own one small newspaper, while *Le Devoir* remains the sole independent newspaper.

245. *Le Devoir* is an independent daily newspaper that has been published in Quebec since 1910. The roles of the board of directors and the publisher are uniquely structured to ensure a balance and maintain the paper's independent viewpoint. For the same reason, in comparison with other newspapers, there is virtually no advertising in *Le Devoir*. As a result of its independent position, the newspaper has experienced repeated financial problems over the years and various means of financial support have been necessary to assure its survival and development.

246. Ownership and Circulation of Daily Newspapers in Quebec, 2000

Owner	Newspaper	Circulation		
		Number	Percentage of Market (%)	
Gesca (Power)	<i>La Presse</i>	2 904 199	43,2	51,1
	<i>La Tribune</i>			
	<i>La Voix de l'Est</i>			
	<i>Le Nouvelliste</i>			
	<i>Le Soleil</i>			
	<i>Le Quotidien</i>			
	<i>Le Droit</i>			
Quebecor	<i>Le Journal de Montréal</i>	2 606 904	38,7	45,9
	<i>Le Journal de Québec</i>			
CanWest Global	<i>The Gazette</i>	1 019 788	15,2	-
Hollinger	<i>The Record</i>	25 860	0,4	-
Le Devoir	<i>Le Devoir</i>	171 614	2,5	3,0
Total	12	6 728 365	100,0	100,0

Source: Nathalie Dyke, *La concentration de la presse écrite au Québec*, presentation to the Media Committee, September 5, 2003.

247. In 1980, when three chains owned 90% of daily newspaper circulation in Quebec, the Kent Commission described the situation as “monstrous”. Today, just two companies own 82% of all daily newspaper circulation and 96% of all French language newspaper circulation.
248. This situation raises the same concern as elsewhere in Canada that diversity of opinion is threatened. In Quebec concern is also expressed that news information is drowning in an unprecedented sea of advertising and that concentration of advertising dollars is a menace to the expression of different points of view. As well, newspapers have increasingly focused their coverage on business affairs, stock markets and finance, to the detriment of social and community issues that have been relegated to a secondary position.
249. While the support for culture and media in Quebec has something to teach the rest of Canada, there are real threats to what has been accomplished. Cross-ownership, media concentration and reduced public support are affecting choice, access and working conditions in Quebec, as elsewhere.

PART FIVE: FOR A CANADIAN MEDIA POLICY

250. Since the Aird Royal Commission in 1929 investigated the impact of commercial radio in Canada and recommended the formation of the CBC, Canadians have recognized that a national media and cultural policy is necessary to offset market forces that would result in the smothering of Canadian identity by global media.
251. CEP recognizes that a healthy, dynamic media sector requires a balance of public and private as well as big and small. Many thousands of CEP members work in the private media of this country and are justifiably proud of their contribution, as are those CEP members who work on the public side. The balance between the two has always been a part of our media and cultural heritage.
252. While CEP understands the importance of financially viable media businesses, it is crucial to understand that market goals and the profit motive have never occupied a determining role in cultural policy. From the early postal subsidies to small newspapers to ensure diverse community voices, to the role of public broadcasting, to Canadian content regulations, Canadian government and its regulatory bodies have always understood that a national media policy required the constraining and sometimes the prohibition of business practices to maximize profit.
253. CEP asserts this history because of the almost complete abdication of this role by Canadian lawmakers and regulatory bodies, and imminent new decisions which threaten to strip our remaining protections from the takeover of Canadian media by the new global media corporations.
254. At the political level, government has purposely and decisively diminished the role of public broadcasting to the point where the relevance of the CBC is imperilled. At the same time, the federal government has been preparing to open the door to foreign ownership of media industries. At the regulatory level, the apparent impotence of government to alter the course of corporate consolidation, convergence and commercialism in Canadian media has led many to question the relevance of government regulation.
255. The only legal remedy to concentration of ownership of newspapers in Canada has been competition law, but it has been decades since any meaningful review of newspaper ownership by the Competition Bureau.
256. The Canadian Radio and Television Commission has retreated from a regulatory role and is increasingly concerned with flexibility and profits for broadcasters – the motives for the disastrous 1999 television policy that has undermined Canadian content.
257. The CRTC likewise has opted to ignore the economic realities of the Internet and has chosen to play no role while the democratic promise of new Media are overpowered by corporate alignments between telecommunications and media giants.

258. These failures of policy must be challenged and reversed if Canadian media is to survive and prosper in the 21st century. But CEP does not call simply for a re-assertion of government and government regulatory bodies.
259. The challenges that are laid down by digital technology and the globalization of communications also bring opportunities and requirements for participatory and democratic standards for media industries. Canadian media and cultural policy needs a vision that includes more than regulations and consumer choices. The Canadian media and cultural policy that we advance is about including communities, media workers and audiences in the decisions that determine the quality of information and entertainment for Canadians.

