



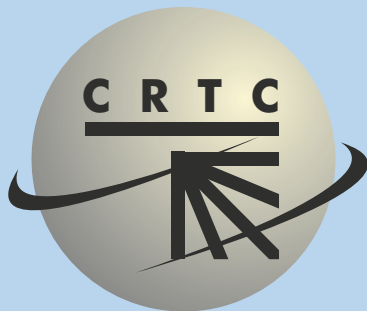
Canadian Radio-television and
Telecommunications Commission

Conseil de la radiodiffusion et des
télécommunications canadiennes



3-YEAR WORK PLAN

2008 - 2011



30 April 2008

Canada 

CRTC

3-YEAR

WORK PLAN

2008-2011

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Toward a Globally Advanced Canadian Communications System

CRTC Three-Year Plan

Chairman's Message

I am pleased to present the Canadian Radio-television and Telecommunications Commission's three-year plan for 2008-2011. As outlined in this document, change has become a constant feature of the communications sector. In the course of a year since I last presented our three-year plan, the communications industry has shown accelerating signs of change for consumers as well as industry participants. Increasing competition and consumer demands for greater control over their communications experience has spurred corporate and technological convergence in the communications landscape in Canada and abroad. The evolving borderless world of communications is also a source of innovation and opportunities for carving out a special place within the broadcasting system for Canadian voices.

Given these environmental changes, the Commission is undertaking to reevaluate traditional approaches to regulation, seeking a more flexible and forward looking regulatory approach that responds to evolving Canadian consumer needs and industry reality. The Commission must also forge meaningful relationships with policymakers in Canada and internationally to identify best practices and to implement them where practical.

In pursuit of these objectives and the facilitation of a globally advanced communications system, the Commission will pursue three priorities:

- a more focused regulatory approach;
- greater outreach to stakeholders; and
- an improved organization.

In support of these priorities, the Commission must ensure that the principles of transparency, fairness, predictability, and timeliness are continually upheld. Successfully pursued, the outcomes will be:

- a strong Canadian presence on all platforms;
- a globally strong and competitive communications sector; and
- informed Canadians participating in the communications system.

As the CRTC celebrates its 40th anniversary this year, I am confident that the Commission, with the support of its stakeholders and partners, will succeed in creating a globally advanced Canadian communications system.



Konrad von Finckenstein

INTRODUCTION

The emergence of a converged platform for content ranging from text, audio-visual material, and voice has in the past decade spurred significant change in the communications landscape. Technology and geography combined historically to produce an orderly landscape: monopoly telecommunications companies have traditionally provided voice services; broadcasters have been licensed to serve Canadians with over-the-air television and cable distributors have provided cable services. In a digital environment, this structure is quickly dissolving.

Telephone companies are now distributors of television services, while cable companies are using their Internet protocol networks to offer telephone service. In many circumstances, both offer wireless services. The Commission has responded to new economic imperatives with a lighter regulatory hand, allowing the market to determine where communications companies make critical network investments, and how they bundle or promote their services to consumers.

Increasingly, these separate networks – wireless, Internet, cable and phone – are converging into unified platforms for content delivery. These changes require that the regulator develop forward-looking regulatory frameworks that are strategic, straightforward, flexible and equitable. Innovation is now occurring at the edge of the networks, and there is great potential for Canadians to benefit if regulation can evolve to include more incentives and greater flexibility, rather than imposing new rules or restrictions. The Commission considers it critical that communications companies be in a position to innovate and to react quickly to new forms of content and distribution.

As this new environment becomes entrenched, regulation must continue to support, whenever possible, the maintenance of a separate Canadian program rights market, and continued control of Canadian communications content and infrastructure in domestic hands.

Further, it is becoming increasingly clear that policy makers have adopted a new approach to spectrum management that is less restrictive with respect to the uses that can be made of the airwaves. Radio frequencies will increasingly be used by providers – including by wholesale entities – to deliver voice, audio-visual and data to multiple devices (fixed or mobile). As noted above, carriage and content are increasingly converged within single corporate entities. As a result, a coordinated approach to spectrum utilization that is flexible enough to take into account cultural objectives will be required if Canadian content is to be a predominant feature on all broadcasting platforms.