Media freedom

260. CEP believes fundamentally in a free media. Individuals, groups, communities, and companies must have the freedom to produce and distribute media products without political or corporate restrictions. A free Media are pluralistic and diverse, reflecting society and communities. A free Media are open, allowing diverse voices to be expressed.
261. Hate, racism or material that denigrates or encourages discrimination against minorities or any community must be illegal – just as libel and slander are legal boundaries for anyone producing media. CEP supports democratic and legal standards, but also stands with those who are vigilant against creeping censorship, such as the heavy handed actions by Canada Customs to stop the sale of gay and lesbian literature at bookstores. We oppose the practice of corporations that use their financial power to abuse libel laws through “slap suits” against publications and journalists to silence criticism.
262. CEP opposes the use of political power to influence media or to retaliate when criticism is published or broadcast. Public broadcasting and media, their governance structures and funding, and the licensing or regulation of private media must be independent of political influence.
263. Whenever media freedom is endangered by hate, racism, censorship or commercial or political influence, an immediate and effective response is demanded. CEP is committed to being a reliable and strong voice for these freedoms.
264. The undue influence of corporate power is equally, and usually more decisively, a threat to democratic media. Corporate power over media not only directly excludes content that is seen as contrary to the interests of advertisers and investors; it also excludes innovation and diversity through cultural homogenization and “mass media” entertainment.
265. Owners of media and media corporations have a right to express themselves in the media they own, and to determine the general character of the media they produce. However,

media owners must not have the right to suppress the experience and perspectives of journalists or to censor or blackout opinions within the communities they serve. These vital aspects of media freedom are not easily legislated and must be secured through a balance of public policy and diversity, professional standards and laws.

266. Our goal is a vibrant, representative, free and democratic Canadian media. To achieve these goals we urgently need a bold new Canadian media policy.

A Canadian media policy

267. Canada has no media policy to confront the corporate, technological and cultural realities of the 21st century. Aspects of various laws such as the Broadcast Act, and the mandates of bodies like the CBC and the CRTC speak to some general themes about promoting Canadian identity and diversity. However these same purposes are contradicted regularly by the decisions of politicians and regulators, while key sectors of media are ignored or left to market economics.
268. There is an urgent need for government, media owners and managers, workers and citizens to reach a consensus on a new policy framework for Canadian media. CEP believes that these policies should draw on the historical traditions that have developed Canadian media to date, and adapt these principles to the era of convergence and digital technology.
269. Our media must not be treated as any ordinary commodity - produced, traded and consumed by a series of individuals and corporations. Media are fundamental to Canadian democracy and cultural expression. Media policies must assert a public interest beyond the commercial interests which have come to dominate the current course of Canadian policy making.

A Media Accountability Act

270. A new Canadian media policy must not be primarily a regulatory relationship between government and business, but rather a social contract between all stakeholders and readers and audiences. This social pact must recognize readers and audiences as more than consumers, and respect their rights and needs as citizens.
271. The rights of citizens include access to news, information, and entertainment which reflects local communities and the plurality of communities of interest in society. Canadians should also have the right to have access to media in the official languages of the country and in a variety of other languages reflecting the diversity of their communities. Not least Canadians have a right to expect accountability from media organizations.

272. *CEP supports a federal Media Accountability Act applicable to media organizations that publish or broadcast for a general audience.*
273. *A Media Accountability Act would require disclosure of commercial, corporate or other relationships that may influence media content.*
274. *A Media Accountability Act would also provide standards for advertising which prohibit subliminal or hidden advertising and protect children. In particular, the Quebec legislation, which prohibits advertising aimed at children under 13 years of age should be adopted as a national legislated standard.*
275. *A Media Accountability Act would require all media organizations to establish “Media Advisory Councils” for the purpose of reflecting the views of media workers and the public. Media Advisory Councils could also be established regionally or nationally in large organizations. Media organizations will be in compliance with this provision in order to enjoy the tax advantages that allow advertisers to claim advertising as a tax deductible expense.*
276. *Media Advisory Councils will have representation from owners/managers and representatives chosen by media workers employed at the media organization. The Councils will also have public representatives chosen jointly by the owner and media worker representatives.*
277. *Media advisory councils will be free of government interference and reflect the views of owners, media workers and the public. The Media Advisory Councils will agree on standards and principles for the media organization and monitor performance and public service, as well as hearing citizen complaints and suggestions.*
278. *The Media Accountability Act would require media organizations to publish a contract of editorial responsibility. The contract would set out the responsibilities of editors or news directors to make decisions concerning media content, ensuring that decisions which affect the news and information Canadians receive are made in the newsroom, studio or workplace.*
279. *Media workers must play a strong role in ensuring accountability. CEP will strive to negotiate in collective agreements rights for media workers to uphold professional standards and public accountability. We will be guided in this pursuit by the CEP Journalism Code of Principles:*

280. CEP JOURNALISM CODE OF PRINCIPLES

PREAMBLE

Journalists report, analyze, and comment on the facts that help their fellow citizens understand the world in which they live. Complete, accurate and diverse information and commentary are necessary for the proper functioning of democracy.

The Canadian Charter of Rights and Freedoms recognizes this by guaranteeing freedom of expression and freedom of the press. Journalists must defend the freedom of the press and the public's right to information; they must fight any restrictions, pressures and threats that aim to limit the gathering and dissemination of information. Facts and ideas that are in the public interest must circulate freely.

Our legal traditions give media privilege and protection. We must return this trust through the ethical practice of our craft. A free press should serve the public interest, not personal or specific interests. Serving the public interest must override any desire to favour the financial and competitive needs of news organizations or their parent companies.