In an environment of greater choice, however, the objectives of Canada's communications legislation remain paramount. Canadians must continue to have reasonable access to advanced communication networks and be able to see themselves reflected in the broadcasting system.

A MORE FOCUSED REGULATORY APPROACH

The economic models for providing voice communications are different from those that govern the provision of high-quality, professional broadcasting content. Canadian broadcasters and producers face the twin challenges of a small market and of operating in the shadow of the world's largest culture-creation engine. Regulation that favours Canadian production and promotion, through ownership rules and licensing requirements, has for decades been critical to

the success of a Canadian broadcasting industry. Canadian control of communications companies remains a precondition for global success.

Resolving future conflicts and uncertainty, and creating an environment conducive to competition cannot be efficiently done under the current legislative framework. It is time, the Commission believes, to consider a new converged legislative framework that stresses flexibility and fairness in a manner that allows Canadian communications companies to innovate and respond to change in the most competitive manner possible. The Commission will continue to explore *ex post* regulatory measures with appropriate enforcement powers.

The Commission has already begun implementing a new regulatory approach through its response to the 2006 Order-in-Council directing that Telecommunications regulation rely to the maximum extent possible on market forces.¹ Telecommunications companies have benefited from the flexibility to respond on their own terms to changing competitive conditions, to the benefit of many consumers.

A strong and competitive communications sector also requires that companies have access to the necessary infrastructure elements, including access to support structures, rights of way and multi-dwelling units, in order to provide services to consumers. The Commission will continue to pursue approaches that improve access for service providers to these infrastructure elements.

Access to communications networks for all Canadians, particularly for those living in rural areas, will continue to be a priority for the Commission. A review of the current telecommunications local service subsidy regime is included in the work plan as part of our policy direction review. New and innovative approaches may be required to ensure the contribution regime continues to be fair to all stakeholders and effectively serves Canadians.

The unique challenges facing small companies in the communications sector will also continue to be a concern for the Commission. We plan on continuing to monitor the impact of the increasingly competitive environment on small undertakings and their customers and to review our existing frameworks if necessary.

The requirement for increasingly flexible regulatory frameworks does not in any way diminish the role of the regulator in protecting and promoting the interests of Canadians. Competitive abuses, privacy and accessibility issues will also demand continued monitoring and action where necessary.

Through policy reviews and licensing activities, the Commission will support the evolution of fully digital over-the-air services by no later than 31 August 2011. The increasing demand for digital services and the U.S. transition to digital approximately two years earlier make the seamless transition a priority.

The Commission will implement a revitalized approach to broadcasting distribution and discretionary programming services. New frameworks will recognize the increased autonomy of audiences and consumers and provide them with the greatest possible choice of services at affordable prices while ensuring a strong Canadian presence in the form of distinct and diverse Canadian programming and services. At the same time, they will achieve a reduction and simplification of the regulations applied to broadcasting distribution and discretionary programming services. The Commission will continue to ensure that Canadians have access to the broadcasting system, both as participants in the industry and as audiences.

¹ Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives, P.C. 2006-1534, 14 December 2006

The Commission's licensing activities will reflect new frameworks and policies, while keeping with the objectives of high quality Canadian programming and responsiveness to local reflection and diversity. In this regard, it will undertake and publish various studies to assess the impact of new technologies on broadcasting services, including radio and television community programming. It will also complete a process to define emerging artists and support the broadcast of their music on Canadian airwaves.

The Commission has undertaken extensive research and industry consultations on new media broadcasting which complements and competes with traditional broadcasting. The Commission will continue to investigate all aspects associated with new media broadcasting, and determine what actions, if any, are required to meet the objectives of the *Broadcasting Act*.

Further, a cornerstone of the Commission's approach must be timeliness and efficiency. The Commission will continue to streamline to the greatest extent possible its processes in the next three years, continuing its work to ensure that it is responsive to a fast-changing digital environment.

GREATER OUTREACH TO CITIZENS AND STAKEHOLDERS

The Commission has undertaken to pursue, in addition to its public processes, effective consultation with the Canadian public, stakeholders, government departments and the global community of regulatory agencies. As a first step, the Commission will overhaul its website to better respond to the needs of visitors.