The rights and responsibilities of a free press apply to both individual journalists and to news organizations that employ them.

Journalists must take their role very seriously. They must demand of themselves the same ethical qualities they demand of newsmakers; in other words, they cannot denounce other people's conflicts of interest, and at the same time, accept their own.

This Code establishes the principles that should guide journalistic work in organizations where CEP collective agreements are in force. These principles lay the foundation for a journalist's most precious asset: credibility.

Therefore, those of us engaged in journalism and newsroom management commit ourselves to: truth, honesty, fairness, independence and respect for the rights of others. To achieve these goals the following principles shall govern our activity in the collection and dissemination of news and opinion:

PRINCIPLES

- 1) We shall at all times defend the principle of the freedom of the press and other media in relation to the collection of information and the expression of comment and criticism.
- 2) We shall strive to eliminate distortion, news suppression and censorship.
- 3) We shall strive to ensure that the information disseminated is fair and accurate, avoiding the expression of comment and conjecture as established fact and falsification by distortion, selection or misrepresentation.
- 4) We shall give an accurate account of what people say. Quotations, editing, sound effects, etc., and the sequence in which they are presented, must not distort the meaning of people's words.
- 5) We shall rectify promptly any harmful inaccuracies, ensure that correction and apologies receive due prominence and afford the right of reply to persons criticized when the issue is of sufficient importance.
- 6) We shall give people or organizations that are publicly accused or criticized prompt opportunity to respond. We shall make a genuine and exhaustive effort to contact them. If they decline to comment we will say so.
- 7) We shall tell sources who are unfamiliar with the media that their remarks may be published or broadcast and thus communicated to a large group of people.
- 8) We shall obtain information, photographs and illustrations only by straightforward means. The use of other means can be justified only by over-riding considerations of the public interest. A journalist is entitled to exercise a personal conscientious objection to the use of such means.

- 9) We shall ensure that photographs, graphics, sounds and images that are published or broadcast represent reality as accurately as possible. Artistic concerns shall not result in public deception. Edited images and photographs shall be identified as such.
- 10) We shall always credit the originating news organization or reporter so that readers/viewers know the sources of their information.
- 11) We shall never plagiarize. If we use an exclusive piece of information that has just been published or broadcast by another media organization, we shall identify the source.
- 12) Subject to the justification by over-riding considerations of the public interest, we shall do nothing that entails intrusion into private grief and distress.
- 13) We shall respect everyone's right to a fair trial. We shall respect the presumed innocence of everyone before the courts. When we have covered an incident where individuals have been incriminated and prosecuted, we will continue to follow the story as closely as possible, and ensure the public is informed of the end result.
- 14) We shall identify sources of information, except when there is a clear and pressing reason to protect anonymity. When this happens, we will explain the need for anonymity.
- 15) We shall endeavor to protect confidential sources of information, but since there are no shield laws protecting journalists in Canada we may be ordered by a court or judicial inquiry to divulge confidential sources upon threat of jail. Therefore we must convey that clearly to our sources.
- 16) We shall not accept bribes nor shall we allow other inducements to influence the performance of our journalistic duties.
- 17) We shall not lend ourselves to the distortion or suppression of the truth because of advertising or other considerations.
- 18) Columnists shall be free to express their views, even when those views are contrary to the editorial views of our organization, as long as the content meets the generally accepted journalistic standards for fairness and accuracy and does not breach the law.
- 19) We shall only mention a person's age, ethnic background, colour, creed, illegitimacy, disability, marital status (or lack of it), gender or sexual orientation if this information is strictly relevant. We shall neither originate nor process material that encourages discrimination, ridicule, prejudice or hatred on any of the above-mentioned grounds.
- 20) We shall not take private advantage of information gained in the course of our duties, before the information is public knowledge.
- 21) We shall not use our positions to obtain any benefit or advantage in commercial transactions not available to the public.
- 22) We shall not by way of statement, voice or appearance endorse by advertisement any commercial product or service save for the promotion of our own work or of the organization that employs us.
- 23) We shall clearly identify infomercials so they are not in any way confused — even by their layout — with information.
- 24) We shall cover events sponsored by our own organizations with the same rigor we apply to every other event.
- 25) We shall not act as police informers or as agents for any country's security or intelligence services.