As a critical component of this, the Commission is exploring innovative ways to better engage citizens in its consultations. The Official Language Minority Community-CRTC Working Group for the development and promotion of the bilingual character of Canada will provide a forum for maximizing community participation in CRTC public processes and enhancing the decision-making process.

Establishing a close working relationship with the consumers who use communications services, and citizens in general, will ensure better policy and regulatory approaches. In addition, the Commission will continue to consult with its stakeholders and government departments to ensure a coordinated and efficient approach to communications policy issues.

Although the Commission is responsible for overseeing broadcasting and telecommunications in Canada, it is important to remember that the communications industry is a global one. The shape of the communications landscape in Canada will be the result of not just the social and economic forces here, but also abroad. The CRTC is committed to developing partnerships with other regulatory agencies to facilitate the sharing of information and the exchange of best practices.

AN IMPROVED ORGANIZATION

In order to effectively respond to developments in the communications landscape, the Commission's workforce must be able to adapt rapidly to changing market realities. As an initial step in 2008/09, the Commission will provide a variety of training opportunities for staff so that they can continue to perform effectively in an increasingly deregulated environment.

With the potential retirement of one-third of the CRTC's workforce during the next five years, human resource renewal is another key priority for the CRTC. The Commission will continue to maximize the flexibility it has under new legislation to attract, recruit and develop the talent and expertise it needs so that its workforce can rise to the challenge and adapt to the new realities of the communications landscape.

The development and implementation of a succession plan to build a pool of candidates for leadership and other key positions at the CRTC into the future is part of the human resource plan and is a priority for 2008/09.

The Commission will also continue to be responsive to stakeholder concerns through substantive and ongoing improvements to its regulatory processes. It will enhance its capability to effectively supervise the broadcasting industry and its ability to develop policy with modernized content monitoring systems that provide accurate and timely data, and that will also benefit stakeholders by reducing the burden of the current systems.

ACTIVITIES (2008-2011)

2008-2009	2009-2010	2010-2011
A more focused regulatory approach		
<p>Study new media broadcasting and initiate policy review.</p> <ul style="list-style-type: none"> • New Media Broadcasting Consultation Document - Spring 2008 • Public hearing – Winter 2009 	<p>Implement new media broadcasting decisions.</p>	<p>Assess impact of New Media Broadcasting decisions.</p>
		<p>Reassess L-band policy in light of Industry Canada spectrum review.</p>
<p>Implementation of a broadcasting ownership reporting mechanism.</p> <ul style="list-style-type: none"> • Fall 2008 <p>Initiate the collection and review of annual broadcasting ownership filings.</p> <ul style="list-style-type: none"> • Winter 2009 	<p>Collect and review annual broadcasting ownership filings.</p>	<p>Collect and review annual broadcasting ownership filings.</p>
<p>Announce recommendations to the Minister and, as appropriate, implement the findings on the funding of Canadian programming and the governance of the Canadian Television Fund.</p> <ul style="list-style-type: none"> • Report - Spring 2008 		
<p>Complete a process to define ‘emerging artist’ for purposes of Canadian content development.</p> <ul style="list-style-type: none"> • Public Process - Spring 2008 • Definition – Fall 2008 <p>Review Hits policy</p> <ul style="list-style-type: none"> • Summer 2008 	<p>Monitor the presence of emerging artists on Canadian airwaves.</p> <p>Implement basic contribution for Canadian content development through licence amendments.</p>	<p>Monitor the presence of emerging artists on Canadian airwaves.</p>

<p>Develop forward-looking regulatory frameworks for broadcasting distribution and discretionary programming services.</p> <ul style="list-style-type: none"> • Public hearing - Spring 2008 • New frameworks - Fall 2008 • Decision on fee for carriage – Fall 2008 	<p>Implement the new frameworks through various proceedings, including:</p> <ul style="list-style-type: none"> • New regulations on distribution and discretionary programming services to implement the new frameworks • Renewal of discretionary services: Public Hearings – Winter 2009 • Broadcasting distribution undertaking (BDU) licence amendments • Review BDU exemption orders <p>Apply new dispute resolution practices.</p>	<p>Assess impact of new broadcasting distribution regime.</p>
<p>Review adequacy of voluntary approach to the broadcast of emergency alerts.</p> <ul style="list-style-type: none"> • Winter 2009 	<p>As a result of the review, develop an integrated approach for the broadcast of emergency alerts in collaboration with various government departments.</p>	
<p>Study community programming and initiate policy reviews.</p>	<p>Develop and implement new community television and radio policies.</p> <p>Complete studies on native policies.</p>	<p>Initiate and complete review of native and ethnic broadcasting policies.</p>
<p>Review existing telecommunications regulatory measures in light of the Policy Direction as follows:</p> <ul style="list-style-type: none"> • Tariff filing process • Imputation test/Price floors • Obligations to track and report data to the CRTC and timelines for data collection 	<p>Continue to review existing telecommunications regulatory measures in light of the Policy Direction as follows:</p> <ul style="list-style-type: none"> • Local service subsidy regime • Building access and municipal rights-of-way • Interconnection issues 	
	<p>Review of regulatory framework for small Incumbent Local Exchange Carriers (ILECs).</p>	<p>Review of regulatory framework for Northwestel.</p>
<p>Review the licence renewal of Corus radio stations in Quebec as a corporate group.</p> <p>Complete the third year of the renewal plan for broadcasting undertakings.</p>	<p>Implement the over-the-air television policy through the corporate group licence renewals of CTV, Global, CHUM, TVA and TQS.</p>	<p>Review the satellite radio renewal.</p> <p>Review the licence renewals of Astral radio stations outside Quebec as a corporate group.</p>

	<p>Review the licence renewals of the CBC/SRC networks, including Newsworld and RDI.</p> <ul style="list-style-type: none"> • Spring 2009 	
	<p>Review of closed captioning and described video requirements at over-the-air renewals.</p> <ul style="list-style-type: none"> • Public Hearing – Winter 2009 	
<p>TQS Inc. – Change in effective control (shares).</p> <ul style="list-style-type: none"> • Public Hearing – Spring 2008 		
<p>Accelerate the public process for items that do not require appearance.</p> <p>Announce new service standards to support accelerated process.</p>	<p>Assess the effectiveness of additional public hearings against the service standards results.</p>	
<p>Symmetry review of existing telecommunications social and other non-economic regulatory measures as follows:</p> <ul style="list-style-type: none"> • Privacy safeguards and obligations • Retail quality of service • Disclosures in directories • Involuntary disconnection and related issues 	<p>Symmetry review of existing telecommunications social and non-economic regulatory measures as follows:</p> <ul style="list-style-type: none"> • Billing issues • Obligation to serve • Services for persons with disabilities • Competitive Local Exchange Carriers (CLECs) serving area maps 	
<p>Proceeding to review improving access to communications services by persons with disabilities.</p> <ul style="list-style-type: none"> • Public Notice – Spring 2008 • Public Hearing – Fall 2008 		

	Proceeding to consider whether the differences in the regulatory treatment of Wireless Service Providers (WSPs) and CLECs remain relevant.	
		Policy framework for addressing applications filed pursuant to section 36 of the <i>Telecommunications Act</i> .
Implement the National Do Not Call List (DNCL) and enforcement of Telemarketing and DNCL Rules. <ul style="list-style-type: none"> Fall 2008 	Enforcement of Telemarketing and DNCL Rules.	Enforcement of Telemarketing and DNCL Rules.
Follow up: <ul style="list-style-type: none"> essential services decision review of phase II costing issues decision 		
Undertake changes to the <i>Telecommunications Fees Regulations</i> pursuant to Telecom Decision 2006-071. <ul style="list-style-type: none"> Spring 2008 		

In addition to the above, we will continue to:

- monitor and assess policies regarding foreign ownership of Canadian broadcasting undertakings;
- support the evolution of fully digital over-the-air services by 2011 through policy reviews and licensing activities;
- monitor the compliance of radio, television and BDU licensees;
- process applications for new services and for licence renewals and amendments;
- monitor the ownership of local media in light of the Diversity of Voices policy;
- examine applications for transfers of shares and/or control and acquisition of assets;
- examine abusive comment programming complaints; processing forbearance, review and vary, tariff and other applications; and
- arbitrate disputes between competitors, as well as through the CRTC Interconnection Steering Committee (CISC), mediation and expedited proceedings.