Ownership concentration

281. It is time to take decisive action to stop the concentration of media ownership in Canada and to allow diversity of expression in our media.
282. It is not possible to develop a coherent media policy for Canada that addresses ownership concentration without a comprehensive mandate to address media in the era of convergence, that is integrated industries increasingly using cross-platforms to provide digital information.
283. Presently, broadcasters are normally prohibited from owning more than one television station in a market, and divestment has been required when one corporation came to own multiple stations. The fact that the broadcaster may also own the only daily newspapers in the market has not been directly relevant to the decisions. Nor has the fact that the same owner of the broadcaster may dominate Internet media in the same market.
284. Canada would not be the first country to take into account the cross ownership of media when making licensing decisions. The British Broadcasting Act of 1996, for example, prohibits owners of private television stations from holding a national radio license or “local digital sound programme service” in the same area as the television license. The British law prohibits any owner of newspapers with combined market share of 20% or more from owning a television broadcasting license, or holding more than a 20% ownership of a broadcaster.
285. French law makes illegal mergers and acquisitions of newspapers if it results in a 30% or more market share held by the owners. Newspaper corporations owning 20% or more of national market share are also prohibited from holding broadcast licenses.
286. CEP rejects the claims of corporate media that two or three competing television networks or newspaper chains, the rivalry of two national newspapers or two cinema chains represents a diversity of expression. Canadians deserve better than choosing between CanWest Global and Bell Globemedia. Canada should have hundreds and thousands of media alternatives, commercial and non profit. But the public interest is not served when one corporate interest controls the flow of information or achieves a market dominance that excludes new entries into the media market.
287. CEP also rejects the claim that media conglomerates must become ever larger in order to survive economically. As long as Canadian ownership is protected, medium sized Canadian media companies have no worry about being acquired by Disney or Sony. Neither are there compelling arguments that massive corporations are required to produce Canadian programming or quality journalism.

288. *CEP supports the establishment of Canadian ownership thresholds at the national, regional and local market levels to prevent media corporations from holding more than a 20% market share for a national, regional or local market.*
289. *While existing media companies should be allowed to maintain their current structures, in the event of a sale or change of ownership, the CRTC and/or Competition Bureau should order divestment as necessary to ensure ownership diversity within these guidelines.*
290. *When making licensing decisions for broadcasting companies, the CRTC should be guided by these ownership thresholds. No media company should be issued a broadcasting license for a national, regional or local market, if the applicant is a media company already owning 20% or more of the same broadcasting, newspaper, internet, film or other media market. The CRTC should make the appropriate determinations to define national, regional and local media markets, and measurements of market share.*
291. *The Competition Bureau should be mandated to review all mergers and acquisitions affecting Canadian media companies. In the event that a proposed merger or acquisition results in ownership concentration in a national, regional or local media market exceeding the thresholds, the Competition Bureau must deny the proposed transaction. The Competition Bureau must have a broad interpretation of its mandate and consider all aspects of the public interest, and not merely constraint of trade in advertising or business markets.*
292. *When telecommunications companies and broadcasters are corporately linked and operationally linked to publishers, Internet media and film companies, performance standards must be applicable to all parts of the converged media operation.*
293. *CEP supports “firewall” regulations for converged media corporations which require that editorial management in television, newspaper and Internet media be independent and not centrally managed in a way which standardizes news and information.*

Diversity of media voices

294. *Divestment may well be necessary to allow for diversity and access to Canadian media. There must also be support, however, for alternative voices to become established and to grow in Canadian media industries.*
295. *CEP acknowledges that there are limits to the number and size of taxpayer funded programs. Media diversity should be funded from the enormous revenue stream already in place in this lucrative economic sector.*
296. *CEP supports the establishment of a Media Diversification Fund to assist the establishment and stabilization in local and regional markets of new small scale, non-corporate and non*

profit media offering distinctly Canadian news, information, entertainment and arts. The Media Diversification Fund should be established as a surtax on all media advertising.

297. CEP also recognizes the need for labour and other non governmental organizations to play a role in ensuring a diverse and dynamic Canadian media. Alternative media in Canada is based on a range of publications for memberships, support for community based and alternative publications and volunteer community radio. Unfortunately, alternative media has never had a viable commercial base or sufficient organizational support to effectively compete with mainstream corporate media. We have learned from these experiences the need for alternative media to come in from the margins and be a part of the daily and weekly lives of Canadians.
298. *As Canada's major union of media workers, CEP is prepared to participate in the establishment and operation of alternative media provided there is strong membership support, viable business plans and sufficient community support to warrant an investment.*

Policy leadership and governance

299. Our goal is a dynamic media sector which encourages, supports and stabilizes publishers, broadcasters, film makers and others to serve Canadians in local communities and across national and global markets.
300. However, as Canadian political and business elites prepare to sell out Canadian ownership of media, they are also organizing a historic slashing of public support for Canadian cultural expression and media diversity. Heritage Canada, the federal ministry responsible for advancing a Canadian media policy, will suffer massive budget cuts in each of its core roles to support Canadian media. In spite of multi-year federal surpluses, the 2003 budget set out budget cuts in support for media industries in 2004-2005 and 2005-2006. This included further cuts in funding for the CBC, and cuts in funding for the Canada Council on the Arts, and Telefilm Canada.
301. In addition the 2003 budget will impose a 54% cut to the Canadian Cultural Heritage and Development Program, from \$323 million in 2003 to \$144 million by 2006. This represents the government's support programs for Canadian media, including: the Publications Assistance Program; Book Publishing Industry Development Program; Canada Magazine Fund; Canada Music Fund; Radio Canada International; the Canadian Television Fund and about 10 other vital support programs for Canadian media.
302. In the context of growing ownership concentration and globalization of media, these decisions could not be clearer in their meaning for Canadian media policy. Canada is abandoning a century old policy of supporting Canadian voices and cultural development. For our political and business leaders today, only corporate media will have government support for growth and success.

303. *CEP strongly opposes the weakening or abandonment of foreign ownership provisions for media, including telecommunications and cable television providers, in the Broadcast Act, Investment Act, Telecommunications Act, Telecommunications Common Carrier Ownership and Control Regulations, or other CRTC regulations.*
304. *CEP demands that Canada stop the cuts to its cultural and media programs.*
305. *CEP demands that funding for media support programs be restored to 2003 levels and increased by no less than GDP growth in each subsequent year.*
306. *However, access to increased program funding for broadcasters must be linked to firm commitments from the private broadcasters to also increase their own spending on Canadian programming.*
307. *CEP calls for a Heritage Canada national audit of support for Canadian culture and media, taking into account federal, provincial and municipal contributions. Provincial and municipal support for culture and media, particularly provincial educational television networks, museums and arts programs, are essential components of a Canadian media policy.*
308. *The role of the Quebec government in supporting French language media in that province is evidence of the crucial direct role that provincial governments can and must have in shaping a dynamic media reflective of our diverse communities. Provinces must go beyond tax credit policy for film productions and provide direct support for local broadcasting, book publishing, and alternative media.*
309. CEP strongly supports a renewed leadership role for the Canadian Radio and Television Commission based on democratic participation for Canadians and a more representative national structure. The CRTC plays a vital role in licensing and regulating telecommunications and broadcasting undertakings in Canada, and CEP believes that this role must take into account all convergence technologies and corporate ownership.
310. The CRTC has become increasingly dominated by the perspectives and immediate needs of telecommunication and media corporations. A great majority of the CRTC commissioners are closely associated with these corporate interests, and there is no representation on the CRTC from media workers and labour.
311. Although the CRTC includes “commissioners” appointed to represent regional interests, it is painfully obvious that this vital Canadian institution is far removed from Canada’s communities.
312. *CEP supports a fundamental restructuring of the CRTC to include broad based citizen representation, including media workers and labour, on its national decision making body.*

313. *Strict conflict of interest guidelines must prevent any corporate media owner, senior media management, legal counsel or consultant to serve on the CRTC Board until having severed these relationships for a five-year period.*
314. *CEP supports the establishment of regional CRTC panels, representative of local communities, to hear license applications and other matters of particular concerns to local communities.*
315. *CEP supports intervener funding for citizen groups that wish to participate in CRTC proceedings.*

For Canadian content and democratic access to media

316. Canada's private broadcasters have failed to produce sufficient original Canadian drama and have also failed to meet their own promises for Canadian television production. Therefore it is necessary now for the CRTC to take strong and decisive actions.
317. CEP supports the proposals of the Canadian Coalition of Audio Visual Unions to address the crisis in English TV drama. In particular CEP calls for:
- *A new television programming policy by the CRTC, including a regulation requiring broadcasters to air a minimum of 2 hours per week of original "10 point" Canadian drama, not including repeats.*
 - *A requirement on broadcasters to spend a minimum of 7% of revenues on Canadian programming.*
 - *Minimum "station by station" local content requirements for conventional broadcasters.*
 - *An early "license review" for CBC, CTV and Global to focus on the situation in Canadian drama and to extract new commitments from the major broadcasters. (The CRTC has the authority to call early license reviews in 2005 for CBC, 2006 for CTV and Global and 2007 for CHUM and CRAIG.)*
318. CEP asserts that a series of CRTC decisions, including the 1999 television policy, have been a disaster and must now be reversed. In addition to the changes which have led to a decline in Canadian drama, the 1999 decision also abandoned regulation of television newscasts and allowed private broadcasters to close and merge newsrooms across the country.
319. *CEP demands a return to the pre-1999 requirements for licensed television stations to broadcast local news.*

Film industry

320. CEP also supports urgent action to enhance Canadian content in the film industry. While measures proposed above such as increased funding for Telefilm Canada and Canadian television drama requirements will greatly assist the independent film sector, additional measures are needed to ensure that Canadians are able to see Canadian films in our theatres.
321. *CEP proposes legislation requiring Canadian first run cinema theatres to screen a minimum number of Canadian films each year.*
322. *CEP proposes that Canada Heritage provide increased program support for Canadian feature film development, including support for script writing and Canadian film distribution, based in part on a tax applied to foreign video and film screenings and rentals.*

New media and Internet

323. As more and more Canadians turn to the Internet for their media, Canadian content regulations must also apply to broadcasting on-line. CEP believes that groups and individuals should continue to have the unfettered right to establish web sites and to communicate through the Internet without government or regulatory approval. But media corporations that publish, broadcast or offer telecommunications services on the Internet must not and can not be excluded from the provisions of Canadian law. Hate laws and civil liberties must be enforced on-line as well as in publications. Illegal activity, such as selling cigarettes to minors, must be illegal on-line as well as in conventional media.
324. Similarly when broadcasters begin to send their signals over digital cable or telephone lines, Canadian law must apply. The web sites published by licensed broadcasters such as CBC and CTV's are a direct extension of their broadcasting undertakings. Similarly, Bell Globemedia cannot escape its license obligations for its satellite television service merely because the signal will be distributed through the Internet.
325. Some radio stations and video distribution networks already broadcast via the Internet and are not licensed or regulated. CEP believes that future regulatory measures must establish a fine balance between allowing free expression and preventing corporations from escaping their obligations to society. We recognize the rapid pace of technological development and the constantly shifting economic and technology context. Regulators will be constantly challenged by the pace of change, but it is imperative that a constant oversight and protection of the public interest prevails, including the impact of these changes on jobs and workers.
326. *It is CEP's view that, generally, a broadcasting venture on the Internet which has regular programming for the public, sells advertising for commercial gain, and/or is operationally or*

corporately linked to media companies that are licensed by the CRTC, must be treated as a broadcaster and be subject to CRTC jurisdiction.