2008-2009	2009-2010	2010-2011
Greater outreach to stakeholders		
<p>CRTC Chairman to host International Institute of Communications (IIC) Canadian Chapter Conference.</p> <ul style="list-style-type: none"> December 2008 	<p>CRTC Chairman to host IIC Canadian Chapter Conference.</p> <ul style="list-style-type: none"> December 2009 <p>CRTC Chairman to host IIC International Regulators Forum.</p> <ul style="list-style-type: none"> December 2009 	
<p>Analyze, monitor and report to the public on the converged communications industry.</p> <ul style="list-style-type: none"> Communications monitoring report – Summer 2008 Cable capacity report – Fall 2008 	<p>Analyze, monitor and report to the public on the converged communications industry.</p> <ul style="list-style-type: none"> Communications monitoring report – Summer 2009 Cable capacity report – Fall 2009 	<p>Analyze, monitor and report to the public on the converged communications industry.</p> <ul style="list-style-type: none"> Communications monitoring report – Summer 2010 Cable capacity report – Fall 2010
<p>Redesign CRTC website for Common Look and Feel (CLF) compliance and begin implementation of website content and design modifications.</p> <ul style="list-style-type: none"> December 2008 	<p>Continue implementation of website content and design modifications.</p> <ul style="list-style-type: none"> Spring/Summer 2009 <p>Monitor effectiveness of redesigned website and upgrade as necessary.</p> <ul style="list-style-type: none"> Summer 2009/Spring 2010 	<p>Reassess and update website.</p> <ul style="list-style-type: none"> Winter 2011
<p>Launch public education on the DNCL.</p> <ul style="list-style-type: none"> Summer 2008 	<p>Educate the public on the DNCL.</p> <ul style="list-style-type: none"> Spring 2010 	<p>Educate the public on the DNCL.</p> <ul style="list-style-type: none"> Fall 2010
<p>Implement and communicate a harmonized approach to the naming of broadcasting and telecommunications official documents.</p>		

In addition to the above, we will continue to:

- communicate with national, interdepartmental, and international stakeholders, to share information and best practices;
- support the industry on educating the public on the U.S. transition to fully digital television by 2011; and

- provide a forum, through The Official Language Minority Community-CRTC Working Group for the development and promotion of the bilingual character of Canada, for maximizing community participation in CRTC public processes and enhancing the decision-making process.

2008-2009	2009-2010	2010-2011
An improved organization		
Educate and retrain employees to perform in a new regulatory environment <ul style="list-style-type: none"> • Fall/Winter 	Renew and update training program. <ul style="list-style-type: none"> • Spring/Fall 	Renew and update training program. <ul style="list-style-type: none"> • Spring/Fall
Update core competencies and develop succession plan for key positions. <ul style="list-style-type: none"> • Winter 	Review core competencies and update succession plan for key positions. <ul style="list-style-type: none"> • Winter 	Review core competencies and update succession plan for key positions. <ul style="list-style-type: none"> • Winter
Recruit and hire post-secondary graduates for entry-level positions. <ul style="list-style-type: none"> • Fall/Winter 	Recruit and hire post-secondary graduates for entry-level positions. Assess requirements for 2010/2011 <ul style="list-style-type: none"> • Fall/Winter 	
Establish modern and secure infrastructure to meet stakeholder demands. <ul style="list-style-type: none"> • Winter Analyse CRTC business processes and re-engineer database systems. <ul style="list-style-type: none"> • Winter 	Replace and roll out new broadcasting content monitoring systems. <ul style="list-style-type: none"> • Fall/Winter Provide full public access to all electronic public hearing documents. <ul style="list-style-type: none"> • Spring 	Assess the effectiveness of the new broadcasting content monitoring systems. Implement a stakeholder portal on the CRTC website.

In addition to the above, we will continue to streamline recruitment and hiring practices and increase visible minorities by 10%.