327. *CEP calls on the CRTC to exercise a regulatory oversight of telecommunications and cable networks to ensure that all Internet provider services have equal and fair access to broadband services. Telecommunications and cable common carriers must provide broadband access to all Canadians on comparable terms to their own services.*
328. *CEP supports legislation which requires Internet media companies to disclose corporate relationships and arrangements that affect the information and entertainment that is provided. For example, when Internet search engines provide information on the basis of priorities established by commercial contracts with special interests, this bias must be explicit to the user.*

PART SIX: MEDIA WORKPLACES

329. Behind the products that media industries produce to inform or entertain are workplaces where tens of thousands of working people labour. For some media workers, public recognition and sometimes celebrity make these jobs distinct from the average. But the great majority of media workers have no prospect of this kind of recognition, even though they are equally essential to the production of media. For all media workers, their jobs are both a labour of love through which they can express their creativity, and a necessary pursuit to earn a living, and support families and communities.
330. Media workplaces can be very hierarchical. To a point, media hierarchies can reflect the necessity for creative or editorial decisions. However, these power structures can also be arbitrary and insensitive to the rights of workers. When arbitrary decisions are driven by the political views of owners or commercial pressure from advertisers, both the rights of workers and the public interest are undermined. It is no understatement to suggest that the protection of the rights of media workers is the most direct and effective protection for the essential democratic standards that we require for our information, cultural and entertainment services.
331. These relationships are most profoundly expressed at what is arguably the most prescient and fundamental of moments for media – at a time of war. The 2003 U.S. invasion of Iraq was such a flash point for media workers. U.S. owned and controlled media gave up any pretence of objectivity and joined the American war effort, sending “embedded journalists” as an integral part of US military operations. There were harsh consequences for independent journalists who in statistical terms suffered greater casualties than soldiers.
332. As the President of the International Federation of Journalists, Aiden White, told CEP’s 2003 National Media Conference:

This was the first war of the information age... But if we look at it, it was the same old story. There was propaganda, misinformation and lies and the major participants treated media with contempt.

16 journalists killed. Others were wounded, arrested and beaten up. Television stations and radio targeted with missiles and destroyed.

It was the biggest and most dangerous media story of the decade. At the end we mourn the loss of colleagues and attempt to come to terms with compelling eyewitness testimony and hard evidence that there was reckless and criminal neglect that led to the death of media workers.

We must ask hard questions about the political and military leaders who carried out this war... Have journalists and media staff been specifically targeted by the military. Have the lives of media workers who refused to work inside the charmed circle of embedded journalism been compromised by political and military leaders who abandoned their duty under international law to provide protection...

The IFJ's outrage against the tank attack against the Palestine Hotel, the cruise missile bombing of the Al Jazeera offices, and shooting up of a television crew near Basra reflects the deep feelings of media workers around the world...

333. CEP notes that it was only Canada's protections against foreign ownership which prevented Canadian journalism from being swept into the corrupting influences of embedded journalism. CEP reaffirms its support for an independent media and opposes all such relationships which subordinate truth and objectivity in journalism to the interests of state, political or business authority.
334. CEP supports the call of the International Federation of Journalists (IFJ) for a full public inquiry into the death of journalists during the war in Iraq, and for strong international law to make the targeting of journalists, or the neglect to protect journalists, punishable in international courts.
335. CEP supports the IFJ's Code of Practice for Safe Conduct of Journalism, including measures which make assignment to war zones and other dangerous situations voluntary, the provision of training and risk awareness appropriate for these assignments, and employer provided personal insurance.
336. The role of media during times of war or national crisis speaks to the professional standards of media organizations. Voluntary professional standards exist in all media industries, and invariably these standards affirm the role of journalists, artists and media workers to provide truthful and unbiased information, and to uphold democratic standards against racism, sexism and the use of media to violate human rights.
337. Among the most prominent of voluntary professional standards bodies are the Press Councils established in BC, Alberta, Manitoba, Ontario, Quebec and the Atlantic Region by newspaper publishers. The Press Councils hear complaints based on voluntary codes of conduct established by the Council or other groups such as the Canadian Newspaper Association. Similarly, Canadian broadcasters, advertisers and other media industries have adopted professional standards.
338. CEP supports professional standards for media industries and encourages the voluntary adoption of standards by media companies, associations and by media unions and other professional associations for media workers. Schools of Journalism and other media educational institutions also have an important role to play in identifying and advancing professional standards.
339. CEP has developed its own Journalism Code of Principles, which forms a part of this policy. (see section 309) Wherever possible, CEP will strive to include part or all of these principles in collective agreements, and we will suggest these principles to other organizations to be included where appropriate in other industry codes and policies.

340. CEP believes that there are a number of important rights of media workers that must be respected. Some of these rights which arise from the nature of the workplace and technological trends include:
- The right to refuse to write, produce or reproduce information known to be untruthful.
 - The right to refuse to write, produce or reproduce material injurious to the civil or human rights of individuals or groups.
 - The right to withdraw bylines, credits or other identification from media products that are published or produced without the consent of the worker, and the right to have visible credits for work performed.
 - The right to protect sources of information, and to collect and keep confidential information.
 - The right to privacy of personal communications.
 - The right to organize.
 - The right to negotiate the impact of new technologies.
341. The employment relationship in a media workplace is fundamentally no different from any other private sector or public sector workplace. Owners and managers see labour as a cost of production that reduces profit, and their management strategies are most often aimed at reducing labour costs regardless of the human consequences, and often regardless of the impact on the quality of media. CEP members emphasize strongly that management strategies to enhance profit at the expense of programming and working conditions result in a diminishment of quality and professional standards.
342. These pressures are accelerated and aggravated by the introduction of digital technology. The new media technologies at once create the opportunity to multi-skill workers and downsize workforces.
343. CEP does not oppose multi-skilling of media workers, but it insists that the introduction of new technology be negotiated between owners/managers and the union. *CEP supports the enhancement of skills for media workers, but it vigorously opposes multi-skilling which represents a de-skilling of specialized trades and a general reduction of professional standards.*
344. The enhancement of skills or the introduction of new technology must not be used to displace existing workers. *Technological change and advancement must be implemented with transition measures to ensure employment security and equal opportunity for existing workers to learn and adapt to changing technology.*

345. CEP believes strongly in life-long learning and supports negotiated workplace training programs that upgrades existing skills and offers new opportunities for media workers. The skills and abilities of media workers are a personal asset of the worker, and workers must have a collective right to have a say over the development, content and delivery of training programs.
346. *CEP supports the maintaining of apprenticed trades in the media sector, and where appropriate the establishment of new, recognized trades.*
347. *CEP supports employment equity and diversity hiring policies that will make media workforces more reflective of the communities they serve.*
348. Increasingly, the digital workplace is resulting in outsourcing, fewer permanent employees and greater reliance on temporary and freelance media workers.
349. CEP insists that outsourcing relationships be subject to good faith bargaining between employers and unions. Outsourcing may enhance creative opportunities, but it must not be used to displace existing workers or to deprive media organizations of their own creative experience and capacity. For example, at CBC and Radio Canada a strong complaint of employees is the loss of talent and capacity to create quality programming as a result of outsourcing these roles to independent producers.
350. CEP strives for stable employment relationships that offer security for media workers. These employment relationships may be part-time, or freelance. *CEP opposes contingent employment for part time and freelance workers which allow employers to exploit talent and make no reciprocal commitment to the worker.*
351. *Part time and freelance workers must have seniority and service recognized by employers, they must be included in employee benefit plans, and they must be afforded the right to organize and negotiate terms of employment.*
352. *CEP supports the right of freelancers to maintain ownership of their work and to be compensated for its re-sale or reproduction.*
353. All of these workplace issues, and indeed the policy matters vital for a democratic media discussed herein, are fundamentally related to the right to organize and the effective use of that right by media workers. Organized media workers have always been and remain conscientious defenders of freedom of the press, and advocates for their profession. Media workers have learned through generations of struggle and experience that their own interests are inextricably linked to their public service in providing quality information and entertainment for an informed, democratic society.

(notes)

**FOR A DEMOCRATIC CANADIAN MEDIA POLICY – DRAFT
CEP MEDIA POLICY COMMITTEE**

354. Media unions have their roots in craft organization, arising from the specific skills of journalists, typographers, camera operators, graphic artists, artisans and many others. These craft unions were well suited to the early development of media industries, but with economic and technological development, media employers outgrew craft distinctions among workers. The desire for unity among media workers in their workplaces, in their companies, and now across highly integrated industries gave rise to the goal of a united media union for Canadian media workers. Media workers from print, broadcast, film and commercial printing have chosen CEP as their union, and they have dedicated themselves to fulfill the goal of a united Canadian media union. With this policy, all CEP members re-dedicate themselves to the goal of uniting Canadian media workers.

In summary

355. Canadians form their political, financial, cultural, environmental and other opinions based on information. For most, this information comes from the popular media. Indeed, it is the power of the media to shape opinion, which makes them a critical element of Canadian life.
356. The CEP Media Policy has set out recommendations to ensure that media owner, both private and public, behave responsibly with this power entrusted to them. Canadians have a right to expect a wide and diverse range of information and entertainment from their newspapers, broadcasters, theaters and new media.
357. CEP understands the world is changing, but the fundamental principles on which our media policy relies – diversity and access - will not change, for without these, a democratic society becomes endangered. Sadly, as this policy outlines, there is already strong evidence of a quickening erosion of these basic principles.
358. The CEP policy is cognizant of the important role of private enterprise within our media sector. But when the motivations of shareholders and corporate managers seek to erase the media's responsibility to its citizens and employees, government must act. Concentration of ownership, convergence, new technologies and interference with journalistic integrity all require comment and action from those entrusted with legislative authority.
359. Further our policy strongly asserts that media must reflect all communities within our country. It is imperative therefore that media ownership remain within the hands of its citizens. Media ownership should not be beyond our borders.
360. We have affirmed the need for fully resourced public broadcasting, at national, provincial and local levels. This is absolutely essential to a vibrant and healthy media.
361. CEP understands much of the media is based on entertainment, but Canadians need to hear our voice singing our songs. We have recommended therefore that government, corporate and regulatory agencies take action to provide that the majority of our entertainment be of Canadian talent and craft.
362. In a fitting end of this policy, CEP has made several recommendations to ensure those who work within the media are allowed to conduct their working lives in safe and rewarding fashion. It has been, and will continue to be the sweat, creativity, intellect and courage of our membership, which struggles to keep Canadian media distinctively Canadian.
363. In Solidarity

- ¹ Statistics Canada, General Social Survey, 1998.
- ² Standing Committee on Canadian Heritage, Our Cultural Sovereignty, June 2003
- ³ Statistics Canada, Table 383-0009 (see below)
- ⁴ Canadian Newspaper Association
- ⁵ Community Newspaper Association of Canada, Snapshot 2002
- ⁶ Community Newspaper Association of Canada, Snapshot 2002
- ⁷ Statistics Canada Annual Survey of Newspaper Publishers 2001 reports that 40% of newspaper expenditures of \$4.03 billion were for salaries and benefits. Statistics Canada Labour Force information for Information and Cultural Industries (see table 383-009) cites average compensation of \$22.16 per hour for publishing industry workers – averaging \$48,000 per year. This data points to about 33,700 employees.
- ⁸ Canadian Newspaper Association
- ⁹ Statistics Canada, Annual Survey of Newspaper Publishers, The Daily, August 6, 2003
- ¹⁰ Statistics Canada, Annual Survey of Newspaper Publishers, The Daily, August 6, 2003
- ¹¹ Canadian Community Newspaper Association – Snapshot 2002
- ¹² Statistics Canada, Culture, Tourism and the Centre for Education Statistics, Profile of book publishing and exclusive agents
- ¹³ John Plaice, University of New South Wales, School of Computing and Engineering, <http://omega.cse.unsw.edu.au:8080/~plaice/mcluhan/index.html>
- ¹⁴ Standing Committee on Canadian Heritage, Our Cultural Sovereignty, June 2003
- ¹⁵ Standing Committee on Canadian Heritage, Our Cultural Sovereignty, June 2003. Figure 4.15, page 90
- ¹⁶ Standing Committee on Canadian Heritage, Our Cultural Sovereignty, June 2003. Figure 8.1, page 255
- ¹⁷ Standing Committee on Canadian Heritage, Our Cultural Sovereignty, June 2003
- ¹⁸ Statistics Canada, the Daily, July 3, 2003
- ¹⁹ CRTC, Private Radio, Statistics and Financial Summaries, 1996-2000
- ²⁰ Standing Committee on Canadian Heritage, Our Cultural Sovereignty, June 2003. The revenues for the independent film and video sector includes animation production.
- ²¹ Department of Canadian Heritage, Fact Sheet, Canada's Cultural Entrepreneurs
- ²² Standing Committee on Canadian Heritage, Our Cultural Sovereignty, June 2003. The Heritage Committee Report estimates that 39,780 of the 51,000 jobs in the sector are in television production.
- ²³ CRTC, Statistics on New Media in Canada, May 17, 1999
- ²⁴ Ernst & Young Internet Advertising Survey
- ²⁵ Delvinia Interactive, Interactive Media Producers Survey 2002
- ²⁶ Standing Committee on Canadian Heritage, Our Cultural Sovereignty, June 2003
- ²⁷ Campaign for Press and Broadcast Freedom
- ²⁸ IBID
- ²⁹ Heritage Report, page 396
- ³⁰ McChesney, Robert, Rich Media, Poor Democracy: Communication Politics in Dubious Times.
- ³¹ CanWest Global, Internet Use in Canada, Spring 2003

32 Media Metrix Canada November 2000, Total Canada at Home. The survey reports that among the 12 million people on-line, the great majority used one or more of the main portals: 9 million used Microsoft Network portal, 8.4 million used AOL, 7.6 million used Yahoo and 6.8 million used Sympatico.

33 MediaMetrix Canada, Cossette Media, Mai 2003 Canadiens franco

34 Bell Canada, Canadian Press, October 9, 2003

35 Canadian Association of Internet Providers (IMCAIP), June 27, 2002

36 US Federal Communications Commission, October 9, 2003

37 Canadian Heritage, Economic Report on the Canadian Film and Television Production Industry, 2003

38 IBID pages 3-4

39 Heritage Report, page 119

40 Canadian Coalition of Audio Visual Unions, The Crisis in Canadian English Language Drama, March 2003

41 IBID

42 McChesney, Robert and Schiller, Dan, The Political Economy of International Communications: Foundations for the Emerging Global Debate over Media Ownership and Regulation, United Nations Research Institute for Social Development (UNRISD), June 2002

43 Mandate Review Committee, “Making Our Voices Heard, Candian Broadcasting for the 21st Century”, January 1996, p.35.

⁴⁴ Heritage Report, page 190

⁴⁵ Mandate Review Committee, page 129

⁴⁶ Canadian Coalition of Audio Visual Unions, The Crisis in Canadian English Language Drama, March 2003